

# PROSPECTUS

For an offer of 100,000,000 Shares at an issue price of \$0.05 per Share to raise \$5 million (before costs) (**Public Offer**).

Oversubscriptions of up to an additional 10,000,000 Shares at \$0.05 per Share to raise up to an additional \$500,000 may be accepted.

The Public Offer is conditional upon satisfaction of the Conditions, which are detailed further in Section 4.6. No Shares will be issued pursuant to this Prospectus until those Conditions are met.

This Prospectus is a re-compliance prospectus for the purposes of satisfying Chapters 1 and 2 of the ASX Listing Rules and to satisfy the ASX requirements for re-admission to the Official List following a change in nature and scale of the Company's activities.

## IMPORTANT NOTICE

This document is important and should be read in its entirety. If, after reading this Prospectus you have any questions about the Shares being offered under this Prospectus or any other matter, then you should consult your professional advisers without delay.

The Shares offered by this Prospectus should be considered as highly speculative.

Lead Manager

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## IMPORTANT NOTICE

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This Prospectus is dated 22 August 2024 and was lodged with the ASIC on that date. The ASIC, the ASX and their officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Shares may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

It is important that you read this Prospectus in its entirety and seek professional advice where necessary. The Shares the subject of this Prospectus should be considered as highly speculative.

### No offering where offering would be illegal

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should observe any of these restrictions. Failure to comply with these restrictions may violate securities laws.

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer. It is important that investors read this Prospectus in its entirety and seek professional advice where necessary.

No action has been taken to register or qualify the Shares or the offer, or to otherwise permit a public offering of the Shares in any jurisdiction outside Australia.

This Prospectus has been prepared for publication in Australia and may not be distributed outside Australia except to institutional and professional investors in the United Kingdom and Hong Kong in transactions exempt from local prospectus or registration requirements. Refer to Section 4.12 for further information.

### Electronic prospectus

A copy of this Prospectus can be downloaded from the website of the Company at [www.dmcmining.com.au](http://www.dmcmining.com.au). If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian resident and must only access this Prospectus from within Australia.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. You may obtain a hard copy of this Prospectus free of charge by contacting the Company by phone on +61 8 6316 4674 during office hours or by emailing the Company at [info@dmcmining.com.au](mailto:info@dmcmining.com.au).

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

### Company website

No document or other information available on the Company's website is incorporated into this Prospectus by reference.

### No cooling-off rights

Cooling-off rights do not apply to an investment in Shares issued under the Prospectus. This means that, in most circumstances, you cannot withdraw your application once it has been accepted.

### No investment advice

The information contained in this Prospectus is not financial product advice or investment advice and does not take into account your financial or investment objectives, financial situation or particular needs (including financial or taxation issues). You should seek professional advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding to subscribe for Shares under this Prospectus to determine whether it meets your objectives, financial situation and needs.

### Risks

You should read this document in its entirety and, if in any doubt, consult your professional advisers before deciding whether to apply for Shares. There are risks associated with an investment in the Company. The Shares offered under this Prospectus carry no guarantee with respect to return on capital investment, payment of dividends or the future value of the Shares. Refer to Section D of the Investment Overview as well as Section 6 for details relating to some of the key risk factors that should be considered by prospective investors. There may be risk factors in addition to these that should be considered in light of your personal circumstances.

### Forward looking statements

This Prospectus contains forward looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the Company's management.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward looking statements.

The Company has no intention to update or revise forward looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

These forward looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 6.

## Financial forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

## Competent persons statements

The information in the Investment Overview Section of the Prospectus, included at Section 3, the Company and Projects Overview, included at Section 5, and the Guinean Independent Technical Report, included at Annexure B of the Prospectus, which relate to the technical assessment of mineral assets or exploration results is based on information compiled by Dr Nikita Sergeev, a competent person who is a member of the AIG. Dr Nikita Sergeev has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Practitioner as defined in the 2015 Edition of the 'Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets' (**VALMIN Code**) and as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the **JORC Code**). Dr Nikita Sergeev is a full-time employee of ERM Australia Consultants Pty Ltd. Dr Nikita Sergeev consents to the inclusion of the information in these Sections of the Prospectus in the form and context in which it appears.

The information which relates to mineral resources in the Investment Overview Section of the Prospectus, included at Section 3, the Company and Projects Overview, included at Section 5, Guinean Independent Technical Report included at Annexure B of the Prospectus, is based on information compiled by Mr David Williams and Dr Nikita Sergeev. Mr David Williams and Dr Nikita Sergeev are full time employees of ERM Australia Consultants Pty Ltd and members of AIG. Mr David Williams and Dr Nikita Sergeev have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the JORC Code. Mr David Williams and Dr Nikita Sergeev consent to the inclusion of the information in these Sections of the Prospectus in the form and context in which it appears. Dr Nikita Sergeev assumes responsibility for matters related to sections 1 and 2 of JORC Table 1 in the Guinean Independent Technical Report, while Mr David Williams assumes responsibility for matters related to section 3 of JORC Table 1 in the Guinean Independent Technical Report.

The information in the Investment Overview Section of the Prospectus, included at Section 3, the Company and Projects Overview, included at Section 5, and the Australian Independent Geologist Report, included at Annexure A of the Prospectus, which relate to exploration results is based on information compiled by Mr Robert Wason, who is a full time employee of Mining Insights Pty Ltd.. Mr Wason has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Practitioner as defined in the VALMIN Code and a Competent Person as defined in the JORC Code. Mr Wason consents to the inclusion of the information in these Sections of the Prospectus in the form and context in which it appears.

## Continuous disclosure obligations

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Shares.

Price sensitive information will be publicly released through ASX before it is disclosed to Shareholders and market participants. Distribution of other information to Shareholders and market participants will also be managed through disclosure to the ASX. In addition, the Company will post this information on its website after the ASX confirms an announcement has been made, with the aim of making the information readily accessible to the widest audience.

## Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will apply to participate in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company.

Electronic sub-registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with statements (similar to a bank account statement) that set out the number of Shares issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Electronic sub-registers also mean ownership of securities can be transferred without having to rely upon paper documentation. Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

## Photographs and diagrams

Photographs used in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown endorses the Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale.

## Definitions and time

Unless the contrary intention appears or the context otherwise requires, words and phrases contained in this Prospectus have the same meaning and interpretation as given in the Corporations Act and capitalised terms have the meaning given in the Glossary in Section 11.

All references to time in this Prospectus are references to Australian Western Standard Time.

## Privacy statement

If you complete an Application Form, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder and to facilitate distribution payments and corporate communications to you as a Shareholder.

The information may also be used from time to time and disclosed to persons inspecting the register, including bidders for your Shares in the context of takeovers, regulatory bodies including the Australian Taxation

Office, authorised securities brokers, print service providers, mail houses and the share registry.

You can access, correct and update the personal information that we hold about you. If you wish to do so, please contact the share registry at the relevant contact number set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Shares, the Company may not be able to accept or process your application.

#### **Change in nature and scale of activities and re-compliance with Chapters 1 and 2 of the ASX Listing Rules**

ASX has determined that the Proposed Acquisitions, if successfully completed, will represent a significant change in the nature and scale of the Company's operations. The change in the nature and scale of the Company's operations will require:

- (a) the approval of Shareholders which will be sought at the general meeting to be held on 23 August 2024 (**General Meeting**) (refer to notice of meeting released on the ASX on 23 July 2024 (**Notice of Meeting**); and
- (b) the Company to re-comply with the admission requirements set out in Chapters 1 and 2 of the ASX Listing Rules.

The Company expects that the conduct of the Public Offer made pursuant to this Prospectus will enable the Company to satisfy the above requirements.

The Company's Shares are currently suspended from trading on ASX and will remain suspended until the Company re-complies with the admission requirements of Chapters 1 and 2 of the ASX Listing Rules.

The Proposed Acquisitions are conditional on:

- (a) the satisfaction of the Conditions to the Public Offer which are set out in Section 4.6; and
- (b) approval of the ASX of the Company's re-compliance with the admission requirements of Chapters 1 and 2 of the ASX Listing Rules.

There is a risk that the Company may not be able to meet the requirements of ASX for re-admission to the Official List. In the event the Conditions are not satisfied, or the Company does not receive conditional approval for re-admission to the Official List then the Company will not proceed with the Offers and will repay all application monies received.

#### **Enquiries**

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult with your broker or legal, financial or other professional adviser without delay. Should you have any questions about the Offers or how to accept the Offers please call the Company Secretary on +61 8 6316 4674.



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## CORPORATE DIRECTORY

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### Current Directors

David Sumich  
*Executive Chairman*<sup>1</sup>

Bruce Franzen  
*Non-Executive Director*<sup>2</sup>

Andrew Dawes  
*Non-Executive Director*<sup>2</sup>

### Proposed Directors

Michael Minosora  
*Non-Executive Chairman*<sup>3</sup>

Sebastiano (Sam) Randazzo  
*Non-Executive Director*<sup>3</sup>

Andrew Wilde  
*Non-Executive Director*<sup>3</sup>

### Company Secretary

Bruce Franzen

### Registered Office

Level 27  
44 St Georges Terrace  
PERTH WA 6000

Telephone: + 61 8 6316 4674  
Email: [info@dmcmMining.com.au](mailto:info@dmcmMining.com.au)  
Website: [www.dmcmMining.com.au](http://www.dmcmMining.com.au)

### ASX Code

DMM

### Legal advisers

Steinepreis Paganin  
Level 14, QV1 Building  
250 St Georges Terrace  
PERTH WA 6000

### Auditor<sup>4</sup>

PKF Perth  
Level 8  
905 Hay Street  
PERTH WA 6000

### Share Registry<sup>4</sup>

Automic Pty Ltd  
Level 5  
191 St Georges Terrace  
PERTH WA 6000

Telephone: 1300 288 664  
Email: [hello@automic.com.au](mailto:hello@automic.com.au)

### Investigating Accountant

Stantons Corporate Finance Pty Ltd  
Level 2  
40 Kings Park Road  
WEST PERTH WA 6005

### Independent Expert

BDO Corporate Finance (WA) Pty Ltd  
Level 9  
Mia Yellagonga Tower 2  
5 Spring Street  
PERTH WA 6000

### Australian Independent Geologist

Mining Insights Pty Ltd  
109 Delaney Circuit  
CARINDALE QLD 4152

### Guinean Independent Geologist

ERM Australia Consultants Pty Ltd  
Level 3  
1-5 Havelock Street  
WEST PERTH WA 6872

### Lead Manager

CPS Capital Group Pty Ltd  
Level 41  
108 St Georges Terrace  
PERTH WA 6000

### Australian Independent Solicitors' Report

House Legal Pty Ltd  
86 First Avenue  
MOUNT LAWLEY WA 6050

### Guinean Solicitors and Independent Solicitors' Report

Sylla & Partners  
Kipé- Cité des Médecins  
Ratoma  
BP : 1905 Conakry  
Républic of Guinea  
AFRICA

1. To transition to Managing Director on Completion.
2. To resign on Completion.
3. To be appointed, subject to Shareholder approval at the General Meeting, with effect from Completion.
4. This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus.

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## 1. LETTER FROM PROPOSED CHAIRMAN

Dear Investor

On behalf of the incoming directors of DMC Mining Limited (ASX:DMM) (**Company**), it gives me great pleasure to present the Public Offer to you.

The Company is an Australian public company, which was incorporated on 2 March 2021 and admitted to the Official List on 20 December 2021 following completion of an initial public offer. The Company's principal activities to date have comprised of mining exploration at its Ravensthorpe Nickel Project and its former Fraser Range Project, both located in Western Australia.

As announced on 24 June 2024, the Company has entered into a share sale agreement (**Veridis SSA**) pursuant to which it has conditionally agreed to acquire 100% of the issued capital of Veridis Energie SARL (a company incorporated in the Republic of Guinea) (**Veridis**) which is the holder of two reconnaissance permits and two exploration licence applications over the reconnaissance permits located in the Kissidougou-Mafran region of Guinea known (**Firawa Project**). The Company also entered into a share sale agreement (**Mining Development SSA**) pursuant to which it has conditionally agreed to acquire 100% of the issued capital of Mining Development Resources SARLU (a company incorporated in the Republic of Guinea) (**Mining Development**) which is the holder of one reconnaissance permit application and one exploration licence application which has been applied for over the reconnaissance permit application located in the Labé district of Guinea (**Labé Project**).

The Firawa Project is a carbonatite style deposit with an existing a JORC (2012) inferred Mineral Resource Estimate (MRE) of **27.1 MT @ 295ppm U<sub>3</sub>O<sub>8</sub>** (for 17.6 mill lbs U<sub>3</sub>O<sub>8</sub>), cutoff grade 100 ppm U<sub>3</sub>O<sub>8</sub>. The Company considers that there is potential to upgrade the resource classification through additional infill drilling and geological evaluation of the deposit. Additionally, rare earth elements (**REE**) and niobium mineralisation has been identified at the Firawa Project.

This Prospectus is seeking to raise up to \$5,500,000 (before costs) via the issue of up to 110,000,000 Shares at an issue price of \$0.05 per Share under the Public Offer. The purpose of the Public Offer is to provide funds to implement the Company's business strategies (explained in Section 5).

The Company will seek Shareholder approval for the acquisition of Veridis and Mining Development (including the resulting change to the nature and scale of the Company's activities and the issue of the Securities to the shareholders of Veridis and Mining Development) and the issue of Shares under the Public Offer, at the General Meeting. This Prospectus contains detailed information about the Public Offer, the Company and the Projects.

The business, assets and operations of the Company are subject to certain risk factors that have the potential to influence the operating and financial performance of the Company in the future. These risks can impact on the value of an investment in the securities of our Company. Key risks include successful completion of the Acquisition Agreements, dilution to existing Shareholders as a result of the issue of Shares under the Public Offer and the Proposed Acquisitions (including Shares issued on conversion of Performance Securities), risks associated with operating in Guinea, potential risks involving the Company's title to its Projects and the need for additional capital. Potential investors should carefully consider those risks, together with others detailed in Section 6.

The Company's ownership of the Guinean Projects and completion of the Acquisition Agreements is dependent on the Company receiving conditional approval to be re-admitted the Official List. As at the date of this Prospectus, the Company does not hold a beneficial interest in the Guinean Projects and such an interest will not pass on to the Company until conditional approval is received.

Before deciding to invest in the Company, you should read this Prospectus in its entirety, and in particular the technical, geological and financial information and the risk factors that could affect the future operations and activities of the Company. You should also seek professional advice before making an investment in the Company.

Yours sincerely

**Michael Minosora**  
**Proposed Non-Executive Chairman**

## 2. KEY OFFER INFORMATION

### INDICATIVE TIMETABLE<sup>1,3</sup>

| EVENT                                                                     | DATE                              |
|---------------------------------------------------------------------------|-----------------------------------|
| Lodgement of Prospectus with the ASIC                                     | 22 August 2024                    |
| General Meeting to approve the Proposed Acquisitions and the Public Offer | 23 August 2024                    |
| Opening Date                                                              | 2 September 2024                  |
| Closing Date                                                              | 5:00pm (WST) on 23 September 2024 |
| Completion of the Proposed Acquisitions <sup>2</sup>                      | 26 September 2024                 |
| Issue of Shares under the Public Offer                                    | 26 September 2024                 |
| Despatch of holding statements                                            | 27 September 2024                 |
| Expected date for re-quotation on ASX                                     | 30 September 2024                 |

- The above dates are indicative only and may change without notice. Unless otherwise indicated, all times given are WST. The Company reserves the right to extend the Closing Date or close the Public Offer early without prior notice. The Company also reserves the right not to proceed with the Offers at any time before the issue of Shares to applicants.*
- The above stated date for Settlement of the Proposed Acquisitions are a good faith estimate by the Directors and may be extended.*
- If the Public Offer is cancelled or withdrawn before completion of the Public Offer, then all application monies will be refunded in full (without interest) as soon as possible in accordance with the requirements of the Corporations Act. Investors are encouraged to submit their applications as soon as possible after the Public Offer opens.*

### KEY STATISTICS OF THE OFFERS

|                                                                                             | MINIMUM<br>SUBSCRIPTION<br>(\$5,000,000) | MAXIMUM<br>SUBSCRIPTION<br>(\$5,500,000) |
|---------------------------------------------------------------------------------------------|------------------------------------------|------------------------------------------|
| Offer Price per Share                                                                       | \$0.05                                   | \$0.05                                   |
| Gross proceeds of the Public Offer                                                          | \$5,000,000                              | \$5,500,000                              |
| Shares currently on issue                                                                   | 46,350,000                               | 46,350,000                               |
| Options currently on issue <sup>1</sup>                                                     | 26,575,000                               | 26,575,000                               |
| Shares to be issued under the Public Offer                                                  | 100,000,000                              | 110,000,000                              |
| Shares to be issued under the Veridis Acquisition <sup>2</sup>                              | 35,000,000                               | 35,000,000                               |
| Shares to be issued under the Mining Development Acquisition <sup>3</sup>                   | 15,000,000                               | 15,000,000                               |
| Shares to be issued to CPS Capital <sup>4</sup>                                             | 8,100,000                                | 8,100,000                                |
| Shares to be issued to the Managing Director <sup>5</sup>                                   | 2,000,000                                | 2,000,000                                |
| Performance Shares to be issued under the Veridis Acquisition <sup>2</sup>                  | 130,000,000                              | 130,000,000                              |
| Performance Rights to be issued to the Managing Director <sup>5</sup>                       | 6,000,000                                | 6,000,000                                |
| <b>Shares on issue on completion of the Offers (undiluted)<sup>6</sup></b>                  | <b>206,450,000</b>                       | <b>216,450,000</b>                       |
| <b>Indicative market capitalisation on completion of the Offers (undiluted)<sup>7</sup></b> | <b>\$10,322,500</b>                      | <b>\$10,822,500</b>                      |

|                                                                                                 | MINIMUM<br>SUBSCRIPTION<br>(\$5,000,000) | MAXIMUM<br>SUBSCRIPTION<br>(\$5,500,000) |
|-------------------------------------------------------------------------------------------------|------------------------------------------|------------------------------------------|
| <b>Shares on issue on completion of the Offers (fully diluted)<sup>6</sup></b>                  | <b>369,025,000</b>                       | <b>379,025,000</b>                       |
| <b>Indicative market capitalisation on completion of the Offers (fully diluted)<sup>7</sup></b> | <b>\$18,451,250</b>                      | <b>\$18,951,250</b>                      |

**Notes:**

1. Refer to Section 5.12.2 for the terms of the Options on issue.
2. Pursuant to the Veridis SSA, the Company has agreed to issue 35,000,000 Shares and 130,000,000 Performance Shares to the Veridis Vendors (and/or their nominees) in consideration for the Veridis Acquisition. Refer to Section 8.1.1 for a summary of the material terms of the Veridis SSA and Section 9.4 for the terms of the Performance Shares.
3. Pursuant to the Mining Development SSA, the Company has agreed to issue 15,000,000 Shares to the Mining Development Vendors (and/or their nominees) in consideration for the Mining Development Acquisition. Refer to Section 8.1.2 for a summary of the Mining Development SSA.
4. Pursuant to the Lead Manager Mandate, the Company has agreed to issue 8,100,000 Shares to CPS Capital (and/or its nominees) in consideration for transaction introduction and facilitation services. Refer to Section 8.2 for summary of the Lead Manager Mandate.
5. Pursuant to the Consultancy Agreement, the Company has agreed to issue Director, Mr David Sumich 2,000,000 Shares and 6,000,000 Performance Rights as part of his remuneration package. Refer to Section 8.3.1 for a summary of the Consultancy Agreement and Section 9.5 for the terms of the Performance Rights.
6. Certain Shares on issue post-listing will be subject to ASX-imposed escrow. Refer to Section 4.14 for a disclaimer with respect to the likely escrow position.
7. Assuming a Share price of \$0.05, however the Company notes that the Shares may trade above or below this price.



### 3. INVESTMENT OVERVIEW

This Section is a summary only and is not intended to provide full information for investors intending to apply for Shares offered under this Prospectus. This Prospectus should be read and considered in its entirety.

| ITEM                                                                                   | SUMMARY                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | FURTHER INFORMATION      |
|----------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| <b>A. Company</b>                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                          |
| <b>Who is the issuer of this Prospectus?</b>                                           | DMC Mining Limited (ACN 648 372 516) ( <b>Company</b> ).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Section 5.1              |
| <b>Who is the Company?</b>                                                             | <p>The Company is an Australian public company, incorporated on 2 March 2021 and admitted to the Official List on 20 December 2021.</p> <p>The Company is a critical minerals exploration company, focused on the progression of projects related to new energy and low emissions technologies. The Company's existing project is the Ravensthorpe Nickel Project (<b>Australian Project</b>) (which is prospective for nickel sulphide), located in Western Australia.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                               | Section 5.1              |
| <b>What are the Proposed Acquisitions?</b>                                             | <p>The Company has entered into:</p> <p>(a) a share sale agreement (<b>Veridis SSA</b>) to acquire 100% of the issued capital of Veridis Energie SARL (a company incorporated in the Republic of Guinea) (<b>Veridis</b>) which is the holder of two reconnaissance permits and two exploration licence applications over the reconnaissance permits located in the Kissidougou-Mafran region of Guinea (<b>Firawa Project</b>); and</p> <p>(b) a share sale agreement (<b>Mining Development SSA</b>) to acquire 100% of the issued capital of Mining Development Resources SARLU (a company incorporated in the Republic of Guinea) (<b>Mining Development</b>) which is the holder of one reconnaissance permit application and one exploration licence application which has been applied for over the reconnaissance permit application located in located in the Labé district of Guinea (<b>Labé Project</b>).</p> | Sections 5.2 and 8.1     |
| <b>What is the consideration payable for the Proposed Acquisitions?</b>                | The consideration to be paid by the Company is 35,000,000 Shares and 130,000,000 Performance Shares in respect of the Veridis Acquisition and 15,000,000 Shares in respect of the Mining Development Acquisition. The key terms of the Veridis SSA and the Mining Development SSA are set out in Sections 8.1.1 and 8.1.2..                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Sections 8.1.1 and 8.1.2 |
| <b>What are the outstanding conditions precedent under the Acquisition Agreements?</b> | <p>Under the Veridis SSA and Mining Development SSA (<b>Acquisition Agreements</b>), the following conditions precedent amongst others, must be satisfied by 30 September 2024 (or such other date as agreed by the parties in writing):</p> <p>(a) the Company completing the Public Offer;</p> <p>(b) the Company re-complying with the requirements of Chapters 1 and 2 of the ASX Listing Rules and receiving Conditional Approval;</p> <p>(c) the grant of exploration licences in respect of the exploration licence applications over the Guinean Projects; and</p> <p>(d) the Company obtaining Shareholder approval for all resolutions required to implement the Proposed Acquisitions.</p>                                                                                                                                                                                                                     | Sections 8.1.1 and 8.1.2 |
| <b>What are the key investment highlights?</b>                                         | <p>The Current Directors and Proposed Directors are of the view that an investment in the Company provides the following non-exhaustive list of key highlights:</p> <p>(a) the Firawa Project is considered prospective for uranium, rare earth elements (<b>REE</b>) and niobium (<b>Nb</b>), while the Labé Project is considered prospective for uranium. These Projects will provide the Company with a more diverse range of assets and risk exposure;</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Section 5.4              |

| ITEM                                                        | SUMMARY                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | FURTHER INFORMATION                  |
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|                                                             | <p>(b) the Firawa Project is at an advanced stage of exploration given the previous drilling results and the delineation of an Inferred MRE of 27.1 MT @ 295ppm U<sub>3</sub>O<sub>8</sub> (for 17.6 Mlb U<sub>3</sub>O<sub>8</sub>), cutoff grade 100 ppm U<sub>3</sub>O<sub>8</sub> by the Company on 24 June 2024, and therefore has significantly lower exploration risk than the Company's Australian Project;</p> <p>(c) demand for REE, especially battery and magnet REE (Nd, Pr, Dy &amp; Tb), continues to grow for electric vehicle and wind energy markets;</p> <p>(d) the Board and management at re-admission have considerable experience in delivering shareholder value from exploration projects, including experience in West Africa, which can be utilised and leveraged via the Proposed Acquisitions;</p> <p>(e) the Company anticipates it will be extremely difficult to raise additional capital based solely on its Australian Project given the current economic climate and the early, geologically unproven stage of the Australian Project. Conversely, the Company anticipates strong demand for the Public Offer from institutional and sophisticated investors;</p> <p>(f) Guinea is a "pro mining" jurisdiction, as evidenced by:</p> <p>(i) Guinea currently being the one of the largest exporters of bauxite in the world (according to HARBOR Aluminium);</p> <p>(ii) currently 36 mining projects under development in Guinea (according to the International Trade Administration); and</p> <p>(iii) Rio Tinto having committed to spend approximately US\$6billion on its Simandou Iron Ore Project by 2025; and</p> <p>(g) the Public Offer of up to \$5,500,000 will provide the Company with sufficient funds to support its strategy following completion of the Proposed Acquisitions;</p> <p>(h) the consideration for the Proposed Acquisitions is non-cash (excluding exclusivity and consultancy fees payments), thereby conserving the Company's cash reserves, and allowing more funds raised from the Public Offer to be used directly on its proposed business and exploration activities; and</p> <p>(i) the potential increase in market capitalisation of the Company following completion of the Proposed Acquisitions and the associated Public Offer may lead to access to improved equity capital market opportunities.</p> |                                      |
| <b>B. The Projects</b>                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                      |
| <b>What are the Guinean Projects?</b>                       | <p>The Guinean Projects comprise of:</p> <p>(a) the Firawa Project, located in Guinea, prospective for uranium, rare earth elements &amp; niobium; and</p> <p>(b) the Labé Project, located in Guinea, considered prospective for uranium.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Sections 5.5.1, 5.5.2 and Annexure B |
| <b>What is the Australian Project?</b>                      | The Australian Project is the Ravensthorpe Nickel Project, located in Western Australia, which is prospective for nickel sulphide.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Section 5.6 and Annexure A           |
| <b>C. Business Model</b>                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                      |
| <b>What are the key business strategies of the Company?</b> | <p>Following completion of the Public Offer and the Proposed Acquisitions, the Company's proposed activities and business model will be the exploration and development of the Guinean Projects.</p> <p>Following completion of the Proposed Acquisitions and the Public Offer, the Company aims to progressively transition from being a junior explorer (subject to the results of exploration activities, technical studies and the availability of suitable funding), to</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Section 5.7                          |

| ITEM                                                                  | SUMMARY                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | FURTHER INFORMATION |
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|                                                                       | <p>exploiting the value of its Guinean Projects by undertaking project development, construction and mining activities, including:</p> <ul style="list-style-type: none"> <li>(a) conducting systematic exploration activities on the Guinean Projects, with the aim of discovering significant deposits and following discovery, delineating a mineral resource estimate on such deposits;</li> <li>(b) conducting systematic exploration activities on the Firawa Project with the aim of, subject to the results of exploration activities: <ul style="list-style-type: none"> <li>(i) completing a mineral resource estimate for combined uranium, niobium (<b>Nb</b>) and magnet rare earth elements (<b>REE</b>);</li> <li>(ii) augmenting the current resource estimate; and/or</li> <li>(iii) upgrading the resource classification to a higher category;</li> </ul> </li> <li>(c) undertaking economic and technical assessments of the priority Guinean Projects in line with standard industry practice (for example, completion of a scoping study, then a prefeasibility study followed by a definitive feasibility study);</li> <li>(d) undertaking project development and construction;</li> <li>(e) ultimately exploiting the Guinean Projects through mining operations;</li> <li>(f) assessing new strategic acquisitions and investment opportunities that may present;</li> <li>(g) implementing a growth opportunities strategy and actively canvassing other mineral exploration and resource opportunities which have the potential to maximise Shareholder value; and</li> <li>(h) providing working capital to implement the objectives set out above.</li> </ul> <p>In addition to the above, upon re-admission, the Company intends to undertake a limited targeted exploration program on its Australian Project in order to build sufficient value as part of a potential disposal strategy for this asset.</p> |                     |
| <b>What are the key dependencies of the Company's business model?</b> | <p>The key dependencies influencing the viability of the Proposed Acquisitions include:</p> <ul style="list-style-type: none"> <li>(a) the Company's capacity to re-comply with Chapters 1 and 2 of the ASX Listing Rules to allow for the Company to complete the Proposed Transactions and for Company's Securities to recommence trading on ASX following the General Meeting;</li> <li>(b) the Company completing the Public Offer to raise sufficient funds to undertake and continue effective exploration and development activities on its Projects;</li> <li>(c) exploration success;</li> <li>(d) commodity price volatility and exchange rate fluctuations;</li> <li>(e) the Company maintaining title to its exploration projects;</li> <li>(f) the delineation of mineral resources from the conduct of exploration;</li> <li>(g) favourable results on the Company's proposed economic assessments to support the technical and economic feasibility of mineral extraction at a commercial scale;</li> <li>(h) sufficient worldwide demand for relevant minerals; and</li> <li>(i) the market price of relevant minerals remaining higher than the Company's costs of any future production.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Section 5.8         |
| <b>How will the Company</b>                                           | In connection with the Proposed Acquisitions, the Company intends to complete the Public Offer and re-comply with Chapters 1 and 2                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Section 5.10        |

| ITEM                    | SUMMARY                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | FURTHER INFORMATION |
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| <b>generate income?</b> | <p>of the ASX Listing Rules, which will provide the Company with the necessary funding to explore and develop the Projects.</p> <p>The Company does not expect to generate revenues from operations or sale of assets during the relevant period. The effect of the Proposed Acquisitions on the Company's expenditure will be to increase expenditure as contemplated by the use of funds table set out in Section 5.10.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                     |
| <b>D. Key Risks</b>     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                     |
| <b>Completion</b>       | <p>Pursuant to the Acquisition Agreements, the Company has a conditional right to acquire Veridis and Mining Development.</p> <p>The Proposed Acquisitions will constitute a significant change in the nature and scale of the Company's activities and the Company will need to re-comply with Chapters 1 and 2 of the ASX Listing Rules as if it were seeking admission to the Official List of ASX. Trading in the Company's Shares is currently suspended and will remain suspended until the Company re-complies with Chapters 1 and 2 of the ASX Listing Rules following settlement of the Proposed Acquisitions.</p> <p>There is a risk that the conditions for completion of the Proposed Acquisitions cannot be fulfilled, including where the Company is unable to meet the requirements of the ASX for re-quotation of its Securities on the ASX. If the Proposed Acquisitions are not completed, the Company will incur costs relating to advisors and other costs without any material benefit being achieved. Should this occur, Shares will not be able to be traded on the ASX until such time as the Company has re-complied with Chapters 1 and 2 of the ASX Listing Rules and Shareholders may be prevented from trading their Shares until such time as a successful re-compliance is completed.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Section 6.2         |
| <b>Dilution</b>         | <p>The Company currently has 46,350,000 Shares on issue. In connection with the Public Offer and Proposed Acquisitions, the Company proposes to issue:</p> <ul style="list-style-type: none"> <li>(a) 35,000,000 Shares and 130,000,000 Performance Shares to the Veridis Vendors;</li> <li>(b) 15,000,000 Shares to the Mining Development Vendors;</li> <li>(c) 100,000,000 Shares under the Public Offer;</li> <li>(d) 8,100,000 Shares to CPS Capital (or its nominees); and</li> <li>(e) 2,000,000 Shares and 6,000,000 Performance Rights to proposed Managing Director, Mr David Sumich.</li> </ul> <p>Following completion of the Public Offer and Proposed Acquisitions (assuming that the Company raises the Minimum Subscription):</p> <ul style="list-style-type: none"> <li>(a) Mr Jason Peterson &amp; his associates will hold 12.29% of the Company's issued share capital (assuming these parties subscribe for 10,000,000 Shares under the Public Offer);</li> <li>(b) Mr David Sumich will hold 4.84% of the Company's issued share capital;</li> <li>(c) Mr Michael Minosora and Mr Sam Randazzo will each hold 7.14% of the Company's issued share capital;</li> <li>(d) the Mining Development Vendors (excluding the parties noted above) will hold 3.76% of the Company's issued share capital;</li> <li>(e) the Veridis Vendors (excluding the parties noted above) will hold 4.62% of the Company's issued share capital;</li> <li>(f) existing Shareholders (excluding the parties noted above) will retain 19.02% of the Company's issued share capital (assuming existing Shareholders do not acquire Shares under the Public Offer); and</li> <li>(g) investors under the Public Offer (excluding the parties noted above) will hold 41.17% of the Company's issued share capital.</li> </ul> <p>No immediate dilution will occur as a result of the issue of the Performance Shares and Performance Rights (together, the <b>Performance Securities</b>), however, if the milestones are met and the</p> | Section 6.2         |

| ITEM                                     | SUMMARY                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | FURTHER INFORMATION |
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|                                          | <p>Performance Securities are converted, the interests of Shareholders who have not been issued Performance Securities (<b>Non-Interested Shareholders</b>) in the Company will be diluted. At re-admission and assuming the Minimum Subscription is raised, the interest of Non-Interested Shareholders will represent 60.19% of the voting power of the Company. In the event whereby all Performance Securities are converted to shares, Non-Interested Shareholders' interests will then be diluted to 36.29%.</p> <p>If the Company accepts oversubscriptions, the percentage of the issued capital held by investors under the Public Offer will increase, and the interests of all other parties (assuming that they do not participate in the Public Offer) will decrease.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                     |
| <b>Sovereign</b>                         | <p>At re-admission, the Company's key projects will be located in Guinea, West Africa. Through its operations in Guinea, the Company will be exposed to various levels of political, economic and other risks and uncertainties and any changes in the political or economic climate in Guinea or neighbouring countries may adversely affect the Company's exploration activities and operations.</p> <p>These risks and uncertainties vary from time to time and include without limitation: labour disputes, invalidation of governmental orders and permits, uncertain political and economic environments, nationalistic agendas, potential for bribery and corruption, high risk of inflation, currency devaluation, high interest rates, war (including in neighbouring states), military repression, civil disturbances and terrorist actions, arbitrary changes in laws or policies, consents, rejections or waivers granted, corruption, arbitrary foreign taxation, delays in obtaining or the inability to obtain necessary governmental permits, opposition to mining from environmental or other non-governmental organisations, limitations on foreign ownership, difficulty obtaining key equipment and components for equipment, inadequate infrastructure.</p> <p>Changes to government laws and regulations may bring additional sovereign risk which include, without limitation, changes in the terms of mining legislation including renewal and continuity of tenure of permits, transfer of ownership of acquired permits to Company, changes to royalty arrangements, changes to taxation rates and concessions, restrictions on foreign ownership and foreign exchange, changing political conditions, changing mining and investment policies and changes in the ability to enforce legal rights.</p> <p>Additionally, any unforeseen changes to the mining laws, regulations, standards and practices could significantly affect the exploration at the Guinean Projects and the Company's ability to execute its business plans.</p> <p>These risks may limit or disrupt the Company's operations and exploration activities, restrict the movement of funds or result in the deprivation of contractual rights or the taking of property by nationalisation or expropriation without fair compensation, all of which may have a material adverse effect on the Company's operations.</p> | Section 6.2         |
| <b>Foreign agreements and operations</b> | <p>At re-admission, the Company's key projects (which are the subject of the Acquisition Agreements) will be located in Guinea, West Africa.</p> <p>Foreign agreements and ownership of foreign projects are subject to a number of risks, including:</p> <ul style="list-style-type: none"> <li>(a) potential difficulties in enforcing the agreements through foreign local systems;</li> <li>(b) difficulties in enforcing Australian judgments in those jurisdictions against those assets; and</li> <li>(c) restrictive governmental actions, such as imposition of trade quotas, tariffs and other taxes.</li> </ul> <p>Any of these factors could materially and adversely affect the Company's business, results of operations and financial condition.</p> <p>Furthermore, because the Guinean Projects are located outside of Australia, it may also be difficult to access those Guinean Projects to satisfy any award entered against the Company in Australia. Shareholders may have more difficulty in protecting their interests in</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Section 6.2         |

| ITEM                              | SUMMARY                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | FURTHER INFORMATION |
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|                                   | <p>the face of actions taken by management, the Board or controlling Shareholders, than they would as shareholders of a company with assets in Australia.</p> <p>Potential risk to the Company's activities may occur if there are changes to the political, legal, and fiscal systems which might affect the ownership and operation of the Company's interests in Guinea. This may also include changes in exchange control systems, expropriation of mining rights, changes in government and in legislative and regulatory regimes. Any of these factors may, in the future, also adversely affect the financial performance of the Company and the market price of its Shares.</p> <p>No assurance can be given regarding future stability in Guinea or any other country in which the Company may, in the future, have an interest.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                     |
| <b>Tenure – Grant and renewal</b> | <p>Mining and exploration licences are subject to periodic renewal in Australia and Guinea. There is no guarantee that current or future licences or future applications for licences will be approved.</p> <p>The mineral licences are subject to the applicable mining acts and regulations in Australia and Guinea. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the licences comprising the Company's Australian Project and the Guinean Projects. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.</p> <p>Veridis and Mining Development have applied for exploration licence applications over the existing reconnaissance permits and reconnaissance permit application. The Company is unaware of any circumstances which would prevent the grant of these exploration licences occurring. The Public Offer is conditional upon the grant of these exploration licences. Accordingly, the Company will not complete the Public Offer until the grant of these exploration licence applications have occurred.</p> <p>The reconnaissance permits that make up the Firawa Project are due to expire on 18 September 2024. The renewal of a reconnaissance permit is conditional upon the holder applying at least thirty days before the expiration of the validity period and providing a copy of the reconnaissance permit and three copies of the report presenting the results of the reconnaissance work carried out during the last period of validity of the permit. As noted in the Guinean Solicitor's Report on Title, Sylla &amp; Partners has sighted the renewal applications which were lodged by Veridis and Mining Development. The Company is unaware of any circumstances which would prevent the renewal of these reconnaissance permits. The reconnaissance permits will be replaced by the exploration licence applications (once granted). As noted above, the Public Offer is conditional upon the grant of these exploration licences.</p> | Section 6.2         |
| <b>Tenure – Change of Control</b> | <p>As set out in sections 1.4 and 2.3(A)(4) of the Guinean Solicitor's Report on Title:</p> <p>(a) Article 90 of the Guinean Mining Code provides that any change in the direct or indirect control of the holder of an interest in a mining title (including an exploration licence) must be submitted for approval or ratification by the Minister; and</p> <p>(b) there is an interpretation that Article 42 of the Mining Code prohibits direct transfers of the shares of the holder of a reconnaissance permit which would be an "indirect" transfer of the reconnaissance permit.</p> <p>To manage the tenure risk associated with the change in control that will result from Completion, the Company intends to complete the transfer of shares in each of Veridis and Mining Development to the nominated subsidiaries of the Company and informing the Ministry of Mines of such transfers immediately prior to the grant of the exploration licences. As a result, there will be no change in control following the grant of the licences. As the exploration licences (once granted) will replace the existing granted reconnaissance permits and the reconnaissance permit application, the risk associated with the impact of the change of</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Section 6.2         |



| ITEM                                                        | SUMMARY                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | FURTHER INFORMATION |
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|                                                             | control on the validity of the reconnaissance permits and the reconnaissance permit application is considered to be minimal. The transfer of shares will be unwound if the Company is not re-admitted to the Official List.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                     |
| <b>Going concern</b>                                        | <p>The financial reports of the Company contain unmodified audit opinions for the financial years ended 30 June 2022 and 30 June 2023 and an unmodified review opinion for the half year ended 31 December 2023. The audit and review opinions note a material uncertainty relating to going concern, on the basis that the Company incurred net losses and net operating cash outflows for each period.</p> <p>As of 30 June 2023, the net assets of the Company and its subsidiaries (the <b>Consolidated Entity</b>) were \$2,593,769 (2022: \$4,704,842), the cash and cash equivalents were \$1,651,733 (2022: \$3,836,261). For the year ended 30 June 2023, the Consolidated Entity incurred a loss of \$2,111,072 (2022: \$549,818) and experienced operating cash outflow of \$2,184,528 (2022: \$953,767).</p> <p>The Consolidated Entity's ability to continue as a going concern and meet its debt obligations and commitments as and when they fall due is depended on the Consolidated Entity's ability to raise sufficient working capital to ensure the continued implementation of the Consolidated Entity's exploration plan.</p> <p>In the event that the Consolidated Entity does not achieve the above actions, there exists a material uncertainty as to whether the Consolidated Entity will be able to continue as a going concern and realise its assets and extinguish its liabilities in the normal course of business.</p> <p>The Company's ability to continue as a going concern is dependent on the success of the Public Offer. Should the Public Offer be unsuccessful, the Company may not be able to continue as a going concern. The Pro Forma Financial Information does not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts or classification of liabilities and appropriate disclosures that may be necessary should the Company be unable to continue as a going concern.</p> | Section 6.2         |
| <b>Additional requirements for capital</b>                  | <p>The funds to be raised under the Public Offer are considered sufficient to meet the exploration and evaluation objectives of the Company for at least the next 24 months. Additional funding may be required in the event costs exceed the Company's estimates and to effectively implement its business and operational plans beyond the next 24 months, to take advantage of opportunities for acquisitions, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur. If such events occur, additional funding will be required.</p> <p>In addition, should the Company consider that its exploration results justify commencement of production on its Projects, additional funding will be required to implement the Company's development plans, the quantum of which remain unknown at the date of this Prospectus.</p> <p>The Company may seek to raise further funds through equity or debt financing, joint ventures, licensing arrangements, or other means.</p> <p>Failure to obtain sufficient financing for the Company's activities may result in delay and indefinite postponement of its activities and the Company's proposed expansion strategy. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing may not be favourable to the Company and might involve substantial dilution to Shareholders.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Section 6.2         |
| <b>Other risks</b>                                          | For additional specific risks please refer to Section 6.2. For other risks with respect to the industry in which the Company operates and general investment risks, many of which are largely beyond the control of the Company and its Directors, please refer to Sections 6.3 and 6.4.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Section 6           |
| <b>E. Directors, Key Management Personnel and Promoters</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                     |
| <b>Who are the Current Directors and</b>                    | <p>The Board currently consists of:</p> <p>(a) David Sumich – Executive Chairman;</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Section 7.1         |

| ITEM                                                                                  | SUMMARY                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | FURTHER INFORMATION   |
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| <b>Proposed Directors?</b>                                                            | <p>(b) Bruce Franzen – Non-Executive Director; and</p> <p>(c) Andrew Dawes – Non-Executive Director.</p> <p>At Completion, the Board will be comprised of:</p> <p>(a) Michael Minosora – Non-Executive Chair;</p> <p>(b) David Sumich – Managing Director</p> <p>(c) Sam Randazzo – Non-Executive Director; and</p> <p>(d) Andrew Wilde – Non-Executive Director.</p> <p>The profiles of David Sumich and the Proposed Directors are set out in Section 7.1.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                       |
| <b>What are the interests of the Directors and Proposed Directors in the Company?</b> | The annual remuneration of each Director and Proposed Director together with their relevant interest direct and indirect in the securities of the Company as at the date of this Prospectus is set out in Section 7.3.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Section 7.3           |
| <b>What are the significant interests of advisors to the Company?</b>                 | The Company has appointed CPS Capital Group Pty Ltd ( <b>CPS Capital</b> ) as lead manager to the Public Offer. For further information in relation to the appointment of CPS Capital, including details of fees CPS Capital will receive in connection with the Proposed Acquisition and the Public Offer, please refer to Section 8.2.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Sections 5.13 and 8.2 |
| <b>What related party agreements is the Company party to?</b>                         | <p>Proposed Directors, Michael Minosora and Sam Randazzo have an interest in the Proposed Acquisitions as the Proposed Directors (or their controlled entities) are shareholders or have a beneficial interest in the issued capital of Veridis and Mining Development. The number of Securities that each of these Proposed Directors will have a relevant interest in at Completion (being the Securities issued as consideration for the Proposed Acquisitions) is set out in Sections 5.13 and 7.3. Refer to Section 8.1 for summaries of the Acquisition Agreements.</p> <p>The Company has entered into the Consultancy Agreement with a related party of Director Mr Sumich, consultancy letters with related parties of Proposed Directors, Sam Randazzo and Michael Minosora, a letter of appointment with Dr Andrew Wilde and deeds of indemnity, insurance access with Mr Sumich and the Proposed Directors. Refer to Section 8.3 for further details.</p> <p>The Company has also entered into an agreement with Director, Bruce Franzen for the provision of company secretarial services. Refer to Section 8.3.3 for further details.</p> | Sections 8.1 and 8.3  |
| <b>F. Financial Information</b>                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                       |
| <b>How has the Company been performing?</b>                                           | The audited financial information of the Company (including its subsidiaries) as at 30 June 2023 and reviewed financial information as at 31 December 2023 is set out in the Independent Limited Assurance Report included in Annexure E.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Annexure E            |
| <b>What is the financial outlook for the Company?</b>                                 | <p>The reviewed pro-forma statement of financial position for the Company following completion of the Public Offer and the Proposed Acquisitions are set out in set out in the Independent Limited Assurance Report included in Annexure E.</p> <p>Given the current status of the Australia Project, the Guinean Projects to be acquired and the speculative nature of its business, the Current Directors do not consider it appropriate to forecast future earnings.</p> <p>Any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection on a reasonable basis.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                            | Annexure E            |
| <b>G. Details of the Offers</b>                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                       |
| <b>What are the Offers?</b>                                                           | The Public Offer is an offer of 100,000,000 Shares at an issue price of \$0.05 per Share to raise \$5,000,000 (before costs). The Company may accept oversubscriptions of up to an additional 10,000,000 Shares to raise a further \$500,000 (before costs).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Sections 4.1 and 4.9  |



| ITEM                                                           | SUMMARY                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | FURTHER INFORMATION                         |
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|                                                                | This Prospectus also contains the Cleansing Offer, which is detailed in Section 4.9.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                             |
| <b>Is there a minimum subscription under the Public Offer?</b> | The minimum amount to be raised under the Public Offer is \$5,000,000.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Section 4.2                                 |
| <b>What are the purposes of the Public Offer?</b>              | <p>The purposes of the Public Offer are to:</p> <ul style="list-style-type: none"> <li>(a) assist the Company to meet the re-admission requirements of ASX under Chapters 1 and 2 of the ASX Listing Rules (see Section 4.13 for further details);</li> <li>(b) provide the Company with additional funding to progress exploration and development of the Projects;</li> <li>(c) remove the need for an additional disclosure document to be issued upon the sale of any Shares that are to be issued under the Public Offer; and</li> <li>(d) provide the Company with sufficient working capital to pursue its business objectives.</li> </ul> <p>The Company intends on applying the funds raised under the Public Offer along with its current cash reserves in the manner detailed in Section 5.10.</p>                                                                                           | Sections 4.4 and 5.10                       |
| <b>Is the Public Offer underwritten?</b>                       | No, the Public Offer is not underwritten.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Section 4.1                                 |
| <b>Who is the lead manager to the Public Offer?</b>            | The Company has appointed CPS Capital Group Pty Ltd ( <b>CPS Capital</b> ) as lead manager to the Public Offer. CPS Capital will receive an aggregate fee of 6% of the total amount raised under the Public Offer and 8,100,000 Shares as an introduction and facilitation fee.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Sections 4.4 and 8.2.                       |
| <b>Who is eligible to participate in the Public Offer?</b>     | <p>This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.</p> <p>This Prospectus has been prepared for publication in Australia and may not be distributed outside Australia except to institutional and professional investors in the United Kingdom and Hong Kong in transactions exempt from local prospectus or registration requirements. Refer to Section 4.12 for further information.</p>                                                                                                                                                                                                                                                                                                                                                      | Section 4.12                                |
| <b>How do I apply for Shares under the Public Offer?</b>       | Applications for Shares under the Public Offer must be made by completing the Application Form attached to this Prospectus in accordance with the instructions set out in the Application Form.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Section 4.7                                 |
| <b>What is the allocation policy?</b>                          | <p>The allocation of Shares will be determined by the Company and CPS Capital having regard to the allocation policies outlined in this Prospectus.</p> <p>Existing Shareholders with a registered address in Australia as at 5:00pm (WST) on 21 August 2024, that apply under the Public Offer (<b>Eligible Shareholders</b>) will receive priority allocation in respect of their application for a Minimum Allocation under the Public Offer. Eligible Shareholders will receive a unique Public Offer access code which will need to be used to access the Priority Application Form.</p> <p>Assuming completion of the Public Offer, other than the entitlement of Eligible Shareholders who apply for a Minimum Allocation under the Public Offer to receive that Minimum Allocation, no applicant under the Public Offer has any assurance of being allocated all or any Shares applied for.</p> | Section 4.8                                 |
| <b>What is the Independent Expert's Report?</b>                | <p>The Company is proposing to issue:</p> <ul style="list-style-type: none"> <li>(a) 130,000,000 Performance Shares to the Veridis Vendors in part consideration for the Veridis Acquisition; and</li> <li>(b) 6,000,000 Performance Rights to Director, Mr Sumich in connection with his appointment as Managing Director of the Company.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Sections 5.12.3, 9.4 and 9.5 and Annexure F |

| ITEM                                                                                                                        | SUMMARY                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | FURTHER INFORMATION |
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|                                                                                                                             | <p>The milestones attaching to the Performance Securities are summarised in Section 5.12.3 and the other terms of the Performance Shares and Performance Rights are set out in Sections 9.4 and 9.5, respectively.</p> <p>Shareholders are referred to the Independent Expert's Report that is annexed to this Prospectus as Annexure F where BDO Corporate Finance (WA) Pty Ltd (<b>BDO or Independent Expert</b>) sets out a detailed independent examination of the proposed issue of Performance Shares and Performance Rights to the Veridis Vendors and Mr Sumich, respectively.</p> <p>As set out in Annexure F, the Independent Expert consider that the proposed issue of each the Performance Shares and Performance Rights are <b>FAIR AND REASONABLE</b> to Shareholders not associated with the issue of the Performance Shares and Performance Rights, taking into account the factors noted in the Independent Expert's Report and the comments on risks made in the Notice of Meeting.</p> <p>Shareholders are urged to carefully read the Independent Expert's Report to understand its scope, the methodology of the valuation and the sources of information and assumptions made.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                     |
| <b>What will the Company's capital structure look like on completion of the Public Offer and the Proposed Acquisitions?</b> | The Company's pro forma capital structure following completion of the Public Offer and the Proposed Acquisitions are set out in Section 5.12.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Section 5.12        |
| <b>What are the terms of the Shares offered under the Offers?</b>                                                           | A summary of the material rights and liabilities attaching to the Shares offered under the Offers are set out in Section 9.2. All Shares issued under the Public Offer and the Cleansing Offers will rank equally with all other Shares on issue.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Section 9.2         |
| <b>Will any Shares be subject to escrow?</b>                                                                                | <p>None of the Shares issued under the Public Offer will be subject to escrow.</p> <p>However, subject to the Company complying with Chapters 1 and 2 of the ASX Listing Rules and completing the Public Offer and Proposed Acquisitions, it is anticipated that certain Securities on issue (including the Securities issued in consideration for the Proposed Acquisitions) will be classified by ASX as restricted securities and will be required to be held in escrow for up to 24 months from the date of Official Quotation.</p> <p>While the ASX has not yet confirmed the final escrow position applicable to the Company's Shareholders, the Company anticipates that the following Securities will be subject to escrow:</p> <p>(a) 14,750,000 Shares and 32,500,000 Performance Shares to be issued to the Proposed Director, Mr Minosora as consideration for the Proposed Acquisitions to be escrowed for 24 months from the date of re-admission of the Company to the Official List;</p> <p>(b) 14,750,000 Shares and 32,500,000 Performance Shares to be issued to the Proposed Director, Mr Randazzo as consideration for the Proposed Acquisitions to be escrowed for 24 months from the date of re-admission of the Company to the Official List;</p> <p>(c) 3,181,818 Shares and 11,818,182 Performance Shares to be issued to Cityscape Asset Pty Ltd &lt;Cityscape Family A/C&gt; as consideration for the Proposed Acquisitions to be escrowed for 24 months from the date of re-admission of the Company to the Official List;</p> <p>(d) 17,318,182 Shares and 53,181,818 Performance Shares to be issued to the Vendors (other than the Proposed Directors, Mr Minosora and Mr Randazzo, and Cityscape Asset Pty Ltd &lt;Cityscape Family A/C&gt;) as consideration</p> | Section 4.14        |

| ITEM                                                        | SUMMARY                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | FURTHER INFORMATION |                      |        |                      |  |    |   |    |   |                                     |           |       |           |       |                                    |             |        |             |        |       |             |      |             |      |                     |  |  |  |  |              |
|-------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|----------------------|--------|----------------------|--|----|---|----|---|-------------------------------------|-----------|-------|-----------|-------|------------------------------------|-------------|--------|-------------|--------|-------|-------------|------|-------------|------|---------------------|--|--|--|--|--------------|
|                                                             | <p>for the Proposed Acquisitions to be escrowed for 12 months from the date of issue;</p> <p>(e) 8,100,000 Shares to be issued to CPS Capital (or its nominee) to be escrowed for 24 months from the date of re-admission of the Company to the Official List; and</p> <p>(f) 2,000,000 Shares and 6,000,000 Performance Rights to be issued to Director, David Sumich to be escrowed for 24 months from the date of re-admission of the Company to the Official List.</p> <p>The Company will announce to the ASX full details (quantity and duration) of the Shares required to be held in escrow prior to the Shares being reinstated to trading on ASX (which reinstatement is subject to ASX's discretion and approval).</p> <p>The Company confirms its 'free float' (the percentage of the Shares that are not restricted securities and are held by non-affiliated Shareholders) at the time of re-admission to the Official List of ASX will not be less than 20%, in compliance with ASX Listing Rule 1.1 (Condition 7).</p> |                     |                      |        |                      |  |    |   |    |   |                                     |           |       |           |       |                                    |             |        |             |        |       |             |      |             |      |                     |  |  |  |  |              |
| Will the Shares be quoted on ASX?                           | Application for quotation of all Shares to be issued under the Offers will be made to ASX no later than seven days after the date of this Prospectus.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Section 4.10        |                      |        |                      |  |    |   |    |   |                                     |           |       |           |       |                                    |             |        |             |        |       |             |      |             |      |                     |  |  |  |  |              |
| What are the key dates of the Public Offer?                 | The key dates of the Public Offer are set out in the indicative timetable in Section 2.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Section 2           |                      |        |                      |  |    |   |    |   |                                     |           |       |           |       |                                    |             |        |             |        |       |             |      |             |      |                     |  |  |  |  |              |
| What is the minimum investment size under the Public Offer? | Applications under the Public Offer must be for a minimum of \$2,000 worth of Shares (40,000 Shares) and thereafter, in multiples of \$500 worth of Shares (10,000 Shares).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Section 4.7         |                      |        |                      |  |    |   |    |   |                                     |           |       |           |       |                                    |             |        |             |        |       |             |      |             |      |                     |  |  |  |  |              |
| Are there any conditions to the Public Offer?               | <p>The Public Offer is conditional upon:</p> <p>(a) the outstanding conditions precedent to the Proposed Acquisitions being satisfied or waived;</p> <p>(b) the Guinean Ministry of Mines granting the exploration permits comprising the Guinean Projects;</p> <p>(c) the Company raising the Minimum Subscription under the Public Offer;</p> <p>(d) the Company receiving Shareholder approval for the Essential Resolutions at the General Meeting; and</p> <p>(e) the Company receiving Conditional Approval (and the Company being satisfied that it can meet those conditions),</p> <p>(together, the <b>Conditions</b>).</p> <p>The Public Offer will only proceed if all Conditions are satisfied. Further details are set out in Section 4.6.</p>                                                                                                                                                                                                                                                                            | Section 4.6         |                      |        |                      |  |    |   |    |   |                                     |           |       |           |       |                                    |             |        |             |        |       |             |      |             |      |                     |  |  |  |  |              |
| I. Use of Funds                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                     |                      |        |                      |  |    |   |    |   |                                     |           |       |           |       |                                    |             |        |             |        |       |             |      |             |      |                     |  |  |  |  |              |
| How will the proceeds of the Public Offer be used?          | <p>The Company intends to apply funds raised from the Public Offer, together with existing cash reserves, over the first two years following re-admission of the Company to the Official List of ASX as follows:</p> <table><tr><th rowspan="2">FUNDS AVAILABLE</th><th colspan="2">MINIMUM SUBSCRIPTION</th><th colspan="2">MAXIMUM SUBSCRIPTION</th></tr><tr><th>\$</th><th>%</th><th>\$</th><th>%</th></tr><tr><td>Existing cash reserves<sup>1</sup></td><td>\$246,501</td><td>4.70%</td><td>\$246,501</td><td>4.29%</td></tr><tr><td>Funds raised from the Public Offer</td><td>\$5,000,000</td><td>95.30%</td><td>\$5,500,000</td><td>95.71%</td></tr><tr><td>Total</td><td>\$5,246,501</td><td>100%</td><td>\$5,746,501</td><td>100%</td></tr><tr><td colspan="5">ALLOCATION OF FUNDS</td></tr></table>                                                                                                                                                                                                                         | FUNDS AVAILABLE     | MINIMUM SUBSCRIPTION |        | MAXIMUM SUBSCRIPTION |  | \$ | % | \$ | % | Existing cash reserves <sup>1</sup> | \$246,501 | 4.70% | \$246,501 | 4.29% | Funds raised from the Public Offer | \$5,000,000 | 95.30% | \$5,500,000 | 95.71% | Total | \$5,246,501 | 100% | \$5,746,501 | 100% | ALLOCATION OF FUNDS |  |  |  |  | Section 5.10 |
| FUNDS AVAILABLE                                             | MINIMUM SUBSCRIPTION                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                     | MAXIMUM SUBSCRIPTION |        |                      |  |    |   |    |   |                                     |           |       |           |       |                                    |             |        |             |        |       |             |      |             |      |                     |  |  |  |  |              |
|                                                             | \$                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | %                   | \$                   | %      |                      |  |    |   |    |   |                                     |           |       |           |       |                                    |             |        |             |        |       |             |      |             |      |                     |  |  |  |  |              |
| Existing cash reserves <sup>1</sup>                         | \$246,501                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 4.70%               | \$246,501            | 4.29%  |                      |  |    |   |    |   |                                     |           |       |           |       |                                    |             |        |             |        |       |             |      |             |      |                     |  |  |  |  |              |
| Funds raised from the Public Offer                          | \$5,000,000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 95.30%              | \$5,500,000          | 95.71% |                      |  |    |   |    |   |                                     |           |       |           |       |                                    |             |        |             |        |       |             |      |             |      |                     |  |  |  |  |              |
| Total                                                       | \$5,246,501                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 100%                | \$5,746,501          | 100%   |                      |  |    |   |    |   |                                     |           |       |           |       |                                    |             |        |             |        |       |             |      |             |      |                     |  |  |  |  |              |
| ALLOCATION OF FUNDS                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                     |                      |        |                      |  |    |   |    |   |                                     |           |       |           |       |                                    |             |        |             |        |       |             |      |             |      |                     |  |  |  |  |              |

| ITEM                                                                               | SUMMARY                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                    |             |                    |             | FURTHER INFORMATION         |
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|                                                                                    | Exploration at Ravensthorpe Nickel Project <sup>3</sup>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | \$130,000          | 2.48%       | \$130,000          | 2.26%       |                             |
|                                                                                    | Expenditure on the Firawa Project <sup>3</sup>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | \$2,566,000        | 48.91%      | \$2,786,000        | 48.48%      |                             |
|                                                                                    | Expenditure on the Labé Project <sup>3</sup>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | \$395,000          | 7.53%       | \$395,000          | 6.87%       |                             |
|                                                                                    | Expenses of the Proposed Acquisitions and Public Offer <sup>4</sup>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | \$799,000          | 15.23%      | \$829,000          | 14.43%      |                             |
|                                                                                    | Repayment of Loan (including interest) <sup>2</sup>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | \$225,000          | 4.29%       | \$225,000          | 3.92%       |                             |
|                                                                                    | Working capital, corporate and general administration costs <sup>5</sup>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | \$1,131,501        | 21.57%      | \$1,381,501        | 24.04%      |                             |
|                                                                                    | <b>Total</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <b>\$5,246,501</b> | <b>100%</b> | <b>\$5,746,501</b> | <b>100%</b> |                             |
| Please refer to Section 5.10 for notes relating to the above table.                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                    |             |                    |             |                             |
| <b>Will the Company be adequately funded after completion of the Public Offer?</b> | The Current Directors and the Proposed Directors are of the view that the funds raised under the Public Offer, together with existing cash reserves of the Company, will provide the Company with sufficient working capital to carry out its stated objectives.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                    |             |                    |             | Section 5.10                |
| <b>J. Additional information</b>                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                    |             |                    |             |                             |
| <b>Is there any brokerage, commission or duty payable by applicants?</b>           | No brokerage, commission or duty is payable by applicants on the acquisition of Shares under the Public Offer.<br><br>However, the Company will pay to CPS Capital 6% (ex GST) of the total amount raised under the Prospectus (a capital raising fee of 3% and a management fee of 3%) and subject to Shareholder approval at the General Meeting, the Company will issue 8,100,000 Shares to CPS Capital as an introduction fee for facilitating the Proposed Acquisitions.                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                    |             |                    |             | Sections 4.15, 4.16 and 8.2 |
| <b>Can the Offers be withdrawn?</b>                                                | The Company reserves the right not to proceed with the Offers at any time before the issue or transfer of Shares to successful applicants.<br><br>If the Offers do not proceed, application monies will be refunded (without interest).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                    |             |                    |             | Section 4.17                |
| <b>What are the tax implications of investing in Shares?</b>                       | Holders of Shares may be subject to Australian tax on dividends and possibly capital gains tax on a future disposal of Shares subscribed for under this Prospectus.<br><br>The tax consequences of any investment in Shares depend upon an investor's particular circumstances. Applicants should obtain their own tax advice prior to deciding whether to subscribe for Shares offered under this Prospectus.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                    |             |                    |             | Section 4.16                |
| <b>What is the Company's Dividend Policy?</b>                                      | Payment of dividends by the Company is at the discretion of the Board. Given the stage of development of the Company, the Board anticipates that significant expenditure will be incurred in the evaluation and development of the Company's Projects. These activities, together with the possible acquisition of interests in other projects, are expected to dominate at least the first two-year period following the Company's Admission. Accordingly, the Directors have no current intention to declare and pay a dividend and no dividends are expected to be paid during the foreseeable future following the Company's re-admission to the Official List.<br><br>In determining whether to declare future dividends, the Directors will consider the level of earnings of the Company, the operating results and overall financial condition of the Company, future capital requirements, capital management initiatives, general business |                    |             |                    |             | Section 5.14                |

| ITEM                                                                             | SUMMARY                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | FURTHER INFORMATION |
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|                                                                                  | <p>outlook and other factors the Directors may consider relevant at the time of their decision.</p> <p>The Directors cannot and do not provide any assurances in relation to the future payment of dividends or the level of franking credits attaching to dividends.</p>                                                                                                                                                                                                                                                                                                                                                                 |                     |
| <b>What are the corporate governance principles and policies of the Company?</b> | <p>To the extent applicable, in light of the Company's size and nature, the Company has adopted <i>The Corporate Governance Principles and Recommendations (4<sup>th</sup> Edition)</i> as published by ASX Corporate Governance Council (<b>Recommendations</b>)</p> <p>In addition, the Company's full Corporate Governance Plan is available from the Company's website (<a href="http://www.dmcmining.com.au">www.dmcmining.com.au</a>).</p> <p>Prior to listing on the ASX, the Company will announce its main corporate governance policies and practices and the Company's compliance and departures from the Recommendations.</p> | Section 7.5         |
| Where can I find more information?                                               | <p>(a) By speaking to your sharebroker, solicitor, accountant or other independent professional adviser;</p> <p>(b) By contacting the Company on +61 8 6316 4674; or</p> <p>(c) By contacting the Share Registry on 1300 288 664</p>                                                                                                                                                                                                                                                                                                                                                                                                      |                     |

This Section is a summary only and is not intended to provide full information for investors intending to apply for Shares offered pursuant to this Prospectus. This Prospectus should be read and considered in its entirety.

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## **4. DETAILS OF THE OFFERS**

### **4.1 The Public Offer**

Pursuant to the Public Offer, the Company invites applications for 100,000,000 Shares at an issue price of \$0.05 per Share to raise \$5,000,000 (before costs), with the ability to accept oversubscriptions of up to an additional 10,000,000 Shares at an issue price of \$0.05 per Share to raise an additional \$500,000 (before costs).

The Shares issued under the Public Offer will rank equally with all other existing Shares currently on issue. A summary of the material rights and liabilities attaching to the Shares is set out in Section 9.2.

The Public Offer is not underwritten. However, Celtic Capital Pty Ltd, an entity controlled by Jason Peterson, has agreed to cornerstone the Public Offer by agreeing to subscribe for, or procure the subscription for, 10,000,000 Shares under the Public Offer for a commitment of \$500,000.

### **4.2 Minimum Subscription**

The minimum subscription for the Public Offer is \$5,000,000 (100,000,000 Shares), **(Minimum Subscription)**.

If the Minimum Subscription has not been raised within four months after the date of this Prospectus, the Company will not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

### **4.3 Oversubscriptions**

The Company may accept oversubscriptions of up to an additional 10,000,000 Shares at an issue price of \$0.05 per Share to raise up to an additional \$500,000 (before costs) above the Minimum Subscription. The maximum subscription to the Offer is \$5,500,000 (110,000,000 Shares) **(Maximum Subscription)**.

### **4.4 Purpose of the Public Offer**

The primary purposes of the Public Offer are to:

- (a) assist the Company to meet the re-admission requirements of ASX under Chapters 1 and 2 of the ASX Listing Rules (see Section 4.13 for further details);
- (b) provide the Company with additional funding to progress exploration and development of the Projects;
- (c) remove the need for an additional disclosure document to be issued upon the sale of any Shares that are to be issued under the Public Offer; and
- (d) provide the Company with sufficient working capital to pursue its business objectives as outlined in Section 5.7.

The Company intends on applying the funds raised under the Public Offer together with its current cash reserves in the manner detailed in Section 5.10.

### **4.5 Lead Manager**

The Company has appointed CPS Capital Group Pty Ltd (**CPS Capital**) as lead manager to the Public Offer. CPS Capital will receive an aggregate fee of 6% of the total amount raised under the Public Offer and 8,100,000 Shares as an introduction and facilitation fee. For further information in relation to the appointment of CPS Capital, including details of other fees CPS Capital will receive in connection with the Proposed Acquisition, please refer to Section 8.2.

### **4.6 Conditions of the Offers**

The Offers are conditional upon:

- (a) the outstanding conditions precedent to the Proposed Acquisitions being satisfied or waived (refer to Sections 8.1.1 and 8.1.2);

- (b) the Guinean Ministry of Mines granting the exploration permits comprising the Guinean Projects;
- (c) the Company raising the Minimum Subscription under the Public Offer;
- (d) the Company receiving Shareholder approval for the Essential Resolutions (see below for further details) at the General Meeting; and
- (e) the Company receiving Conditional Approval (and the Company being satisfied that it can meet those conditions),

(together the **Conditions**).

The Company has convened the General Meeting for the purpose of seeking the approval of Shareholders to several resolutions relevant to implementing the Proposed Acquisitions, including the below resolutions (**Essential Resolutions**):

- (a) the Proposed Acquisitions, if successfully completed, will represent a significant change in the nature and scale of the Company's operation for which Shareholder is required under ASX Listing Rule 11.1.2;
- (b) the creation of new class of Shares, being the Performance Shares, which comprise part of the consideration payable to the Veridis Vendors;
- (c) the issue of 35,000,000 Shares and 130,000,000 Performance Shares to the Veridis Vendors in consideration for the Veridis Acquisition (see Section 8.1.1 for further details);
- (d) the issue of 15,000,000 Shares to the Mining Development Vendors in consideration for the Mining Development Acquisition (see Section 8.1.2 for further details);
- (e) the issue of up to 110,000,000 Shares under the Public Offer;
- (f) the appointment of the Proposed Directors;
- (g) the issue of 8,100,000 Shares to CPS Capital as a transaction introduction and facilitation fee (see Section 8.2 for further details); and
- (h) the adoption of the Constitution.

Each of the Essential Resolutions are conditional upon the approval by shareholders of each of the other Essential Resolutions. If any of the Essential Resolutions is not approved by Shareholders, all of the Essential Resolutions will fail, and completion of the Proposed Acquisitions will not occur.

If these Conditions are not satisfied within the requisite period, then the Offers will not proceed, and no Shares will be issued pursuant to this Prospectus. If this occurs, the Company will repay all application monies received under the Offers within the time prescribed under the Corporations Act, without interest.

#### 4.7 Applications

Existing Shareholders with a registered address in Australia as at 5:00pm (WST) on 21 August 2024, that apply under the Public Offer (**Eligible Shareholders**) will receive priority allocation in respect of their application for a Minimum Allocation under the Public Offer. Eligible Shareholders will receive a unique Public Offer access code which will need to be used to access the Priority Application Form.

Applications for Shares under the Public Offer must be made by using the relevant Application Form as follows:

- (a) if you are an Eligible Shareholder, by using an online Priority Application Form at <https://apply.automic.com.au/DMCMiningPriority>, entering your unique Public Offer access code and paying the application monies electronically;
- (b) if you are not an Eligible Shareholder, by using an online Public Offer Application Form at <https://apply.automic.com.au/DMCMining> and paying the application monies electronically; or

- (c) completing a paper-based application using the relevant Application Form attached to, or accompanying, this Prospectus or a printed copy of the relevant Application Form attached to the electronic version of this Prospectus.

By completing an Application Form, each applicant under the Public Offer will be taken to have declared that all details and statements made by them are complete and accurate and that they have personally received the Application Form together with a complete and unaltered copy of the Prospectus.

Applications for Shares under the Public Offer must be for a minimum of \$2,000 worth of Shares (**40,000 Shares**) and thereafter in multiples of 10,000 Shares and payment for the Shares must be made in full at the issue price of \$0.05 per Share.

Completed Application Forms and accompanying cheques, made payable to "**DMC Mining Limited – Share**" and crossed "**Not Negotiable**", must be mailed or delivered to the address set out on the Application Form by no later than 5:00pm (WST) on the Closing Date, which is scheduled to occur on 23 September 2024.

If paying by BPAY®, please follow the instructions on the Application Form. A unique reference number will be quoted upon completion of the online application. Your BPAY reference number will process your payment to your application electronically and you will be deemed to have applied for such Shares for which you have paid. Applicants using BPAY should be aware of their financial institution's cut-off time (the time payment must be made to be processed overnight) and ensure payment is processed by their financial institution on or before the day prior to the Closing Date of the Public Offer. You do not need to return any documents if you have made payment via BPAY.

If an Application Form is not completed correctly or if the accompanying payment is the wrong amount, the Company may, in its discretion, still treat the Application Form to be valid. The Company's decision to treat an application as valid, or how to construe, amend or complete it, will be final.

The Company reserves the right to close the Public Offer early.

#### **4.8 Allocation policy under the Public Offer**

The Company retains an absolute discretion to allocate Shares under the Public Offer and reserves the right, in its absolute discretion, to allot to an applicant a lesser number of Shares than the number for which the applicant applies or to reject an Application Form. If the number of Shares allotted is fewer than the number applied for, surplus application money will be refunded without interest as soon as practicable.

Eligible Shareholders will receive priority allocation in respect of their application for a Minimum Allocation under the Public Offer.

The allocation of Shares by Directors (in conjunction with CPS Capital) will otherwise be influenced by the following factors:

- (a) the number of Shares applied for;
- (b) the overall level of demand for the Public Offer;
- (c) the desire for a spread of investors, including institutional investors;
- (d) the desire for an informed and active market for trading Shares following completion of the Public Offer;
- (e) obtaining an appropriate spread of Shareholders to satisfy Listing Rule 1.1 condition 8;
- (f) recognising the ongoing support of existing Shareholders;
- (g) identifying new potential long-term or cornerstone investors;
- (h) ensuring an appropriate Shareholder base for the Company going forward; and
- (i) any other factors that the Company and CPS Capital consider appropriate.



Assuming completion of the Public Offer, other than the entitlement of Eligible Shareholders who apply for a Minimum Allocation under the Public Offer to receive that Minimum Allocation, no applicant under the Public Offer has any assurance of being allocated all or any Shares applied for.

Additionally, the Company is seeking Shareholder approval at the General Meeting for Director, Mr David Sumich to take up to 5,000,000 Shares under the Public Offer. The issue of Shares under the Public Offer to Mr Sumich is subject to Shareholder approval at the General Meeting. The Company is not obliged to issue such Shares to Mr Sumich, nor is Mr Sumich obliged to take up such Shares.

The Company will not be liable to any person not allocated Shares or not allocated the full amount applied for.

#### **4.9 Cleansing Offer**

The Prospectus also contains an offer of up to 1,000 Shares at an issue price of \$0.05 per Share to raise a nominal amount of \$50 (**Cleansing Offer**).

The Cleansing Offer is being undertaken for the purposes of section 708A(11) of the Corporations Act to remove any restrictions on the sale of Shares issued without disclosure under Chapter 6D of the Corporations Act prior to the Closing Date (including prior to the date of this Prospectus). The Cleansing Offer will open on the opening date of the Public Offer and remain open until the Company's re-admission to the Official List, unless closed earlier by the Company, in its sole discretion.

The Cleansing Offer is only available for application by those persons invited to apply by the Company. Accordingly, applications for Shares under the Cleansing Offer should only be made if you are instructed to do so by the Company. Applications for Shares under the Cleansing Offer must only be made using the application form to be provided by the Company and attached to, or accompanying this, Prospectus. The Shares issued under the Cleansing Offer will be issued on the terms and conditions set out in Section 9.2 (being the same terms and conditions as the Shares currently on issue).

Prospective investors should note that the Cleansing Offer is only being undertaken for the specific purpose set out in this Section 4.9. Given the Cleansing Offer is not considered material, and as there is no intention to issue any Shares under the Cleansing Offer, the impacts of the Cleansing Offer on the Company's capital structure and its financial position have not been factored in or taken into account throughout this Prospectus (including to calculate diluted interests). The Company reserves all discretions in relation to applications under the Cleansing Offer.

The Cleansing Offer will otherwise have no impact on the Company.

#### **4.10 ASX listing**

Application for Official Quotation by ASX of the Shares offered pursuant to this Prospectus will be made within seven days after the date of this Prospectus. However, applicants should be aware that ASX will not commence Official Quotation of any Shares until the Company has re-complied with Chapters 1 and 2 of the ASX Listing Rules and has received the approval of ASX to be re-admitted to the Official List. As such, the Shares may not be able to be traded for some time after the close of the Public Offer.

If the Shares are not admitted to Official Quotation by ASX before the expiration of three months after the date of this Prospectus, or such period as varied by ASIC, the Company will not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Shares now offered for subscription.

#### **4.11 Issue**

Subject to the Conditions set out in Section 4.6 being met, issue of Shares offered by this Prospectus will take place as soon as practicable after the Closing Date, and in accordance with the timetable set out in Section 2.

If an Application Form is not completed correctly or if the accompanying payment is the wrong amount, the Company may, in its discretion, still treat the Application Form to be valid. The Company's decision to treat an application as valid, or how to construe, amend or complete it, will be final.

Pending the issue of the Shares or payment of refunds pursuant to this Prospectus, all application monies will be held by the Company in trust for the applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each applicant waives the right to claim interest.

The Directors (in conjunction with CPS Capital) will determine the recipients of the issued Shares in their sole discretion in accordance with the allocation policy detailed in Section 4.8). The Directors reserve the right to reject any application or to allocate any applicant fewer Shares than the number applied for. Where the number of Shares issued is less than the number applied for, or where no issue is made, surplus application monies will be refunded without any interest to the applicant as soon as practicable after the Closing Date.

Holding statements for Shares issued to the issuer sponsored subregister and confirmation of issue for Clearing House Electronic Subregister System (**CHESS**) holders will be mailed to applicants being issued Shares pursuant to the Public Offer as soon as practicable after their issue.

#### **4.12 Applicants outside Australia**

This Prospectus does not, and is not intended to, constitute an offer of, or an invitation to apply for Shares in any place or jurisdiction, or to any person to whom, it would not be lawful to make such an offer or invitation.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should observe any of these restrictions, including those outlined below. In particular, this Prospectus may not be distributed in the United States or elsewhere outside Australia, except to the extent permitted below in transactions exempt from local prospectus or registration requirements. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by you that there has been no breach of any such laws and that all relevant approvals have been obtained.

Where this Prospectus has been dispatched to persons in jurisdictions outside of Australia, in which the securities legislation or regulation requires registration or any analogous treatment, this Prospectus is provided for information purposes only. This Prospectus has not been and will not be registered under any such legislation or regulation or in any such jurisdiction.

The Offers do not and will not constitute an offer of Shares in the United States of America (**US**). Furthermore, no person ordinarily resident in the US is or will become permitted to submit an Application Form. If the Company believes that any Applicant is ordinarily resident in the US, or is acting on behalf of a person or entity that is ordinarily a resident of the US, the Company will reject that Applicant's application.

##### **4.12.1 United Kingdom**

Neither this Prospectus nor any other document relating to the Public Offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended (**FSMA**)) has been published or is intended to be published in respect of the Shares.

The Shares may not be offered or sold in the United Kingdom by means of this Prospectus or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This Prospectus is issued on a confidential basis in the United Kingdom to "qualified investors" within the meaning of Article 2(e) of the UK Prospectus Regulation. This Prospectus may not be distributed or reproduced, in whole or

in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this Prospectus is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (**FPO**), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated ("relevant persons"). The investment to which this Prospectus relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this Prospectus.

#### **4.12.2 Hong Kong**

**WARNING:** This Prospectus has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the **SFO**). Accordingly, this Prospectus may not be distributed, and the Shares may not be offered or sold, in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this Prospectus have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this Prospectus, you should obtain independent professional advice.

#### **4.13 Suspension and re-admission to ASX**

ASX has determined that the Proposed Acquisitions, if successfully completed, will represent a significant change in the nature and scale of the Company's activities. In accordance with the ASX Listing Rules, the change in the nature and scale of the Company's activities will require:

- (a) Shareholder approval for the Proposed Acquisitions, which will be sought at the General Meeting; and
- (b) the Company to re-comply with the admission requirements set out in Chapters 1 and 2 of the ASX Listing Rules.

The Company's Securities are currently suspended from trading on the ASX and will remain suspended and not be reinstated to Official Quotation until the Company has re-complied with Chapters 1 and 2 of the ASX Listing Rules and is re-admitted by the ASX to the Official List.

Some of the key requirements of Chapters 1 and 2 of the ASX Listing Rules are:

- (a) the Company must satisfy the shareholder spread requirements relating to the minimum number of shareholders and the minimum value of the shareholdings of those shareholders; and
- (b) the Company must satisfy the "assets test" as set out in ASX Listing Rule 1.3.

The Company expects that the conduct of the Public Offer pursuant to this Prospectus will enable the Company to satisfy the above requirements.

#### **4.14 Restricted securities and free float**

Subject to the Company completing the Public Offer and the Proposed Acquisitions and being re-admitted to the Official List, certain Securities on issue (including the Securities issued in consideration for the Proposed Acquisitions) will be classified by ASX as restricted securities and will be required to be held in escrow for up to 24 months from the date of Official Quotation.

While the ASX has not yet confirmed the final escrow position applicable to the Company's Shareholders, the Company anticipates that the following Securities will be subject to escrow:

- (a) 14,750,000 Shares and 32,500,000 Performance Shares to be issued to the Proposed Director, Mr Minosora as consideration for the Proposed Acquisitions to be escrowed for 24 months from the date of re-admission of the Company to the Official List;
- (b) 14,750,000 Shares and 32,500,000 Performance Shares to be issued to the Proposed Director, Mr Randazzo as consideration for the Proposed Acquisitions to be escrowed for 24 months from the date of re-admission of the Company to the Official List;
- (c) 3,181,818 Shares and 11,818,182 Performance Shares to be issued to Cityscape Asset Pty Ltd <Cityscape Family A/C> as consideration for the Proposed Acquisitions to be escrowed for 24 months from the date of re-admission of the Company to the Official List;
- (d) 17,318,182 Shares and 53,181,818 Performance Shares to be issued to the Vendors (other than the Proposed Directors, Mr Minosora and Mr Randazzo, and Cityscape Asset Pty Ltd <Cityscape Family A/C>) as consideration for the Proposed Acquisitions to be escrowed for 12 months from the date of issue;
- (e) 8,100,000 Shares to be issued to CPS Capital (or its nominees) to be escrowed for 24 months from the date of re-admission of the Company to the Official List; and
- (f) 2,000,000 Shares and 6,000,000 Performance Rights to be issued to Director, David Sumich to be escrowed for 24 months from the date of re-admission of the Company to the Official List.

No Shares issued pursuant to the Public Offer will be subject to any escrow requirements by ASX.

The Company will announce to the ASX full details (quantity and duration) of the Shares required to be held in escrow prior to the Shares being reinstated to trading on ASX (which reinstatement is subject to ASX's discretion and approval).

During the period in which these Shares are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of his or her Shares in a timely manner.

The Company confirms its 'free float' (the percentage of the Shares that are not restricted securities and are held by non-affiliated Shareholders) at the time of re-admission to the Official List of ASX will not be less than 20%, in compliance with ASX Listing Rule 1.1 (Condition 7).

#### **4.15 Commissions payable**

The Company reserves the right to pay a commission of up to 6% (exclusive of goods and services tax) of amounts subscribed through any licensed securities dealers or Australian financial services licensee in respect of any valid applications lodged and accepted by the Company and bearing the stamp of the licensed securities dealer or Australian financial services licensee. Payments will be subject to the receipt of a proper tax invoice from the licensed securities dealer or Australian financial services licensee.

CPS Capital will be responsible for paying all commission that they and the Company agree with any other licensed securities dealers or Australian financial services licensees out of the fees paid by the Company to CPS Capital under the Lead Manager Mandate.

#### **4.16 Taxation**

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor.

It is not possible to provide a comprehensive summary of the possible taxation positions of all potential applicants. As such, all potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus or the reliance of any applicant on any part of the summary contained in this Section.

No brokerage, commission or duty is payable by applicants on the acquisition of Shares under the Public Offer.

#### **4.17 Withdrawal of Offers**

The Offers may be withdrawn at any time. In this event, the Company will return all application monies (without interest) in accordance with applicable laws.

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## 5. COMPANY AND PROJECTS OVERVIEW

### 5.1 The Company

The Company is an Australian public company, which was incorporated on 2 March 2021 and admitted to the Official List on 20 December 2021.

The Company is a critical minerals exploration company, focused on the progression of projects related to new energy and low emissions technologies. The Company's existing project is the Ravensthorpe Nickel Project (**Australian Project**) (which is prospective for nickel sulphide), located in Western Australia.

Trading in the Company's securities has been suspended since 23 January 2024 and will remain suspended until the Company re-complies with Chapters 1 and 2 of the ASX Listing Rules following Completion. ASX has absolute discretion in deciding whether or not to re-admit the Company to the Official List of ASX and to grant official quotation of its securities and therefore the Proposed Acquisitions will not proceed if ASX exercises that discretion in the negative. Having to re-comply with ASX's admission and quotation requirements also enlivens ASX's ability to impose such conditions on admission and/or quotation as it considers appropriate. ASX may exercise this discretion notwithstanding that the Company is currently admitted to the Official List and even where the Company otherwise meets, or is expected to meet, the specific conditions set out in the ASX Listing Rules for listing and quotation.

### 5.2 The Proposed Acquisitions

#### 5.2.1 Overview

The Company has entered into:

- (a) a share sale agreement to acquire 100% of the issued capital of Veridis Energie SARL (a company incorporated in the Republic of Guinea) (**Veridis**) which is the holder of two reconnaissance permits and two exploration licence applications over the reconnaissance permits located in the Kissidougou-Mafran region of Guinea (**Firawa Project**); and
- (b) a share sale agreement to acquire 100% of the issued capital of Mining Development Resources SARLU (a company incorporated in the Republic of Guinea) (**Mining Development**) which is the holder of one reconnaissance permit application and one exploration licence application which has been applied for over the reconnaissance permit application located in located in the Labé district of Guinea (**Labé Project**),

(together, the **Proposed Acquisitions**).

Proposed Directors, Michael Minosora and Sam Randazzo have an interest in the Proposed Acquisitions as the Proposed Directors (or their controlled entities) are shareholders or have a beneficial interest in the issued capital of Veridis and Mining Development. The number of Securities that each of these Proposed Directors will have a relevant interest in at Completion (being the Securities issued as consideration for the Proposed Acquisitions) is set out in Sections 5.13 and 7.3.

Further details in respect of the Firawa Project and the Labé Project are set out in Sections 5.5.1 and 5.5.2, respectively.

The Proposed Acquisitions are conditional on the Company obtaining all necessary regulatory and Shareholder approvals to effect the Proposed Acquisitions and satisfying all other requirements of ASX for the reinstatement of the Company's Shares to Official Quotation (among other things).

The consideration payable under the Proposed Acquisitions comprises:

- (a) the issue of 35,000,000 Shares and 130,000,000 Performance Shares (which vest on satisfaction of various milestones) to the shareholders of Veridis (or their nominees) (**Veridis Vendors**) pursuant to the Veridis SSA; and

- (b) the issue of 15,000,000 Shares to the shareholders of Mining Development (or their nominees) (**Mining Development Vendors**) pursuant to the Mining Development SSA.

Pursuant to the Veridis SSA, the Company made a payment of US\$90,000 to Veridis as an exclusivity fee and has paid Veridis a fee of US\$25,000 per month for a period of four months in consideration for providing consultancy services to the Company during the period prior to completion of the Veridis Acquisition (including liaising with government officers, the mines department, local community representatives and other stakeholders) and as reimbursement for expenses incurred.

Further key terms of the Acquisition Agreements are set out in Section 8.1.

### 5.2.2 Board Acquisition Process

The Board considered several potential acquisition opportunities prior to entering into the Acquisition Agreements. Following such consideration, the Board settled on the Proposed Acquisitions due to the unique opportunities the Board believed that the Proposed Acquisitions presented. A detailed program of legal and technical due diligence was undertaken prior to the Company deciding to proceed with the Proposed Acquisitions.

The Board considers that the quantum of the consideration payable at Completion for the Proposed Acquisitions reflects reasonable fair value of the Firawa Project and the Labé Project (together, the **Guinean Projects**) in view of the key investment highlights set out in Section 5.4 of the Prospectus, and the Company having conducted arm's length negotiations with representatives of each of Veridis and Mining Development to arrive at the commercial terms of the Proposed Acquisitions.

In determining the consideration for the Proposed Acquisitions, the Company also took into account the following considerations:

- (a) recent third-party backdoor listing transactions involving acquisitions of mineral exploration assets; and
- (b) the Board's assessment of the future prospects of the Guinean Projects based on its geological review of the Guinean Projects.

As with the acquisition of any business or asset that does not have a meaningful track record of revenue and profitability, there is not always an appropriate formal valuation methodology (e.g. discounted cash flow) available when determining the consideration. As such, the Company was required to consider qualitative factors such as those set out above in coming to a decision on price.

The Proposed Acquisitions present Shareholders with the opportunity to hold a position in exploration projects with the potential to develop relatively low-cost mining operations in the short to medium term, subject to the successful implementation of the Company's business model (as detailed in Section 5.7) and the associated risk factors detailed in Section 6.

### 5.3 Board and management

Upon completion of the Proposed Acquisitions, it is intended that existing Directors, Mr Bruce Franzen and Mr Andrew Dawes, will resign, Mr Michael Minosora will be appointed as Non-Executive Chair, Mr Sam Randazzo and Dr Andrew Wilde will be appointed as Non-Executive Directors and Mr Sumich will transition to Managing Director. The Board of the Company upon re-listing on the ASX will be as follows:

- (a) Mr Michael Minosora – Non-Executive Chair;
- (b) Mr David Sumich – Managing Director;
- (c) Mr Sam Randazzo – Non-Executive Director; and
- (d) Dr Andrew Wilde – Non-Executive Director.

The profiles of David Sumich and each of the Proposed Directors are set out in Section 7.1.

## 5.4 Key investment highlights

The Current Directors and the Proposed Directors are of the view that the key highlights of an investment in the Company include:

- (a) the Firawa Project is considered prospective for uranium, rare earth elements (REE) and niobium (Nb), while the Labé Project is considered prospective for uranium. These Projects will provide the Company with a more diverse range of assets and risk exposure;
- (b) the Firawa Project is at an advanced stage of exploration given the previous drilling results and the delineation of an Inferred MRE of 27.1 MT @ 295ppm U<sub>3</sub>O<sub>8</sub> (for 17.6 Mlb U<sub>3</sub>O<sub>8</sub>), cutoff grade 100 ppm U<sub>3</sub>O<sub>8</sub> by the Company on 24 June 2024 and therefore has significantly lower exploration risk than the Company's Australian Project;
- (c) demand for REE, especially battery and magnet REE (Nd, Pr, Dy & Tb), continues to grow for electric vehicle and wind energy markets;
- (d) the Board and management at re-admission have considerable experience in delivering shareholder value from exploration projects including experience in West Africa, which can be utilised and leveraged via the Proposed Acquisitions;
- (e) the Company anticipates it will be extremely difficult to raise additional capital based solely on its Australian Project given the current economic climate and the early, geologically unproven stage of the Australian Project. Conversely, the Company anticipates strong demand for the Public Offer from institutional and sophisticated investors;
- (f) Guinea is a "pro mining" jurisdiction, as evidenced by:
  - (i) Guinea currently being the one of the largest exporters of bauxite in the world (according to HARBOR Aluminium)<sup>1</sup>;
  - (ii) currently 36 mining projects under development in Guinea (according to the International Trade Administration)<sup>2</sup>;
  - (iii) Rio Tinto having committed to spend approximately US\$6billion on its Simandou Iron Ore Project by 2025<sup>3</sup>; and
- (g) the Public Offer of up to \$5,500,000 will provide the Company with sufficient funds to support its strategy following completion of the Proposed Acquisitions;
- (h) the consideration for the Proposed Acquisitions is non-cash (excluding exclusivity and consultancy fees payments), thereby conserving the Company's cash reserves, and allowing more funds raised from the Public Offer to be used directly on its proposed business and exploration activities; and
- (i) the potential increase in market capitalisation of the Company following completion of the Proposed Acquisitions and the associated Public Offer may lead to access to improved equity capital market opportunities.

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<sup>1</sup> <https://www.harboraluminum.com/en/bauxite-production-by-country>.

<sup>2</sup> [Guinea - Mining and Minerals \(trade.gov\)](https://trade.gov/guinea).

<sup>3</sup> Refer to the Rio Tinto press release entitled "Simandou iron ore project update" dated 6 December 2023.



## 5.5 Details of the Guinean Projects



Figure 1: Project Location Map

### 5.5.1 Firawa Project

#### Summary

The Firawa Project is a carbonatite style deposit with an existing a JORC (2012) inferred Mineral Resource Estimate (MRE) of **27.1 MT @ 295ppm  $U_3O_8$**  (for 17.6 mill lbs  $U_3O_8$ ), cutoff grade 100 ppm  $U_3O_8$ . As outlined in the Guinean Independent Technical Assessment Report, ERM considers that there is good potential to upgrade the resource classification through additional infill drilling and geological evaluation of the deposit.

The Firawa Project is located near the town of Kissidougou. The town has a 1.2 km long airstrip which has been reasonably maintained. An exploration camp was established by Forte Energy NL, a company formerly listed on ASX and AIM, from 2007 to 2012 (**Forte**) nearby.

#### History

Firawa was previously explored by Forte. There has been no exploration activity on the project since that time. Exploration was undertaken by Forte between 2007 and 2012.

#### Geology

The uranium & REE mineralisation follows an east-west trending tectonic structure, an interpreted fault zone, over a distance of approximately five kilometres.

The current understanding of the mineralisation, due to relatively shallow drilling, is mostly limited to the weathered zone. However, two of the historic drill-holes intersected mineralisation in fresh bedrock.

Geology & mineralisation results so far have shown a positive correlation between the uranium and the REE content (refer to Figures 2 and 3).

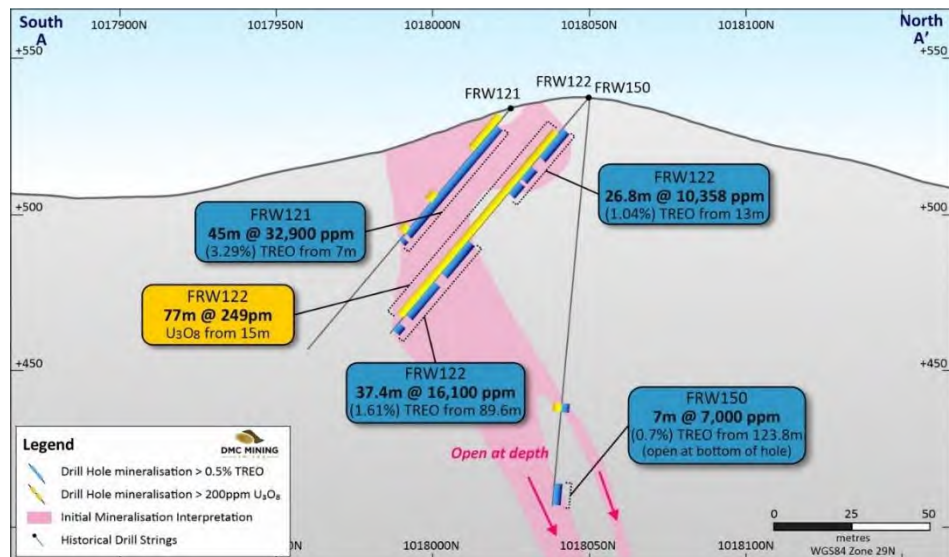


Figure 2 – Cross Section A to A' - Uranium and REE intercepts  
(Niobium intercepts omitted)

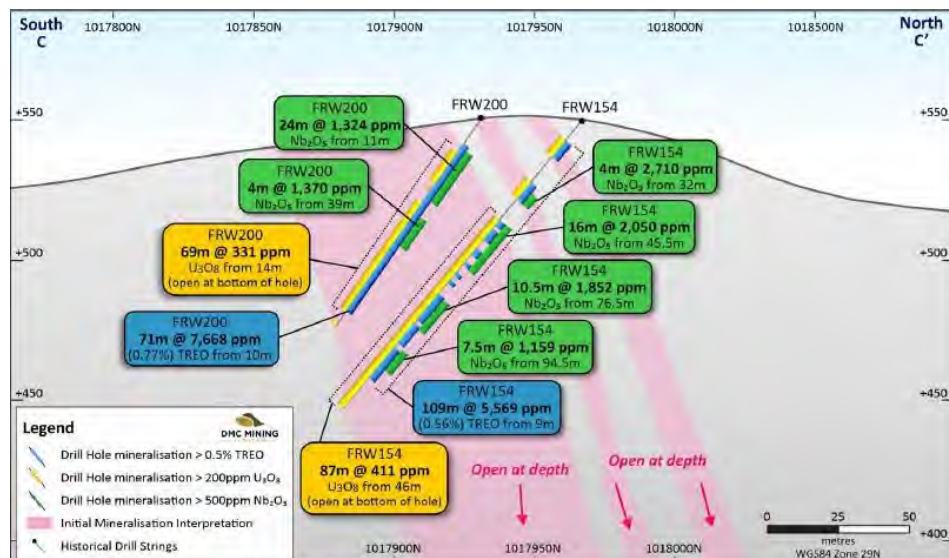


Figure 3 – Cross Section C to C' - Uranium, REE and Niobium intercepts.

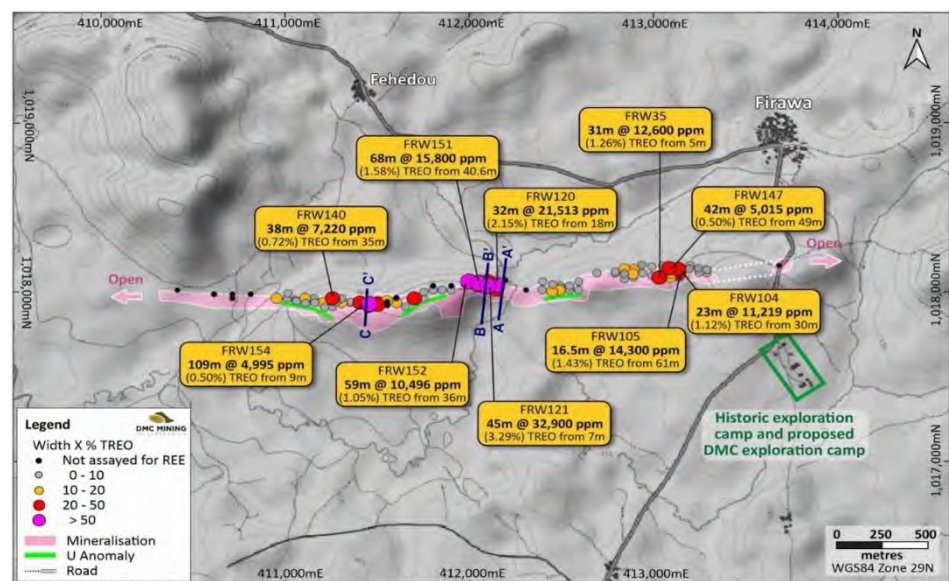


Figure 4: Firawa deposit – Plan view

## Mineralogy

Historical mineralogical study on an unknown number of samples showed that uranium also to some extent occurs as crandallite ( $\text{CaAl}_3(\text{PO}_4)_2(\text{OH})_5 \cdot \text{H}_2\text{O}$ ), where uranium can substitute for calcium.

There is a high proportion of oxidised carbonatites at the Mt Weld carbonatite deposit located in Western Australia. The identification of carbonatite at the Firawa Project is significant since it increases the potential of continuation of the mineralisation to depth and indicates the possibility of existence of the subhorizontal higher-grade REE mineralisation in the oxide zone similar to that at the Mt Weld deposit, opposed to the Chinese clay hosted REE deposits.

The REE mineralisation at the Firawa Project also contains significant concentrations of phosphorus ( $\text{P}_2\text{O}_5$ ) and niobium ( $\text{Nb}_2\text{O}_5$ ) which may potentially be economic by-products of any possible future U-REE operation.

## Mineral Resource Estimate

The Firawa Project contains a Mineral Resource which has been reported in accordance with the JORC Code (2012 Edition) by the Company on 24 June 2024.

The Firawa Mineral Resource Estimate is presented in Table 1 and is reported above a cut-off grade of 100 ppm  $\text{U}_3\text{O}_8$ . The Mineral Resource Estimate is classified as Inferred, with geological and sampling evidence sufficient to imply, but not verify, geological and grade continuity. The classification is based on quality of input data, drill spacing, number of holes and metallurgical test work completed to date. The deposit appears to be of sufficient grade, quantity, and continuity to have reasonable prospects for eventual economic extraction.

**Table 1: Mineral Resource Estimate, Firawa Project, reported where  $\text{U}_3\text{O}_8 \geq 100\text{ppm}$**

| JORC CLASSIFICATION | TONNAGE (MT) | GRADE $\text{U}_3\text{O}_8$ (PPM) | CONTAINED $\text{U}_3\text{O}_8$ (MLB) |
|---------------------|--------------|------------------------------------|----------------------------------------|
| Inferred            | 27.1         | 295                                | 17.6                                   |
| <b>Total</b>        | <b>27.1</b>  | <b>295</b>                         | <b>17.6</b>                            |

## *Geology and Geological Interpretation*

The deposit type targeted is carbonatite REE-U-Nb type mineralisation. The Firawa Project area is situated within an Archaean granite gneiss domain. Carbonatite and gabbro intrude the Archaean granitoid basement. The REE-U mineralisation follows an east-west trending tectonic structure, an interpreted fault zone, over approximately five kilometres. Mineralisation is predominantly observed in oxidised carbonatites in a weathered zone. The weathered rocks are underlain by fresh carbonatites and strongly cataclastic alkaline granites.

The  $\text{U}_3\text{O}_8$  assays were constrained within a +100 ppm grade envelope, with lateral and vertical limits constrained by drill sample assay results, if less than 100 ppm, or limited to 25 m beyond a final drill fence line. Depths of geological models were constrained within the weathering profile, defined by a laterite model surface. 2D sectional string interpretation and 3D modelling of mineralised zones was based on the current geological and structural understanding of Firawa. Broad, moderately dipping mineralised zones are defined from drilling results but significant refinement of the geological and structural model for the Firawa Project is recommended as the project develops.

Within the context of the geological model, the 2D and 3D grade interpretations have been developed over 50 m and 100 m spaced drill sections. A +100 ppm  $\text{U}_3\text{O}_8$  constraint was used to define 13 continuous or semi-continuous zones of uranium mineralisation with six of the domains making up 93% of the total volume of the mineralisation. Figure 5 presents a cross section through the mineralisation model.



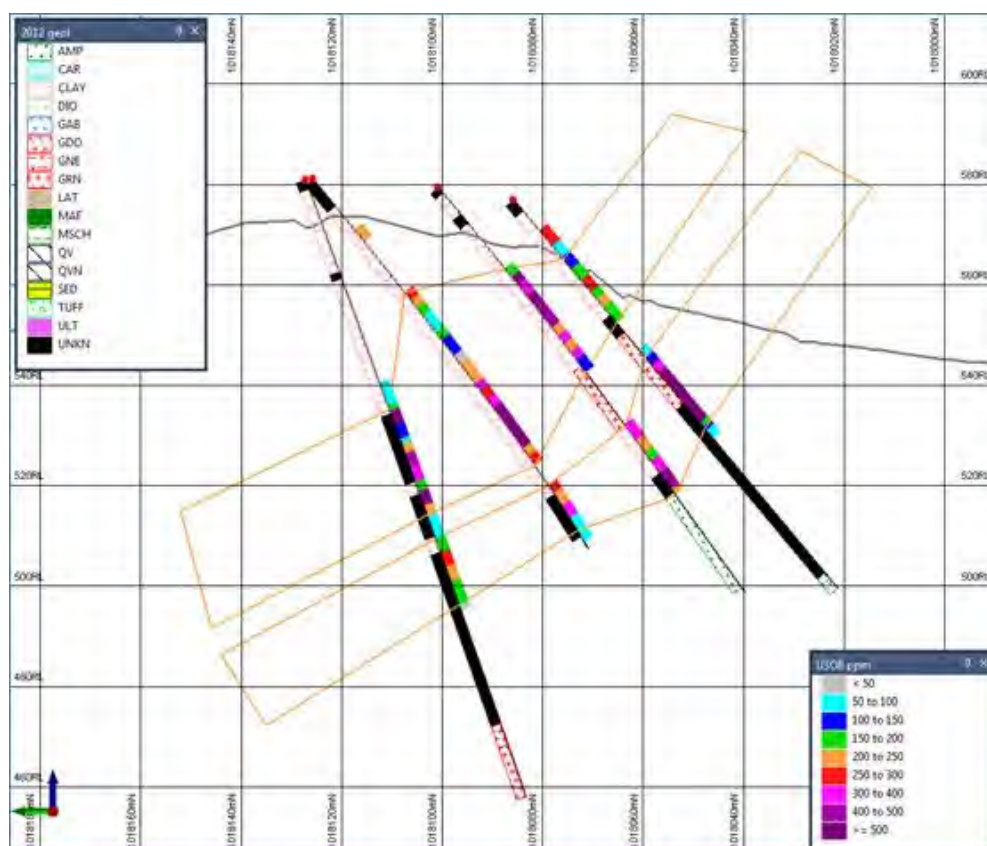


**Figure 5: Cross section through the mineralized model**

#### *Drilling Techniques*

A total of 9,968 m of drilling has been conducted and supports the Mineral Resource Estimate, including 5,865 m of diamond and 4,103 m of reverse circulation (**RC**) drilling. All drilling was undertaken by Guinean drilling companies. An additional 36 RC holes (2,422 m) were drilled along strike of the deposit in 2012 but no samples were submitted for chemical analysis. The core was collected using a triple tube technique. Diamond core was collected using a triple tube technique. No other technical details on the diamond and RC drilling programs are available from historic reports. A summary of drilling by year is presented in Table 2.

**Table 2 Drilling at Firawa Project**

| YEAR        | HOLE TYPE | HOLE NAMES                                                | NUMBER HOLES | METRES DRILLED |
|-------------|-----------|-----------------------------------------------------------|--------------|----------------|
| 2007        | RC        | FRW001 – FRW035                                           | 29           | 1,809          |
| 2008 - 2009 | DD        | FRW101 – FRW156                                           | 56           | 5,864.91       |
| 2012        | RC        | FRW200 – FRW217; FRW232 – FRW234; FRW236 – FRW239; FRW256 | 27           | 2,289          |

#### *Sampling and Sub-Sampling Techniques*

RC Samples were collected from the cyclone at metre intervals downhole. Each sample was collected from the cyclone, then passed through a three-tier riffle splitter, producing two sub samples about 1-2 kg each and a reject sample. One sub-sample was stored as reference and the second was sent for analysis. Chips from all samples were collected in small chip trays and stored at the Firawa camp. For drilling conducted in 2007, all drill samples were sent for analysis. For all later drilling, a handheld scintillometer was used to select samples with elevated levels of radiation, which were then sent for analysis.

Diamond core drilling was carried out from 2008 into early 2009 with core collected using a triple tube technique, which was considered appropriate for the clayey ground to maximise recovery. The core was stored in locally produced core-boxes. Radioactive sections, including a small amount of barren material above and below the deposit, were split by a knife with one half of the split material collected for analysis.

Qualitative lithological logging for RC drilling was undertaken on washed chips collected into chip trays. The diamond core was logged for radiation levels, lithology, and recovery by Forte geologists.

#### *Sample Analysis Method*

Drill samples were processed at several analytical laboratories during the years of drilling. Samples were crushed and milled with assaying carried out by Inductively Coupled Plasma Mass Spectrometry (ICP-MS). Quality assurance / quality control (QAQC) protocols were used to monitor the precision and accuracy of the sample collection, sample preparation and assaying, using certified standards, blanks and field duplicates. No major issues were identified by Forte who audited the drilling program results.

#### *Estimation Methodology*

A block model constrained by the interpreted mineralisation envelopes was constructed with a parent cell size of 50 m (E) x 10 m (Y) x 25 m (Z) adopted, with sub-celling used to maintain the resolution of the mineralised domains. Samples composited to 1 m length were used to interpolate  $U_3O_8$  grades into the block model using ordinary kriging techniques. A search ellipse of 100 m (along strike) by 100 m (across strike) by 75 m (down dip) was used to select samples for grade interpolation. A minimum of 5 and maximum of 15 composited samples were used for the first pass interpolation, from a minimum of 2 drill holes. A top cut value of 1000 ppm  $U_3O_8$  was applied to the composites.

Density measurements were taken using the Archimedes method based on diamond core billets. A density value of 2.7 t/m<sup>3</sup> was assigned to all domains in the Mineral Resource Estimate.

#### *Mineral Resource Estimate Classification Criteria*

The Mineral Resource Estimate is classified as Inferred, with geological and sampling evidence sufficient to imply, but not verify, geological and grade continuity. The classification is based on quality of input data, drill spacing, number of holes and metallurgical test work completed to date. Holes were drilled on section lines spaced 50 m apart (east – west) and with holes spaced between 25 m and 100 m on section lines.

#### *Cut-off Grades*

The Mineral Resource Estimate is reported above a cut-off grade of 100 ppm  $U_3O_8$ , as was used for the maiden Mineral Resource completed in 2009. The Competent Person considers this to be a reasonable cut-off grade, with 85% of samples within the mineralisation domain having >100 ppm  $U_3O_8$ . Future mining studies will provide guidance for reporting of Mineral Resource estimates.

#### *Mining and Metallurgical Methods*

No mining studies have been carried out on the Firawa Project to date, but it is assumed that conventional open cut mining methods would be used to develop the Firawa Project.

Three mineralogical studies of the mineralisation were completed in 2012. From one high-grade sample from the primary zone, uranium was associated with REE, niobium, tantalum and yttrium, especially with tantalum. Uranium also to some extent occurs as crandallite.

A sample from a road cutting near hole FRW108 was dominated by quartz and kaolinite with minor crandallite and hematite. Uranium and REEs were found to be related to U-bearing pyrochlore betafite  $(Ca,U)_2(Ti,Nb,Ta)_2O_6(OH)$ .

Metallurgical test work was undertaken at Mineral Engineering Technical Services Pty Ltd (**METS**) in Perth in 2010 as follows:

- (a) pug roast leach testing with Sulphuric acid was added at the rate of 500 kg/t then baked at 250°C for one hour. A total of ~55% of the uranium and 49% of the iron were recovered; and
- (b) direct acid leach tests: 30% solids treated with a 6 M (i.e., concentrated) solution of sulphuric acid at 90°C for 24 hours with solid and residue samples taken at several intervals for assaying. Maximum uranium extraction of 67.2% was achieved after eight hours.

Acid consumption was higher than optimal due to a high percentage of iron oxides and hydroxides. It was concluded that in order to lower the acid consumption more iron oxides would need to be rejected prior to the leach step, for example by gravity separation. These results apply to uranium only and are preliminary in nature. Further test work and a better understanding of mineralisation composition and variability are required.

## 5.5.2 Labé Project

The Labé Project, comprising one reconnaissance permit application and one exploration licence application which has been applied for over the reconnaissance permit application covering approximately 100km<sup>2</sup>, is located approximately 360km northeast from the capital city, Conakry (Refer to Figure 1). The Labé Project is early stage and considered prospective for uranium.

Labé is located directly along strike from Haranga Resources' (ASX:HAR) Saraya Uranium Deposit (13.10Mt @ 588ppm U<sub>3</sub>O<sub>8</sub> for 16.11Mlb U<sub>3</sub>O<sub>8</sub>.<sup>4</sup>). Mineralisation trends N-S directly into Labé tenure.

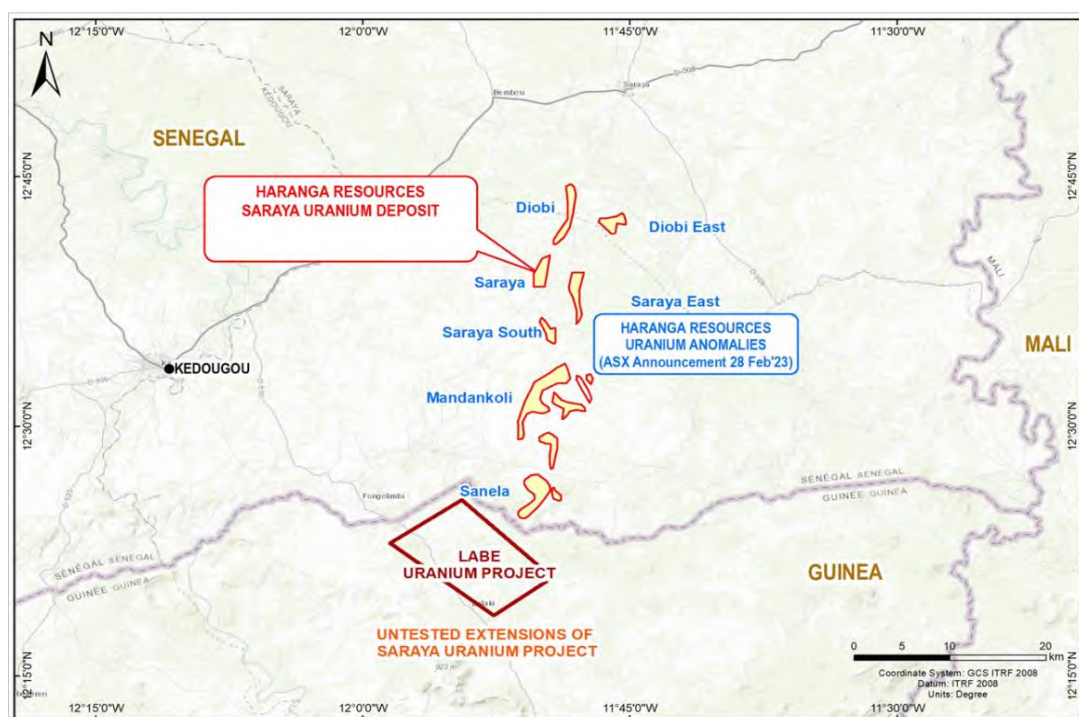


Figure 6 – Labé Uranium Project Location Map

## 5.6 Ravensthorpe Project

The Ravensthorpe Project comprises of one granted exploration licence (E 74/669) covering an area of 21 Blocks (~61km<sup>2</sup>) within the Archaean volcano-sedimentary Ravensthorpe Greenstone belt located near the south coast of Western Australia.

<sup>4</sup> Refer to announcement by Haranga Resources Ltd (ASX:HAR) entitled "Saraya Uranium Mineral Resource Upgrade" dated 20 June 2024.

The Ravensthorpe Project is located approximately 500km southeast of Perth, and approximately 15km southeast of Ravensthorpe, in the South Coastal Region of Western Australia. Ravensthorpe is located midway between Albany and Esperance on the sealed National Highway 1.

The Ravensthorpe Project is located adjacent to the First Quantum Minerals (FQM) open-pit laterite nickel mine and the historical RAV8 sulphide nickel mine. The project area is dominated by the northwest trending Ravensthorpe Range, which rises from an average elevation of 100m above sea level to a highest point of approximately 400m.

The Ravensthorpe Project covers a portion of the northern margin of the volcano-sedimentary Maydon Syncline, within the Archaean RGB. The Ravensthorpe Project contains several sequences of the Bandalup Ultramafic, which are the host unit for nickel sulphide mineralisation in the area, the closest being at the RAV8 mine to the north.

The Ravensthorpe Nickel Project is located in a highly prospective geological setting for nickel sulphide deposits. The Project has at least 15km strike length of the Bandalup ultramafics, the target host rocks that are prospective for Kambalda-style nickel sulphide deposits. The tenement is considered prospective for nickel sulphide mineralisation of a similar style to the RAV8 to the north, with soil surveys identifying several “nickel anomalous” samples in the ultramafic horizons.

Results of recent MLEM and FLEM surveys following up the RAV 9 and RAV 11 airborne electromagnetic (EM) targets have delineated high-priority conductivity anomalies associated with what are interpreted to be buried komatiite volcanic sequences.

Three high-priority EM conductivity targets have been identified, one at RAV 9 and two at RAV 11. The conductors are associated with magnetic anomalies and indications from surficial geology and geochemistry interpreted to represent buried komatiite lava sequences.

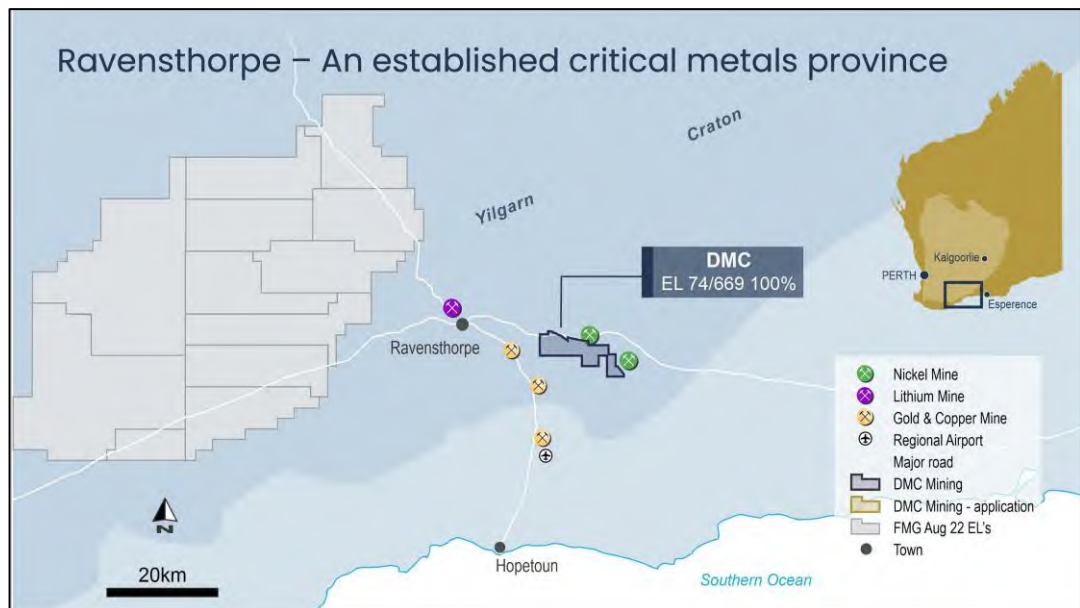


**Figure 7 – Ravensthorpe Project Location Map**

## 5.7 Business model

The proposed activities and business model of the Company on completion of the Public Offer and Proposed Acquisitions will be the exploration and development of the Guinean Projects.

Following completion of the Proposed Acquisitions and the Public Offer, the Company aims to progressively transition from being a junior explorer (subject to the results of exploration activities, technical studies and the availability of suitable funding), to

exploiting the value of its Guinean Projects by undertaking project development, construction and mining activities, including:

- (a) conducting systematic exploration activities on the Guinean Projects, with the aim of discovering significant deposits and, following discovery, delineating a mineral resource estimate on such deposits;
- (b) conducting systematic exploration activities on the Firawa Project with the aim of, subject to the results of exploration activities:
  - (i) completing a mineral resource estimate for combined uranium, niobium (Nb) and magnet rare earth elements (REE);
  - (ii) augmenting the current resource estimate; and/or
  - (iii) upgrading the resource classification to a higher category;
- (c) undertaking economic and technical assessments of the priority Guinean Projects in line with standard industry practice (for example, completion of a scoping study, then a prefeasibility study followed by a definitive feasibility study);
- (d) undertaking project development and construction;
- (e) ultimately exploiting the Guinean Projects through mining operations;
- (f) assessing new strategic acquisitions and investment opportunities that may present;
- (g) implementing a growth opportunities strategy and actively canvassing other mineral exploration and resource opportunities which have the potential to maximise Shareholder value; and
- (h) providing working capital to implement the objectives set out above.

The Company believes that achievement of each of the above steps will progressively increase the value of each Shareholders' ownership in the Company, being management's ultimate goal as a listed junior exploration company.

In addition to the above, upon re-admission, the Company intends to undertake a limited targeted exploration program on its Australian Project in order to build sufficient value as part of a potential disposal strategy for this asset.

## **5.8 Key dependencies of the Business Model**

The key dependencies influencing the viability of the Proposed Acquisitions include:

- (a) the Company's capacity to re-comply with Chapters 1 and 2 of the ASX Listing Rules to allow for the Company to complete the Proposed Acquisitions and for Company's Securities to recommence trading on ASX following the General Meeting;
- (b) the Company completing the Public Offer to raise sufficient funds to undertake and continue effective exploration and development activities on its Projects;
- (c) exploration success;
- (d) commodity price volatility and exchange rate fluctuations;
- (e) the Company maintaining title to its exploration projects;
- (f) the delineation of mineral resources from the conduct of exploration;
- (g) favourable results on the Company's proposed economic assessments to support the technical and economic feasibility of mineral extraction at a commercial scale;
- (h) sufficient worldwide demand for relevant minerals; and
- (i) the market price of relevant minerals remaining higher than the Company's costs of any future production.



## 5.9 Proposed Exploration Program and Development Plan

A summary of the proposed exploration budget of the Company for the two-year period following listing is set out in the tables below.

### 5.9.1 Firawa Project

| ACTIVITY                                    | MINIMUM SUBSCRIPTION |                    |                    | MAXIMUM SUBSCRIPTION |                    |                    |
|---------------------------------------------|----------------------|--------------------|--------------------|----------------------|--------------------|--------------------|
|                                             | YEAR 1               | YEAR 2             | TOTAL              | YEAR 1               | YEAR 2             | TOTAL              |
| Permitting and approvals                    | \$59,500             | \$45,000           | \$104,500          | \$59,500             | \$45,000           | \$104,500          |
| Ground radiometric and magnetics            | \$62,000             | -                  | \$62,000           | \$62,000             | -                  | \$62,000           |
| Geochemical surveys (soil and ionic leach)  | \$42,500             | -                  | \$42,500           | \$42,500             | -                  | \$42,500           |
| Drilling                                    | \$453,000            | \$461,000          | \$914,000          | \$553,000            | \$461,000          | \$1,014,000        |
| Assaying and testwork                       | \$180,000            | \$180,000          | \$360,000          | \$230,000            | \$230,000          | \$460,000          |
| Logistics and staff                         | \$167,000            | \$40,000           | \$207,000          | \$113,500            | \$113,500          | \$227,000          |
| MRE and environmental surveys               | \$59,500             | \$45,000           | \$104,500          | \$59,500             | \$45,000           | \$104,500          |
| Regional Exploration                        | \$155,000            | \$492,500          | \$647,500          | \$155,000            | \$492,000          | \$647,000          |
| Contingency (~5%)                           | \$66,000             | \$58,000           | \$124,000          | \$66,000             | \$58,500           | \$124,500          |
| <b>Total exploration and administration</b> | <b>\$1,244,500</b>   | <b>\$1,321,500</b> | <b>\$2,566,000</b> | <b>\$1,341,000</b>   | <b>\$1,445,000</b> | <b>\$2,786,000</b> |

### 5.9.2 Labé Project

| ACTIVITY                                    | MINIMUM/MAXIMUM SUBSCRIPTION |                  |                  |
|---------------------------------------------|------------------------------|------------------|------------------|
|                                             | YEAR 1                       | YEAR 2           | TOTAL            |
| Permitting and approvals                    | \$9,000                      | \$5,000          | \$14,000         |
| Ground radiometric and magnetics            | -                            | -                | -                |
| Geochemical surveys (soil and ionic leach)  | \$42,500                     | -                | \$42,500         |
| Drilling                                    | -                            | \$150,000        | \$150,000        |
| Assaying and testwork                       | -                            | \$76,900         | \$76,900         |
| Logistics and staff                         | -                            | \$35,000         | \$35,000         |
| MRE and environmental surveys               | \$58,000                     | -                | \$58,000         |
| Contingency (~5%)                           | \$5,475                      | \$13,345         | \$18,600         |
| <b>Total exploration and administration</b> | <b>\$114,975</b>             | <b>\$280,245</b> | <b>\$395,000</b> |

### 5.9.3 Ravensthorpe Project

| ACTIVITY                                    | MINIMUM/MAXIMUM SUBSCRIPTION |                  |                  |
|---------------------------------------------|------------------------------|------------------|------------------|
|                                             | YEAR 1                       | YEAR 2           | TOTAL            |
| Access and Approvals                        | \$10,000                     | -                | \$10,000         |
| Drilling & Assay                            | -                            | \$120,000        | \$120,000        |
| <b>Total exploration and administration</b> | <b>\$10,000</b>              | <b>\$120,000</b> | <b>\$130,000</b> |

## 5.10 Use of funds

To assist the Company to re-comply with Chapters 1 and 2 of the ASX Listing Rules and to support its strategy post-completion of the Proposed Acquisitions, the Company intends, subject to Shareholder approval, to conduct the Public Offer.

The Company intends to apply funds raised from the Public Offer, together with existing cash reserves, over the first two years following re-admission of the Company to the Official List of ASX as follows:

| FUNDS AVAILABLE                                                          | MINIMUM SUBSCRIPTION |             | MAXIMUM SUBSCRIPTION |             |
|--------------------------------------------------------------------------|----------------------|-------------|----------------------|-------------|
|                                                                          | \$                   | %           | \$                   | %           |
| Existing cash reserves <sup>1</sup>                                      | \$246,501            | 4.70%       | \$246,501            | 4.29%       |
| Funds raised from the Public Offer                                       | \$5,000,000          | 95.30%      | \$5,500,000          | 95.71%      |
| <b>Total</b>                                                             | <b>\$5,246,501</b>   | <b>100%</b> | <b>\$5,746,501</b>   | <b>100%</b> |
| <b>Allocation of funds</b>                                               |                      |             |                      |             |
| Exploration at Ravensthorpe Nickel Project <sup>3</sup>                  | \$130,000            | 2.48%       | \$130,000            | 2.26%       |
| Expenditure on the Firawa Project <sup>3</sup>                           | \$2,566,000          | 48.91%      | \$2,786,000          | 48.48%      |
| Expenditure on the Labé Project <sup>3</sup>                             | \$395,000            | 7.53%       | \$395,000            | 6.87%       |
| Expenses of the Proposed Acquisitions and Public Offer <sup>4</sup>      | \$799,000            | 15.23%      | \$829,000            | 14.43%      |
| Repayment of Loan (including interest) <sup>2</sup>                      | \$225,000            | 4.29%       | \$225,000            | 3.92%       |
| Working capital, corporate and general administration costs <sup>5</sup> | \$1,131,501          | 21.57%      | \$1,381,501          | 24.04%      |
| <b>Total</b>                                                             | <b>\$5,246,501</b>   | <b>100%</b> | <b>\$5,746,501</b>   | <b>100%</b> |

### Notes:

1. Refer to the Independent Limited Assurance Report set out in Annexure E for further details. These funds represent cash held by the Company as at 18 July 2024. The Company has expended approximately \$116,000 between 18 July 2024 and the date of lodgement of this Prospectus on working capital, corporate and general administration costs.
2. Aries Finance Pty Ltd (an entity which Jason Peterson is a director and 50% shareholder of) has advanced the Company an unsecured loan of \$200,000, which is repayable on 30 September 2024, with a default rate of \$10,000 per month and an interest and establishment fee of \$25,000.
3. Refer to Section 5.9 and the Australian Independent Geologist's Report and Guinean Independent Technical Assessment Report in Annexure A and Annexure B, respectively, for further details with respect to the proposed exploration programs at the Projects.
4. Refer to Section 9.10 for further details.
5. Working capital provides for additional capital to be used for additional exploration following the planned exploration programs or grant of additional tenements applied for by the Company and investment in or acquisition of new mineral exploration projects not yet identified by the Directors, including due diligence costs incurred in consideration of such projects. Administration costs include the general costs associated with the management and operation of the Company's business including administration expenses, management salaries, directors' fees, rent and other associated costs.

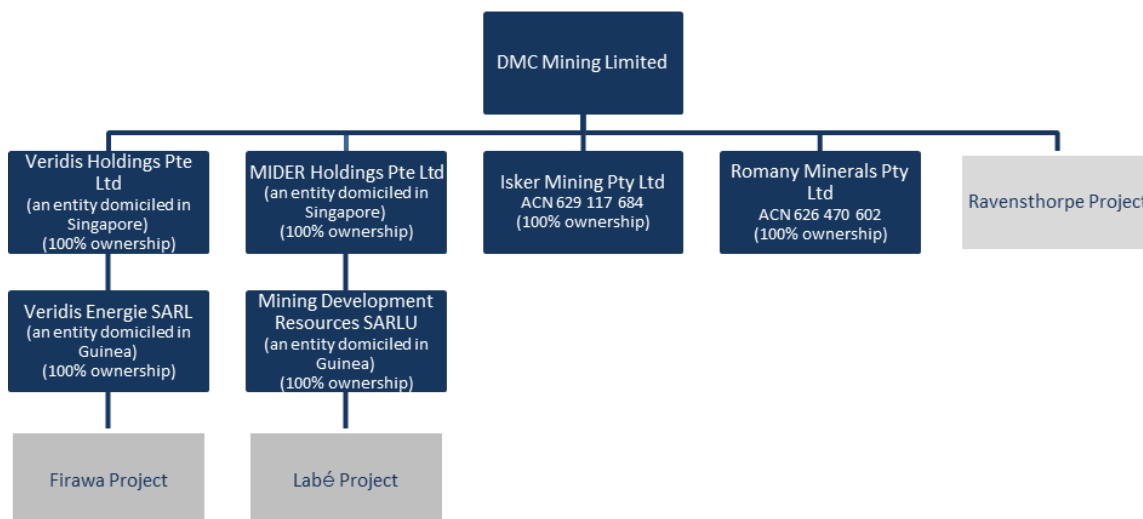
In the event the amount raised is between the Minimum Subscription and the Maximum Subscription, the funds raised above the Minimum Subscription will be applied to additional expenses of the Public Offer, then exploration at the Firawa Project and finally working capital.

The above table is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events (including exploration success or failure) and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

The Current Directors and Proposed Directors consider that following completion of the Public Offer, the Company will have sufficient working capital to carry out its stated objectives. It should however be noted that an investment in the Company is speculative and investors are encouraged to read the risk factors outlined in Section 6.

## 5.11 Group Structure

Upon Completion, the corporate structure of the Company is intended to be as follows:



## 5.12 Capital Structure

### 5.12.1 Overview of Capital Structure

The capital structure of the Company following Completion is summarised below:

|                                                                                 | SHARES <sup>1</sup>  |                      | OPTIONS <sup>8</sup> | PERFORMANCE RIGHTS | PERFORMANCE SHARES |
|---------------------------------------------------------------------------------|----------------------|----------------------|----------------------|--------------------|--------------------|
|                                                                                 | MINIMUM SUBSCRIPTION | MAXIMUM SUBSCRIPTION |                      |                    |                    |
| Securities currently on issue                                                   | 46,350,000           | 46,350,000           | 26,575,000           | -                  | -                  |
| Securities to be issued pursuant to the Public Offer <sup>2,3</sup>             | 100,000,000          | 110,000,000          | -                    | -                  | -                  |
| Securities to be issued under the Veridis Acquisition <sup>2,4,9,10</sup>       | 35,000,000           | 35,000,000           | -                    | -                  | 130,000,000        |
| Securities to be issued under the Mining Development Acquisition <sup>2,5</sup> | 15,000,000           | 15,000,000           | -                    | -                  | -                  |
| Shares to be issued to CPS Capital <sup>2,6</sup>                               | 8,100,000            | 8,100,000            | -                    | -                  | -                  |
| Securities to be issued to Managing Director <sup>2,7,9,10</sup>                | 2,000,000            | 2,000,000            | -                    | 6,000,000          | -                  |

|                                                | SHARES <sup>1</sup>  |                      | OPTIONS <sup>8</sup> | PERFORMANCE RIGHTS | PERFORMANCE SHARES |
|------------------------------------------------|----------------------|----------------------|----------------------|--------------------|--------------------|
|                                                | MINIMUM SUBSCRIPTION | MAXIMUM SUBSCRIPTION |                      |                    |                    |
| <b>Total Securities on issue at Completion</b> | <b>206,450,000</b>   | <b>216,450,000</b>   | <b>26,575,000</b>    | <b>6,000,000</b>   | <b>130,000,000</b> |

**Notes:**

1. The rights attaching to the Shares are summarised in Section 9.2.
2. The issue of these Securities is subject to Shareholder approval being obtained at the General Meeting.
3. 100,000,000 Shares to be issued at an issue price of \$0.05 per Share to raise \$5,000,000 under the Public Offer. The Company may also accept oversubscriptions of up to an additional 10,000,000 Shares to raise an additional \$500,000 under the Public Offer.
4. The Performance Shares issued to the Veridis Vendors will comprise 45,000,000 Tranche 1 Performance Shares, 45,000,000 Tranche 2 Performance Shares and 40,000,000 Tranche 3 Performance Shares. Details of the milestones attaching to the Performance Shares are set out in Section 5.12.3 and a summary of the terms of the Performance Shares is set out in Section 9.4.
5. Refer to Section 8.1.2 for a summary of the Mining Development SSA.
6. Refer to Section 8.2 for summary of the Lead Manager Mandate.
7. Pursuant to the Consultancy Agreement, the Company has agreed to issue Director, Mr David Sumich 2,000,000 Shares and 6,000,000 Performance Rights as part of his remuneration package. The Performance Rights will be issued in three equal tranches and will convert upon satisfaction of the Tranche 1 Milestone, Tranche 2 Milestone and Tranche 3 Milestone (as applicable) within four years from the date of issue. Refer to Section 8.3.1 for a summary of the Consultancy Agreement and Section 9.5 for the full terms of the Performance Rights.
8. Details of the classes of existing Options that will be on issue on completion of the Public Offer are set out in Section 5.12.2.
9. Refer to the Independent Expert's Report that is annexed to this Prospectus as Annexure F for further information with respect to the fairness and reasonableness of the Company's proposed issue of Performance Rights to Mr Sumich and the proposed issue of Performance Shares to the Veridis Vendors, and the nature of the Performance Rights and the Performance Shares.
10. The Company notes that if all Milestones for the Performance Shares and Performance Rights are achieved and an election is made to convert the Performance Rights, 130,000,000 Shares will be issued to the Vendors and 6,000,000 Shares will be issued to Mr David Sumich. This will have a dilutive effect on Shareholders and will increase the number of Shares on issue from 206,450,000 to 342,450,000 (assuming the Minimum Subscription is achieved, and no other convertible securities are converted into Shares). This will dilute other Shareholders' holdings by 36.29%.

### 5.12.2 Terms of classes of Existing Options

The exercise prices and expiry dates of all classes of existing Options that will be on issue upon the Company's re-admission to the Official List are set out below:

| CLASS CODE | TERMS                                                                     | NUMBER     |
|------------|---------------------------------------------------------------------------|------------|
| DMMO       | Quoted Options exercisable at \$0.20 each on or before 30 April 2026      | 25,575,000 |
| DMMAD      | Unquoted Options exercisable at \$0.30 each on or before 13 December 2024 | 1,000,000  |

### 5.12.3 Performance Security Milestones

The performance milestones attaching to the Performance Shares and Performance Rights that will be on issue upon the Company's re-admission to the Official List are set out below:

| TRANCHE  | MILESTONE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | MILESTONE DEADLINE          |
|----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|
| <b>1</b> | <p>The satisfaction of each of the following (being the <b>Tranche 1 Milestone</b>):</p> <p>(a) a drill intercept on the Firawa Project which includes an average U<sub>3</sub>O<sub>8</sub> grade of 400ppm (or greater) over 10 meters, and</p> <p>(b) on the day of or after satisfaction of the milestone set out in paragraph (a) above, the Shares achieving a volume weighted average price per Share (<b>VWAP</b>) of \$0.075, calculated over 20 consecutive trading days on which the Shares have actually traded.</p> | 4 years after date of issue |

| TRANCHE  | MILESTONE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | MILESTONE DEADLINE          |
|----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|
| <b>2</b> | The satisfaction of each of the following (being the <b>Tranche 2 Milestone</b> ):<br>(a) the Company announcing a JORC inferred resource (or higher) on the Firawa Project of no less than 10 million tonnes at a grade greater than 4,000ppm (0.4%) total rare earth oxides ( <b>TREO</b> ); and<br>(b) on the day of or after satisfaction of the milestone set out in paragraph (a) above, the Shares achieving a VWAP of \$0.10, calculated over 20 consecutive trading days on which the Shares have actually traded.                                                                                     | 4 years after date of issue |
| <b>3</b> | The satisfaction of each of the following (being the <b>Tranche 3 Milestone</b> ):<br>(a) the Company announcing a JORC inferred resource (or higher) on the Firawa Project of either:<br>(i) no less than 20 million tonnes at a grade greater than 4,000ppm (0.4%) TREO; or<br>(ii) no less than 45 million lbs contained U <sub>3</sub> O <sub>8</sub> , using a 100ppm cutoff; and<br>(b) on the day of or after satisfaction of the milestone set out in paragraph (a) above, the Shares achieving a VWAP of \$0.15, calculated over 20 consecutive trading days on which the Shares have actually traded. | 4 years after date of issue |

#### 5.12.4 Potential Dilution for Shareholders

The Company currently has 46,350,000 Shares on issue and proposes to issue an aggregate of 160,100,000 Shares prior to Completion as outlined in Section 5.12.1 above. The dilutionary effect to existing Shareholders on completion of these issues of Shares (assuming no Options are exercised and the Minimum Subscription is raised) is set out in the table below:

| PERCENTAGE OF SHARES HELD BY DIFFERENT CATEGORIES OF SHAREHOLDERS ON COMPLETION |            |
|---------------------------------------------------------------------------------|------------|
| Category of Shareholder <sup>1</sup>                                            | Percentage |
| Jason Peterson                                                                  | 12.29%     |
| David Sumich                                                                    | 4.84%      |
| Michael Minosora <sup>2</sup>                                                   | 7.14%      |
| Sam Randazzo <sup>2</sup>                                                       | 7.14%      |
| Mining Development Vendors <sup>3</sup>                                         | 3.76%      |
| Veridis Vendors <sup>3</sup>                                                    | 4.62%      |
| Existing Shareholders <sup>3</sup>                                              | 19.02%     |
| Participants in the Public Offer <sup>3</sup>                                   | 41.17%     |

#### Notes:

- Assuming that Jason Peterson (or his associates) subscribes for 10,000,000 Shares under the Public Offer and that David Sumich (or his associates) subscribes for 5,000,000 Shares under the Public Offer and no other category of Shareholder participates in the Public Offer.
- Proposed Directors, Michael Minosora and Sam Randazzo will each receive 8,750,000 Shares and 32,500,000 Performance Shares as vendors under the Veridis SSA and each 6,000,000 Shares as vendors under the Mining Development SSA.
- Excludes any Shares which will be issued to or are currently held by the Parties noted above.

No immediate dilution will occur as a result of the issue of the Performance Shares and Performance Rights (together, the **Performance Securities**), however, if the milestones are met and the Performance Securities are converted, the interests of Shareholders who have not been issued Performance Securities (**Non-Interested Shareholders**) in the Company will be diluted. At re-admission and assuming the Minimum Subscription is raised, the interest of Non-Interested Shareholders will represent 60.19% of the voting power of the Company.

In the event whereby all Performance Securities are converted to shares, Non-Interested Shareholders' interests will then be diluted to 36.29%.

If the Company accepts oversubscriptions, the percentage of the issued capital held by investors under the Public Offer will increase, and the interests of all other parties (assuming that they do not participate in the Public Offer) will decrease.

Refer to the Independent Expert's Report in Annexure F for further information regarding the Performance Shares and Performance Rights.

### 5.13 Substantial Shareholders

Based on publicly available information or as otherwise advised to the Company, those Shareholders (and their associates) holding 5% or more of the Shares on issue both as at the date of this Prospectus and on completion of the Proposed Acquisitions and the Public Offer are set out in the respective tables below.

#### ***As at the date of the Prospectus***

| SHAREHOLDER    | SHARES    | OPTIONS   | PERCENTAGE |               |
|----------------|-----------|-----------|------------|---------------|
|                |           |           | UNDILUTED  | FULLY DILUTED |
| Jason Peterson | 4,084,500 | 5,989,274 | 8.81%      | 13.81%        |
| Colin Locke    | 3,700,000 | 2,850,000 | 7.98%      | 8.98%         |
| William Witham | 3,213,333 | 1,550,000 | 6.93%      | 6.53%         |
| Bruce Franzen  | 3,000,000 | 1,500,000 | 6.47%      | 6.17%         |
| David Sumich   | 3,000,000 | 1,500,000 | 6.47%      | 6.17%         |

#### ***On completion of the Proposed Acquisitions and issue of Shares under the Public Offer (assuming no existing Shareholder subscribes and receives additional Shares pursuant to the Public Offer other than as contemplated in this Prospectus, and on Minimum Subscription basis)***

| SHAREHOLDER                                        | SHARES     | OPTIONS   | PERFORMANCE RIGHTS | PERFORMANCE SHARES      | PERCENTAGE (%) |               |
|----------------------------------------------------|------------|-----------|--------------------|-------------------------|----------------|---------------|
|                                                    |            |           |                    |                         | UNDILUTED      | FULLY DILUTED |
| Jason Peterson <sup>1</sup>                        | 25,366,318 | 5,989,274 | -                  | 11,818,182 <sup>3</sup> | 12.29%         | 11.70%        |
| Michael Minosora                                   | 14,750,000 | -         | -                  | 32,500,000 <sup>4</sup> | 7.14%          | 12.80%        |
| Ranchild Pty Ltd <The Ranchild Trust> <sup>2</sup> | 14,750,000 | -         | -                  | 32,500,000 <sup>4</sup> | 7.14%          | 12.80%        |

#### **Notes:**

1. This figure includes:

- 4,084,500 Shares in which Mr Peterson currently has a relevant interest;
- 3,181,818 Shares which will be issued to Cityscape Asset Pty Ltd <Cityscape Family A/C> as part consideration for the Veridis Acquisition;
- 8,100,000 Shares to CPS Capital as an introduction fee for facilitating the Proposed Acquisitions. A portion of this Share allocation may be directed by CPS Capital to Mr Peterson, a director of CPS Capital. The figure set out above assumes that the whole Share allocation is directed to Jason Peterson or an entity in which he has a relevant interest. To the extent that a portion of the Share allocation is directed to a party in which he does not have a relevant interest, the percentage set out above will decrease; and
- assumes that Celtic Capital Pty Ltd (an entity associated with Jason Peterson) or its nominee participates in the Public Offer by subscribing for 10,000,000 Shares under the Public Offer. To the extent that a lesser number or no Shares are subscribed for, the percentage set out above will decrease.

In addition to the interests disclosed above, the Company has agreed to pay CPS Capital (of which Mr Peterson is a director) a cash fee of 6% (ex GST) of the total amount raised under the Public Offer. Further information in relation to the agreement with CPS Capital is set out in Section 8.2.

Aries Finance Pty Ltd (an entity which Jason Peterson is a director and 50% shareholder of) has also advanced the Company an unsecured loan of \$200,000, which is repayable on 30 September 2024, with a default rate of \$10,000 per month and an interest and establishment fee of \$25,000.

2. Proposed Director, Sam Randazzo is an officer of Ranchild Pty Ltd and a beneficiary of The Ranchild Trust.
3. Comprising 4,090,909 Tranche 1 Performance Shares, 4,090,909 Tranche 2 Performance Shares and 3,636,364 Tranche 3 Performance Shares. Refer to Section 5.12.3. for the Milestones attaching to the Performance Shares and Section 9.4 for the other terms of the Performance Shares.
4. Comprising 11,250,000 Tranche 1 Performance Shares, 11,250,000 Tranche 2 Performance Shares and 10,000,000 Tranche 3 Performance Shares. Refer to Section 5.12.3. for the Milestones attaching to the Performance Shares and Section 9.4 for the other terms of the Performance Shares.

The Company will announce to the ASX details of its top-20 Shareholders following completion of the Offers prior to the date of re-admission of the Company to the Official List.

#### **5.14 Dividend policy**

Payment of dividends by the Company is at the discretion of the Board. Given the stage of development of the Company, the Board anticipates that significant expenditure will be incurred in the evaluation and development of the Company's Projects. These activities, together with the possible acquisition of interests in other projects, are expected to dominate at least, the first two-year period following the Company's Admission. Accordingly, the Directors have no current intention to declare and pay a dividend and no dividends are expected to be paid during the foreseeable future following the Company's re-listing on the ASX.

In determining whether to declare future dividends the Directors will consider the level of earnings of the Company, the operating results and overall financial condition of the Company, future capital requirements, capital management initiatives, general business outlook and other factors the Directors may consider relevant at the time of their decision.

The Directors cannot and do not provide any assurances in relation to the future payment of dividends or the level of franking credits attaching to dividends.

#### **5.15 Additional information**

Prospective investors are referred to and encouraged to read in its entirety the:

- (a) the Australian Independent Geologists' Report in Annexure A for further details about the geology, location and mineral potential of the Australian Project;
- (b) the Guinean Independent Technical Assessment Report in Annexure B for further details about the geology, location and mineral potential of the Guinean Projects;
- (c) the Australian Independent Solicitors' Report in Annexure C for further details in respect to the Company's interest in the Australian Project;
- (d) the Guinean Independent Solicitors' Report in Annexure D for further details in respect to the Company's interest in the Guinean Projects;
- (e) the Independent Limited Assurance Report that is annexed to this Prospectus as Annexure E for further details regarding the Company's accounts; and
- (f) the Independent Expert's Report that is annexed to this Prospectus as Annexure F for further information with respect to the fairness and reasonableness of the Company's proposed issue of Performance Rights to Mr Sumich and Performance Shares to the Veridis Vendors.



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## 6. RISK FACTORS

### 6.1 Introduction

The Shares offered under this Prospectus should be considered as highly speculative and an investment in the Company is not risk free.

The future performance of the Company and the value of the Shares may be influenced by a range of factors, many of which are largely beyond the control of the Company and the Directors. The key risks that have a direct influence on the Company, its Australian Project and the Guinean Projects, and activities are set out in Section 3. Those key risks as well as other risks associated with the Company's business, the industry in which it operates and general risks applicable to all investments in listed securities and financial markets generally are described below.

The risks factors set out in this Section 6, or other risk factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Shares. This Section 6 is not intended to provide an exhaustive list of the risk factors to which the Company is exposed.

The Directors strongly recommend that prospective investors consider the risk factors set out in this Section 6, together with all other information contained in this Prospectus.

Before determining whether to invest in the Company you should ensure that you have a sufficient understanding of the risks described in this Section 6 and all of the other information set out in this Prospectus and consider whether an investment in the Company is suitable for you, taking into account your objectives, financial situation and needs.

If you do not understand any matters contained in this Prospectus or have any queries about whether to invest in the Company, you should consult your accountant, financial adviser, stockbroker, lawyer or other professional adviser.

### 6.2 Company specific risks

| RISK CATEGORY   | RISK                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|-----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Limited history | <p>The Company was incorporated on 2 March 2021 and has only limited operating history and limited historical financial performance.</p> <p>No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its Projects. Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Completion      | <p>Pursuant to the Acquisition Agreements, the Company has a conditional right to acquire Veridis and Mining Development.</p> <p>The Proposed Acquisitions will constitute a significant change in the nature and scale of the Company's activities and the Company will need to re-comply with Chapters 1 and 2 of the ASX Listing Rules as if it were seeking admission to the Official List of ASX. Trading in the Company's Shares is currently suspended and will remain suspended until the Company re-complies with Chapters 1 and 2 of the ASX Listing Rules following settlement of the Proposed Acquisitions.</p> <p>There is a risk that the conditions for completion of the Proposed Acquisitions cannot be fulfilled, including where the Company is unable to meet the requirements of the ASX for re-quotations of its Securities on the ASX. If the Proposed Acquisitions are not completed, the Company will incur costs relating to advisors and other costs without any material benefit being achieved. Should this occur, Shares will not be able to be traded on the ASX until such time as the Company has re-complied with Chapters 1 and 2 of the ASX Listing Rules and Shareholders may be prevented from trading their Shares until such time as a successful re-compliance is completed.</p> |

| RISK CATEGORY    | RISK                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Dilution</b>  | <p>The Company currently has 46,350,000 Shares on issue. In connection with the Public Offer and Proposed Acquisitions, the Company proposes to issue:</p> <ul style="list-style-type: none"> <li>(a) 35,000,000 Shares and 130,000,000 Performance Shares to the Veridis Vendors;</li> <li>(b) 15,000,000 Shares to the Mining Development Vendors;</li> <li>(c) 100,000,000 Shares under the Public Offer;</li> <li>(d) 8,100,000 Shares to CPS Capital (or its nominees); and</li> <li>(e) 2,000,000 Shares and 6,000,000 Performance Rights to proposed Managing Director, Mr David Sumich.</li> </ul> <p>Following completion of the Public Offer and Proposed Acquisitions (assuming that the Company raises the Minimum Subscription):</p> <ul style="list-style-type: none"> <li>(a) Mr Jason Peterson &amp; his associates will hold 12.29% of the Company's issued share capital (assuming these parties subscribe for 10,000,000 Shares under the Public Offer);</li> <li>(b) Mr David Sumich will hold 4.84% of the Company's issued share capital;</li> <li>(c) Mr Michael Minosora and Mr Sam Randazzo will each hold 7.14% of the Company's issued share capital;</li> <li>(d) the Mining Development Vendors (excluding the parties noted above) will hold 3.76% of the Company's issued share capital;</li> <li>(e) the Veridis Vendors (excluding the parties noted above) will hold 4.62% of the Company's issued share capital;</li> <li>(f) existing Shareholders (excluding the parties noted above) will retain 19.02% of the Company's issued share capital (assuming existing Shareholders do not acquire Shares under the Public Offer); and</li> <li>(g) investors under the Public Offer (excluding the parties noted above) will hold 41.17% of the Company's issued share capital.</li> </ul> <p>No immediate dilution will occur as a result of the issue of the Performance Shares and Performance Rights (together, the <b>Performance Securities</b>), however, if the milestones are met and the Performance Securities are converted, the interests of Shareholders who have not been issued Performance Securities (<b>Non-Interested Shareholders</b>) in the Company will be diluted. At re-admission and assuming the Minimum Subscription is raised, the interest of Non-Interested Shareholders will represent 60.19% of the voting power of the Company. In the event whereby all Performance Securities are converted to shares, Non-Interested Shareholders' interests will then be diluted to 36.29%.</p> <p>If the Company accepts oversubscriptions, the percentage of the issued capital held by investors under the Public Offer will increase, and the interests of all other parties (assuming that they do not participate in the Public Offer) will decrease.</p> |
| <b>Sovereign</b> | <p>At re-admission, the Company's key projects will be located in Guinea, West Africa. Through its operations in Guinea, the Company will be exposed to various levels of political, economic and other risks and uncertainties and any changes in the political or economic climate in Guinea or neighbouring countries may adversely affect the Company's exploration activities and operations.</p> <p>These risks and uncertainties vary from time to time and include without limitation: labour disputes, invalidation of governmental orders and permits, uncertain political and economic environments, nationalistic agendas, potential for bribery and corruption, high risk of inflation, currency devaluation, high interest rates, war (including in neighbouring states), military repression, civil disturbances and terrorist actions, arbitrary changes in laws or policies, consents, rejections or waivers granted, corruption, arbitrary foreign taxation,</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |

| RISK CATEGORY                            | RISK                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                          | <p>delays in obtaining or the inability to obtain necessary governmental permits, opposition to mining from environmental or other non-governmental organisations, limitations on foreign ownership, difficulty obtaining key equipment and components for equipment, inadequate infrastructure.</p> <p>Changes to government laws and regulations may bring additional sovereign risk which include, without limitation, changes in the terms of mining legislation including renewal and continuity of tenure of permits, transfer of ownership of acquired permits to Company, changes to royalty arrangements, changes to taxation rates and concessions, restrictions on foreign ownership and foreign exchange, changing political conditions, changing mining and investment policies and changes in the ability to enforce legal rights.</p> <p>Additionally, any unforeseen changes to the mining laws, regulations, standards and practices could significantly affect the exploration at the Guinean Projects and the Company's ability to execute its business plans.</p> <p>These risks may limit or disrupt the Company's operations and exploration activities, restrict the movement of funds or result in the deprivation of contractual rights or the taking of property by nationalisation or expropriation without fair compensation, all of which may have a material adverse effect on the Company's operations.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Foreign agreements and operations</b> | <p>At re-admission, the Company's key projects (which are the subject of the Acquisition Agreements) will be located in Guinea, West Africa.</p> <p>Foreign agreements and ownership of foreign projects are subject to a number of risks, including:</p> <ul style="list-style-type: none"> <li>(a) potential difficulties in enforcing the agreements through foreign local systems;</li> <li>(b) difficulties in enforcing Australian judgments in those jurisdictions against those assets; and</li> <li>(c) restrictive governmental actions, such as imposition of trade quotas, tariffs and other taxes.</li> </ul> <p>Any of these factors could materially and adversely affect the Company's business, results of operations and financial condition.</p> <p>Furthermore, because the Guinean Projects are located outside of Australia, it may also be difficult to access those Guinean Projects to satisfy any award entered against the Company in Australia. Shareholders may have more difficulty in protecting their interests in the face of actions taken by management, the Board or controlling Shareholders, than they would as shareholders of a company with assets in Australia.</p> <p>Potential risk to the Company's activities may occur if there are changes to the political, legal, and fiscal systems which might affect the ownership and operation of the Company's interests in Guinea. This may also include changes in exchange control systems, expropriation of mining rights, changes in government and in legislative and regulatory regimes. Any of these factors may, in the future, also adversely affect the financial performance of the Company and the market price of its Shares.</p> <p>No assurance can be given regarding future stability in Guinea or any other country in which the Company may, in the future, have an interest.</p> |

| RISK CATEGORY                     | RISK                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|-----------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Legal System</b>               | <p>As a developing country, the legal system of Guinea is less developed than those in more established countries, which may result in:</p> <ul style="list-style-type: none"> <li>(a) political difficulties in obtaining effective legal redress in the courts whether in respect of a breach of law or regulation or in an ownership dispute;</li> <li>(b) a higher degree of discretion held by the judiciary, government officials or agencies;</li> <li>(c) lack of political or administrative guidance on implementing applicable rules and regulations, particularly in relation to taxation and property rights;</li> <li>(d) inconsistencies or conflicts between and within various laws, regulations, decrees, orders and resolutions; and</li> <li>(e) relative inexperience of the judiciary and courts in matters affecting the Company.</li> </ul> <p>The commitment of local businesspeople, government officials and the judicial system to abide by legal requirements and negotiated agreements may be more uncertain. As a result, the Company may have more difficulty in protecting its business interests and seeking legal redress than it would in Australia.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Tenure – Grant and renewal</b> | <p>Mining and exploration licences are subject to periodic renewal in Australia and Guinea. There is no guarantee that current or future licences or future applications for licences will be approved.</p> <p>The mineral licences are subject to the applicable mining acts and regulations in Australia and Guinea. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the licences comprising the Company's Australian Project and the Guinean Projects. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.</p> <p>Veridis and Mining Development have applied for exploration licence applications over the existing reconnaissance permits and reconnaissance permit application. The Company is unaware of any circumstances which would prevent the grant of these exploration licences occurring. The Public Offer is conditional upon the grant of these exploration licences. Accordingly, the Company will not complete the Public Offer until the grant of these exploration licence applications have occurred.</p> <p>The reconnaissance permits that make up the Firawa Project are due to expire on 18 September 2024. The renewal of a reconnaissance permit is conditional upon the holder applying at least thirty days before the expiration of the validity period and providing a copy of the reconnaissance permit and three copies of the report presenting the results of the reconnaissance work carried out during the last period of validity of the permit. As noted in the Guinean Solicitor's Report on Title, Sylla &amp; Partners has sighted the renewal applications which were lodged by Veridis and Mining Development. The Company is unaware of any circumstances which would prevent the renewal of these reconnaissance permits. The reconnaissance permits will be replaced by the exploration licence applications (once granted). As noted above, the Public Offer is conditional upon the grant of these exploration licences.</p> |
| <b>Tenure – Change of Control</b> | <p>As set out in sections 1.4 and 2.3(A)(4) of the Guinean Solicitor's Report on Title:</p> <ul style="list-style-type: none"> <li>(a) Article 90 of the Guinean Mining Code provides that any change in the direct or indirect control of the holder of an interest in a mining title (including an exploration licence) must be submitted for approval or ratification by the Minister; and</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

| RISK CATEGORY                           | RISK                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
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|                                         | <p>(b) there is an interpretation that Article 42 of the Mining Code prohibits direct transfers of the shares of the holder of a reconnaissance permit which would be an "indirect" transfer of the reconnaissance permit.</p> <p>To manage the tenure risk associated with the change in control that will result from Completion, the Company intends to complete the transfer of shares in each of Veridis and Mining Development to the nominated subsidiaries of the Company and informing the Ministry of Mines of such transfers immediately prior to the grant of the exploration licences. As a result, there will be no change in control following the grant of the licences. As the exploration licences (once granted) will replace the existing granted reconnaissance permits and the reconnaissance permit application, the risk associated with the impact of the change of control on the validity of the reconnaissance permits and the reconnaissance permit application is considered to be minimal. The transfer of shares will be unwound if the Company is not re-admitted to the Official List.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Access and third-party interests</b> | <p><b>Australian Projects</b></p> <p>The Australian Project overlaps certain third party interests that may limit the Company's ability to conduct exploration and mining activities including Crown land and reserves and private land.</p> <p>There is a substantial level of regulation and restriction on the ability of exploration and mining companies to have access to land in Australia. Negotiations with both Native Title and land owners/occupiers are generally required before the Company can access land for exploration or mining activities. Inability to access, or delays experienced in accessing, the land may impact on the Company's activities.</p> <p>As noted in the Australian Independent Solicitors' Report, 73% of the Australian Project overlaps private land.</p> <p>The Company has entered into an access agreement with most of the private landholders. Further details are set out in the Australian Independent Solicitors' Report included at Annexure C.</p> <p><b>Guinean Projects</b></p> <p>The Company has not identified any access of third party issues in respect of the Guinean Projects as at the date of this Prospectus.</p>                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Private Land</b>                     | <p>As noted in the Australian Independent Solicitors' Report, 73% of the Australian Project overlaps private land.</p> <p>Most grants of freehold which were made prior to 1 January 1899 in Western Australian included the grant of minerals other than gold, silver and precious metals (referred to as the Royal metals), which were reserved to the Crown. This land is commonly referred to as 'minerals to owner' land as the landowner owns all other minerals and has the right to exploit and deal with those minerals as it sees fit. In such a situation, a mining tenement granted under the Mining Act 1978 (WA) will confer on the tenement holder the right to explore for, or mine gold, silver and precious metals only but will not give any rights to exploit any other mineral.</p> <p>If the Company defines exploration targets on its Australian Project and prior to commencing ground disturbing activities, the Company will conduct its own investigations to confirm whether the relevant private land parcels are 'minerals to owner' land and whether it is necessary to obtain consent and/or agreement in relation to access and compensation from the owners of such land.</p> <p>Approvals for mining gold, silver and precious metals on pre-1899 land have generally been granted by local government as an Extractive Industry Licence ("EIL"; Local Government Act 1995) or Development Approval ("DA"; Planning and Development Act 2005). A miner wishing to mine minerals other than the gold, silver and precious metals located on pre-1899 land will need to</p> |

| RISK CATEGORY                                                | RISK                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
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|                                                              | negotiate an access and compensation agreement with the owner of the land (and owner of the minerals) and obtain permission either through an EIL or a DA. Any significant proposal may require assessment by the Environment Protection Authority and any mining activity will be subject to the Mines Safety and Inspection Act 1994.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Native title and Aboriginal Heritage</b>                  | <p>In relation to tenements which the Company has an interest in or will in the future acquire such an interest, there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. If native title rights do exist, the ability of the Company to gain access to tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations may be adversely affected.</p> <p>As detailed in the Australian Independent Solicitors' Report, the Australian Project lays within the area of the South West native title settlement and is covered by the Wagyl Kaip and Southern Noongar People Indigenous Land Usage Agreement (<b>ILUA</b>). The terms and conditions of such ILUA may be unfavourable for, or restrictive against, the Company. The Company has also executed a standard heritage agreement with the South West Aboriginal Land &amp; Sea Council Aboriginal Corporation acting for an on behalf of the Wagyl Kaip &amp; Southern Noongar Aboriginal Agreement Group. Further details in respect of these agreements is set out in the Australian Independent Solicitors' Report included at Annexure C.</p> <p>In addition, an Aboriginal heritage sites of significance has been registered over 1% of the project area. The existence of the Aboriginal heritage site may lead to restrictions on the areas that the Company will be able to explore and mine.</p> <p>The Directors will closely monitor the potential effect of native title claims or Aboriginal heritage matters involving tenements in which the Company has or may have an interest.</p> |
| <b>Validity of Exploration Licences in Western Australia</b> | <p>The Australian Project comprises one granted exploration licence.</p> <p>On 18 August 2022, a decision of the Warden was delivered which cast some doubt on the validity of the majority of applications for Exploration Licences existing in WA. On 26 August 2022, the then Mines and Petroleum Minister, Mr Bill Johnson, released a statement that said, in part, that the actions that the State would take following this decision would "ensure the validity of granted exploration licences". Despite the then Minister's assurance, a separate matter was heard by the Supreme Court of Appeal in June 2024 which has the potential to invalidate granted exploration licences (no decision on that matter has been delivered).</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Exploration and operating</b>                             | <p>The tenements that make up the Australian Project and Guinean Projects are at an early stage of exploration and potential investors should understand that mineral exploration and development are high-risk undertakings.</p> <p>There can be no assurance that exploration of the Projects or any other tenements that may be acquired in the future, will result in the discovery of any economic deposits. Even if the Company identifies a viable deposit at the Projects or elsewhere, there is no guarantee that such ore deposits will be capable of being exploited economically.</p> <p>The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns or adverse weather conditions, unanticipated operational and technical difficulties, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, industrial and environmental accidents, industrial disputes, unexpected shortages and increases in the costs of consumables, spare parts,</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |



| RISK CATEGORY                          | RISK                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
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|                                        | <p>plant, equipment and staff, native title process, changing government regulations and many other factors beyond the control of the Company.</p> <p>The success of the Company will also depend upon the Company being able to maintain title to its projects and obtaining all required approvals for their contemplated activities. If exploration programmes prove to be unsuccessful this could lead to a diminution in the value of its projects, a reduction in the cash reserves of the Company and possible relinquishment of one or more of its projects.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Resource and Reserves Estimates</b> | <p>The Company has reported a JORC Code (2012) Inferred Mineral Resource Estimate at the Firawa Project, but does not currently have any JORC Code (2012) compliant mineral resources on the Labé Project or the Australian Project and no assurances can be given that exploration will result in the determination of a resource the Labé Project or the Australian Project.</p> <p>Reserve and resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when initially calculated may alter significantly when new information or techniques become available. In addition, by their very nature resource and reserve estimates are imprecise and depend to some extent on interpretations which may prove to be inaccurate. As further information becomes available through additional fieldwork, drilling and analysis, the estimates are likely to change. There is no guarantee that development and infill drilling will upgrade the classification of current mineral resources or that further studies will convert those mineral resources into ore reserves. This may result in alterations to development and mining plans which may, in turn, adversely affect the Company's operations.</p>                                                                                                                                                                    |
| <b>Local Community Acceptance</b>      | <p>The Guinean Projects are in close proximity to local communities and as such there are risks if local community acceptance is not achieved. Operating in such areas, the Company must navigate complex social and political dynamics. Adverse publicity, ineffective engagement or the lack of support from the relevant community and stakeholders may lead to community resistance to the Company's exploration efforts at the Guinean Projects which may impact the Company's operations, reputation or financial condition.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Going concern</b>                   | <p>The financial reports of the Company contain unmodified audit opinions for the financial years ended 30 June 2022 and 30 June 2023 and an unmodified review opinion for the half year ended 31 December 2023. The audit and review opinions note a material uncertainty relating to going concern, on the basis that the Company incurred net losses and net operating cash outflows for each period.</p> <p>As of 30 June 2023, the net assets of the Company and its subsidiaries (the <b>Consolidated Entity</b>) were \$2,593,769 (2022: \$4,704,842), the cash and cash equivalents were \$1,651,733 (2022: \$3,836,261). For the year ended 30 June 2023, the Consolidated Entity incurred a loss of \$2,111,072 (2022: \$549,818) and experienced operating cash outflow of \$2,184,528 (2022: \$953,767).</p> <p>The Consolidated Entity's ability to continue as a going concern and meet its debt obligations and commitments as and when they fall due is depended on the Consolidated Entity's ability to raise sufficient working capital to ensure the continued implementation of the Consolidated Entity's exploration plan.</p> <p>In the event that the Consolidated Entity does not achieve the above actions, there exists a material uncertainty as to whether the Consolidated Entity will be able to continue as a going concern and realise its assets and extinguish its liabilities in the normal course of business.</p> |

| RISK CATEGORY                                        | RISK                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
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|                                                      | <p>The Company's ability to continue as a going concern is dependent on the success of the Public Offer. Should the Public Offer be unsuccessful, the Company may not be able to continue as a going concern. The Pro Forma Financial Information does not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts or classification of liabilities and appropriate disclosures that may be necessary should the Company be unable to continue as a going concern.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <p><b>Additional requirements for capital</b></p>    | <p>The funds to be raised under the Public Offer are considered sufficient to meet the exploration and evaluation objectives of the Company for at least the next 24 months. Additional funding may be required in the event costs exceed the Company's estimates and to effectively implement its business and operational plans beyond the next 24 months, to take advantage of opportunities for acquisitions, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur. If such events occur, additional funding will be required.</p> <p>In addition, should the Company consider that its exploration results justify commencement of production on its Projects, additional funding will be required to implement the Company's development plans, the quantum of which remain unknown at the date of this Prospectus.</p> <p>The Company may seek to raise further funds through equity or debt financing, joint ventures, licensing arrangements, or other means.</p> <p>Failure to obtain sufficient financing for the Company's activities may result in delay and indefinite postponement of its activities and the Company's proposed expansion strategy. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing may not be favourable to the Company and might involve substantial dilution to Shareholders.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <p><b>Acquisition and divestment of projects</b></p> | <p>The Company has, to date, and will continue to actively pursue and assess other new business opportunities. This may involve the divestment of non-core assets, the acquisition of other projects or assets or other new business opportunities such as joint ventures, farm-ins, or direct equity participation.</p> <p>The acquisition of projects or other assets (whether completed or not) may require the payment of monies (as a deposit and/or exclusivity fee) after only limited due diligence and prior to the completion of comprehensive due diligence. There can be no guarantee that any proposed acquisition will be completed or successful. If the proposed acquisition is not completed, monies already advanced may not be recoverable, which may have a material adverse effect on the Company.</p> <p>If a non-core asset is divested or an acquisition is completed, the Directors will need to reassess, at that time, the funding allocated to current projects and new projects or assets, which may result in the Company reallocating funds from other projects and/or the raising of additional capital (if available). Furthermore, notwithstanding that an acquisition may proceed upon the completion of due diligence, the usual risks associated with the new project/business activities will remain.</p> <p>Furthermore, if a new investment or acquisition by the Company is completed, ASX may require the Company to seek Shareholder approval and to meet the admission requirements under Chapters 1 and 2 of the ASX Listing Rules as if the Company were a new listing. There would be costs associated in re-complying with the admission requirements. The Company may be required to incur these costs in any event, were it to proceed to seek to acquire a new project which is considered to result in a significant change to the nature or scale of its existing operations.</p> <p>If a new investment or acquisition is not completed, then the Company may not be in a position to comply with the ongoing ASX</p> |



| RISK CATEGORY | RISK                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
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|               | Listing Rules, which includes but is not limited to, maintaining a sufficient level of operations and financial position. Given the nature of resource exploration, this may also occur if the Company abandons and/or relinquishes a project which is no longer considered viable. Any divestment of non-core assets or new project or business acquisition may change the risk profile of the Company, particularly if any new project acquired is located in another jurisdiction, involving a new commodity and/or changes to the Company's capital/funding requirements. Should the Company propose or complete a divestment of non-core assets or the acquisition of a new project or business activity, investors should re-assess their investment in the Company in light of the Company's changed circumstances. |

### 6.3 Industry Specific Risks

| RISK CATEGORY                | RISK                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
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| <b>Exploration Costs</b>     | The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Regulatory compliance</b> | <p>The Company's operations and proposed activities are subject to extensive laws and regulations relating to numerous matters including resource licence consent, environmental compliance and rehabilitation, taxation, employee relations, health and worker safety, waste disposal, climate change and greenhouse emissions, protection of the environment, native title, culture and heritage matters, protection of endangered and protected species and other matters.</p> <p>The Company requires permits, leases, licences and approvals from various regulatory authorities to authorise the Company's operations. These permits, leases, licences and approvals relate to exploration, development, production and rehabilitation activities.</p> <p>While the Company believes that it will operate in substantial compliance with all material current laws and regulations, agreements or changes in their enforcement or regulatory interpretation could result in changes in legal requirements or in the terms of existing permits, leases, licences and approvals and agreements applicable to the Company or its properties, which could have a material adverse impact on the Company's current operations or planned activities.</p> <p>Obtaining necessary permits, leases, licences and approvals can be a time-consuming process and there is a risk that Company will not obtain these permits, leases, licences and approvals on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits, leases, licences and approvals and complying with these permits, leases, licences and approvals and applicable laws and regulations could materially delay or restrict the Company from proceeding with the development of a project or the operation or development of a mine. Any failure to comply with applicable laws and regulations or permits, leases, licences or approvals, even if inadvertent, could result in material fines, penalties or other liabilities. In extreme cases, failure could result in suspension of the Company's activities or forfeiture of one or more of the Company's tenements (or any other mineral properties the Company may acquire in the future).</p> |

| RISK CATEGORY              | RISK                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
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| <b>Mine development</b>    | <p>Possible future development of mining operations at the Company's current or future projects are dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk from third parties providing essential services.</p> <p>If the Company commences production on one of its projects, its operations may be disrupted by a variety of risks and hazards which are beyond the control of the Company. No assurance can be given that the Company will achieve commercial viability through the development of its projects.</p> <p>The risks associated with the development of a mine will be considered in full should a project reach that stage and will be managed with ongoing consideration of stakeholder interests.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Environmental Risks</b> | <p>The operations and proposed activities of the Company are subject to state and federal laws in both Australia and Guinea. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. The Company will attempt to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.</p> <p>Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or fires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations.</p> <p>The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous making the Company's operations more expensive.</p> <p>In Australia, approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay of anticipated exploration programmes or mining activities.</p> <p>Additionally, Guinea's environmental laws are dynamic and can change over time. The Company is unable to predict the effect of additional environmental laws and regulations that may be adopted in the future. Additional laws or regulations may materially increase the Company's cost of doing business or affect its operations in Guinea. The cost and complexity of complying with any additional environmental laws and regulations may prevent the Company from being able to efficiently explore at the Guinean Projects.</p> |
| <b>Uranium</b>             | <p>Unique political, technological and environmental factors affect the uranium exploration and broader nuclear industry, exposing it to the risk of public opinion, which could have a negative effect on the demand for nuclear power and increase the regulation of the</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |

| RISK CATEGORY             | RISK                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
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|                           | <p>nuclear power industry. An accident at a nuclear reactor anywhere in the world could affect acceptance of nuclear energy and the future prospects for nuclear generation and therefore uranium exploration. Due to the radioactive nature of uranium and uranium concentrate, uranium exploration and production is also subject to extensive government regulation. Various permits, approvals and licences may need to be obtained prior to the grant of a mining lease for uranium production. These processes are complex and lengthy and subject to change. There is no guarantee that required permissions will be granted.</p> <p>If the Guinean Projects are progressed to uranium production, the revenue the Company will derive through the sale of product exposes the Company to uranium price and exchange rate risks. Spot uranium prices and long-term uranium contract prices are affected by many factors beyond the control of the Company. Such factors include amount of supply by primary uranium producers or from the secondary uranium market, as well as potential changes in demand arising from issues such as technological changes in the energy market (resulting in an alternative base-load low carbon emissions option).</p> |
| <b>Joint venture risk</b> | <p>The Company may in the future become a party to joint venture agreements governing the exploration and development of its projects. There is a risk that one of the Company's joint venture partners may default in their joint venture obligations or not act in the best interests of the joint venture. This may have an adverse effect on the interests and prospects of the Company.</p> <p>There can be no certainty that the parties will be able to settle the formal documentation in respect thereof. Failure to settle the terms of the formal documentation may result in termination of the joint venture and/or a potential dispute resolution process.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |

#### 6.4

#### General Risks

| RISK CATEGORY                                            | RISK                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
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| <b>Suspension</b>                                        | <p>As the Company's Shares have been suspended from trading, there is currently no public market for Shares. There is no guarantee that an active trading market in the Company's Shares will develop or that prices at which Shares trade will increase following completion of the Proposed Acquisitions and the Public Offer. The prices at which Shares trade may be above or below the price of the Public Offer and may fluctuate in response to several factors.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Commodity price volatility and exchange rate risk</b> | <p>The Company's operating results, economic and financial prospects and other factors will affect the trading price of the Shares. As future revenues will primarily be derived from the sale of uranium and REE, any future earnings will be closely related to the price of these commodities. Commodity prices fluctuate and are affected by numerous factors beyond the control of the Company. These factors may have an adverse effect on the Company's exploration, development and future production activities, as well as on its ability to fund those activities.</p> <p>In addition, the price of Shares is subject to varied and often unpredictable influences on the market for equities, including, but not limited to, general economic conditions including the performance of the Australian dollar on world markets, inflation rates, foreign exchange rates and interest rates, variations in the general market for listed stocks in general, changes to government policy, legislation or regulation, industrial disputes, general operational and business risks and hedging or arbitrage trading activity that may develop involving the Shares.</p> <p>In particular, the share prices for many companies have been and may in the future be highly volatile, which in many cases may reflect</p> |

| RISK CATEGORY                    | RISK                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
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|                                  | <p>a diverse range of non-company specific influences such as global hostilities and tensions relating to certain unstable regions of the world, acts of terrorism and the general state of the global economy. No assurances can be made that the Company's market performance will not be adversely affected by any such market fluctuations or factors.</p> <p>As the Company's Shares have been suspended from trading, there is currently no public market for Shares. There is no guarantee that an active trading market in the Company's Shares will develop or that the prices at which Shares trade will increase following settlement of the Proposed Acquisitions and the Public Offer. The prices at which Shares trade may be above or below the price of the Public Offer and may fluctuate in response to a number of factors.</p>                                                                                                                     |
| <b>Economic</b>                  | <p>General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Market conditions</b>         | <p>Share market conditions may affect the value of the Company's quoted Securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:</p> <ul style="list-style-type: none"> <li>(a) general economic outlook;</li> <li>(b) introduction of tax reform or other new legislation;</li> <li>(c) interest rates and inflation rates;</li> <li>(d) changes in investor sentiment toward particular market sectors;</li> <li>(e) the demand for, and supply of, capital; and</li> <li>(f) terrorism or other hostilities.</li> </ul> <p>The market price of Securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company, the Directors, or the Proposed Directors warrant the future performance of the Company or any return on an investment in the Company.</p> |
| <b>Reliance on key personnel</b> | <p>The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.</p> <p>The Company's future depends, in part, on its ability to attract and retain key personnel. It may not be able to hire and retain such personnel at compensation levels consistent with its existing compensation and salary structure. Its future also depends on the continued contributions of its executive management team and other key management and technical personnel, the loss of whose services would be difficult to replace. In addition, the inability to continue to attract appropriately qualified personnel could have a material adverse effect on the Company's business.</p>                            |
| <b>Climate Change</b>            | <p>There are a number of climate-related factors that may affect the operations and proposed activities of the Company. The climate change risks particularly attributable to the Company include:</p> <ul style="list-style-type: none"> <li>(a) the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation</li> </ul>                                                                                                                                                                                                                                                                                                                                                                           |

| RISK CATEGORY           | RISK                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|-------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                         | <p>or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and</p> <p>(b) climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.</p>                                                                                                 |
| <b>Litigation risks</b> | <p>The Company is exposed to possible litigation risks including native title claims, tenure disputes, environmental claims, contractual disputes, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position.</p> <p>As at the date of this Prospectus, the Group is not involved in any legal proceedings and the Current Directors are not aware of any legal proceedings pending or threatened against the Group.</p> <p>Furthermore, Veridis and Mining Development are also not involved in any legal proceedings and the Current Directors and Proposed Directors are not aware of any legal proceedings pending or threatened against them.</p> |
| <b>Insurance</b>        | <p>The Company intends to insure its operations in accordance with industry practice. However, in certain circumstances the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.</p> <p>Insurance of all risks associated with mineral exploration and production is not always available and where available the costs can be prohibitive.</p>                                                                                                                                                                                                                                                                                                                                        |
| <b>Force majeure</b>    | <p>The Company's projects now or in the future may be adversely affected by risks outside the control of the Company including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Competition</b>      | <p>The industry in which the Company will be involved is subject to domestic and global competition. Although the Company will undertake reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Dividends</b>        | <p>Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |

| RISK CATEGORY                                                  | RISK                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|----------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Taxation</b>                                                | <p>The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All prospective investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.</p> <p>To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Economic conditions and other global or national issues</b> | <p>General economic conditions, laws relating to taxation, new legislation, trade barriers, movements in interest and inflation rates, currency exchange controls and rates, national and international political circumstances (including outbreaks in international hostilities, wars, terrorist acts, sabotage, subversive activities, security operations, labour unrest, civil disorder, and states of emergency), natural disasters (including fires, earthquakes and floods), and quarantine restrictions, epidemics and pandemics, may have an adverse effect on the Company's operations and financial performance, including the Company's exploration, development and production activities, as well as on its ability to fund those activities.</p> <p>General economic conditions may also affect the value of the Company and its market valuation regardless of its actual performance.</p> <p>There is also the possibility of civil unrest in other parts of West Africa having a direct or indirect effect on the Company's operations in Guinea.</p> |

## 6.5 Investment speculative

The risk factors described above, and other risks factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Shares.

Prospective investors should consider that an investment in the Company is highly speculative.

There is no guarantee that the Shares offered under this Prospectus will provide a return on capital, payment of dividends or increases in the market value of those Shares.

Before deciding whether to subscribe for Shares under this Prospectus you should read this Prospectus in its entirety and consider all factors, taking into account your objectives, financial situation and needs.

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## 7. BOARD, MANAGEMENT AND CORPORATE GOVERNANCE

### 7.1 Board of Directors

The Board of Directors at Completion will consist of:

(a) **Mr Michael Minosora** – *Non-Executive Chair*

Mr Minosora is a fellow of Chartered Accountants Australia and New Zealand and has extensive experience in the professional services sector as a former managing partner of Ernst and Young, managing director of Azure Capital and in the resources sector including as CFO of Woodside Petroleum Limited and Fortescue Metals Group Limited. He has also been Chairman of ASX listed companies Atlantic Limited, Golden Deeps Limited and a founder of Bauxite De Kimbo Limited which developed the Kimbo bauxite project in Guinea. He is Chairman of Seabourn Capital Pty Ltd and TerraWise Pty Ltd.

The Board considers that Mr Minosora will not be an independent Director.

(b) **Mr David Sumich** – *Managing Director*

Mr David Sumich has a track record of over 25 years in the mining industry, including 15 years as MD operating mining and/or exploration projects across west African countries including Gabon, Mali, Republic of Congo, Burkina Faso, & Guinea.

He oversaw the development of the Kanyika REE-Uranium project in Malawi from grassroots stage to feasibility stage and a State Agreement with the Malawian government.

Mr Sumich holds a Bachelor of Business degree and has been a Member of the Australian Institute of Company Directors for 15 years.

Mr Sumich is not currently a director of any other ASX listed companies.

The Board considers that Mr Sumich is not an independent director.

(c) **Mr Sebastiano (Sam) Randazzo** – *Non-Executive Director*

Mr Sam Randazzo is a chartered accountant and a mineral resources industry professional with over 35 years' experience encompassing various senior roles including executive and non-executive directorships, chairman, CEO, CFO and company secretary in public companies listed on the ASX, TSX, JSE and AIM stock markets.

He has extensive operational experience in project identification, merger and acquisitions, initial and secondary public offerings, capital raisings in international markets, corporate finance, feasibility studies and project development. His mineral industry exposure spans companies involved in mining, exploration, engineering and construction of gold, diamonds, base metals, mineral sands, coal and uranium projects.

Mr Randazzo is currently the Non-Executive Chair of ASX and JSE listed DRA Global Limited. In the previous three years, Mr Randazzo has held public company directorship in MC Mining Limited (ASX: MCM / JSE: MCZ / AIM:MCM).

The Board considers that Mr Randazzo will not be an independent director.

(d) **Dr Andrew Wilde** – *Non-Executive Director*

Dr Wilde is a geologist with over 35 years industry experience, including 10 years as chief geologist for uranium mining and exploration companies Paladin Energy Ltd (ASX: PDN) and Deep Yellow Ltd (ASX: DYL). In these roles he was responsible for leading technical aspects of uranium exploration and project assessment in Namibia, Malawi, Canada and Australia among others, and played an important role in the discovery of Deep Yellow's Barking Gecko and Iguana uranium deposits in Namibia. More recently he provided the technical basis for the ASX listing of 92 Energy Ltd (ASX: 92E) and was pivotal in the discovery of that company's GMZ uranium deposit in Saskatchewan, Canada.



Dr Wilde is currently a director of ASX listed company Infini Resource Ltd (ASX: I88).

The Board considers that Dr Wilde will be an independent Director.

Each Proposed Director and Mr Sumich have confirmed that they anticipate they will have sufficient time to fulfil their respective responsibilities as a Director of the Company and that they do not consider that any other commitment will interfere with their availability to perform their duties as a Director of the Company.

## 7.2 Key Management

The Company is aware of the need to have sufficient management to properly supervise its operations and the Board will continually monitor the management roles in the Company. As the Company's activities and overall operations require an increased level of involvement the Board will look to appoint additional management and/or consultants when and where appropriate to ensure proper management of the Company's business.

## 7.3 Disclosure of interests

### Remuneration

Details of the Current Directors' remuneration (exclusive of superannuation) for the previous two completed financial years and the current financial year (on an annualised basis) are set out in the table below:

| DIRECTOR                     | PROPOSED<br>REMUNERATION FOR<br>YEAR ENDING<br>30 JUNE 2025 <sup>2</sup> | REMUNERATION FOR<br>THE YEAR ENDED<br>30 JUNE 2024 | REMUNERATION FOR<br>THE YEAR ENDED<br>30 JUNE 2023 |
|------------------------------|--------------------------------------------------------------------------|----------------------------------------------------|----------------------------------------------------|
| David Sumich                 | \$240,000                                                                | \$243,728                                          | \$240,110                                          |
| Bruce Franzen <sup>1,3</sup> | \$144,000                                                                | \$156,193                                          | \$174,833                                          |
| Andrew Dawes <sup>1</sup>    | \$12,000                                                                 | \$41,684                                           | Nil                                                |

#### Notes:

- Intends to resign as a Director at Completion.
- Based on an assumed listing date of 30 September 2024.
- Includes directors' fees of \$12,000 and company secretarial and financial accounting services fees of \$132,000 (exclusive of GST) pursuant to an agreement between the Company and Zen Magnolia Pty Ltd. Please refer to Section 8.3.3 for further details.

The total proposed remuneration package (exclusive of superannuation) for the Directors and the Proposed Directors upon Completion is set out below:

| DIRECTOR/PROPOSED<br>DIRECTOR | REMUNERATION<br>PACKAGE | RELEVANT AGREEMENT          |
|-------------------------------|-------------------------|-----------------------------|
| David Sumich                  | \$240,000               | Consultancy Agreement       |
| Michael Minosora              | \$120,000               | Consultancy Letter          |
| Sam Randazzo                  | \$48,000                | Consultancy Letter          |
| Andrew Wilde                  | \$48,000                | Director Appointment Letter |

### Interests in Securities

#### **As at the date of this Prospectus**

Directors are not required under the Company's Constitution to hold any Shares to be eligible to act as a director.

As at the date of this Prospectus, the Current Directors and the Proposed Directors have relevant interests in Securities as follows:

| DIRECTOR / PROPOSED DIRECTOR | SHARES    | OPTIONS   | PERCENTAGE (%) |               |
|------------------------------|-----------|-----------|----------------|---------------|
|                              |           |           | UNDILUTED      | FULLY DILUTED |
| David Sumich                 | 3,000,000 | 1,500,000 | 6.47%          | 6.17%         |
| Bruce Franzen                | 3,000,000 | 1,500,000 | 6.47%          | 6.17%         |
| Andrew Dawes                 | -         | -         | -              | -             |
| Michael Minosora             | -         | -         | -              | -             |
| Sam Randazzo                 | -         | -         | -              | -             |
| Andrew Wilde                 | -         | -         | -              | -             |

**Notes:**

1. Quoted options exercisable at \$0.20 each on or before 30 April 2026 (**Quoted Options**).

**Post-Completion**

Details of the Directors' and the Proposed Directors' relevant interest in the Securities of the Company upon Completion (assuming Minimum Subscription) are set out in the table below:

| DIRECTOR / PROPOSED DIRECTOR | SHARES     | OPTIONS   | PERFORMANCE RIGHTS | PERFORMANCE SHARES      | PERCENTAGE (%) |               |
|------------------------------|------------|-----------|--------------------|-------------------------|----------------|---------------|
|                              |            |           |                    |                         | UNDILUTED      | FULLY DILUTED |
| David Sumich <sup>1,2</sup>  | 10,000,000 | 1,500,000 | 6,000,000          | -                       | 4.84%          | 4.74%         |
| Bruce Franzen                | 3,000,000  | 1,500,000 | -                  | -                       | 1.45%          | 1.22%         |
| Andrew Dawes                 | -          | -         | -                  | -                       | -              | -             |
| Michael Minosora             | 14,750,000 | -         | -                  | 32,500,000 <sup>3</sup> | 7.14%          | 12.80%        |
| Sam Randazzo                 | 14,750,000 | -         | -                  | 32,500,000 <sup>3</sup> | 7.14%          | 12.80%        |
| Andrew Wilde                 | -          | -         | -                  | -                       | -              | -             |

**Notes:**

1. The Company is seeking Shareholder approval at the General Meeting for the issue of 2,000,000 Shares and 6,000,000 Performance Rights (comprising 2,000,000 Tranche 1 Performance Rights, 2,000,000 Tranche 2 Performance Rights and 2,000,000 Tranche 3 Performance Rights) to Mr Sumich (or his nominee/s) as part of his remuneration arrangements. Refer to Section 8.3.1 for a summary of the Consultancy Agreement, Section 5.12.3 for the Milestones attaching to the Performance Rights and Section 9.5 for the other terms of the Performance Rights.
2. The Company is seeking Shareholder approval at the General Meeting for Mr Sumich to apply for up to 5,000,000 Shares under the Public Offer.
3. Comprising 11,250,000 Tranche 1 Performance Shares, 11,250,000 Tranche 2 Performance Shares and 10,000,000 Tranche 3 Performance Shares. Refer to Section 5.12.3. for the Milestones attaching to the Performance Shares and Section 9.4 for the other terms of the Performance Shares.

The Company's Constitution provides that the remuneration of non-executive Directors will not be more than the aggregate fixed sum determined by a general meeting. The aggregate remuneration for non-executive Directors is \$300,000 per annum although may be varied by ordinary resolution of the Shareholders in general meeting.

The remuneration of any executive director that may be appointed to the Board will be fixed by the Board and may be paid by way of fixed salary or consultancy fee.

## 7.4 Agreements with directors and related parties

The Company's policy in respect of related party arrangements is:

- (a) a Director with a material personal interest in a matter is required to give notice to the other Directors before such a matter is considered by the Board; and

- (b) for the Board to consider such a matter, the Director who has a material personal interest is not present while the matter is being considered at the meeting and does not vote on the matter.

The agreements between the Company and related parties are summarised in Section 8.3.

## 7.5 Corporate governance

The Company has adopted comprehensive systems of control and accountability as the basis for the administration of corporate governance. The Board is committed to administering the policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs.

To the extent applicable, the Company has adopted *The Corporate Governance Principles and Recommendations (4th Edition)* as published by ASX Corporate Governance Council (**Recommendations**).

In light of the Company's size and nature, the Board considers that the current board is a cost effective and practical method of directing and managing the Company. As the Company's activities develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

The Company's main corporate governance policies and practices as at the date of this Prospectus are outlined below and the Company's full Corporate Governance Plan is available in a dedicated corporate governance information section of the Company's website [www.dmcmining.com.au](http://www.dmcmining.com.au).

|                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
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| <b>Board of Directors</b> | <p>The Board is responsible for corporate governance of the Company. The Board develops strategies for the Company, reviews strategic objectives and monitors performance against those objectives. The goals of the corporate governance processes are to:</p> <ul style="list-style-type: none"> <li>(a) maintain and increase Shareholder value;</li> <li>(b) ensure a prudential and ethical basis for the Company's conduct and activities consistent with the Company's stated values; and</li> <li>(c) ensure compliance with the Company's legal and regulatory objectives.</li> </ul> <p>Consistent with these goals, the Board assumes the following responsibilities:</p> <ul style="list-style-type: none"> <li>(a) leading and setting the strategic direction, values and objectives of the Company;</li> <li>(b) appointing the Chairman of the Board, Managing Director or Chief Executive Officer and approving the appointment of senior executives and the Company Secretary;</li> <li>(c) overseeing the implementation of the Company's strategic objectives, values, code of conduct and performance generally;</li> <li>(d) approving operating budgets, major capital expenditure and significant acquisitions and divestitures;</li> <li>(e) overseeing the integrity of the Company's accounting and corporate reporting systems, including any external audit (satisfying itself financial statements released to the market fairly and accurately reflect the Company's financial position and performance);</li> <li>(f) establishing procedures for verifying the integrity of those periodic reports which are not audited or reviewed by an external auditor, to ensure that each periodic report is materially accurate, balanced and provides investors with appropriate information to make informed investment decisions;</li> </ul> |
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|                                              | <p>(g) overseeing the Company's procedures and processes for making timely and balanced disclosure of all material information that a reasonable person would expect to have a material effect on the price or value of the Company's securities;</p> <p>(h) reviewing, ratifying and monitoring the effectiveness of the Company's risk management framework, corporate governance policies and systems designed to ensure legal compliance; and</p> <p>(i) approving the Company's remuneration framework.</p> <p>The Company is committed to the circulation of relevant materials to Directors in a timely manner to facilitate Directors' participation in the Board discussions on a fully-informed basis.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Composition of the Board</b>              | <p>Election of Board members is substantially the province of the Shareholders in general meeting, subject to the following:</p> <p>(a) membership of the Board of Directors will be reviewed regularly to ensure the mix of skills and expertise is appropriate; and</p> <p>(b) the composition of the Board has been structured so as to provide the Company with an adequate mix of directors with industry knowledge, technical, commercial and financial skills together with integrity and judgment considered necessary to represent Shareholders and fulfil the business objectives and values of the Company as well as to deal with new and emerging business and governance issues.</p> <p>Following completion of the Proposed Acquisitions, the Board will consist of four Directors (three non-executive Directors and one executive Director) of whom Dr Andrew Wilde will be considered independent. The Board considers the current balance of skills and expertise to be appropriate given the Company for its currently planned level of activity.</p> <p>To assist in evaluating the appropriateness of the Board's mix of qualifications, experience and expertise, the Board intends to maintain a Board Skills Matrix to ensure that the Board has the skills to discharge its obligations effectively and to add value.</p> <p>The Board undertakes appropriate checks before appointing a person as a Director or putting forward to Shareholders a candidate for election as a Director or senior executive.</p> <p>The Board ensures that Shareholders are provided with all material information in the Board's possession relevant to a decision on whether or not to elect or re-elect a Director.</p> <p>All new Directors will be offered induction training, which is tailored to their existing skills, knowledge and experience. The purpose of this program is to allow new directors to participate fully and actively in Board decision-making at the earliest opportunity, and to enable new Directors to gain an understanding of the Company's policies and procedures.</p> <p>The Board maintains oversight and responsibility for the Company's continual monitoring of its diversity practices. The Company's Diversity Policy provides a framework for the Company to achieve enhanced recruitment practices whereby the best person for the job is employed, which requires the consideration of a broad and diverse pool of talent.</p> |
| <b>Identification and management of risk</b> | <p>The Board's collective experience will enable accurate identification of the principal risks that may affect the Company's business. Key operational risks and their management will be recurring items for deliberation at Board meetings.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Ethical standards</b>                     | <p>The Board is committed to the establishment and maintenance of appropriate ethical standards and to conducting all of the Company's business activities fairly, honestly with integrity, and in compliance with all applicable laws, rules and regulations. In</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |

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|                                        | <p>particular, the Company and the Board are committed to preventing any form of bribery or corruption and to upholding all laws relevant to these issues as set out in the Company's Anti-Bribery and Anti-Corruption Policy. In addition, the Company encourages reporting of actual and suspected violations of the Company's Code of Conduct or other instances of illegal, unethical or improper conduct. The Company and the Board provide effective protection from victimisation or dismissal to those reporting such conduct as set out in its Whistleblower Protection Policy.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Independent professional advice</b> | <p>Subject to the Chairman's approval (not to be unreasonably withheld), the Directors, at the Company's expense, may obtain independent professional advice on issues arising in the course of their duties.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Remuneration arrangements</b>       | <p>The remuneration of an executive Director will be decided by the Board, without the affected executive Director participating in that decision-making process.</p> <p>In accordance with the Constitution, the total maximum remuneration of non-executive Directors is initially set by the Board and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$300,000 per annum.</p> <p>In addition, a Director may be paid fees or other amounts for example, and subject to any necessary Shareholder approval, non-cash performance incentives such as Options) as the Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director.</p> <p>Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in the performance of their duties as Directors.</p> <p>The Board reviews and approves the remuneration policy to enable the Company to attract and retain executives and Directors who will create value for Shareholders having regard to the amount considered to be commensurate for a company of its size and level of activity as well as the relevant Directors' time, commitment and responsibility. The Board is also responsible for reviewing any employee incentive and equity-based plans including the appropriateness of performance hurdles and total payments proposed.</p> |
| <b>Trading policy</b>                  | <p>The Board has adopted a policy that sets out the guidelines on the sale and purchase of securities in the Company by its key management personnel (i.e. Directors and, if applicable, any employees reporting directly to the managing director). The policy generally provides that, the written acknowledgement of the Chair (or the Board in the case of the Chairman) must be obtained prior to trading.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>External audit</b>                  | <p>The Company in general meetings is responsible for the appointment of the external auditors of the Company. From time to time, the Board will review the scope, performance and fees of those external auditors.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Audit committee</b>                 | <p>The Company will not have a separate audit committee until such time as the Board is of a sufficient size and structure, and the Company's operations are of a sufficient magnitude for a separate committee to be of benefit to the Company. In the meantime, the full Board will carry out the duties that would ordinarily be assigned to that committee under the written terms of reference for that committee, including but not limited to:</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |

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|----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                        | <p>(a) monitoring and reviewing any matters of significance affecting financial reporting and compliance;</p> <p>(b) verifying the integrity of those periodic reports which are not audited or reviewed by an external auditor;</p> <p>(c) monitoring and reviewing the Company's internal audit and financial control system, risk management systems; and</p> <p>(d) management of the Company's relationships with external auditors.</p>                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Diversity policy</b>                | <p>The Company is committed to workplace diversity. The Company is committed to inclusion at all levels of the organisation, regardless of gender, marital or family status, sexual orientation, gender identity, age, disabilities, ethnicity, religious beliefs, cultural background, socio-economic background, perspective and experience.</p> <p>The Board has adopted a diversity policy which provides a framework for the Company to achieve, amongst other things, a diverse and skilled workforce, a workplace culture characterised by inclusive practices and behaviours for the benefit of all staff, improved employment and career development opportunities for women and a work environment that values and utilises the contributions of employees with diverse backgrounds, experiences and perspectives.</p> |
| <b>Departures from recommendations</b> | <p>Under the ASX Listing Rules the Company will be required to provide a statement in its annual financial report or on its website disclosing the extent to which it has followed the Recommendations during each reporting period. Where the Company has not followed a Recommendation, it must identify the Recommendation that has not been followed and give reasons for not following it.</p> <p>The Company's compliance and departures from the Recommendations will also be announced prior to admission to the Official List of the ASX.</p>                                                                                                                                                                                                                                                                           |

## 7.6 Environmental, Social and Governance

The Company is committed to embedding environmental, social and governance (**ESG**) principles into its long-term company strategy and recognises the importance of ESG and sustainable development to all stakeholders from governments, investors, landowners, and local communities. The Company further recognises that good ESG principles, performance and public standing reduces business risk and potentially provides greater sustainable and financial benefits to its shareholders. Accordingly, the Company is committed to prioritising ESG at the highest levels of the organisation.

## 8. MATERIAL CONTRACTS

Set out below is a brief summary of the certain contracts to which the Company is a party and which the Directors have identified as material to the Company or are of such a nature that an investor may wish to have details of particulars of them when making an assessment of whether to apply for Shares.

To fully understand all rights and obligations of a material contract, it would be necessary to review it in full and these summaries should be read in this light.

### 8.1 Acquisition Agreements

#### 8.1.1 Veridis Share Sale Agreement

The Company has entered into a share sale agreement with the shareholders of Veridis (**Veridis Vendors**) pursuant to which it has agreed to acquire 100% of the issued share capital of Veridis (**Veridis SSA**), the material terms and conditions of which are summarised below.

Proposed Directors, Michael Minosora and Sam Randazzo have an interest in the Proposed Acquisitions as the Proposed Directors (or their controlled entities) are shareholders or have a beneficial interest in the issued capital of Veridis. The number of Securities that each of these Proposed Directors will have a relevant interest in at Completion (being the Securities issued as consideration for the Proposed Acquisitions) is set out in Sections 5.13 and 7.3.

|                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|-----------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Acquisition</b>          | Subject to satisfaction or waiver of the conditions precedent, the Company agrees to acquire, and the Veridis Vendors agree to sell 100% of the issued capital of Veridis, for the consideration described below.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Consideration</b>        | In consideration for the Veridis Acquisition, the Company has agreed to:<br><br>(a) pay Veridis Energie a non-refundable exclusivity fee of USD\$90,000 on the execution date of the Veridis SSA; and<br><br>(b) issue the Veridis Vendors 35,000,000 Shares and 130,000,000 Performance Shares which will be apportioned amongst the Veridis Vendors.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Conditions Precedent</b> | Settlement of the Veridis SSA is subject to the satisfaction (or waiver by the Company) of the following conditions precedent:<br><br>(a) <b>(Due diligence)</b> : the Company completing financial, legal and technical due diligence on Veridis and the Firawa Project, to the absolute satisfaction of the Company;<br><br>(b) <b>(Exploration Licences)</b> : the grant of exploration licences in respect of the exploration licence applications over the Firawa Project;<br><br>(c) <b>(Prospectus and Public Offer)</b> : the Company lodging the Prospectus, undertaking the Public Offer and receiving sufficient applications under the Public Offer to enable the Company to meet the 'assets test';<br><br>(d) <b>(Shareholder approval)</b> : Shareholders approving the transactions contemplated by the Veridis SSA in accordance with the ASX Listing Rules and the Corporations Act;<br><br>(e) <b>(Independent Expert's Report)</b> : the Company obtaining an independent expert's report, as required by Guidance Note 19, acceptable to the Company which declares the issue of performance securities in connection with the re-compliance to be either 'fair and reasonable' or 'not fair but reasonable' to the non-associated Shareholders;<br><br>(f) <b>(Regulatory approvals)</b> : the parties obtaining all necessary regulatory approvals or waivers to allow the parties to lawfully complete Veridis Acquisition;<br><br>(g) <b>(Government consents &amp; approvals)</b> : the obtaining of any consent or approval by any governmental authorities, on terms reasonably acceptable to the Company, that is required in connection with the Veridis Acquisition; |



|                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|--------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                    | <p>(h) <b>(Third party approvals)</b>: the parties obtaining all third party approvals and consents necessary to lawfully complete the Veridis Acquisition; and</p> <p>(i) <b>(Re-compliance with Chapters 1 and 2)</b>: conditional approval being obtained from the ASX to admit the securities of the Company to trading on ASX (after the Company re-complies with Chapters 1 and 2 of the ASX Listing Rules) and the Company being satisfied, acting reasonably, that it will be able to meet all of the those requirements to permit the Company's Shares to be reinstated to trading on ASX soon after completing the Veridis Acquisition.</p> <p>The conditions precedent outlined above must be satisfied (or waived by the Company) on or before 30 September 2024.</p> |
| <b>Other Terms</b> | The Veridis SSA otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties, indemnities and confidentiality provisions).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |

### 8.1.2 Mining Development Share Sale Agreement

The Company has entered into a share sale agreement with the shareholders of Mining Development (**Mining Development Vendors**) pursuant to which it has agreed to acquire 100% of the issued share capital of Mining Development (**Mining Development SSA**), the material terms and conditions of which are summarised below.

Proposed Directors, Michael Minosora and Sam Randazzo have an interest in the Proposed Acquisitions as the Proposed Directors (or their controlled entities) are shareholders or have a beneficial interest in the issued capital of Mining Development. The number of Securities that each of these Proposed Directors will have a relevant interest in at Completion (being the Securities issued as consideration for the Proposed Acquisitions) is set out in Sections 5.13 and 7.3.

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|-----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Acquisition</b>          | Subject to satisfaction or waiver of the conditions precedent, the Company agrees to acquire, and the Mining Development Vendors agree to sell 100% of the issued capital of Mining Development, for the consideration described below.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Consideration</b>        | The Company will issue the Mining Development Vendors 15,000,000 Shares in consideration for the Mining Development Acquisition.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Conditions Precedent</b> | <p>Settlement of the Mining Development SSA is subject to the satisfaction (or waiver by the Company) of the following conditions precedent:</p> <p>(a) <b>(Due diligence)</b>: the Company completing financial, legal and technical due diligence on Mining Development and the Labé Project, to the absolute satisfaction of the Company;</p> <p>(b) <b>(Exploration Licences)</b>: the grant of an exploration licence in respect of the exploration licence application over the Labé Project;</p> <p>(c) <b>(Prospectus and Public Offer)</b>: the Company lodging the Prospectus, undertaking the Public and receiving sufficient applications under the Public Offer to enable the Company to meet the 'assets test';</p> <p>(d) <b>(Shareholder approval)</b>: the Company's Shareholders approving the transactions contemplated by the Mining Development SSA in accordance with the ASX Listing Rules and the Corporations Act;</p> <p>(e) <b>(Regulatory approvals)</b>: the parties obtaining all necessary regulatory approvals or waivers to allow the parties to lawfully complete the Mining Development Acquisition;</p> <p>(f) <b>(Government consents &amp; approvals)</b>: the obtaining of any consent or approval by any governmental authorities, on terms reasonably acceptable to the Company, that is required in connection with the Mining Development Acquisition;</p> |

|                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
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|                    | <p>(g) <b>(Third party approvals)</b>: the parties obtaining all third party approvals and consents necessary to lawfully complete the Mining Development Acquisition;</p> <p>(h) <b>(Re-compliance with Chapters 1 and 2)</b>: conditional approval being obtained from the ASX to admit the securities of the Company to trading on ASX (after the Company re-complies with Chapters 1 and 2 of the ASX Listing Rules) and the Company being satisfied, acting reasonably, that it will be able to meet all of the those requirements to permit the Company's Shares to be reinstated to trading on ASX soon after completing the Mining Development Acquisition; and</p> <p>(i) <b>(Veridis Agreement)</b>: all conditions precedent to the Veridis SSA being waived or satisfied.</p> <p>The conditions precedent outlined above must be satisfied (or waived by the Company) on or before 30 September 2024.</p> |
| <b>Other Terms</b> | The Mining Development SSA otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties, indemnities and confidentiality provisions).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |

## 8.2 Lead Manager Mandate

The Company has entered into a lead manager mandate pursuant to which CPS Capital has agreed to act as lead manager to the Public Offer and as corporate advisor to the Proposed Acquisitions (**Lead Manager Mandate**).

The material terms and conditions of the Lead Manager Mandate are summarised below:

|                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|--------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Fees</b>        | <p>Subject to successful completion of both the Public Offer and the re-compliance (including the issue of all the Securities contemplated by the Public Offer and re-compliance), the Company has agreed to pay and issue CPS Capital (and/or its nominee/s) the following:</p> <p>(a) a management fee of 3% of funds raised under the Public Offer;</p> <p>(b) a placement fee of 3% of funds raised under the Public Offer; and</p> <p>(c) subject to Shareholder approval at the General Meeting, issue CPS Capital (or its nominee) 8,100,000 Shares for introductory and facilitation services.</p>                                                                                                  |
| <b>Expenses</b>    | <p>Expenses (other than travel expenses) will only be reimbursed if prior written approval has been given by the Company.</p> <p>CPS Capital shall be entitled to reimbursement of reasonable expenses in undertaking its role including business class fares for overseas travel and economy class fares for Australian domestic travel, accommodation, meals, telephone and other costs as required to perform this role. Hotel accommodation shall not exceed \$500 per day and other per diem expenses shall be limited to \$450 per day. Any travel requests and expenses above \$1,000 will not be incurred without the prior approval of the Chairman of the Company and/or his nominee.</p>         |
| <b>Termination</b> | <p>CPS Capital may terminate the Lead Manager Mandate:</p> <p>(a) by 14 days' notice in writing (if not rectified by the Company within that time period) to that effect:</p> <p>(i) if the Company commits or allows to be committed a material breach of any of the terms or conditions of the Lead Manager Mandate; or</p> <p>(ii) if any warranty or representation given or made by the Company is not complied with or proves to be untrue in any respect; or</p> <p>(b) immediately by notice in writing to that effect if:</p> <p>(i) if the Company becomes insolvent, has a receiver, administrative receiver or manager or administrator appointed over the whole of or any of their assets,</p> |

|                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|--------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                    | <p>enters into any composition with creditors generally or has an order made or resolution passed for it to be wound up; or</p> <p>(ii) if a court makes an administration order with respect to the Company or any composition in satisfaction of its debts or a scheme of arrangement of the affairs of the Company.</p> <p>The Company may terminate the Lead Manager Mandate in its absolute discretion, by seven days written notice. In this event, any outstanding expenses will be immediately payable.</p> |
| <b>Other Terms</b> | The Lead Manager Mandate otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties and confidentiality provisions).                                                                                                                                                                                                                                                                                                                                |

### 8.3 Agreements with Directors and Proposed Directors

#### 8.3.1 Executive Director Consultancy Agreement

The Company has entered into a consultancy agreement with Tirol Investments Pty Ltd (ACN 095 622 281) (**Tirol Investments**) pursuant to which Mr David Sumich will provide services as Managing Director (**Consultancy Agreement**), the material terms and conditions of which are summarised below:

|                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|-----------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Key Person</b>                             | David Sumich                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Services</b>                               | Services in the role of Managing Director                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Fee</b>                                    | \$240,000 per annum (base salary including statutory superannuation).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Term</b>                                   | The Consultancy Agreement will commence on the date of re-admission of the Company to the Official List of the ASX, and will continue until terminated in accordance with the terms of the Consultancy Agreement.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Potential Short-Term Incentive Payment</b> | Subject to Shareholder approval being obtained at the General Meeting, Mr Sumich will be issued 2,000,000 Shares and 6,000,000 Performance Rights.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Termination</b>                            | <p>The Consultancy Agreement may be terminated by:</p> <p>(a) either party by providing three months' written notice;</p> <p>(b) the Company giving notice with immediate effect for cause, which notice may be given in circumstances including where a material breach of the Consultancy Agreement occurs or Tirol Investments or Mr Sumich is guilty of fraud, dishonesty or any other serious misconduct which, in the reasonable opinion of the Company is likely to adversely affect the reputation or profitability of the Company; or</p> <p>(c) Tirol Investments giving notice with immediate effect, which notice may be provided within one month of a material reduction in the fee or a material diminution in the responsibilities or powers assigned to Tirol Investments, whether or not accompanied by a reduction in the fee, excluding any such reduction or diminution arising with Tirol Investments' consent. In these circumstances, the Company must pay to Tirol Investments the equivalent of the fee that would otherwise be payable to Tirol Investments over a three month period if the Consultancy Agreement had not been terminated.</p> |
| <b>Other Terms</b>                            | The Consultancy Agreement otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties and confidentiality provisions).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |

### 8.3.2 Proposed Director Agreements

The Company has entered into the following agreements with the Proposed Directors, with commence upon the date of re-admission of the Company to the Official List of the ASX:

| PROPOSED DIRECTOR | ROLE                   | REMUNERATION PACKAGE | RELEVANT AGREEMENT                                                                                                                                                                 |
|-------------------|------------------------|----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Michael Minosora  | Non-Executive Chair    | \$120,000            | Consultancy letter agreement with Seabourn Capital Pty Ltd (as the consultant) and Mr Michael Minosora (as the nominated period) for the provision of Non-Executive Chair services |
| Sam Randazzo      | Non-Executive Director | \$48,000             | Consultancy letter agreement with Ranchild Pty Ltd (as the consultant) and Mr Sam Randazzo (as the nominated period) for the provision of Non-Executive Director services          |
| Andrew Wilde      | Non-Executive Director | \$48,000             | Director Appointment Letter with Dr Andrew Wilde                                                                                                                                   |

The consultancy agreements may be terminated without prior notice by operation of the Constitution, Corporations Act and ASX Listing Rules or upon the giving of 30 days written notice by a party.

### 8.3.3 Company Secretarial Agreement

|                    |                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|--------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Services</b>    | The Company has entered into a consulting agreement with Bruce Franzen and his associated entity, Zen Magnolia Pty Ltd (ACN 122 858 413) ( <b>Zen Magnolia</b> ), to provide the following services:<br>(a) company secretarial services charged on a retainer basis at a rate of \$6,000 per month (excl GST); and<br>(b) financial accounting services charged on a retainer basis at a rate of \$5,000 per month (excl GST). |
| <b>Termination</b> | Either party may at its sole discretion terminate the engagement immediately if the other party breaches its confidentiality obligations under the agreement, immediately if an insolvency event occurs to the other party or by providing 30 days written notice to the other party.                                                                                                                                           |
| <b>Other terms</b> | The consulting agreement otherwise contains provisions considered standard for an agreement of this nature (including warranties and confidentiality provisions).                                                                                                                                                                                                                                                               |

### 8.3.4 Deeds of indemnity, insurance and access

The Company has entered into a deed of indemnity, insurance and access with Mr Sumich and the Proposed Directors. Under these deeds, the Company will agree to indemnify each officer to the extent permitted by the Corporations Act against any liability arising as a result of the officer acting as an officer of the Company. The Company will also be required to maintain insurance policies for the benefit of the relevant officer and allow the officers to inspect board papers in certain circumstances.

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## 9. ADDITIONAL INFORMATION

### 9.1 Litigation

As at the date of this Prospectus, the Group is not involved in any legal proceedings and the Current Directors are not aware of any legal proceedings pending or threatened against the Group.

Furthermore, Veridis and Mining Development are also not involved in any legal proceedings and the Current Directors and Proposed Directors are not aware of any legal proceedings pending or threatened against them.

### 9.2 Rights and liabilities attaching to Shares

The following is a summary of the more significant rights and liabilities attaching to the Shares being offered pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, which is proposed to be adopted at the General Meeting, a copy of which is available for inspection at the Company's registered office during normal business hours.

|                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|-------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>General meetings</b> | <p>Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company. The Company's constitution permits the use of technology at general meetings of Shareholders (including wholly virtual meetings) to the extent permitted under the Corporations Act, ASX Listing Rules and applicable law.</p> <p>Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Voting rights</b>    | <p>Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of Shareholders or classes of Shareholders:</p> <ul style="list-style-type: none"><li>(a) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;</li><li>(b) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and</li><li>(c) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).</li></ul>                                                                                           |
| <b>Dividend rights</b>  | <p>Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid or credited as paid is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.</p> <p>The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.</p> <p>Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit, (and which</p> |

|                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|-----------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                   | provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Winding up</b>                 | <p>If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.</p> <p>The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.</p> |
| <b>Shareholder liability</b>      | As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Transfer of Shares</b>         | Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Future increase in capital</b> | The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.                                                                                                                                                                                                                                                                                                                                       |
| <b>Variation of rights</b>        | <p>Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares.</p> <p>If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three-quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.</p>                                                                            |
| <b>Alteration of Constitution</b> | In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.                                                                                                                                                                                                                                                                                                                                                                                                                                      |

### 9.3 Terms and Conditions of Existing Options

#### 9.3.1 Quoted Options

|                       |                                                                                                                                                                                                                               |
|-----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Expiry Date</b>    | The Quoted Options will expire on 30 April 2026 at 5.00pm (WST) ( <b>Expiry Date</b> ). A Quoted Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.                                     |
| <b>Exercise Price</b> | Subject to these terms, the amount payable upon exercise of each Quoted Option is \$0.20 per Quoted Option                                                                                                                    |
| <b>Exercise</b>       | <p>A holder may exercise their Quoted Options by lodging with the Company, before the Expiry Date:</p> <p>(a) a written notice of exercise of Quoted Options specifying the number of Quoted Options being exercised; and</p> |



|                                              |                                                                                                                                                                                                                                                                                                                                                                |
|----------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                              | (b) an electronic funds transfer for the Exercise Price for each Quoted Option being exercised.                                                                                                                                                                                                                                                                |
| <b>Exercise Notice</b>                       | An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds. The Quoted Options held by each holder may be exercised in whole or in part, and if exercised in part, at least 1,000 must be exercised on each occasion.                                                                           |
| <b>Timing of issue of Shares on exercise</b> | Subject to the Corporations Act, the Listing Rules and these terms and conditions, within 10 Business Days of receipt of the Exercise Notice accompanied by the appropriate Exercise Price, the Company will issue the number of Shares required under these terms and conditions in respect of the number of Quoted Options specified in the Exercise Notice. |
| <b>Transferability</b>                       | The Quoted Options are freely transferable from the date of issue, subject to any restriction or escrow arrangements imposed by ASX or under Australian securities laws.                                                                                                                                                                                       |
| <b>Ranking of Shares</b>                     | All Shares allotted upon the exercise of Quoted Options will upon allotment be fully paid and rank pari passu in all respects with other Shares.                                                                                                                                                                                                               |
| <b>Quotation</b>                             | The Company will apply for quotation of the Quoted Options on ASX. The Company will apply for quotation of all Shares allotted pursuant to the exercise of Quoted Options on ASX within 5 business days after the date of issue of those Shares.                                                                                                               |
| <b>Reconstruction</b>                        | In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, the Quoted Options will be reorganised as required by the Listing Rules, but in all other respects the terms of exercise will remain unchanged.                                               |
| <b>Participation rights</b>                  | There are no participating rights or entitlements inherent in the Quoted Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Quoted Options without exercising the Quoted Options.                                                                                             |
| <b>Amendments</b>                            | A Quoted Option does not confer the right to a change in the Exercise Price or a change in the number of underlying securities over which the Quoted Option can be exercised.                                                                                                                                                                                  |

### 9.3.2 Unquoted Options

|                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Expiry Date</b>     | The expiry date of each Unquoted Option is 13 December 2024 ( <b>Expiry Date</b> ).                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Exercise Price</b>  | The exercise price of each Unquoted Option is \$0.30 ( <b>Exercise Price</b> ). Any Unquoted Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Exercise</b>        | The Unquoted Options held by each option holder may be exercised in whole or in part, and if exercised in part, multiples of 10,000 must be exercised on each occasion.                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Exercise Notice</b> | <p>An Unquoted Option holder may exercise their Unquoted Options by lodging with the Company, before the Expiry Date:</p> <p>(a) a written notice of exercise of the Unquoted Options specifying the number and class of options being exercised; and</p> <p>(b) a cheque or electronic funds transfer for the Exercise Price for the number of Unquoted Options being exercised,</p> <p><b>(Exercise Notice).</b></p> <p>An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.</p> |



|                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|----------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Timing of issue of Shares on exercise</b> | <p>Within 10 business days of receipt of the Exercise Notice accompanied by the Exercise Price (and subject to the Company obtaining any necessary prior approvals from Shareholders or regulatory bodies for the issue of the Shares), the Company will issue the number of Shares required under these terms and conditions in respect of the number of Unquoted Options specified in the Exercise Notice.</p> <p>The Company will apply for quotation of all Shares issued pursuant to the exercise of the Unquoted Options on ASX within 10 business days after the date of issue of those Shares.</p>       |
| <b>Ranking of Shares</b>                     | All Shares issued upon the exercise of the Unquoted Options will upon issue rank pari passu in all respects with other Shares.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Transfer and Quotation</b>                | The Unquoted Options are non-transferable. The Company will not apply to ASX for quotation of the Unquoted Options.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Reconstruction</b>                        | If at any time the issued capital of the Company is reconstructed, all rights of an Unquoted Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Participation rights</b>                  | There are no participating rights or entitlements inherent in the Unquoted Options and Unquoted Option holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Unquoted Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 4 business days after the issue is announced. This will give Unquoted Option holders the opportunity to exercise their Unquoted Options prior to the date for determining entitlements to participate in any such issue. |
| <b>Amendments</b>                            | An Unquoted Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Unquoted Option can be exercised.                                                                                                                                                                                                                                                                                                                                                                                                                                   |

#### 9.4 Performance Shares

| GENERAL TERMS AND CONDITIONS       |                                                                                                                                                                                                                                                                                                                                                                                      |
|------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Entitlement</b>                 | Each Performance Share is a share in the capital of the Company.                                                                                                                                                                                                                                                                                                                     |
| <b>General Meetings</b>            | Performance Shares shall confer on the holder ( <b>Holder</b> ) the right to receive notices of general meetings and financial reports and accounts of the Company that are circulated to the Company's Shareholders. Holders have the right to attend general meetings of Shareholders.                                                                                             |
| <b>No Voting Rights</b>            | Performance Shares do not entitle the Holder to vote on any resolutions proposed at a general meeting of the Company's shareholders, subject to any voting rights under the Corporations Act or the ASX Listing Rules where such rights cannot be excluded by these terms.                                                                                                           |
| <b>No Dividend Rights</b>          | Performance Shares do not entitle the Holder to any dividends.                                                                                                                                                                                                                                                                                                                       |
| <b>No Return of Capital Rights</b> | Performance Shares do not entitle the Holder to any right to a return of capital, whether on a winding up, upon a capital reduction or otherwise.                                                                                                                                                                                                                                    |
| <b>No Rights on Winding Up</b>     | Upon winding up of the Company, Performance Shares may not participate in the surplus profits or assets of the Company.                                                                                                                                                                                                                                                              |
| <b>Transfer</b>                    | Performance Shares are not transferable.                                                                                                                                                                                                                                                                                                                                             |
| <b>Reorganisation of Capital</b>   | In the event that the issued capital of the Company is reconstructed, all rights of a Holder will be changed to the extent necessary to comply with the ASX Listing Rules at the time of reorganisation provided that, subject to compliance with the ASX Listing Rules, following such reorganisation the economic and other rights of the Holder are not diminished or terminated. |

|                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
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| <b>Application to ASX</b>                                                        | Performance Shares will not be quoted on ASX. Upon conversion of Performance Shares into the Shares in accordance with these terms, the Company must within seven days after the conversion, apply for and use its best endeavours to obtain the official quotation on ASX of the Shares arising from the conversion.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Participation in Entitlements and Bonus Issues</b>                            | Subject always to the rights under the paragraph entitled Reorganisation of Capital, Holders of Performance Shares will not be entitled to participate in new issues of capital offered to holders of the Shares such as bonus issues and entitlement issues.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Amendments required by ASX</b>                                                | The terms of Performance Shares may be amended as necessary by the board of directors of the Company in order to comply with the ASX Listing Rules, or any directions of ASX regarding the terms provided that, subject to compliance with the ASX Listing Rules, following such amendment, the economic and other rights of the Holder are not diminished or terminated and commercial intent remains.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>No other rights</b>                                                           | Performance Shares give the Holders no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>CONVERSION</b>                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Milestones</b>                                                                | Performance Shares will convert into the Shares on a one for one basis subject to the Company achieving the milestones set out in the table included at Section 5.12.3 prior to milestone deadlines set out in that table.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Conversion of Performance Shares</b>                                          | Subject to these terms, each the Performance Share, that has not lapsed, will convert upon the relevant Milestone being achieved and on conversion the Company will make an announcement to ASX.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Lapse if PS Milestone not achieved</b>                                        | If the applicable Milestones are not achieved within the Milestone Deadlines the relevant Performance Shares held by a Holder will automatically lapse.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Change in Control</b>                                                         | <p>Upon:</p> <ul style="list-style-type: none"> <li>(a) a takeover bid under Chapter 6 of the Corporations Act having been made in respect of the Company and: <ul style="list-style-type: none"> <li>(i) having received acceptances for not less than 50.1% of the Company's shares on issue; and</li> <li>(ii) having been declared unconditional by the bidder; or</li> </ul> </li> <li>(b) a Court granting orders approving a compromise or arrangement for the purposes of or in connection with a scheme of arrangement for the reconstruction of the Company or its amalgamation with any other company or companies,</li> </ul> <p>then, to the extent Performance Shares have not converted into Shares due to satisfaction of a PS Milestone, Performance Shares automatically convert into the Shares and on conversion the Company will make an announcement to ASX.</p> |
| <b>Deferral of conversion if resulting in a prohibited acquisition of Shares</b> | <p>If the conversion of a Performance Share would result in any person being in contravention of section 606(1) of the Corporations Act (<b>General Prohibition</b>) then the conversion of that Performance Share shall be deferred until such later time or times that the conversion would not result in a contravention of the General Prohibition. In assessing whether a conversion of a Performance Share would result in a contravention of the General Prohibition:</p> <ul style="list-style-type: none"> <li>(a) the Holder may give written notification to the Company if they consider that the conversion of a Performance Share may result in the contravention of the General Prohibition. The absence of such written notification from the Holder will entitle the Company to assume the conversion of a Performance</li> </ul>                                     |

|                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
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|                             | <p>Share will not result in any person being in contravention of the General Prohibition;</p> <p>(b) the Company may (but is not obliged to) by written notice to the Holder request the Holder to provide the written notice referred to in paragraph (a) within seven days if the Company considers that the conversion of a Performance Share may result in a contravention of the General Prohibition. The absence of such written notification from the Holder will entitle the Company to assume the conversion of a Performance Share will not result in any person being in contravention of the General Prohibition.</p> |
| <b>After conversion</b>     | The Shares issued on conversion of Performance Shares will, upon and from their issue, rank equally with and confer rights identical with all other the Shares then on issue and application will be made by the Company to ASX for official quotation of the Shares issued upon conversion (subject to complying with any restriction periods required by the ASX).                                                                                                                                                                                                                                                              |
| <b>Conversion Procedure</b> | The Company will issue the Holder with a new holding statement for Shares as soon as practicable following the conversion of Performance Shares into Shares.                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |

Shareholders are referred to the Independent Expert's Report that is annexed to this Prospectus as Annexure F, where the Independent Expert sets out a detailed independent examination of the proposed issue of Performance Shares.

As set out in the Independent Expert's Report, the Independent Expert considers that the proposed issue of Performance Shares is **FAIR AND REASONABLE** to Shareholders not associated with the issue of Performance Shares, taking into account the factors noted in the Independent Expert's Report.

Shareholders are urged to carefully read the Independent Expert's Report to understand its scope, the methodology of the valuation and the sources of information and assumptions made.

## 9.5 Performance Rights

|                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|--------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Grant Price</b> | Each Performance Right will be granted by the Company for nil cash consideration.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Rights</b>      | <p>(a) The Performance Rights do not carry any voting rights in the Company.</p> <p>(b) The Performance Rights do not confer on the holder the right to receive notices of general meetings and financial reports and accounts of the Company that are circulated to Shareholders. Holders of Performance Rights do not have the right to attend general meetings of Shareholders.</p> <p>(c) The Performance Rights do not entitle the holder to any dividends.</p> <p>(d) The Performance Rights do not confer any right to participate in the surplus profits or assets of the Company upon winding up of the Company.</p> <p>(e) The Performance Rights do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.</p> <p>(f) In the event the issued capital of the Company is reconstructed, all rights of a holder will be changed to the extent necessary to comply with the ASX Listing Rules and Corporations Act at the time of reorganisation provided that, subject to compliance with the ASX Listing Rules and Corporations Act, following such reorganisation the economic and other rights of the holder are not diminished or terminated.</p> <p>(g) Subject always to the rights paragraph (f) above, a Performance Right does not entitle the holder (in its capacity as a holder of a Performance Right) to participate in new issues of</p> |

|                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                        | <p>capital offered to holders of Shares such as bonus issues and entitlement issues.</p> <p>(h) The Performance Rights give the holder no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Vesting</b>         | <p>The Performance Rights vest on satisfaction of the relevant vesting condition and become exercisable by the holder into Shares (<b>Conversion Shares</b>) on a one for one basis upon and subject to the Company providing written notice (<b>Vesting Notice</b>) to the holder that the Company has satisfied the Milestone applicable to the Performance Rights by the relevant Milestone Deadline as set out in Section 5.12.3.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Conversion</b>      | <p>(a) In order to exercise the Performance Rights into Conversion Shares following receipt of a Vesting Notice, the holder must provide written notice (<b>Exercise Notice</b>) to the Company of its election to exercise the Performance Rights into the Conversion Shares. The Performance Rights may only be exercised into Conversion Shares once.</p> <p>(b) Despite any other provision, the exercise of any Performance Rights is subject to the Company obtaining any required Shareholder or regulatory approval for the purpose of issuing the Conversion Shares. If exercise of all or part of the Performance Rights would result in any person being in contravention of section 606(1) of the Corporations Act then the exercise of each Performance Right that would cause the contravention will be deferred until such time or times that the exercise would not at a later date result in a contravention of section 606(1) of the Corporations Act. The holder must give prior written notice to the Company if it considers that the exercise of all or part of its Performance Rights may result in the contravention of section 606(1) of the Corporations Act, failing which the Company will be entitled to assume that the exercise of the Performance Rights under these terms will not result in any person being in contravention of section 606(1) of the Corporations Act.</p> <p>(c) Each Conversion Share will rank equally with a fully paid ordinary share in the capital of the Company.</p> <p>(d) The Performance Rights will not be quoted on any securities exchange and the Company will not make an application for quotation in respect of them. However, if the Company is listed on the ASX at the relevant time, the Company must apply for quotation of any Conversion Shares on the ASX in accordance with the ASX Listing Rules, subject always to the requirements of the ASX Listing Rules, including those relating to escrow and the cleansing requirements under the Corporations Act.</p> |
| <b>Expiry</b>          | <p>Performance Rights will automatically be deemed to be terminated and cancelled by the Company for nil cash consideration in the event they have not otherwise been validly exercised into Conversion Shares on or before the relevant PR Expiry Date.</p> <p>If the employment or engagement of the holder with the Company or its Related Bodies Corporate is terminated or ceases for any reason, all unvested Performance Rights will remain on foot and vest in the ordinary course, subject to the Board's overriding discretion to determine that any unvested Performance Rights will lapse with effect from the date of termination or cessation of the holder's employment or engagement.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Transferability</b> | <p>(a) The Performance Rights are not transferable except in accordance with paragraph (b).</p> <p>(b) Performance Rights may be transferred to the attorney or personal representative of the holder or the executor of the estate of the holder, in the event of mental incapacity, permanent disablement or death of the holder.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |

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|----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Compliance with law</b> | <p>Despite anything else contained in these terms, if the Corporations Act, ASX Listing Rules or Constitution prohibits an act being done, that act must not be done.</p> <p>Nothing contained in these terms prevents an act being done that the Corporations Act, ASX Listing Rules or Constitution require to be done.</p> <p>If the Corporations Act, ASX Listing Rules or Constitution conflict with these terms, or these terms do not comply with the Corporations Act, ASX Listing Rules or the Constitution, the holder authorises the Company to do anything necessary to rectify such conflict or non-compliance, including but not limited to unilaterally amending these terms.</p> <p>The terms of the Performance Rights may be amended as necessary by the directors of the Company in order to comply with the ASX Listing Rules, or any directions of ASX regarding the terms in order to comply with the ASX Listing Rules.</p> <p>Any reference to the ASX Listing Rules in these terms and conditions is to be complied with only where the Company is admitted to the Official List at the relevant time.</p> |
| <b>Control event</b>       | <p>Upon:</p> <ul style="list-style-type: none"> <li>(a) a takeover bid under Chapter 6 of the Corporations Act having been made in respect of the Company and: <ul style="list-style-type: none"> <li>(i) having received acceptances for not less than 50.1% of the Company's shares on issue; and</li> <li>(ii) having been declared unconditional by the bidder; or</li> </ul> </li> <li>(b) a Court granting orders approving a compromise or arrangement for the purposes of or in connection with a scheme of arrangement for the reconstruction of the Company or its amalgamation with any other company or companies,</li> </ul> <p>then, all Performance Rights on issue shall automatically vest (without the need for any Vesting Notice) and become exercisable by the holder into Conversion Shares.</p>                                                                                                                                                                                                                                                                                                              |

Shareholders are referred to the Independent Expert's Report that is annexed to this Prospectus as Annexure F, where the Independent Expert sets out a detailed independent examination of the proposed issue of Performance Rights.

As set out in the Independent Expert's Report, the Independent Expert considers that the proposed issue of Performance Rights is **FAIR AND REASONABLE** to Shareholders not associated with the issue of Performance Rights, taking into account the factors noted in the Independent Expert's Report.

Shareholders are urged to carefully read the Independent Expert's Report to understand its scope, the methodology of the valuation and the sources of information and assumptions made.

## 9.6 ASX Waivers

The Company has received the following confirmation and waivers from ASX:

### 9.6.1 Listing Rule 2.1 (Condition 2)

Listing Rule 2.1 (Condition 2) provides that the issue price or sale price of all the securities for which an entity seeks quotation (except options) must be at least 20 cents in cash.

ASX granted the Company a waiver from Listing Rule 2.1 (Condition 2) to the extent necessary to permit the Company to issue Shares under the Public Offer at an issue price of \$0.05, subject to the following conditions:

- (a) the issue price of the Shares issued under the Public Offer (**Public Offer Shares**) is not less than \$0.02 per Share;
- (b) the terms of the waiver and terms and conditions of the Public Offer Shares are clearly disclosed in the Notice of Meeting and in this Prospectus; and
- (c) Shareholders approve the issue price of the Public Offer Shares as part of the approvals obtained under Listing Rule 11.1.2 for the Proposed Acquisitions.

### 9.6.2 Listing Rule 1.1 (Condition 12)

Listing Rule 1.1 (Condition 12) provides that if an entity has options on issue the exercise price for each underlying security must be at least 20 cents in cash.

ASX granted the Company a waiver from Listing Rule 1.1 Condition 12 to permit the Company to have on issue 130,000,000 Performance Shares and 6,000,000 Performance Rights with a nil exercise price on the condition that the full terms and conditions of the Performance Shares and Performance Rights are clearly disclosed in the Prospectus.

### 9.6.3 Listing Rule 6.1

ASX advised that, on receipt of an application for re-admission of the Company to the Official List, it would be likely to confirm to the Company that the terms of the 130,000,000 Performance Shares proposed to be issued to the Veridis Vendors (or their nominees) and the 6,000,000 Performance Rights proposed to be issued to David Sumich are appropriate and equitable for the purposes of Listing Rule 6.1.

ASX has provided the confirmation outlined above subject to a number of conditions. The following information is provided in relation to the proposed issue of the Performance Rights and Performance Shares (together, the **Performance Securities**) for the purpose of satisfying these conditions and ASX Guidance Note 19:

#### Basis for the issue of the Performance Shares

The Performance Shares will be issued to the Veridis Vendors as part consideration for the Veridis Acquisition. Further information in relation to the Veridis Vendors, including the number of Performance Shares to be issued to each of the Veridis Vendors and a description of the relationship between the Veridis Vendors and the Company (if any) is set out in the table below.

| VERIDIS VENDOR                                 | RELATIONSHIP WITH THE COMPANY                                                                                                                                                                                                                              | PERFORMANCE SHARES |                   |                   |
|------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|-------------------|-------------------|
|                                                |                                                                                                                                                                                                                                                            | TRANCHE 1          | TRANCHE 2         | TRANCHE 3         |
| Michael John Minosora                          | Proposed Director                                                                                                                                                                                                                                          | 11,250,000         | 11,250,000        | 10,000,000        |
| Ranchild Pty Ltd <The Ranchild Trust>          | Sam Randazzo (an officer of Ranchild Pty Ltd and a beneficiary of the Ranchild Trust) is a Proposed Director                                                                                                                                               | 11,250,000         | 11,250,000        | 10,000,000        |
| Cityscape Asset Pty Ltd <Cityscape Family A/C> | Jason Peterson (the controller of Cityscape Asset Pty Ltd) is a substantial shareholder of the Company as outlined in Section 5.13. Jason Peterson is also a director of and has a relevant interest in CPS Capital, the lead manager of the Public Offer. | 4,090,909          | 4,090,909         | 3,636,364         |
| Other Veridis Vendors                          | No relationship.                                                                                                                                                                                                                                           | 18,409,091         | 18,409,091        | 16,363,636        |
| <b>Total</b>                                   |                                                                                                                                                                                                                                                            | <b>45,000,000</b>  | <b>45,000,000</b> | <b>40,000,000</b> |

The Performance Shares are being issued in connection with the Veridis Acquisition. The Company has elected to issue the Performance Shares so that a portion of the consideration payable for the Veridis Acquisition is directly linked to the performance and quality of the Firawa Project. This is standard practice for acquisitions of exploration projects and is designed to protect the Company and its Shareholders against the inherent risk associated with such acquisitions (i.e., there can be no assurance that exploration of these assets will result in the attainment of value accretive exploration results).

The milestones attaching to the Performance Shares, as set out in Section 5.12.3 are clearly intended to manage these risks.

### Quantum of Performance Shares

The Board considers that the quantum of the consideration payable for the Veridis Acquisition is appropriate and equitable as the quantum reflects reasonable fair value of the Firawa Project in view of the key project highlights, and the Company having conducted arm's length negotiations with representatives of Veridis to arrive at the commercial terms of the Veridis Acquisition.

The consideration payable was determined by the Board, following arm's length negotiations with representatives of Veridis, and having regard to:

- (a) the Company's assessment of the future prospects of the Firawa Project, based on its geological review of the Firawa Project;
- (b) recent market examples of comparable transactions, particularly in the rare earth and uranium sectors; and
- (c) the fact that part of the consideration payable will be deferred and only realised in the event that the vesting condition is satisfied, which would be a significant value accretive event for the Company.

As to the precise number of Performance Shares, as well as the abovementioned factors, the Company was also cognisant of the principles and guidance articulated in ASX Guidance Note 19 with respect to the issue of performance linked securities in the context of an acquisition.

### Basis for the issue of the Performance Rights

The Company is proposing to issue an aggregate of 6,000,000 Performance Rights to Director, Mr David Sumich to remunerate and incentivise Mr Sumich in his role as Managing Director. The issue will comprise of 2,000,000 Class A Performance Rights, 2,000,000 Class B Performance Rights and 2,000,000 Class C Performance Rights.

The Company considers that Mr Sumich will play a significant role in meeting the milestones attaching to the Performance Rights. Mr Sumich will be responsible for:

- (a) determining the strategic direction of the Company, with the objective of creating shareholder value through exploration success;
- (b) establishing and implementing the business strategies for the Company;
- (c) managing the business of the Company and planning, implementing and directing the operations of the Company; and
- (d) monitoring risks facing the Company and its operations and endeavouring to minimise the Company's exposure to risk;

The current and proposed remuneration packages of Mr Sumich together with details in respect of the Securities held by Mr Sumich (and his associates) are set out in Section 7.3.

The Company considers it necessary to further remunerate Mr Sumich via the grant of the Performance Rights for the following reasons:

- (a) the Performance Rights are unlisted, therefore the grant of the Performance Rights has no immediate dilutionary impact on shareholders;
- (b) the issue of Performance Rights to Mr Sumich will further align his interests of those Shareholders;
- (c) the issue of the Performance Rights is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to Mr Sumich; and
- (d) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Performance Rights on the terms proposed.



The number of Performance Rights to be issued to Mr Sumich has been determined based upon a consideration of:

- (a) current market standards and/or practices of other ASX listed companies of a similar size and stage of development to the Company;
- (b) the remuneration of Mr Sumich; and
- (c) incentives to attract and retain the service of Mr Sumich who has appropriate knowledge and expertise, while maintaining the Company's cash reserves.

As to the precise number of Performance Rights, as well as the abovementioned factors, the Company was also cognisant of the principles and guidance articulated in ASX Guidance Note 19 with respect to the issue of performance linked securities.

#### Compliance with sections 9 to 11 of Guidance Note 19

The Board considers the number of Performance Securities to be issued and the number of Shares into which they will convert if the relevant milestones are achieved is appropriate and equitable for the following reasons:

- (a) the terms of the Performance Securities are consistent with ASX's policy regarding the base requirements for performance securities as set out in section 9 of Guidance Note 19;
- (b) the terms of the Performance Securities comply with section 10 of Guidance Note 19, as the number of Shares that will be issued on conversion of a Performance Security is fixed (i.e., one for one) which allows investors and analysts to readily understand and have reasonable certainty as to the impact on the Company's capital structure if the milestones are achieved;
- (c) there is an appropriate link between the milestones and the purposes for which the Performance Securities are being issued and the conversion milestones are clearly articulated by reference to objective criteria;
- (d) there is an appropriate link to the benefit of Shareholders and the Company at large through the achievement of the milestones, which have been constructed so that satisfaction of the milestones will be consistent with increases in the value of the Firawa Project;
- (e) the milestones are clearly articulated by reference to objective criteria which allows investors and analysts to readily understand and have reasonable certainty as to the circumstances in which the milestones will be taken to have been met; and
- (f) the Performance Securities have an expiry date by which the milestones are to be achieved and, if the milestones are not achieved by that date, the Performance Securities will lapse.

The 130,000,000 Performance Shares and 6,000,000 Performance Rights to be issued to the recipients will convert into an aggregate of 136,000,000 Shares if the applicable performance milestones are satisfied. Details of the potential impacts of conversion of the Performance Securities on Shareholders are set out in Section 5.12.4 and in the Independent Expert's Report in Annexure F.

Refer to Sections 9.4 and 9.5 for the terms and conditions of the Performance Shares and Performance Rights, respectively. Also refer to the Independent Expert's Report annexed as Annexure F, which sets out that the Independent Expert considers the proposed issue of each the Performance Shares and the Performance Rights to be **FAIR AND REASONABLE** to shareholders not associated with the issue of the Performance Securities.

#### **9.6.4 Listing Rule 10.11**

ASX granted the Company a waiver from the requirements of Listing Rule 10.13.5 (**Related Party Waiver**) to the extent necessary to permit the Notice not to state that, in relation to up to 5,000,000 Shares to be issued to Director, David Sumich in respect of his participation in the Public Offer and 2,000,000 Shares and 6,000,000 Performance Rights to be issued to Director, David Sumich as part of his remuneration package (together, the **Related Party**

**Securities**), that the Related Party Securities will be issued no later than one month after the date of the Meeting, on the following conditions:

- (a) the Related Party Securities are issued at the same time as other securities to be issued under this Prospectus which must be no later than three months after the date of the General Meeting; and
- (b) the terms of the waiver are clearly disclosed in the Notice and in this Prospectus.

#### **9.7 Interests of directors**

Other than as set out in this Prospectus, no Current Director or Proposed Director holds, or has held within the two years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
  - (i) its formation or promotion; or
  - (ii) the Offers; or
- (c) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Current Director or Proposed Director:

- (d) as an inducement to become, or to qualify as, a director of the Company; or
- (e) for services provided in connection with:
  - (i) the formation or promotion of the Company; or
  - (i) the Offers.

#### **9.8 Interests of experts and advisers**

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the two years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (d) the formation or promotion of the Company;
- (e) any property acquired or proposed to be acquired by the Company in connection with:
  - (i) its formation or promotion; or
  - (ii) the Offers; or
- (f) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (g) the formation or promotion of the Company; or
- (h) the Offers.

Mining Insights Pty Ltd has acted as the Australian Independent Geologist and has prepared the Australian Independent Geologists' Report which is included in Annexure A. The Company estimates it will pay Mining Insights Pty Ltd a total of \$26,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Mining Insights Pty Ltd has received \$16,500 in fees (including GST) from the Company.

ERM Australia Consultants Pty Ltd has acted as the Guinean Independent Technical Assessments Report and has prepared the Independent Technical Assessment Report which is included in Annexure B. The Company estimates it will pay ERM Australia Consultants Pty Ltd a total of \$50,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, ERM Australia Consultants Pty Ltd has received \$652,088 (including GST) in fees from the Company.

House Legal Pty Ltd has acted as the Australian Tenement Solicitor and has prepared the Australian Independent Solicitors' Report which is included in Annexure C. The Company estimates it will pay House Legal Pty Ltd a total of \$5,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, House Legal Pty Ltd has received \$165 (including GST) in fees from the Company.

Sylla & Partners has acted as the Guinean Independent Solicitors and has prepared the Guinean Independent Solicitors' Report which is included in Annexure D. The Company estimates it will pay Sylla & Partners a total of US\$25,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Sylla & Partners has received US\$12,500 (including GST) in fees from the Company.

Stantons Corporate Finance Pty Ltd has acted as Investigating Accountant and has prepared the Independent Limited Assurance Report which is included in Annexure E. The Company estimates it will pay Stantons Corporate Finance Pty Ltd a total of \$10,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Stantons Corporate Finance Pty Ltd has received \$3,250 (including GST) in fees from the Company.

BDO Corporate Finance (WA) Pty Ltd has acted as the Independent Expert and has prepared the Independent Expert's Report which is included in Annexure F. The Company estimates it will pay BDO Corporate Finance (WA) Pty Ltd a total of \$25,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, BDO Corporate Finance (WA) Pty Ltd has not received fees from the Company for any other services.

PKF Perth is the Company's auditor. The Company estimates it will not pay PKF Perth any fees in connection with the Offers. During the 24 months preceding lodgement of this Prospectus with the ASIC, PKF Perth has received \$75,845 (including GST) in fees from the Company.

CPS Capital will receive those fees set out in Section 8.2 following the successful completion of the Public Offer for its services as lead manager to the Public Offer. Further details in respect to the Lead Manager Mandate with CPS Capital are summarised in Section 8.2. During the 24 months preceding lodgement of this Prospectus with the ASIC, CPS Capital Group Pty Ltd has received fees \$77,000 (including GST) in fees from the Company.

Steinepreis Paganin has acted as the Australian legal advisers to the Company in relation to the Offers. The Company estimates it will pay Steinepreis Paganin \$175,000 (excluding GST) for these services. Subsequently, fees will be charged in accordance with normal charge out rates. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has received \$69,991.50 (excluding GST and disbursements) in fees from the Company.

## **9.9 Consents**

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offer or of the Shares), the Current Directors, any persons named in the Prospectus with their consent as Proposed Directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a

contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section;
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section; and
- (c) has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Mining Insights Pty Ltd has given its written consent to being named as the Australian Independent Geologist in this Prospectus and to the inclusion of the Australian Independent Geologist's Report in Annexure A in the form and context in which the report is included.

ERM Australia Consultants Pty Ltd has given its written consent to being named as Guinean Independent Geologist in this Prospectus and to the inclusion of the Guinean Independent Technical Assessment Report in Annexure B in the form and context in which the report is included.

House Legal Pty Ltd has given its written consent to being named as the Australian Tenement Solicitor in this Prospectus and to the inclusion of the Australian Independent Solicitors' Report which is included in Annexure C in the form and context in which the report is included.

Sylla & Partners has given its written consent to being named as the Guinean Independent Solicitors in this Prospectus and to the inclusion of the Guinean Independent Solicitors' Report which is included in Annexure D in the form and context in which the report is included.

Stantons Corporate Finance Pty Ltd has given its written consent to being named as Investigating Accountant in this Prospectus and to the inclusion of the Independent Limited Assurance Report in Annexure E in the form and context in which the information and report is included.

BDO Corporate Finance (WA) Pty Ltd has given its written consent to being named as the Independent Expert and to the inclusion of the Independent Expert's Report which is included in Annexure F. in the form and context in which the report is included.

PKF Perth has given its written consent to being named as auditor of the Company in this Prospectus and the inclusion of the audited financial information of the Company in the form and context in which it appears.

Steinepreis Paganin has given its written consent to being named as the Australian legal advisers to the Company in relation to the Offers in this Prospectus.

CPS Capital Group Pty Ltd has given its written consent to being named as the lead manager to the Company in this Prospectus.

Automic Pty Ltd has given its written consent to being named as the share registry to the Company in this Prospectus.

## **9.10 Expenses of the Offers**

The total expenses of the Offers (excluding GST) are estimated to be approximately \$799,000 at Minimum Subscription and \$829,000 at the Maximum Subscription, are expected to be applied towards the items set out in the table below:

| ITEM OF EXPENDITURE                       | MINIMUM<br>SUBSCRIPTION<br>(\$) | MAXIMUM<br>SUBSCRIPTION<br>(\$) |
|-------------------------------------------|---------------------------------|---------------------------------|
| ASIC fees                                 | 3,206                           | 3,206                           |
| ASX fees                                  | 151,237                         | 151,846                         |
| Lead Manager Fees <sup>1</sup>            | 300,000                         | 330,000                         |
| Legal Fees <sup>2,3</sup>                 | 214,950                         | 214,950                         |
| Independent Geologists' Fees <sup>4</sup> | 76,000                          | 76,000                          |
| Investigating Accountant's Fees           | 10,000                          | 10,000                          |
| Independent Expert's Fees                 | 25,000                          | 25,000                          |
| Printing and Distribution                 | 16,630                          | 16,630                          |
| Miscellaneous                             | 1,977                           | 1,368                           |
| <b>Total</b>                              | <b>799,000</b>                  | <b>829,000</b>                  |

**Notes:**

1. Refer to Section 8.2 for a summary of the fees payable to CPS Capital.
2. Includes fees payable to the Company's Australian and Guinean legal counsel.
3. Based on an exchange rate of US\$1:A\$1.51.
4. Includes fees payable to the Company's Australian and Guinean independent geologists.

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**10. DIRECTORS' AUTHORISATION**

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Current Directors.

In accordance with section 720 of the Corporations Act, each Current Director and Proposed Director has consented to the lodgement of this Prospectus with the ASIC.

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## 11. GLOSSARY

Where the following terms are used in this Prospectus they have the following meanings:

**\$ or A\$** means an Australian dollar.

**Acquisition Agreements** means the Veridis SSA and Mining Development SSA.

**Application Form** means a Public Offer Application Form or a Priority Application Form (as applicable).

**Australian Independent Geologists' Report** means the independent geologists' report on the Australian Project included at Annexure A.

**Australian Independent Solicitors' Report** means the independent solicitors' report on the Australian Project included at Annexure C.

**ASIC** means Australian Securities & Investments Commission.

**ASX** means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

**ASX Listing Rules** means the official listing rules of ASX.

**Australian Project** means the Company's Ravensthorpe Nickel Project, located in Western Australia.

**Board** means the board of directors of the Company as constituted from time to time.

**Business Days** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

**CHESS** means the Clearing House Electronic Subregister System operated by ASX Settlement.

**Cleansing Offer** means the offer of 1,000 Shares at an issue price of \$0.05 per Share for the purpose of section 708A(11) of the Corporations Act, to ensure that no trading restrictions attach to the Consideration Shares to be issued by the Company as set out in Section 4.9.

**Closing Date** means the closing date of the Public Offer as set out in the indicative timetable in the Key Offer Information Section (subject to the Company reserving the right to extend the Closing Date or close the Public Offer early).

**Company or DMC** means DMC Mining Limited (ACN 648 372 516).

**Completion** means settlement of the Proposed Acquisitions and completion of the Re-compliance.

**Conditional Approval** means the letter issued by the ASX to the Company stating that the conditions that are required to be met by the Company in order to re-comply with Chapters 1 and 2 of the ASX Listing Rules for re-quotation of its Shares on the Official List.

**Conditions** has the meaning set out in Section 4.6.

**Constitution** means the constitution that is proposed for adoption as the new constitution of the Company, subject to Shareholder approval being obtained at the General Meeting.

**Corporations Act** means *the Corporations Act 2001* (Cth).

**CPS Capital** means CPS Capital Group Pty Ltd (ACN 088 055 636).

**Current Directors** means the directors of the Company at the date of this Prospectus.

**Eligible Shareholder** has the meaning given in Section 4.7.

**Essential Resolutions** means the resolutions designated as such in Section 4.6.

**Firawa Project** has the meaning given in Section 5.2.



**General Meeting** means the general meeting convened by the Company to be held on 23 August 2024.

**Guinean Independent Solicitors' Report** means the independent solicitors' report on the Guinean Projects, Veridis and Mining Development included at Annexure D.

**Guinean Independent Technical Assessment Report** means the independent technical assessment report on the Guinean Projects included at Annexure B.

**Guinean Projects** means the Firawa Project and the Labé Project.

**Independent Expert** means BDO Corporate Finance (WA) Pty Ltd.

**Independent Expert's Report** means the independent expert's report included at Annexure F.

**Independent Limited Assurance Report** means the independent limited assurance report included at Annexure E.

**JORC Code** has the meaning given in the Important Notice Section.

**Labé Project** has the meaning given in Section 5.2.

**Lead Manager Mandate** means the agreement with CPS Capital summarised in Section 8.2.

**Maximum Subscription** means the maximum amount to be raised under the Public Offer assuming oversubscriptions of \$500,000 are received and accepted, being \$5,500,000.

**Milestone** means a Tranche 1 Milestone, Tranche 2 Milestone and/or Tranche 3 Milestone (as applicable).

**Milestone Date** in respect of a Performance Right or Performance Share means the milestone date set out in the table in Section 5.12.3.

**Minimum Allocation** means \$2,000 worth of Shares (being 40,000 Shares) under the Public Offer.

**Minimum Subscription** means the amount to be raised under the Public Offer, being \$5,000,000.

**Mining Development** means Mining Development Resources SARLU.

**Mining Development SSA** has the meaning given in Section 8.1.2.

**Mining Development Vendors** means the shareholders of Mining Development.

**Notice** or **Notice of Meeting** means the notice of meeting for the General Meeting published on the ASX on 23 July 2024, including the explanatory statement and the proxy form.

**Public Offer** has the meaning given on the cover page of this prospectus.

**Public Offer Application Form** means an application form attached to or accompanying this Prospectus relating to the Public Offer, to be completed by an investor other than an Eligible Shareholder.

**Priority Application Form** means an application form attached to or accompanying this Prospectus relating to the Public Offer to be completed by any Eligible Shareholders who are applying under the Public Offer.

**Official List** means the official list of ASX.

**Official Quotation** means official quotation by ASX in accordance with the ASX Listing Rules.

**Option** means an option to acquire a Share.

**Optionholder** means a holder of an Option.

**Performance Right** means a performance right which vests and becomes exercisable into Shares subject to satisfaction of a milestones.

**Performance Share** means a performance share which converts into a Share subject to satisfaction of a milestone.

**Projects** means the Australian Project, the Firawa Project and the Labé Project.

**Proposed Acquisitions** means the Veridis Acquisition and the Mining Development Acquisition.

**Proposed Directors** means Mr Michael Minosora, Mr Sam Randazzo and Dr Andrew Wilde.

**Prospectus** means this prospectus.

**Recommendations** has the meaning set out in Section 7.5.

**Re-compliance** means the Company re-complying with the admission requirements in Chapters 1 and 2 of the ASX Listing Rules.

**Related Body Corporate** has the meaning given to that term in the Corporations Act.

**Section** means a Section of this Prospectus.

**Securities** has the meaning given to that term under the ASX Listing Rules.

**Settlement** means settlement of the Proposed Acquisitions pursuant to the Acquisition Agreements.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a holder of Shares.

**Tranche 1 Milestone** has the meaning given in in Section 5.12.3.

**Tranche 1 Performance Right** means a Performance Right which vests and becomes exercisable into a Share following achievement of the Tranche 1 Milestone within four years of the date of issue.

**Tranche 1 Performance Share** means a Performance Share which converts into a Share subject to achievement of the Tranche 1 Milestone within four years of the date of issue.

**Tranche 2 Milestone** has the meaning given in in Section 5.12.3.

**Tranche 2 Performance Right** means a Performance Right which vests and becomes exercisable into a Share following achievement of the Tranche 2 Milestone within four years of the date of issue.

**Tranche 2 Performance Share** means a Performance Share which converts into a Share subject to achievement of the Tranche 2 Milestone within four years of the date of issue.

**Tranche 3 Milestone** has the meaning given in in Section 5.12.3.

**Tranche 3 Performance Right** means a Performance Right which vests and becomes exercisable into a Share following achievement of the Tranche 3 Milestone within four years of the date of issue.

**Tranche 3 Performance Share** means a Performance Share which converts into a Share subject to achievement of the Tranche 3 Milestone within four years of the date of issue.

**US\$** means the legal currency of the United States of America.

**Veridis** means Veridis Energie SARL.

**Veridis Acquisition** means the Company's proposed acquisition of 100% of the issued share capital of Veridis.

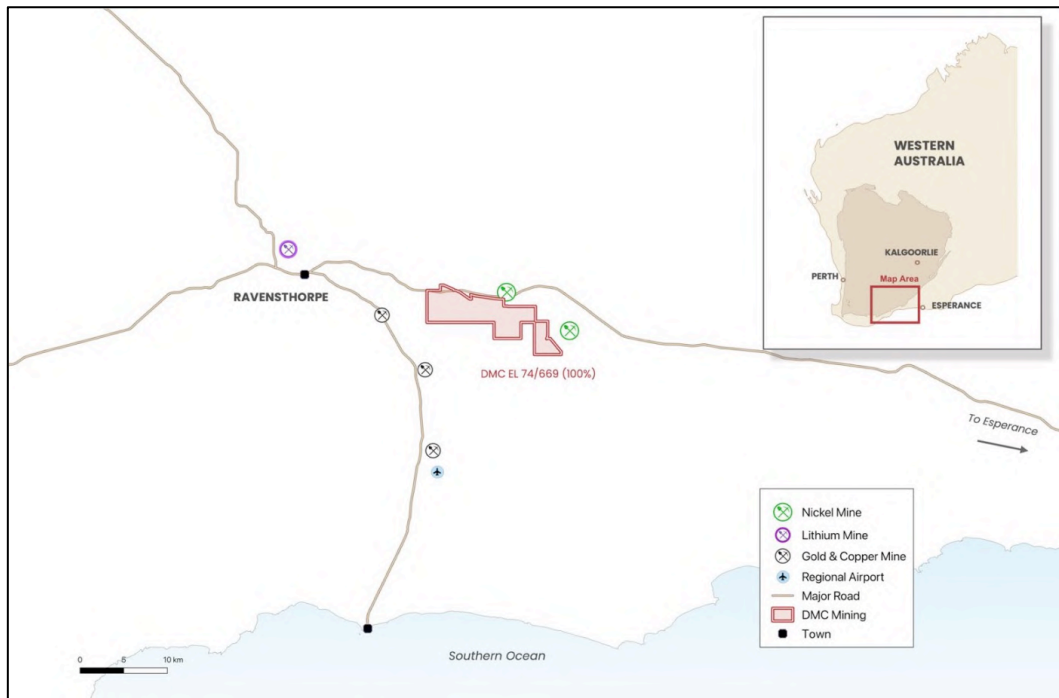
**Veridis SSA** has the meaning given in Section 8.1.1.

**Veridis Vendors** means the shareholders of Veridis.

**WST** means Western Standard Time as observed in Perth, Western Australia.



# Independent Geologist Report – Ravensthorpe Project



Prepared for  
DMC Mining Limited

Report Prepared by



August 2024

## DMC Mining Limited

### Independent Geologist Report – Ravensthorpe Project

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#### Mining Insights Pty Ltd (Mining Insights)

109 Delaney Circuit, Carindale, QLD 4152, Australia

Website: [www.mininginsights.com.au](http://www.mininginsights.com.au)

E-mail: [info@mininginsights.com.au](mailto:info@mininginsights.com.au)

Phone: (04) 0777 1528

**20 August 2024**

**Project Number 24003**

## Independent Geologist



Robert Wason, Senior Consultant – Geology

BSc (Geology), MSc (Mining Geology)

MAusIMM

Mining Insights Pty Ltd.

## Peer Review



Manish Garg, Director - Advisory

BEng (Minerals Eng.), Master of Applied Finance

MAusIMM, GAICD

Mining Insights Pty Ltd.

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## Key Abbreviations

|                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|-----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| \$ or AUD             | Australian Dollar                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| AS                    | Australian Standards                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| AusIMM                | Australasian Institute of Mining and Metallurgy                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| ha                    | Hectare(s)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| JORC                  | 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists, and Mineral Council of Australia                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| K                     | Thousand                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| km                    | Kilometres(s)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| km <sup>2</sup>       | Square kilometre(s)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| M                     | Million                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Mt                    | Millions of tonnes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Mineral Resource      | A 'Mineral Resource' is a concentration or occurrence of solid material of economic interest in or on the Earth's crust in such form, quality, and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, quality, continuity, and other geological characteristics of a Mineral Resource are known, estimated, or interpreted from specific geological evidence and knowledge, including sampling. Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated, and Measured categories.                                                                                                                                                                                                                                            |
| Mtpa                  | Millions of tonnes per annum                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Ore Reserve           | An 'Ore Reserve' is the economically mineable part of a Measured and/or Indicated Coal Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted and is defined by studies at Pre-Feasibility or Feasibility level as appropriate that include the application of Modifying Factors. Such studies demonstrate that, at the time of reporting, extraction could reasonably be justified.<br><br>The reference point at which Reserves are defined, usually, the point where Ore is delivered to the processing plant must be stated. It is important that, in all situations where the reference point is different, such as for a saleable product, a clarifying statement is included to ensure that the reader is fully informed as to what is being reported. |
| Mining Insights       | Mining Insights Pty Ltd.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| DMC Mining or Company | DMC Mining Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| t                     | Tonne                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

## Executive Summary

Mining Insights Pty Ltd (Mining Insights) was requested by DMC Mining Limited (“DMC Mining” or “Company”) to prepare an Independent Geologist Report (“IGR” or “Report”) for the Ravensthorpe Project in Western Australia. The IGR is to be included in a prospectus issued by the Company and dated on or about 21 August 2024 for a public offer of 100,000,000 shares at an issue price of \$0.05 each to raise \$5,000,000, with ability for oversubscriptions of \$500,000 and relisting on the Australian Securities Exchange (ASX).

The funds raised will be used for the exploration and evaluation of the project areas in Western Australia and the Republic of Guinea. This IGR details the Ravensthorpe Project in Western Australia.

This Report has been prepared as a public document, in the format of an IGR and in accordance with the guidelines of the Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets – the 2015 VALMIN Code (VALMIN) and the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves – the 2012 JORC Code (JORC).

The Report is complete up to 20 August 2024. A draft of the technical component of the Report was provided to DMC Mining, along with a written request to identify any material errors or omissions before lodgement.

### Ravensthorpe Project

The Ravensthorpe Project comprises of one granted exploration licence (E 74/669) covering an area of 21 Blocks (~61km<sup>2</sup>) within the Archaean volcano-sedimentary Ravensthorpe Greenstone belt located near the south coast of Western Australia.

The Ravensthorpe Project is located approximately 500km southeast of Perth, and approximately 15km southeast of Ravensthorpe, in the South Coastal Region of Western Australia. Ravensthorpe is located midway between Albany and Esperance on the sealed National Highway 1.

The Ravensthorpe Project is located adjacent to the First Quantum Minerals (FQM) open-pit laterite nickel mine and the historical RAV8 sulphide nickel mine. The project area is dominated by the northwest trending Ravensthorpe Range, which rises from an average elevation of 100m above sea level to a highest point of approximately 400m.

The Ravensthorpe Project covers a portion of the northern margin of the volcano-sedimentary Maydon Syncline, within the Archaean RGB. The Ravensthorpe Project contains several sequences of the Bandalup Ultramafic, which are the host unit for nickel sulphide mineralisation in the area, the closest being at the RAV8 mine to the north.

The Ravensthorpe Nickel Project is located in a highly prospective geological setting for nickel sulphide deposits. The Project has at least 15km strike length of the Bandalup ultramafics, the target host rocks that are prospective for Kambalda-style nickel sulphide deposits. The tenement is considered prospective for nickel sulphide mineralisation of a similar style to the RAV8 to the north, with soil surveys identifying several “nickel anomalous” samples in the ultramafic horizons.

Results of recent MLEM and FLEM surveys following up the RAV 9 and RAV 11 Xcite airborne EM targets have delineated high-priority conductivity anomalies associated with what are interpreted to be buried komatiite volcanic sequences.

3 high-priority electromagnetic (EM) conductivity targets have been identified, one at RAV 9 and two at RAV 11. The conductors are associated with magnetic anomalies and indications from surficial geology and geochemistry interpreted to represent buried komatiite lava sequences.

It is proposed that the results from the MLEM and FLEM surveys to be followed up by diamond drilling to test the anomalies for potential nickel sulphide mineralisation as soon as permitting is in place.

### **Summary**

Mining Insights concludes that the Ravensthorpe Project presents exposure to an attractive grassroots exploration opportunity. Further exploration and evaluation work is warranted on the Ravensthorpe Project.

DMC Mining's proposed exploration programme consists of exploration and drilling. Mining Insights considers DMC Mining's exploration strategy to be justified and appropriate. A summary of the proposed exploration expenditure is shown in the table below.

### **Exploration Expenditure Budget**

| Activities                  | Minimum Subscription (\$5.0m) |                  |                  |
|-----------------------------|-------------------------------|------------------|------------------|
|                             | Year 1                        | Year 2           | Total            |
| <b>Ravensthorpe Project</b> |                               |                  |                  |
| Access and Approvals        | \$10,000                      | -                | \$10,000         |
| Drilling & Assay            | -                             | \$120,000        | \$120,000        |
| <b>Ravensthorpe Project</b> | <b>\$10,000</b>               | <b>\$120,000</b> | <b>\$130,000</b> |

The proposed budget allocations are considered consistent with the exploration potential of the project and is considered adequate to cover the costs of the proposed programmes. The budgeted expenditure is also considered sufficient to meet the minimum statutory expenditure on the tenement.

The Independent Geologist's Report has been prepared on information available up to and including 20 August 2024, and Mining Insights is not aware of any material change to the Company's mineral interests since that date.

# 1 Introduction

Mining Insights Pty Ltd (Mining Insights) was requested by DMC Mining Limited (“DMC Mining” or “Company”) to prepare an Independent Geologist Report (“IGR” or “Report”) for the Ravensthorpe Project in Western Australia. The IGR is to be included in a prospectus issued by the Company and dated on or about 21 August 2024 for a public offer of 100,000,000 shares at an issue price of \$0.05 each to raise \$5,000,000 and relisting on the Australian Securities Exchange (ASX).

The funds raised will be used for the exploration and evaluation of the project areas in Western Australia and the Republic of Guinea. This IGR details the Ravensthorpe Project in Western Australia.

The Report is complete up to 20 August 2024. A draft of the technical component of the Report was provided to DMC Mining, along with a written request to identify any material errors or omissions before lodgement.

## 1.1 Scope

The purpose of this Report is to provide an independent assessment of the geology and technical risks associated with the DMC Mining mineral assets and to assess the suitability of the proposed exploration and development programs.

This Report presents the following key technical information on the date of this Report:

- An overview of the geological setting of mineral assets and the associated mineralisation;
- Outline of the historical and recent exploration work undertaken;
- Exploration results reported in accordance with the terms and definitions of the JORC Code (2012);
- Independent geologist opinion on the exploration and development potential of the project;
- Summary of the key geological risks and opportunities; and
- Independent geologist opinion on the appropriateness of the budgeted work programs.

## 1.2 Compliance with JORC and VALMIN Code

This Report has been prepared as a public document, in the format of an independent specialist’s report and in accordance with the guidelines of the Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets – the 2015 VALMIN Code (VALMIN) and the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves – the 2012 JORC Code (JORC).

### **1.3 Data Sources**

Mining Insights has based its review of the project on the information made available to the principal authors by DMC Mining along with technical reports prepared by consultants, government agencies and previous tenement holders, and other relevant published and unpublished data. Mining Insights has also relied upon discussions with DMC Mining's management for the information contained within this assessment. This Report has been based upon information available up to and including 20 August 2024.

Mining Insights has endeavoured, by making all reasonable enquiries, to confirm the authenticity, accuracy, and completeness of the technical data upon which this Report is based. Unless otherwise stated, information and data contained in this technical Report or used in its preparation have been provided by DMC Mining in the form of documentation.

DMC Mining was provided with a final draft of this Report and requested to identify any material errors or omissions before its lodgement.

Descriptions of the mineral tenure, tenure agreements, encumbrances and environmental liabilities were provided to Mining Insights by DMC Mining or its technical consultants. DMC Mining has warranted to Mining Insights that the information provided for preparation of this Report correctly represents all material information relevant to the Project. Full details on the tenement are provided in the Australian Solicitor's Tenement Report elsewhere in the Prospectus.

### **1.4 Site Visit**

Mining Insights did not consider that a site visit was warranted as it was considered that a site visit would not reveal information or data material to the outcome of this Report due to the early nature of the project. The Independent Geologist is satisfied that there is sufficient current information available to allow an informed evaluation to be made without an inspection.

### **1.5 Tenement Status Verification**

Mining Insights has not independently verified the status of the tenement that is referred to in this Report as set out in Table 2.1 of this Report, which is a matter for independent tenement experts.

Details of the legal ownership of the mineral assets are dealt with in the Australian Solicitor's Tenement Report within the Prospectus.

### **1.6 Independence**

This Report was commissioned by DMC Mining on a fee-for-service basis according to Mining Insights' schedule of rates depending on the consultant's skills and experience. Mining Insights' fee is not contingent on the outcome of this Report.

The Independent Geologist has no beneficial interest in the mineral assets reviewed. Neither Mining Insights' nor the authors of this Report, has or has had previously any material interest in DMC Mining or the mineral properties in which DMC Mining has an interest. Further, neither Mining Insights' nor the authors of this Report have previously reviewed these mineral assets.

Mining Insights' relationship with DMC Mining is solely one of professional association between a client and an independent consultant.

## **1.7 Disclaimer and Warranty**

The statements and opinions contained in this Report are given in good faith and in the belief that they are not false or misleading. The conclusions are based on the reference date of 20 August 2024 and could alter over time depending on exploration results, mineral prices, and other relevant market factors.

For the purposes of the ASX Listing Rules, Mining Insights is responsible for this IGR as part of the Prospectus and declares that it has taken all reasonable care to ensure that the information contained in this IGR is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import, and that no material change has occurred from 20 August 2024 to 21 August 2024 (the Publication Date) that would require any amendment to the IGR. Mining Insights consents to the inclusion of this IGR and reference to any part of the Report in the Prospectus.

This Report was commissioned to DMC Mining on a fee-for-service basis on the prescribed schedule of rates. Mining Insights' fee is not contingent on the outcome of its statement or the success or failure for the purpose for which the Report was prepared.

A draft section of the Report containing the technical and project description was provided to DMC Mining for comment in respect of omissions and factual accuracy. As recommended in Section 39 of the VALMIN Code, DMC Mining has provided Mining Insights with an indemnity under which Mining Insights is to be compensated for any liability and/or any additional work or expenditure, which:

- results from Mining Insights' reliance on information provided by DMC Mining and/or independent consultants that are materially inaccurate or incomplete; or
- relates to any consequential extension of workload through queries, questions or public hearings arising from this Report.

The conclusions expressed in this Report are appropriate as of 20 August 2024. The Report is only appropriate for this date and may change in time in response to variations in economic, market, legal or political factors, in addition to ongoing exploration results. Mining Insights is not liable to update the Report upon a change to any of the above-mentioned factors or exploration results.

## **1.8 Competent Person Statement**

The information in this Report that relates to Exploration Results is based on, and fairly represents, information and supporting documentation compiled by Mr Robert Wason BSc

(Hons) Geology, MSc (Mining Geology), (Camborne School of Mines) a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Wason is an employee of Mining Insights. Mr Wason has sufficient experience that is relevant to the Technical Assessment of the Mineral Assets under consideration, the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Practitioner as defined in the 2015 Edition of the “Australasian Code for the public reporting of technical assessments and Valuations of Mineral Assets”, and as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”.

Mr Wason consents to the inclusion in this Report of the matters that are based on and fairly represent information and supporting documentation prepared by him in the form and context in which it appears.



Mr Robert Wason,  
BSc (Hons), MSc (Geology), MAusIMM  
Senior Consultant – Geology  
Mining Insights Pty Ltd, Brisbane

## **1.9 Consent**

Mining Insights consents to this Report being distributed, in full, in the form and context in which it is provided.

Mining Insights provides its consent on the understanding that the assessment expressed in the individual sections of this Report will be considered with, and not independently of, the information set out in full in this Report.

## 2 Ravensthorpe Project

### 2.1 Introduction

The Ravensthorpe Project comprises of one granted exploration licence (E 74/669) which covers an area of 21 Blocks (~61km<sup>2</sup>) within the Archaean volcano-sedimentary Ravensthorpe Greenstone belt located in the Esperance region of Western Australia.

### 2.2 Tenure

The Ravensthorpe tenement held by DMC Mining is detailed in Table 2:1.

**Table 2:1 Mineral Tenement Licence Schedule**

| Project      | Tenement | Holder     | Status  | Grant Date | Expiry     | Blocks | Expenditure Commitment | Annual Rent |
|--------------|----------|------------|---------|------------|------------|--------|------------------------|-------------|
| Ravensthorpe | E74/669  | DMC Mining | Granted | 22/04/2021 | 21/04/2026 | 21     | \$21,000               | \$6,069     |

Further details regarding the status of the tenement are included in the Australian Solicitor's Tenement Report in the Prospectus.

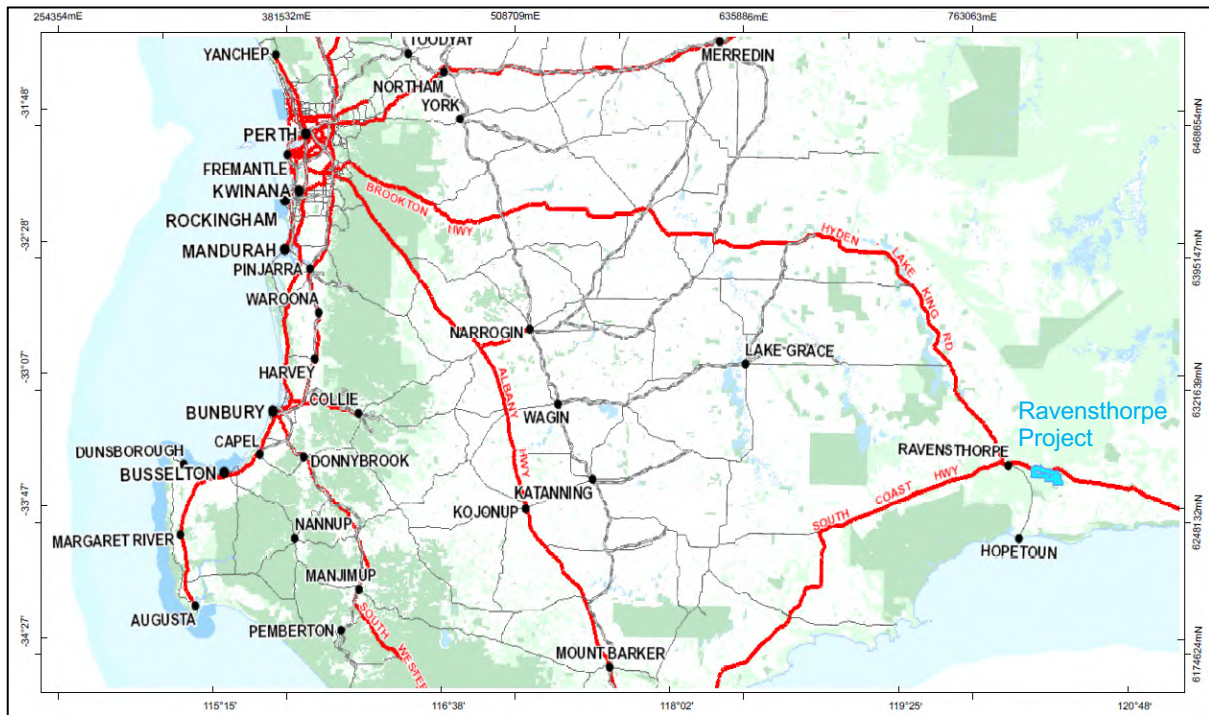
### 2.3 Location, Access & Topography

The Ravensthorpe Project tenement covers approximately 61km<sup>2</sup>, located approximately 500km southeast of Perth, and approximately 15km southeast of Ravensthorpe, in the South Coastal Region of Western Australia (Figure 2:1). The project area is dominated by the northwest trending Ravensthorpe Range, which rises from an average elevation of 100m above sea level to a highest point of approximately 400m.

Ravensthorpe is located midway between Albany and Esperance on the sealed National Highway 1. The project area is accessible thereafter via a combination of well maintained, sealed or unsealed shire roads and via farm access tracks.



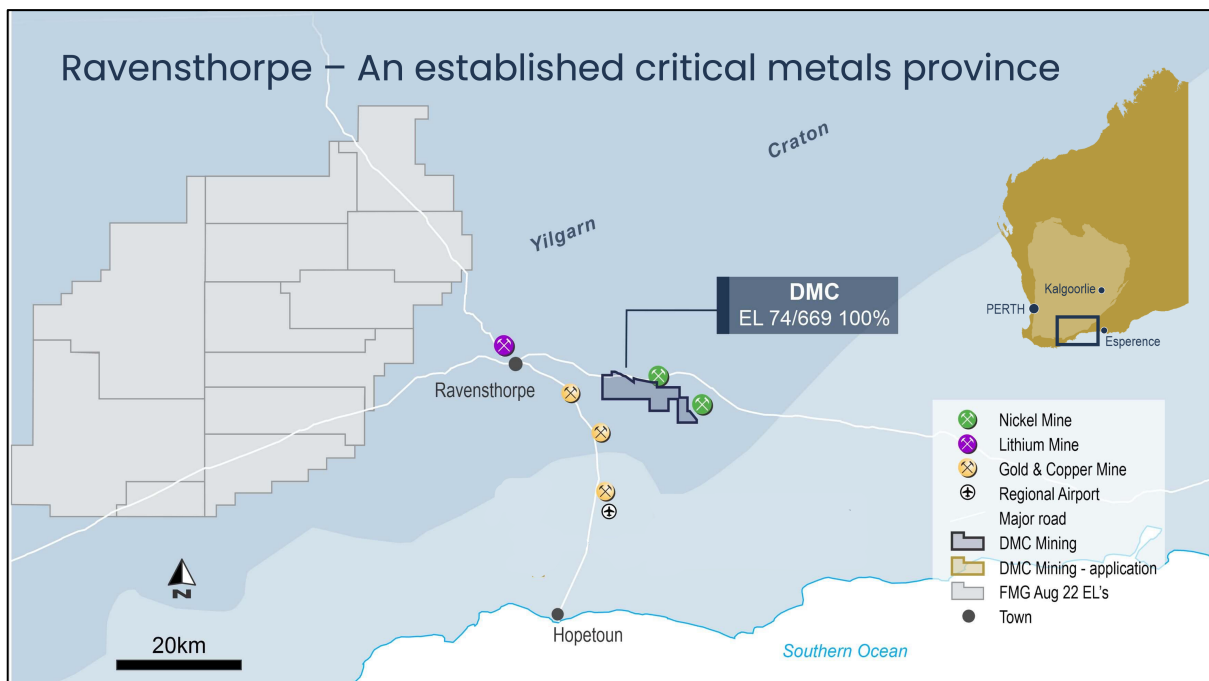
**Figure 2:1 Ravensthorpe Project – Location & Access**



Source: DMC Mining Prospectus, 2021

The Ravensthorpe Project is located adjacent to the First Quantum Minerals (FQM) open-pit nickel mine and the RAV8 sulphide nickel mine (Figure 2:2).

**Figure 2:2 Ravensthorpe Project – Neighbouring Prospects**



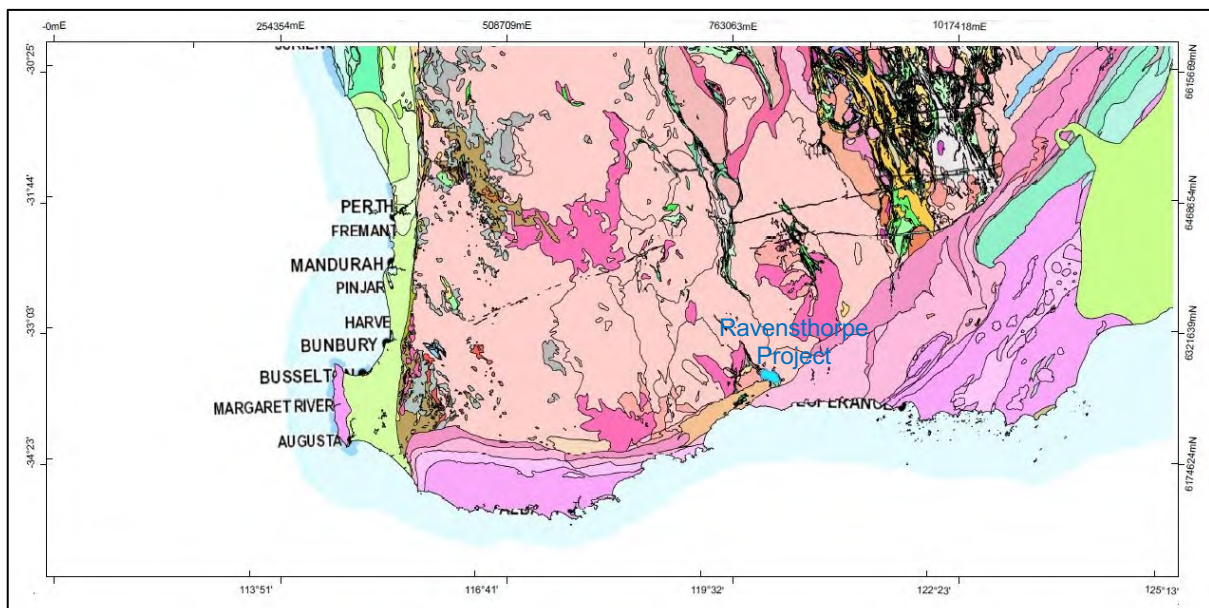
Source: DMC Mining ASX Announcement, 31 October 2023

The climate is a coastal Mediterranean climate, characterised by warm, dry summers and cold, wet winters. The project covers landforms and vegetation types ranging from relatively hilly areas of thick native scrub or cleared pasture, through to undulating cleared farmland. The predominant land use is for cropping of cereal and grasses, and for sheep grazing.

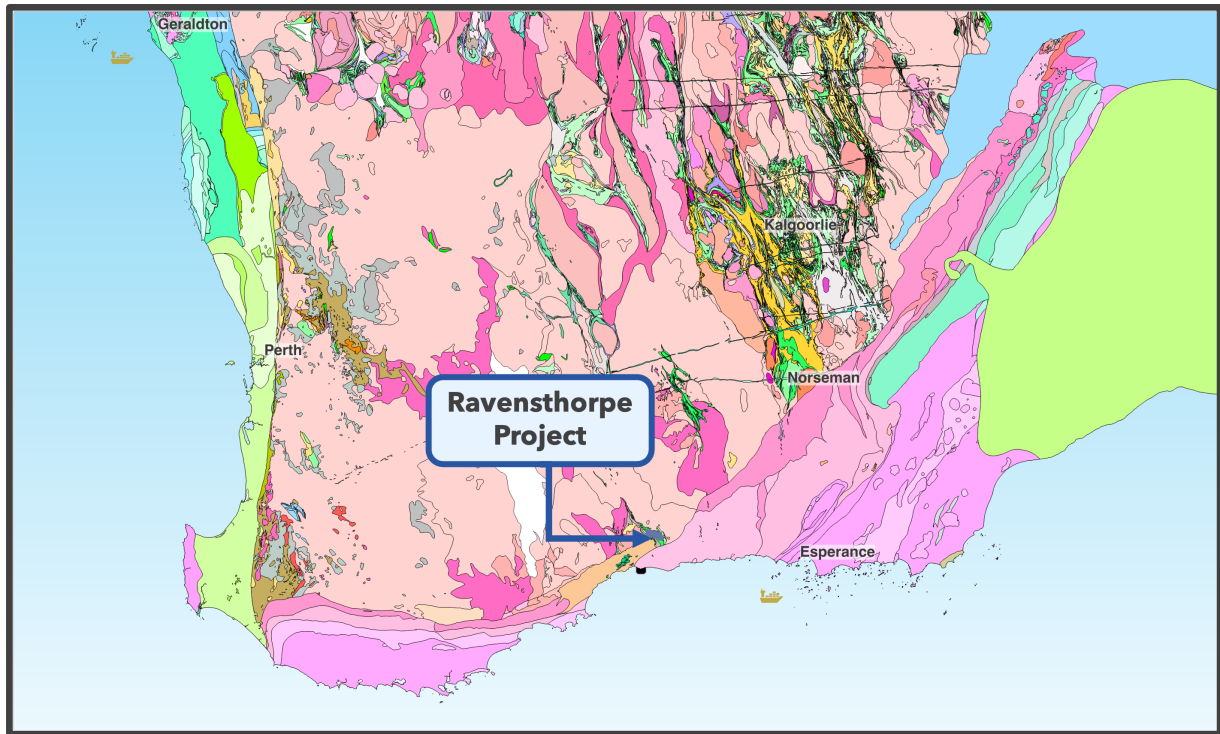
## 2.4 Regional Geology

The Archaean volcano-sedimentary Ravensthorpe Greenstone Belt (RGP) comprises, (from west to east, oldest to youngest), the Annabelle Volcanics (dacitic to basaltic), overlain by the Chester Formation (metasediments, including BIF) which constitute the Ravensthorpe Range. This is in turn overlain by the Bandalup Ultramafics, consisting of serpentinised peridotite, komatiite, and high-Mg basalts. The Chester Formation and the Bandalup Ultramafics dominate the Carlingup Project area, typically as repeated stratigraphy due to isoclinal folding (previously interpreted as thrusting, see Lipple 2012). An aeromagnetic image of the project readily shows the ultramafic and BIF's units as linear northwest trending high ridges within more subdued zones of rock magnetism. The rocks have been intruded by Proterozoic dolerite dykes with a similar NE orientation. The greenstone sequence has undergone strong regional metamorphism.

**Figure 2:3 Ravensthorpe Project – GSWA 1:500K geology**



Source: DMC Mining



Nickel sulphide occurrences have been found associated with selected ultramafic horizons with the Bandalup Ultramafic, typically as disseminated sulphides, though narrow, discontinuous lenses of massive to semi-massive sulphide near the basal contact are common. These sulphide occurrences are restricted to a strike length of approximately 15 km in a very structurally complicated section of the Bandalup ultramafic that has also been subject to the intrusion of a number of Proterozoic dykes. Locally the Ravensthorpe series of deposits and prospects are hosted in komatiites and have similar geology to those at Forrestania, Lake Johnston and Kambalda. They conform to the “Type 1” (Hill & Gole, 1990) or thin flow komatiite deposits that contain high grade massive to disseminated nickel sulphide mineralisation. The komatiites hosting the RAV series of deposits and prospects are typically intimately associated with the basal contact with the underlying Chester Formation quartzite. The intense isoclinal folding of the ultramafics in the Carlingup area structurally interleaves the ultramafics with Chester Formation sediments, including hornfelsed mafic metasediments (previously interpreted as metabasalt and metadolerite (Lipple 2012)), quartzites and rare sulphidic sediments. Locally they are intruded by cross cutting and/or conformable, late-stage dolerite dykes. The komatiites vary from cumulate textured serpentinite and talc carbonate rocks, to varieties with essentially no cumulate texture.

#### 2.4.1 Regional Structures

The RGB has been subjected to multiple phases of deformation and is structurally complex at all scales. The Ravensthorpe Project area is located on the northern limb of the Maydon Syncline which is a major southeast-plunging asymmetric F2 fold, with both limbs dipping to the southwest. At least three phases of deformation are recognized within the Bandalup Ultramafics. The greenstone sequence has been deformed by a pervasive and locally intense, post-thrusting S1 schistosity which dips 30-45° south. Southeast plunging F2 folding and later east- and west-plunging F3 folds are observed at Carlingup and Nindilbillup, which offers a



good exposure of the northern margin of the Maydon Syncline (Lipple & Wadley, 2006, Lipple 2007, Lipple 2012).

More detailed 1995 work published at 1:100,000 scale by Witt (1997, 1998) formally named the stratigraphy of the RGB and introduced the concept that litho-stratigraphic repetition on the northern limb of the syncline was a consequence of thrust faulting during D2, crucial to his thesis of three separate terranes docking to form the RGB and internal Manyutup Tonalite pluton. This thrust-dominated model prevailed in the exploration work conducted by Greenstone, then its successor Traka (e.g., 2004 1:2500 scale mapping) and its joint venture partner IGO.

Recent field mapping work on the Ravensthorpe area (Lipple, 2012) has suggested that the degree of thrusting in the Bandalup Ultramafics may have been significantly overstated by previous explorers, with lithological repetitions explained by isoclinal F3 folding rather than multiple thrust faults. Previous interpretations of two major komatiitic flow units within the Bandalup Ultramafics (Unit 1, lower and Unit 2, upper) are now deemed to be unnecessary, given the tight isoclinal F3 folding which has recently been observed at Carlingup (Lipple, 2012). The outcrop patterns of ultramafic at Carlingup are interpreted to represent “canoes” or “keels” of ultramafic within the volcano-sedimentary pile, attributable to interference patterns between F2 and F3 folding.

This isoclinal folding is interpreted to have repeated the komatiite units through the northern margin of the Maydon Syncline, dispensing with the need to invoke low angle thrusting and later steep transcurrent wrench faults (i.e., Desmond Fault, Cordingup Fault) to achieve the interpreted distribution of “Unit 1” and “Unit 2” komatiites. The deep drilling by Traka in 2011 (co-funded hole RAVD0121) failed to intersect the interpreted Desmond Fault, or to intersect the predicted lithology or mineralisation, giving further reason to question previous lithostructural interpretations. The long-held observation that a “connecting” magnetic high (to the immediate NW of RAV8, which has been traditionally interpreted as occurring in Unit 2) is probably attributable to ultramafic at depth connecting Unit 1 and Unit 2, is further evidence that there may be little basis for the differentiation of the two units. Further, Verbeek (2010) postulated that the RAV 8 resource may be the result of structurally controlled Ni-sulphide remobilization from underlying mineralised Unit 1 ultramafic. A deep co-funded Traka drill hole tested this theory in 2011, however the postulated mineralised basal contact was not reached before the drilling became too difficult at 582m.

The intensely deformed contact zone between the Bandalup Ultramafics and the granitic gneiss to the northeast has long been interpreted as a D2 thrust surface (Witt 1998). However careful mapping at Nindilbillup (Lipple 2007) has revealed that, in the rare places where the ultramafic/granite gneiss contact is exposed, a selvage of Chester Formation quartzite to ~10m thickness is typically preserved. Rather than invoking a D2 thrust surface of >20km length for this structural, Lipple (2012) proposes instead that the contact zone is the preserved D1 contact, with shearing attributable to extensional deformation between the denser greenstones and the more buoyant granite.

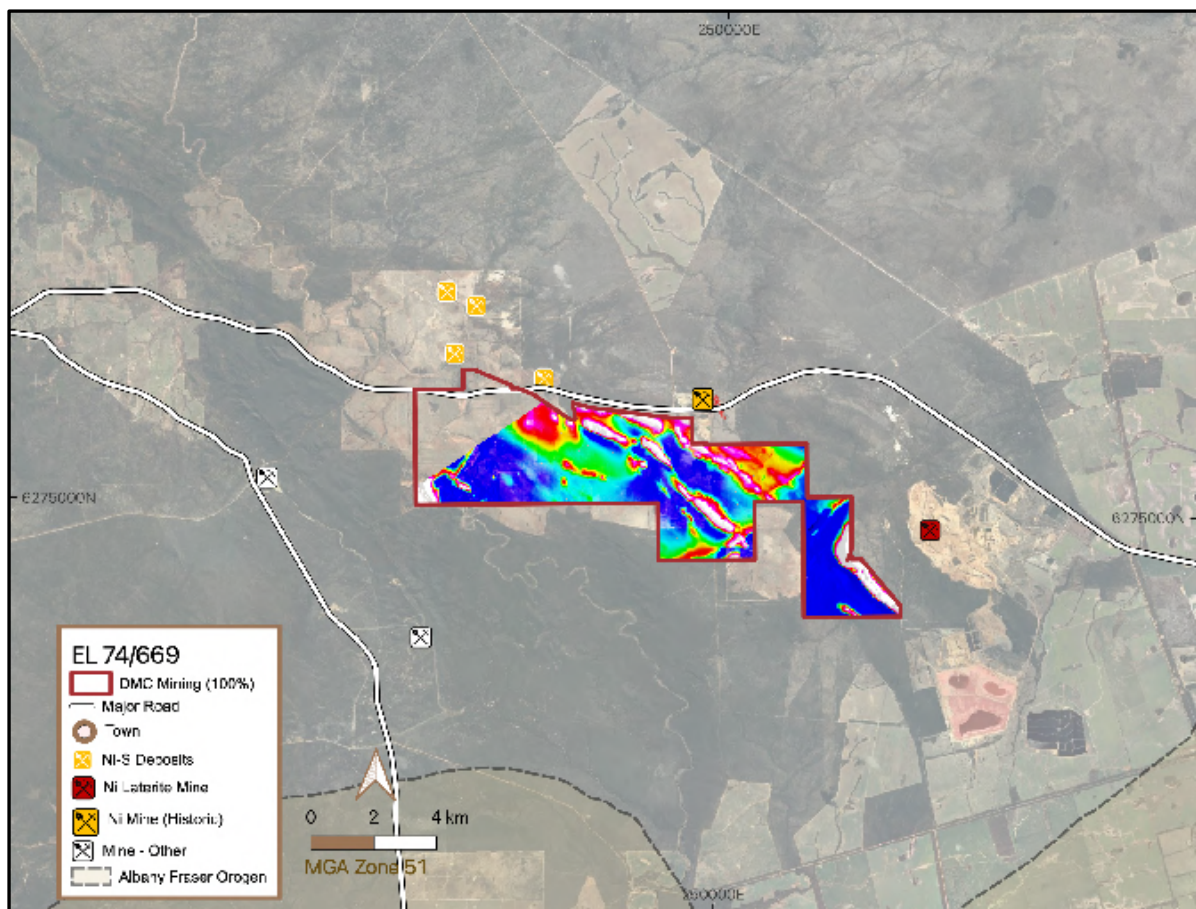
## 2.5 Local Geology

The Ravensthorpe Project covers a portion of the northern margin of the metasedimentary Maydon Syncline, within the Archaean RGB. The geology is dominated by highly deformed and metamorphosed ultramafics, mafics, metasediments and granitic gneiss intruded by

dolerite dykes. The ultramafic units contain komatiitic flows and peridotitic intrusives with associated Ni-sulphide mineralisation.

The tenement is dominated by subdued topography and lower elevation compared to the terrain north of the highway. The majority of the soil surface has been modified by cropping. Subcrop of the mafic and ultramafic units which dominate the area is common, but not dominant across the area. Compared to the geology north of the highway, there has been significantly greater removal of Tertiary duricrusts and associated weathering profiles within E74/669. Soils are dominated by “fresh” clays derived from recent weathering of mafic and ultramafic saprock.

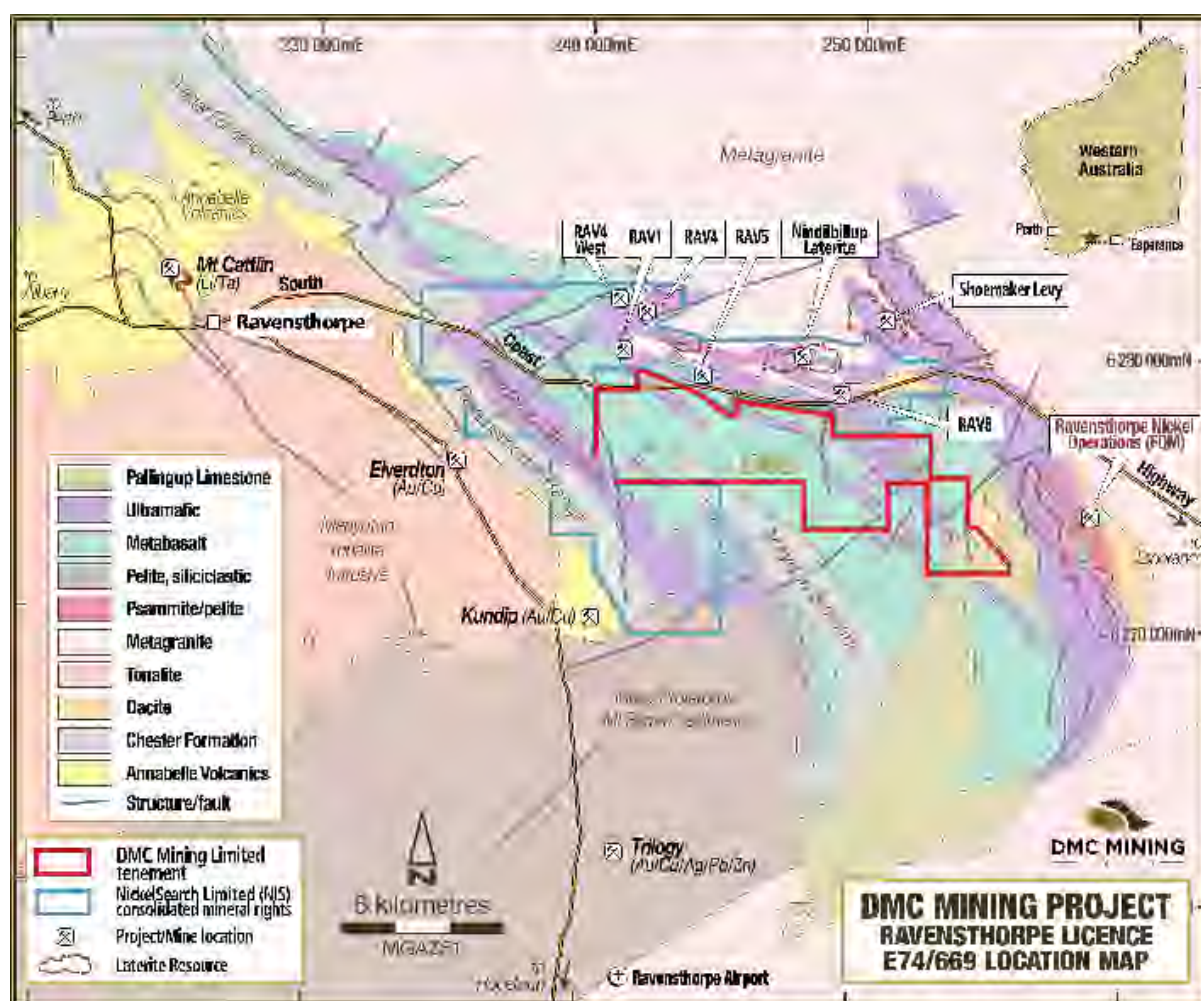
**Figure 2:4 Ravensthorpe Project – Aeromagnetic**



Source: DMC Mining Prospectus, 2021

Tenement E74/669 contains several sequences of the Bandalup Ultramafic, which are the host unit for nickel sulphide mineralisation in the area, the closest being at the RAV8 mine to the north (Figure 2:4). RAV8 was discovered by Pickands Mather International (PMI) in the late 1960's. It is a lens of serpentinized olivine peridotite, 100m thick, in a prominent embayment 500m long, occurring at the south dipping contact between siliceous metasediments to the north, and tremolite-chlorite overlain by metabasalt to the south. Tectonic Resources Limited mined RAV8 from 2000 to 2008.

**Figure 2:5 Ravensthorpe Project – Local Geology with Neighbouring Projects**



Source: DMC Mining

## 2.6 Previous Exploration

Tenement E74/669 contains several sequences of the Bandalup Ultramafic, which are the host unit for nickel sulphide mineralisation at Jerdacuttup, but the closest being the RAV8 mine to north (Figure 2:4).

The tenement is considered prospective for nickel sulphide mineralisation of a similar style to the RAV8 resources to the north, and also gold mineralisation, based on the existence of small historic gold workings in the far northeast of the tenement.

Despite the known geology and proximity to nickel mineralisation, there appears to have been little historical exploration within E74/669.

During the 2007-2009 period, Global Nickel Investments Limited (GNI) conducted a 200x100m spaced, auger geochemistry programme over the eastern portion of the current tenement in an effort to identify the position of potential ultramafic units which locally host both nickel laterite and nickel sulphide mineralisation. A total of 348 samples were collected. Three low order gold anomalies were identified from the geochemical programme with only low levels of nickel and chromium associated with two of the gold anomalies suggesting laterisation of the soil in these areas.



In 2011, Phillips River Mining Limited (PRH) conducted a regional geochemical sampling program. 223 samples were collected from the western portion of the current tenement.

During the 2010-2016 period, Australasian Mining Limited (AML) and Alpha Fine Chemicals Limited conducted a soil sampling on an 800x160m grid immediately south of the RAV8 Project. A total of 280 soil samples were collected. The survey identified several Nickel anomalies in the ultramafic horizons to the North. Some of these anomalies show continuity of >500m across strike. The gold in soil values reveal few anomalies of any significance. A small set of historical workings on the western margin of the soil survey were rock chip sampled (quartz mullock). The workings are hosted in weathered ultramafic, with quartz veins sub-parallel to the observed schistosity (moderate dip to the southwest). The gold in soil reveals elevated values ~180m along strike to the southeast, suggesting the gold mineralising system has some continuity. The mineralisation may continue to the northwest; however, the area is dominated by alluvium and would require drilling to be effectively prospected. The gold bearing quartz veining is hosted in ultramafic, which is somewhat unusual. The possibility of a more brittle, gold receptive host occurring in the adjacent, alluvium covered area along strike to the west must be considered.

## 2.7 Recent Exploration

During Q4, 2021, a high-resolution helicopter-borne electromagnetic (EM) and magnetic survey over the entire Ravensthorpe Nickel Project was completed. A total of 522 line-kilometre of data was acquired using line spacings of 100m. The survey was completed by NRG Australia, and for the data processing and interpretation, DMC Mining engaged Resource Potentials Pty Ltd (RPPL).

**Figure 2:6 Squirrel helicopter with NRG's Xcite electromagnetic system on site**



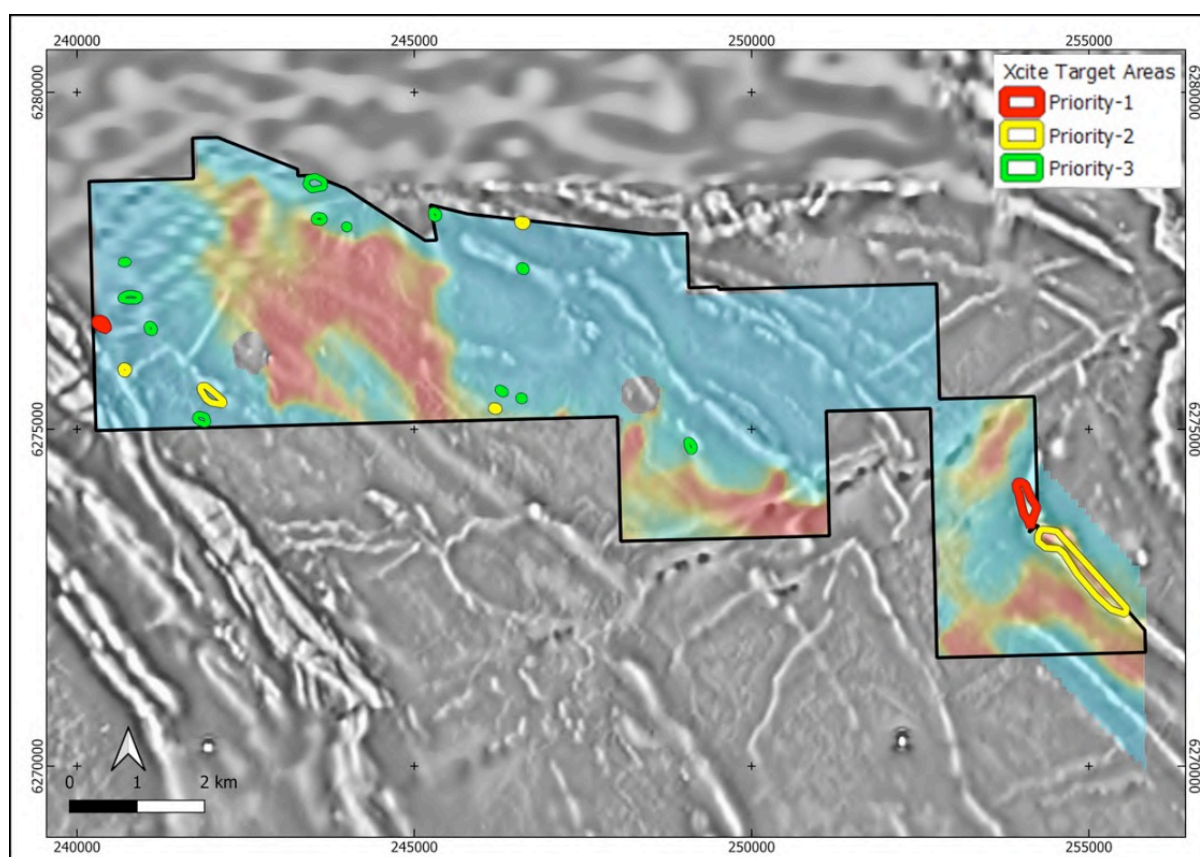
Source: DMC Mining ASX Announcement 12 January 2022

RPPL have identified a number of high priority conductivity anomalies within the data associated with magnetic features consistent with possible buried komatiite volcanic units.

The survey is impacted by conductive paleodrainage channel systems and younger Eocene (ca 55Ma) marine onlap sediments that obscure the bedrock conductivity in various places on the tenement. However, in summary, there are two (2) priority-1 anomalies (red) and five (5) priority-2 anomalies (yellow – Figure 2:7) chosen by their conductivity and magnetic characteristics to be potentially bedrock sourced associated with komatiite ultramafic units. A number of additional priority-3 anomalies have been identified (green) where the anomalism is poorly defined or the anomalism may not relate to potential bedrock sources.

Figure 2:7 illustrates the target areas coloured by priority over a semi-transparent late-time Xcite EM decay image (dB/dt Z Ch45) over a residual magnetic greyscale image (TMIRTP HP500m)

**Figure 2:7 Priority Conductivity Targets**



Source: DMC Mining ASX Announcement 10 March 2022

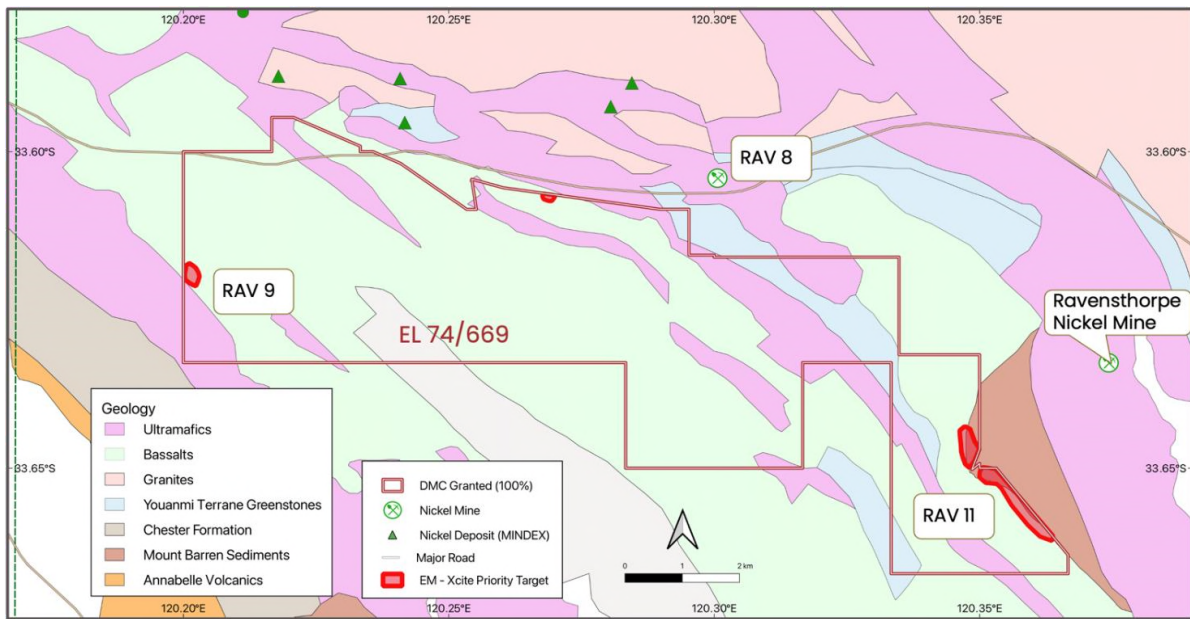
The magnetic survey returned a number of high priority conductivity anomalies. Conductivity anomalies are associated with magnetic features consistent with potential buried komatiite ultramafic sequences.

During Q3, 2022, soil geochemistry was completed at 100m x 50m sampling grids over three priority target areas identified from ground reconnaissance follow-up on the results of the 2021 electromagnetic (EM) and magnetic surveys. These three priority areas were chosen where reconnaissance follow-up identified areas of shallow bedrock with abundant ultramafic



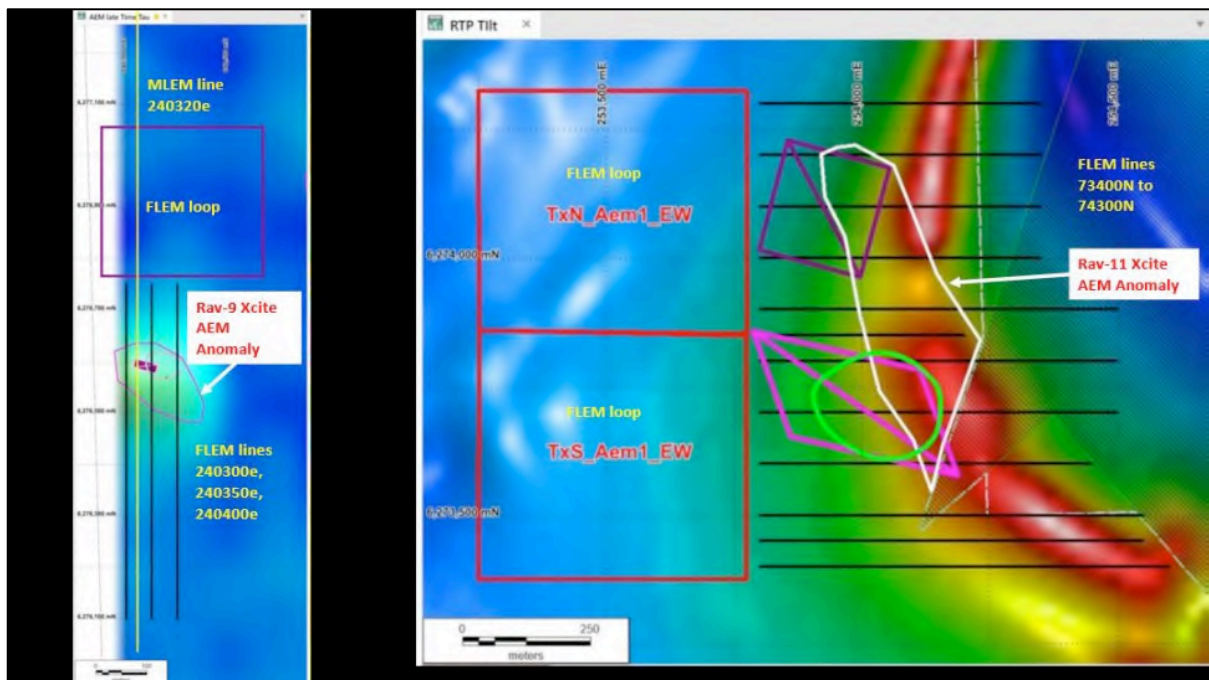


**Figure 2:9 Ravensthorpe Project – RAV 9 & RAV 11 Targets & Geology**



Source: DMC Mining ASX Announcement 25 January 2023

**Figure 2:10 L) RAV 9 - MLEM and FLEM survey lines on AEM late time Tau Image R) RAV 11 - FLEM survey lines on RTP filtered magnetic Image**



Source: DMC Mining ASX Announcement 25 January 2023

### 2.7.1 RAV 9 – FLEM and MLEM

At RAV 9, initial survey design was to collect multiple inside transmitter loop, MLEM traverses over the anomaly in a north south orientation. For technical and logistical reasons, the survey designed was converted to FLEM after the completion of line 240320e which was affected by Induced Polarisation (IP) effects. However, despite this the MLEM recorded a significant late time anomaly.

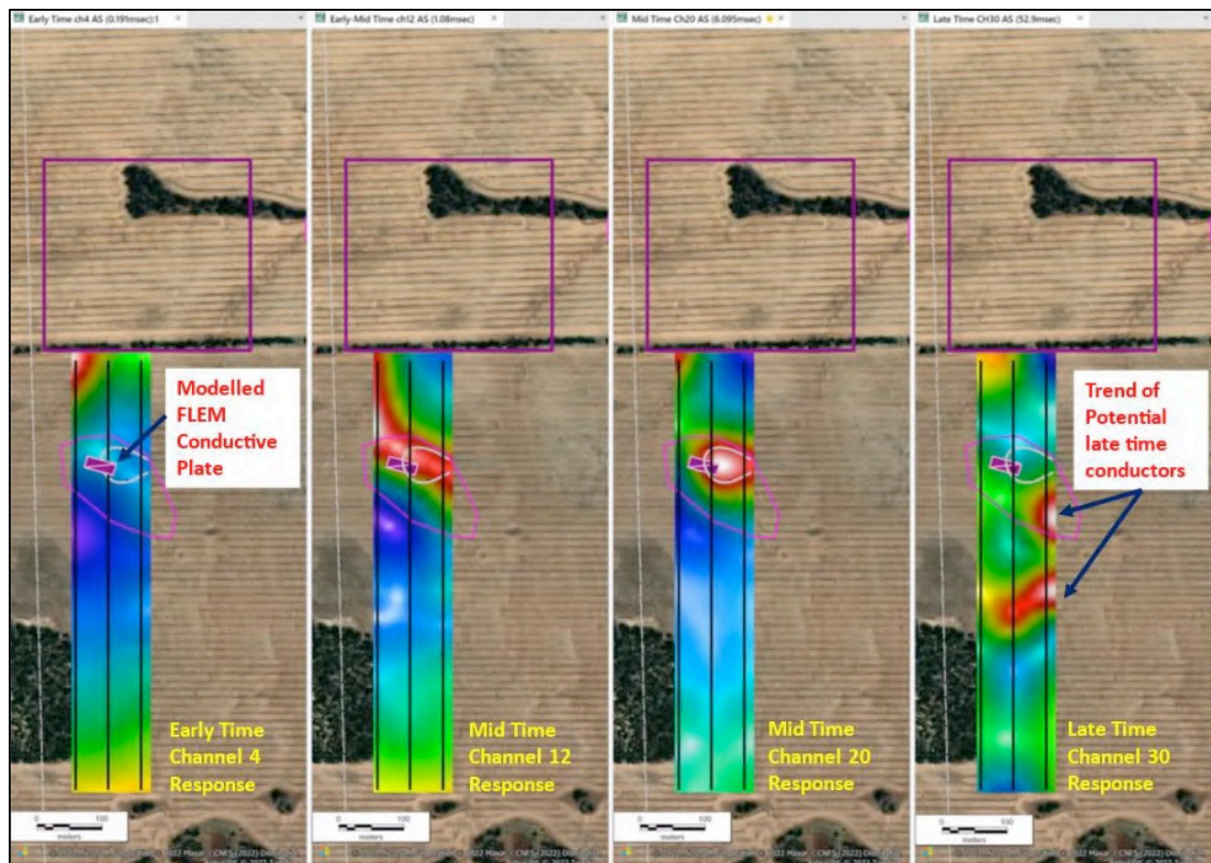


Follow-up with FLEM (Figure 2:11) delineated a discrete conductor beneath Line 240350e with further potential conductors apparent in the late time Channel 30 response trending towards the east. The plate model is shown in Figure 2:11 and Table 2:2.

**Table 2:2 RAV 9 - Modelled FLEM Plate characteristics**

| Plate Centre |          | Depth<br>m | Dip<br>Degrees | Dip<br>Direction<br>Degrees | Plunge<br>Degrees | Length<br>m | Depth<br>Extent<br>m | Conductance<br>Siemens |
|--------------|----------|------------|----------------|-----------------------------|-------------------|-------------|----------------------|------------------------|
| Easting      | Northing |            |                |                             |                   |             |                      |                        |
| 240340       | 627601   | 25         | 85             | 195                         | 0                 | 45          | 200                  | 750                    |

**Figure 2:11 RAV 9 –Processed time channel images for Fixed loop data**



Source: DMC Mining ASX Announcement 25 January 2023

Due to constraints of land-owner farming activity at the time, the apparent late-time conductivity responses trailing to the east of the current eastmost survey line (Figure 2:11) was not immediately followed up and remains to be tested further.

### 2.7.2 RAV11 – FLEM

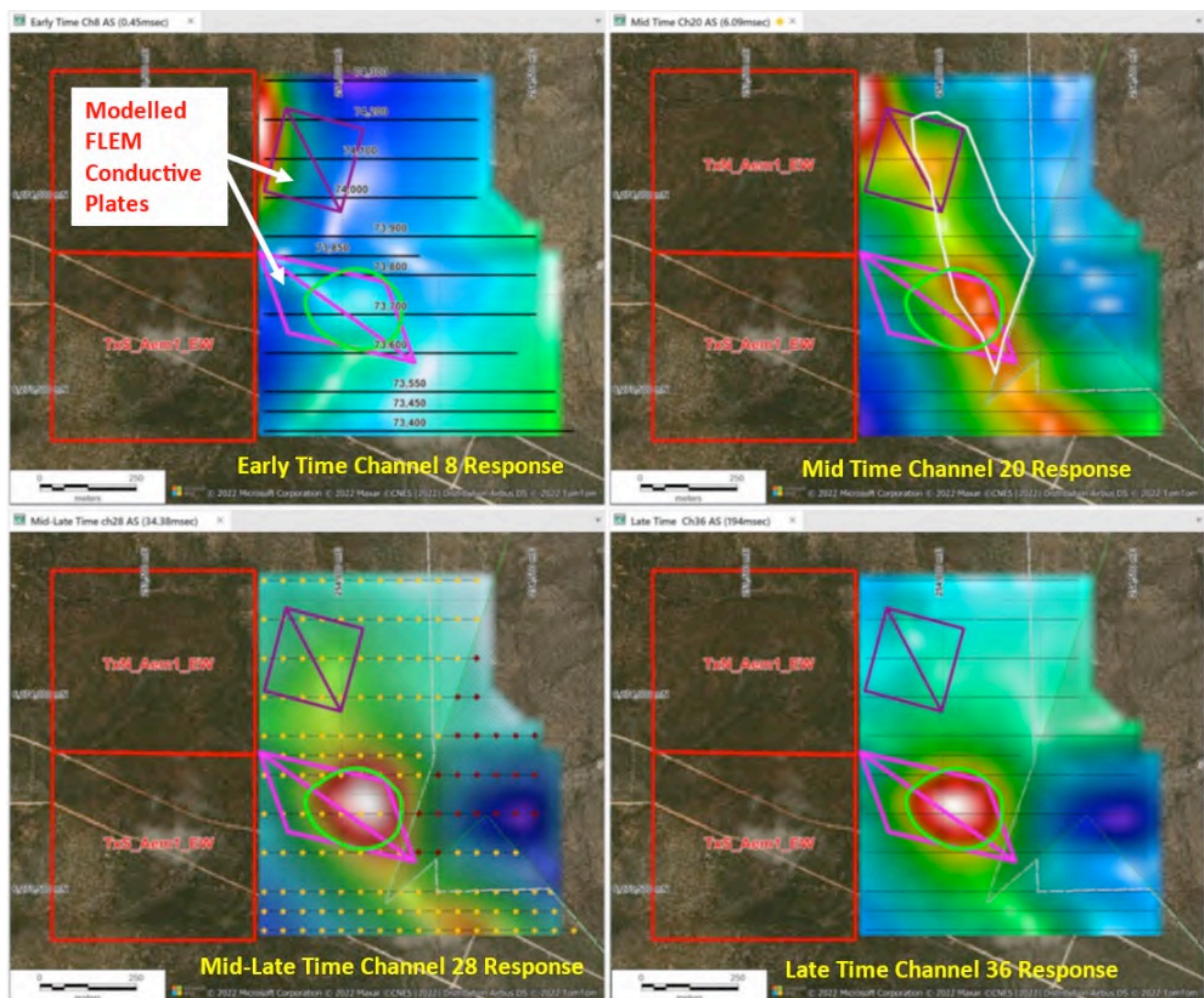
At RAV 11, twelve lines of east-west oriented FLEM were read over the original AEM Xcite anomaly from two transmitter loops. The survey data recorded a strong anomaly with the response observable past at very late read time over multiple lines. Modelling and processing of the FLEM survey data has defined three discrete conductors, two of which are highly conductive and represent priority 1 targets. The third is of moderate to low conductance and isn't considered a high priority for immediate follow-up work. The best conducting anomaly (S1) correlates with the boundary of the modelled westerly dipping magnetic body interpreted

to represent buried komatiite volcanics. The other good conductor (N1) appears to be slightly displaced from the modelled magnetic body. The plate models are shown in Figure 2:12 and Table 2:3.

**Table 2:3 RAV 11 - Modelled FLEM Plate characteristics**

| Plate           | Plate Centre |          | Depth<br>m | Dip<br>Degrees | Dip<br>Direction<br>Degrees | Plunge<br>Degrees | Length<br>m | Depth<br>Extent<br>m | Conductance<br>Siemens |
|-----------------|--------------|----------|------------|----------------|-----------------------------|-------------------|-------------|----------------------|------------------------|
|                 | Easting      | Northing |            |                |                             |                   |             |                      |                        |
| S1              | 254150       | 6273680  | 125        | 70             | 245                         | 155               | 200         | 800                  | >7,000                 |
| N1              | 254025       | 6274070  | 100        | 70             | 285                         | 0                 | 220         | 600                  | 1500                   |
| Low<br>Priority | 254190       | 6273680  | 60         | 80             | 250                         | 0                 | 280         | 800                  | 150                    |

**Figure 2:12 RAV 11 –Processed time channel images for Fixed loop data**



Source: DMC Mining ASX Announcement 25 January 2023

DMC Mining planned to drill test the targets identified at RAV 9 and RAV 11. Following submission of Programme of works (POW) for drilling at RAV 9 and RAV 11, DMIRS has requested a flora and fauna assessment over the RAV 11 area. DMC Mining has engaged Rescology Environmental Consultants for the conducting the surveys.

The RAV 9 & RAV 11 targets are located on freehold farming ground (RAV 9) and Crown Land (RAV 11). DMC Mining has an owner/operator access agreement and Heritage Agreement in place to facilitate completion of the planned drilling at RAV 9 & RAV 11 subject to final approvals.

## **2.8 Exploration Potential**

The Ravensthorpe Project covers a portion of the northern margin of the volcano-sedimentary Maydon Syncline, within the Archaean RGB. The Ravensthorpe Project contains several sequences of the Bandalup Ultramafic, which are the host unit for nickel sulphide mineralisation in the area, the closest being at the RAV8 mine to the north.

The Ravensthorpe Nickel Project is located in a highly prospective geological setting for nickel sulphide deposits. The Project has at least 15km strike length of the Bandalup ultramafics, the target host rocks that are prospective for Kambalda-style nickel sulphide deposits. The tenement is considered prospective for nickel sulphide mineralisation of a similar style to the RAV8 to the north, with soil surveys identifying several “nickel anomalous” samples in the ultramafic horizons.

Results of recent MLEM and FLEM surveys following up the RAV 9 and RAV 11 Xcite airborne EM targets have delineated high-priority conductivity anomalies associated with what are interpreted to be buried komatiite volcanic sequences.

3 high-priority electromagnetic (EM) conductivity targets have been identified, one at RAV 9 and two at RAV 11. The conductors are associated with magnetic anomalies and indications from surficial geology and geochemistry interpreted to represent buried komatiite lava sequences.

It is proposed that the results from the MLEM and FLEM surveys to be followed up by diamond drilling to test the anomalies for potential nickel sulphide mineralisation as soon as permitting is in place.



### 3 Project Risks

Mineral exploration and development are high-risk undertakings. There can be no assurance that exploration of the project or any other exploration properties that may be acquired in the future will result in the discovery of an economic resource. Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited.

Mining Insights has identified a range of risk elements or risk factors that may affect the project's future exploration and operational performance. The future exploration activities of the Company may be affected by a range of factors, including geological conditions, limitations on activities due to unanticipated operational and technical difficulties, industrial and environmental accidents, native title process, changing government regulations and many other factors beyond the control of the Company.

Some of the risk factors are completely external and beyond the control of management. However, project-specific risks can be mitigated by taking the proper measures in advance. Key project risks that have been identified are discussed below.

#### 3.1 Mining Approvals, Tenure and Permits

The Ravensthorpe tenement is granted. However, the granted tenement is set to expire during 2026. An application to extend the term of the tenement can be made for a further five years. For the term to be extended, the Minister must be satisfied that a prescribed ground for extension of the exploration licence exists. The grant of any mining lease in due course will be subject to such State and Commonwealth regulatory approvals, as may be required.

#### 3.2 Exploration Risk

The exploration risks associated with the project are generic and common to most greenfield exploration projects in Western Australia. In Mining Insights' opinion, these does not pose a significantly higher risk than any other early-stage exploration projects.

#### 3.3 Resources & Reserve Risk

No Mineral Resource has been reported within the tenement. Moving forward, it may be possible that further exploration, geological and metallurgical assessment may result in a no mineral resource being delineated, which would have a material impact on the technical value of the tenement.

No Ore Reserve has been defined at the project. Moving forward, it may be possible that further technical studies may not result in the development of Ore Reserve, which would have a material impact on the value of the project.

#### 3.4 Processing Risk

No processing tests and design work has been completed so far. Moving forward, it may be possible that further test work may not result in a suitable process and unacceptable product grade and metallurgical recoveries.

### **3.5 Environmental Risks**

The exploration risks associated with the project are generic and common to most greenfield exploration projects in Western Australia, including groundwater disturbance and flora and fauna habitat protection.

### **3.6 Commodity Price Risk**

The Company's ability to proceed with the development of its mineral project and benefit from any future mining operations will depend on market factors, some of which may be beyond its control. It is anticipated that any revenues derived from mining will primarily be derived from the sale of metals/concentrates. Consequently, any future earnings are likely to be closely related to the price of commodities and the terms of any off-take agreements that the Company enters into.

Metal prices and their demand are cyclical in nature and subject to significant fluctuations. Any significant decline in the prices of these or demand could materially and adversely affect the Company's business and financial condition results of operations and prospects.

### **3.7 Development and Operations Risk**

The success of the project will also depend upon the Company having access to sufficient development capital, being able to maintain title to the project and obtaining all required approvals for its activities.

The Company's operations may be affected by various other factors, including failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in mining; difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs; adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.



## 4 Proposed Exploration Program

The Independent Geologist believes the Ravensthorpe Project has sufficient technical merit to justify ongoing exploration and development. DMC Mining has proposed a staged exploration program for the Ravensthorpe Project over two years. DMC Mining's exploration program going forward will mainly focus on verification and critical re-assessment of the geology and historical exploration data to generate detailed targets for subsequent drilling.

Proposed exploration at the Ravensthorpe Project includes field geological mapping, scout and in-fill drilling.

DMC Mining has planned a systematic exploration based on the previous exploration undertaken. Table 4:1 shown the proposed exploration expenditure over the next two years.

**Table 4:1      Exploration Expenditure Budget**

| Activities                  | Minimum Subscription (\$5.0m) |                  |                  |
|-----------------------------|-------------------------------|------------------|------------------|
|                             | Year 1                        | Year 2           | Total            |
| <b>Ravensthorpe Project</b> |                               |                  |                  |
| Access and Approvals        | \$10,000                      | -                | \$10,000         |
| Drilling & Assay            | -                             | \$120,000        | \$120,000        |
| <b>Ravensthorpe Project</b> | <b>\$10,000</b>               | <b>\$120,000</b> | <b>\$130,000</b> |

Mining Insights considers that the exploration programs and budget proposed for the Ravensthorpe Project by the Company is appropriate given the relatively early development stage of the Project, having regard to the strategy and priorities of the Company and are based on sound technical merit.

## 5 Conclusions

Mining Insights makes conclusions and recommendations based on the results of its own studies and that of the Company's other technical consultants.

Mining Insights concludes that the project presents exposure to an attractive range of grassroots exploration plays. Further exploration and evaluation work is warranted on the project.

The proposed budget allocations are considered consistent with the exploration potential of the project and are considered adequate to cover the costs of the proposed program. The budgeted expenditures are also considered sufficient to meet the minimum statutory expenditure on the tenement.

The Independent Geologist's Report has been prepared on information available up to 20 August 2024, and Mining Insights is not aware of any material change to the Company's mineral interests since that date.

## References

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## Appendix A: JORC Code, 2012 Table 1

### Section 1 Sampling Techniques and Data

| Criteria                    | JORC Code explanation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Commentary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|-----------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Sampling techniques         | <ul style="list-style-type: none"> <li>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.</li> </ul> | <ul style="list-style-type: none"> <li>Vortex Geophysics carried out time-domain fixed loop and moving loop electromagnetic (FLEM, MLEM, EM) surveys over project in October-November 2022.</li> <li>Data acquired along N-S (Rav-9) and E-W (Rav-11) survey lines spaced nominally 100m apart. 16 lines were surveyed for a total of 10 line kms. Station spacing for FLEM was 50m, transmitter frequency 1Hz (some 0.5Hz data). Emit_smartem24 receiver,</li> <li>Emit_smartfluxgate receiver sensor, Vortex_vtx-100 transmitter.</li> </ul> |
| Drilling techniques         | <ul style="list-style-type: none"> <li>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <ul style="list-style-type: none"> <li>No drilling undertaken.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Drill sample recovery       | <ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <ul style="list-style-type: none"> <li>No drilling undertaken.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Logging                     | <ul style="list-style-type: none"> <li>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>The total length and percentage of the relevant intersections logged.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <ul style="list-style-type: none"> <li>No drilling undertaken.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Sub-sampling techniques and | <ul style="list-style-type: none"> <li>If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <ul style="list-style-type: none"> <li>No drilling undertaken.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |

|                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                  |
|---------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| sample preparation                                      | <ul style="list-style-type: none"> <li>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</li> <li>Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                  |
| Quality of assay data and laboratory tests              | <ul style="list-style-type: none"> <li>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</li> <li>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</li> </ul> | <ul style="list-style-type: none"> <li>Data acquired along N-S (Rav-9) and E-W (Rav-11) survey lines spaced nominally 100m apart. 16 lines were surveyed for a total of 10 line kms.</li> <li>Station spacing for FLEM was 50m, transmitter frequency 1Hz (some 0.5Hz data). Emit_smartem24 receiver, Emit_smartfluxgate receiver sensor, Vortex_vtx-100 transmitter.</li> </ul> |
| Verification of sampling and assaying                   | <ul style="list-style-type: none"> <li>The verification of significant intersections by either independent or alternative company personnel.</li> <li>The use of twinned holes.</li> <li>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>Discuss any adjustment to assay data.</li> </ul>                                                                                                                                                                                                                                                                                        | <ul style="list-style-type: none"> <li>Final EM data reviewed, processed and interpreted by external geophysical consultants Montana GIS.</li> </ul>                                                                                                                                                                                                                             |
| Location of data points                                 | <ul style="list-style-type: none"> <li>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> <li>Specification of the grid system used.</li> <li>Quality and adequacy of topographic control.</li> </ul>                                                                                                                                                                                                                                                                                                                                  | <ul style="list-style-type: none"> <li>Data acquired using WGS84 and projection MGA zone 51.</li> </ul>                                                                                                                                                                                                                                                                          |
| Data spacing and distribution                           | <ul style="list-style-type: none"> <li>Data spacing for reporting of Exploration Results.</li> <li>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</li> <li>Whether sample compositing has been applied.</li> </ul>                                                                                                                                                                                                                                                                     | <ul style="list-style-type: none"> <li>See Sampling Techniques section.</li> <li>EM survey line spacing is considered appropriate for style of target mineralisation.</li> </ul>                                                                                                                                                                                                 |
| Orientation of data in relation to geological structure | <ul style="list-style-type: none"> <li>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</li> </ul>                                                                                                                                                                                                                                     | <ul style="list-style-type: none"> <li>EM survey lines designed to be near-perpendicular to the general geological strike, and are considered to be appropriate for the project area.</li> </ul>                                                                                                                                                                                 |

|                   |                                                                                                                         |                                                        |
|-------------------|-------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|
| Sample security   | <ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>                         | <ul style="list-style-type: none"> <li>N/A.</li> </ul> |
| Audits or reviews | <ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul> | <ul style="list-style-type: none"> <li>N/A.</li> </ul> |

## Section 2 Reporting of Exploration Results

| Criteria                                | JORC Code explanation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Commentary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|-----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Mineral tenement and land tenure status | <ul style="list-style-type: none"> <li>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</li> <li>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</li> </ul>                                         | <ul style="list-style-type: none"> <li>Refer to Table 2:1 and Section 2:1 in the IGR.</li> <li>EM surveys were completed on E74/669. DMC has 100% tenure.</li> <li>Approx 70% of the Project area is over freehold farmland.</li> <li>The project is within the Wagyl Kaip native title claim area, necessary heritage notifications were given prior to exploration activities.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Exploration done by other parties       | <ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                          | <ul style="list-style-type: none"> <li>A list of recent exploration activities where drilling was reported and associated WAMEX report numbers are included in the main body of the report.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Geology                                 | <ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                          | <ul style="list-style-type: none"> <li>See Section 2.3 of this report for regional geological setting and Sections 2.4 for local geological setting.</li> <li>The Ravensthorpe Project covers a portion of the northern margin of the metasedimentary Maydon Syncline, within the Archaean RGB. The geology is dominated by highly deformed and metamorphosed ultramafics, mafics, metasediments and granitic gneiss intruded by dolerite dykes. The ultramafic units contain komatiitic flows and peridotitic intrusives with associated Ni-sulphide mineralisation.</li> <li>The tenement is dominated by subdued topography and lower elevation compared to the terrain north of the highway. The majority of the soil surface has been modified by cropping. Subcrop of the mafic and ultramafic units which dominate the area is common, but not dominant across the area. Compared to the geology north of the highway, there has been significantly greater removal of Tertiary duricrusts and associated weathering profiles within E74/669. Soils are dominated by “fresh” clays derived from recent weathering of mafic and ultramafic saprock.</li> <li>Tenement E74/669 contains several sequences of the Bandalup Ultramafic, which are the host unit for nickel sulphide mineralisation in the area, the closest being at the RAV8 mine to the north.</li> </ul> |
| Drill hole Information                  | <ul style="list-style-type: none"> <li>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> <li>easting and northing of the drill hole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>dip and azimuth of the hole</li> <li>down hole length and interception depth</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>N/A.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

| Criteria                                                         | JORC Code explanation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Commentary                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                  | <ul style="list-style-type: none"> <li>○ hole length.</li> <li>• If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li> </ul>                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Data aggregation methods                                         | <ul style="list-style-type: none"> <li>• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.</li> <li>• Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</li> <li>• The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul> | <ul style="list-style-type: none"> <li>• N/A.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                      |
| Relationship between mineralisation widths and intercept lengths | <ul style="list-style-type: none"> <li>• These relationships are particularly important in the reporting of Exploration Results.</li> <li>• If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>• If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').</li> </ul>                                                                                                                                                                             | <ul style="list-style-type: none"> <li>• N/A.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                      |
| Diagrams                                                         | <ul style="list-style-type: none"> <li>• Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</li> </ul>                                                                                                                                                                                                                                                                                                              | <ul style="list-style-type: none"> <li>• Appropriate plans are included in this report.</li> </ul>                                                                                                                                                                                                                                                                                                                                            |
| Balanced reporting                                               | <ul style="list-style-type: none"> <li>• Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</li> </ul>                                                                                                                                                                                                                                                                                                                                                       | <ul style="list-style-type: none"> <li>• N/A.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                      |
| Other substantive exploration data                               | <ul style="list-style-type: none"> <li>• Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</li> </ul>                                                                                                                                                                                           | <ul style="list-style-type: none"> <li>• N/A.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                      |
| Further work                                                     | <ul style="list-style-type: none"> <li>• The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>• Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>                                                                                                                                                                                                                             | <ul style="list-style-type: none"> <li>• Infill EM may be required east of the Rav-9 anomaly. Both Rav-9 and Rav-11 will be drill tested once appropriate permitting and access clearances have been secured.</li> <li>• Further work will include systematic exploration drilling.</li> <li>• Appropriate plans are included in Section 2 of this report.</li> <li>• See Section 6 for recommended future exploration activities.</li> </ul> |







# Independent Technical Assessment Report

Independent Technical Assessment  
on Uranium, Rare Earth Element and  
Niobium Assets in Guinea

PREPARED FOR



DMC Mining Limited

DATE

13 August 2024

REPORT NO.

R140.2024

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| <b>Client Name</b>              | DMC Mining Limited                                                                          |
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| <b>Client Office Address</b>    | 27/44 St Georges Terrace, Perth WA 6000 AUSTRALIA                                           |

### Report Issued by

|                                                         |                                                                                   |
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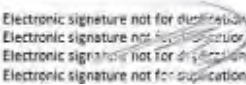
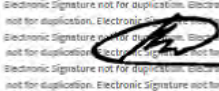
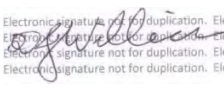
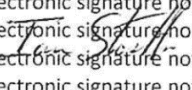
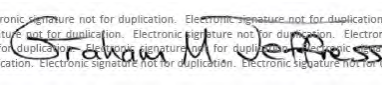
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# Independent Technical Assessment Report

## Independent Technical Assessment on Uranium, Rare Earth Element and Niobium Assets in Guinea

0726090

|                     |                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
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## EXECUTIVE SUMMARY

### Introduction

ERM Australia Consultants Pty Ltd ("ERM"), formerly CSA Global, was requested by DMC Mining Limited ("DMC" or the "Company") to prepare an Independent Technical Assessment Report ("ITAR" or the "Report") on the Firawa Rare Earth Element (REE) – Uranium (U) Project ("Firawa Project") and Labé Uranium Project ("Labé Project") in the Republic of Guinea ("Guinea"), West Africa (collectively, "the Projects").

The Firawa Project is in southeastern part of the Republic of Guinea, approximately 430 km east-southeast of the capital city Conakry (Figure 1).

The Labé Project is located approximately 360 km northeast from the capital city, Conakry (Figure 5). The project is early stage and considered prospective for uranium.

The Company intends to spend approximately A\$2,900,000 (minimum subscription) on exploration on the Projects within the first 24 months from completion.

The Firawa Project is currently covered by two reconnaissance permits with exploration permit applications over the same area pending. The eastern 23807 licence covers an area of 99.46 km<sup>2</sup> and the western 23808 licence covers 99.88 km<sup>2</sup>, totalling at 199.34 km<sup>2</sup>.

DMC has entered into two Share Purchase Agreements to acquire the entities which hold 100% of the Projects.

This ITAR is being issued as part of the prospectus requirements to enter into the Share Purchase Agreements.

### Firawa Project

ERM has reviewed the geology, past exploration, and exploration potential of the project. ERM is of the opinion that the Firawa Project represents an underexplored terrane with an advanced exploration carbonatite REE-U mineralised system already demonstrated. The project represents a strong exploration target for carbonatite-type REE mineralisation.

The Firawa project is located within the Archaean Kenema-Man Domain and hosted by granite and gneiss with minor amphibolite. Granitoid rocks dominate the project area and are related to the large granitoid Macenta batholith which has a complex internal structure and consists of various felsic intrusive lithologies. The western part of 23808 is underlain by the oldest lithologies in the region comprising crystalline schists and quartzites of the Late Archaean Dabola and Cambui series. The project is located in a structurally complex zone with a series of north-northeast trending regional lineaments and faults running across the tenements. These deep-seated faults are considered to be favourable for mantle-derived carbonatite intrusions, an interpretation supported by kimberlite pipes along the structures in the close proximity to the project.

Forte's initial exploration focus on the project was on the uranium potential of Firawa, culminating in the preparation in 2012 of an Inferred MRE in accordance with the JORC (2004) Code<sup>1</sup>.

Previous exploration has been focused on a shallow oxidised portion of the uranium mineralisation. Drilling of the uranium mineralisation is currently predominantly restricted to the upper, 35–100 m thick weathered zone developed over the Archaean basement rocks. The mineralisation zone is tabular in shape, dipping to the north from 35° to vertical. It ranges in

<sup>1</sup> Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The JORC Code, 2012 Edition. Prepared by: The Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia (JORC).

thickness from 1 m to 60 m. There are up to three tabular bodies that sit parallel to each another 10–30 m apart. Mineralisation follows a 3.5 km long east-west trending chain of hills up to 60 m high that runs through the licence area.

The Firawa uranium deposit also hosts high-grade REE mineralisation. This REE mineralisation warrants re-assessment of the deposit and will be a focus for further exploration by DMC. A total of 198 significant drill intercepts (greater than 0.5% total rare earth oxide (TREO)) define intervals that carry greater than 0.5% length weighted average TREO grade over 12–109 m downhole widths. Hole FRW121 has the highest-grade intercept and averages 3.29% TREO over a 45.2 m interval. The REE mineralisation at Firawa also contains significant concentrations of phosphorus ( $P_2O_5$ ) and niobium ( $Nb_2O_5$ ) which may potentially be economic by-products of any possible future U-REE operation.

It is the opinion of ERM that the addition of verification twin drillholes strategically within the existing mineralisation area should enable DMC to establish a JORC (2012) Code compliant MRE for combined U-REE.

The previous exploration drilling only assayed for uranium proximal to the western and eastern extensions of the mineralisation trend. These potential extensions, although found to be relatively low in uranium, remain untested for REEs.

ERM is of the opinion that good potential exists to increase the current resource by drilling proximal to the known deposit and investigating TREO extensions of the current known system. There has been no systematic exploration around the Firawa deposit, and the remainder of the project area remains essentially unexplored.

Furthermore, untested radiometric uranium anomalies to northwest and east of the drilled-out area indicate a good potential for further discoveries. Exploration is also recommended to focus along the prospective deep-tapping faults running across the licence area, which host diamondiferous kimberlite pipes nearby.

On a larger scale, data on the 2019 regional stream sediment survey re-interpreted by ERM indicate further upside potential for the project. Catchment analysis allowed delineation of broad prospective zones for cerium to the west and two small prospective areas to the north and east of the deposit. These anomalies warrant further tenement-wide exploration.

Based on review of published information worldwide and limited geological, geochemical and mineralogical data available on the Project, ERM is of the opinion that the Firawa REE-U mineralisation is related to oxidised REE carbonatite-type deposits. Further investigations are required for a better understanding of characteristics and zonation of the mineralised system.

## Labé Project

The Labé Project, located in northern Guinea, is related to the eastern part of the Madina-Kouta basin and hosted by Upper Proterozoic terrigenous-carbonate sediments of the Madina-Kouta series with minor enclaves of Mesozoic dolerites and gabbro-dolerites.

The Labé Project is early stage and considered prospective for uranium. Existing information on previous exploration activities in the focus area is very limited with one historical occurrence of stratiform coffinite mineralisation reported. Also, two strong uranium anomalies were reported within the permit at Bitari and also 3 km northeast, across the Senegal border at Magnafe. Labé is located approximately 20 km south of Haranga Resources' Saraya uranium deposit (13.1 Mt at 558 ppm  $U_3O_8$  for 16.11 Mlb  $U_3O_8$ ) in Senegal. The uranium mineralisation at Saraya is shear type, occurring along a north-northeast structural corridor. The mineralisation is hosted by a felsic granitic batholith related to sodic metasomatism and episyenitisation processes. A series of radiometric and termite mound geochemical uranium anomalies to the south-southwest of

Saraya tracked towards Labé tenure at a 15 km distance was identified, with the closest Sanela anomaly just 6 km of the project.

ERM recommends detailed exploration data review including information on geology, magnetics, gravity, radiometrics, geochemical and structural data, and compilation of data on historical exploration. The review to be followed by reconnaissance work involving geological and radiometric mapping.

## Risks

A key risk, common to all exploration companies, is that expected mineralisation may not be present or that it may be too low-grade or too small to warrant commercial exploitation. The interpretations and conclusions reached in this report are based on current scientific and exploration understanding and the best evidence available at the time of writing. ERM makes no guarantee of certainty as to the potential for economic viability of the project. DMC plans to conduct the exploration, economic and engineering studies required to determine economic potential of the Projects.

The Projects comprise a range of stages of advancement from early exploration outside the immediate Firawa U-REE deposit area, through to advanced exploration of the Firawa U-REE deposit. Exploration is an intrinsically risky process, particularly at an early stage. Risk is identified and strategies tested to mitigate that risk at each potential stage of project advancement from early exploration through to (should exploration demonstrate the presence of economic mineralisation) eventual decision to mine. At each potential stage of project advancement from early exploration through to eventual decision to mine, there is a risk that a project may not advance to the next stage because some risks (e.g. resources, engineering, financial, etc.) may not be successfully mitigated. This will depend on many factors and will be the subject of a stage-gated approach up to and including any eventual decision to mine. Decision to proceed with the next stage of project advancement will be dependent on how risks that have been identified within the previous stages of the process will have sound strategies for successful mitigation in place in the next stage of advancement.

DMC plans to conduct the exploration, economic and engineering studies required to determine project risks and mitigation strategies in a stage-gated process.

## Proposed Exploration Plan and Budget

DMC provided ERM with a copy of its planned expenditure for the Projects for an initial two-year period following listing on the ASX, planned for both Minimum Subscription and Maximum Subscription (Table 9 and Table 10). All costs included are in Australian dollars (A\$).

DMC has prepared staged exploration and evaluation programs, specific to the potential of the Projects, which are consistent with the budget allocations, and warranted by the exploration and development potential of the Projects. ERM considers that the relevant areas have sufficient technical merit to justify the proposed programs and associated expenditure, satisfying the requirements of ASX Listing Rule 1.3.3(a).



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# 1. INTRODUCTION

## 1.1 Context, Scope, and Terms of Reference

ERM Australia Consultants Pty Ltd ("ERM"), formerly CSA Global, was engaged by DMC Mining Limited ("DMC" or the "Company") to prepare an Independent Technical Assessment Report (ITAR) on the Firawa Rare Earth Element (REE) – Uranium (U) Project and the Labé Uranium Project in the Republic of Guinea ("Guinea"), West Africa.



Figure 1: Location of the Firawa & Labé Projects in Guinea

DMC has entered into two Share Purchase Agreements to acquire the entities which hold 100% of the Projects.

This ITAR which has been for inclusion in the Company Prospectus.

The ITAR is subject to the Code for the Technical Assessment and Valuation of Mineral and Petroleum Assets and Securities for Independent Expert Reports 2015 (VALMIN Code). In preparing this ITAR, ERM:

- Adhered to the VALMIN Code.
- Relied on the accuracy and completeness of the data provided to it by DMC, and that DMC made ERM aware of all material information in relation to the Projects.
- Relied on DMC's representation that it will hold adequate security of tenure for exploration and assessment of the Projects to proceed.
- Required that DMC provide an indemnity to the effect that DMC would compensate ERM in respect of preparing the ITAR against any and all losses, claims, damages and liabilities to which ERM or its Associates may become subject under any applicable law or otherwise



arising from the preparation of the ITAR to the extent that such loss, claim, damage or liability is a direct result of DMC or any of its directors or officers knowingly providing ERM with any false or misleading information, or DMC, or its directors or officers knowingly withholding material information.

- Required an indemnity that DMC would compensate ERM for any liability relating to any consequential extension of workload through queries, questions, or public hearings arising from the reports.

## 1.2 Compliance with the VALMIN and JORC Codes

This ITAR has been prepared in accordance with the VALMIN Code<sup>2</sup>, which is binding upon Members of the Australian Institute of Geoscientists (AIG) and the Australasian Institute of Mining and Metallurgy, the JORC Code<sup>3</sup> and the rules and guidelines issued by such bodies as the Australian Securities and Investments Commission (ASIC) and Australian Securities Exchange (ASX) that pertain to Independent Expert Reports.

## 1.3 Principal Sources of Information and Reliance on Other Experts

ERM has based its review of the Projects on information made available to the principal authors by DMC, along with technical reports prepared by consultants, government agencies and previous tenements holders, and other relevant published and unpublished data.

ERM has also relied upon discussions with DMC's management for information contained within this assessment. This ITAR has been based upon information available up to and including 1 August 2024.

ERM has endeavoured, by making all reasonable enquiries, to confirm the authenticity, accuracy, and completeness of the technical data upon which this ITAR is based. Unless otherwise stated, information and data contained in this technical report, or used in its preparation, has been provided by DMC in the form of documentation and digital data.

DMC was provided a final draft of this ITAR and requested to identify any material errors or omissions prior to its lodgement.

DMC has warranted to ERM that the information provided for preparation of this ITAR correctly represents all material information relevant to the Projects. Full details on the tenements are provided in the copies of the Ministry's confirmation letters (Appendix A).

ERM has not independently verified the legal status or ownership of the property or any of the underlying agreements. This information should be contained in the Guinean Independent Solicitor's Report and described therein under Summary of Material Agreements, elsewhere in the Prospectus.

ERM undertook a site visit to the Firawa Project for the purposes of this ITAR.

This ITAR contains statements attributable to third parties. These statements are made or based upon statements made in previous technical reports that are publicly available from either government sources or the ASX. The authors of these reports have not consented to their statements use in this ITAR, and these statements are included in accordance with ASIC Corporations (Consent and Statements) Instrument 2016/72.

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<sup>2</sup> Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets (The VALMIN Code), 2015 Edition, prepared by the VALMIN Committee of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. <http://www.valmin.org>

<sup>3</sup> Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The JORC Code, 2012 Edition. Prepared by: The Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia (JORC). <http://www.jorc.org>

## 1.4 Authors of the Report

The ITAR has been prepared by ERM, a part of the ERM Group, which is a privately owned sustainability consultancy. ERM was established in 1971 and now has more than 160 offices in over 40 countries and territories and employs more than 5,000 people around the world. For over 40 years, ERM has been helping its clients to understand and manage their environmental, sustainability, health, safety, risk, and social impacts. With the mining industry facing increasingly complex sustainability challenges, ERM is committed to providing a consistent, professional, and high-quality service to create value for clients.

This ITAR has been prepared by a team of consultants sourced principally from ERM's Perth, Western Australia office. The individuals who have provided input to the ITAR have extensive experience in the mining industry and, are members in good standing of appropriate professional institutions. The consultants preparing this ITAR are specialists in the field of geology and exploration, particularly relating to REEs and uranium:

- Contributing Author – Dr Nikita Sergeev (Principal Consultant with ERM in Perth, Western Australia) is the principal author of the report and is responsible for the entire report
- Contributing Author – Mr David Williams (Principal Consultant with ERM in Perth, Western Australia) is the principal author of the report and is responsible for the Section 3.8 and Appendix B (Table 3)
- Contributing Author and Peer Reviewer – Mr Tony Donaghy (Geosciences Director with ERM in Perth, Western Australia) is managing the report and is responsible for the entire report
- Peer Reviewer – Mr Ian Stockton (Partner, Geoscience APAC with ERM in Perth, Western Australia) has reviewed the entire report
- Partner in Charge – Mr Graham Jeffress (Partner, Operations Director Australia with ERM in Perth, Western Australia) is responsible for the entire report.

Nikita Sergeev is an exploration geologist and geochemist with over 30 years' experience in multi-commodity exploration across the world. His expertise ranges from grassroots reconnaissance to brownfields and near-mine exploration with a focus on exploration targeting, geochemistry and spectral mineralogy. Nikita has led and provided technical geological expertise for numerous exploration projects across rare earths, uranium, gold, base metals, lithium and other commodities. He has extensive experience with both hard and regolith-type rare earth deposits working on projects in Australia, USA, Russia and Kazakhstan.

David Williams is a Principal Mineral Resource Geologist with ERM, located in Brisbane, Australia. He has over 30 years' experience in mine geology and Mineral Resource estimation. David is a Competent Person for the JORC reporting of Mineral Resource estimates (MREs) and is similarly a Qualified Person for Canadian NI 43-101 MRE reports. His commodity expertise is extensive, and has been developed from working on mining and resource estimation projects in Australia, Africa, Asia, and Europe. David is also a specialist on due diligence studies, and has provided professional opinion for Independent Geologist Reports. He is a member of the AIG (Registered Professional Geologist) and a member of the Australasian Institute of Mining and Metallurgy (AusIMM).

Tony Donaghy is a Geosciences Director with ERM in Perth, Western Australia. He is an internationally recognised expert in the global search for nickel, copper, cobalt and platinum group elements, and a skilled exploration geologist who is familiar with most geological environments and a broad variety of mineral commodities. Tony has more than 25 years' experience covering all continents and all aspects of the industry – from statutory technical reporting to stock exchanges globally, to leading continental-scale grassroots targeting exercises, through greenfields and brownfields exploration project design and execution, mining, property evaluation and due diligence, to board level strategy development and guidance. Tony is a Registered Professional Geoscientist with the association of Professional Geoscientists of Ontario, a Recognised Professional Organisation.

Ian Stockton is a geologist with over 25 years' experience in the mineral exploration industry ranging from early-stage exploration activities, exploration management, strategy development through to mine development and operations. Ian has been directly involved in the discovery of several important ore deposits including the Nolans/Sarsfield gold deposits (Ravenswood, Queensland), CSA copper mine extensions (Cobar, New South Wales), rejuvenation of the Mount Muro epithermal deposits (Indonesia) and team leader for the Saramacca gold deposit (Suriname).

Graham Jeffress is a geologist with over 30 years' experience in exploration geology and management in Australia, Papua New Guinea, and Indonesia. He has worked in exploration (ranging from grassroots reconnaissance through to brownfields, near-mine, and resource definition), project evaluation and mining in a variety of geological terrains, commodities, and mineralisation styles within Australia and internationally. Mr Jeffress is competent in multidisciplinary exploration, and proficient at undertaking prospect evaluation and all phases of exploration. He has completed numerous independent technical reports (IGR, CPR, QPR) and valuations of mineral assets. Mr Jeffress now coordinates and participates in ERM's activities providing expert technical reviews, valuations, and independent reporting services to groups desiring improved understanding of the value, risks and opportunities associated with mineral investment opportunities.

## 1.5 Independence

Neither ERM, nor the authors of this ITAR, has or has had previously, any material interest in DMC or the mineral properties in which DMC has an interest. ERM's relationship with DMC is solely one of professional association between client and independent consultant. ERM is an independent geological consultancy. Fees are being charged to DMC at a commercial rate for the preparation of this ITAR, the payment of which is not contingent upon the conclusions of the ITAR. The fee for the preparation of this ITAR is approximately A\$50,000. No member or employee of ERM is, or is intended to be, a director, officer, or other direct employee of DMC. No member or employee of ERM has, or has had, any shareholding in DMC. There is no formal agreement between ERM and DMC as to the Company providing further work for ERM.

## 1.6 Declarations

### 1.6.1 Purpose of this Document

This ITAR has been prepared by ERM at the request of, and for the sole benefit of DMC. Its purpose is to provide an ITAR of DMC's mineral assets in Guinea. The ITAR is to be included in its entirety or in summary form within a prospectus to be prepared by DMC, in connection with an initial public offering (IPO). It is not intended to serve any purpose beyond that stated and should not be relied upon for any other purpose.

The statements and opinions contained in this ITAR are given in good faith and in the belief that they are not false or misleading. The conclusions are based on the reference date of 1 August 2024 and could alter over time depending on exploration results, mineral prices, and other relevant market factors. The interpretations and conclusions reached in this ITAR are based on current scientific understanding and the best evidence available to the authors at the time of writing. It is the nature of all scientific conclusions that they are founded on an assessment of probabilities and, however high these probabilities might be, they make no claim for absolute certainty.

### 1.6.2 Competent Person's Statement

The exploration results in this ITAR have been prepared and reported in accordance with the JORC Code (2012). The information in this ITAR that relates to Technical Assessment of the Mineral Assets or Exploration Results is based on information compiled and conclusions derived



by Dr Nikita Sergeev, a Competent Person who is a Member of the AIG. Dr Sergeev is employed by ERM and has no conflict of interest in relation to this ITAR.

Dr Sergeev has sufficient experience that is relevant to the Technical Assessment of the Mineral Assets under consideration, the style of mineralisation and types of deposit under consideration and to the activity being undertaken to qualify as a Practitioner as defined in the 2015 Edition of the "Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets", and as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr Sergeev consents to the inclusion in the ITAR of the matters and the supporting information based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Resources is based on, and fairly reflects, information compiled by Mr David Williams and Dr Nikita Sergeev. Mr David Williams is a full-time employee of ERM and is a Member of the AIG (#4176) (RPGGeo). Dr Nikita Sergeev is a full-time employee of ERM and is a Member of the AIG (#3840). Mr David Williams and Dr Nikita Sergeev have sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2012 Edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Mr David Williams and Dr Nikita Sergeev consent to the disclosure of the information in this ITAR in the form and context in which it appears. Dr Nikita Sergeev assumes responsibility for matters related to Sections 1 and 2 of JORC Table 1, while Mr David Williams assumes responsibility for matters related to Section 3 of JORC Table 1.

### 1.6.3 Site Inspection

A short site visit was completed by Dr Sergeev of ERM in January 2024. The visit to the Firawa Project was conducted to determine whether Firawa is a suitable exploration destination with general field checking aimed at verifying geology, infrastructure, and historical workings within the project.

The visit confirmed the presence of REE mineralisation at the Firawa project and showed a good correspondence of historical drill collar locations on the ground with the previously reported data.

## 1.7 About this Report

This ITAR describes the prospectivity of the Company's mineral assets in Guinea. The geology and mineralisation for the project areas is discussed, as well as the historical exploration work done, and results obtained from this work, to provide a view of prospectivity. Maps of the project area are presented. No valuation has been requested or completed for the Projects.

## 2. MINERALISATION MODEL

### 2.1 Rare Earth Carbonatites

Globally, carbonatites are major sources of both REEs and niobium (Figure 2). They are characterised by significant enrichment in the light rare earth elements (LREEs) (lanthanum-gadolinium) over the heavy rare earth elements (HREEs) (terbium-lutetium). The Bayan Obo carbonatite REE-niobium-iron deposit in Inner Mongolia, China, is the world's largest REE deposit.

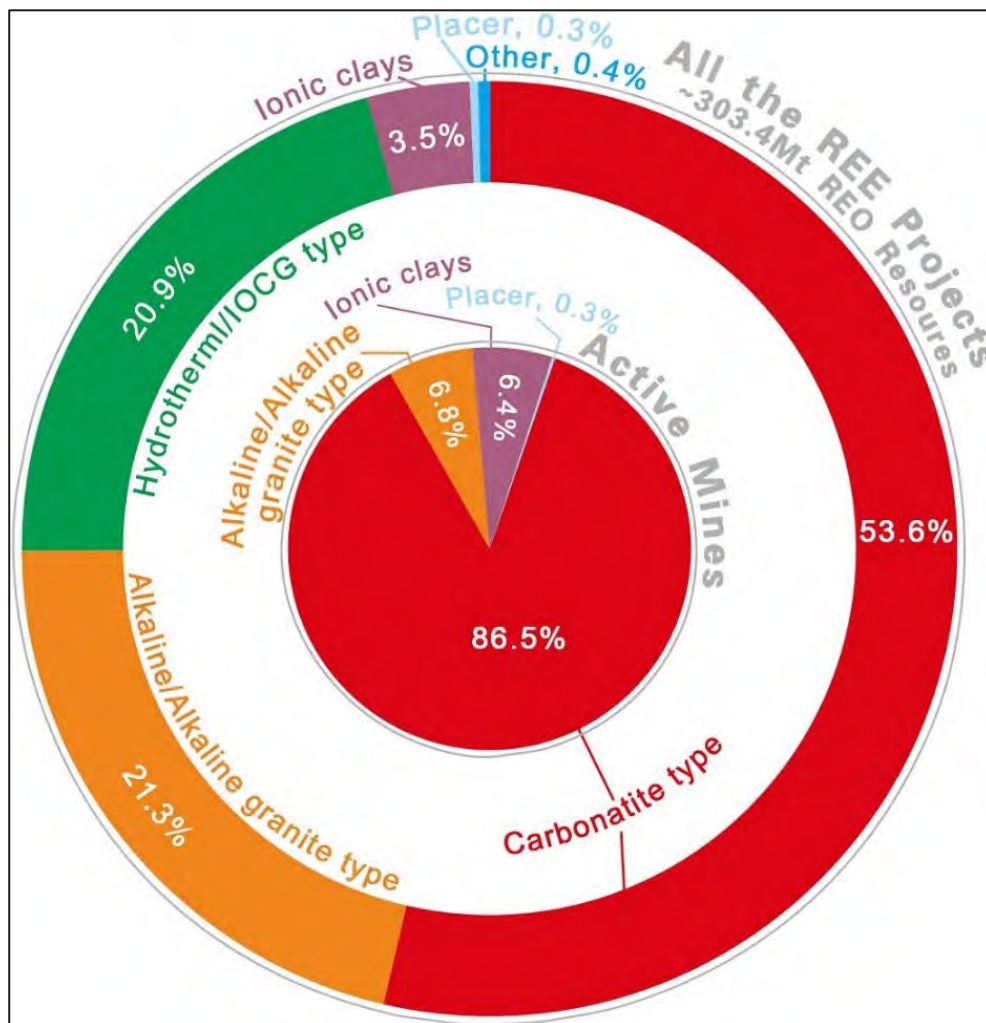


Figure 2: Proportion of different types of REE resources

The outer ring chart represents all the REE projects. Note REO means Rare Earth Oxide. The inner pie chart represents the active mines. It is the proportion of total global resources rather than the number of projects.

Source: After Liu et al., 2023

Carbonatite usually refers to igneous rocks derived from the mantle with carbonate mineral volume greater than 50 wt.% and SiO<sub>2</sub> content less than 20 wt.% (Streckeisen, 1980). Based on weight ratios of the major elements (e.g. MgO, CaO, FeO, MnO and Fe<sub>2</sub>O<sub>3</sub>), carbonatites are subdivided into magnesiocarbonatites, ferrocarbonatites and calciocarbonatites by the International Union of Geological Sciences (IUGS) (Simandl and Paradis, 2018). Recent works on the various types of carbonatites in the Bayan Obo REE-niobium-iron deposit reveal that the evolutionary sequence of carbonatitic magma is from ferroan through magnesian to calcic in composition, accompanied with an increase in LREE enrichment (Yang et al., 2019).

The types of REE deposits are complex and diverse. Carbonatite-related REE deposits comprise the main source of LREE and niobium resources in the world. Carbonatite and alkaline intrusive rocks (the host rocks for the second most abundant type of REE deposits) are typically found in

close spatial and genetic association. Such deposit types include the Bayan Obo REE-niobium-iron deposit in Inner Mongolia; the Maoniuping REE deposit in Sichuan, China; the Mountain Pass REE deposit in the USA; and the Araxá niobium-phosphorous-REE deposit in Brazil (Yang et al., 2006).

Three types of carbonatite-related REE deposits are recognised according to the varied characteristics of mineralisation: (1) primary magmatic type, (2) hydrothermal type and (3) carbonatite weathering-crust type (Song et al., 2013). The first two types, collectively called carbonatite-related endogenous REE deposits, are mainly formed in relation to carbonatite magma and its derived hydrothermal fluids; while the third type is related to the mineralisation hosted in surficial weathering products of the first two.

Magmatic carbonatite related REE deposits are predominantly hosted within ring-shaped magmatic complexes composed of carbonatites and alkaline rocks (Figure 3). The entire carbonatite body is commonly REE mineralised, and mineralisation tends to extend into the alkaline complexes appearing as lenticular or irregular lenses (Song et al., 2013; Wang et al., 2020). Deposits are usually controlled by regional deep faults during lithospheric extension. The regional deep faults are interpreted to act as conduits for the migration of deeply seated and fertile magma. The ores usually are fine-grained and massive, disseminated, or layered in texture. The REE minerals generally crystallise in the late stage of magma evolution, and include mineral phases such as bastnäsite, monazite, xenotime, parasite and allanite, frequently in association with niobium-containing minerals such as pyrochlore, aeschynite and columbite (Figure 4). Other co-existing mineral phases include magnetite, hematite, apatite, barite, calcite, dolomite, mica and zircon (Kanazawa and Kamitani, 2006; Song et al., 2013).

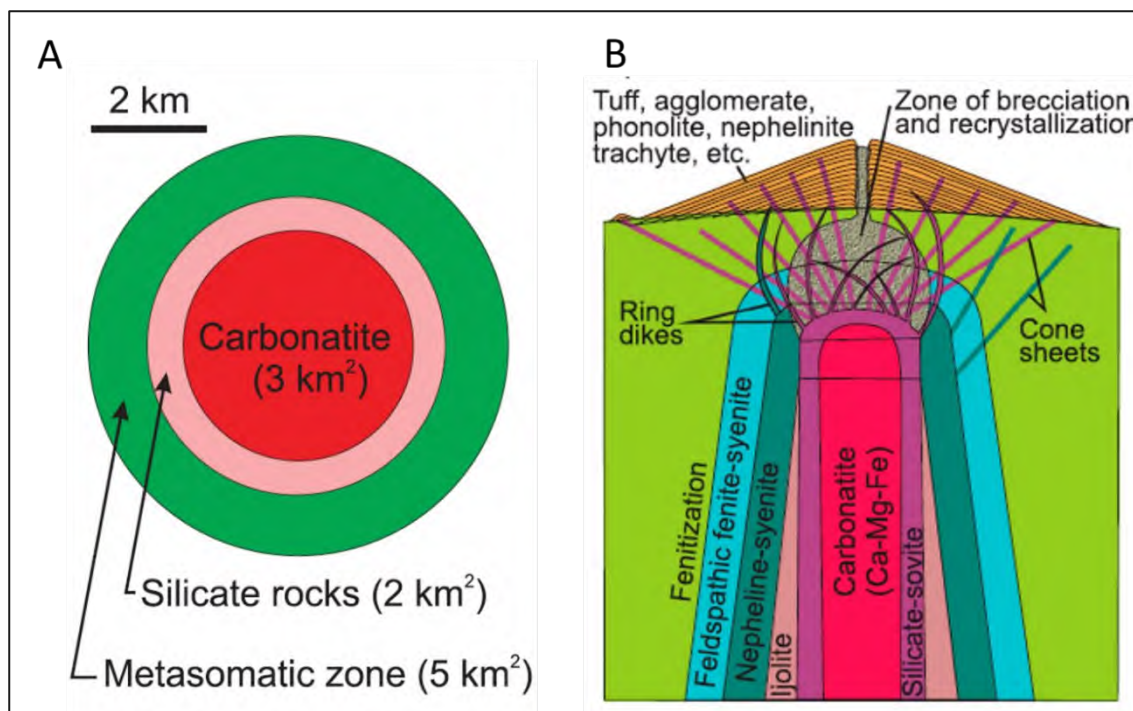


Figure 3: Generalised models of carbonatite

A – The average area of carbonatites based on data from 26 carbonatite complexes. B – Generalised model of carbonatite complexes as proposed by Garson and Smith (1958).

Source: After Simandl and Paradis, 2018





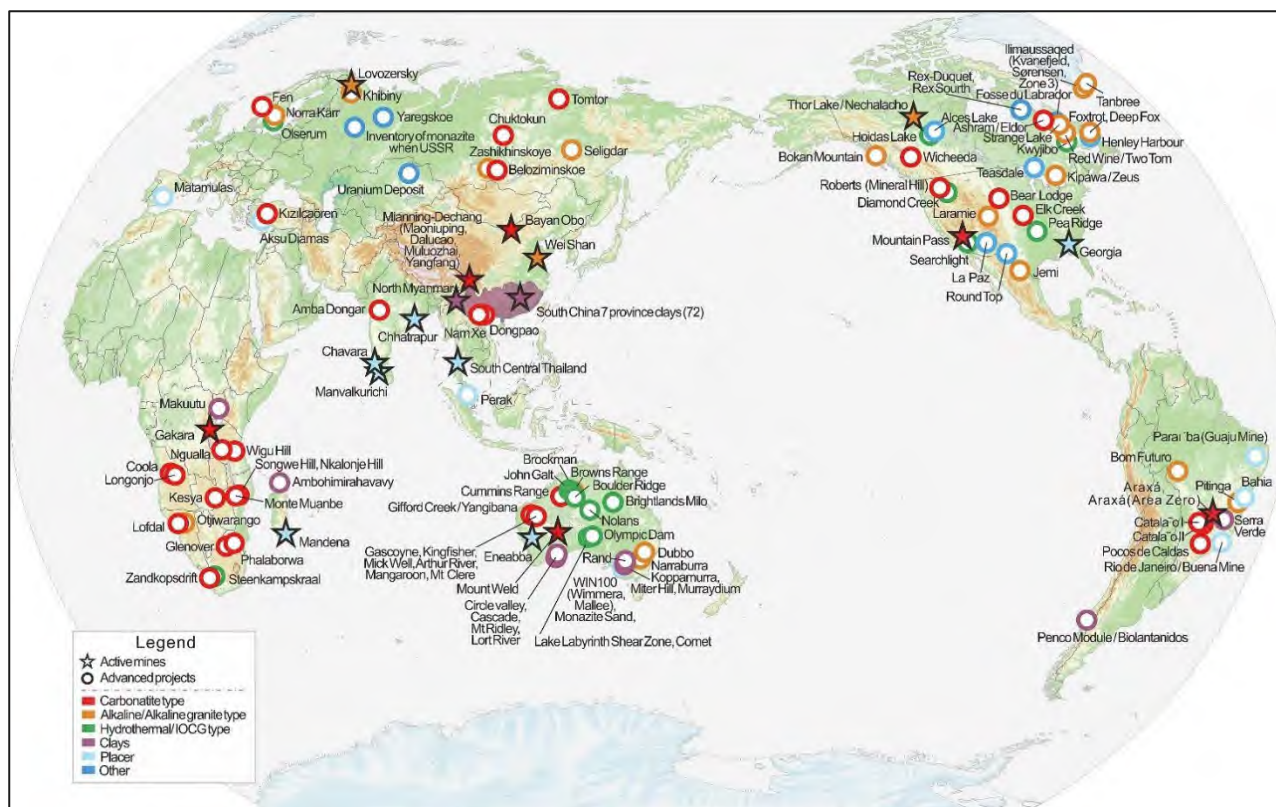


**Figure 5:** Current global distribution of REE projects, including both active mines and advanced projects  
Deposit types are represented by various colours. The active mines are marked by stars, by contrast, circles note the advanced projects.

Source: After Liu et al., 2023

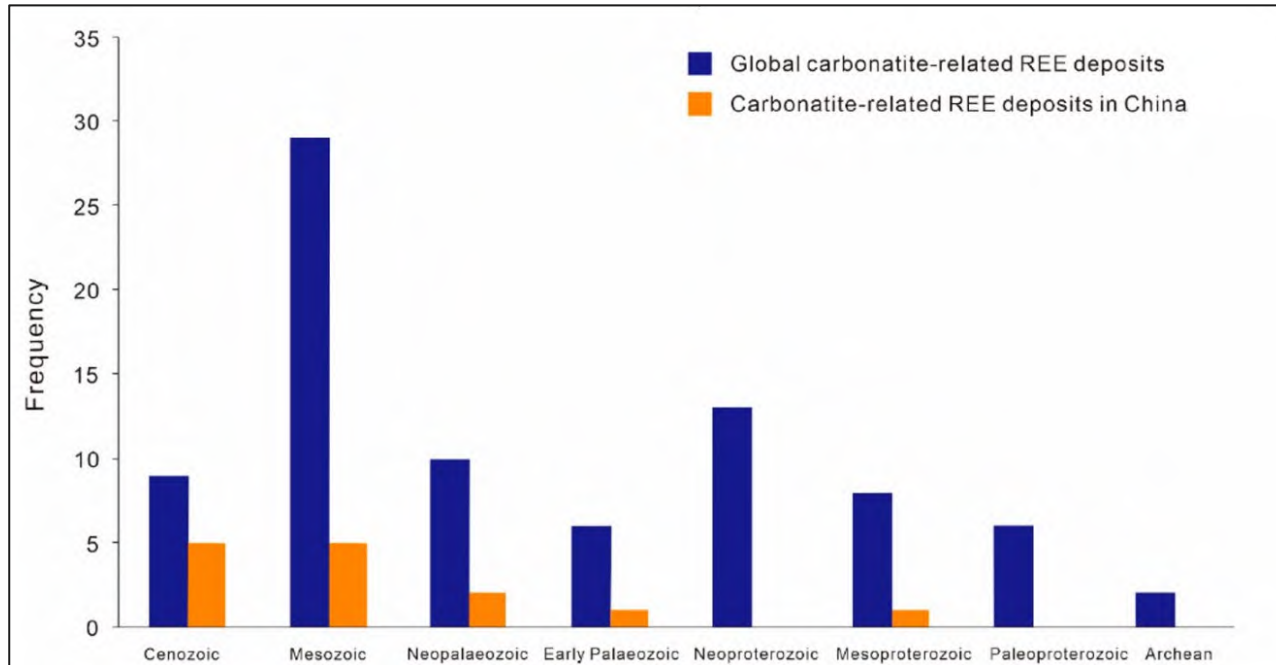


**Figure 6:** Age distribution histograms of major carbonatite-related REE deposits in the world and China

Source: After Woolley and Kjarsgaard, 2008 and Wang et al., 2020

The rare occurrences of diamonds in carbonatites (Chagatai, Uzbekistan; Dalihu, China) and the widespread finds of carbonate mineral inclusions and carbonatitic high-density fluid inclusions in lithospheric and sub-lithospheric diamonds suggest that at least some carbonatitic melts are formed at great mantle depths (>120 km) and are involved in diamond growth (Timmerman et al., 2021).

Globally, carbonatite REE deposits mostly occur in continental marginal belts along craton margins controlled by large-scale deep lithosphere faults. Subordinately, REE mineralisation can also occur within stable geological structural units such as platforms or para-platforms (Verplanck et al., 2016; Xie et al., 2016).

Carbonatite REE deposits are relatively high-grade compared to that of the other REE deposit types (Figure 7). The giant Bayan Obo deposit is the largest in the world with over 100 Mt of total rare earth oxide (TREO) reported. It should be noted, that the abundance of individual REEs greatly affects the overall project value as commodity prices between different REE constituent elements may vary by orders of up to 1,000 times. Apart from REEs, carbonatites also provide an important source for a variety of other commodities, e.g. niobium, tantalum, phosphorous, uranium, thorium, copper (Table 1) and industrial minerals including fluorspar, vermiculite, calcite, magnetite, and baddeleyite ( $\text{ZrO}_2$ ) (Hagni, 2015).

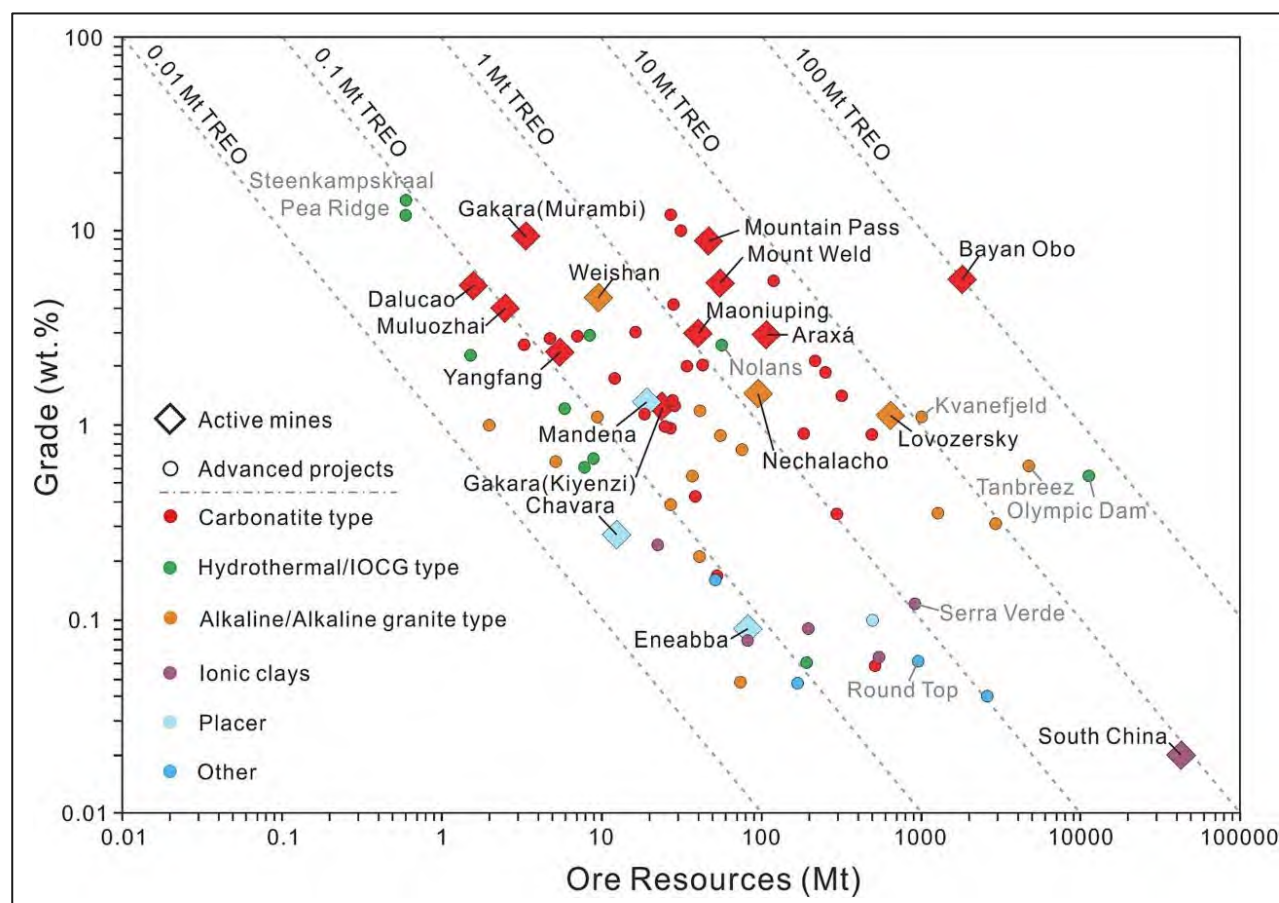


Figure 7: Grade and resources of REE projects split by deposit types

Grey-dashed lines indicate TREO resources level. Active mines and advanced projects are marked by rhombi and circles, respectively. The active mines and some advanced projects are labelled by their name in dark and grey colour, respectively

Source: After Liu et al., 2023

Table 1: Mineral Resources/Reserves of carbonatite deposits of various commodities

| Deposit     | Country | Commodity | Industrial minerals | Resource/Reserve                                                                                       |
|-------------|---------|-----------|---------------------|--------------------------------------------------------------------------------------------------------|
| Okorusu     | Namibia | F-P-REE   | Fluorspar           | 7.9 Mt at 50% $\text{CaF}_2$                                                                           |
| Mato Preto  | Brazil  | F-P-REE   | Fluorspar           | Indicated Resource 4.4 Mt at 58% $\text{CaF}_2$                                                        |
| Jacupiranga | Brazil  | P         | Calcite             | 200 Mt at 5.3% $\text{P}_2\text{O}_5$                                                                  |
| Bayan Obo   | China   | REE-Nb    | Magnetite           | 37 Mt of TREO at 6% TREO; 1 Mt of Nb at 0.1% Nb                                                        |
| Oka         | Canada  | REE-Nb-P  |                     | 221 Mt at 0.1% TREO; 4.0 Mt at 0.31% $\text{Nb}_2\text{O}_5$ , 0.39% TREO, 3.8% $\text{P}_2\text{O}_5$ |



| Deposit       | Country      | Commodity | Industrial minerals      | Resource/Reserve                                                                                                                                  |
|---------------|--------------|-----------|--------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| Palabora      | South Africa | Cu-P-U-Th | Vermiculite, Baddeleyite | 600 Mt at 7% P <sub>2</sub> O <sub>5</sub> ; 286 Mt at 0.69% Cu; 2.16 Mt TREO                                                                     |
| Araxa         | Brazil       | Nb-REE-P  |                          | 450 Mt at 2.5% Nb <sub>2</sub> O <sub>5</sub> , 560 Mt at 10.5% RE <sub>2</sub> O <sub>3</sub> and 460 Mt at 15.07% P <sub>2</sub> O <sub>5</sub> |
| Amba Dongar   | India        | F         | Fluorspar                | 11.6 Mt at 30% CaF <sub>2</sub>                                                                                                                   |
| Mountain Pass | USA          | REE-Ba    | Barite                   | Proven Reserves (1986) 36.3 Mt at 7.67% TREO; 20–25% BaSO <sub>4</sub> ; Indicated Reserves 90.7 Mt at 5% TREO                                    |

Source: After Richardson, 1996 and Castor, 1994 (Oka deposit)

ERM is of the opinion that the carbonatite type mineralisation model is appropriate for the DMC's Firawa REE-U Project, based on available geological and exploration data.

### 3. FIRAWA PROJECT

#### 3.1 Location and Access

The Firawa Project is in the southeastern part of Guinea, approximately 430 km east-southeast of the capital city Conakry, and 55 km east by road of the regional township of Kissidougou (Figure 1).

The Firawa tenements enclose Firawa village, with the deposit located 1 km south of the village. Firawa is a sub-prefecture under the prefecture of Kissidougou which is a part of Faranah Department. Kissidougou, the nearest town, is located 55 km away via road. The township has a 1.2 km long airstrip, which was historically used for charter flights to Conakry. The airstrip is still used infrequently and has been reasonably maintained.

There is an old Forte Energy camp approximately 500 m south of the deposit drilling area. Partly remnant buildings and other facilities include a 12-room house, large core shed, storage and a 20 m<sup>3</sup> diesel tank. Remnant concrete building walls and bases provide a good basis to renovate and establish more buildings if required.

#### 3.2 Topography, Vegetation and Climate

The project is situated in the Guinean Highlands region (Figure 8) which represents a medium-high dissected area formed by a system of mountain ranges (e.g. Nimba – 1,752 m and Tetini – 1,257 m) and ridges (Simandou – 1,656 m) separated by wide erosional valleys and inter-mountain basins with base elevations ranging from 500 m to 800 m (Mamedov et al., 2011).

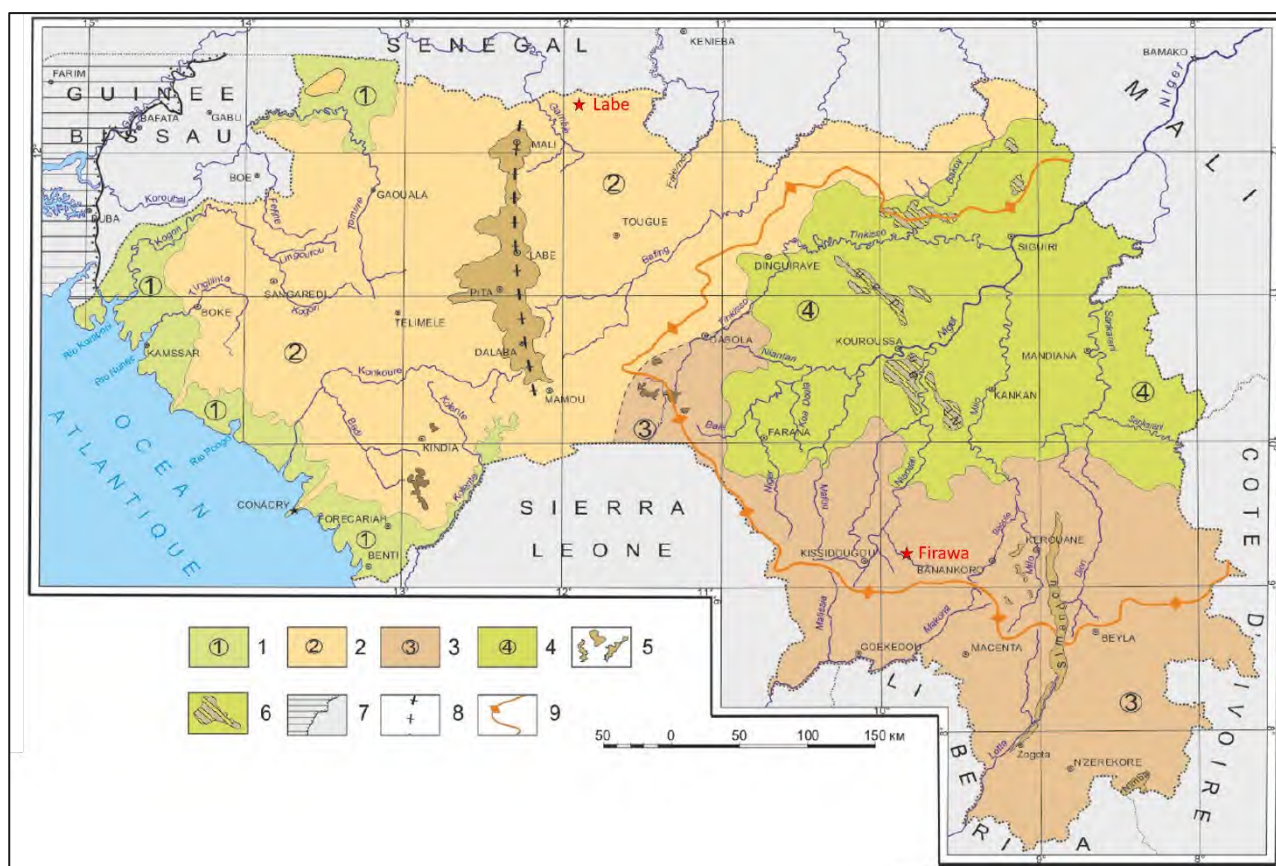


Figure 8: Geomorphological map of Guinea

Numbers on map identify: 1 – Coastal Plain; 2 – Fouta Djallon-Mandingo Highlands; 3 – Guinea Highlands; 4 – Inner Plain.

Source: After Mamedov, 2011

Local landscape is primarily savanna, with patches of semi-deciduous humid forest. During the dry season, fires burn off the grasses and defoliate the few savanna trees within the savanna regions. The few remnant patches of forest are considered relics of an originally extensive and dense forest cover. Tall grass of the *Andropogons* family dominates vegetation, with common tree species being *Butiro* *Spermum parkii* (Shea); *Parkia Biglobosa* (Néré); *Lophira Lanceolata* (Mana); *Afzélia Africana* (Lènkè), *Bonbax costatum* (Bouboun) and *La Kayas Sénégalensis* (Sôo) (Gustafsson, 2012). Along banks of waterways, *Uapata* (Kôsômô), *Guinean Sygygium* (Kôkissa) and *Pterocarpus* (Djékoun) were also observed (Gustafsson, 2012).

The project area has generally very hilly topography, with altitudes varying between 450 m and 800 m (Figure 9). The mineralisation zone is expressed in relief as a west-east chain of steep hills with relative elevations of up to 50 m above the surrounding landscape.

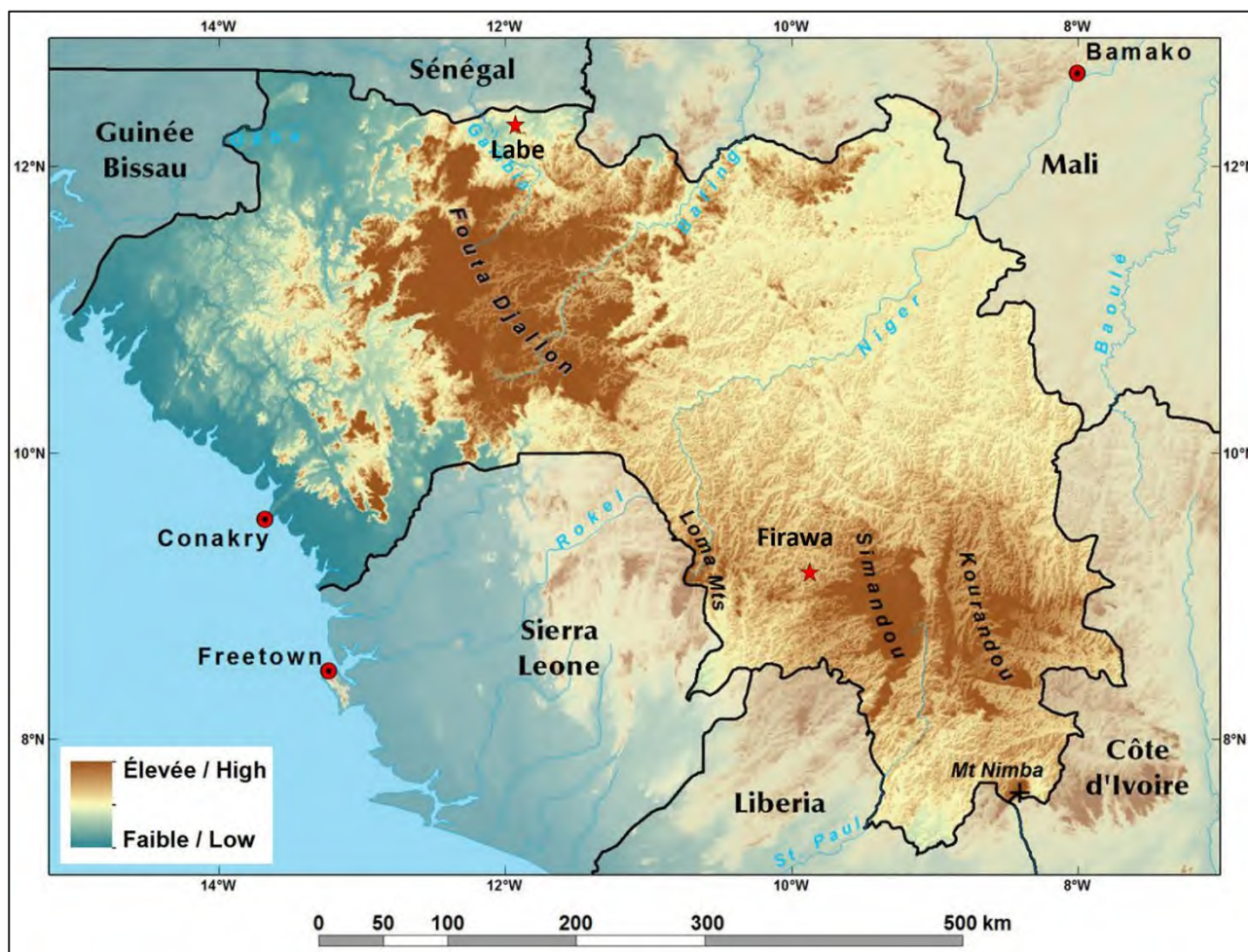


Figure 9: Elevation map of Guinea

The Makona River is the main watercourse in the project area. Besides this, there are numerous secondary, partly seasonal courses, which traverse the southeastern part of the focus area.

The Kissidougou region has a tropical savanna climate (Koppen climate classification) with alternating dry and wet seasons. The mean annual rainfall averages 1,939 mm with the highest falls occurring from May to October. Annual mean maximum and minimum temperatures are 33.3°C and 15.1°C, respectively. The highest and lowest mean daily temperatures are 36.8°C in March and 30.2°C in July.

### 3.3 Tenure

The Firawa Project is currently covered by two reconnaissance permits, with exploration permit applications over the same area pending. The eastern 23807 licence covers an area of 99.46 km<sup>2</sup> and the western 23808 covers 99.88 km<sup>2</sup>, totalling 199.34 km<sup>2</sup> (Table 2, Figure 10). Corner coordinates are presented in Table 3 and Table 4. Both are registered at "Cadastre Minier" at the "Centre de Promotion et de Développement miniers (CPDM) at Ministre des Mines et de la Géologie". DMC expects the pending applications for exploration licences to be granted shortly, and on grant they will be termed for three years.

ERM is not qualified to give opinions on legal matters pertaining to tenement status or liabilities. The successful granting of tenure is a condition of DMC's binding Share Purchase Agreement with the vendors of the Firawa REE-U-Nb Project and the Labé Project.

**Table 2:** Tenement information for the Firawa Project. (Note: The two Exploration Permit applications overlap the same area as the granted Reconnaissance Permits)

| Licence ID                    | Status      | Licence name | Company              | Date granted | Date of expiry | Surface area (km <sup>2</sup> ) |
|-------------------------------|-------------|--------------|----------------------|--------------|----------------|---------------------------------|
| Reconnaissance Permit (23807) | Granted     | Firawa       | Veridis Energie Sarl | 18/03/2024   | 19/09/2024     | 99.46                           |
| Reconnaissance Permit (23808) | Granted     | Firawa       | Veridis Energie Sarl | 18/03/2024   | 19/09/2024     | 99.8773                         |
| Exploration Permit (24029)    | Application | Firawa       | Veridis Energie Sarl | NA           | NA             | 99.46                           |
| Exploration Permit (24028)    | Application | Firawa       | Veridis Energie Sarl | NA           | NA             | 99.8773                         |

The two permit areas are positioned contiguously, corner coordinates are provided in Table 3 and Table 4.

**Table 3:** Corner coordinates for Firawa prospect licence no. 23807

| Permit | Corner | West UTM WGS 84 | North UTM WGS 84 |
|--------|--------|-----------------|------------------|
| 23807  | 1      | 9° 48' 15.22"   | 9° 16' 00.05"    |
| 23807  | 2      | 9° 43' 58.99"   | 9° 16' 00.05"    |
| 23807  | 3      | 9° 44' 03.32"   | 9° 09' 03.99"    |
| 23807  | 4      | 9° 48' 16.08"   | 9° 09' 00.52"    |
| 23807  | 5      | 9° 48' 14.78"   | 9° 11' 51.20"    |
| 23807  | 6      | 9° 48' 14.34"   | 9° 13' 31.95"    |

**Table 4:** Corner coordinates for Firawa prospect licence no. 23808

| Permit | Corner | West UTM WGS 84 | North UTM WGS 84 |
|--------|--------|-----------------|------------------|
| 23808  | 1      | 9° 56' 28.14"   | 9° 15' 45.72"    |
| 23808  | 2      | 9° 55' 03.45"   | 9° 15' 45.72"    |
| 23808  | 3      | 9° 53' 17.05"   | 9° 13' 21.97"    |
| 23808  | 4      | 9° 50' 15.95"   | 9° 13' 13.72"    |
| 23808  | 5      | 9° 50' 15.95"   | 9° 13' 32.39"    |
| 23808  | 6      | 9° 48' 14.35"   | 9° 13' 32.96"    |
| 23808  | 7      | 9° 48' 14.78"   | 9° 11' 51.20"    |
| 23808  | 8      | 9° 49' 31.32"   | 9° 11' 54.24"    |
| 23808  | 9      | 9° 49' 27.31"   | 9° 08' 21.44"    |
| 23808  | 10     | 9° 49' 35.13"   | 9° 07' 18.03"    |
| 23808  | 11     | 9° 52' 23.63"   | 9° 07' 17.17"    |



|       |    |               |               |
|-------|----|---------------|---------------|
| 23808 | 12 | 9° 52' 26.24" | 9° 12' 06.40" |
| 23808 | 13 | 9° 56' 18.15" | 9° 12' 11.62" |
| 23808 | 14 | 9° 56' 06.86" | 9° 13' 50.63" |
| 23808 | 15 | 9° 56' 21.62" | 9° 13' 53.24" |
| 23808 | 16 | 9° 56' 14.68" | 9° 14' 44.49" |
| 23808 | 17 | 9° 56' 30.31" | 9° 14' 45.35" |

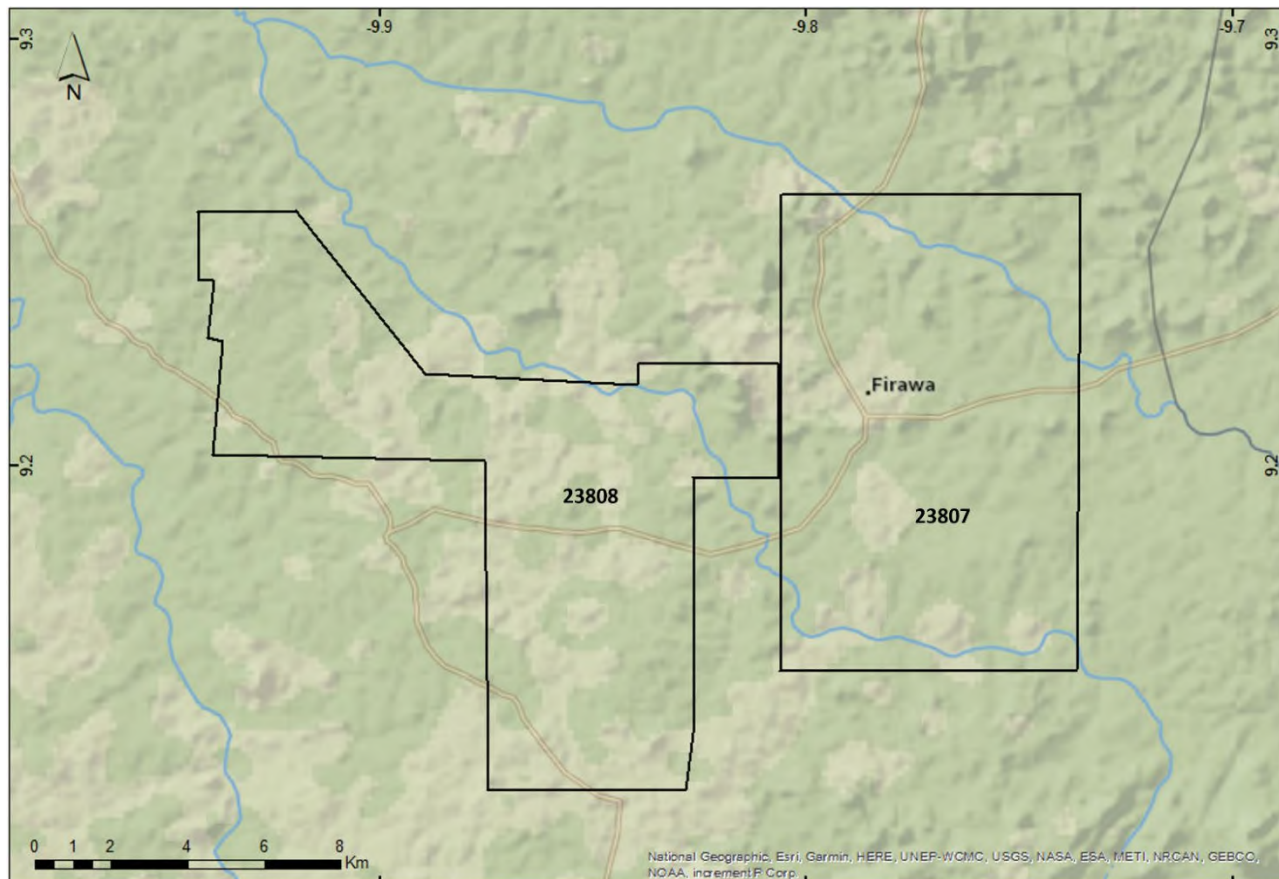


Figure 10: Firawa Project tenement location map

Source: DMC

### 3.4 Regional Geology

#### 3.4.1 Introduction

Guinea is on the southwestern margin of the West African Craton; it comprises five main geological domains related to their time of formation. The oldest is represented by the Archaean Leo-Man Shield (or Kenema-Man Domain) which hosts the Firawa prospect (Figure 11). Other geological domains include the Proterozoic Birimian Domain, Pan-African Fold Belts on the southeastern margin of the Archaean block, the Hercynian Mauritanides to the north and the Phanerozoic sedimentary basins along the narrow coastal plain and in the north of the country (Villeneuve, 2008). In the following, "Ma" refers to millions of years before the present.

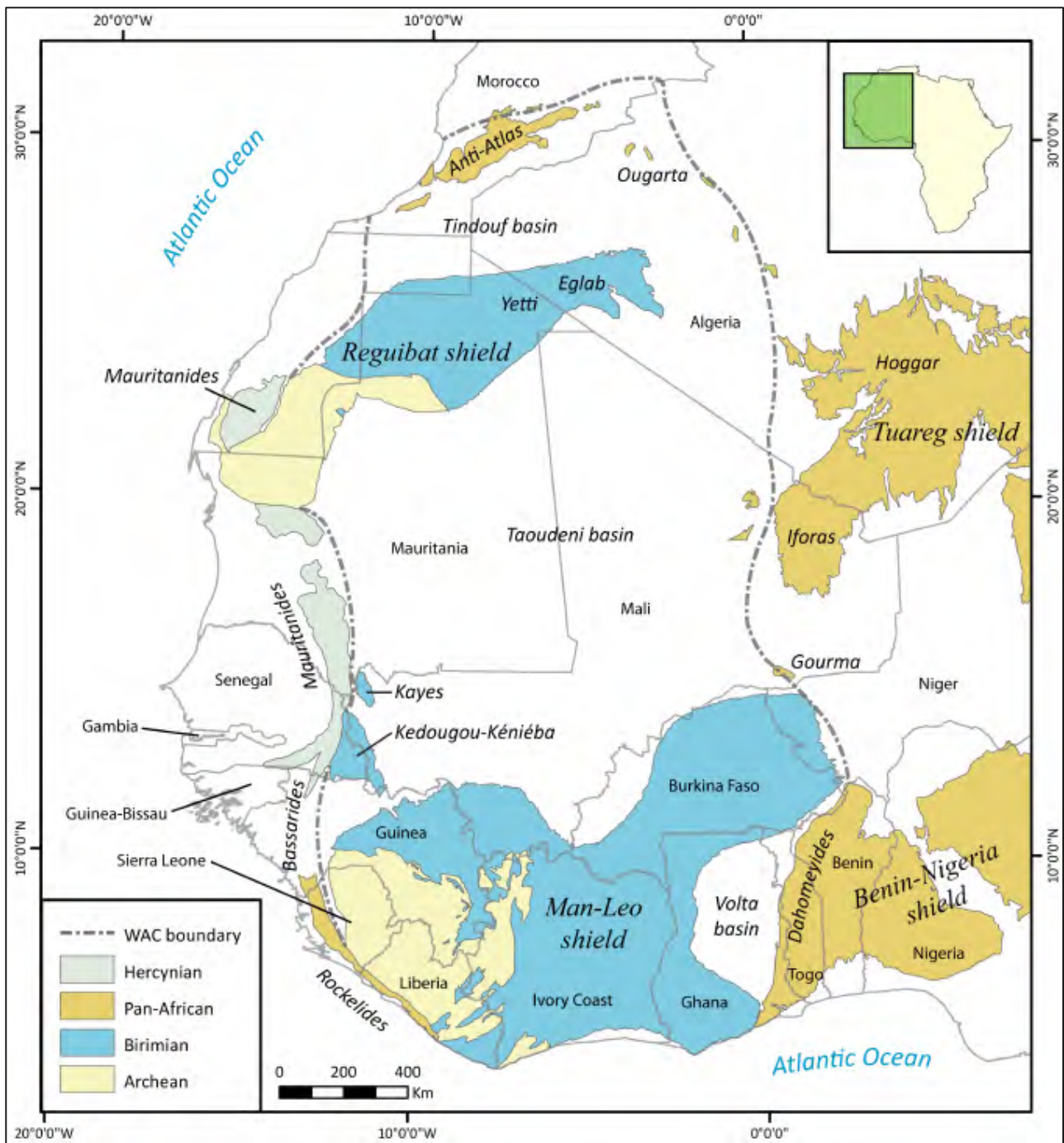


Figure 11: Simplified tectonic map of the West African Craton and adjacent fold and thrust belts

Note: Mesoproterozoic to Recent sedimentary rocks are not depicted

Source: After Grenholme, 2014

### 3.4.2 Archaean Kenema-Man Domain

The Archaean Kenema-Man Domain reflects a long history of repeated volcano-sedimentary deposition followed by emplacement of granitic intrusions and metamorphism. It can be divided into five phases:

- 1) Early Archaean basement (Dabola Group)
- 2) Leonian-age supracrustal rocks (Including Cambui Series)
- 3) Liberian-age intrusions, granitisation and metamorphism
- 4) Post-Liberian extension and deposition of the Nimba and Simandou series
- 5) Eburnean deformation, intrusion of granites and metamorphism.



The Archaean basement of the Kenema-Man Domain is a core of orthogneiss and metagabbro referred to as the Dabola Group. The metagabbro has been dated at c. 3540 Ma. The basement is overlain by Leonian supracrustal formations comprising felsic and mafic volcanic suites, terrigenous sediments and iron quartzites (including banded iron formation (BIF)). These rocks have ages ranging between c. 3240 Ma and 3030 Ma. They have undergone variable grades of metamorphism and locally have been intruded by younger granites.

The Leonian supra-crustal rocks were intruded and metamorphosed during the Liberian cycle (c. 2910–2800 Ma). Intrusive formations are mainly large felsic batholiths dated at c. 2800 Ma. The Liberian cycle was followed by a period of crustal extension and deposition of mafic volcanics, BIF and pelitic sediments of the Nimba and Simandou successions. These have a minimum age of 2615 Ma from a detrital zircon in the Nimba Quartzite.

The Kenema-Man Domain then underwent a third period of metamorphism and intrusive events in the Proterozoic Eburnean orogeny (c. 2050 Ma). The Late Eburnean felsic intrusive batholiths are interpreted to indicate subduction beneath the craton margin at that time. The period of deformation produced north-northeast to south-southwest trending upright folds associated with retrograde greenschist facies metamorphism.

### 3.4.3 Proterozoic Birimian Domain

The Birimian Domain is a large area occupied by metasediments and volcanics that are widespread throughout West Africa (Figure 12). They extend into northwest Guinea as part of the Siguiri Basin. This consists of marine detrital sedimentary argillite and sandstone, with minor intercalated volcanic rocks, intruded by sub-volcanic dykes. They are weakly foliated and metamorphosed, although along the southern edge of the basin, mica schist containing staurolite, sillimanite and garnet is well developed. Several distinct volcanic complexes are developed in southeast Guinea. The Niani Complex, composed of felsic to intermediate volcanic rocks, is dated at 2211 Ma (Lahondere et al., 2002). At the south-western edge of the basin, the Keneiro Complex dated at about 2093 Ma is also made up of a variety of volcanic rocks.

A belt of plutonic rocks forming a large batholith extends along the edge of the Archaean craton, separating it from the Siguiri Basin. Granodiorite is the most common rock type but biotite granite, monzogranite and two-mica granite also occur. They were intruded along an active margin, directly above a subduction zone between c. 2087 Ma and 2072 Ma (Egal et al., 2002).

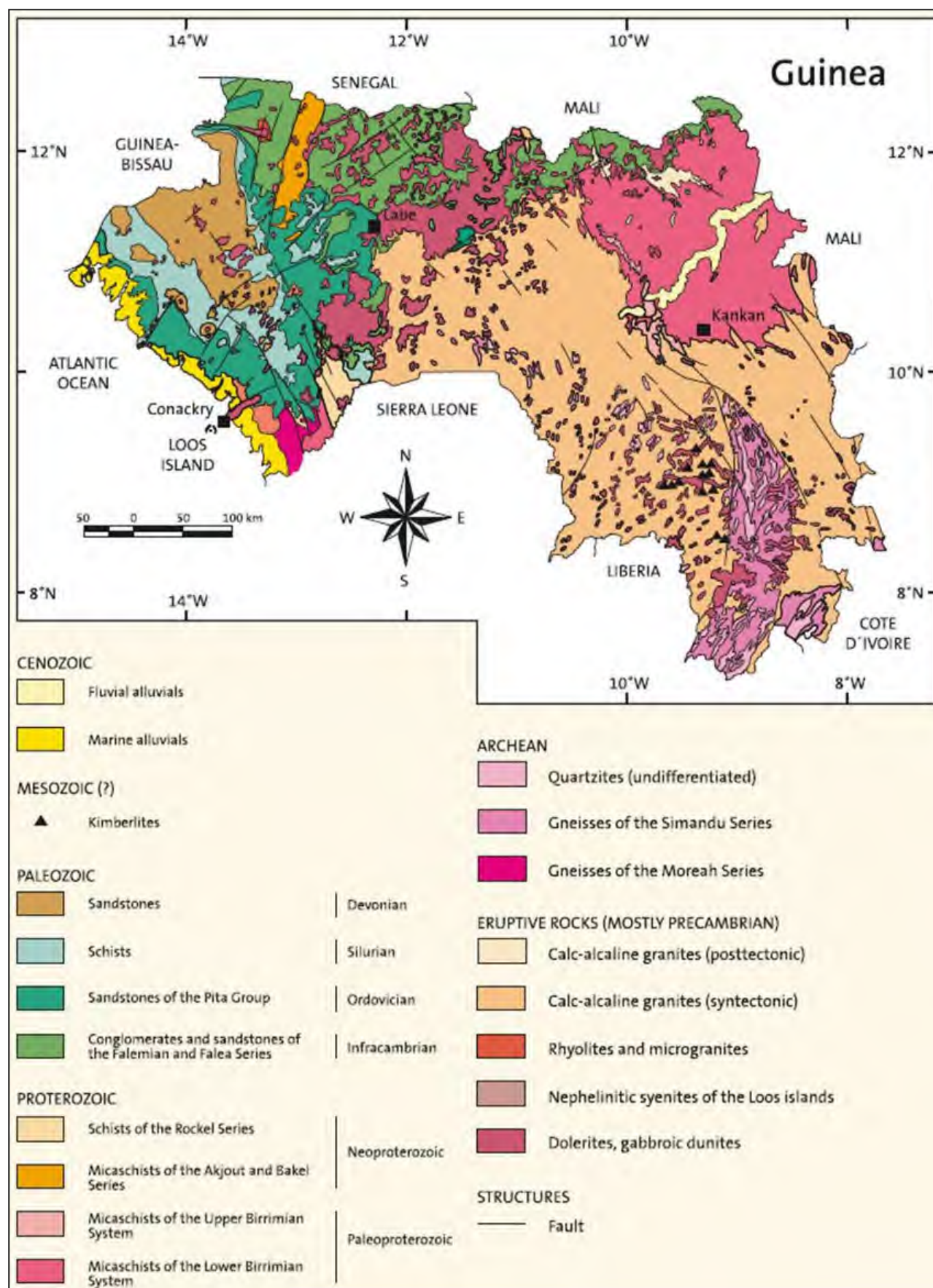


Figure 12: Geology of Guinea

Source: After Schluter, 2006

### 3.4.4 Bassaride and Rokelide Fold Belts

The Bassaride and Rokelide fold belts are at the southern end of an orogenic belt that runs from Liberia in the south to southern Morocco in the north, a distance more than 3,000 km. These are part of the larger Pan-African Orogeny, the effects of which are seen across Africa.

The Bassaride Fold Belt occurs in Guinea along its northwestern border with Guinea-Bissau. It is a north-south trending orogenic belt comprising two rock groups: (1) meta-sediments and meta-volcanics of the Guinguan Group; and (2) granitoids, and mafic and felsic lavas of the Niokolo-Koba Group (c. 683–645 Ma). Two deformation events have affected the Bassaride Belt: the oldest at c. 660 Ma followed by the igneous event related to the Niokolo-Koba Group. It is interpreted to be a continental collision zone (Villeneuve, 2008).

The Rokelide Fold Belt is a north-northwest to south-southeast trending Pan-African orogenic belt extending from the southern part of the Bové Basin to Liberia, exposed in the south and west of Guinea. Within the fold belt are variably metamorphosed and deformed metasediments including a basal tillite, carbonates and clastic units. A central metamorphic complex has been intruded by volcanic rocks at about 725 Ma. The Rokelide Fold Belt was deformed in the second phase of the Pan-African Orogeny between 570 Ma and 500 Ma (Villeneuve, 2008).

### 3.4.5 Mesozoic Intrusives

The Archaean to Palaeozoic basement of Guinea has been intruded by voluminous tholeiitic mafic magmas of the Central Atlantic Magmatic Province (CAMP). They include sills up to 1,000 km<sup>2</sup> in area with thickness up to 500 m. Emplacement was controlled by Northwest-Southeast trending lineaments reactivated during the Mesozoic. A small north-south oriented dyke swarm in the Bassarides is also part of the CAMP. The age of CAMP is about 200 Ma (Deckart et al., 1997). The intrusion of the CAMP is associated with the early stages of the opening of the Central Atlantic (Deckart et al., 2005).

### 3.4.6 Mesozoic to Recent Sediments

The coastal areas of Guinea lie close to the margins of the Senegal Basin to the north and the Ivory Coast Basin to the south and east. The Permian to Late Jurassic sediments within the Senegal Basin includes a mixture of continental and marine clastic rocks, carbonates and a thick evaporitic unit near the base (Brownfield and Charpentier, 2003). The Ivory Coast Basin includes the Lower Cretaceous continental sandstones overlain by Mid to Late Cretaceous marine limestone, shale and sandstone (Wright, 1985).

For much of the time since the Jurassic, Guinea has been positioned within equatorial regions. The essentially stable geology in this time, punctuated with periods of extension and uplift, led to the formation of a series of long-lived land surfaces. Three are recorded, of Late Jurassic, Mid-Cretaceous and Eocene ages, although Chardon et al. (2006) dispute the Late Jurassic surface. The intense weathering has resulted in the development of lateritic bauxites over large areas of western Guinea and laterite development elsewhere (Chardon et al., 2006).

## 3.5 Local Geology

### 3.5.1 Regolith

The local area of the Firawa Project has been subject to deep lateritic weathering, with a weathering zone ranging in thickness from 35 m to 100 m. Limited outcrops can be found in areas proximal to the Firawa mineralised zone. Much of the local geology is interpreted from sparse outcrop, drilling, and regional geophysical data interpretation.

The Firawa mineralised zone is expressed in relief as a chain of steep hills (Figure 13) which extends for 3.5 km in east-west direction. There are a few ridge-like gossanous outcrops of



oxidised carbonatites along the hill tops (Figure 14) and slopes, although most of the area is covered by a thick soil and colluvium (Figure 15).



Figure 13: A chain of hills along the mineralised zone, looking west



Figure 14: Gossanous outcrop of oxidised carbonatites, the Firawa East Zone





Figure 15: Thick soil over weathered carbonatites at the top of the Firawa hill, looking south

### 3.5.2 Sub-Regolith Lithology and Structure

The Firawa Project is located within the Archaean granite gneiss domain. The Archaean basement rocks are dominated by granite, gneiss with minor amphibolite.

The project is mostly hosted by the Archaean granite gneisses except for the western part of 20808 occupied by crystalline schists and quartzites of the Dabola series (Figure 16).

Granitoid rocks dominating the project are related to the large granitoid Macenta batholith developed over an area of more than 12,000 km<sup>2</sup>. The granitoid massif has a complex internal structure and consists of various lithologies including granite, granodiorite, tonalite, monzogranite and quartz diorite.

The western part of 23808 is occupied by the oldest for the region crystalline schists and quartzites of the Late Archaean Dabola and Cambui series. Plagiogranite-gneisses and crystalline schists contain numerous inclusions of Late Archean gabbroids with minor ferruginous quartzites.

A north-south trending, 6 km long massif of gabbro was mapped in the western part of 23808 as intruded into the Dabola gneisses. There are also some minor occurrences of dolerite associated with the gabbro unit (Gustafsson, 2012). Another small body of gabbroid occurs along the western boundary of the southern block of 23808.



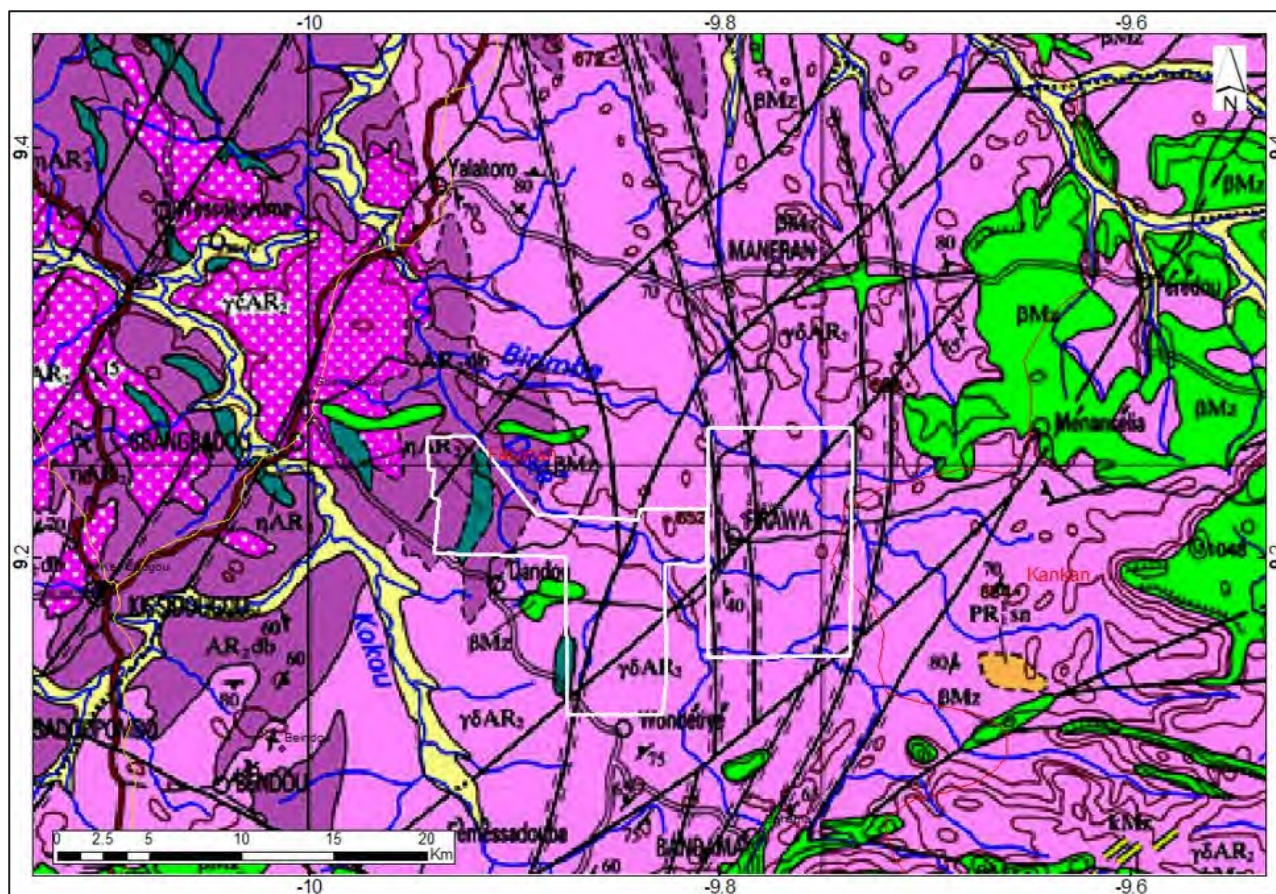


Figure 16: Firawa tenements over geological map of Guinea of a 1:500,000 scale

Geology units: AR<sub>2</sub>db – Dabola series gneisses; Liberian Phase: ηAR<sub>2</sub> – Gabbro and amphibolites; γδAR<sub>2</sub> – Granitoids; γcAR<sub>2</sub> – Charnokites and anorthosites; PR<sub>1</sub>sn – Simandou Complex, BIF and quartzites; βMZ – Dolerites.

Source: Boufeev, 2006

A small, less than 4 km long body of mafic intrusion assigned a Mesozoic age is located at the western boundary of 23808. These sills and dikes of mafic-ultramafic composition are widespread around the region, concentrating in areas of intensive tectonic deformation. All sills are characterised by vertical zonation, with the contact parts composed of microcrystalline to semi-vitreous microdolerites. Toward the central parts, grain size increases with a rock transition to dolerites, gabbro-dolerites and, in the thickest parts, to gabbro. In modern relief, mafic sills often comprise the top of watersheds and form regional planation surfaces (Mamedov et al., 2011).

The project is located in a structurally complex zone with a series of north-northeast trending regional lineaments and faults running across the tenements. These deep-seated and long-lived faults are considered by DMC to be favourable for mantle-derived carbonatite intrusions. This deep-seated, mantle-tapping interpretation is supported by known diamondiferous kimberlite pipes along strike on the structures to the south (see Section 3.5.3 for details).

### 3.5.3 Mineral Occurrences

The region is considered prospective for diamonds with two diamondiferous kimberlite pipes located just 1 km from the northern boundary of 23807 and a third kimberlite pipe between the two tenements (Figure 17). No details are known on the diamond occurrences as no explanatory notes for the Metallogeny map are available. A residual laterite gold occurrence was mapped 5.5 km northeast of the project. Also, an iron quartzite occurrence is located ~6 km west of the project area. No carbonatites are previously mapped for the region and the only mapped occurrence of carbonatite in Guinea occurs on one of the islands of the Los Archipelago offshore nearby Conakry.



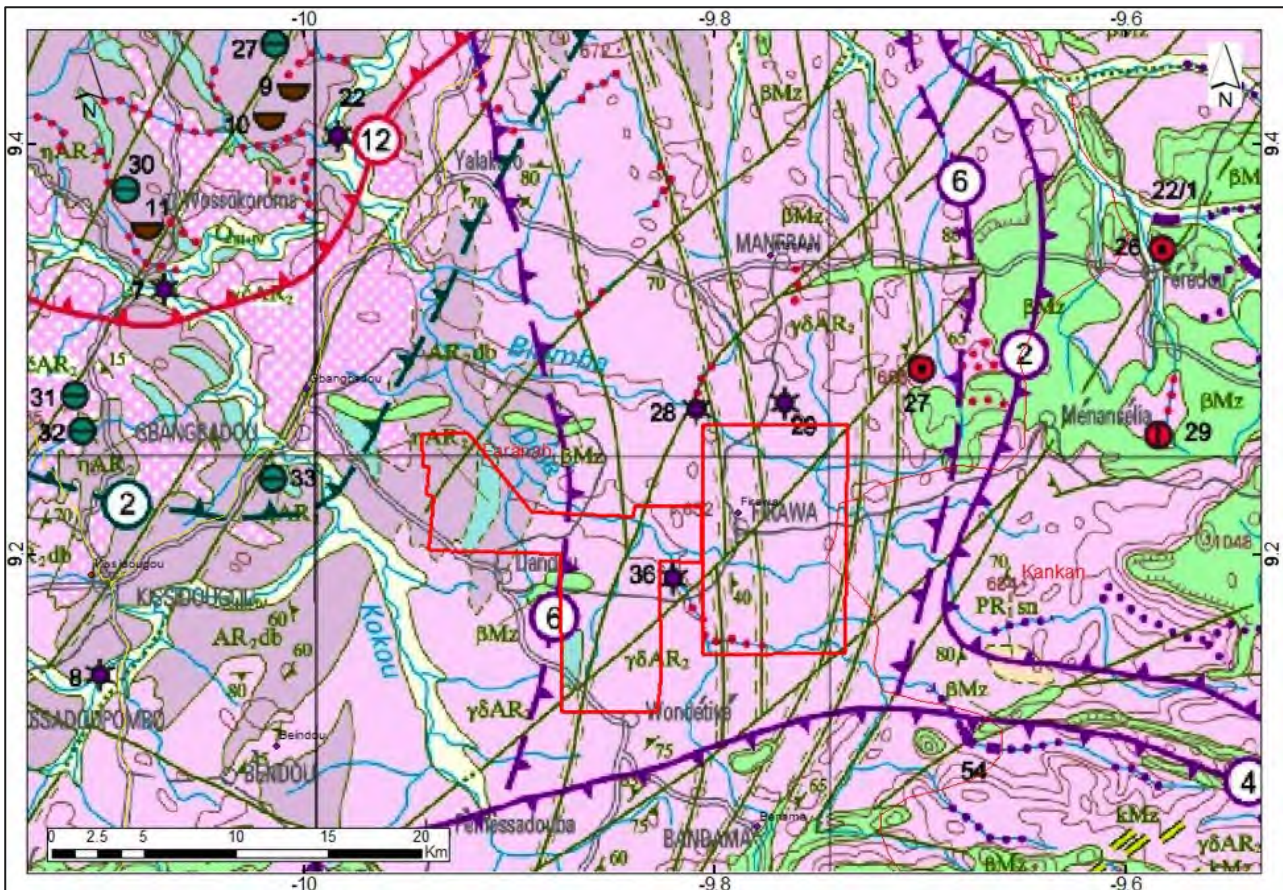


Figure 17: Firawa tenements over metallogenic map of Guinea of a 1:500,000 scale

See Figure 16 for geological legend. Purple stars – diamondiferous kimberlite pipes; purple arrowed lines – areas prospective for diamonds; red circle – residual laterite gold occurrence; green circle – iron quartzite occurrence.

Source: Boufeev et al., 2006

A presence of diamondiferous kimberlite pipes in the close vicinity of the prospect is encouraging as carbonatites have been spatially and genetically connected to kimberlite emplacement elsewhere globally (Snap Lake, Canada; Premier, South Africa - Timmerman et al., 2021).

### 3.6 Exploration History

#### 3.6.1 Geosurvey International (1979 to 1981), Aerodat (1997)

Geosurvey International ("Geosurvey") undertook regional radiometric and magnetic airborne surveys between 1979 and 1981. The survey observed a distinct uranium anomaly over Firawa (Figure 18), and as a result of this work the Firawa uranium anomaly was discovered. This was later confirmed by the Aerodat data (Figure 19), who flew the easternmost part of Guinea in 1997. The Geosurvey campaign included magnetometry, radiometry and air photos. The Aerodat campaign only involved magnetometry and radiometric survey. In both cases, the flight altitude was 100 m. The Geosurvey flights were in west-northwest to east-southeast direction with approximately 0.5–2.0 km line spacing. Aerodat was flying in north-south direction with 1 km line spacing.



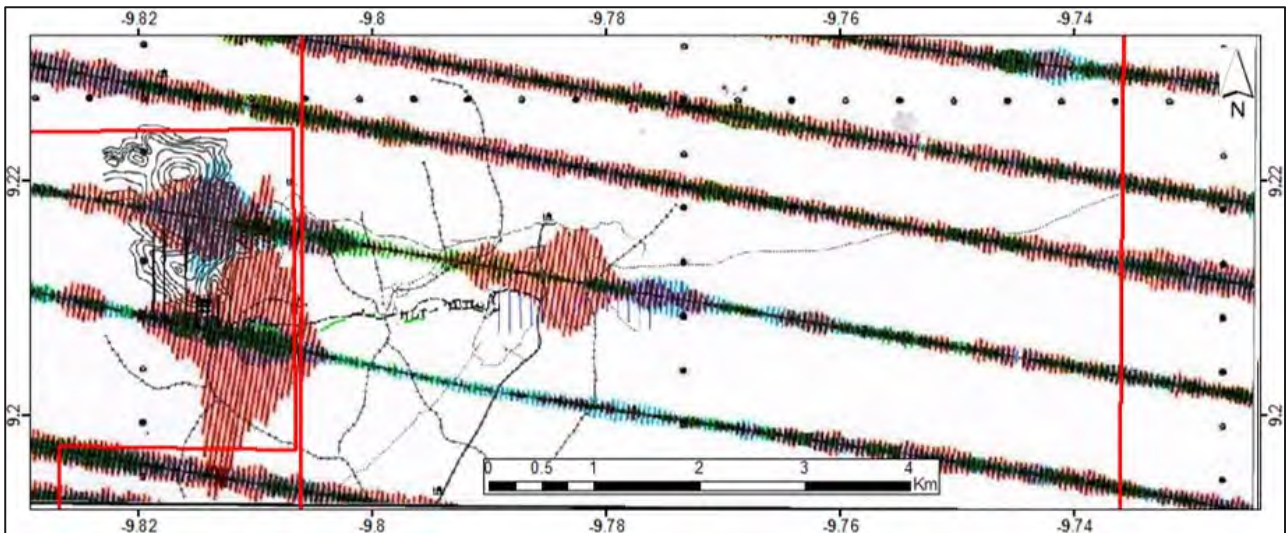


**Figure 18:** Airborne radiometric U-Th anomalies over Firawa prospect based on the first Geosurvey survey

Red – U channel, blue – Th channel, green – K channel, red lines – DMC's licence boundaries.

Source: Modified after White, 2012

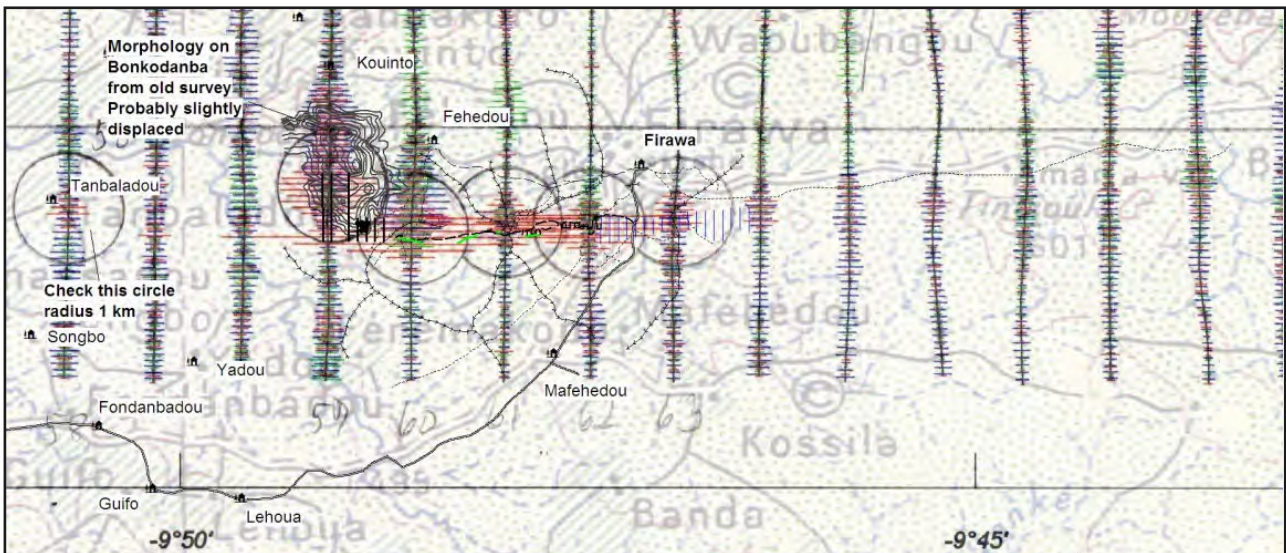


**Figure 19:** Firawa radiometric anomalies based on the Aerodat airborne survey

Red – U channel, blue – Th channel, green – K channel.

Source: After White, 2012

Shortly after the discovery of the Firawa anomaly, the British consulting company Davey McKee performed follow-up ground surveys over the anomalous area. This work included ground spectrometry, topographic survey, soil geochemistry and radon sampling, a few VLF-EM and magnetometry profiles, and digging a few pits and trenches. No geology mapping was undertaken, due to lack of outcrops. There is no data available for this report; anomaly maps are possibly held at the Mining Promotion and Development Centre (CPDM) library in Conakry (Gustafsson, 2012).

### 3.6.2 Murchison United/SRK Consulting (2005 to 2006), Forte Energy NL (2007 to 2012)

Firawa was explored from 2005 to 2006 by Murchison United, that then renamed to Forte Energy NL ("Forte"), a company formerly listed on the ASX in Australia and the Alternative Investment Market (AIM) in London. Forte then continued exploration on the project until 2012. There has been no exploration activity on the project since that time.

## Cautionary Statement

Exploration results and MRE's have previously been reported by Forte in accordance with the JORC (2004) Code. This report herein represents the first reporting of Forte's exploration results and a new MRE in accordance with the JORC (2012) Code (refer to DMC Mining Ltd ASX announcement dated 24/06/2024). As such, results as reported in this report supercede all previous reporting of results. Therefore, the historical MRE's reported by Forte in accordance with the JORC (2004) Code are mentioned in this report for information purposes only in the context of summarising past exploration activity on the project.

## Murchison United (2005 to 2007)

In 2005, SRK Consulting ("SRK") undertook limited rock-chip sampling on behalf of Murchison United. Five samples from old pits and trenches located at Firawa were collected (Table 5). Two of these samples returned encouraging results (Table 6). These positive results lead to the application and granting of two exploration permits for uranium and REE over the Firawa prospect by Murchison United (Gustafsson, 2012).

**Table 5:** Location and description of 2005 SRK reconnaissance rock-chip samples

| Zone | Easting | Northing | Sample | Sample description                                             | Comments                   |
|------|---------|----------|--------|----------------------------------------------------------------|----------------------------|
| 29P  | 412438  | 1018022  | F1     | Fine-grained silica-rich creamy brown weathered granite/aplite | 1.5 m down old trench      |
| 29P  | 412438  | 1018022  | F2     | Brown weathered granite/aplite                                 | 3 m down old trench        |
| 29P  | 412438  | 1018022  | F3     | White sugary quartzite vein                                    | Near surface of old trench |
| 29P  | 412064  | 1018044  | F4     | Dense Fe-Mn oxide, laterite outcrop                            | Side of hill               |
| 29P  | 412132  | 1018016  | F5     | Creamy brown/purplish strongly weathered sediment/granite      | 4 m down old trench        |
| 29P  | 412139  | 1018020  | F6     | Sugary sandstone/quartzite                                     |                            |

**Table 6:** Selected assay results from 2005 SRK rock chip sampling

| Sample | Fe % | P % | Ba ppm | Ce ppm | La ppm | Sc ppm | Y ppm | Nb ppm | Ta ppm | Th ppm | U ppm | Pb ppm | Sr ppm |
|--------|------|-----|--------|--------|--------|--------|-------|--------|--------|--------|-------|--------|--------|
| F1     | 1.7  | 0.4 | 1,017  | 431    | 205    | 4      | 49    | 66     | 8      | <5     | 24    | 27     | 1,589  |
| F2     | 16.6 | 4.9 | 7,392  | 82,367 | 52,048 | 23     | 274   | 362    | 33     | 350    | 213   | 507    | 17,901 |
| F3     | 1.0  | 0.1 | 337    | 216    | 115    | 2      | 18    | 56     | 2      | <5     | 10    | 16     | 545    |
| F4     | 38.3 | 0.7 | 439    | 246    | 111    | 7      | 15    | 185    | 13     | 6      | 25    | 34     | 300    |
| F5     | 8.5  | 4.9 | 17,874 | 2,069  | 935    | 7      | 512   | 15,927 | 1,191  | 30     | 1,243 | 2,377  | 25,840 |
| F6     | 0.8  | 0.1 | 388    | 145    | 69     | 1      | 16    | 82     | 5      | <5     | 14    | 31     | 574    |

In January 2006, Murchison United applied for and was granted an extension to licences, to the north. The total Firawa licence area then totalled 1,516 km<sup>2</sup>.

Further soil geochemistry sampling was undertaken throughout 2006. Samples were collected at 0.3–0.5 m depth. A total of 123 samples were collected, oriented along profiles across the anomaly. This work was planned to further confirm the uranium mineralisation and to investigate potential extensions along strike.

Only 11 samples returned uranium concentrations above 100 ppm level though highly anomalous REE+Nb+Ta values ranging from 1,000 ppm to 3,000 ppm were encountered (Figure 20).

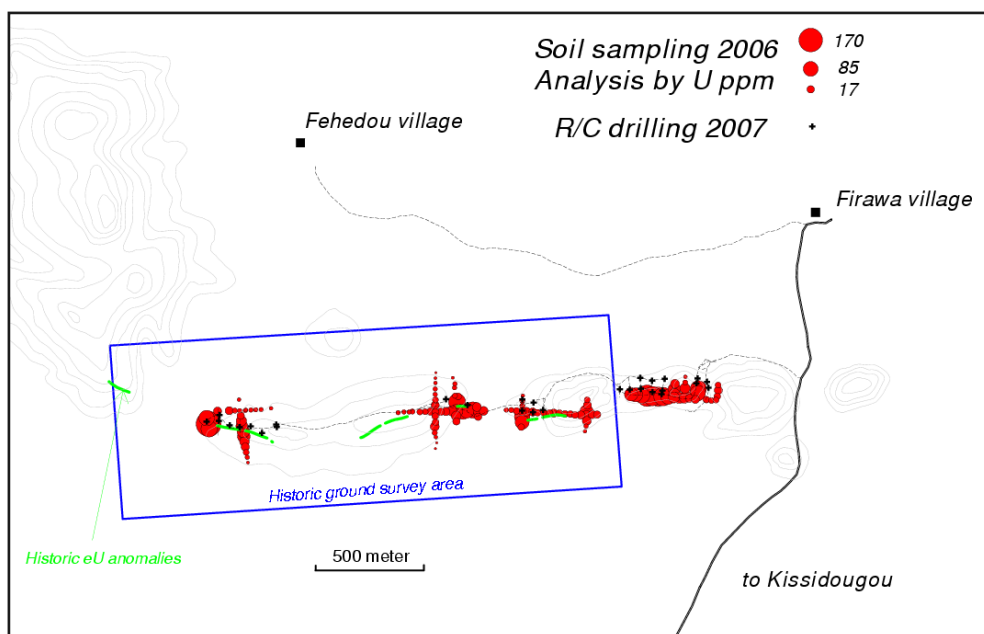


Figure 20: Location map of 2006 soil samples and 2007 RC drill collars

Source: After Gustafsson, 2012

### Forte Energy NL Exploration (2007 to 2012)

Forte completed several campaigns of drilling over the Firawa project area between May 2007 and April 2012. The initial drilling targeted anomalies delineated by ground radiometric surveys, with subsequent campaigns focusing on exploration and resource definition. Further drilling focused on resource extension, focusing primarily on defining strike extensions to the east and west. Phases of drilling are shown in Figure 21 below.

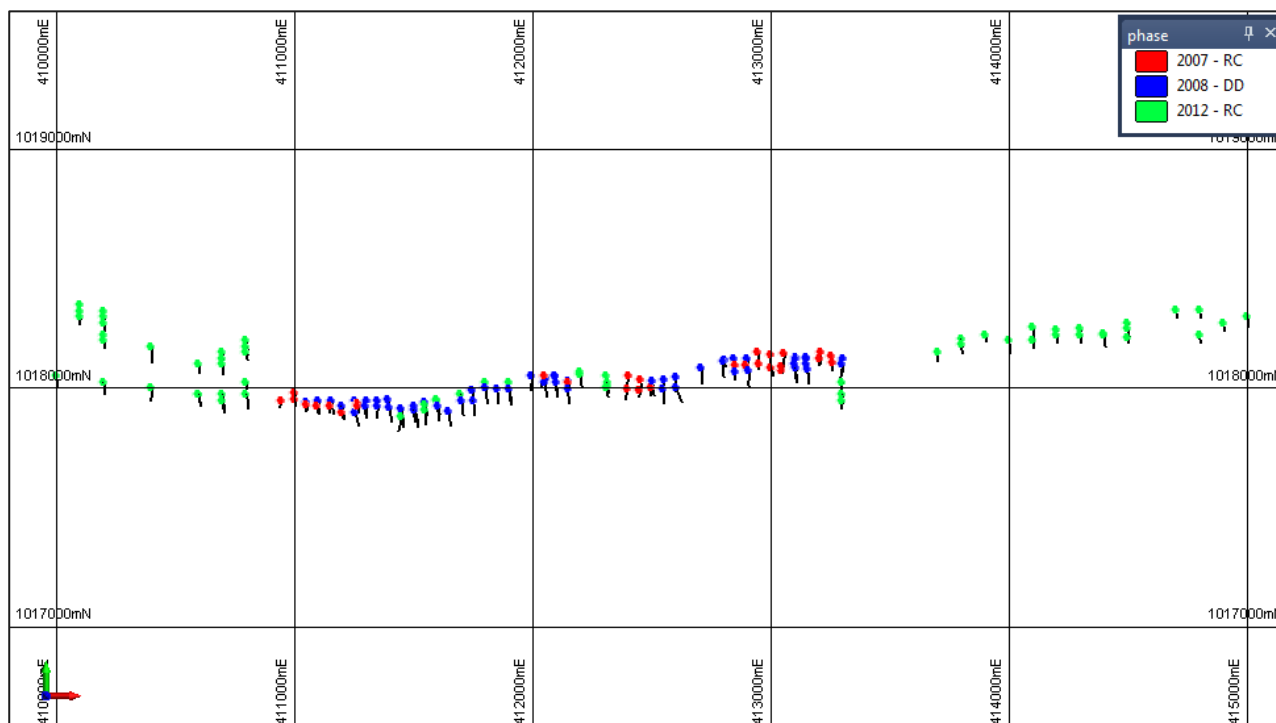


Figure 21: Drill collar locations over the Firawa prospect, coloured by year/drill type

Over the project, a total of 12,405 m of drilling has been completed, including 5,865 m of diamond drilling and 6,540 m of reverse circulation (RC) drilling. All drilling was undertaken by AMCO drilling Guinea. RC drilling was conducted using a wheel mounted Atlas Copco Mustang



66 multi-purpose rig and diamond drilling was undertaken using a track mounted Atlas Copco Diamec 282 core rig.

### Reverse Circulation Drilling (2007)

A total of 29 RC holes totalling 1,809 m of drilling was completed by Murchison United in May 2007. The program was designed to target a highly prospective 2 km section of a previously identified radiometric uranium anomaly which extends for more than 5 km within the Firawa exploration licences.

During this phase of work, a total strike length of 2.3 km was drilled on predominantly 50 m spaced sections with holes spaced 25–100 m apart on each profile section. This program identified a potentially significant zone of uranium mineralisation over a 2 km strike length.

### Diamond Drilling (2008 to 2009)

In October 2008 to January 2009, a total of 56 diamond holes totalling 5,865 m of drilling were completed on infill and extension profiles at 50 m spaced sections with holes spaced 25–100 m apart on section (Figure 22).



Figure 22: Diamond drilling at Firawa

Source: Gustafsson, 2012

The holes were drilled to depths of between 80 m and 154 m, generally inclined at a dip of 50° to the south. They targeted mineralisation hosted in a thick weathered zone developed along a tectonic structure, although several holes also intersected mineralisation in the underlying alkaline and strongly cataclastic granite bedrock.

A maiden resource estimate was completed by Coffey Mining Consultants, Perth, in July 2009. It resulted in a non-JORC (2012) Code compliant estimate.

### Reverse Circulation Drilling (2012)

A total of 63 RC drillholes for 4,712 m were completed in February 2012. These holes primarily targeted the following areas:



- In the central part, 14 holes were drilled in areas that were not previously accessible to test the down-dip continuation of the mineralisation. Ten of these holes intersected mineralisation confirming the extension of the mineralisation down-dip in the northern part of the project.
- A total of 24 RC holes were drilled to the east to test radiometric anomalies identified from radiometric surveys conducted in the late 1970s. Encouraging results were obtained from hole FRW213 approximately 500 m to the east of the maiden inferred resource extent, which intersected mineralisation from 5 m below surface, for 8 m at an average grade of 347 ppm  $U_3O_8$ . A series of shallow holes were drilled over a distance of 1.4 km testing the other radiometric anomalies, with poor results.
- A further 25 RC holes were drilled to the west of the inferred resource extent, with six holes identifying intermittent mineralisation between surface and 50 m over a strike length of 0.5 km. The best of these was FRW232, intersecting 19 m of mineralisation from 31 m below surface down to 50 m at an average grade of 433 ppm  $U_3O_8$ . Further holes were drilled to the west at 200 m centres on radiometric anomalies but did not intersect any significant mineralisation.

The 2009 resource estimate was superseded in 2012 by a JORC (2004) Code compliant MRE completed by CSA Global (White, 2012). The updated resource model (Figure 23 and Figure 24) incorporated the historical drilling, the 2012 RC drilling program and a revised bulk density of 3.0 g/cm<sup>3</sup>.

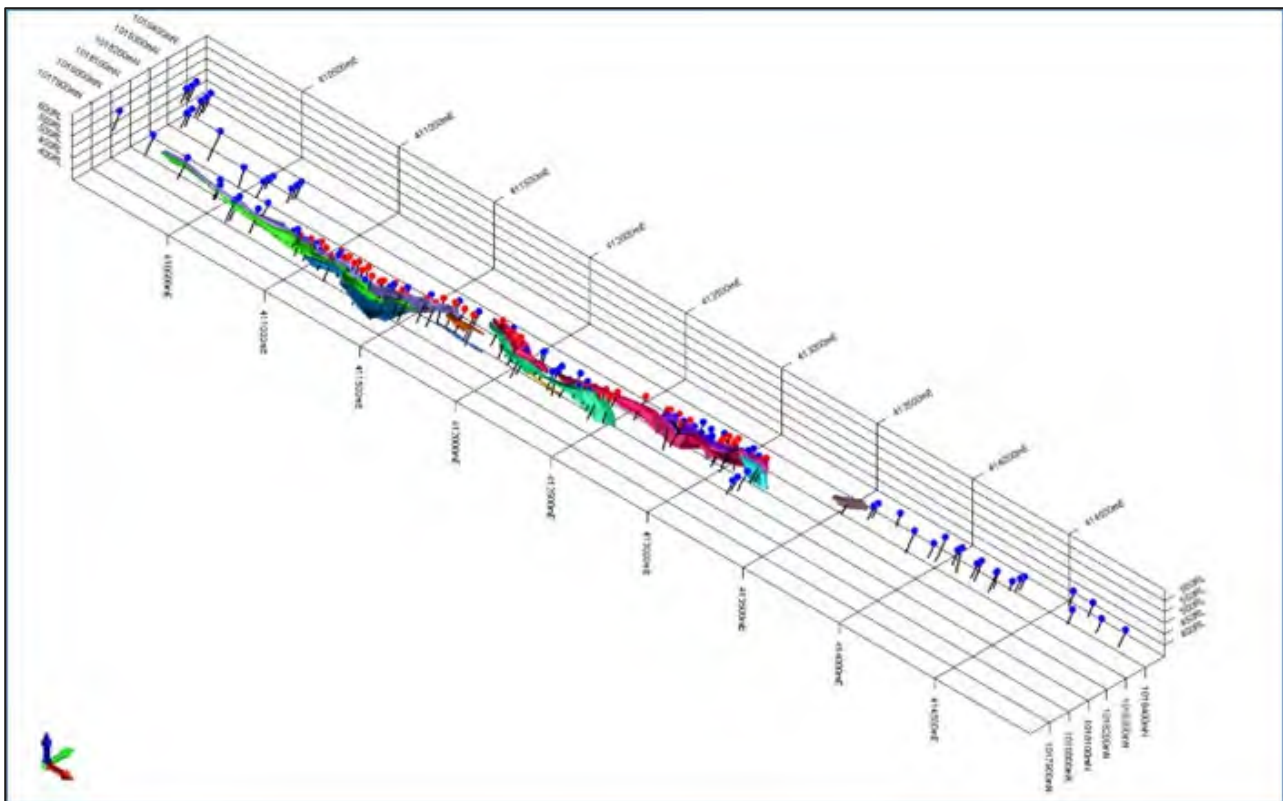


Figure 23: Firawa deposit domain model (oblique view to the northwest)  
Source: White (2012)

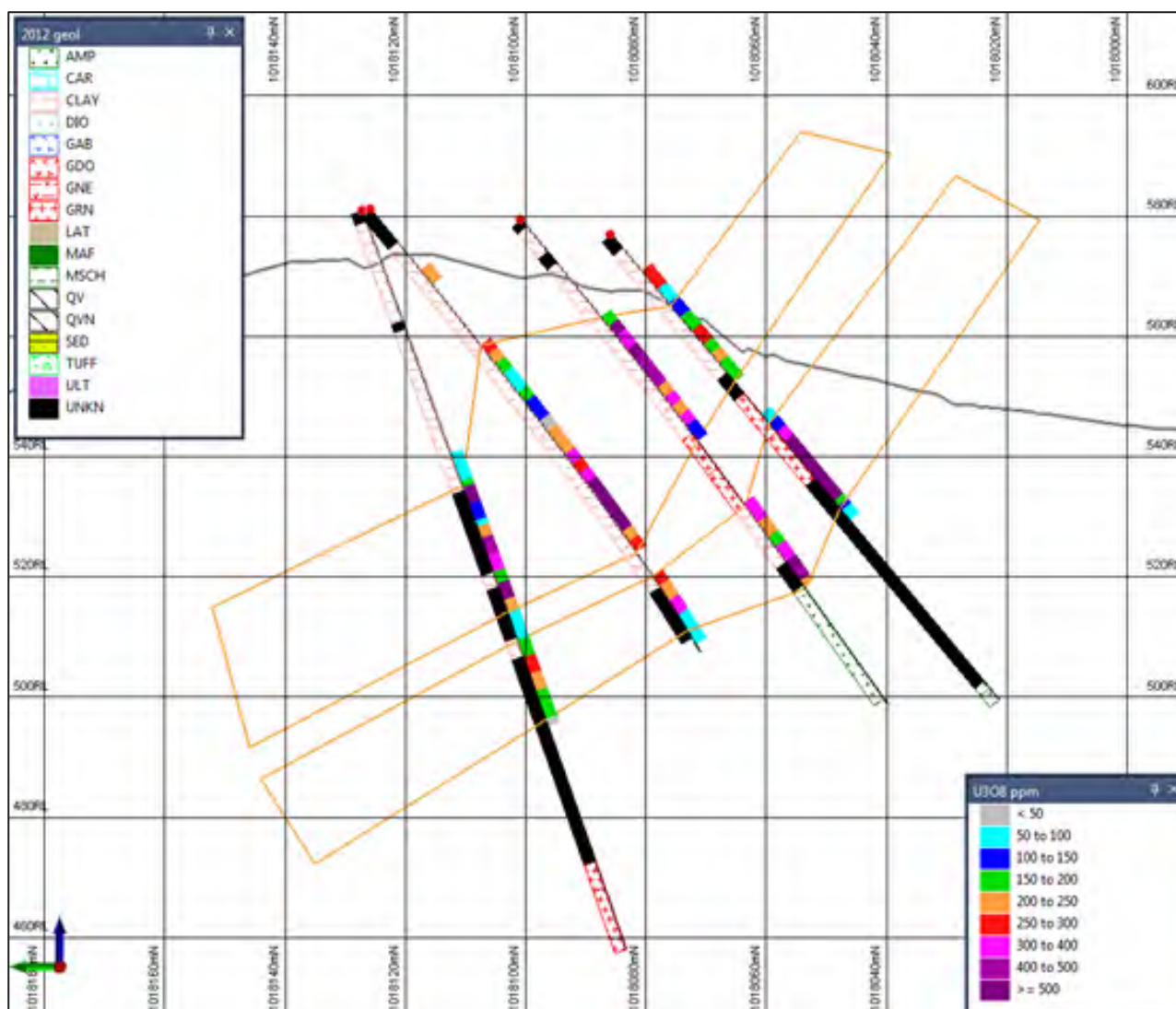


Figure 24: Firawa section 413100 mE showing drillholes, geology, U<sub>3</sub>O<sub>8</sub> assay values, topography (grey) and ore domain (orange) outlines; surface line is off due to a wide section window

Source: White (2012)

### 3.6.3 BRGM Group (Bureau of Geological and Mining Research, France), 2018 to 2019

Regional stream sediment surveys covering central and southern Guinea were conducted by BRGM in January 2018 to June 2019. The surveys were completed in collaboration with the Ministry of Mines and Geology of the Republic of Guinea. The work was carried out as part of a Mining Sector Governance Support Project (PAGSEM) financed by the World Bank.

The surveys covered an area of 26,404 km<sup>2</sup> in prefectures Faranah, Kissidougou, Kouroussa, Kankan, Kérouané and Gueckedou (Figure 25). Samples of fine-grained sediments (mud) were collected from the bed of streams, with a density of approximately one sample per 10 km<sup>2</sup>.

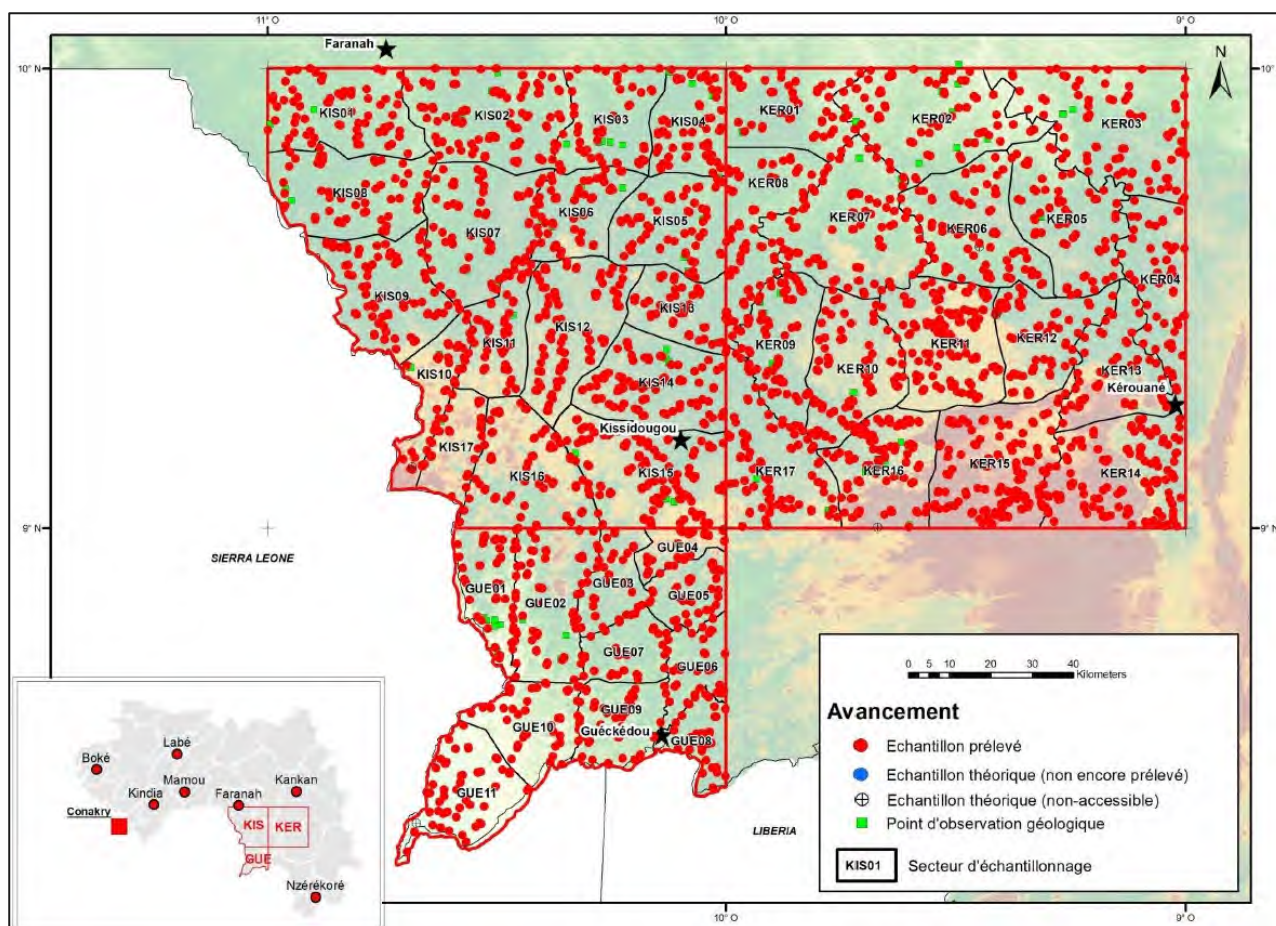


Figure 25: Distribution of stream sediment samples (red points)

Source: After BRGM, 2019

The fine-grained, less than 63  $\mu\text{m}$ , fraction of stream sediments was analysed for 48 elements by inductively coupled plasma-mass spectrometry/optical emission spectroscopy (ICP-MS/OES) at ALS Minerals Geochemistry in Loughrea, Ireland. The analytical results were interpreted with the results presented as mono- and multi-element bubble and anomaly contour maps. The study identified a significant lanthanum-cerium-niobium-tantalum-yttrium-uranium-lead anomaly around the Firawa site, which warrants follow-up work as indicates potential extensions of the existing mineralisation. Three more similar though lower tenor REE anomalies have been identified in the province, to the south and west of Kissidougou (Figure 26).

Re-interpretation by ERM on the 2019 regional stream sediment survey by BRGM indicates further upside potential for the project. Catchment analysis delineated broad prospective zones for cerium to the west and two small prospective areas to the north and east of the deposit (Figure 27). These anomalies warrant further exploration. BRGM also identified three extensive, up to 30 km long cerium-lanthanum anomalies further to the west, around and at a 7–12 km distance from Kissidougou (Figure 26).



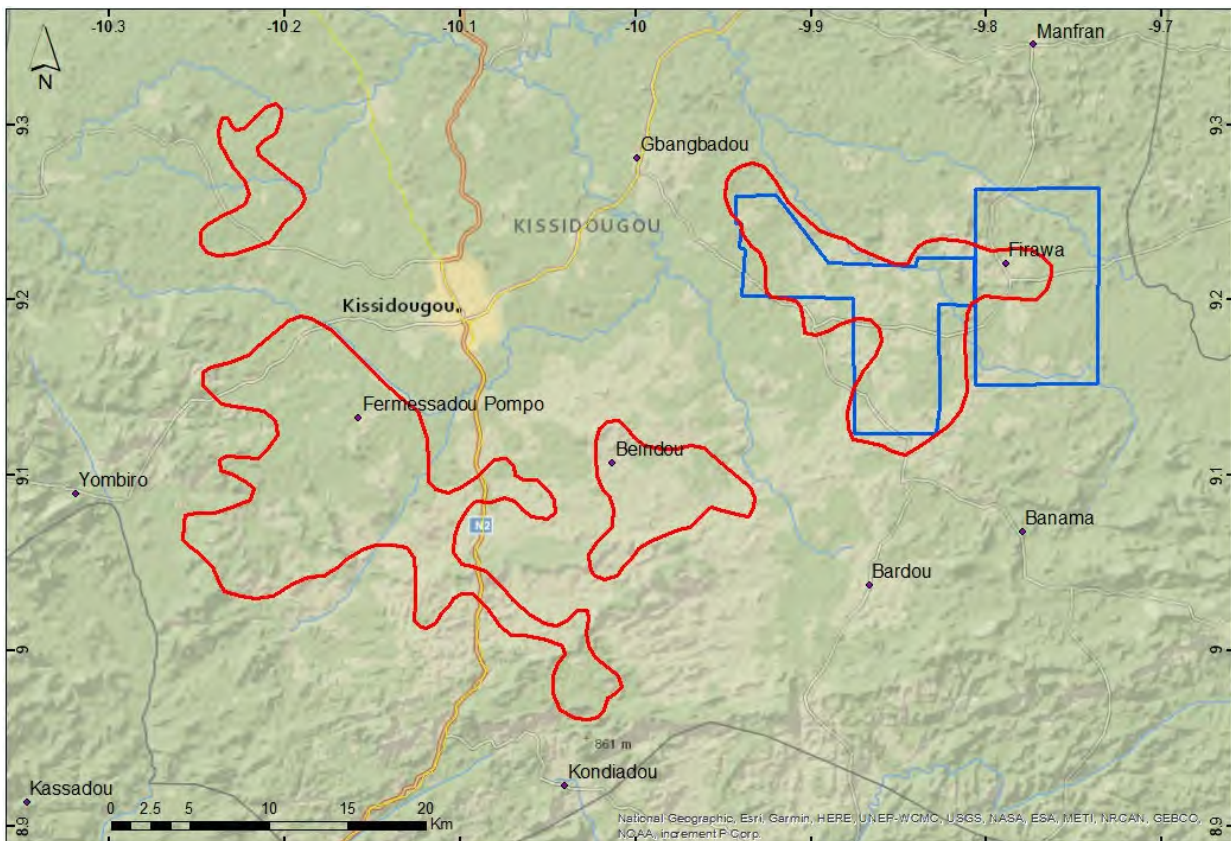


Figure 26: Contoured (red polygons) stream sediment cerium-lanthanum anomalies

Source: BRGM, 2019

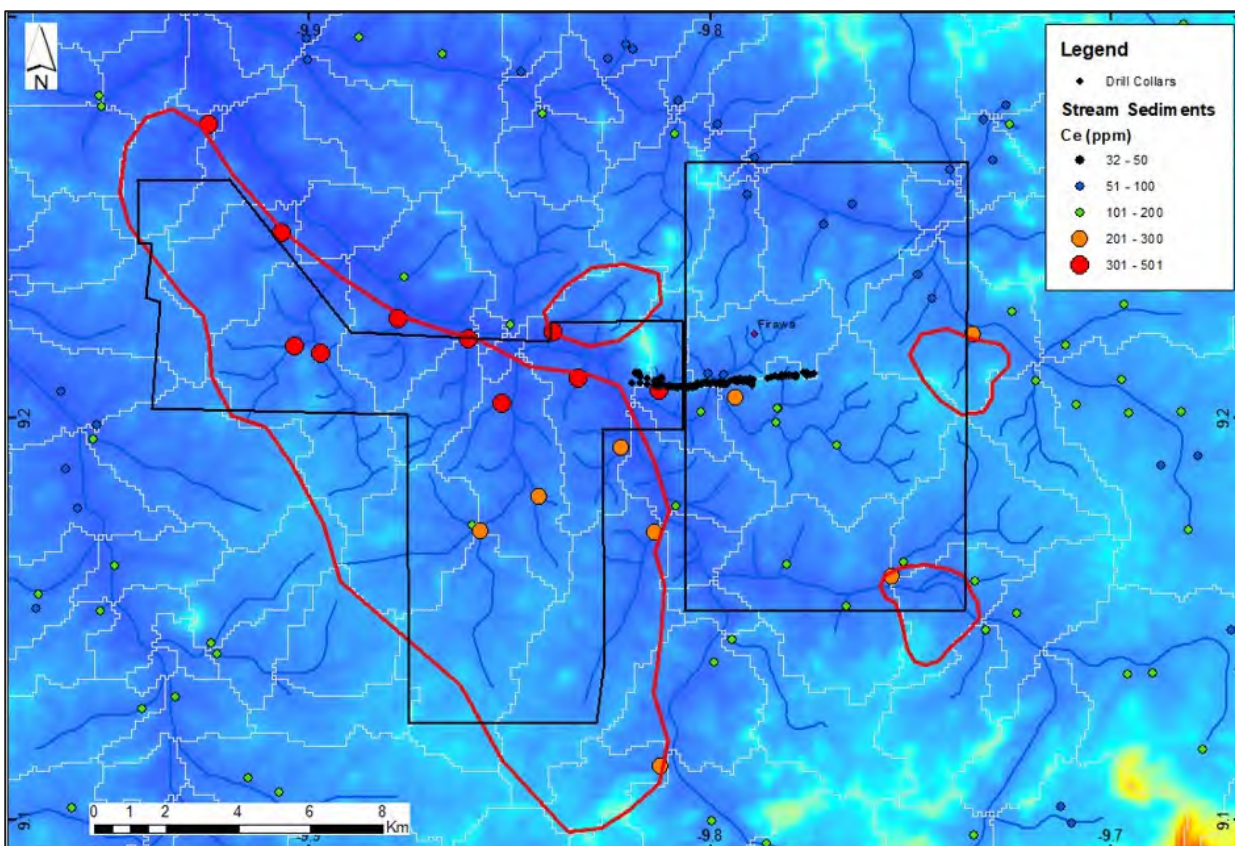


Figure 27: Stream cerium anomalies (red contours) delineated based on catchment (white polygons) analysis

Note: Small black circles represent existing drilling. Background – digital terrain model. Based on data from BRGM (2019).



## 3.7 Rare Earth and Uranium Mineralisation

### 3.7.1 Overview

Previous exploration has been focused on a shallow oxidised portion of the uranium mineralisation. Drilling of the uranium mineralisation is currently predominantly restricted to the upper, 35–100 m thick weathered zone developed over the Archaean basement rocks. The mineralisation zone is tabular in shape, dipping to the north from 35° to vertical. It ranges in thickness from 1 m to 60 m. There are up to three tabular bodies that sit parallel to each other 10–30 m apart. Mineralisation follows a 3.5 km long east-west trending chain of hills up to 60 m high that runs through the licence area (Figure 28).

The mineralisation zone is tabular in shape, dipping to the north from 35° to vertical (Figure 29) and (Figure 30). It ranges in thickness from 1 m to 60 m. There are up to three tabular bodies that sit parallel to each other 10–30 m apart. The mineralisation is separated into three zones along strike: West, Centre and East.

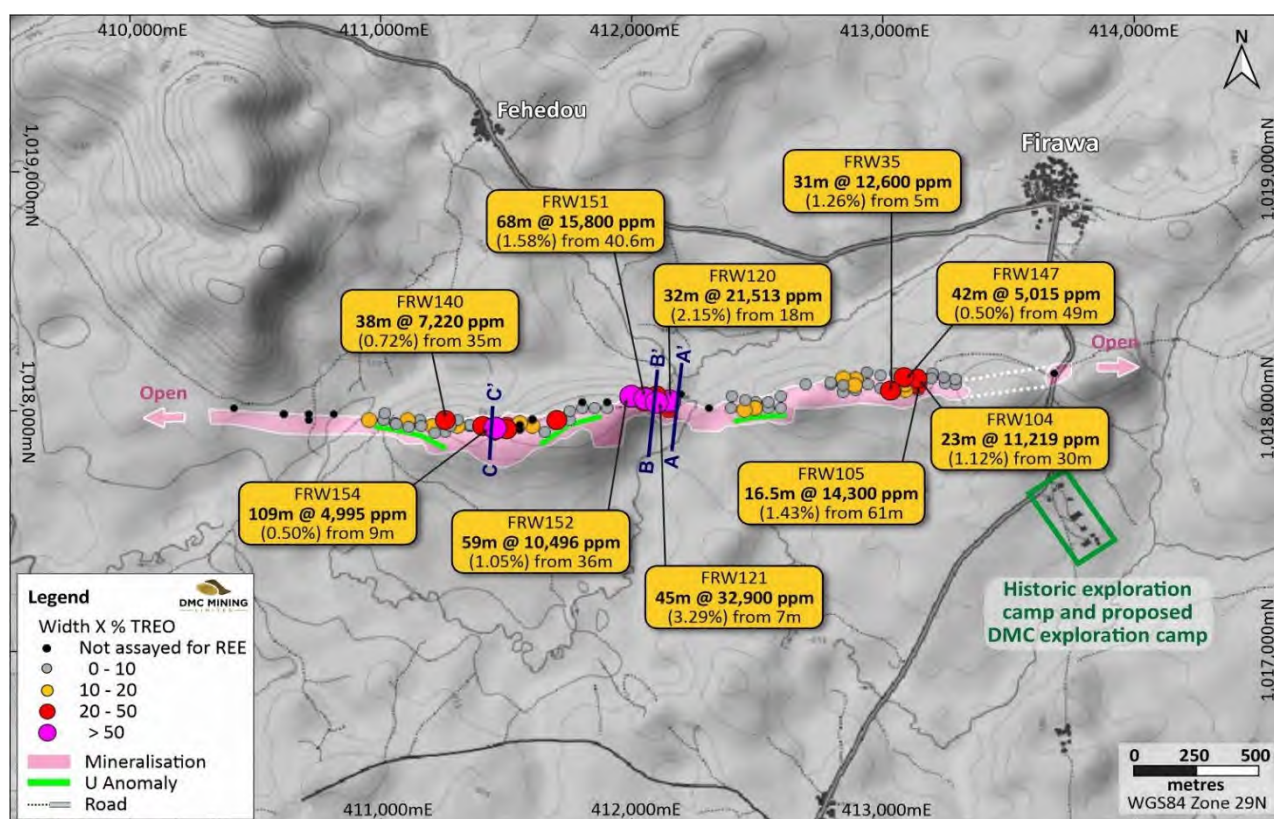


Figure 28: Firawa longitudinal section (looking north)

Source: DMC



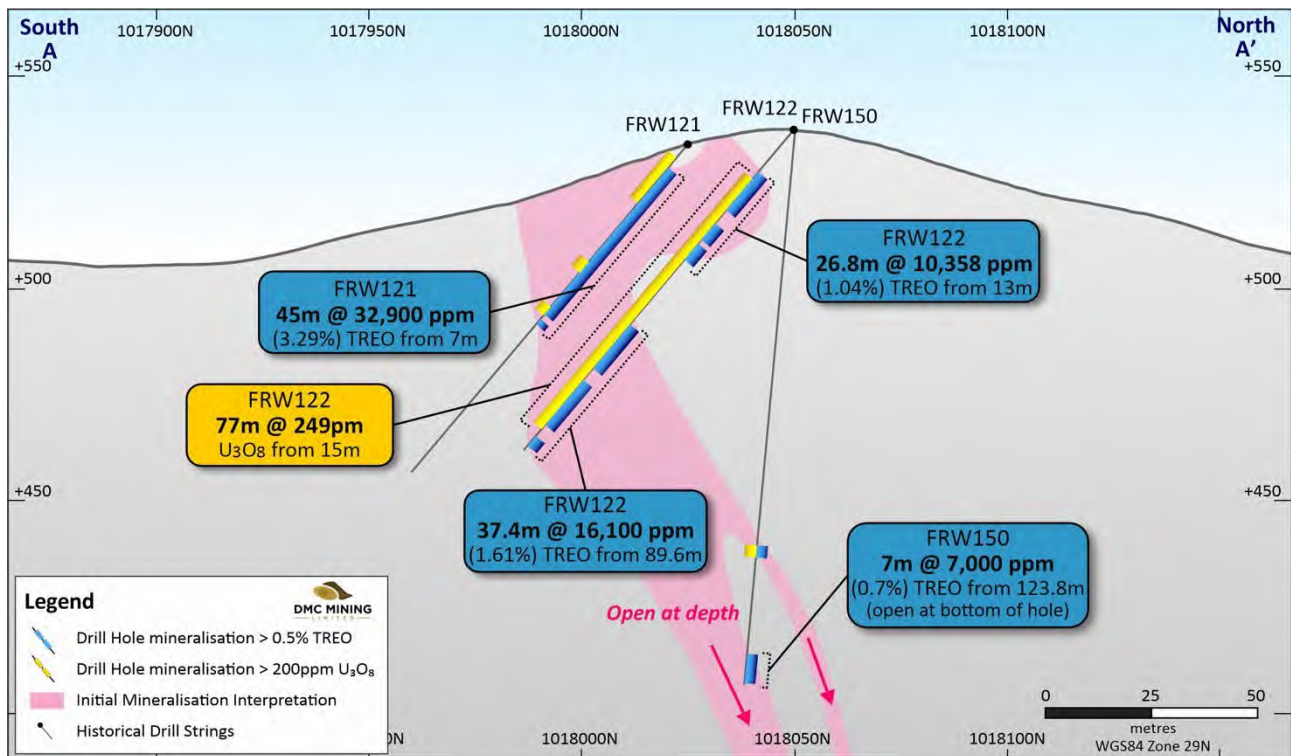


Figure 29: Firawa cross-section A-A', the Central Zone (looking west)

Source: DMC

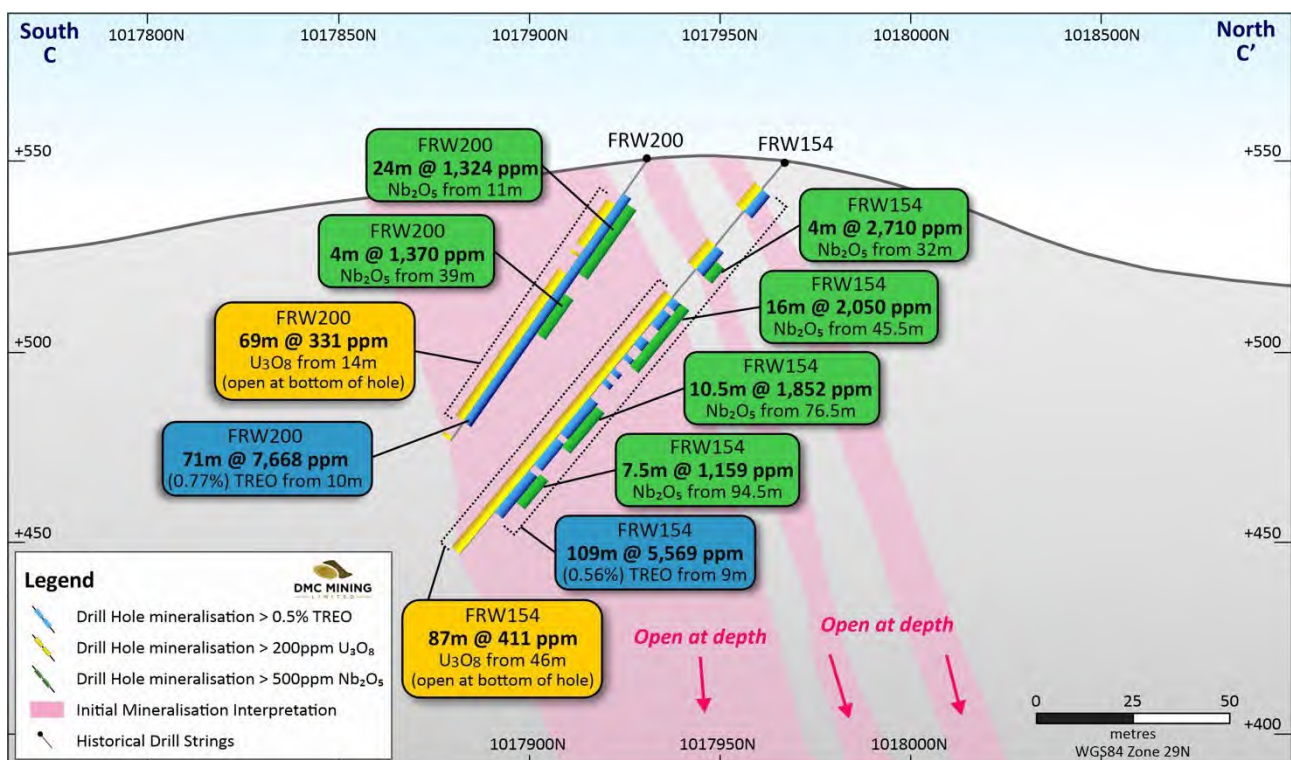


Figure 30: Firawa cross-section C-C', the West Zone (looking west)

Source: DMC

The current understanding of the mineralisation, due to relatively shallow drilling, is mostly limited to the weathered zone. However, two of the deeper historical drillholes intersected mineralisation in fresh, strongly cataclastic alkaline granite and dolerite. The best bedrock mineralisation was observed in a breccia zone.

A total of 198 significant drill intercepts (greater than 0.5% TREO) define intervals that carry greater than 0.5% length weighted average TREO grade over 12–109 m downhole widths. Hole FRW121 has the highest-grade intercept and averages 3.29% TREO over a 45.2 m interval (Appendix B).

The REE mineralisation is enriched in LREEs. Pattern of the chondrite normalised REE spider diagram with a steep angle of the curve and a negative Y anomaly (Figure 31) is very similar to that of oxidised, monazite-dominated carbonatites elsewhere globally (Figure 32).

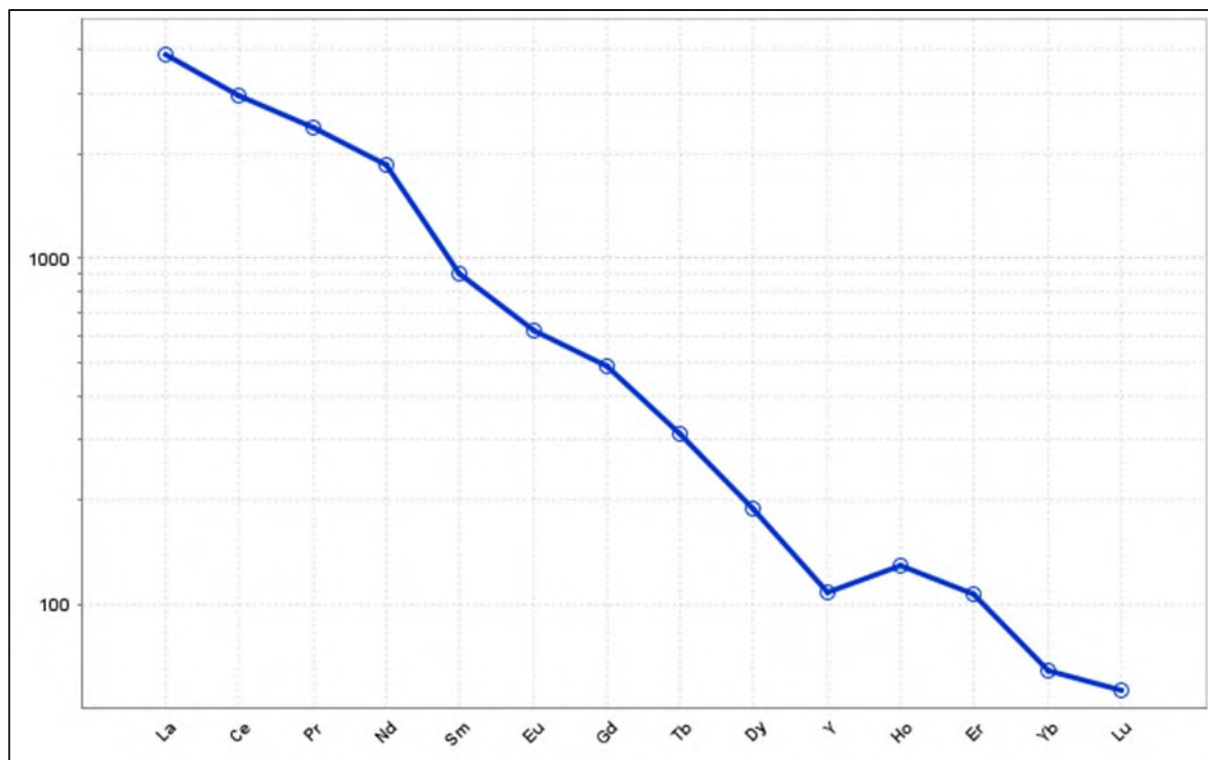


Figure 31: Chondrite normalised REE spider diagram, Firawa average REE values

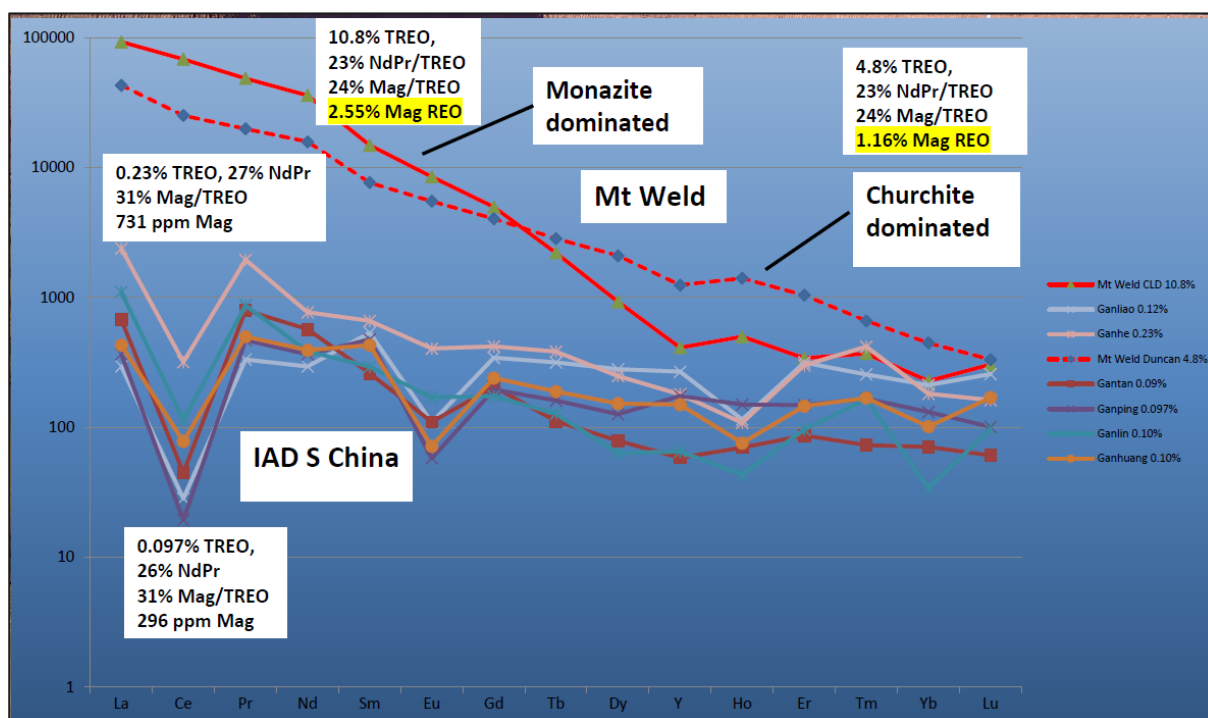


Figure 32: Chondrite normalised REE spider diagrams on oxidised carbonatites of the Mount Weld deposit (two top diagrams) and on six ionic adsorption clay REE deposits in China

Source: After Hellman, 2023

The REE mineralisation at Firawa also contains significant concentrations of phosphorus (mostly over the higher detection limit of 2%  $P_2O_5$ ) and niobium (average 377 ppm  $Nb_2O_5$  at a 0.1% TREO cut-off) which may potentially be economic by-products of any possible future U-REE operation.

### 3.7.2 Mineral Composition

Three mineralogical studies of the mineralisation were completed (Gustafsson, 2012):

- 1) Five high-grade samples (500–1m000 ppm U) from 2007 RC drilling were studied by AREVA Paris, using Microprobe and x-ray diffraction (XRD) methods. They found that uranium was associated with REE, niobium, tantalum and yttrium, especially with tantalum. Uranium also to some extent occurs as crandallite  $CaAl_3(PO_4)_2(OH)_5(H_2O)$  where U can substitute for Ca.
- 2) A low-grade (130–220 ppm U) subsurface sample from a road cut at FRW108 was studied by SGS Lakefields, using XRD, QEMSCAN, optical microscopy and whole-rock chemical analyses. The sample was dominated by quartz and kaolinite with minor crandallite and hematite; uranium and REEs were found to be related to uranium-bearing pyrochlore betafite  $(Ca,U)_2(Ti,Nb,Ta)_2O_6(OH)$ .
- 3) Mineral Engineering Technical Services Pty Pty Ltd ("METS"), Perth, used QEMSCAN and XRD on the same five samples as studied above by AREVA. The samples were dominated by hematite and goethite (55%) and crandallite (27%) (Figure 33). The remainder of the samples were made up of ilmenite (6%), quartz (6%) and zircon (2%). Crandallite hosts most of the uranium with minor input of monazite. No data on REE speciation is provided apart from monazite and zircon observed.

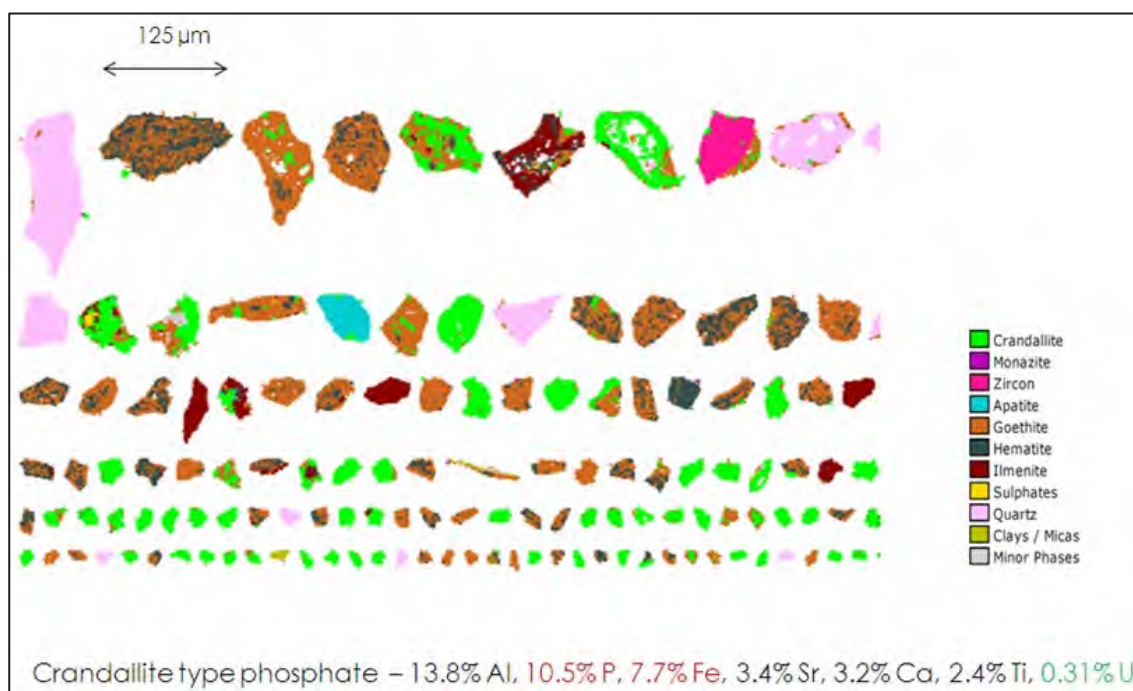


Figure 33: Mineral composition of oxidised carbonatite sample by QEMSCAN

Source: Gustafsson, 2012

A diamond core sample of unweathered carbonatite from an unknown location was picked-up at the Firawa core shed during the recent site visit by Dr Sergeev. The sample was studied by LIBS core mapping at AXT, Perth and then by portable x-ray fluorescence (XRF) analysis (SciAps X-555 Model). The chemical composition of the sample (single-point XRF data) is dominated by calcium (62.2%) with minor phosphorous (6.9%), iron (3.5%) and sulphur (1.1%). The sample also contains 4,982 ppm Sr, 1,445 ppm Ce, 1,207 ppm Nd, 577 ppm La, 188 ppm Pr, 173 ppm Sn and 106 ppm Y. Based on the LIBS core mapping data, there are also disseminations of a



fluorine-rich mineral, possibly fluorite (Figure 34). The carbonatite sample is mainly composed of calcite, apatite and aluminosilicates of calcium, iron, sodium and potassium with minor ilmenite, pyrite or pyrrhotite and zircon. Tiny grains of unidentified REE minerals disseminated through the rock matrix were also observed.

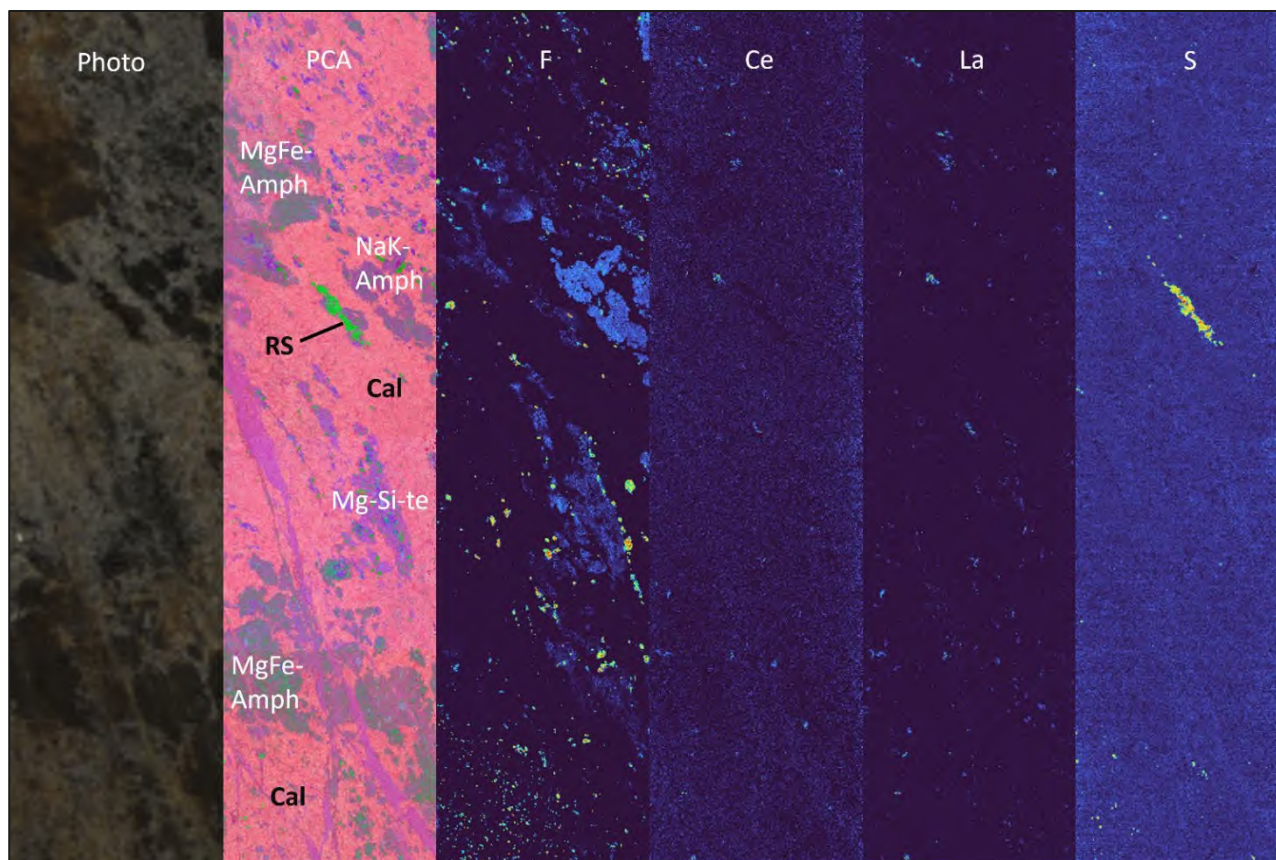


Figure 34: Mineral maps by LIBS for selected minerals

PCA – mineral distribution based on Principal Component Analysis; Cal – calcite; MgFe-Amph – MgFe-amphibole; NaK-Amph – NaK-amphibole; Mg-Si-te – Mg-silicate; RS – sulphide.

Source: AXT

### 3.7.3 Metallurgical Testwork

Metallurgical testwork was undertaken at METS in Perth, to assess the viability of a heap leach operation (Forte Energy, 2010).

Samples (details not available) for metallurgical testing were crushed to 1 mm prior to undergoing gravity separation via tabling. Two sets of tests were performed:

- Pug roast leach testing: Sulphuric acid was added at the rate of 500 kg/t, then baked at 250°C for 1 hour. A total of ~55% of the uranium and 49% of the iron were recovered.
- Direct acid leach tests: 30% solids treated with a 6 M (i.e. concentrated) solution of sulphuric acid at 90°C for 24 hours, with solid and residue samples taken at several intervals for assaying. Maximum uranium extraction of 67.2% was achieved after 8 hours.

Acid consumption was higher than optimal due to a high percentage of iron oxides and hydroxides. It was concluded that in order to lower the acid consumption more iron oxides would need to be rejected prior to the leach step (e.g. by gravity separation).

These results apply to uranium only and are preliminary in nature. Further testwork and a better understanding of mineralisation composition and variability are required.

## 3.8 Mineral Resource Estimation

### 3.8.1 Introduction

The maiden resource estimate was completed by Coffey Mining Consultants, Perth in July 2009. It resulted in an Inferred Mineral Resource This was based on 29 RC holes and 1,809 m from 2007 and 56 diamond drillholes and 5,859 m from 2008. This estimate was later superseded by a JORC 2004 compliant MRE completed by CSA Global (White, 2012) that was conducted utilising data from drilling campaigns completed over the area in 2009 to 2012. ERM was recently requested by DMC to report the Mineral Resource for the Firawa Project in accordance with the JORC Code (2012 Edition).

In order to report the MRE in accordance with the JORC Code (2012 Edition), ERM completed validation of the earlier work, including a review of all related processes. The work was found to be undertaken in a competent manner. This memorandum was then prepared in accordance with the requirements of the JORC Code (2012 Edition) and ASX Listing Rule 5.8.1 (Williams and Sergeev, 2024).

The Firawa Mineral Resource is presented in Table 7 and reported above a cut-off grade of 100 ppm  $U_3O_8$ . The Mineral Resource is classified as Inferred, with geological and sampling evidence sufficient to imply, but not verify, geological and grade continuity. The classification is based on quality of input data, drill spacing, number of holes and metallurgical testwork completed to date. The deposit appears to be of sufficient grade, quantity, and continuity to have reasonable prospects for eventual economic extraction.

**Table 7:** MRE, Firawa, reported where  $U_3O_8 \geq 100$  ppm

| JORC classification | Tonnage (Mt) | Grade $U_3O_8$ (ppm) | Contained $U_3O_8$ (Mlb) |
|---------------------|--------------|----------------------|--------------------------|
| Inferred            | 27.1         | 295                  | 17.6                     |
| <b>Total</b>        | <b>27.1</b>  | <b>295</b>           | <b>17.6</b>              |

### 3.8.2 Geological Model

The deposit type targeted is carbonatite REE-U type mineralisation. The REE-U mineralisation follows an east-west trending tectonic structure, an interpreted fault zone, over approximately 5 km. Mineralisation is predominantly observed in oxidised carbonatites in a weathered zone. The weathered rocks are underlain by fresh carbonatites and strongly cataclastic alkaline granites.

The  $U_3O_8$  assays were constrained within a +100 ppm grade envelope, with lateral and vertical limits constrained by drill sample assay results, if less than 100 ppm, or limited to 25 m beyond a final drill fence line. Depths of geological models were constrained within the weathering profile, defined by a laterite model surface. 2D sectional string interpretation and 3D modelling of mineralised zones was based on the current geological and structural understanding of Firawa. Broad, moderately dipping mineralised zones are defined from drilling results but significant refinement of the geological and structural model for the project is recommended as the project develops.

Within the context of the geological model, the 2D and 3D grade interpretations have been developed over 50 m and 100 m spaced drill sections. A +100 ppm  $U_3O_8$  constraint was used to define 13 continuous or semi-continuous zones of uranium mineralisation, with six of the domains making up 93% of the total volume of the mineralisation. Figure 35 presents a cross section through the mineralisation model.



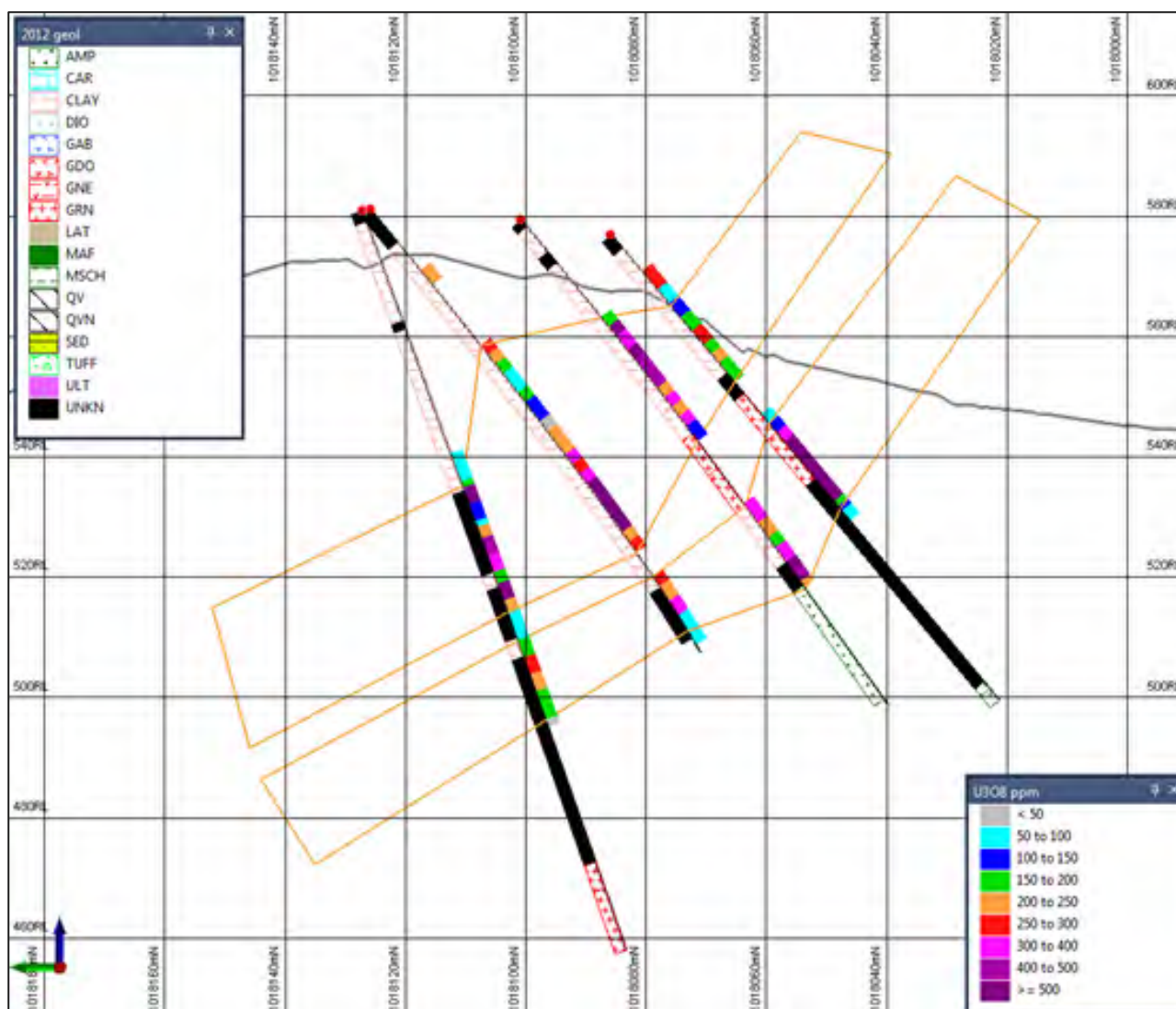


Figure 35: Cross section through the mineralised model

### 3.8.3 Drilling Techniques

A total of 9,968 m of drilling has been conducted and supports the Mineral Resource, including 5,865 m of diamond and 4,103 m of RC drilling. All drilling was undertaken by Guinean drilling companies. An additional 36 RC holes (2,422 m) were drilled along strike of the deposit in 2012 but no samples were submitted for chemical analysis. The core was collected using a triple tube technique. Diamond core was collected using a triple tube technique. No other technical details on the diamond and RC drilling programs are available from historical reports. A summary of drilling by year is presented in Table 8.

Table 8: Drilling at Firawa Project

| Year      | Hole type | Hole ID                                                   | Number of holes | Metres drilled |
|-----------|-----------|-----------------------------------------------------------|-----------------|----------------|
| 2007      | RC        | FRW001–FRW035                                             | 29              | 1,809          |
| 2008–2009 | Diamond   | FRW101–FRW156                                             | 56              | 5,864.91       |
| 2012      | RC        | FRW200–FRW217<br>FRW232–FRW234<br>FRW236–FRW239<br>FRW256 | 27              | 2,289          |

### 3.8.4 Sampling and Subsampling Techniques

RC samples were collected from the cyclone at metre intervals downhole. Each sample was collected from the cyclone, then passed through a three-tier riffle splitter, producing two subsamples about 1–2 kg each and a reject sample. One subsample was stored as reference and the second was sent for analysis. Chips from all samples were collected in small chip trays and stored at the Firawa camp. For drilling conducted in 2007, all drill samples were sent for analysis. For all later drilling, a handheld scintillometer was used to select samples with elevated levels of radiation, which were then sent for analysis.

Diamond core drilling was carried out from 2008 into early 2009 with core collected using a triple tube technique, which was considered appropriate for the clayey ground to maximise recovery. The core was stored in locally produced core-boxes. Radioactive sections, including a small amount of barren material above and below the deposit, were split by a knife with one half of the split material collected for analysis.

Qualitative lithological logging for RC drilling was undertaken on washed chips collected into chip trays. The diamond core was logged for radiation levels, lithology, and recovery by Forte geologists.

### 3.8.5 Sample Analysis Method

Drill samples were processed at several analytical laboratories during the years of drilling. Samples were crushed and milled with assaying carried out by ICP-MS. Quality assurance and quality control (QAQC) protocols were used to monitor the precision and accuracy of the sample collection, sample preparation and assaying, using certified standards, blanks and field duplicates. No major issues were identified by Forte who audited the drilling program results.

### 3.8.6 Estimation Methodology

A block model constrained by the interpreted mineralisation envelopes was constructed with a parent cell size of 50 m(E) by 10 m(Y) by 25 m(Z) adopted, with sub-celling used to maintain the resolution of the mineralised domains. Samples composited to 1 m length were used to interpolate  $U_3O_8$  grades into the block model using ordinary kriging techniques. A search ellipse of 100 m (along strike) by 100 m (across strike) by 75 m (down dip) was used to select samples for grade interpolation. A minimum of 5 and maximum of 15 composited samples were used for the first pass interpolation, from a minimum of 2 drillholes. A top cut value of 1,000 ppm  $U_3O_8$  was applied to the composites.

Density measurements were taken using the Archimedes method based on diamond core billets. A density value of 2.7 t/m<sup>3</sup> was assigned to all domains in the MRE.

### 3.8.7 Mineral Resource Classification Criteria

The Mineral Resource is classified as Inferred, with geological and sampling evidence sufficient to imply, but not verify, geological and grade continuity. The classification is based on quality of input data, drill spacing, number of holes and metallurgical testwork completed to date. Holes were drilled on section lines spaced 50 m apart (east–west) and with holes spaced between 25 m and 100 m on section lines.

### 3.8.8 Cut-Off Grades

The Mineral Resource is reported above a cut-off grade of 100 ppm  $U_3O_8$ , as was used for the maiden Mineral Resource completed in 2009. The Competent Person considers this to be a reasonable cut-off grade, with 85% of samples within the mineralisation domain having >100 ppm  $U_3O_8$ . Future mining studies will provide guidance for reporting of MREs.

## 4. LABÉ PROJECT

### 4.1 Location and Tenure

The Labé Project, comprising one reconnaissance permit application (Figure 36) and one exploration licence application and covering approximately 100 km<sup>2</sup>, is located in northern Guinea, next to the Senegal border. It is approximately 18 km northwest by road of the regional township of Balaki and 360 km northeast from the capital city, Conakry (refer to Figure 1). Labé is under the sub-prefecture of Balaki and prefecture of Mali which is a part of Labé Department. A gazetted road runs through the western part of the permit in the northwest-southeast direction with a local township of Mbouria and several villages located within the project area (Figure 37).

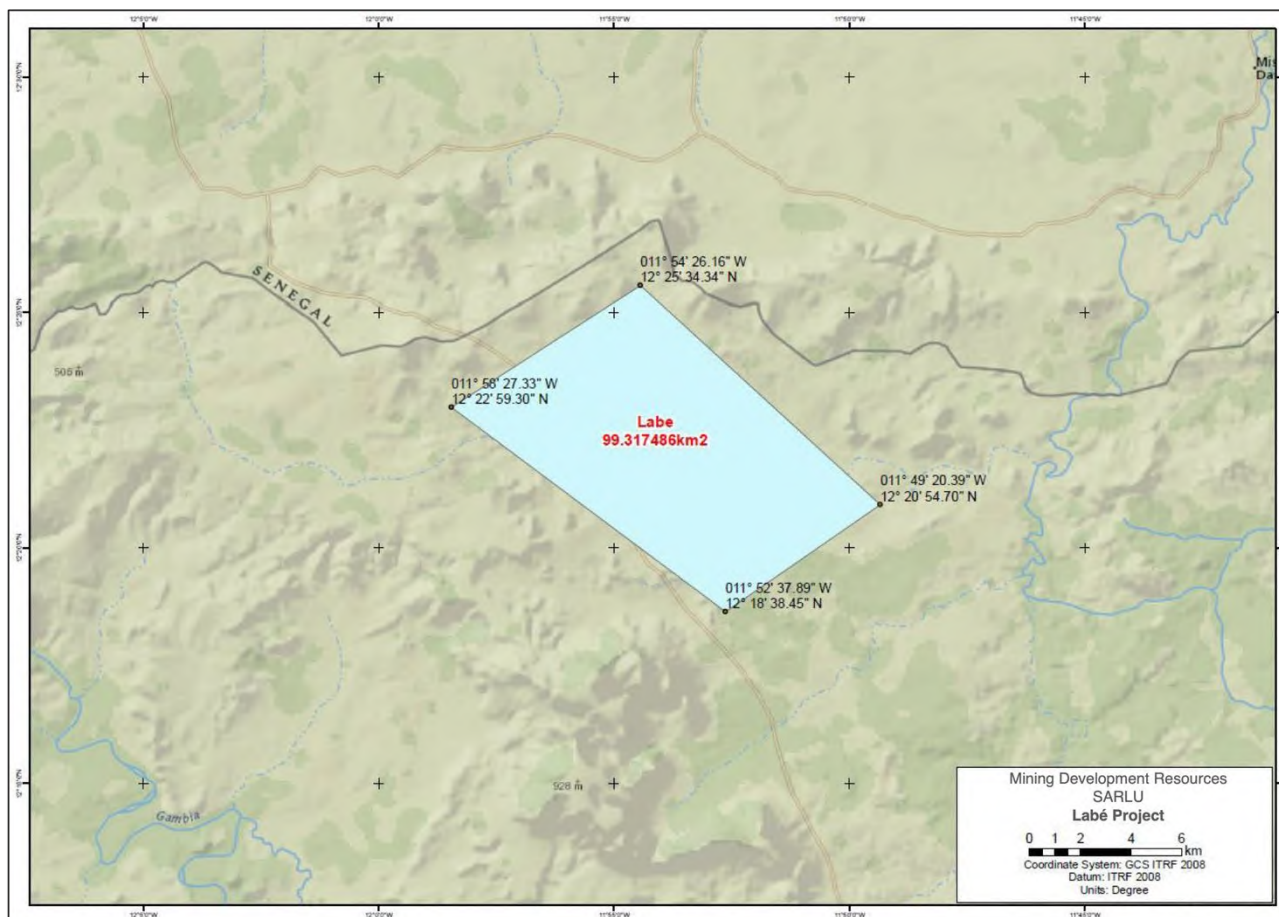


Figure 36: Location map of the Labé Project showing corner coordinates of the reconnaissance permit and shaded relief

Source: Veridis internal report, 2024

Table: Tenement information for the Labe Project. (Note: Exploration Permit application overlaps the same area as the granted Reconnaissance Permit)

| Licence ID                    | Status      | Licence name | Company                            | Date granted | Date of expiry | Surface area (km <sup>2</sup> ) |
|-------------------------------|-------------|--------------|------------------------------------|--------------|----------------|---------------------------------|
| Reconnaissance Permit (23959) | Application | Labe         | Mining Development Resources SARLU | NA           | NA             | 99.4815                         |
| Exploration Permit (24027)    | Application | Labe         | Mining Development Resources SARLU | NA           | NA             | 99.4815                         |



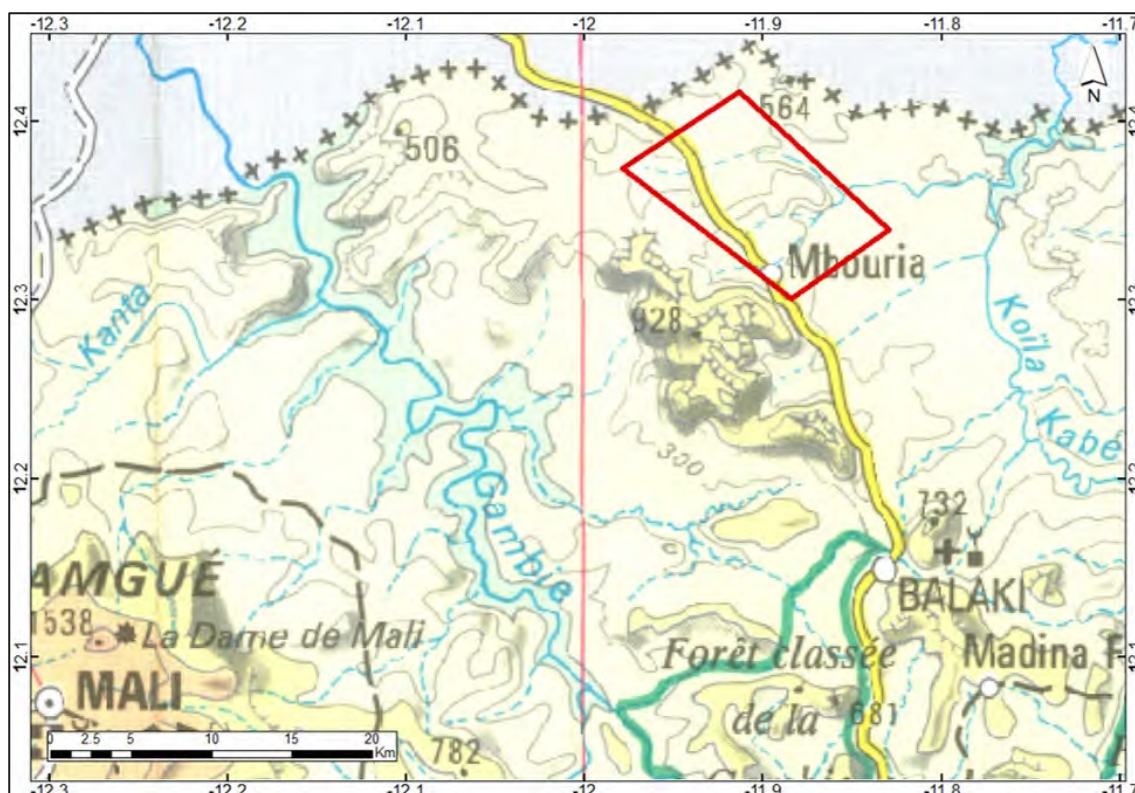


Figure 37: Topographic map of the Labé Project,  
Source: 1:1,000,000 Topography map of Guinea

## 4.2 Topography and Climate

The project is situated in northern part of the Fouta Djallon-Mandingo Highlands region (refer to Figure 8) which represents a dissected area formed by a system of high plateaus and hills, separated by low hills and plains (Mamedov et al., 2011). Highest plateaus (1,000–1,200 m) occupy the central part of the region along a line passing through the cities of Mali, Labé, Dalaba and Mamou. The relief gradually decreases stepwise towards the west (150–200 m) and to the east (500–600 m).

The project area has generally low-hill topography, with altitudes varying between 200 m and 300 m. A high, up to 928 m plateau is next to the south of the Labé tenement (Figure 37).

The Koila and Gambie rivers are the main watercourses in the region, with their tributaries traversing the focus area.

The Labé region has a tropical savanna climate (Koppen climate classification) with alternating dry and wet seasons. The mean annual rainfall averages 1,543 mm with the highest falls occurring from late April and early November. Annual mean maximum and minimum temperatures are 28.8°C and 16°C, respectively.

## 4.3 Geology

The Project is related to the eastern part of the Madina-Kouta basin (Villeneuve, 1989) and hosted by Upper Proterozoic (Rifean) terrigenous-carbonate sediments of the Madina-Kouta series with minor enclaves of Mesozoic dolerites and gabbro-dolerites (Figure 38). The sediments are dominated by argillites and aleurites with interlayers of quartz-feldspathic and quartz sandstones. Conglomerates, carbonate rocks and chert lenses occur in the basal parts of the sequence (Mamedov et al., 2011).





## 4.4 Exploration History

Existing information on previous exploration activities in the focus area is very limited. The area was explored for bauxites from 2009 to 2017 by the former Society Genie Civil Guinee SARL (Veridis Energie, 2024). The permit was relinquished due to a lack of legal activity in the field. In 2020–2022, local company Guimor SARL explored the region for gold. No further information is available.

## 4.5 Mineralisation

The Labé Project is early stage and considered prospective for uranium. A historical occurrence of stratiform coffinite mineralisation (Occurrence 1 in Figure 37) was recorded in the northern part of the project (Bouffeev 2006). Also, two strong uranium anomalies were reported within the permit at Bitari and also 3 km northeast, across the Senegal border at Magnafe (Occurrences 2 and 3 in Figure 38).

Labé is located approximately 20 km south of Haranga Resources' Saraya uranium deposit (13.1 Mt at 558 ppm  $U_3O_8$  for 16.11 Mlb  $U_3O_8$ ) in Senegal (Figure 40). The uranium mineralisation at Saraya is shear type; it occurs along a north-northeast structural corridor. The mineralisation hosted by a felsic granitic batholith of Saraya is related to sodic metasomatism and episyenitisation processes (Haranga Resources, 2024).

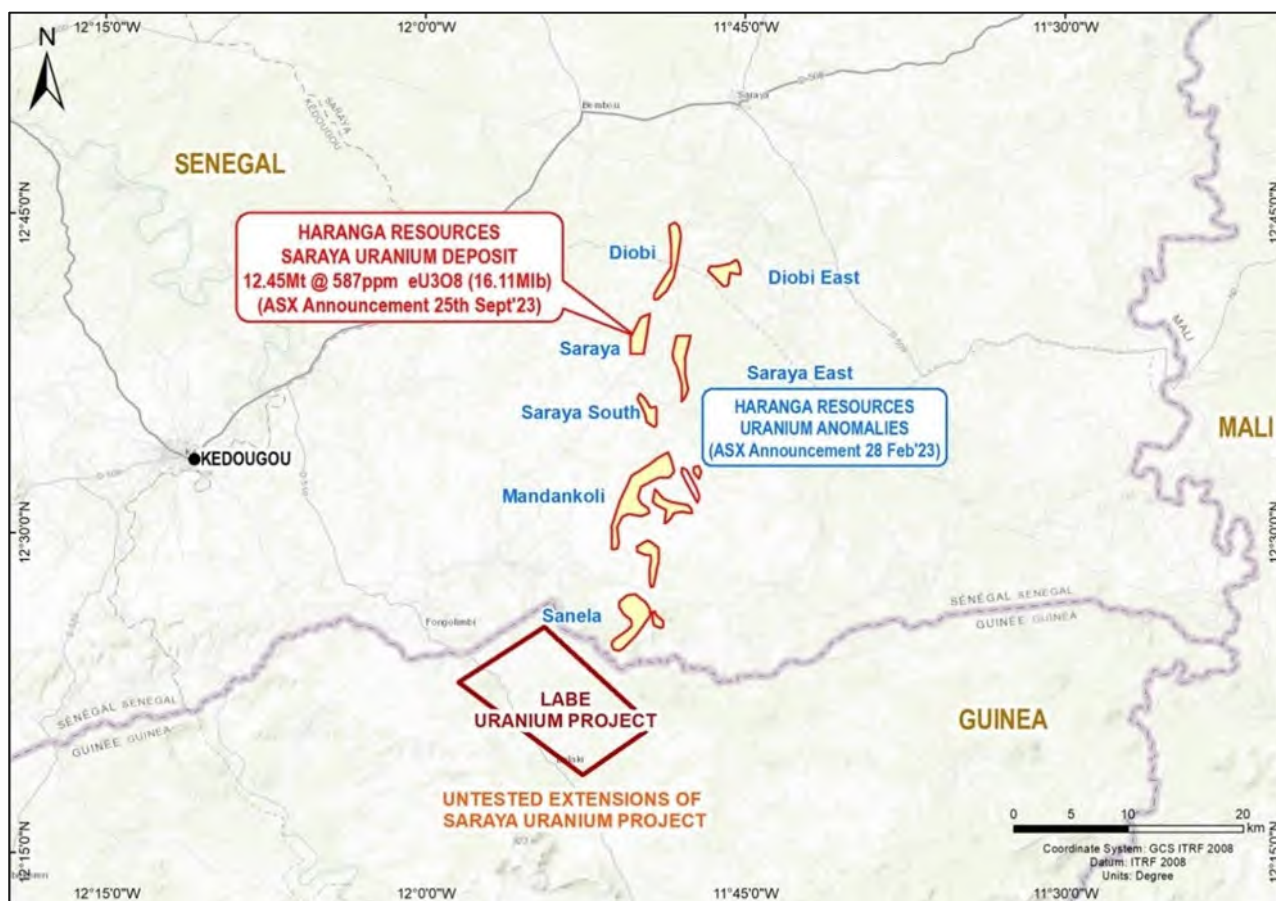


Figure 40: Haranga Resources' uranium occurrences around the Labé Project

Haranga Resources is targeting south-southwest mineralisation extensions with termite mound sampling and subsequent auger/aircore drilling. A series of radiometric and termite mound geochemical uranium anomalies to the south-southwest of Saraya tracked towards Labé tenure at a 15 km distance was identified, with the closest Sanela anomaly just 6 km of the project.

## 5. CONCLUSIONS AND RECOMMENDATIONS

ERM is of the opinion that the mineral composition of the Firawa mineralisation based on limited data available is in line with the data reported for oxidised and unweathered REE carbonatites elsewhere. Further investigations are required for a better understanding of mineral speciation and zonation of the mineralisation and alteration zone.

ERM is of the opinion that the Firawa Project represents an underexplored terrane with a carbonatite REE-U system already demonstrated with associated U MRE. The project represents a compelling advanced exploration target for the carbonatite-type REE mineralisation.

Previous exploration has demonstrated proof of concept and delineated a mineralised system at Firawa, with an Inferred Mineral Resource estimated in accordance with the JORC guidelines for uranium on the known, shallow portion of the deposit. The Firawa deposit also hosts high-grade REE mineralisation which warrants re-assessment of the deposit and focussing further exploration for these mineral commodities. The REE mineralisation at Firawa also contains significant concentrations of phosphorus ( $P_2O_5$ ) and niobium ( $Nb_2O_5$ ) which may potentially be economic by-products of any possible future U-REE operation.

Although found to be relatively low in uranium, proximal western and eastern extensions of the mineralisation zone remain untested for REEs. Furthermore, untested radiometric uranium anomalies to the northwest and east of the drilled-out area (Figure 41) indicate a good potential for further discoveries.

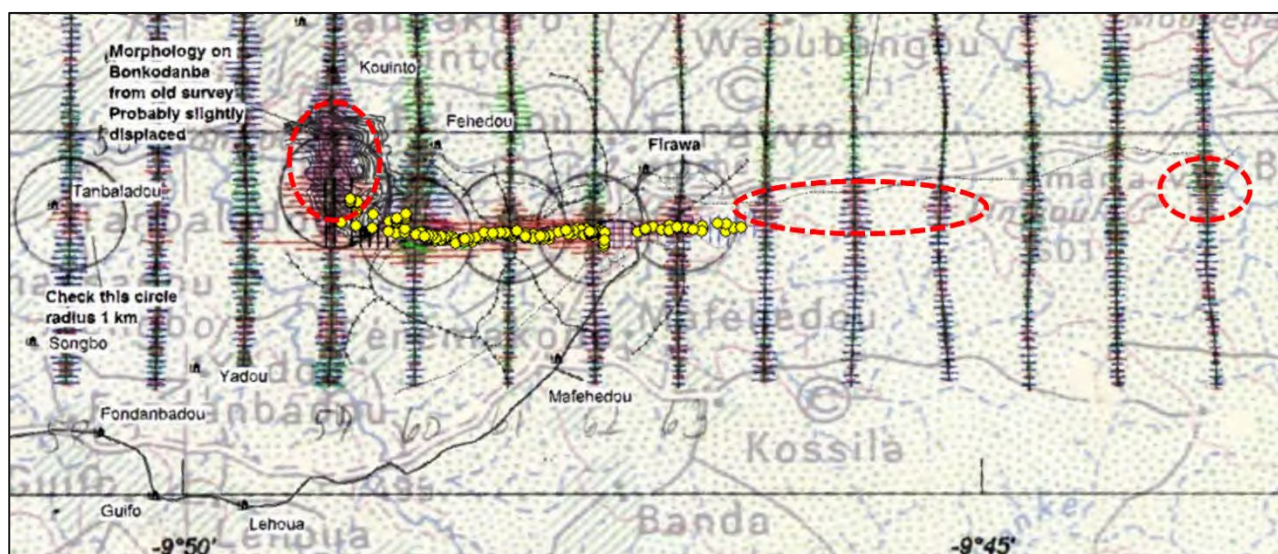


Figure 41: Radiometric anomalies prospective for REE-U mineralisation (red-dashed contours) based on Aerodat ground radiometric anomalies

Red – U channel, blue – Th channel, green – K channel.

Source: Modified after White, 2012

Exploration is also recommended to focus along the prospective deep-tapping faults hosting diamondiferous kimberlite pipes nearby (Figure 17).

ERM considers that data collection techniques by previous explorers at the project are largely consistent with acceptable industry practice, and suitable for use in the preparation of an MRE to be reported in accordance with the JORC (2012) Code. Available information on data quality and data verification supports the use of the input data. ERM has reviewed the work completed by White (2012) in preparation of the MRE, finding no material issues with the work undertaken.

It is the opinion of ERM that the addition of verification twin drillholes strategically within the existing mineralisation area should enable DMC to estimate a Mineral Resource for combined uranium, Nb and REEs.

ERM considers there to be upside potential for resource augmentation through the targeting of down-plunge and strike extension positions. A review of structural data is warranted to assist future drillhole planning.

ERM believes there is good potential to upgrade the resource classification to higher categories through additional infill drilling and geological evaluation of the deposit followed by preliminary pit optimisation work and economic analysis.

The following additional data collection activities are recommended:

- Refinement of the geological and structural model for the project, including refinement of domain densities
- Collection of additional downhole gamma data with rigorous QAQC to ensure data reliability
- Completion of metallurgical testwork to gather data relating to expected mining and metallurgical recoveries
- Infill drilling on intermediate sections over the Firawa area
- Completion of preliminary pit optimisation work to assess project economics, RPEEE and to guide resource development drillhole planning
- DMC should establish the set of data collection procedures and protocols to ensure that data from future drilling campaigns is collected in accordance with industry best practise standards and is reliable for use in subsequent resource estimates
- The QAQC program currently being implemented should be monitored on an ongoing basis as drilling proceeds, so that assay data continues to be accurate, precise and reliable.

Previous drilling campaign issues with collecting wet samples need to be addressed in future drilling. Appropriate sampling protocol should be ensured for sample reliability. Sun drying wet samples within the reject bag prior to sampling through a riffle splitter should be ensured to minimise contamination and increase representativity of samples as possible.

During the previous drilling programs, company (blind to the laboratory) QAQC samples have not been routinely inserted into the sample stream; the only QAQC sample information available came from QAQC samples inserted by analytical laboratories. Although the use of the laboratory QAQC samples is adequate at this level of study, and the results of this QAQC testwork were positive, rigorous QAQC sampling protocols should be implemented by DMC to ensure that samples are accurate and precise, and no contamination occurs.

The Company QAQC samples required should include:

- Certified reference material (CRM) samples – a minimum of three CRM samples, with mean grades that represent the REE and uranium grade populations at Firawa should be inserted at a rate of 1 in 20.
- Blank samples – a coarse blank CRM should be inserted into the sample stream at a rate of 1 in 20.
- Field duplicates – duplicate samples, split from the sample lot should be analysed at a rate of 1 in 20 samples.
- Pulp duplicates – pulp rejects, from the laboratory, should be re-analysed under different sample numbers at the same laboratory at a rate of 1 in 30 samples.
- Umpire lab duplicates – pulp rejects from the laboratory should be re-analysed, using the same analytical method, at an impartial umpire laboratory at a rate of 1 in 30 samples.

Drillhole recovery has not been recorded during previous exploration activities. The lack of this information reduces the confidence in the representivity of drillhole samples. Although considered to be adequate for the current level of exploration, sample recovery information should be recorded for all future drilling.

The majority of specific gravity measurements have been collected by the Pycnometer method. This method does not collect information about the bulk density, porosity or physical nature of the rock mass. Although adequate for this level of classification, further testwork by a more representative method should be undertaken in future.

ERM recommends acquiring detailed magnetic, gravity and radiometric data over the project in its entirety and running a new ground radiometric survey if existing ground data is unavailable. Further exploration is recommended to focus on the geochemical, radiometric and structural targets identified, further prioritised based on the interpretation of any new geophysical data acquired. The ground radiometric survey should be coupled with collecting soil samples followed by prioritising samples for lab-based analytical work using portable XRF analysis.

The Labé Project is early stage and information on geology and prospectivity is limited. ERM recommends detailed exploration data review including information on geology, magnetics, gravity, radiometrics, geochemical and structural data, and compilation of data on historical exploration. The review to be followed by reconnaissance work involving geological and radiometric mapping.



## 6. RISKS

A key risk, common to all exploration companies, is that expected mineralisation may not be present or that it may be too low-grade or too small to warrant commercial exploitation. The interpretations and conclusions reached in this report are based on current scientific and exploration understanding and the best evidence available at the time of writing. ERM makes no guarantee of certainty as to the potential for economic viability of the project. DMC plans to conduct the exploration, economic and engineering studies required to determine economic potential of the Projects.

The Projects comprise a range of stages of advancement from early exploration outside the immediate Firawa U-REE-Nb deposit area, through to advanced exploration of the Firawa U-REE-Nb deposit. Exploration is an intrinsically risky process, particularly at an early stage. Risk is identified and strategies tested to mitigate that risk at each potential stage of project advancement from early exploration through to (should exploration demonstrate the presence of economic mineralisation) eventual decision to mine. At each potential stage of project advancement from early exploration through to eventual decision to mine, there is a risk that a project may not advance to the next stage because some risks (e.g. resources, engineering, financial, etc.) may not be successfully mitigated. This will depend on many factors and will be the subject of a stage-gated approach up to and including any eventual decision to mine. Decision to proceed with the next stage of project advancement will be dependent on how risks that have been identified within the previous stages of the process will have sound strategies for successful mitigation in place in the next stage of advancement.

DMC plans to conduct the exploration, economic and engineering studies required to determine project risks and mitigation strategies in a stage-gated process.



## 7. USE OF FUNDS AND PROPOSED WORK

The Company provided ERM with a copy of its planned expenditure for the Firawa and Labé Projects for an initial two years. Table 9 and Table 10 provides a summary of expenditure by activity for the Projects for the planned capital raising of \$5 million, over the first two years. All costs included are in Australian dollars (A\$).

**Table 9: DMC mining exploration and administration budget summary – Firawa Project**

| Activity                                    | Year 1 (A\$)       | Year 2 (A\$)       | Total (A\$) (Min Sunbscription) | Year 1 (A\$)       | Year 2 (A\$)       | Total (A\$) (Max Sunbscription) |
|---------------------------------------------|--------------------|--------------------|---------------------------------|--------------------|--------------------|---------------------------------|
| Permitting and approvals                    | \$59,500           | \$45,000           | \$104,500                       | \$59,500           | \$45,500           | \$104,500                       |
| Ground radiometric and magnetics            | \$62,000           | \$-                | \$62,000                        | \$62,000           | -                  | \$62,000                        |
| Geochemical surveys (soil and ionic leach)  | \$42,500           | \$-                | \$42,500                        | \$42,500           | -                  | \$42,500                        |
| Drilling                                    | \$453,000          | \$461,000          | \$914,000                       | \$553,000          | \$461,000          | \$1,014,000                     |
| Assaying and testwork                       | \$180,000          | \$180,000          | \$360,000                       | \$230,000          | \$230,000          | \$460,000                       |
| Logistics and staff                         | \$167,000          | \$40,000           | \$207,000                       | \$113,500          | \$113,500          | \$227,000                       |
| MRE and environmental surveys               | \$59,500           | \$45,000           | \$104,500                       | \$59,500           | \$45,000           | \$104,500                       |
| Regional Exploration                        | \$155,000          | \$492,500          | \$647,500                       | \$155,000          | \$492,000          | \$647,000                       |
| Contingency (~5%)                           | \$66,000           | \$58,000           | \$124,000                       | \$66,000           | \$58,500           | \$124,500                       |
| <b>Total exploration and administration</b> | <b>\$1,244,500</b> | <b>\$1,321,500</b> | <b>\$2,566,000</b>              | <b>\$1,341,000</b> | <b>\$1,445,000</b> | <b>\$2,786,000</b>              |

**Table 10: DMC mining exploration and administration budget summary – Labé Project**

| Activity                                    | Year 1 (A\$)     | Year 2 (A\$)     | Total (A\$) (Min Sunbscription) | Total (A\$) (Max Sunbscription) |
|---------------------------------------------|------------------|------------------|---------------------------------|---------------------------------|
| Permitting and approvals                    | \$9,000          | \$5,000          | \$14,000                        | \$14,000                        |
| Ground radiometric and magnetics            | -                | \$-              | \$-                             | \$-                             |
| Geochemical surveys (soil and ionic leach)  | \$42,500         | \$-              | \$42,500                        | \$42,500                        |
| Drilling                                    | -                | \$150,000        | \$150,000                       | \$150,000                       |
| Assaying and testwork                       | -                | \$76,900         | \$76,900                        | \$76,900                        |
| Logistics and staff                         | -                | \$35,000         | \$35,000                        | \$35,000                        |
| MRE and environmental surveys               | \$58,000         |                  | \$58,000                        | \$58,000                        |
| Contingency (~5%)                           | \$5,475          | \$13,345         | \$18,600                        | \$18,600                        |
| <b>Total exploration and administration</b> | <b>\$114,975</b> | <b>\$280,245</b> | <b>\$395,000</b>                | <b>\$395,000</b>                |

ERM considers the proposed budgets are consistent with the exploration potential of Firawa and Labé Projects and are considered adequate to cover the costs of the proposed programs. The budgeted expenditure is also sufficient to meet the minimum statutory expenditure on the tenements. ERM considers the type of exploration and weighting towards the various Projects as appropriate.

At least half of the liquid assets held, or funds proposed to be raised by DMC, are understood to be committed to the exploration, development, and administration of the mineral properties, satisfying the requirements of ASX Listing Rules 1.3.2(b) and 1.3.3(b). ERM also understands that the Company has sufficient working capital to carry out its stated objectives, satisfying the requirements of ASX Listing Rule 1.3.3(a).

DMC has prepared staged exploration and evaluation programs, specific to the potential of the Projects, which are consistent with the budget allocations, and warranted by the exploration potential of the Projects. ERM considers the relevant areas have sufficient technical merit to justify the proposed programs and associated expenditure, satisfying the requirements of ASX Listing Rule 1.3.3(a).

## 8. ENVIRONMENTAL, SOCIAL AND GOVERNANCE

DMC is focused on exploring primarily for rare earths and other critical minerals to help meet rising demand for ethically sourced battery materials, which is being driven by the global shift to cleaner, more sustainable energy solutions.

The Company is committed to embedding environmental, social and governance (ESG) principles into its long-term company strategy and recognises the importance of ESG and sustainable development to all stakeholders from governments, investors, landowners, and local communities. DMC further recognises that good ESG principles, performance and public standing reduces business risk and potentially provides greater sustainable and financial benefits to its shareholders. Accordingly, the Company is committed to prioritising ESG at the highest levels of the organisation.

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## 10. GLOSSARY

Below are brief descriptions of some terms used in this report. Most of the definitions are from the "Glossary of Geology, Fifth Edition" published in 2005 by the American Geological Institute, Alexandria, Virginia. Other definitions referenced as appropriate.

|                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Aerial photography:    | Photographs taken from an aircraft or a helicopter. Commonly called air photos by geologists.                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Aeromagnetic survey:   | Measurements of the variations of the Earth's gravity field in a moving aircraft (Glossary of Geology, Fifth edition). A common type of geophysical survey carried out using a magnetometer aboard or towed behind an aircraft. As the aircraft flies, the magnetometer measures and records the total intensity of the magnetic field of the Earth at the sensor.                                                                                                                                                                         |
| Anomaly:               | A departure from the expected or normal. A geological feature, esp. in the subsurface, which is different from the general surroundings and possibly of potential economic value (Glossary of Geology, Fifth Edition). In relation to geophysical properties of the earth, an anomaly is an area where geophysical properties (e.g. magnetic, electromagnetic, gravity) differ from surrounding areas and which may be the result of mineralisation.                                                                                       |
| Anticline:             | A fold, generally convex upwards whose core contains the stratigraphically older rocks (Glossary of Geology, Fifth Edition). (Looking like a lower case "n" or inverted "v").                                                                                                                                                                                                                                                                                                                                                              |
| Archaean:              | The lowest eon of the Standard Global Geochronometric Scale (Glossary of Geology, Fifth Edition). The era of geological time spanning the interval from the formation of Earth to about 2,500 million years ago.                                                                                                                                                                                                                                                                                                                           |
| Assay:                 | to analyse the proportions of metals in an ore (Glossary of Geology, Fifth Edition). In the context of this report, to analyse samples of iron ore in a chemical laboratory for a requested set of chemical components and to produce a report of these chemical analyses.                                                                                                                                                                                                                                                                 |
| Banded iron formation: | Iron formation that shows marked banding, generally of iron-rich minerals and chert (Glossary of Geology, Fifth Edition).                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Chert:                 | A hard, extremely dense or compact, dull to semivitreous, microcrystalline or cryptocrystalline sedimentary rock, consisting dominantly of interlocking crystals of quartz (Glossary of Geology, Fifth Edition). It is the mineral form of silicon dioxide (SiO <sub>2</sub> ).                                                                                                                                                                                                                                                            |
| Collar:                | With reference to a drillhole, the collar is the start of the drillhole on the surface of the ground (top of the hole).                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Colluvium:             | General term for material which accumulates at the foot of a steep slope. Can be partially consolidated. Considered as part of CzD3 (Kneeshaw and Morris, 2014).                                                                                                                                                                                                                                                                                                                                                                           |
| Competent Person:      | <p>A minerals industry professional who is a Member or Fellow of The Australasian Institute of Mining and Metallurgy, or of the Australian Institute of Geoscientists, or of a Recognised Professional Organisation (RPO), as included in a list available on the JORC and ASX websites (JORC Code 2012).</p> <p>A Competent Person must have a minimum of five years relevant experience in the style of mineralisation or type of deposit under consideration and in the activity which that person is undertaking (JORC Code 2012).</p> |
| Contour map:           | A map that shows either the land surface or geophysical anomaly as a series of lines drawn at regular intervals, with the relative spacing of the lines indicating the steepness of the slope or intensity of the anomaly. The closer the lines are to each other, the steeper the ground or the more intense the anomaly.                                                                                                                                                                                                                 |
| Cross section:         | A diagram or drawing that shows the features transected by a given plane, specifically, a vertical section drawn at right angles to the longer axis of a geological feature such as the trend of an orebody (Glossary of Geology, Fifth Edition). Commonly referred to as a geological cross-section.                                                                                                                                                                                                                                      |

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| Cut-off grade:              | The lowest grade of mineralised material that qualifies as ore in a given deposit, ore of the lowest assay value that is included in an ore estimate (Glossary of Geology, Fifth Edition).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Dip:                        | The maximum angle that a structural surface e.g. bedding or fault plane, makes with the horizontal, measured perpendicular to the strike of the structure and in the vertical plane (Glossary of Geology, Fifth Edition).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Drilling:                   | The act or process of making a circular hole with a drill for the purpose of Exploration or blasting (Glossary of Geology, Fifth Edition). In iron ore it is done to recover samples of the subsurface rocks and to determine the subsurface geology.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Electromagnetic survey:     | An electrical exploration method based on the measurement of alternating magnetic fields associated with currents artificially or naturally maintained in the subsurface (Glossary of Geology, Fifth Edition).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Fault:                      | A discrete surface or zone of discrete surfaces separating two rock masses across which one mass has slid past the other (Glossary of Geology, Fifth Edition).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Feasibility Study:          | A comprehensive technical and economic study of the selected development option for a mineral project that includes appropriately detailed assessments of applicable Modifying Factors together with any other relevant operational factors and detailed financial analysis that are necessary to demonstrate at the time of reporting that extraction is reasonably justified (economically mineable). The results of the study may reasonably serve as the basis for a final decision by a proponent or financial institution to proceed with, or finance, the development of the project (JORC Code 2012).                                                                                                                                                                                                                                                                                                                                           |
| Fractional crystallisation: | <p>During the process of fractional crystallisation, residual granitic melts become enriched in incompatible elements as incompatible elements have difficulty entering the solid phase.</p> <p>One group includes elements having a large ionic radius such as potassium, rubidium, caesium, strontium, barium (called LILE or large ion lithophile elements) and the other group includes elements of large ionic valencies (or high charges) such as zirconium, niobium, hafnium and rare earth elements (HREE), thorium, uranium and tantalum called (HFSE or high field strength elements). Note: beryllium, lithium and sodium are not classified in the LILE or HFSE groups.</p> <p>During the fractional crystallisation of magma and magma generation by partial melting of the Earth's mantle and crust, elements that have difficulty in entering cation sites of the minerals are concentrated in the melt phase of magma (melt phase).</p> |
| Geological logging:         | The act of recording of geological data from the samples obtained by drilling.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Geological map:             | A map on which is recorded geologic information such as the distribution, nature and age relationships of rock units and the occurrence of structural features, and mineral deposits (Glossary of Geology, Fifth Edition). This can be done on paper or on a computer screen.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Geological model:           | Three-dimensional representation of the geology of an area. Commonly only created in the iron ore industry where iron mineralisation is of sufficient quantity and quality for an iron deposit to occur.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Geophysics:                 | Study of the Earth by quantitative physical methods (Glossary of Geology, Fifth Edition). Common methods in iron ore exploration include magnetics, gravity and electrical surveys.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Geophysical anomaly:        | A geological feature, especially in the subsurface, which is different from the general surroundings and which may be distinguished by geophysical means (Glossary of Geology, Fifth Edition).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Geotechnical:               | The application of scientific methods and engineering principles to the acquisition, interpretation and use of knowledge of materials of the Earth's crust for the solution of engineering problems (Glossary of Geology, Fifth Edition).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Indicated Resource:         | A resource estimate that has been signed off by a JORC designated Competent Person as having a middle (or moderate) level of confidence based on the quality and quantity of geological data used.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |

|                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|-----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Inferred Resource:    | A resource estimate that has been signed off by a JORC designated competent person as having a low level of confidence based on the quality and quantity of geological data used.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| JORC Code:            | <p>"The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ('the JORC Code') is a professional code of practice that sets minimum standards for Public Reporting of minerals Exploration Results, Mineral Resources and Ore Reserves.</p> <p>The JORC Code provides a mandatory system for the classification of minerals Exploration Results, Mineral Resources and Ore Reserves according to the levels of confidence in geological knowledge and technical and economic considerations in Public Reports.</p> <p>Public Reports prepared in accordance with the JORC Code are reports prepared for the purpose of informing investors or potential investors and their advisors. They include, but are not limited to, annual and quarterly company reports, press releases, information memoranda, technical papers, website postings and public presentations of Exploration Results, Mineral Resources and Ore Reserves estimates.</p> <p>The JORC Code was first published in 1989, with the most recent revision being published late in 2012. Since 1989 and 1992 respectively, it has been incorporated in the Listing Rules of the Australian and New Zealand Stock Exchanges, making compliance mandatory for listing public companies in Australia and New Zealand.</p> <p>The current edition of the JORC Code was published in 2012 and after a transition period the 2012 Edition came into mandatory operation from 1 December 2013."</p> <p><i>Copied from the JORC website, 29 July 2019</i></p> |
| JORC Table 1:         | A checklist or reference of criteria to be considered by the Competent Person in developing their documentation and in preparing the Public Report (JORC Code 2012).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Measured Resource:    | A resource estimate for which quantity, grade (or quality), densities, shape, and physical characteristics are estimated with confidence sufficient to allow the application of Modifying Factors to support detailed mine planning and final evaluation of the economic viability of the deposit" (JORC Code 2012, page 13).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Mineralisation:       | The introduction of minerals into a rock, resulting in a valuable or potentially valuable deposit (Glossary of Geology, Fifth Edition).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Ore:                  | The naturally occurring material from which a mineral or minerals of economic value can be extracted at a reasonable profit (Glossary of Geology, Fifth Edition).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Orebody:              | A continuous, well-defined mass of material of sufficient ore content to make extraction economically feasible (Glossary of Geology, Fifth Edition). NB: Not a recommended term unless Ore Reserves have been declared.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Outcrop:              | A rock formation that is visible on the surface of the Earth (Glossary of Geology, Fifth Edition).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Prefeasibility Study: | A comprehensive study of a range of options for the technical and economic viability of a mineral project that has advanced to a stage where a preferred mining method, in the case of underground mining, or the pit configuration, in the case of an open pit, is established and an effective method of mineral processing is determined. It includes a financial analysis based on reasonable assumptions on the Modifying Factors and the evaluation of any other relevant factors which are sufficient for a Competent Person, acting reasonably, to determine if all or part of the Mineral Resources may be converted to an Ore Reserve at the time of reporting (JORC Code, 2012).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| QAQC:                 | Quality Assurance means "all of those planned or systematic actions necessary to provide adequate confidence in the data collection and estimation process". "Quality Control means the systems and mechanisms put in place to provide the Quality Assurance". (Canadian Institute of Mining and Metallurgy and Petroleum, Best Practices Guidelines, 2003, page 8).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Scale:                | Map scale refers to the relationship (or ratio) between distance on a map and the corresponding distance on the ground. For example, on a 1:100,000 scale map, 1cm on the map equals 1km on the ground ( <a href="https://www.ga.gov.au/scientific-">https://www.ga.gov.au/scientific-</a>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |



topics/national-location-information/topographic-maps-data/basics/what-is-map-scale).

Scoping Study:

A Scoping Study is an order of magnitude technical and economic study of the potential viability of Mineral Resources. It includes appropriate assessments of realistically assumed Modifying Factors together with any other relevant operational factors that are necessary to demonstrate at the time of reporting that progress to a Prefeasibility Study can be reasonably justified. (JORC Code 2012, page 19).

## ABBREVIATIONS AND UNITS OF MEASUREMENT

| Abbreviation/Unit | Description                                                                |
|-------------------|----------------------------------------------------------------------------|
| °                 | degrees                                                                    |
| °C                | degrees Celsius                                                            |
| µm                | microns                                                                    |
| 2D                | Two-dimensional                                                            |
| 3D                | Three-dimensional                                                          |
| AIG               | Australian Institute of Geoscientists                                      |
| AIM               | Alternative Investment Market                                              |
| ASIC              | Australian Securities and Investments Commission                           |
| ASX               | Australian Securities Exchange                                             |
| AusIMM            | Australasian Institute of Mining and Metallurgy                            |
| Ba                | barium                                                                     |
| BIF               | Banded iron formation                                                      |
| BRGM              | Bureau of Geological and Mining Research, France                           |
| CAMP              | Central Atlantic Magmatic Province                                         |
| Ce                | cerium                                                                     |
| cm                | centimetres                                                                |
| CPDM              | Centre de Promotion et de Développement miniers                            |
| CRM               | certified reference material                                               |
| Cu                | copper                                                                     |
| DMC               | DMC Mining Limited                                                         |
| ERM               | ERM Australia Consultants Pty Ltd (formerly CSA Global)                    |
| ESG               | environmental, social and governance                                       |
| F                 | fluorine                                                                   |
| Fe                | iron                                                                       |
| Forte             | Forte Energy NL                                                            |
| g/cm <sup>3</sup> | grams per cubic centimetre                                                 |
| Gd                | gadolinium                                                                 |
| Geosurvey         | Geosurvey International                                                    |
| GPS               | global positioning system                                                  |
| Guinea            | Republic of Guinea                                                         |
| ICP-MS/OES        | inductively coupled plasma-mass spectrometry/optical emission spectroscopy |
| ITAR              | Independent Technical Assessment Report                                    |
| IUGS              | International Union of Geological Sciences                                 |
| kg                | kilograms                                                                  |
| kg/t              | kilograms per tonne                                                        |
| km <sup>2</sup>   | square kilometres                                                          |
| La                | lanthanum                                                                  |
| LREE              | light rare earth elements                                                  |
| Lu                | lutetium                                                                   |
| m                 | metres                                                                     |
| m <sup>3</sup>    | cubic metres                                                               |
| Ma                | Million years before the present                                           |
| METS              | Mineral Engineering Technical Services Pty Ltd                             |
| Mlb               | million pounds                                                             |
| mm                | millimetres                                                                |
| Mn                | manganese                                                                  |
| MRE               | Mineral Resource estimate                                                  |

| Abbreviation/Unit             | Description                           |
|-------------------------------|---------------------------------------|
| Mt                            | million tonnes                        |
| Nb                            | niobium                               |
| Nd                            | neodymium                             |
| P                             | phosphorous                           |
| Pb                            | lead                                  |
| ppm                           | parts per million                     |
| Pr                            | praseodymium                          |
| QAQC                          | quality assurance and quality control |
| RC                            | Reverse circulation                   |
| REE                           | rare earth element                    |
| REO                           | rare earth oxide                      |
| S                             | sulphur                               |
| Sc                            | scandium                              |
|                               |                                       |
| Sn                            | tin                                   |
| Sr                            | strontium                             |
| SRK                           | SRK Consulting                        |
| t/m <sup>3</sup>              | tonnes per cubic metre                |
| Ta                            | tantalum                              |
| Tb                            | terbium                               |
| Th                            | thorium                               |
| TREO                          | total rare earth oxide                |
| U                             | uranium                               |
| U <sub>3</sub> O <sub>8</sub> | triuranium octoxide                   |
| wt. %                         | weight percent                        |
| XRD                           | x-ray diffraction                     |
| XRF                           | x-ray fluorescence                    |
| Y                             | yttrium                               |

## APPENDIX A PERMIT DETAILS



Veridis Energie SARL  
Mr Adama KOUYATE  
Directeur Général  
Résidence Kakimbo,  
Apprt 2101, Ratoma,  
Conakry, Guinée  
Tél : +224 611000088  
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Conakry, le 10/01/2024

A Monsieur le Directeur National de La Géologie

Objet : Demande de reconnaissance géologique

Monsieur,

Nous venons par la présente auprès de votre haute bienveillance solliciter une demande d'autorisation de reconnaissance géologique concernant la recherche de l'or, des terres rares et des métaux précieux dans la préfecture de Kissidougou des sites dont les coordonnées sont ci-dessous :

|   |                   |                  |
|---|-------------------|------------------|
| 1 | 009° 48' 15.22" W | 09° 16' 00.05" N |
| 2 | 009° 43' 58.99" W | 09° 16' 00.05" N |
| 3 | 009° 44' 03.32" W | 09° 09' 03.99" N |
| 4 | 009° 48' 16.08" W | 09° 09' 00.52" N |
| 5 | 009° 48' 14.78" W | 09° 11' 51.20" N |
| 6 | 009° 48' 14.34" W | 09° 13' 31.95" N |

Vous trouverez jointes à cette demande, les copies du RCCM et des statuts de notre Société.  
Dans l'espoir d'obtenir de vous une suite favorable à notre présente requête, recevez, Monsieur le Directeur, l'expression de notre profonde gratitude.

Le Directeur Général

reçu le 11/12/2024  
DNH  Secrétaire



VERIDIS ENERGIE SARL

SARL au Capital de 10 millions GNF, immatriculée RCCM : GN.TC.2023.B.15359  
Siège Social : Résidence Kakimbo, appartement 2102, Commune de Ratoma Conakry, Rép. de Guinée  
Tél : 00224 611 00 00 88- E-mail : [ak@siguirigoldguinee.com](mailto:ak@siguirigoldguinee.com)



**Veridis Energie SARL**  
 Mr Adama KOUYATE  
 Directeur Général  
 Résidence Kakimbo,  
 Apprt 2101, Ratoma ,  
 Conakry, Guinée  
 Tél : +224 611000088  
 E-Mail : [ak@siguirigoldguinee.com](mailto:ak@siguirigoldguinee.com)



Conakry, le 10/01/2024

A Monsieur le Directeur National de La Géologie

**Objet : Demande de reconnaissance géologique**

Monsieur,

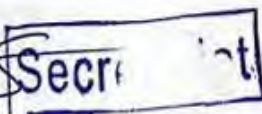
Nous venons par la présente auprès de votre haute bienveillance solliciter une demande d'autorisation de reconnaissance géologique concernant la recherche de l'or, des terres rares et des métaux précieux dans la préfecture de Kissidougou des sites dont les coordonnées sont ci-dessous : Superficie : 99.8773 km<sup>2</sup>

|    | Latitude         | Longitude         |
|----|------------------|-------------------|
| 1  | 09° 15' 45.72" N | 009° 56' 28.14" W |
| 2  | 09° 15' 45.72" N | 009° 55' 03.45" W |
| 3  | 09° 13' 21.97" N | 009° 53' 17.05" W |
| 4  | 09° 13' 13.72" N | 009° 50' 15.95" W |
| 5  | 09° 13' 32.39" N | 009° 50' 15.95" W |
| 6  | 09° 13' 31.96" N | 009° 48' 14.35" W |
| 7  | 09° 11' 51.20" N | 009° 48' 14.78" W |
| 8  | 09° 11' 54.24" N | 009° 49' 31.22" W |
| 9  | 09° 08' 21.44" N | 009° 49' 27.31" W |
| 10 | 09° 07' 18.03" N | 009° 49' 35.13" W |
| 11 | 09° 07' 17.17" N | 009° 52' 23.63" W |
| 12 | 09° 12' 06.40" N | 009° 52' 26.24" W |
| 13 | 09° 12' 11.62" N | 009° 56' 18.15" W |
| 14 | 09° 13' 50.63" N | 009° 56' 06.86" W |
| 15 | 09° 13' 53.24" N | 009° 56' 21.62" W |
| 16 | 09° 14' 44.49" N | 009° 56' 14.68" W |
| 17 | 09° 14' 45.35" N | 009° 56' 30.31" W |

Vous trouverez jointes à cette demande, les copies du RCCM et des statuts de notre Société.

Dans l'espoir d'obtenir de vous une suite favorable à notre présente requête, recevez, Monsieur le Directeur, l'expression de notre profonde gratitude.

Le Directeur Général

*regue le 11/12/2024*  
 D N M 



**VERIDIS ENERGIE SARL**

SARL au Capital de 10 millions GNF, immatriculée RCCM : GN.TC.2023.B.15359

Siège Social : Résidence Kakimbo, appartement 2102, Commune de Ratoma Conakry, Rép. de Guinée

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## APPENDIX B JORC TABLE (2012) TABLE 1 – FIRAWA REE-U PROJECT

### Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections)

| Criteria                   | JORC Code explanation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Commentary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Sampling techniques</b> | <p><i>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.</i></p> <p><i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></p> <p><i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></p> | <p>Forte Energy NL (Forte) undertook reverse circulation (RC) drilling programs in 2007 and 2012 and diamond drilling in 2008–2009. Sampling techniques used during these drilling campaigns are summarised below.</p> <p><b>RC sampling</b></p> <p>Samples were collected from the cyclone at metre intervals downhole. Each sample collected from the cyclone, was then passed through a three-tier jones riffle splitter, producing two subsamples about 1–2 kg each and a reject sample. One subsample was stored as reference and the second was sent for analysis.</p> <p>Forte took time to ensure that samples were collected in the most representative manner possible.</p> <p>Chips from all samples were collected in small chip trays and stored at the Firawa camp. Lithological logging was undertaken on washed chips from these trays.</p> <p>Prior to 2007, all drill samples were sent for analysis. For all later drilling, a handheld scintillometer was used to select samples with elevated levels of radiation, which were then sent for analysis.</p> <p><b>Diamond core sampling</b></p> <p>During the 2008–2009 diamond drilling program, the following procedure was used to sample diamond core.</p> <p>The core was collected using a triple tube technique, which was considered appropriate for the clayey ground.</p> <p>The core was stored in locally produced core-boxes.</p> <p>Radioactive sections, including a small amount of barren material above and below, were split by a knife with one half of the split material being collected for sample.</p> <p>The remaining half core was stored in a weather proof core shed at the Firawa Camp.</p> |
| <b>Drilling techniques</b> | <p><i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).</i></p>                                                                                                                                                                                                                                                                                                          | <p>A total of 12,405 m of drilling has been conducted including 5,865 m of diamond drilling and 6,540 m of RC drilling. All drilling was undertaken by AMCO drilling Guinea. RC drilling was undertaken using a wheel mounted Atlas Copco Mustang 66 multi-purpose rig and core drilling was undertaken using a track mounted Atlas Copco Diamec 282 core rig.</p> <p>The core was collected using a triple tube technique. No other technical details on the diamond and RC drilling programs are available from historical reports.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |

| Criteria                                             | JORC Code explanation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Commentary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Drill sample recovery</b>                         | <p><i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></p> <p><i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></p> <p><i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i></p>                                                                                                                                                                                                                                                                                                                                      | <p>During the 2007 drilling program, no documentation on the RC drill sample recovery was made.</p> <p>Documentation on the core sample recovery for the 2008-2009 diamond drilling program, although reported as logged by Forte geologist could not be located for review</p> <p>In 2012, sample recovery was measured by means of sample weight but due to the generally moist (and often wet) samples, Forte questioned reliability of the data.</p>                                                                                                                                                                                                                                                                                                                              |
| <b>Logging</b>                                       | <p><i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i></p> <p><i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.</i></p> <p><i>The total length and percentage of the relevant intersections logged.</i></p>                                                                                                                                                                                                                                                                                                           | <p>Qualitative lithological logging for RC drilling was undertaken on washed chips collected into chip trays.</p> <p>The diamond core was logged for radiation levels, lithology and recovery by Forte geologists. The logging data on radioactivity and sample recovery is quantitative.</p> <p>There are no core photos available from historical reports.</p>                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Subsampling techniques and sample preparation</b> | <p><i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></p> <p><i>If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.</i></p> <p><i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></p> <p><i>Quality control procedures adopted for all subsampling stages to maximise representivity of samples.</i></p> <p><i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i></p> <p><i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></p> | <p>RC samples collected from the cyclone, were then passed through a three-tier jones riffle splitter, producing two subsamples about 1–2 kg each and a reject sample. One subsample was stored as reference and the second was sent for analysis.</p> <p>Radioactive sections of the diamond core, and small intervals of barren materials above and below, were split by a knife with one half of the split material being collected for sample.</p> <p>Sampling techniques are appropriate for the drilling method and stage of the project.</p> <p>It was not studied to date if sample sizes are appropriate to the grain size of the material being sampled.</p>                                                                                                                |
| <b>Quality of assay data and laboratory tests</b>    | <p><i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></p> <p><i>For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i></p> <p><i>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i></p>                                                                                       | <p><b>Sample preparation and analysis</b></p> <p>A number of laboratories and methods have been used for sample preparation and analysis as follows:</p> <ul style="list-style-type: none"> <li>• ALS Bamako, Mali: sample preparation followed by four-acid digest with ICP-MS/OES finish – 1,813 samples</li> <li>• ALS Monrovia, Liberia (sample preparation), ALS Chemex in Piteå, Sweden: fusion with ICP-MS/OES finish – 570 samples</li> <li>• Firawa site (crushing OMAC/ALS Chemex in Monrovia, Liberia (sample preparation), Stewart Group OMAC, Ireland – fusion with ICP-MS/OES finish – 3,401 samples</li> <li>• Unknown laboratory and method – 3,100 samples.</li> </ul> <p>No further information on analytical techniques are available from historical reports.</p> |

| Criteria                                     | JORC Code explanation                                                                                                                                                                                                                                                                                                                                                  | Commentary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|----------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                              |                                                                                                                                                                                                                                                                                                                                                                        | <p><b>Quality assurance and quality control (QAQC) program</b></p> <p>During the 2007 RC drilling program, no field duplicates were collected, and blank samples and certified standards used. In 2012, Forte collected RC field duplicate samples. Forte also undertook duplicate sampling of their diamond core on site. All other QAQC samples were inserted by analytical laboratories.</p> <p>The QAQC samples by analytical laboratories included 411 check samples (8.8% of the samples analysed): 287 repeat samples, 92 pulp splits, 27 barren wash samples and 5 duplicates. A total of 153 certified standards (32%) were analysed.</p> <p>No major issues were identified in the laboratory QAQC results supplied by Forte. Some anomalous values were returned for the standards, but most of these appear to be probable mislabelled standards. Data on laboratory pulp repeats and splits were well in line with the original data. Some of the cerium results on the blank samples were elevated.</p> |
| <b>Verification of sampling and assaying</b> | <p><i>The verification of significant intersections by either independent or alternative company personnel.</i></p> <p><i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></p> <p><i>Discuss any adjustment to assay data.</i></p>                                                       | <p>Significant assay results have not been independently verified.</p> <p>Raw assays are stored in the commercially managed database with elemental values calculated to oxide for 15 rare earth elements (REEs) (see Section 2 – Data aggregation methods).</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Location of data points</b>               | <p><i>Accuracy and quality of surveys used to locate drillholes (collar and downhole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i></p> <p><i>Specification of the grid system used.</i></p> <p><i>Quality and adequacy of topographic control.</i></p>                                                                | <p>Drillhole collars were surveyed using a handheld global positioning (GPS) unit.</p> <p>Downhole surveying methods varied depending the drill campaign and hole type. Continuous downhole readings were taken for diamond holes. Most of RC holes were surveyed every 30 m and at the end of a hole. No survey was completed for 38 RC holes and 23 diamond holes.</p> <p>Drillholes were surveyed using an Eastman Camera in non-magnetic ground. In magnetic rocks, downhole survey measurements were collected using Gyro or Maxibor instruments.</p> <p>Universal Transverse Mercator (UTM) World Geodetic System 1984 (WGS 84) 29N is the reported coordinate system used by the historical exploration activities. There is no detailed documentation regarding accuracy of collar coordinates in historical reports available.</p>                                                                                                                                                                           |
| <b>Data spacing and distribution</b>         | <p><i>Data spacing for reporting of Exploration Results.</i></p> <p><i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i></p> <p><i>Whether sample compositing has been applied.</i></p> | <p><b>2007 RC drilling</b></p> <p>During this phase of work, a total strike length of 2,300 m was drilled on dominantly 50 m spaced sections with holes spaced 25–100 m apart on each profile section.</p> <p><b>2008–2009 Diamond drilling</b></p> <p>A total of 56 holes for 5,865 m were completed on infill and extension profiles at 50 m spaced sections with holes spaced 25–100 m apart on section.</p> <p><b>2012 RC drilling</b></p> <p>No information is available from historical reports.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

| Criteria                                                       | JORC Code explanation                                                                                                                                                                                                                                                                                                                                                                             | Commentary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|----------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                |                                                                                                                                                                                                                                                                                                                                                                                                   | <p>The drill data spacing and distribution were considered sufficient for the Inferred Mineral Resource classification (White, 2012).</p> <ul style="list-style-type: none"> <li>A total of 27 holes for 2,289 m were drilled within the Mineral Resource footprint, and an additional 36 RC holes for 2,422 m were drilled along strike, but no samples were submitted for chemical analysis in support of the Mineral Resource. The RC holes drilled in support of the Mineral Resource were irregularly drilled along strike of the mineralisation without a typical drill hole spacing.</li> </ul> <p>The drill data spacing and distribution were considered sufficient for the Inferred Mineral Resource classification.</p> |
| <b>Orientation of data in relation to geological structure</b> | <p><i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></p> <p><i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i></p> | <p>Most of the holes drilled were inclined at 50° and 60° across the mineralised structure. The hole orientation is considered to be appropriate for the mineralisation style.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Sample security</b>                                         | <i>The measures taken to ensure sample security.</i>                                                                                                                                                                                                                                                                                                                                              | <p>No records exist of historical sample security procedures for any of the previous exploration campaigns conducted on site.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Audits or reviews</b>                                       | <i>The results of any audits or reviews of sampling techniques and data.</i>                                                                                                                                                                                                                                                                                                                      | <p>CSA Global completed review of drilling data in 2010 as part of preparation work for Mineral Resource estimate (MRE). The review noted a lack of sample recovery data. No information on collar survey method, survey date or survey personnel was recorded.</p> <p>Data review by CSA Global in 2012 concluded that the database provided by Forte was adequate to support an Inferred MRE according to the JORC Code (2004).</p>                                                                                                                                                                                                                                                                                              |

## Section 2: Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section)

| Criteria                                       | JORC Code explanation                                                                                                                                                                                                                                                                                                                                                                                                                             | Commentary                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Mineral tenement and land tenure status</b> | <p><i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i></p> <p><i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i></p> | <p>The Firawa project is currently covered by two reconnaissance permits 23807 and 23808 with exploration permit applications over the same area pending. The pending applications for exploration licences termed for three years are expected to be granted shortly.</p> <p>Details on the tenement locations are provided in the report.</p> <p>Granting the Exploration Licence tenure is a condition of a DMC Mining Limited (DMC's) binding Share Purchase Agreement.</p> |
| <b>Exploration done by other parties</b>       | <i>Acknowledgment and appraisal of exploration by other parties.</i>                                                                                                                                                                                                                                                                                                                                                                              | <p>Exploration in the local area was completed by Geosurvey International (Geosurvey) in 1979–1981, Davey McKee in 1981–1982, Murchison United in 2005, and Forte in 2007–2012.</p> <p>Geosurvey undertook regional radiometric and magnetic airborne surveys.</p>                                                                                                                                                                                                              |

| Criteria                        | JORC Code explanation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Commentary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |         |       |                   |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |
|---------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|-------|-------------------|----|--------------------------------|--------|----|--------------------------------|--------|----|--------------------------------|--------|----|--------------------------------|--------|----|--------------------------------|--------|----|--------------------------------|--------|
|                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <p>Davey McKee performed follow-up ground radiometric and topographic surveys, soil geochemistry, radon sampling, a few very long frequency – electromagnetic (VLF-EM) and magnetometry profile surveys, along with a few pits and trenches.</p> <p>SRK Consulting on behalf of Murchison United undertook soil sampling.</p> <p>In 2006, Murchison United completed soil sampling across the anomalous in uranium structure.</p> <p>Forte undertook three drilling campaigns in 2007, 2008–2009 and 2012.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |         |       |                   |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |
| <b>Geology</b>                  | <i>Deposit type, geological setting and style of mineralisation.</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <p>The deposit type targeted is carbonatite REE-U type mineralisation.</p> <p>The Firawa area is situated within an Archaean granite gneiss domain. Carbonatite and gabbro intrude the Archaean granitoid basement.</p> <p>The REE-U mineralisation follows an east-west trending tectonic structure, an interpreted fault zone, over approximately 5 km. Mineralisation is predominantly observed in oxidised carbonatites. The weathered rocks are underlain by fresh carbonatites and strongly cataclastic alkaline granites.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |         |       |                   |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |
| <b>Drillhole information</b>    | <p><i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drillholes:</i></p> <ul style="list-style-type: none"> <li><i>easting and northing of the drillhole collar;</i></li> <li><i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drillhole collar</i></li> <li><i>dip and azimuth of the hole</i></li> <li><i>downhole length and interception depth; hole length.</i></li> </ul> <p><i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i></p> | All relevant information on the collar location, dip, azimuth and total depth of the drillholes is summarised in Appendix C.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |         |       |                   |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |
| <b>Data aggregation methods</b> | <p><i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.</i></p> <p><i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i></p> <p><i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></p>                                                                                                                                                                                      | <p>Significant mineralisation intercepts are reported at cut-off grades of 5,000 ppm (0.5 %) total rare earth oxide (TREO) and 200 ppm U.</p> <p>All assay results on uranium are reported as U<sub>3</sub>O<sub>8</sub> (oxide conversion factor 1.1792)</p> <p>TREO = CeO<sub>2</sub> + Dy<sub>2</sub>O<sub>3</sub> + Er<sub>2</sub>O<sub>3</sub> + Eu<sub>2</sub>O<sub>3</sub> + Gd<sub>2</sub>O<sub>3</sub> + Ho<sub>2</sub>O<sub>3</sub> + La<sub>2</sub>O<sub>3</sub> + Lu<sub>2</sub>O<sub>3</sub> + Nd<sub>2</sub>O<sub>3</sub> + Pr<sub>6</sub>O<sub>11</sub> + Sm<sub>2</sub>O<sub>3</sub> + Tb<sub>4</sub>O<sub>7</sub> + Tm<sub>2</sub>O<sub>3</sub> + Yb<sub>2</sub>O<sub>3</sub></p> <p>Multi-element REE results have been converted to stoichiometric oxide (REO) using element to oxide stoichiometric conversion factors as shown below:</p> <table> <tr> <th>Element</th><th>Oxide</th><th>Conversion factor</th></tr> <tr> <td>La</td><td>La<sub>2</sub>O<sub>3</sub></td><td>1.1728</td></tr> <tr> <td>Ce</td><td>Ce<sub>2</sub>O<sub>3</sub></td><td>1.1713</td></tr> <tr> <td>Pr</td><td>Pr<sub>2</sub>O<sub>3</sub></td><td>1.1703</td></tr> <tr> <td>Nd</td><td>Nd<sub>2</sub>O<sub>3</sub></td><td>1.1664</td></tr> <tr> <td>Sm</td><td>Sm<sub>2</sub>O<sub>3</sub></td><td>1.1596</td></tr> <tr> <td>Eu</td><td>Eu<sub>2</sub>O<sub>3</sub></td><td>1.1579</td></tr> </table> | Element | Oxide | Conversion factor | La | La <sub>2</sub> O <sub>3</sub> | 1.1728 | Ce | Ce <sub>2</sub> O <sub>3</sub> | 1.1713 | Pr | Pr <sub>2</sub> O <sub>3</sub> | 1.1703 | Nd | Nd <sub>2</sub> O <sub>3</sub> | 1.1664 | Sm | Sm <sub>2</sub> O <sub>3</sub> | 1.1596 | Eu | Eu <sub>2</sub> O <sub>3</sub> | 1.1579 |
| Element                         | Oxide                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Conversion factor                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |         |       |                   |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |
| La                              | La <sub>2</sub> O <sub>3</sub>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 1.1728                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |         |       |                   |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |
| Ce                              | Ce <sub>2</sub> O <sub>3</sub>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 1.1713                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |         |       |                   |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |
| Pr                              | Pr <sub>2</sub> O <sub>3</sub>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 1.1703                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |         |       |                   |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |
| Nd                              | Nd <sub>2</sub> O <sub>3</sub>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 1.1664                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |         |       |                   |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |
| Sm                              | Sm <sub>2</sub> O <sub>3</sub>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 1.1596                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |         |       |                   |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |
| Eu                              | Eu <sub>2</sub> O <sub>3</sub>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 1.1579                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |         |       |                   |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |



| Criteria                                                                | JORC Code explanation                                                                                                                                                                                                                                                                                                                                                                                                 | Commentary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |    |                                |        |    |                                |       |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                               |        |    |                                |        |
|-------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|--------------------------------|--------|----|--------------------------------|-------|----|--------------------------------|--------|----|--------------------------------|--------|----|--------------------------------|--------|----|--------------------------------|--------|----|--------------------------------|--------|----|--------------------------------|--------|----|-------------------------------|--------|----|--------------------------------|--------|
|                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                       | <table> <tr> <td>Gd</td><td>Gd<sub>2</sub>O<sub>3</sub></td><td>1.1526</td></tr> <tr> <td>Tb</td><td>Tb<sub>2</sub>O<sub>3</sub></td><td>1.151</td></tr> <tr> <td>Dy</td><td>Dy<sub>2</sub>O<sub>3</sub></td><td>1.1477</td></tr> <tr> <td>Ho</td><td>Ho<sub>2</sub>O<sub>3</sub></td><td>1.1455</td></tr> <tr> <td>Er</td><td>Er<sub>2</sub>O<sub>3</sub></td><td>1.1435</td></tr> <tr> <td>Tm</td><td>Tm<sub>2</sub>O<sub>3</sub></td><td>1.1421</td></tr> <tr> <td>Yb</td><td>Yb<sub>2</sub>O<sub>3</sub></td><td>1.1387</td></tr> <tr> <td>Lu</td><td>Lu<sub>2</sub>O<sub>3</sub></td><td>1.1371</td></tr> <tr> <td>Yb</td><td>Y<sub>2</sub>O<sub>3</sub></td><td>1.2699</td></tr> <tr> <td>Sc</td><td>Sc<sub>2</sub>O<sub>3</sub></td><td>1.5338</td></tr> </table> | Gd | Gd <sub>2</sub> O <sub>3</sub> | 1.1526 | Tb | Tb <sub>2</sub> O <sub>3</sub> | 1.151 | Dy | Dy <sub>2</sub> O <sub>3</sub> | 1.1477 | Ho | Ho <sub>2</sub> O <sub>3</sub> | 1.1455 | Er | Er <sub>2</sub> O <sub>3</sub> | 1.1435 | Tm | Tm <sub>2</sub> O <sub>3</sub> | 1.1421 | Yb | Yb <sub>2</sub> O <sub>3</sub> | 1.1387 | Lu | Lu <sub>2</sub> O <sub>3</sub> | 1.1371 | Yb | Y <sub>2</sub> O <sub>3</sub> | 1.2699 | Sc | Sc <sub>2</sub> O <sub>3</sub> | 1.5338 |
| Gd                                                                      | Gd <sub>2</sub> O <sub>3</sub>                                                                                                                                                                                                                                                                                                                                                                                        | 1.1526                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |    |                                |        |    |                                |       |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                               |        |    |                                |        |
| Tb                                                                      | Tb <sub>2</sub> O <sub>3</sub>                                                                                                                                                                                                                                                                                                                                                                                        | 1.151                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |    |                                |        |    |                                |       |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                               |        |    |                                |        |
| Dy                                                                      | Dy <sub>2</sub> O <sub>3</sub>                                                                                                                                                                                                                                                                                                                                                                                        | 1.1477                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |    |                                |        |    |                                |       |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                               |        |    |                                |        |
| Ho                                                                      | Ho <sub>2</sub> O <sub>3</sub>                                                                                                                                                                                                                                                                                                                                                                                        | 1.1455                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |    |                                |        |    |                                |       |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                               |        |    |                                |        |
| Er                                                                      | Er <sub>2</sub> O <sub>3</sub>                                                                                                                                                                                                                                                                                                                                                                                        | 1.1435                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |    |                                |        |    |                                |       |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                               |        |    |                                |        |
| Tm                                                                      | Tm <sub>2</sub> O <sub>3</sub>                                                                                                                                                                                                                                                                                                                                                                                        | 1.1421                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |    |                                |        |    |                                |       |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                               |        |    |                                |        |
| Yb                                                                      | Yb <sub>2</sub> O <sub>3</sub>                                                                                                                                                                                                                                                                                                                                                                                        | 1.1387                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |    |                                |        |    |                                |       |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                               |        |    |                                |        |
| Lu                                                                      | Lu <sub>2</sub> O <sub>3</sub>                                                                                                                                                                                                                                                                                                                                                                                        | 1.1371                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |    |                                |        |    |                                |       |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                               |        |    |                                |        |
| Yb                                                                      | Y <sub>2</sub> O <sub>3</sub>                                                                                                                                                                                                                                                                                                                                                                                         | 1.2699                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |    |                                |        |    |                                |       |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                               |        |    |                                |        |
| Sc                                                                      | Sc <sub>2</sub> O <sub>3</sub>                                                                                                                                                                                                                                                                                                                                                                                        | 1.5338                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |    |                                |        |    |                                |       |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                               |        |    |                                |        |
| <b>Relationship between mineralisation widths and intercept lengths</b> | <p><i>These relationships are particularly important in the reporting of Exploration Results.</i></p> <p><i>If the geometry of the mineralisation with respect to the drillhole angle is known, its nature should be reported.</i></p> <p><i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'downhole length, true width not known').</i></p> | <p>Most drilling was angled at -60°. Most mineralisation is modelled to dip at angles from 45° to 70°.</p> <p>Generally most of intersections are close to true widths.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |    |                                |        |    |                                |       |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                               |        |    |                                |        |
| <b>Diagrams</b>                                                         | <p><i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drillhole collar locations and appropriate sectional views.</i></p>                                                                                                                                       | <p>All relevant maps and sections are presented in the text.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |    |                                |        |    |                                |       |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                               |        |    |                                |        |
| <b>Balanced reporting</b>                                               | <p><i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Results.</i></p>                                                                                                                                                                                           | <p>Only significant intercepts are reported in the body of this report.</p> <p>Low REE and uranium abundance and not assayed drillholes are listed in Appendix C of this report.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |    |                                |        |    |                                |       |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                               |        |    |                                |        |
| <b>Other substantive exploration data</b>                               | <p><i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i></p>                   | <p>Information available is provided in the body of the report and no additional substantive information is available or required given the early stage of the exploration.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |    |                                |        |    |                                |       |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                               |        |    |                                |        |
| <b>Future work</b>                                                      | <p><i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></p> <p><i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></p>                                                    | <p>Future work includes an upgrade of the existing Mineral Resource for uranium from JORC 2012 to JORC 2012 classification and estimation of compliant Mineral Resource for multi commodity uranium, rare earths and niobium.</p> <p>The next stages of exploration will include targeting for carbonatite-related mineralisation tenement-wide.</p>                                                                                                                                                                                                                                                                                                                                                                                                                     |    |                                |        |    |                                |       |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                                |        |    |                               |        |    |                                |        |

### Section 3: Estimation and Reporting of Mineral Resources

| Criteria                  | JORC Code explanation                                                                                                                                                                                                                                | Commentary                                                                                                                                                                                          |
|---------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Database integrity</b> | <p><i>Measures taken to ensure that data has not been corrupted by, e.g. transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.</i></p> <p><i>Data validation procedures used.</i></p> | <p>All geological logs, survey data and sample analysis results were entered into Microsoft Excel spreadsheets, under data security protocols as determined by the previous project management.</p> |

| Criteria                  | JORC Code explanation                                                                                                                                                                                                                                                                                                                                                                                                                                        | Commentary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|---------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <p>All data were loaded into a Microsoft Access database in 2012 by CSA Global prior to preparation of the Mineral Resource, with data validation carried out for collar, survey, logging records, sample and sample analyses results and QAQC. Recommendations were made regarding the quality of data and these should be acted upon prior to any updates for the Mineral Resource.</p> <p>The Competent Person is satisfied that the data is of sufficient quality to support an Inferred Mineral Resource.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Site visits               | <p><i>Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</i></p> <p><i>If no site visits have been undertaken indicate why this is the case.</i></p>                                                                                                                                                                                                                                                             | <p>A short site visit was completed by Dr Nik Sergeev (Competent Person, Sampling Techniques and data, and Exploration Results), of ERM in January 2024. The visit to the Firawa Project was conducted to determine whether Firawa is a suitable exploration destination with general field checking aimed at verifying geology, infrastructure, and historical workings within the project.</p> <p>The visit confirmed the presence of REE mineralisation at the project and showed a good correspondence of historical drill collar locations on the ground with the previously reported data.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Geological interpretation | <p><i>Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.</i></p> <p><i>Nature of the data used and of any assumptions made.</i></p> <p><i>The effect, if any, of alternative interpretations on Mineral Resource estimation.</i></p> <p><i>The use of geology in guiding and controlling Mineral Resource estimation.</i></p> <p><i>The factors affecting continuity both of grade and geology.</i></p> | <p>There is a sufficient level of confidence in the geological interpretation of the deposit to support the Mineral Resource classification.</p> <p>Results from historical radiometric surveys, soil sampling, and drilling (RC and diamond core) assisted the geological interpretation.</p> <p>No alternative interpretations were considered based upon the available data.</p> <p>Uranium mineralisation supporting the Mineral Resource is constrained within the lateritic profile. Rare earth mineralisation was not reported as part of the Mineral Resource.</p> <p>U<sub>3</sub>O<sub>8</sub> assays were constrained within a +100 ppm grade envelope, with lateral and vertical limits constrained by drill sample assay results, if &lt;100 ppm, or limited to 25 m beyond a final drill fence line. Depths of geological models were constrained within the lateritic profile, defined by a laterite model surface.</p> <p>2D sectional string interpretation and 3D modelling of mineralised zones was based on the current geological and structural understanding of Firawa, which is limited. Broad, moderately dipping mineralised zones are defined from drilling results but significant refinement of the geological and structural model for the project is recommended as the project develops.</p> <p>Within the context of the geological model the 2D and 3D grade interpretations have been developed over 50 m and 100 m spaced sections between profiles.</p> <p>A +100 ppm U<sub>3</sub>O<sub>8</sub> constraint was used in the development of 13 continuous or semi-continuous zones of uranium mineralisation with 6 of the domains making up 93% of the total volume of the mineralised body.</p> |

| Criteria                                   | JORC Code explanation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Commentary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|--------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Dimensions</b>                          | <i>The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | The zone of U <sub>3</sub> O <sub>8</sub> mineralisation comprising the Mineral Resource has a strike extent of 3,000 m, across strike width of 200 m, and depth below topographic surface typically 50 m but extending to 100 m when supported by drill sample logs and sample assays.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Estimation and modelling techniques</b> | <p><i>The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.</i></p> <p><i>The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.</i></p> <p><i>The assumptions made regarding recovery of by-products.</i></p> <p><i>Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation).</i></p> <p><i>In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.</i></p> <p><i>Any assumptions behind modelling of selective mining units.</i></p> <p><i>Any assumptions about correlation between variables.</i></p> <p><i>Description of how the geological interpretation was used to control the resource estimates.</i></p> <p><i>Discussion of basis for using or not using grade cutting or capping.</i></p> <p><i>The process of validation, the checking process used, the comparison of model data to drillhole data, and use of reconciliation data if available.</i></p> | <p>The geological models were interpreted and prepared by ERM using Micromine software. GeoAccess Professional and Micromine were used for geostatistical analyses of data.</p> <p>The U<sub>3</sub>O<sub>8</sub> domain was interpreted within the lateritic profile overlying the carbonatite basement, and used a 100 ppm U<sub>3</sub>O<sub>8</sub> lower cut-off grade to guide the domain modelling.</p> <p>A geostatistical analysis of U<sub>3</sub>O<sub>8</sub> sample grades within the mineralisation envelopes was carried out, with 2,374 samples contained within the domains for a mean U<sub>3</sub>O<sub>8</sub> grade of 296 ppm, a standard deviation of 233 ppm and a coefficient of variation (mean/standard deviation) of 0.8.</p> <p>Drill samples were composited to 1 m lengths, being the typical sampling interval for RC and diamond drillholes.</p> <p>A block model was constructed with parent cell sizes of 50 m(E) x 10 m(Y) x 25 m(Z) which are considered by the Competent Person to be appropriate dimensions for the current data spacing over each area, and geometry of the mineralised zones. Sub-blocking was required down to 5 m x 2 m x 2 m (X x Y x Z) to honour wireframe boundaries.</p> <p>Prior to grade estimation, a top cut was applied to composite assay data to ensure that extreme grade outliers are not given undue influence during grade estimation. Based on the breakdown of the assay histogram, loss of data and loss of contained U<sub>3</sub>O<sub>8</sub>, a top cut of 1,000 ppm was applied to all data before running the grade estimation.</p> <p>Variography was undertaken on composite data from the largest domain in an attempt to determine the directions and ranges of grade continuity within this domain, which could then be applied to other domains given that other domains exhibit the same overall geometry. Semi-variograms were modelled for the three principle directions and the resulting variograms suggested appropriate directions and ranges of the search ellipse to be along strike (270°), dipping -40°S (50 m). A low relative nugget effect of 6% was modelled, short ranges of 50 m and ranges up to 200 m.</p> <p>Hard boundary grade interpolation was applied between all domains, and only data lying within each domain were used to estimate the grade of blocks within that domain. Grades were interpolated into the parent cells using variogram model parameters, and search ellipse radii varying but typically 50–100 m (along strike), 75 m (dip) and 100 m (across strike). A minimum of 5 and maximum of 15 top cut and composited samples</p> |

| Criteria                                    | JORC Code explanation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Commentary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|---------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <p>were used for the first pass interpolation, from a minimum of 2 drillholes. An additional three interpolation passes were utilised if the block could not be interpolated in the first pass, with sample search ellipse radii increasing by factors of 1.5 and 2.0 times the first pass search ellipse radii. Octant searching was not used.</p> <p>No known deleterious elements were interpolated.</p> <p>The estimated block grades were validated by several methods, including visual inspection of block versus sample grades on cross section; comparison of mean block and sample grades per domain; and swath plots. The validation process showed that the grade interpolation had worked as intended, with no significant discrepancies between block and sample grades noted.</p>                                                                                                                              |
| <b>Moisture</b>                             | <i>Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.</i>                                                                                                                                                                                                                                                                                                                                                                                                               | The Mineral Resource was estimated on a dry basis.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Cut-off parameters</b>                   | <i>The basis of the adopted cut-off grade(s) or quality parameters applied.</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | The Mineral Resource is reported above a cutoff grade of 100 ppm U <sub>3</sub> O <sub>8</sub> , as was used for the maiden Mineral Resource completed in 2009. The Competent Person considers this to be a reasonable cut-off grade, with 85% of samples within the mineralisation domain having >100 ppm U <sub>3</sub> O <sub>8</sub> . Future mining studies will provide guidance for reporting of Mineral Resource estimates.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Mining factors or assumptions</b>        | <i>Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.</i> | No mining studies have been carried out on the project to date, but conventional open cut mining methods would be used to develop the project.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Metallurgical factors or assumptions</b> | <i>The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.</i>                             | <p>Three mineralogical studies of the mineralisation were completed in 2012.</p> <p>From one high-grade sample from the primary zone, uranium was associated with REE, niobium, tantalum and yttrium, especially with tantalum. Uranium also to some extent occurs as crandallite.</p> <p>A sample from a road cutting near hole FRW108 was dominated by quartz and kaolinite with minor crandallite and hematite; uranium and REEs were found to be related to uranium-bearing pyrochlore betafite (Ca,U)<sub>2</sub>(Ti,Nb,Ta)<sub>2</sub>O<sub>6</sub>(OH).</p> <p>Metallurgical testwork was undertaken at Mineral Engineering Technical Services Pty Ltd (METS) in Perth in 2010:</p> <ul style="list-style-type: none"> <li>Pug roast leach testing with sulphuric acid was added at the rate of 500 kg/t then baked at 250°C for 1 hour. A total of ~55% of the uranium and 49% of the iron were recovered.</li> </ul> |

| Criteria                                    | JORC Code explanation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Commentary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|---------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <ul style="list-style-type: none"> <li>Direct acid leach tests: 30% solids treated with a 6 M (i.e., concentrated) solution of sulphuric acid at 90°C for 24 hours with solid and residue samples taken at several intervals for assaying. Maximum uranium extraction of 67.2% was achieved after 8 hours.</li> </ul> <p>Acid consumption was higher than optimal due to a high percentage of iron oxides and hydroxides. It was concluded that in order to lower the acid consumption more iron oxides would need to be rejected prior to the leach step (e.g. by gravity separation). These results apply to uranium only and are preliminary in nature. Further testwork and a better understanding of mineralisation composition and variability are required.</p>                                                                                                                                                                                                                                                      |
| <b>Environmental factors or assumptions</b> | <p><i>Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.</i></p> | <p>No environmental assumptions are available at this stage of the project's history.</p> <p>DMC is committed to embedding environmental, social and governance (ESG) principles into its long-term company strategy and recognises the importance of ESG and sustainable development to all stakeholders from governments, investors, landowners, and local communities. DMC further recognises that good ESG principles, performance and public standing reduces business risk and potentially provides greater sustainable and financial benefits to its shareholders. Accordingly, the Company is committed to prioritising ESG at the highest levels of the organisation.</p>                                                                                                                                                                                                                                                                                                                                          |
| <b>Bulk density</b>                         | <p><i>Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.</i></p> <p><i>The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc.), moisture and differences between rock and alteration zones within the deposit.</i></p> <p><i>Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.</i></p>                                                                                          | <p>Sourcing samples for density measurement at the project, especially within the lateritic profile has been difficult due to the friable nature of the material. 102 density measurements were taken, with 97 from pycnometer and 5 from diamond core samples using Archimedes principle to take measurements.</p> <p>The previous project management only relied upon the five Archimedes measurements to support the Mineral Resource, with core billets dried, weighed and density measured at ALS Chemex laboratory. Density values ranged between 1.61 t/m<sup>3</sup> and 2.86 t/m<sup>3</sup>.</p> <p>It was proposed at the time of the preparation of the original Mineral Resource in to use 3.00 t/m<sup>3</sup> for use in the MRE, to account for the increased iron content in the mineralised portions of core. The Competent Person is satisfied with this density value, but recommends consideration being given to either/or bulk samples, and downhole geophysical logging for to measure density.</p> |
| <b>Classification</b>                       | <p><i>The basis for the classification of the Mineral Resources into varying confidence categories.</i></p> <p><i>Whether appropriate account has been taken of all relevant factors (relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).</i></p> <p><i>Whether the result appropriately reflects the Competent Person's view of the deposit.</i></p>                                                                                                                                                                                                      | <p>Based on the current data spacing and quality of input data, including QAQC, drill spacing, number of holes and metallurgical testwork completed to date, the resource is classified as an Inferred Mineral Resource.</p> <p>Consideration was given to all input data when classifying the Mineral Resource.</p> <p>The classification reflects the Competent Person's view of the deposit.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |



| Criteria                                           | JORC Code explanation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Commentary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|----------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Audits or reviews</b>                           | <i>The results of any audits or reviews of Mineral Resource estimates.</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | No audits have been carried out to date on the MRE, apart from peer reviews within ERM during preparation of the Mineral Resource.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Discussion of relative accuracy/ confidence</b> | <p><i>Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.</i></p> <p><i>The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.</i></p> <p><i>These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.</i></p> | <p>The Mineral Resource is a local estimate, whereby the drillhole data was geologically domained, resulting in fewer drillhole samples to interpolate the block model than the complete drillhole dataset, which would comprise a global estimate.</p> <p>Relevant tonnages and grade above a nominated cut-off grade for U<sub>3</sub>O<sub>8</sub> as provided in the body of this report. Tonnages were calculated by filtering all blocks above the cut-off grade and sub-setting the resultant data into bins by mineralisation domain. The volumes of all the collated blocks were multiplied by the dry density value to derive the tonnages and pounds of uranium metal.</p> <p>No production data is available to reconcile results with.</p> |

## APPENDIX C DRILLHOLE COLLAR DATA

Coordinate Projection WGS84, Zone 29N

| Hole   | Easting | Northing | RL  | Type | Year | Azimuth | Dip | Depth (m) | U assays | REE assays |
|--------|---------|----------|-----|------|------|---------|-----|-----------|----------|------------|
| FRW001 | 413210  | 1018149  | 565 | RC   | 2007 | 180     | -60 | 81        | Yes      | Yes        |
| FRW002 | 413260  | 1018106  | 571 | RC   | 2007 | 180     | -60 | 50        | Yes      | Yes        |
| FRW003 | 413254  | 1018133  | 565 | RC   | 2007 | 180     | -60 | 85        | Yes      | Yes        |
| FRW004 | 413205  | 1018126  | 568 | RC   | 2007 | 180     | -60 | 50        | Yes      | Yes        |
| FRW008 | 413059  | 1018147  | 560 | RC   | 2007 | 180     | -60 | 94        | Yes      | Yes        |
| FRW009 | 413048  | 1018093  | 569 | RC   | 2007 | 180     | -60 | 50        | Yes      | Yes        |
| FRW011 | 412946  | 1018151  | 552 | RC   | 2007 | 180     | -60 | 92        | Yes      | Yes        |
| FRW012 | 412898  | 1018097  | 559 | RC   | 2007 | 180     | -60 | 50        | Yes      | Yes        |
| FRW013 | 412852  | 1018099  | 558 | RC   | 2007 | 180     | -60 | 50        | Yes      | Yes        |
| FRW014 | 412497  | 1018003  | 548 | RC   | 2007 | 180     | -60 | 60        | Yes      | Yes        |
| FRW015 | 412451  | 1017993  | 547 | RC   | 2007 | 180     | -60 | 50        | Yes      | Yes        |
| FRW016 | 412454  | 1018037  | 547 | RC   | 2007 | 180     | -60 | 80        | Yes      | Yes        |
| FRW017 | 412149  | 1018026  | 540 | RC   | 2007 | 180     | -60 | 49        | Yes      | Yes        |
| FRW018 | 412402  | 1018052  | 549 | RC   | 2007 | 180     | -60 | 80        | Yes      | Yes        |
| FRW019 | 412401  | 1018003  | 546 | RC   | 2007 | 180     | -60 | 80        | Yes      | Yes        |
| FRW022 | 412050  | 1018053  | 576 | RC   | 2007 | 180     | -60 | 80        | Yes      | Yes        |
| FRW023 | 411201  | 1017897  | 579 | RC   | 2007 | 180     | -60 | 40        | Yes      | Yes-NSI    |
| FRW024 | 411149  | 1017928  | 574 | RC   | 2007 | 180     | -60 | 48        | Yes      | Yes-NSI    |
| FRW025 | 411098  | 1017924  | 564 | RC   | 2007 | 180     | -60 | 50        | Yes      | Yes-NSI    |
| FRW026 | 411052  | 1017933  | 557 | RC   | 2007 | 180     | -60 | 50        | Yes      | Yes        |
| FRW027 | 411002  | 1017953  | 544 | RC   | 2007 | 180     | -60 | 50        | Yes      | Yes        |
| FRW028 | 411005  | 1017980  | 539 | RC   | 2007 | 180     | -60 | 45        | Yes      | Yes-NSI    |
| FRW029 | 410946  | 1017950  | 539 | RC   | 2007 | 180     | -60 | 50        | Yes      | Yes        |
| FRW030 | 412949  | 1018101  | 561 | RC   | 2007 | 180     | -60 | 40        | Yes      | Yes        |
| FRW031 | 413002  | 1018086  | 565 | RC   | 2007 | 180     | -60 | 60        | Yes      | Yes        |
| FRW032 | 413001  | 1018138  | 554 | RC   | 2007 | 180     | -60 | 80        | Yes      | Yes        |
| FRW033 | 411269  | 1017925  | 583 | RC   | 2007 | 180     | -60 | 50        | Yes      | Yes-NSI    |
| FRW034 | 411267  | 1017936  | 582 | RC   | 2007 | 180     | -80 | 80        | Yes      | Yes        |
| FRW035 | 413044  | 1018076  | 566 | RC   | 2007 | 180     | -80 | 85        | Yes      | Yes        |
| FRW101 | 413300  | 1018100  | 585 | DD   | 2009 | 180     | -50 | 100       | Yes      | Yes        |
| FRW102 | 413300  | 1018125  | 582 | DD   | 2009 | 180     | -50 | 101       | Yes      | Yes        |
| FRW103 | 413150  | 1018076  | 580 | DD   | 2009 | 180     | -50 | 100       | Yes      | Yes        |
| FRW104 | 413150  | 1018100  | 586 | DD   | 2009 | 180     | -50 | 82        | Yes      | Yes        |
| FRW105 | 413150  | 1018125  | 589 | DD   | 2009 | 180     | -50 | 97        | Yes      | Yes        |
| FRW106 | 413100  | 1018075  | 577 | DD   | 2009 | 180     | -50 | 101       | Yes      | Yes        |
| FRW107 | 413100  | 1018100  | 579 | DD   | 2009 | 180     | -50 | 100       | Yes      | Yes        |
| FRW108 | 413100  | 1018130  | 581 | DD   | 2009 | 180     | -50 | 93        | Yes      | Yes        |
| FRW109 | 412900  | 1018075  | 565 | DD   | 2009 | 180     | -50 | 101       | Yes      | Yes-NSI    |
| FRW110 | 412900  | 1018125  | 553 | DD   | 2009 | 180     | -50 | 100       | Yes      | Yes        |
| FRW111 | 412850  | 1018126  | 552 | DD   | 2009 | 180     | -50 | 103       | Yes      | Yes        |
| FRW112 | 412800  | 1018100  | 556 | DD   | 2009 | 180     | -50 | 100       | Yes      | Yes        |
| FRW113 | 412700  | 1018100  | 585 | DD   | 2009 | 180     | -50 | 101       | Yes      | Yes-NSI    |

| Hole   | Easting | Northing | RL  | Type | Year | Azimuth | Dip | Depth (m) | U assays | REE assays |
|--------|---------|----------|-----|------|------|---------|-----|-----------|----------|------------|
| FRW114 | 412600  | 1018000  | 569 | DD   | 2009 | 180     | -50 | 101       | Yes      | Yes        |
| FRW115 | 412600  | 1018050  | 570 | DD   | 2009 | 180     | -50 | 101       | Yes      | Yes        |
| FRW116 | 412550  | 1018000  | 552 | DD   | 2009 | 180     | -50 | 101       | Yes      | Yes        |
| FRW117 | 412550  | 1018025  | 559 | DD   | 2009 | 180     | -50 | 100       | Yes      | Yes        |
| FRW118 | 412500  | 1018025  | 554 | DD   | 2009 | 180     | -50 | 101       | Yes      | Yes-NSI    |
| FRW119 | 412150  | 1018000  | 543 | DD   | 2009 | 180     | -50 | 100       | Yes      | Yes        |
| FRW120 | 412150  | 1018030  | 539 | DD   | 2009 | 180     | -50 | 100       | Yes      | Yes        |
| FRW121 | 412100  | 1018025  | 559 | DD   | 2009 | 180     | -50 | 101       | Yes      | Yes        |
| FRW122 | 412100  | 1018050  | 560 | DD   | 2009 | 180     | -50 | 100       | Yes      | Yes        |
| FRW123 | 412050  | 1018025  | 572 | DD   | 2009 | 180     | -50 | 104       | Yes      | Yes        |
| FRW124 | 412000  | 1018050  | 587 | DD   | 2009 | 180     | -50 | 107       | Yes      | Yes        |
| FRW125 | 411900  | 1018000  | 594 | DD   | 2009 | 180     | -50 | 106       | Yes      | Yes        |
| FRW126 | 411850  | 1018000  | 593 | DD   | 2009 | 180     | -50 | 101       | Yes      | Yes        |
| FRW127 | 411800  | 1018000  | 595 | DD   | 2009 | 180     | -50 | 100       | Yes      | Yes        |
| FRW128 | 411750  | 1017950  | 597 | DD   | 2009 | 180     | -50 | 100       | Yes      | Yes        |
| FRW129 | 411700  | 1017950  | 593 | DD   | 2009 | 180     | -50 | 100       | Yes      | Yes        |
| FRW130 | 411650  | 1017900  | 593 | DD   | 2009 | 180     | -50 | 101       | Yes      | Yes        |
| FRW131 | 411600  | 1017925  | 589 | DD   | 2009 | 180     | -50 | 101       | Yes      | Yes        |
| FRW132 | 411500  | 1017925  | 583 | DD   | 2009 | 180     | -50 | 154       | Yes      | Yes        |
| FRW133 | 411400  | 1017925  | 584 | DD   | 2009 | 180     | -50 | 101       | Yes      | Yes        |
| FRW134 | 411400  | 1017925  | 571 | DD   | 2009 | 180     | -50 | 114       | Yes      | Yes        |
| FRW135 | 411350  | 1017925  | 585 | DD   | 2009 | 180     | -50 | 81        | Yes      | Yes        |
| FRW136 | 411350  | 1017930  | 580 | DD   | 2009 | 180     | -50 | 101       | Yes      | Yes        |
| FRW137 | 411300  | 1017925  | 584 | DD   | 2009 | 180     | -50 | 80        | Yes      | Yes        |
| FRW138 | 411300  | 1017950  | 582 | DD   | 2009 | 180     | -50 | 92        | Yes      | Yes        |
| FRW139 | 411250  | 1017900  | 583 | DD   | 2009 | 180     | -50 | 101       | Yes      | Yes        |
| FRW140 | 411250  | 1017950  | 580 | DD   | 2009 | 180     | -50 | 86        | Yes      | Yes        |
| FRW141 | 411200  | 1017925  | 579 | DD   | 2009 | 180     | -50 | 92        | Yes      | Yes        |
| FRW142 | 411150  | 1017950  | 573 | DD   | 2009 | 180     | -50 | 100       | Yes      | Yes        |
| FRW143 | 411100  | 1017950  | 560 | DD   | 2009 | 180     | -50 | 92        | Yes      | Yes        |
| FRW144 | 411050  | 1017940  | 555 | DD   | 2009 | 180     | -50 | 82        | Yes      | Yes        |
| FRW145 | 413300  | 1018125  | 581 | DD   | 2009 | 180     | -85 | 105       | Yes      | Yes-NSI    |
| FRW146 | 413150  | 1018130  | 590 | DD   | 2009 | 180     | -75 | 130       | Yes      | Yes        |
| FRW147 | 413100  | 1018130  | 581 | DD   | 2009 | 180     | -70 | 131       | Yes      | Yes        |
| FRW148 | 412850  | 1018070  | 562 | DD   | 2009 | 180     | -60 | 101       | Yes      | Yes        |
| FRW149 | 412800  | 1018110  | 556 | DD   | 2009 | 180     | -75 | 130       | Yes      | Yes        |
| FRW150 | 412100  | 1018050  | 560 | DD   | 2009 | 180     | -85 | 131       | Yes      | Yes        |
| FRW151 | 412050  | 1018040  | 572 | DD   | 2009 | 180     | -75 | 113       | Yes      | Yes        |
| FRW152 | 412000  | 1018050  | 587 | DD   | 2009 | 180     | -85 | 122       | Yes      | Yes        |
| FRW153 | 411750  | 1017990  | 593 | DD   | 2009 | 180     | -65 | 132       | Yes      | Yes-NSI    |
| FRW154 | 411450  | 1017916  | 583 | DD   | 2009 | 180     | -50 | 132       | Yes      | Yes        |
| FRW155 | 411500  | 1017910  | 586 | DD   | 2009 | 180     | -65 | 135       | Yes      | Yes        |
| FRW156 | 411550  | 1017940  | 583 | DD   | 2009 | 180     | -65 | 125       | Yes      | Yes        |
| FRW200 | 411450  | 1017880  | 585 | RC   | 2012 | 180     | -50 | 89        | Yes      | Yes        |
| FRW201 | 411550  | 1017910  | 588 | RC   | 2012 | 180     | -50 | 81        | Yes      | Yes        |
| FRW202 | 411600  | 1017950  | 586 | RC   | 2012 | 180     | -50 | 92        | Yes      | Yes        |

| Hole   | Easting | Northing | RL  | Type | Year | Azimuth | Dip | Depth (m) | U assays | REE assays |
|--------|---------|----------|-----|------|------|---------|-----|-----------|----------|------------|
| FRW203 | 411700  | 1017975  | 591 | RC   | 2012 | 180     | -50 | 63        | Yes      | Yes        |
| FRW204 | 411800  | 1018025  | 590 | RC   | 2012 | 180     | -50 | 57        | Yes      | Yes        |
| FRW205 | 411900  | 1018025  | 592 | RC   | 2012 | 180     | -50 | 127       | Yes      | Yes        |
| FRW206 | 412315  | 1018025  | 537 | RC   | 2112 | 180     | -50 | -         | Yes-NSI  | Yes        |
| FRW207 | 412310  | 1018000  | 537 | RC   | 2012 | 180     | -50 | 60        | Yes      | Yes-NSI    |
| FRW208 | 412310  | 1018050  | 536 | RC   | 2112 | 180     | -50 | -         | Yes-NSI  | Yes-NSI    |
| FRW209 | 412200  | 1018060  | 540 | RC   | 2012 | 180     | -50 | 59        | Yes      | Yes        |
| FRW210 | 413300  | 1017950  | 568 | RC   | 2012 | 180     | -50 | -         | Yes-NSI  | No         |
| FRW211 | 413300  | 1017975  | 571 | RC   | 2012 | 180     | -50 | -         | Yes-NSI  | No         |
| FRW212 | 413300  | 1018025  | 570 | RC   | 2012 | 180     | -50 | -         | Yes-NSI  | No         |
| FRW213 | 413700  | 1018150  | 577 | RC   | 2012 | 180     | -50 | 13        | Yes      | Yes        |
| FRW214 | 412200  | 1018070  | 540 | RC   | 2012 | 180     | -50 | -         | Yes-NSI  | Yes-NSI    |
| FRW215 | 412315  | 1018010  | 537 | RC   | 2012 | 180     | -50 | -         | Yes-NSI  | No         |
| FRW216 | 411600  | 1017955  | 586 | RC   | 2012 | 180     | -80 | 83        | Yes      | Yes        |
| FRW217 | 411550  | 1017930  | 586 | RC   | 2012 | 180     | -50 | 46        | Yes      | No         |
| FRW218 | 413900  | 1018225  | 581 | RC   | 2012 | 180     | -50 | NA        | Yes-NSI  | No         |
| FRW219 | 414100  | 1018259  | 557 | RC   | 2012 | 180     | -50 | NA        | Yes-NSI  | No         |
| FRW220 | 414300  | 1018225  | 554 | RC   | 2012 | 180     | -50 | NA        | Yes-NSI  | No         |
| FRW221 | 414300  | 1018250  | 555 | RC   | 2012 | 180     | -50 | NA        | Yes-NSI  | No         |
| FRW222 | 414500  | 1018250  | 573 | RC   | 2012 | 180     | -50 | NA        | Yes-NSI  | No         |
| FRW223 | 414400  | 1018225  | 564 | RC   | 2012 | 180     | -50 | NA        | Yes-NSI  | No         |
| FRW224 | 414000  | 1018200  | 566 | RC   | 2012 | 180     | -50 | NA        | Yes-NSI  | No         |
| FRW225 | 414500  | 1018275  | 569 | RC   | 2012 | 180     | -50 | NA        | Yes-NSI  | No         |
| FRW226 | 414800  | 1018225  | 595 | RC   | 2012 | 180     | -50 | NA        | Yes-NSI  | No         |
| FRW227 | 414900  | 1018275  | 580 | RC   | 2012 | 180     | -50 | NA        | Yes-NSI  | No         |
| FRW228 | 415000  | 1018300  | 568 | RC   | 2012 | 180     | -50 | NA        | Yes-NSI  | No         |
| FRW229 | 414200  | 1018225  | 563 | RC   | 2012 | 180     | -50 | NA        | Yes-NSI  | No         |
| FRW230 | 413800  | 1018184  | 586 | RC   | 2012 | 180     | -50 | NA        | Yes-NSI  | No         |
| FRW231 | 413800  | 1018207  | 584 | RC   | 2012 | 180     | -50 | NA        | Yes-NSI  | No         |
| FRW232 | 410700  | 1017975  | 535 | RC   | 2012 | 180     | -50 | 50        | Yes      | No         |
| FRW233 | 410700  | 1017950  | 534 | RC   | 2012 | 180     | -50 | 21        | Yes      | No         |
| FRW234 | 410600  | 1017975  | 538 | RC   | 2012 | 180     | -50 | 39        | Yes      | No         |
| FRW235 | 410600  | 1018100  | 557 | RC   | 2012 | 180     | -50 | ?         | Yes-NSI  | No         |
| FRW236 | 410600  | 1017975  | 560 | RC   | 2012 | 180     | -50 | 43        | Yes      | No         |
| FRW237 | 410400  | 1018003  | 547 | RC   | 2012 | 180     | -50 | 26        | Yes      | No         |
| FRW238 | 410800  | 1017975  | 531 | RC   | 2012 | 180     | -50 | 31        | Yes      | No         |
| FRW239 | 410800  | 1018025  | 532 | RC   | 2012 | 180     | -50 | 100       | Yes-NSI  | No         |
| FRW240 | 410800  | 1018150  | 535 | RC   | 2012 | 180     | -50 | 60        | Yes-NSI  | No         |
| FRW241 | 410800  | 1018175  | 538 | RC   | 2012 | 180     | -50 | 60        | Yes-NSI  | No         |
| FRW242 | 410800  | 1018200  | 541 | RC   | 2012 | 180     | -50 | 70        | Yes-NSI  | No         |
| FRW243 | 410700  | 1018100  | 540 | RC   | 2012 | 180     | -50 | 70        | Yes-NSI  | No         |
| FRW244 | 410700  | 1018125  | 541 | RC   | 2012 | 180     | -50 | 40        | Yes-NSI  | No         |
| FRW245 | 410700  | 1018150  | 542 | RC   | 2012 | 180     | -50 | 30        | Yes-NSI  | No         |
| FRW246 | 410200  | 1018200  | 550 | RC   | 2012 | 180     | -50 | 60        | Yes-NSI  | No         |
| FRW247 | 410200  | 1018225  | 555 | RC   | 2012 | 180     | -50 | 70        | Yes-NSI  | No         |
| FRW248 | 410200  | 1018275  | 567 | RC   | 2012 | 180     | -50 | 60        | Yes-NSI  | No         |

| Hole   | Easting | Northing | RL  | Type | Year | Azimuth | Dip | Depth (m) | U assays | REE assays |
|--------|---------|----------|-----|------|------|---------|-----|-----------|----------|------------|
| FRW249 | 410200  | 1018300  | 570 | RC   | 2012 | 180     | -50 | 80        | Yes-NSI  | No         |
| FRW250 | 410200  | 1018325  | 578 | RC   | 2012 | 180     | -50 | 80        | Yes-NSI  | No         |
| FRW251 | 410400  | 1018175  | 580 | RC   | 2012 | 180     | -50 | 120       | Yes-NSI  | No         |
| FRW252 | 410200  | 1018025  | 539 | RC   | 2012 | 180     | -50 | 80        | Yes-NSI  | No         |
| FRW253 | 410100  | 1018300  | 560 | RC   | 2012 | 180     | -50 | 60        | Yes-NSI  | No         |
| FRW254 | 410100  | 1018325  | 562 | RC   | 2012 | 180     | -50 | 60        | Yes-NSI  | No         |
| FRW255 | 410100  | 1018350  | 567 | RC   | 2012 | 180     | -50 | 80        | Yes-NSI  | No         |
| FRW256 | 410000  | 1018050  | 535 | RC   | 2012 | 180     | -50 | 80        | Yes-NSI  | No         |
| FRW257 | 414100  | 1018200  | 559 | RC   | 2012 | 180     | -50 | 60        | Yes-NSI  | No         |
| FRW258 | 414200  | 1018245  | 565 | RC   | 2012 | 180     | -50 | 100       | Yes-NSI  | No         |
| FRW259 | 414500  | 1018210  | 581 | RC   | 2012 | 180     | -50 | 40        | Yes-NSI  | No         |
| FRW260 | 414400  | 1018230  | 564 | RC   | 2012 | 180     | -50 | 70        | Yes-NSI  | No         |
| FRW261 | 414800  | 1018330  | 575 | RC   | 2012 | 180     | -50 | 60        | Yes-NSI  | No         |
| FRW262 | 414700  | 1018330  | 577 | RC   | 2012 | 180     | -50 | 60        | Yes-NSI  | No         |

Notes: NSI – non-significant intersection.



## APPENDIX D DRILLHOLE ASSAY DATA

### Firawa Project –Significant REE intercepts

| Hole ID | From (m) | To (m) | Interval (m) | TREO (ppm) | Hole ID | From (m) | To (m) | Interval (m) | TREO (ppm) |
|---------|----------|--------|--------------|------------|---------|----------|--------|--------------|------------|
| FRW001  | 39       | 44     | 5            | 5767       | FRW133  | 61.5     | 70.5   | 9            | 6246       |
| FRW008  | 85       | 89     | 4            | 8302       | FRW133  | 92.5     | 96.5   | 4            | 5918       |
| FRW009  | 41       | 45     | 4            | 7925       | FRW134  | 49.8     | 55.8   | 6            | 5361       |
| FRW011  | 70       | 78     | 8            | 9413       | FRW134  | 87       | 98.8   | 11.8         | 7576       |
| FRW012  | 44       | 50     | 6            | 28338      | FRW134  | 100.8    | 104.8  | 4            | 6126       |
| FRW013  | 46       | 50     | 4            | 28285      | FRW136  | 33.5     | 38     | 4.5          | 6643       |
| FRW014  | 42       | 46     | 4            | 15100      | FRW136  | 52       | 56     | 4            | 7166       |
| FRW015  | 19       | 22     | 3            | 33269      | FRW136  | 73       | 75.5   | 2.5          | 11582      |
| FRW015  | 32       | 37     | 5            | 13748      | FRW136  | 81.5     | 85.5   | 4            | 6798       |
| FRW017  | 30       | 39     | 9            | 14391      | FRW137  | 10.8     | 19.8   | 9            | 7226       |
| FRW017  | 46       | 49     | 3            | 16607      | FRW137  | 31.8     | 38.8   | 7            | 9844       |
| FRW018  | 20       | 23     | 3            | 10738      | FRW137  | 43.8     | 55.8   | 12           | 8716       |
| FRW018  | 54       | 58     | 4            | 9558       | FRW138  | 47       | 50.5   | 3.5          | 12862      |
| FRW019  | 29       | 41     | 12           | 7879       | FRW139  | 4.5      | 7.5    | 3            | 9399       |
| FRW022  | 2        | 5      | 3            | 7350       | FRW139  | 22.5     | 25.5   | 3            | 7332       |
| FRW022  | 28       | 30     | 2            | 12175      | FRW139  | 19.5     | 22.5   | 3            | 7014       |
| FRW022  | 46       | 79     | 33           | 12861      | FRW139  | 38       | 42     | 4            | 11463      |
| FRW026  | 16       | 18     | 2            | 10898      | FRW139  | 57       | 60     | 3            | 7717       |
| FRW027  | 28       | 36     | 8            | 7710       | FRW140  | 34.5     | 51.1   | 16.6         | 11689      |
| FRW029  | 8        | 21     | 13           | 7680       | FRW140  | 53.2     | 56.2   | 3            | 8108       |
| FRW030  | 35       | 40     | 5            | 6384       | FRW140  | 61       | 65.5   | 4.5          | 8770       |
| FRW031  | 4        | 10     | 6            | 11336      | FRW141  | 19.6     | 21.6   | 2            | 10827      |
| FRW032  | 43       | 47     | 4            | 6571       | FRW141  | 23.6     | 30.1   | 6.5          | 20266      |
| FRW034  | 35       | 46     | 11           | 7661       | FRW141  | 51.6     | 56.1   | 4.5          | 8707       |
| FRW034  | 57       | 63     | 6            | 8071       | FRW141  | 67.6     | 72.1   | 4.5          | 5179       |
| FRW035  | 5        | 36     | 31           | 12658      | FRW142  | 34.4     | 40.4   | 6            | 5468       |
| FRW104  | 30       | 43     | 13           | 12519      | FRW142  | 68.9     | 73     | 4.1          | 76000      |
| FRW104  | 47       | 53.1   | 6.1          | 6750       | FRW143  | 21       | 25     | 4            | 9530       |
| FRW105  | 27       | 30.5   | 3.5          | 5982       | FRW143  | 43.5     | 50     | 6.5          | 5334       |
| FRW105  | 55.1     | 71.6   | 16.5         | 14097      | FRW143  | 52       | 60     | 8            | 7393       |
| FRW106  | 15.5     | 20     | 4.5          | 6085       | FRW144  | 11       | 14     | 3            | 9518       |
| FRW106  | 43       | 58     | 15           | 10507      | FRW144  | 16       | 22     | 6            | 6535       |
| FRW107  | 21       | 36.5   | 15.5         | 9969       | FRW144  | 34       | 40     | 6            | 5930       |
| FRW107  | 38       | 44     | 6            | 7792       | FRW144  | 42.5     | 45.5   | 3            | 6771       |
| FRW107  | 72.5     | 76     | 3.5          | 6424       | FRW146  | 0        | 8      | 8            | 7986       |
| FRW108  | 29.7     | 35.7   | 6            | 6907       | FRW146  | 59       | 64     | 5            | 8098       |
| FRW108  | 58.2     | 68.3   | 10.1         | 15202      | FRW146  | 66.4     | 77.5   | 11.1         | 7715       |
| FRW110  | 34.7     | 39.5   | 4.8          | 5784       | FRW146  | 87       | 94.5   | 7.5          | 6714       |
| FRW110  | 43.5     | 47.5   | 4            | 6635       | FRW147  | 49.5     | 52.5   | 3            | 10871      |
| FRW110  | 56       | 58.5   | 2.5          | 9100       | FRW147  | 58.5     | 61.8   | 3.3          | 6815       |
| FRW111  | 31.5     | 43.5   | 12           | 6777       | FRW147  | 66.7     | 69.5   | 2.8          | 10169      |

| Hole ID | From (m) | To (m) | Interval (m) | TREO (ppm) | Hole ID | From (m) | To (m) | Interval (m) | TREO (ppm) |
|---------|----------|--------|--------------|------------|---------|----------|--------|--------------|------------|
| FRW111  | 79.5     | 88.5   | 9            | 14532      | FRW147  | 79       | 82     | 3            | 17026      |
| FRW111  | 96.5     | 100.5  | 4            | 9572       | FRW147  | 85.5     | 91.5   | 6            | 14114      |
| FRW112  | 55.2     | 63.5   | 8.3          | 6591       | FRW148  | 32       | 41     | 9            | 5626       |
| FRW112  | 75.5     | 79     | 3.5          | 6222       | FRW149  | 86.2     | 95.2   | 9            | 5511       |
| FRW112  | 90.5     | 95.5   | 5            | 6920       | FRW150  | 97.8     | 100.8  | 3            | 7164       |
| FRW114  | 53.5     | 58.5   | 5            | 7995       | FRW150  | 123.8    | 130.8  | 7            | 7115       |
| FRW115  | 17       | 23     | 6            | 5927       | FRW151  | 8.6      | 10.6   | 2            | 11028      |
| FRW119  | 0        | 13.7   | 13.7         | 15397      | FRW151  | 16.6     | 22.6   | 6            | 8189       |
| FRW119  | 25.3     | 27.3   | 2            | 11136      | FRW151  | 40.6     | 108.6  | 68           | 15760      |
| FRW120  | 4.7      | 11.7   | 7            | 8171       | FRW152  | 39.8     | 58.3   | 18.5         | 14163      |
| FRW120  | 18.4     | 39.2   | 20.8         | 27855      | FRW152  | 70       | 95     | 25           | 14623      |
| FRW120  | 46.2     | 50     | 3.8          | 22701      | FRW154  | 9        | 36     | 27           | 9478       |
| FRW121  | 7        | 52.2   | 45.2         | 32425      | FRW154  | 49.5     | 54.6   | 5.1          | 10560      |
| FRW122  | 13       | 24.5   | 11.5         | 10042      | FRW154  | 58.5     | 61.5   | 3            | 12132      |
| FRW122  | 28.3     | 33.5   | 5.2          | 14757      | FRW154  | 64.5     | 66     | 1.5          | 15701      |
| FRW122  | 34.7     | 39.8   | 5.1          | 17883      | FRW154  | 79.5     | 91.5   | 12           | 7537       |
| FRW122  | 41.1     | 73     | 31.9         | 17988      | FRW154  | 93       | 102    | 9            | 7540       |
| FRW122  | 76.7     | 90.5   | 13.8         | 7325       | FRW154  | 104      | 118    | 14           | 7135       |
| FRW122  | 94       | 97     | 3            | 7844       | FRW155  | 22.8     | 26.3   | 3.5          | 18065      |
| FRW123  | 1        | 4      | 3            | 7051       | FRW155  | 28.8     | 39.3   | 10.5         | 15491      |
| FRW123  | 11.5     | 16     | 4.5          | 10396      | FRW155  | 45.3     | 51.3   | 6            | 6329       |
| FRW123  | 17.5     | 22     | 4.5          | 14043      | FRW155  | 60.3     | 67.6   | 7.3          | 8895       |
| FRW123  | 23.5     | 28     | 4.5          | 7705       | FRW155  | 102      | 108.3  | 6.3          | 5798       |
| FRW123  | 29.5     | 40     | 10.5         | 8109       | FRW155  | 118.3    | 121.8  | 3.5          | 6746       |
| FRW123  | 46       | 50.5   | 4.5          | 5402       | FRW155  | 124.2    | 130.3  | 6.1          | 6341       |
| FRW123  | 52       | 55     | 3            | 6988       | FRW156  | 43       | 50     | 7            | 10320      |
| FRW123  | 64       | 68.5   | 4.5          | 7084       | FRW156  | 88       | 94     | 6            | 11658      |
| FRW124  | 19.5     | 40.5   | 21           | 10195      | FRW156  | 101      | 103.9  | 2.9          | 7697       |
| FRW124  | 43.5     | 46.5   | 3            | 10815      | FRW200  | 10       | 25     | 15           | 8158       |
| FRW124  | 67.5     | 73.5   | 6            | 10144      | FRW200  | 38       | 60     | 22           | 10986      |
| FRW124  | 49.5     | 58.5   | 9            | 6392       | FRW200  | 70       | 73     | 3            | 8308       |
| FRW125  | 39       | 41     | 2            | 11782      | FRW200  | 75       | 81     | 6            | 10094      |
| FRW127  | 17       | 22     | 5            | 6850       | FRW201  | 10       | 27     | 17           | 12541      |
| FRW128  | 7.4      | 10.4   | 3            | 8984       | FRW201  | 29       | 34     | 5            | 6265       |
| FRW128  | 16.4     | 18.4   | 2            | 22775      | FRW202  | 6        | 14     | 8            | 7574       |
| FRW129  | 0        | 2.8    | 2.8          | 7625       | FRW202  | 26       | 33     | 7            | 12637      |
| FRW129  | 7.3      | 11.5   | 4.2          | 6482       | FRW202  | 70       | 75     | 5            | 8108       |
| FRW129  | 16.3     | 28.5   | 12.2         | 16192      | FRW202  | 88       | 92     | 4            | 7403       |
| FRW130  | 12.5     | 16.5   | 4            | 5674       | FRW203  | 26       | 34     | 8            | 9081       |
| FRW131  | 43.5     | 50.7   | 7.2          | 15575      | FRW204  | 48       | 54     | 6            | 6907       |
| FRW131  | 58       | 64.5   | 6.5          | 7731       | FRW205  | 1        | 14     | 13           | 5706       |
| FRW132  | 13.4     | 16.4   | 3            | 7332       | FRW205  | 121      | 125    | 4            | 7836       |
| FRW132  | 40.4     | 50.9   | 10.5         | 14874      | FRW207  | 56       | 61     | 5            | 10341      |
| FRW132  | 54.9     | 61.4   | 6.5          | 9110       | FRW208  | 37       | 41     | 4            | 5601       |
| FRW132  | 119.9    | 122.9  | 3            | 8392       | FRW209  | 54       | 63     | 9            | 8991       |

| Hole ID | From (m) | To (m) | Interval (m) | TREO (ppm) | Hole ID | From (m) | To (m) | Interval (m) | TREO (ppm) |
|---------|----------|--------|--------------|------------|---------|----------|--------|--------------|------------|
| FRW132  | 124.4    | 127.4  | 3            | 16474      | FRW209  | 72       | 77     | 5            | 6256       |
| FRW132  | 130.4    | 134.9  | 4.5          | 10322      | FRW213  | 5        | 14     | 9            | 5513       |
| FRW132  | 136.4    | 139.9  | 3.5          | 7277       | FRW216  | 44       | 48     | 4            | 5422       |
| FRW133  | 10.5     | 19.5   | 9            | 6684       | FRW216  | 68       | 76     | 8            | 8894       |
| FRW133  | 43.5     | 55.5   | 12           | 15228      |         |          |        |              |            |

## Notes:

- Cut-off grade 5,000 ppm (0.5%) TREO
- TREO =  $\text{CeO}_2 + \text{Dy}_2\text{O}_3 + \text{Er}_2\text{O}_3 + \text{Eu}_2\text{O}_3 + \text{Gd}_2\text{O}_3 + \text{Ho}_2\text{O}_3 + \text{La}_2\text{O}_3 + \text{Lu}_2\text{O}_3 + \text{Nd}_2\text{O}_3 + \text{Pr}_6\text{O}_{11} + \text{Sm}_2\text{O}_3 + \text{Tb}_4\text{O}_7 + \text{Tm}_2\text{O}_3 + \text{Yb}_2\text{O}_3$
- Significant Intercept is defined as: Intercept length (m) X TREO % > 20 with 1 m internal dilution

## Firawa Project –Significant Uranium drilling intercepts

| Hole ID | From (m) | To (m) | Interval (m) | U <sub>3</sub> O <sub>8</sub> (ppm) | Hole ID | From (m) | To (m) | Interval (m) | U <sub>3</sub> O <sub>8</sub> (ppm) |
|---------|----------|--------|--------------|-------------------------------------|---------|----------|--------|--------------|-------------------------------------|
| FRW001  | 36       | 47     | 11           | 169                                 | FRW136  | 84       | 86     | 2            | 535                                 |
| FRW002  | 0        | 50     | 50           | 242                                 | FRW137  | 11       | 80     | 69           | 278                                 |
| FRW003  | 51       | 83     | 32           | 242                                 | FRW138  | 41       | 77     | 36           | 270                                 |
| FRW004  | 27       | 35     | 8            | 119                                 | FRW139  | 0        | 8      | 8            | 386                                 |
| FRW004  | 48       | 50     | 2            | 279                                 | FRW139  | 20       | 43     | 23           | 276                                 |
| FRW008  | 57       | 81     | 24           | 125                                 | FRW139  | 84       | 86     | 2            | 243                                 |
| FRW009  | 0        | 46     | 46           | 253                                 | FRW140  | 35       | 82     | 47           | 332                                 |
| FRW011  | 65       | 86     | 21           | 142                                 | FRW141  | 14       | 72     | 58           | 299                                 |
| FRW012  | 0        | 50     | 50           | 250                                 | FRW142  | 28       | 73     | 45           | 304                                 |
| FRW013  | 0        | 50     | 50           | 163                                 | FRW143  | 21       | 60     | 39           | 380                                 |
| FRW014  | 0        | 3      | 3            | 128                                 | FRW144  | 12       | 46     | 34           | 480                                 |
| FRW015  | 9        | 39     | 30           | 207                                 | FRW146  | 52       | 101    | 49           | 251                                 |
| FRW017  | 1        | 49     | 48           | 143                                 | FRW147  | 49       | 76     | 27           | 282                                 |
| FRW018  | 79       | 80     | 1            | 104                                 | FRW149  | 80       | 95     | 15           | 245                                 |
| FRW019  | 0        | 19     | 19           | 120                                 | FRW150  | 98       | 101    | 3            | 253                                 |
| FRW022  | 0        | 9      | 9            | 143                                 | FRW151  | 43       | 101    | 58           | 775                                 |
| FRW022  | 16       | 80     | 54           | 150                                 | FRW152  | 23       | 95     | 72           | 297                                 |
| FRW023  | 0        | 38     | 38           | 289                                 | FRW154  | 46       | 133    | 87           | 411                                 |
| FRW024  | 0        | 48     | 48           | 230                                 | FRW155  | 23       | 133    | 110          | 343                                 |
| FRW025  | 0        | 45     | 45           | 286                                 | FRW156  | 36       | 60     | 24           | 577                                 |
| FRW026  | 0        | 38     | 38           | 212                                 | FRW156  | 84       | 116    | 32           | 400                                 |
| FRW027  | 18       | 49     | 31           | 252                                 | FRW200  | 14       | 28     | 14           | 447                                 |
| FRW029  | 0        | 50     | 50           | 167                                 | FRW200  | 30       | 31     | 1            | 248                                 |
| FRW030  | 0        | 40     | 40           | 235                                 | FRW200  | 36       | 83     | 47           | 348                                 |
| FRW031  | 0        | 58     | 58           | 162                                 | FRW200  | 88       | 89     | 1            | 262                                 |
| FRW032  | 34       | 68     | 34           | 209                                 | FRW201  | 10       | 34     | 24           | 311                                 |
| FRW033  | 12       | 50     | 38           | 439                                 | FRW201  | 76       | 78     | 2            | 265                                 |
| FRW034  | 17       | 79     | 62           | 241                                 | FRW201  | 80       | 81     | 1            | 254                                 |
| FRW035  | 0        | 77     | 77           | 268                                 | FRW202  | 10       | 14     | 4            | 234                                 |
| FRW101  | 32       | 34.4   | 2            | 368                                 | FRW202  | 26       | 35     | 9            | 539                                 |
| FRW102  | 39       | 57     | 18           | 291                                 | FRW202  | 48       | 50     | 2            | 332                                 |
| FRW103  | 16       | 21     | 5            | 454                                 | FRW202  | 60       | 62     | 2            | 413                                 |

| Hole ID | From (m) | To (m) | Interval (m) | U <sub>3</sub> O <sub>8</sub> (ppm) | Hole ID | From (m) | To (m) | Interval (m) | U <sub>3</sub> O <sub>8</sub> (ppm) |
|---------|----------|--------|--------------|-------------------------------------|---------|----------|--------|--------------|-------------------------------------|
| FRW104  | 31       | 55     | 24           | 472                                 | FRW202  | 71       | 75     | 4            | 445                                 |
| FRW105  | 22       | 96     | 74           | 385                                 | FRW202  | 83       | 84     | 1            | 265                                 |
| FRW106  | 43       | 58     | 15           | 910                                 | FRW202  | 89       | 92     | 3            | 419                                 |
| FRW107  | 23       | 44     | 21           | 418                                 | FRW203  | 26       | 38     | 12           | 351                                 |
| FRW108  | 30       | 85     | 55           | 392                                 | FRW203  | 58       | 63     | 5            | 300                                 |
| FRW108  | 58       | 68     | 10           | 1,178                               | FRW204  | 48       | 54     | 6            | 292                                 |
| FRW110  | 29       | 47     | 18           | 242                                 | FRW204  | 56       | 57     | 1            | 322                                 |
| FRW111  | 31       | 49     | 18           | 247                                 | FRW205  | 7        | 8      | 1            | 205                                 |
| FRW112  | 45       | 96     | 51           | 266                                 | FRW205  | 121      | 127    | 6            | 480                                 |
| FRW114  | 50       | 59     | 9            | 295                                 | FRW207  | 35       | 36     | 1            | 461                                 |
| FRW116  | 36       | 38     | 2            | 258                                 | FRW207  | 59       | 60     | 1            | 206                                 |
| FRW119  | 6        | 12     | 6            | 255                                 | FRW209  | 26       | 27     | 1            | 213                                 |
| FRW119  | 33       | 35     | 2            | 684                                 | FRW209  | 51       | 52     | 1            | 250                                 |
| FRW120  | 7        | 12     | 5            | 248                                 | FRW209  | 54       | 55     | 1            | 203                                 |
| FRW120  | 16       | 18     | 2            | 238                                 | FRW209  | 58       | 59     | 1            | 236                                 |
| FRW121  | 4        | 18     | 14           | 471                                 | FRW213  | 5        | 13     | 8            | 347                                 |
| FRW121  | 36       | 39     | 3            | 302                                 | FRW216  | 31       | 37     | 6            | 324                                 |
| FRW121  | 50       | 53     | 3            | 266                                 | FRW216  | 41       | 46     | 5            | 403                                 |
| FRW122  | 15       | 92     | 77           | 249                                 | FRW216  | 47       | 49     | 2            | 322                                 |
| FRW123  | 12       | 19     | 7            | 327                                 | FRW216  | 51       | 52     | 1            | 221                                 |
| FRW124  | 20       | 28     | 8            | 261                                 | FRW216  | 62       | 83     | 21           | 528                                 |
| FRW125  | 100      | 103    | 3            | 264                                 | FRW217  | 25       | 46     | 21           | 326                                 |
| FRW126  | 64       | 66     | 2            | 379                                 | FRW232  | 11       | 14     | 3            | 240                                 |
| FRW126  | 67       | 69     | 2            | 240                                 | FRW232  | 29       | 50     | 21           | 415                                 |
| FRW128  | 7        | 10     | 3            | 270                                 | FRW233  | 0        | 2      | 2            | 277                                 |
| FRW129  | 7        | 28     | 21           | 281                                 | FRW233  | 20       | 21     | 1            | 283                                 |
| FRW131  | 8        | 10     | 2            | 304                                 | FRW234  | 13       | 16     | 3            | 345                                 |
| FRW131  | 43       | 64     | 21           | 432                                 | FRW234  | 28       | 39     | 11           | 254                                 |
| FRW132  | 40       | 154    | 114          | 372                                 | FRW236  | 34       | 39     | 5            | 279                                 |
| FRW133  | 35       | 101    | 66           | 467                                 | FRW236  | 42       | 43     | 1            | 274                                 |
| FRW134  | 53       | 56     | 3            | 329                                 | FRW237  | 15       | 16     | 1            | 243                                 |
| FRW134  | 72       | 74     | 2            | 237                                 | FRW237  | 25       | 26     | 1            | 313                                 |
| FRW135  | 24       | 65     | 41           | 251                                 | FRW238  | 25       | 31     | 6            | 278                                 |
| FRW136  | 73       | 76     | 3            | 237                                 |         |          |        |              |                                     |

Notes: Cut-off grade 200 ppm U<sub>3</sub>O<sub>8</sub>.

### Firawa Project –Significant Niobium drilling intercepts

| Hole ID | From | To   | Interval Length (m) | Nb <sub>2</sub> O <sub>5</sub> ppm (grade) | Hole ID | From | To   | Interval Length (m) | Nb <sub>2</sub> O <sub>5</sub> ppm (grade) |
|---------|------|------|---------------------|--------------------------------------------|---------|------|------|---------------------|--------------------------------------------|
| FRW012  | 44   | 47   | 3                   | 3,209                                      | FRW139  | 22.5 | 25.5 | 3                   | 1,109                                      |
| FRW101  | 31.8 | 39.4 | 7.6                 | 2,191                                      | FRW140  | 62   | 76.5 | 14.5                | 1,485                                      |
| FRW101  | 47.3 | 50.8 | 3.5                 | 1,449                                      | FRW141  | 19.6 | 25.6 | 6                   | 1,020                                      |

|        |       |       |       |       |        |       |       |      |       |
|--------|-------|-------|-------|-------|--------|-------|-------|------|-------|
| FRW103 | 15.7  | 20.7  | 5     | 2,972 | FRW141 | 60.1  | 65.3  | 5.2  | 1,593 |
| FRW104 | 34    | 43    | 9     | 1,666 | FRW146 | 50    | 98    | 48   | 1,698 |
| FRW104 | 47    | 55    | 8     | 1,605 | FRW146 | 101   | 104   | 3    | 1,706 |
| FRW105 | 56.75 | 71.6  | 14.85 | 2,173 | FRW147 | 48.7  | 71    | 22.3 | 1,972 |
| FRW105 | 85.1  | 89.6  | 4.5   | 1,340 | FRW147 | 79    | 91.5  | 12.5 | 1,707 |
| FRW105 | 91.7  | 95.6  | 3.9   | 1,697 | FRW148 | 32    | 41    | 9    | 1,565 |
| FRW106 | 43    | 60.5  | 17.5  | 2,644 | FRW149 | 77.2  | 80.2  | 3    | 1,671 |
| FRW107 | 23    | 44    | 21    | 1,741 | FRW149 | 86.2  | 106.2 | 20   | 1,958 |
| FRW107 | 60.5  | 77.5  | 17    | 1,590 | FRW150 | 28.8  | 33.8  | 5    | 1,423 |
| FRW108 | 31.2  | 35.7  | 4.5   | 1,603 | FRW150 | 61.8  | 67.8  | 6    | 1,558 |
| FRW110 | 34.7  | 41    | 6.3   | 1,007 | FRW150 | 95.3  | 105.8 | 10.5 | 1,589 |
| FRW111 | 49.5  | 52.5  | 3     | 1,233 | FRW150 | 123.8 | 130.8 | 7    | 1,269 |
| FRW111 | 79.5  | 85.5  | 6     | 1,143 | FRW151 | 100.6 | 108.6 | 8    | 1,094 |
| FRW112 | 90.5  | 93.5  | 3     | 1,189 | FRW152 | 32    | 38    | 6    | 1,057 |
| FRW115 | 17    | 23    | 6     | 1,296 | FRW152 | 84.5  | 88    | 3.5  | 1,473 |
| FRW116 | 25.5  | 28.5  | 3     | 1,573 | FRW152 | 92    | 95    | 3    | 1,765 |
| FRW117 | 7.8   | 16.5  | 8.7   | 1,827 | FRW153 | 45    | 54    | 9    | 1,769 |
| FRW120 | 25.2  | 28.2  | 3     | 2,086 | FRW154 | 6     | 9     | 3    | 1,042 |
| FRW120 | 32.7  | 39.2  | 6.5   | 2,461 | FRW154 | 32    | 36    | 4    | 2,710 |
| FRW120 | 46.2  | 50    | 3.8   | 2,004 | FRW154 | 45.5  | 61.5  | 16   | 2,051 |
| FRW121 | 10.5  | 16.5  | 6     | 1,242 | FRW154 | 76.5  | 87    | 10.5 | 1,852 |
| FRW121 | 43    | 52.2  | 9.2   | 1,406 | FRW154 | 94.5  | 102   | 7.5  | 1,159 |
| FRW122 | 42.8  | 48    | 5.2   | 1,179 | FRW155 | 22.8  | 26.3  | 3.5  | 2,206 |
| FRW122 | 76.7  | 90.5  | 13.8  | 1,313 | FRW155 | 28.8  | 39.3  | 10.5 | 2,553 |
| FRW123 | 43    | 46    | 3     | 1,283 | FRW155 | 84.3  | 95.8  | 11.5 | 1,553 |
| FRW123 | 67    | 71.5  | 4.5   | 1,085 | FRW155 | 130.3 | 135.3 | 5    | 1,086 |
| FRW124 | 40.5  | 43.5  | 3     | 1,124 | FRW156 | 40.9  | 47    | 6.1  | 4,350 |
| FRW124 | 73.5  | 82.5  | 9     | 1,118 | FRW156 | 51.4  | 58.7  | 7.3  | 1,409 |
| FRW127 | 17    | 24.5  | 7.5   | 3,302 | FRW156 | 84.4  | 96.4  | 12   | 1,943 |
| FRW128 | 7.4   | 10.4  | 3     | 1,280 | FRW156 | 101   | 106.9 | 5.9  | 1,204 |
| FRW130 | 8.2   | 13.5  | 5.3   | 1,687 | FRW200 | 11    | 35    | 24   | 1,325 |
| FRW131 | 43.5  | 50.7  | 7.2   | 1,864 | FRW200 | 39    | 43    | 4    | 1,370 |
| FRW132 | 8.9   | 11.9  | 3     | 1,476 | FRW202 | 6     | 21    | 15   | 1,512 |
| FRW132 | 19.4  | 22.4  | 3     | 1,080 | FRW202 | 27    | 35    | 8    | 1,865 |
| FRW132 | 35.9  | 41.9  | 6     | 1,259 | FRW202 | 69    | 75    | 6    | 1,899 |
| FRW132 | 95.9  | 104.9 | 9     | 1,180 | FRW202 | 87    | 92    | 5    | 1,733 |
| FRW132 | 119.9 | 125.9 | 6     | 1,381 | FRW203 | 29    | 34    | 5    | 1,704 |
| FRW133 | 13.5  | 25.5  | 12    | 1,306 | FRW204 | 24    | 29    | 5    | 1,689 |
| FRW133 | 31.5  | 36    | 4.5   | 1,399 | FRW204 | 42    | 58    | 16   | 2,904 |
| FRW133 | 40.5  | 45    | 4.5   | 1,270 | FRW204 | (i)48 | 53    | 5    | 5,859 |
| FRW134 | 42.3  | 55.8  | 13.5  | 1,698 | FRW205 | 6     | 14    | 8    | 1,867 |



|        |      |      |      |       |        |     |     |    |       |
|--------|------|------|------|-------|--------|-----|-----|----|-------|
| FRW136 | 15.5 | 21.5 | 6    | 1,056 | FRW205 | 121 | 128 | 7  | 2,370 |
| FRW136 | 38   | 41   | 3    | 1,125 | FRW208 | 20  | 26  | 6  | 1,802 |
| FRW136 | 44   | 66.5 | 22.5 | 1,504 | FRW208 | 37  | 41  | 4  | 1,631 |
| FRW136 | 85.5 | 91   | 5.5  | 1,177 | FRW209 | 23  | 27  | 4  | 1,065 |
| FRW137 | 19.8 | 31.8 | 12   | 1,067 | FRW209 | 55  | 63  | 8  | 1,088 |
|        |      |      |      |       | FRW209 | 72  | 77  | 5  | 1,344 |
|        |      |      |      |       | FRW213 | 5   | 14  | 9  | 1,679 |
|        |      |      |      |       | FRW216 | 43  | 55  | 12 | 1,474 |
|        |      |      |      |       | FRW216 | 62  | 76  | 14 | 2,398 |

Note:

Cut-off grade 1,000 ppm Nb<sub>2</sub>O<sub>5</sub>



## ERM and Sustainable Mining Services

**ERM is one of the world's leading providers of environmental, health, safety and social consulting services.** We have over 138 offices in 38 countries and employing over ≈8,500 personnel. ERM has been operating in North America for over 40 years and has offices in close proximity to the target assets. Our team has specific experience working in the mining sector with major mining companies, as well as advising Pension Funds, Private Equity firms, International Development Finance Institutions and Equator Principles Finance Institutions on investment risks and opportunities.

**ERM's Sustainable Mining Services team** is a leading group of geological and mining professionals that includes geologists, mining engineers, hydrologists, hydrogeologists, data, and resource estimation specialists with experience on all types and stages of mineral projects from around the world. We have a high level of technical expertise across mineral commodities gained from 35 years of experience within the global exploration and mining industry. Our team possess experience in all stages of the mining cycle from project generation to production and the challenge of finding, developing, and mining orebodies.

**ERM has multiple points of entry throughout the mining lifecycle** and our global network of expertise, together with ERM, enables us to provide innovative solutions to improve operational performance and support efficient mine operations.

**We offer an integrated and comprehensive set of services** which cover the full lifecycle of mineral assets. Our services include corporate advisory, operational support, mining and feasibility studies, resource estimation, geometallurgical modelling, exploration, data and water management, and technology expertise. Our highly experienced teams provide insight and innovative solutions to produce optimal outcomes for our clients. Our team can take your project from a concept through discovery and resource definition to a profitable and sustainable operating mine, with a robust closure plan and positive stakeholder engagement.

**ERM's capabilities align seamlessly with this mission and vision**, from the new country entry risk assessment, global operational strategy, geoscience and advanced technological solutions, data capture and management, hydrogeology, nature and beyond, through all stages of exploration, acquisition, mine planning and development, operations, and closure. ERM plays a pivotal role in addressing the strategic, operational, and tactical challenges encountered by major, mid-tier, and junior mining companies worldwide.

**Our specialists are supported by a huge team** of scientists, engineers, social, environmental, health, safety, and sustainability consultants from our parent company ERM. ERM's sustainable mining services team offers substantial depth of expertise and breadth of service to the mining community.



## Snapshot of Our Services

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### Exploration and Geoscience

- Mineral systems targeting and project generation
- Remote sensing, geophysics, and geochemistry
- Mapping and drill program planning and supervision
- Exploration strategy and project management

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### Resource Estimation and Mine Geology

- Resource audits and risk analysis
- Geological and geo-metallurgical modelling
- Geostatistical analysis and variography
- Mineral Resource estimation, validation, classification and reporting

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### Data and Mapping

- Data management (capture, data validation, and quality assurance/quality control)
- Data visualisation, analytics, and cartography
- GIS plans, section, and 3D plots
- Machine learning

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### Mining Engineering

- Mining and engineering studies (concept to feasibility)
- Mine optimisation, scheduling, design, and Ore Reserve estimation
- Grade control and reconciliation
- Productivity improvement and project management

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### Hydrogeology and Hydrology

- Water management and groundwater supply
- Project approvals
- Dewatering and depressurisation
- Ground/Surface water modelling
- Formulating water stewardship strategies and advanced technical solutions

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### Mining Transactions and Corporate Advice

- Project reviews and independent reports
- Due diligence and expert valuations
- Geo-corporate advice
- Conducting independent evaluations to guide decisions on mergers, acquisitions, due diligence and compliance assessments

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### ESG

- Efficiently bringing new mines to fruition in adherence to ESG best practices
- Advancing strategic and practical decarbonisation throughout the value chain, from mining equipment to processing and transportation
- Expert knowledge of the Licence to Operate issues, their prevention and solutions

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### Planning and Approvals

- Environmental risk identification, management and compliance
- Climate change, biodiversity, natural resources
- Indigenous and historical heritage management
- Social strategy and policy development
- Community consultation programs
- Environmental and social impact assessments (ESIAs)
- Operational management and compliance

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### Health and Safety

- Enhancing health and safety strategies and practical incident prevention through managing operational risks and controls
- Furnishing functional safety services, including certifications, machinery safety, and compliance with safety regulations
- Risk assessment and management systems
- Hazard assessment/personal protective equipment (PPE) advice
- Health, safety and environmental systems, policies, standards, and procedures
- Risk management and incident investigation
- Hazard identification, inspections, risk assessments and prevention control
- Occupational health and safety systems and compliance auditing

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### Rehabilitation and Mine Closure

- Progressive Rehabilitations and Closure Plans
- Strategic and conceptual planning for repurposing or transitioning site uses
- Rehabilitation appraisals, planning and progress monitoring
- Community development and economic transition
- Earthworks, cover, landform designs and modelling
- Waste characterisation
- Water management and reduction strategies
- Final void assessment
- Land use capability assessment
- Erosion and sediment management
- Estimated rehabilitation costs (ERCs)
- Probabilistic estimates of site closure costs/financial provisioning
- Closure risk assessments



ERM has over 160 offices across the following countries and territories worldwide

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Australia

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16 August 2024

The Directors  
DMC Mining Limited  
Level 27, 44 St Georges Terrace  
Perth WA 6000

Dear Sirs

## SOLICITOR'S REPORT

### 1. Introduction

2. This report is prepared for inclusion in a prospectus (**Prospectus**) to be dated on or about 19 August 2024 for issue by DMC Mining Limited ACN 648 372 516 (**DMC Mining**) of 100,000,000 shares at an issue price of \$0.05 per share to raise \$5,000,000 (before costs), with oversubscriptions of up to an additional 10,000,000 shares at \$0.05 per share to raise up to an additional \$500,000 (before costs).

The report relates to a Western Australian mining tenement (**Tenement**) in which DMC holds an interest. The attached Schedule 1 - Tenement Details (**Schedule 1**) and notes to Schedule 1 contain an overview of the Tenement. The attached Schedule 2 - Material Contract Summaries (**Schedule 2**) contains summaries of material contracts that relate to DMC's interest in the Tenement.

### 3. Opinion

Based on our searches and enquiries and subject to the assumptions and qualifications set out below, we confirm that as at 16 August 2024:

- (a) the details of the Tenement referred to in the Schedule are accurate as to the status and registered holders of the Tenement;
- (b) unless otherwise specified in this report, the Tenement is in good standing and all applicable rents have been paid;

- (c) the Tenement is not subject to any unusual conditions of a material nature other than as disclosed in Schedule 1;
- (d) this report provides accurate statements as to third party interests, including encumbrances in relation to the Tenement ascertainable from our searches and the information provided to us; and
- (e) subject to the comments below relating to standard, administrative authorisations (which are normally applied for only at the time of finalising the details of individual exploration plans), or as otherwise detailed in Schedule 1 or the Prospectus, there are no legal, regulatory or contractual impediments to DMC undertaking exploration on the Tenement.

#### 4. Executive Summary

Based on our searches and enquiries and subject to the assumptions and qualifications set out below, we consider the following to be material issues in relation to the Tenement.

- (a) Exploration Licences. On 18 August 2022, a decision of the Warden was delivered which cast some doubt on the validity of the majority of applications for Exploration Licences existing in WA. On 26 August 2022, the then Mines and Petroleum Minister, Mr Bill Johnson, released a statement that said, in part, that the actions that the State would take following this decision would “ensure the validity of granted exploration licences”.

The Tenement comprises one granted exploration licences. Despite the then Minister’s assurance, a separate matter was heard by the Supreme Court of Appeal in June 2024 which has the potential to invalidate granted exploration licences (no decision on that matter has been delivered). Whilst this report records the present status of the granted exploration licence as “live”, no opinion is given as to whether the exploration licence will remain valid following, or be invalidated by a future decision of any court.

#### 5. Searches

For the purpose of this report, we have conducted the following searches and enquiries on 16 August 2024:

- (a) a search of the Tenement in the mining tenement register (**DEMIRS Register**) maintained by the Department of Energy, Mines, Industry Regulation and Safety of Western Australia (**DEMIRS**) pursuant to the Mining Act 1978 (WA) and Mining Regulations 1981 (WA) (**Mining Act**); and

- (b) a quick appraisal search of the Tenement summarising information obtained online from the 'TENGRAPH' system maintained by the DEMIRS;
- (c) searches of the Aboriginal Heritage Inquiry System of the Department of Planning, Lands and Heritage (**DPLH**) for both Aboriginal Sites that have been registered and for Aboriginal Sites that have been lodged with the DPLH seeking registration.

As the area is within a determined native title area, as set out in the Schedule 1, further native title related searches are unnecessary.

## 6. Assumptions and qualifications

In preparing this Report:

- (a) we have assumed the accuracy and completeness of results of the searches of the DEMIRS Register and other information obtained from the DEMIRS and DPLH;
- (b) we have assumed all contracts, agreements or arrangements have been supplied to us and were within the capacity and powers of, and were validly authorised, executed and delivered by and binding on each party to them, and where applicable, duly stamped;
- (c) where any agreement, dealing or act (including disturbing the land for exploration or mining) affecting the Tenement requires an authorisation, approval, permission or consent (**Authorisation**) under the Mining Act, or any other relevant legislation, we have assumed that Authorisation has been or will be granted in due course;
- (d) where any dealing in the Tenement has been lodged for registration but is not yet registered, we express no opinion as to whether the registration will be effected, or the consequences of non-registration;
- (e) we have assumed that DMC has complied with all applicable provisions of the Mining Act and all other legislation relating to the Tenement and from our searches and enquiries, there is nothing to indicate that this is not the case;
- (f) other than as expressly stated, we have not researched the underlying land tenure in respect of the Tenement to determine if native title rights have or have not been extinguished, or the extent of any extinguishment, other than as disclosed in the "quick appraisal" searches referred to in paragraph 4(b) above; and
- (g) other than as can be ascertained from the database maintained by the DPLH (as set out in paragraph 5(c) above, we have not researched the area of the Tenement to determine if there are any additional or unregistered sites of significance to aboriginal people within the area.

Schedule 1 sets out a brief description of the Tenement and a summary of any encumbrances, conditions and endorsements on title. In relation to Schedule 1, we make the following comments:

- (a) references to the area of the Tenement are taken from the details shown on the tenement searches, it is not possible to verify those areas without conducting a survey which has not been undertaken;
- (b) the area of the Tenement, as shown in Schedule 1, might be reduced by the existence of pre-existing mining tenements situated within the boundaries of the relevant Tenement resulting in the area of the earlier mining tenement being excised from the grant of the Tenement; and
- (c) the rights of a holder of a mining tenement are subject to compliance by that holder with the terms and conditions attached to the Tenement and generally under the Mining Act and other relevant legislation.

## **7. Western Australia Tenements**

Mining tenements in Western Australia comprise prospecting licences (prefixed “P”), exploration licences (prefixed “E”) and mining leases (prefixed “M”) granted pursuant to the Mining Act as well as certain ancillary titles.

In accordance with the Mining Act, the holder of a mining tenement is permitted to explore for all minerals including oil shale, but excluding sand or clay occurring on private land. Exploration or mining for iron is also excluded unless it has been authorised by the responsible Minister and endorsed on the mining tenement title. Under the Petroleum and Geothermal Energy Resources Act 1987 (WA), petroleum and geothermal energy resources are also excluded from the grant of a mining tenement.

The Tenement does overlay a significant area of private land. The Mining Act prohibits exploration and mining from being conducted on private land or within 30m of the surface of private land (with very minor exceptions) without the consent of the holder and occupier of the land. These provisions can amount to a veto right for a landowner. DMC’s right to access the private land are set out in Schedule 1 and further described in Schedule 2.

In addition to the authorisations and approvals described below, it is a requirement that any ground disturbing work carried out on a mining tenement has been approved by the DEMIRS. Such approvals may involve referral by the DEMIRS to other Government agencies and any approvals given may be subject to special conditions. Approvals are generally required for an exploration program to be undertaken and are submitted to the DEMIRS for approval at an administrative level.

**(a) Prospecting Licences**

A prospecting licence authorises the holder to enter land for the purpose of prospecting for minerals. 'Prospecting' includes the use of vehicles, machinery and equipment, and permits the undertaking of operations and works such as digging pits, trenches and holes, sinking bores and tunneling, for the purpose of prospecting for minerals in, on, or under the land. The holder of a prospecting licence may excavate, extract or remove earth, soil, rocks, stone, fluid or mineral-bearing substances not exceeding 500 tonnes over the term of the licence.

Prospecting licences are granted for a term of four years. The Minister has discretion to extend the prospecting licence for one further four year period if satisfied that a prescribed ground for extension exists.

DMC Mining does not hold any prospecting licences.

**(b) Exploration Licences**

An exploration licence permits the holder to explore over land up to a maximum 200 graticular blocks in designated areas of Western Australia and a maximum of 70 graticular blocks elsewhere. Graticular blocks comprise one minute of longitude by one minute of latitude and therefore range in area from approximately 2.8km<sup>2</sup> to 3.3 km<sup>2</sup>. There is no limit to the number of exploration licences which may be held by any one person.

An exploration licence authorises the holder to enter land using vehicles, machinery and equipment as may be necessary or expedient for the purpose of exploring for minerals in, on or under the land.

Exploration licences are granted with five year terms which may be extended by one period of five years and then by further two year periods if the Minister is satisfied that a 'prescribed ground' for extension exists.

'Prescribed grounds' for extension include circumstances when the holder experienced difficulties or delays arising from governmental, legal, climatic or heritage reasons, where work carried out justifies further prospecting, or where the Minister considers the land has been unworkable for whole or a considerable part of any year of the term.

Exploration licences are subject to a requirement that the holder relinquishes 40% of the tenement area at the end of the initial five year period. The Minister may defer the relinquishment requirement for one further year if satisfied that a prescribed ground for deferral exists. No exemption from the relinquishment requirement is available.



During the first year of grant of an exploration licence, a legal or equitable interest in or affecting the exploration licence cannot be transferred or otherwise dealt with, whether directly or indirectly, without the prior written consent of the Minister. A transfer after the first anniversary of the grant of an exploration licence requires no such approval.

During the term of an exploration licence, the holder may apply for and have granted subject to the Mining Act, one or more mining leases over any part of land subject to the exploration licence. Where an application for a mining lease is made, and the term of the exploration licence is due to expire prior to the mining lease application being determined, the exploration licence will continue in force over the land subject to the mining lease application pending the outcome of that mining lease application.

Annual rent and shire rates are payable in respect of exploration licences. Exploration licences are subject to minimum annual expenditure requirements which are set out in Schedule 1. The holder of an exploration licence may apply for exemption from compliance with minimum expenditure requirements on certain grounds set out in the Mining Act or at the discretion of the Minister. A failure to comply with expenditure requirements, unless exempted, renders the exploration licence liable to forfeiture.

### ***Validity of Exploration Licences***

On 18 August 2022, a decision of the Warden was delivered which cast some doubt on the validity of the majority of applications for Exploration Licences existing in WA. On 26 August 2022, the then Mines and Petroleum Minister, Mr Bill Johnson, released a statement that said, in part, that the actions that the State would take following this decision would “ensure the validity of granted exploration licences”.

The Tenement comprises one granted exploration licences. Despite the then Minister’s assurance, a separate matter was heard by the Supreme Court of Appeal in June 2024 which has the potential to invalidate granted exploration licences (no decision on that matter has been delivered). Whilst this report records the present status of the granted exploration licence as “live”, no opinion is given as to whether the exploration licence will remain valid following, or be invalidated by a future decision of any court.

### ***Forfeiture of Exploration Licences***

The Minister may make an order for the forfeiture of an exploration licence for any of the following reasons:

- (i) failure to pay rent or royalty;

- (ii) non-compliance with conditions of an exploration licence such as lodgment of a report as required by the Mining Act;
- (iii) failure to comply with certain provisions of the Mining Act;
- (iv) failure to satisfy minimum expenditure conditions; or
- (v) if the holder is convicted of an offence under the Mining Act.

A third party may also make an application to have an exploration licence forfeited due to a failure by the holder to comply with the terms of the exploration licence (most commonly, a failure to meet statutory minimum expenditure requirements). Such application for forfeiture in respect of expenditure conditions must be made during the tenement year in which there is non-compliance, or within eight months thereafter.

The Minister may only make an order for forfeiture if the Minister is satisfied that non-compliance is of sufficient gravity to justify the forfeiture of the exploration licence.

The Minister may impose a penalty instead of forfeiting the exploration licence. The penalty must not exceed \$10,000 in a case where minimum expenditure conditions have not been complied with, and not exceed \$50,000 in any other case.

**(c) Mining Leases**

A mining lease authorises the holder to work and mine the land, and take and remove from the land any minerals and dispose of them, and to do all acts and things necessary to effectually carry out mining operations in, on, or under the land subject to the mining lease.

A mining lease may only be granted if the application is accompanied by either a mining proposal or a 'statement' setting out information about the mining operations that are likely to be carried out on the mining lease together with a mineralisation report prepared by a qualified person. If a statement and mineralisation report are lodged, the Director, Geological Survey must be satisfied that there is significant mineralisation in, on, or under the land to which an application for a mining lease relates. For the purposes of the Mining Act 'significant mineralisation' is defined as a deposit of minerals where exploration results indicate that there is a reasonable prospect of minerals being obtained by mining operations.

Every granted mining lease is subject to a condition requiring the lessee, before carrying out mining operations of a prescribed kind on any part of the land the subject of the lease (including open-cut, underground, quarrying, dredging,

harvesting, scraping, leaching and tailing treatment operations together with incidental construction activities), to lodge (and have approved) a mining proposal. Mining proposals are required to detail all matters relating to the environmental management of a proposed project including mine closure and rehabilitation.

A mining lease is granted for a term of 21 years and may be renewed for successive terms upon application to the Minister. A term of renewal must not exceed 21 years.

Annual rent and shire rates are payable in respect to mining leases and the holder of a mining lease must expend or cause to be expended \$100 per hectare (with a minimum of \$10,000) annually during each year of the term of the lease. If the mining lease does not exceed 5 hectares the minimum annual expenditure will be \$5,000.

### ***Forfeiture of Mining Leases***

The Minister may forfeit a mining lease in the same manner and for the same reasons as apply to an exploration licence (described above).

## **8. Royalties**

Tenement holders must pay royalties on minerals (including material containing minerals) obtained from a mining tenement to the state government. Royalties are payable quarterly and must be accompanied by a royalty return in an approved form. The holder of a mining tenement must provide a quarterly production report commencing at the expiration of the first quarter during which any mineral is produced or obtained from that mining tenement. Royalty rates and methods of calculation differ depending on the type of mineral produced or obtained from a mining tenement.

## **9. Rehabilitation levies or securities**

In Western Australia a mining rehabilitation levy system applies which requires a tenement holder to pay a levy based on the area it has disturbed on a tenement (and on the estimate of the cost of rehabilitation of such area). In certain circumstances, a tenement holder may also be required to lodge a bank guaranteed performance bond to secure the performance of a tenement holder's rehabilitation obligations on a mining tenement.

A tenement holder may also be liable to pay a safety levy based on the number of hours spent working on a group of tenements (including all employees or contractors).

## 10. Native Title

Native Title or claims for native title exist over large areas of Western Australia and will likely affect new mining tenements. Schedule 1 and Schedule 2 sets out relevant native title claims (if any) affecting the Tenement. The existence of a lodged claim does not necessarily mean that native title exists over the area claimed, nor does the absence of a claim necessarily indicate that no native title exists in an area. The existence of native title will be established pursuant to the determination of claims by the Federal Court.

The grant of a mining tenement is a 'Future Act' for the purposes of the Native Title Act 1993 (Cth) (**NTA**). A Future Act is an activity or development on land or waters that affects native title. Native title claimants' gain the 'right to negotiate' in relation to the grant of certain mining tenements if their native title claim is registered at the time the government issues a notice (known as a section 29 notice), stating it intends to do the act (ie grant the mining tenement), or if their claim becomes registered within four months after that notice. The right to negotiate might apply to the grant of any type of mining tenement, but in practice, it applies predominantly to the grant of a mining lease. The right to negotiate describes a process whereby the tenement applicant and native title claimant must negotiate in good faith to attempt to resolve any potential concerns the native title claimants may have arising from the mining lease application or its grant.

In some cases (predominantly in respect of exploration or prospecting licences) the Western Australia State Government applies a 'fast track' procedure (the 'expedited procedure') in place of the right to negotiate process. If the proposed grant of a mining tenement is advertised under the expedited procedure, native title parties can lodge an objection to the use of the expedited procedure for the grant of the mining tenement. If there is no objection lodged, the mining tenement can be granted. If an objection is lodged, the parties may either negotiate and reach agreement, or apply to the National Native Title Tribunal (**NNTT**) for a determination of the matter.

It is a policy of the DEMIRS to apply the expedited procedure to the grant of exploration and prospecting licences where the applicant has executed a Regional Standard Heritage Agreement (**RSHA**) or has an existing Alternative Heritage Agreement (**AHA**) in place. In the absence of such an agreement, applications will be subject to the right to negotiate procedure.

A RSHA or AHA is intended to address potential Aboriginal heritage concerns with respect to work on the area subject to a mining tenement. The agreements generally provide for a native title party to withdraw their objection to the expedited procedure and consent to the grant of the mining tenement upon the terms of the agreement. Agreements commonly include a procedure for the carrying out of surveys ahead of ground disturbing activities to determine if any sites or objects of significance to Aboriginal people exist in the area. Other terms such as compensation payable to the native title party might be included.

## **11. Validity of titles - Native Title**

### **(a) Right to Negotiate Procedure**

Mining tenements granted after 23 December 1996 that affect native title will be valid only if the applicable processes of the NTA have been complied with. Under the right to negotiate procedures, parties are required to negotiate in relation to the grant of the proposed Future Act, eg the grant of a mining tenement. Negotiations are initiated to obtain the agreement of the relevant native title parties to the carrying out of the proposed Future Act. The right to negotiate procedure consists of a statutory minimum six month period of negotiation between the relevant government party, the native title party and the grantee, during which time the parties must negotiate in good faith with a view to reaching agreement about the doing of the Future Act.

If parties cannot reach agreement as to the terms of grant, a negotiation party may apply to the NNTT (as the arbitral body) to make a determination as to whether the grant may proceed (and if so, on what conditions).

### **(b) Compensation**

The Mining Act makes mining tenement holders liable for any native title compensation that may be payable as a result of the grant of the mining tenement. If the existence of native title is proven over any of the land subject to the Tenement, and the native title holders make an application to the Federal Court for compensation, the tenement holder may be liable to pay any compensation awarded.

### **(c) Conversion to Mining Lease**

In relation to a tenement in Western Australia undergoing a conversion from an exploration licence or prospecting licence to a mining lease over an area where native title claims are lodged and registered, the mining lease will be subject to the right to negotiate process, unless DMC has earlier entered into an agreement with the claimants that permits such conversion.

## **12. Aboriginal Heritage**

### **(a) Commonwealth**

The Aboriginal and Torres Strait Islander Heritage Protection Act 1984 (Cth) (**Commonwealth Heritage Act**) is aimed at the preservation and protection of any Aboriginal areas and objects that may be located on the Tenement.

Under the Commonwealth Heritage Act, the Minister for Aboriginal Affairs may make interim or permanent declarations of preservation in relation to significant



Aboriginal areas or objects, which can affect exploration activities. Compensation is payable by the Minister to a person who is, or is likely to be, affected by a permanent declaration of preservation.

(b) **Western Australia**

Holders of mining tenements in Western Australia are subject to the Aboriginal Heritage Act 1972 (WA) (**WA Heritage Act**), which protects sites that may be of spiritual, cultural or heritage significance to Aboriginal people (**Aboriginal Site**). The Western Australia Department of Planning, Land and Heritage (which incorporates the former Department of Aboriginal Affairs) maintains a register of Aboriginal Sites but registration of an Aboriginal Site is not required by the WA Heritage Act.

To alter or damage an Aboriginal Site without approval is an offence under the WA Heritage Act that can lead to prosecution. Any party disturbing an area of the State has an obligation to avoid interfering with an Aboriginal Site. To satisfy this obligation, tenement holders commonly undertake Aboriginal heritage surveys which involve the relevant traditional owners and as necessary, an archaeologist or anthropologist walking the land identifying sites and discussing the impact of proposed exploration activity. The costs of a heritage survey are met by the tenement holder.

Surveys to identify sites and objects of significance to Aboriginal people are commonly carried out in accordance with terms set out in an RSHA or AHA (both described in Part 9 above). Where native title has been determined to exist, the obligation to carry out such survey, and the terms by which they must be carried out, may be set out in an “indigenous Land Use Agreement” (**ILUA**). ILUA’s range from very detailed agreements negotiated by the State and the relevant native title holders to cover entire native title areas to agreements between individual companies and the native title holders. The National Native Title Tribunal maintains a register of ILUA’s.

(c) **Aboriginal Sites within the Tenement**

Other than the search of the DPLH register described in part 4(c) of this report, we have not undertaken any searches or investigations as to whether there are or may be any sites protected by the Commonwealth Heritage Act or the WA Heritage Act within the area of the Tenement. It is common practice for an explorer to undertake heritage surveys only over areas about to be disturbed and only when work is imminent.

**13. Consent**

This report is given on 16 August 2024 and unless specified to the contrary, speaks only to the laws in force on that date. House Legal has consented to the inclusion of this Report in the Prospectus in the form and context in which it is included and has not withdrawn that consent before the lodgement of the Prospectus with ASIC.

**14. Disclosure of Interest**

House Legal will be paid normal and usual professional fees for the preparation of this report and related matters, as set out elsewhere in the Prospectus.

Yours faithfully



**Stuart House**  
Principal

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## SCHEDULE 1 TENEMENT DETAILS

### Exploration Licence 74/669

|                              |                    |
|------------------------------|--------------------|
| <b>Holder:</b>               | DMC Mining Limited |
| <b>Status:</b>               | Live               |
| <b>Area:</b>                 | 21 Blocks          |
| <b>Application Date:</b>     | 13 August 2020     |
| <b>Grant Date:</b>           | 22 April 2021      |
| <b>Expiry Date:</b>          | 21 April 2026      |
| <b>Expenditure Required:</b> | \$31,500           |
| <b>Annual Rent</b>           | \$6,363            |

### Notes

#### *Conditions and endorsements*

The Tenement is subject to standard statutory conditions. These standard conditions compel the tenement holder to promptly report to the Minister responsible for the administration of the Mining Act all minerals of economic interest discovered within the Tenement. The standard conditions also stipulate that a tenement holder obtain the consent of an officer of the Department of Energy, Mines, Industry Regulation and Safety (**DEMIRS**) prior to conducting any ground disturbing work, basic environmental and rehabilitation conditions (such as filling or otherwise making safe all holes, pits, trenches and other disturbances to the surface of the land which are made whilst exploring for minerals) and a requirement to prevent fire, damage to trees or other property, damage to livestock. In addition to these standard conditions, the following applies:

1. All disturbances to the surface of the land made as a result of exploration, including costeans, drill pads, grid lines and access tracks, being backfilled and rehabilitated to the satisfaction of the Environmental Officer, DEMIRS. Backfilling and rehabilitation being required no later than 6 months after excavation unless otherwise approved in writing by the Environmental Officer, DEMIRS.
2. All waste materials, rubbish, plastic sample bags, abandoned equipment and temporary buildings being removed from the mining tenement prior to or at the termination of exploration program.
3. Unless the written approval of the Environmental Officer, DEMIRS is first obtained, the use of drilling rigs, scrapers, graders, bulldozers, backhoes or other mechanised equipment for surface disturbance or the excavation of costeans is prohibited. Following approval, all topsoil being removed ahead of mining operations and separately stockpiled for replacement after backfilling and/or completion of operations.

4. The rights of ingress to and egress from Miscellaneous Licence 74/21 being at all times preserved to the licensee and no interference with the purpose or installations connected to the licence.
5. The prior written consent of the Minister responsible for the Mining Act 1978 being obtained before commencing any exploration activities on Parklands and Recreation Reserve 31979, Water Reserve 39171 and Parklands and Public Utilities Reserve 49054.
6. No excavation, excepting shafts, approaching closer to the South Coast Highway, Highway verge or the road reserve than a distance equal to twice the depth of the excavation and mining on the South Coast Highway or Highway verge being confined to below a depth of 30 metres from the natural surface.
7. In areas of native vegetation within the tenement, no exploration activities commencing until the licensee provides a plan of management to prevent the spread of dieback disease (*Phytophthora* species) to the Executive Director, Resource and Environmental Compliance, DEMIRS for assessment and until the written approval of the Executive Director has been received. All exploration activities shall then comply with the commitments made in the management plan.
8. No interference with Geodetic Survey Station G 74-10 and mining within 15 metres thereof being confined to below a depth of 15 metres from the natural surface.
9. The land the subject of this Licence affects Rare Flora sites (94981, 106044, 106045, 113569 and 113589) declared under the Wildlife Conservation Act 1950. The Licensee is advised to contact the Department of Biodiversity Conservation and Attractions to receive the population details and information on the management of Declared Rare Flora (or Priority Listed Flora) present within the tenement area.
10. The land the subject of this Licence may affect a Threatened Ecological Community. The Licensee is advised to contact the Department of Biodiversity Conservation and Attractions (DBCA) Threatened Species and Communities Unit for further information on this Threatened Ecological Community.
11. In respect to Water Resource Management Areas (**WRMA**) the following endorsements apply:
  - a. The Licensee's attention is drawn to the provisions of the:
    - i. Waterways Conservation Act, 1976;
    - ii. Rights in Water and Irrigation Act, 1914;
    - iii. Metropolitan Water Supply, Sewerage and Drainage Act, 1909;
    - iv. Country Areas Water Supply Act, 1947; and
    - v. Water Agencies (Powers) Act 1984.
  - b. The rights of ingress to and egress from, and to cross over and through, the mining tenement being at all reasonable times preserved to officers of

Department of Water and Environmental Regulation (**DWER**) for inspection and investigation purpose.

- c. The storage and disposal of petroleum hydrocarbons, chemicals and potentially hazardous substances being in accordance with the current published version of the DWER relevant Water Quality Protection Notes and Guidelines for mining and mineral processing.
  - d. The taking of groundwater from an artesian well and the construction, enlargement, deepening or altering of any artesian well is prohibited unless current licences for these activities have been issued by DWER.
  - e. Measures such as drainage controls and stormwater retention facilities are to be implemented to minimise erosion and sedimentation of adjacent areas, receiving catchments and waterways.
  - f. All activities to be undertaken so as to avoid or minimise damage, disturbance or contamination of waterways, including their beds and banks, and riparian and other water dependent vegetation.
12. In respect to Proclaimed Ground Water Areas (Kondinin-Ravensthorpe), the taking of groundwater and the construction or altering of any well is prohibited without current licences for these activities issued by the DWER, unless an exemption otherwise applies.

***Underlying land holdings, native title and Aboriginal Heritage sites***

13. This tenement lays within the area of the South West native title settlement (WCD2021/010) and is covered by the Wagyl Kaip and Southern Noongar People Indigenous Land Use Agreement (**ILUA**). The ILUA includes a standard form agreement for the protection of Aboriginal heritage. DMC Mining and the South West Aboriginal Land & Sea Council Aboriginal Corporation acting for and on behalf of the Wagyl Kaip & Southern Noongar Aboriginal Agreement Group executed the standard heritage agreement on 26 March 2022. A summary of that agreement is included in Schedule 2 to this report.
14. This tenement is affected by one registered aboriginal site, being Site ID 21378 “Jerdacuttup River”, a creation and dreaming Narrative site. The site tracks the Jerddacuttup River and affects less than 1% of the tenement area.
15. The majority of this tenement (73%) overlays private land. In Western Australia, a private land owner may veto exploration or mining on cultivated land. DMC has reached an agreement with the majority landowner to access the land. A summary of that agreement is included in Schedule 2 to this report.



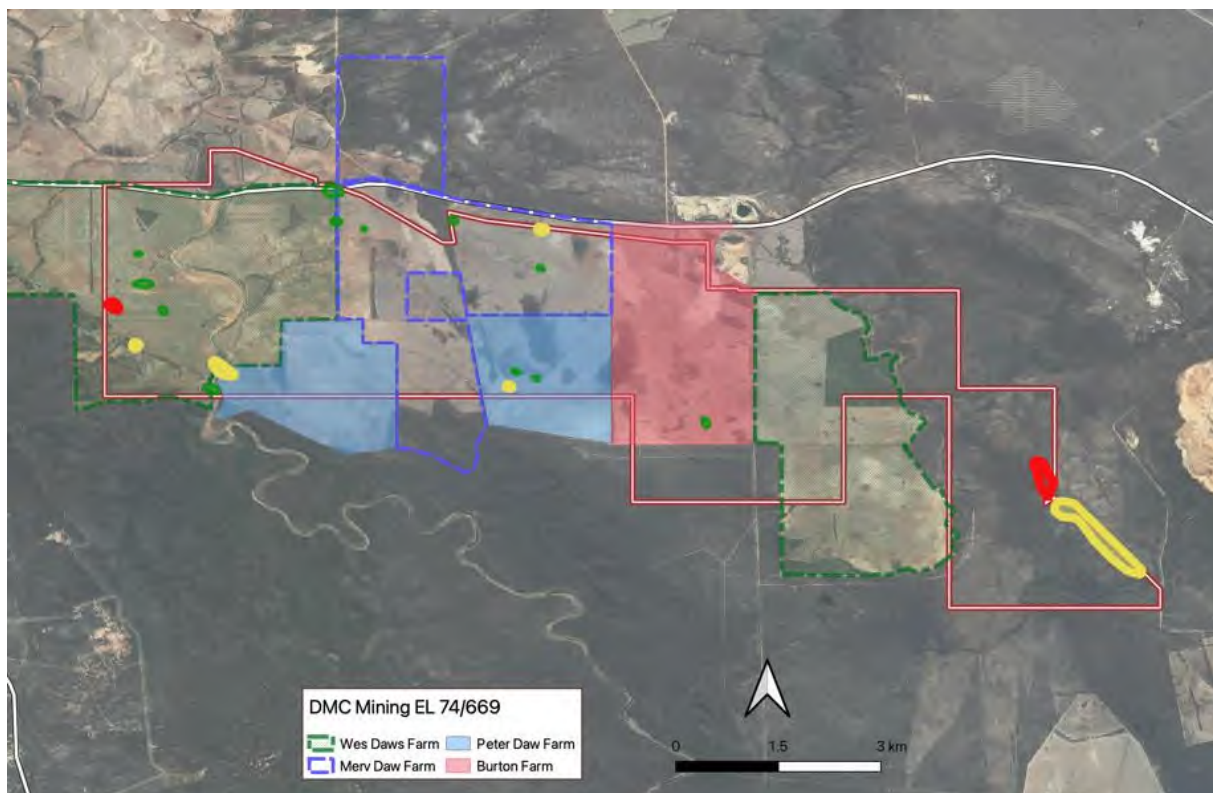
## SCHEDULE 2 MATERIAL CONTRACT SUMMARIES

### Private Land Access – E74/669

On 4 August 2022, the Company entered into an agreement with Pete and Lena Daw which gave the Company the right to access the surface of certain private land, known as the Wes Davis Farm, the Peter Daw Farm and the Merv Daw Farm within the area of Exploration Licence 74/669.

DMC does not have access to the surface area of the Burton Farm.

Below is a plan showing the area of E74/669 and the private land where access has been secured.



The access agreement provides for sums to be paid to the landowners based on the number and types of holes drilled and for certain other land disturbing activities as well as other obligations that would be usual in a private land access agreement such as to minimise disturbance to the landowner and to rehabilitate all areas disturbed.

DMC Mining must negotiate a new access arrangement if it converts E74/669 to a mining lease.

## **Aboriginal Heritage Protection Agreement**

DMC Mining and the South West Aboriginal Land & Sea Council Aboriginal Corporation acting for and on behalf of the Wagyl Kaip & Southern Noongar Aboriginal Agreement Group executed a Standard Heritage Agreement over the area of E74/669 on 26 March 2022 (**Heritage Agreement**).

The Heritage Agreement sets out a process to assist the parties to identify possible sites or objects of significance to Aboriginal people before undertaking ground disturbing works that might otherwise disturb such sites or objects. It does this by describing a process for representatives of the Wagyl Kaip & Southern Noongar Aboriginal Group to undertake heritage surveys ahead of such works being undertaken.

The Heritage Agreement is a standard form agreement and all tenement applicants in the Wagyl Kaip & Southern Noongar claim area are obliged to offer to enter into the same agreement or negotiate an alternative.



## Due Diligence Report

**N. réf. :** 015/PKA/SP/2024

**Privileged and Confidential**

To: DMC Mining Limited

From Sylla & Partners

Date August 16<sup>th</sup> 2024

Subject Legal report on Veridis Energie SARL and Mining Development Resources SARLU and tenements held or applied for by these entities

Dear Mr David Sumich,

**Legal Due Diligence Report on Veridis Energie SARL and Mining Development Resources SARLU and tenements held or applied for by these entities**

We have been instructed by DMC Mining Limited ("**DMC**" or "**the Client**") to carry out legal due diligence on Veridis Energie SARL ("**Veridis**") and Mining Development Resources SARLU ("**MDR**" and with Veridis, the "**Companies**") and the mineral permits held or applied for by the Companies (the "**Tenements**") in the Republic of Guinea in relation to the listing of DMC on the Australian Securities Exchange and issue a Solicitors' Report (the "**Report**") for inclusion in the prospectus ("**Prospectus**") to be issued by DMC in relation to such listing (the "**Listing**"):

## **INTRODUCTION**

### **I. Scope of the Report**

The purpose of this Report is to:

- A) determine the existence and the good standing of the Companies;
- B) determine the validity of the Tenements and identify any material issues existing in respect of the Tenements;
- C) determine whether any third-party interests, including encumbrances, exist over the Tenements;
- D) determine whether there are any access restrictions on the Tenements; and
- E) determine whether the exploration permits (which are intended to replace the mineral reconnaissance permits) once granted comply with environmental laws and regulation.

### **II. Assumptions**

- A) In preparing this Report, we have assumed the following:
  - (1) that the responses to the questions which we have put to the officers of the Companies or of the Client are true and accurate in all respects and contain no material omissions, and updates have been provided to us when necessary;
  - (2) that there are no documents, other than those which were given to us by the Companies to review, that are relevant to the items which we have examined;
  - (3) the authenticity of all documents which were given to us by the Companies;
  - (4) that all documents submitted to us as originals have genuine signatures and are authentic, complete and up to date, and all documents submitted to us as copies conform to authentic, complete and up to date original documents;
  - (5) the completeness and the conformity to original documents or instruments of all copies examined by us;
  - (6) that any document provided to us which was prepared for submission to the Guinean authorities was actually submitted;
  - (7) that any signatures, stamps, seals and dates on the documents provided to us as copies of originals are genuine and made by persons legally authorized to do so;
  - (8) that, if only extracts of documents have been supplied to us, the extracts do not give a misleading view of the document as a whole;
  - (9) that all certificates, letters and opinions given by external entities (the National Directorate of Mines (**NDM**), the Mining Promotion and



Development Centre (**CPDM**) and the Trade Registry (**RCCM**) are accurate; and

- (10) all factual matters stated in any document given to us by the Client are true and correct.
- B) Nothing has come to our attention to lead us to believe that our assumptions above are not correct, but we have not made any independent investigations with respect to the matters that are the subject of our assumptions.
- C) In preparing the Report we have solely relied on the documents and information provided to us by the Companies, the Client, the NDM, the CPDM and the RCCM. Our review is based solely on the laws and regulations issued by the Republic of Guinea.

### **III. Consent**

This Report is given solely for the benefit of DMC and is not to be used for any other purpose without our prior consent.

We have given our written consent to the issue of the Prospectus with this Report in the form and context in which it is included and have not withdrawn our consent prior to the lodgement of the Prospectus with the Australian Securities and Investments Commission.

Yours faithfully,

  
**Sylla & Partners**



## I. Corporate

### 1.1 Due Incorporation of the Companies

We have reviewed the corporate records of and conducted legal searches on the Companies.

Below is a summary of the information available on each of the Companies as of the date of this Report.

#### A) Veridis Energie SARL

##### (1) General Information

|                                  |                                                                                                                                                                                                                                                                                                                                                                                    |                                            |                 |                         |
|----------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|-----------------|-------------------------|
| <b>Company name</b>              | Veridis Energie SARL                                                                                                                                                                                                                                                                                                                                                               |                                            |                 |                         |
| <b>Registered office</b>         | Almamyia I – C/Kaloum – Conakry, Guinea.                                                                                                                                                                                                                                                                                                                                           |                                            |                 |                         |
| <b>Corporate form</b>            | Private Limited Liability company ( <i>société à responsabilité limitée</i> )                                                                                                                                                                                                                                                                                                      |                                            |                 |                         |
| <b>Incorporation date</b>        | October 24, 2023                                                                                                                                                                                                                                                                                                                                                                   |                                            |                 |                         |
| <b>Registration number</b>       | GN.TCC.2023.B.15359                                                                                                                                                                                                                                                                                                                                                                |                                            |                 |                         |
| <b>Tax identification number</b> | 277621942                                                                                                                                                                                                                                                                                                                                                                          |                                            |                 |                         |
| <b>Duration</b>                  | 99 years                                                                                                                                                                                                                                                                                                                                                                           |                                            |                 |                         |
| <b>Corporate purpose</b>         | Veridis' purpose is: <ul style="list-style-type: none"> <li>• Energy;</li> <li>• Prospecting and mining exploitation;</li> <li>• Prospecting and exploitation of uranium mines and others;</li> <li>• Precious stones and metals;</li> <li>• Gold Trading Houses;</li> <li>• Assistance, consulting and intermediation;</li> <li>• Representation of foreign companies.</li> </ul> |                                            |                 |                         |
| <b>Share capital</b>             | • GNF 11,000,000.                                                                                                                                                                                                                                                                                                                                                                  |                                            |                 |                         |
| <b>Number of shares</b>          | • 110                                                                                                                                                                                                                                                                                                                                                                              |                                            |                 |                         |
| <b>Nominal value</b>             | • GNF 100,000                                                                                                                                                                                                                                                                                                                                                                      |                                            |                 |                         |
| <b>Shareholders</b>              | <b>Name</b>                                                                                                                                                                                                                                                                                                                                                                        | <b>Contribution in share capital (GNF)</b> | <b>Rate (%)</b> | <b>Number of shares</b> |
|                                  | SEBASTIANO RANDAZZO <sup>1</sup>                                                                                                                                                                                                                                                                                                                                                   | 2,800,000                                  | 25.5%           | 28                      |

<sup>1</sup> Refer (d) below regarding Trust Deed



|                   |                               |            |       |     |
|-------------------|-------------------------------|------------|-------|-----|
|                   | MICHAEL JOHN MINOSORA         | 2,700,000  | 24.5% | 27  |
|                   | MAHMOUD KABA                  | 2,000,000  | 18.2% | 20  |
|                   | ADAMA KOUYATE                 | 1,500,000  | 13.6% | 15  |
|                   | SORY SIDIBE                   | 500,000    | 4.5%  | 5   |
|                   | LANSANA SAVANE                | 500,000    | 4.5%  | 5   |
|                   | CITYSCAPE ASSET PTY LTD       | 1,000,000  | 9.1%  | 10  |
|                   | Total                         | 11,000,000 | 100%  | 110 |
| <b>Management</b> | <b>MANAGER: ADAMA KOUYATE</b> |            |       |     |

## (2) Comments

### (a) Shareholding structure

According to the corporate documents made available to us, there are seven (7) shareholders of Veridis' who became shareholders in the following order:

- **At the incorporation:**
  - 1) Sebastiano Randazzo held 40 shares;
  - 2) Michael John Minosora held 40 shares;
  - 3) Adama Kouyate held 20 shares.
- **In February 2024, the following individuals became shareholders of Veridis:**
  - 1) Mahmoud Kaba held 20 shares;
  - 2) Sory Sidibé held 5 shares;
  - 3) Lansana Savané held 5 shares.
- **In April 2024, an additional 10 new shares were issued to Cityscape Asset Pty Ltd**

### (b) Company manager's tenure

Pursuant to paragraph 1 of Article 15 of Veridis' articles of association, the company manager is appointed for four (4) years. However, in the following paragraph it is stated that Mr. Adama Kouyaté is appointed for an undetermined period. We recommend correcting this discrepancy in the articles of association.

### (c) Pre-emptive rights agreements

In accordance with Article 11 of Veridis' Articles of Association, the current shareholders of Veridis have pre-emptive rights over the Veridis' shares. Veridis' shares may only be transferred to third parties with the consent of the majority of the shareholders holding at least three-quarters of the shares.

As a result of the execution of the Veridis' updated Articles of Association by all the shareholders, we are of the opinion that no other consent is required from the shareholders.

The Articles of Association do not provide for any other related rights, such as voting rights agreements. According to the information we received from the Client, no shareholders' agreement has also been concluded.

**(d) Declaration of Trust Deed**

On October 23, 2023, Mr. Sebastiano Randazzo and Ranchild Pty Ltd. concluded a Declaration of Trust Deed, in which Ranchild Pty Ltd. is designated as the beneficiary of the shares to be held by Mr. Randazzo in Veridis' share capital.

According to Article 153 of the Mining Code, a holder of or an applicant for a mining title (which includes the reconnaissance permits and the exploration permit applications) and its direct subcontractors are required to provide the CPDM with the identity of all parties having an interest in the title.

Assuming that the aforementioned Declaration of Trust Deed is disclosed to the CPDM, we are of the opinion that such a disclosure fulfills the aforementioned obligation under the Mining Law.

Veridis has advised that the above disclosure has been made.

**Subject to the above comments, we confirm that Veridis Energie SARL is validly incorporated under the laws of Guinea as a private limited company (*Société à responsabilité limitée*), and has been registered with the Trade Registry of Conakry under the number GN.TCC.2023.B.15359 dated October 24, 2023.**

**B) Mining Development Resources SARLU**

**(1) General Information**

|                                  |                                                                                                                               |
|----------------------------------|-------------------------------------------------------------------------------------------------------------------------------|
| <b>Company name</b>              | Mining Development Resources SARLU                                                                                            |
| <b>Registered office</b>         | Almamy I – C/Kaloum – Conakry, Guinea.                                                                                        |
| <b>Corporate form</b>            | Private Limited Liability company ( <i>société à responsabilité limitée unipersonnelle</i> )                                  |
| <b>Incorporation date</b>        | January 24, 2024                                                                                                              |
| <b>Registration number</b>       | GN.TCC.2024.B.01008                                                                                                           |
| <b>Tax identification number</b> | 727620148                                                                                                                     |
| <b>Duration</b>                  | 99 years                                                                                                                      |
| <b>Corporate purpose</b>         | MDR's purpose is: <ul style="list-style-type: none"> <li>• Energy;</li> <li>• Prospecting and mining exploitation;</li> </ul> |



|                                                                         |                                                                                                                                                                                                                                                                                                                                                                |                                            |                 |                         |
|-------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|-----------------|-------------------------|
|                                                                         | <ul style="list-style-type: none"> <li>• Prospecting and exploitation of uranium mines and others;</li> <li>• Precious stones and metals;</li> <li>• Gold Trading Houses;</li> <li>• Participation in mining companies;</li> <li>• Financing;</li> <li>• Assistance, consulting and intermediation;</li> <li>• Representation of foreign companies.</li> </ul> |                                            |                 |                         |
| <b>Share capital</b><br><b>Number of shares</b><br><b>Nominal value</b> | <ul style="list-style-type: none"> <li>• GNF 10,000,000.</li> <li>• 100</li> <li>• GNF 100,000</li> </ul>                                                                                                                                                                                                                                                      |                                            |                 |                         |
| <b>Shareholders</b>                                                     | <b>Name</b>                                                                                                                                                                                                                                                                                                                                                    | <b>Contribution in share capital (GNF)</b> | <b>Rate (%)</b> | <b>Number of shares</b> |
|                                                                         | ADAMA KOUYATE <sup>2</sup>                                                                                                                                                                                                                                                                                                                                     | 10,00,000                                  | 100%            | 100                     |
|                                                                         |                                                                                                                                                                                                                                                                                                                                                                | 10,000,000                                 | 100%            | 100                     |
| <b>Management</b>                                                       | <b>MANAGER: ADAMA KOUYATE</b>                                                                                                                                                                                                                                                                                                                                  |                                            |                 |                         |

## (2) Comments

### (a) Incorporation of Mining Development Resources SARLU

MDR was registered with the Trade Registry of Conakry under the number GN.TCC.2024.B.01008 on January 24, 2024.

However, we have not been provided with evidence that the executed copy of MDR's Articles of Association has been deposited at the Trade Register. We highly recommend executing the articles of association and recording same with the relevant authorities (tax authorities, Trade Register and Mining Authorities).

### (b) Bare trust deeds

On May 14, 2024, Adama Kouyaté and Mr. Michael John Minosora entered into a Bare Trust Deed, in which Mr. Minosora is designated as the beneficiary of 40% of the shares in MDR which are held by Mr. Kouyaté.

On the same date, Mr Kouyaté entered into a Bare Trust Deed with Ranchild Pty Ltd., in which Ranchild Pty Ltd. is also designated as the beneficiary of 40% of the share in MDR which are held by Mr. Kouyaté.

According to Article 153 of the Mining Code, a holder of or an applicant for a mining title (which includes an exploration permit) and its direct subcontractors are

<sup>2</sup> Refer (b) below regarding Trust Deed



required to provide the CPDM with the identity of all parties having an interest in the title.

Assuming that the aforementioned Bare Trust Deeds were disclosed to the CPDM, we are of the opinion that such a disclosure fulfills the aforementioned obligation under the Mining Law.

MDR has advised that the above disclosure has been made.

**Subject to the above comments, we confirm that Mining Development Resources SARLU is validly incorporated under the laws of Guinea as a private limited company (*Société à responsabilité limitée*), and has been registered with the Trade Registry of Conakry under the number GN.TCC.2024.B.01008 dated January 24, 2024.**

## **1.2 Good Standing of the companies**

The Trade Register confirmed by certificates dated May 13, 2024, that no court order for the winding up or dissolution of the Companies and no interim or final administration order in relation to the Companies and no notice of the appointment of a bankruptcy trustee, receiver, administrative receiver, *mandataire judiciaire* or administrator of the Companies have been made or is threatening the Companies and no pledge or any security has been registered against the Companies, to any of its assets.

## **1.3 Security on Companies' shares**

As of May 13, 2024, no charge has been registered against any of the Companies' assets.

## **1.4 Change of Control**

The Guinean Mining Code provides for extensive approval rights of the Guinean Government over direct or indirect transfers of interests in the holder of a mining title (being an exploration or exploitation permit). Article 90 of the Mining Code provides in particular that:

- (a) any change in the direct or indirect control of the holder of an interest in a mining title must be submitted for approval or ratification by the Minister in charge of mines;
- (b) any direct or indirect acquisition, partial or cumulative, equal to or greater than 5% of the capital of the company holding a mining title must be submitted to the Minister in charge of mines for ratification; and
- (c) any change in the shareholding of a company holding a mining title following a "regular stock market transaction" must be notified to the Minister in charge of mines within 48 hours.

Based on Article 90 of the Mining Code, the change of control of DMC following completion of the acquisitions should not be subject to governmental approval in Guinea. Although, strictly speaking, the Mining Code does not require information to be given for transactions concerning the parent company of a company holding

mining titles, we would recommend that information should be given to the Ministry of Mines in relation to the Listing within 48 hours of the start of the trading on the ASX.

As noted above, a change in the direct or indirect control of the holder of an interest in an exploration permit must be submitted for approval or ratification by the Minister in charge of mines. DMC intends to manage this risk by completing the transfer of shares in each of the Companies to the nominated subsidiaries of DMC and informing the Ministry of Mines of such transfers immediately prior to the grant of the exploration licences. As a result, there will be no change in control following the grant of the licences. The transfer of shares will be unwound if DMC's securities are not re-admitted to the Official List.

A summary of the potential impact of the acquisition by DMC (or its nominees) of the issued capital of the Companies on the validity of the reconnaissance permits and reconnaissance permit application held by the Companies is set out in section 2.3(A)(4) of this Report.

### **1.5 Guinean Law compliance**

Subject to our comments herein, we have not identified any other legal issues in relation to the Companies or the proposed acquisition of the Companies by DMC.

## **II. TENEMENTS**

### **2.1 Applicable regulations**

The Tenements are mainly governed by the following laws and regulations:

- Law No. L/2011/006/CNT dated September 09, 2011, setting out the mining code of the Republic of Guinea as amended by the law No. L/2013/53/CNT of 08 April 2013 (the "**Mining Code**"); and
- Decree No. D/2014/012/PRG/SGG dated January 14, 2014 on the management of mining authorizations and mining titles (the "Mining Decree", and together with the Mining Code, the "**Mining Law**").

The Mining Law deals with the prospection, exploration, exploitation, transformation, holding, possession, circulation and marketing of mineral substances and quarry products.

In addition, the law L/2019/0034/AN dated July 4, 2019, setting out the environmental code of the Republic of Guinea (the "**Environment Code**") as well as other legislations are also applicable to mining companies and mining activities in Guinea.

### **2.2 General Legal Background**

#### **A) Reconnaissance Permits**

- (1) A reconnaissance permit is granted by decision of the National Director of Mines to applicants for exploration permits (Article 43 of the Mining Code).
- (2) The methods of attribution, maintenance, renewal, transfer, transmission, transformation or withdrawal of reconnaissance permits as well as



information which has to be provided for the applications and procedures related to this mining title, are established by the Mining Law.

- (3) According to Article 15 of the Mining Code, all individuals or legal entities with the necessary technical and financial capability may be permitted to carry out reconnaissance works, explore for mine or quarry substances subject to conditions set out in the Mining Law.

Subject to the provisions of the Mining Law, mine or quarry substances may also be exploited by:

- any individual or legal entity constituted as a public or private company under Guinean law, having the technical and financial capability to undertake the requested operation;
  - any individual or legal entity of Guinean nationality who is duly authorized to carry out semi-industrial or artisanal operations.
- (4) A reconnaissance permit confers on its holder the right to carry out reconnaissance work on indices of one or more mining substances in areas classified as not closed or not covered by another mining title or authorizations for the same substance. However, the holder of a reconnaissance permit shall not carry out any survey or excavation works (Article 95 of the Mining Decree).
- (5) A reconnaissance permit cannot be the subject of a pledge, or a mortgage agreement.
- (6) The holder of the reconnaissance permit is required to submit the results of the reconnaissance works to the State.
- (7) A reconnaissance permit is not assignable.
- (8) The issuance of a reconnaissance permit does not exclude the grant of other mining permits or authorizations within the same perimeter (Article 95 of the Mining Decree). Nevertheless, the activity of the holder of the most recent mining title or authorization must be conducted so as not to prejudice the activity of the holder of the oldest mining title or authorization.
- (9) A mining right does not extinguish a property/land owner right. Therefore, land owners affected by the reconnaissance activities are entitled to compensation for the disturbance of enjoyment suffered by such land owners or occupants.
- (10) Any holder of a reconnaissance permit is required to submit to the National Director of Mines, a semi-annual activity report approved by the relevant Prefectoral Directorate of Mines and Geology. Mining authorities will issue a receipt upon the submission of each report (Article 81 of Mining Code).
- (11) A reconnaissance permit is valid for six (6) months from the date of issuance. According to Article 45 of the Mining Code, a reconnaissance permit is renewable once for a further period of no more than six (6) months, if its holder has satisfied all obligations incumbent on it. The request of renewal must be submitted to the National Director of Mines at least thirty (30) days before the expiration of the validity period and must include:

- a copy of the reconnaissance permit under which renewal is requested;
  - three (3) copies of the report presenting the results of the reconnaissance work carried out during the last period of validity of the permit.
- (12) The examination of a renewal application consists of the review of the report presenting the works carried out during previous validity period. In accordance with Article 78 of the Mining Code, a reconnaissance permit, which expires during the examination of the renewal application, is automatically extended, without formality, until the date of renewal or the notification that the application has been denied.
- (13) Holders of reconnaissance permits are required to comply with environmental law.
- (14) Pursuant to Article 107 of the Mining Decree, a reconnaissance permit is withdrawn, by the National Director of Mines, in the following cases:
- (1) Failure to apply for renewal of the reconnaissance permit.
  - (2) The holder has engaged in excavation or drilling activities or exploitation work within the perimeter of the reconnaissance permit.
  - (3) Failure to submit work reports.
- (15) Withdrawal may only occur after an audition of the permit holder by the National Mining Directorate and a formal notice, and will be effective thirty (30) working days after such notification.

#### **B) Exploration permit**

- (1) An exploration permit is granted by order of the Minister of Mine to a physical or legal entity that submits an application in compliance with the Mining Law. The decision to grant an exploration permit, its renewal, prolongation, and withdrawal shall be published in the Official Journal and on the Ministry of Mines website.
- (2) The Mining Law does not provide for a mining convention to be signed between the holder of an exploration permit and the government. Mining conventions are only provided for exploitation permits and concessions.
- (3) An exploration permit confers on its holder, within the limits of its perimeter, on the surface and at depth, the exclusive right to explore for nominated minerals. The exploration permit is a movable, indivisible, non-transferrable right that cannot be the object of a pledge, or a mortgage agreement.

However, the holder of an exploration permit can conclude a technical agreement with third parties in order to conduct exploration works. This agreement should be approved by the Minister of Mine and must not consist of a direct or indirect transfer of the exploration permit (Article 19 of the Mining Code).

- (4) Subject to be declared to the National Directorate of Mines, the holder of an exploration permit is entitled to dispose of the products extracted during the exploration and assay, provided that the exploration works are not conducted as exploitation works (Article 27 of the Mining Code).



- (5) An exploration permit also confers on its holder the exclusive right to apply for, at least three (3) months before the expiry of the validity period of the exploration permit, and be granted an exploitation permit if it has satisfied all its obligations under the Mining Law, and the holder provides proof that one or several deposits are discovered in the exploration area.
- (6) The issuance of an exploration permit does not exclude the grant of other mining permits or authorizations (for different substance) within the same perimeter as the exploration permit. Nevertheless, the activity of the holder of the most recent mining title or authorization must be conducted so as not to prejudice the activity of the holder of the oldest mining title or authorization.
- (7) An exploration permit is valid for three (3) years from the date of issuance. It is renewable twice for two consecutive periods of two (2) years, subject to the holder complying with all rights and obligations provided for by the Mining Law. An exceptional prolongation not exceeding one (1) year may be granted on demand of the holder, provided that this demand is justified by the necessity to finalize the feasibility study (Article 25 of the Mining Code). The permit perimeter must be reduced by 50% (such area to be determined by the permit holder) at the time of each renewal.
- (8) In accordance with Article 78 of the Mining Code, an exploration permit, which expires during the examination of a renewal application, is automatically extended, without formality, until the date of renewal or the notification that the application has been denied. Three (3) months after the expiry of the permit without any renewal decision, the renewal is deemed approved, provided that the holder complies with its obligations under the Mining Law.
- (9) The holder of an exploration permit is required to undertake the exploration program submitted in connection with its application for the permit, to fund the works as agreed, and to start the works within the area no later than six (6) months after the granting of the permit.
- (10) The holder of an exploration permit is therefore required to carry out the work program that it has communicated at the beginning of each year to the mining administration and to spend a minimum amount of USD 500 per square kilometre per year on these works.
- (11) An exploration permit holder is also required to conduct an environmental impact assessment and submit the environmental impact notice prior to the commencement of work and no later than six (6) months after the issuance date of the permit.
- (12) In accordance with the Mining Code, any applicant for a mining title (ex: exploration permit) is required to sign a Code of Conduct with the Ministry of Mines. Failure to sign such a Code of Conduct will result in the exclusion of such person from the grant of a mining title (Article 155 of the Mining Code).
- (13) The holder of a mining title or authorisation is required to submit to the Ministry of Mines, no later than ninety (90) days after the end of each calendar year, an Anti-Corruption Monitoring Plan.



- (14) In accordance with Article 166 of the Mining Code, the holder of an exploration permit must establish for approval by the Minister of Mines and the Minister of Finance, before the commencement of their operations, a list called the "mining list". The approval of the mining list allows the holders of an exploration permit to obtain an exemption from custom duties and taxes for the import of their equipment.
- (15) The disturbance of land required to undertake prospecting, exploration or exploitation of minerals shall entitle the landowner (or tradition or customary occupant) to compensation in accordance with the applicable law.
- (16) Pursuant to Article 88 of the Mining Code, the exploration permits duly granted can be subject to withdrawal without compensation or indemnity particularly in the following case:
- The holder of an exploration permit has been undertaking exploitation activities within the perimeter of the exploration permit.
  - Exploration activities have been delayed or suspended without value reason, for more than six (6) months.
  - Assignment, transfer, or lease of all or part of the mining right resulting from exploration permit.
  - Non-payment of taxes and/or royalties.
  - Loss of financial or technical capability.
  - Non-compliance with the provisions of the Code of Conduct.
- (17) Withdrawal may only occur after a formal notice and will take effect forty-five-day after such notification.
- (18) According to Article 159 II of the Mining Code, the granting of mining titles and authorisations, as well as their renewal, extension, prolongation, assignment, transfer, and lease, are subject, upon issuance of the act granting the rights, to the payment of a fixed fee, the amount and terms of which are set by Joint Order AC/2016/6074/MEF/MB/ MMG/SGG of September 26, 2016. The fees and royalties related to the grant and renewal of exploration permit and reconnaissance permits are set out in the below table.

| <b>Fees / Royalties</b>              | <b>Exploration permit</b>  |                         |                           | <b>Reconnaissance Permits</b> |
|--------------------------------------|----------------------------|-------------------------|---------------------------|-------------------------------|
| Application fees (grant and renewal) | USD 1,500                  |                         |                           | USD 500                       |
| Fixed fees                           | Bauxite, iron ore, uranium | Grant                   | USD 15/km <sup>2</sup>    | N/A                           |
|                                      |                            | 1 <sup>st</sup> Renewal | USD 40 /km <sup>2</sup>   |                               |
|                                      |                            | 2 <sup>nd</sup> Renewal | USD 100 / km <sup>2</sup> |                               |

|                   |                                          |                         |                           |     |
|-------------------|------------------------------------------|-------------------------|---------------------------|-----|
|                   | Gold, diamond, gems, associated minerals | Grant                   | USD 20 / km <sup>2</sup>  |     |
|                   |                                          | 1 <sup>st</sup> Renewal | USD 53 / km <sup>2</sup>  |     |
|                   |                                          | 2 <sup>nd</sup> Renewal | USD 133 / km <sup>2</sup> |     |
|                   | Base metal and other substance           | Grant                   | USD 10 / km <sup>2</sup>  |     |
|                   |                                          | 1 <sup>st</sup> Renewal | USD 27 / km <sup>2</sup>  |     |
|                   |                                          | 2 <sup>nd</sup> Renewal | USD 67 / km <sup>2</sup>  |     |
| Surface royalties | Grant                                    |                         | USD 10/km <sup>2</sup>    | N/A |
|                   | 1 <sup>st</sup> Renewal                  |                         | USD 15/km <sup>2</sup>    |     |
|                   | 2 <sup>nd</sup> Renewal                  |                         | USD 20/km <sup>2</sup>    |     |

### 2.3 Comments on the Tenements

#### A) Reconnaissance Permits

##### (1) Main information regarding the Reconnaissance Permits

The main information relating to the Reconnaissance Permits are set out in the below table.

| Veridis                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|----------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Reconnaissance Permit 1<br>(Cadastre Number 23808) | <ul style="list-style-type: none"> <li>Reconnaissance permit granted by the National Mining Director under authorisation <b>AT/2024/223/MMG/DNM/DRC</b> dated March 18, 2024 for the reconnaissance of rare earth indicators</li> <li>Surface = 99.8837 Km<sup>2</sup></li> <li>Granted for 6 months, renewable once</li> <li>Sylla Partners has sighted the renewal application.</li> <li>Veridis holds 100% of the legal and beneficial interest in the Reconnaissance Permit.</li> </ul> |
| Reconnaissance Permit 2<br>(Cadastre Number 23807) | <ul style="list-style-type: none"> <li>Reconnaissance permit granted by the National Mining Director under Authorisation <b>AT/2024/224/MMG/DNM/DRC</b> dated March 18, 2024 for the reconnaissance of rare earth and gold indicators</li> <li>Surface = 99.4600 Km<sup>2</sup></li> <li>Granted for 6 months, renewable once</li> <li>Sylla Partners has sighted the renewal application</li> </ul>                                                                                        |



|                                                           |                                                                                                                                                                                                                                                                  |
|-----------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                           | <ul style="list-style-type: none"> <li>Veridis holds 100% of the legal and beneficial interest in the Reconnaissance Permit.</li> </ul>                                                                                                                          |
| <b>MDR</b>                                                |                                                                                                                                                                                                                                                                  |
| Reconnaissance Permit application (Cadastre Number 23959) | <ul style="list-style-type: none"> <li>Reconnaissance permit application submitted on May 27, 2024 for the reconnaissance of rare earth and associated minerals</li> <li>Surface requested = 99.4815 Km<sup>2</sup></li> <li>Status = not yet granted</li> </ul> |

## (2) Validity of the Granted Reconnaissance Permits

The Reconnaissance Permits 1 and 2 (the “**Granted Reconnaissance Permits**”) were issued on March 18, 2024 for six (6) months and registered in the name of Veridis. The initial validity period of the Granted Reconnaissance Permits is ongoing until 19 September 2024. By letter dated June 18, 2024, the National Directorate of Mines confirmed that the Granted Reconnaissance Permits are valid.

It is worth noting that the registered office mentioned on the Granted Reconnaissance Permits is different from Veridis registered office. Indeed, according to Veridis’ Articles of Association, the registered office is located at Almamy I, Commune of Kaloum. However, it is stated on the Granted Reconnaissance Permits that the registered office is located at Kakimbo, Commune of Ratoma. The same indication can be seen on Veridis’ exploration permits application letters. Although this is not a cause of the Granted Reconnaissance Permits invalidity or withdrawal, we recommend correcting this inaccuracy.

Subject to the above comments, the information contained in the Granted Reconnaissance Permits is complete and accurate in all respects.

**As at the date of this report, according to the Guinea Mining Cadastre, the abovementioned granted Reconnaissance Permits are valid.**

## (3) Reconnaissance Permit Application

According to Articles 97 and 98 of the Mining Decree, once the mining administration receives a reconnaissance permit application, it will:

- (a) verify the information submitted;
- (b) introduce the requested perimeter in the CPDM SIGM and check for any overlaps with respect to prior mining permits; and
- (c) determine the requested perimeter’s surface.

In the event that the application is not satisfactory, the applicant is immediately notified and has a period of fifteen (15) days to comply.

The acceptance of the application is notified to the applicant, subject to the suspensive condition of payment of the instruction fee.

The payment of the instruction fee entails the granting of the reconnaissance permit by decision of the National Director of Mines. The duration of the reconnaissance permit takes effect from the date of the signature.

Despite receiving a fee payment receipt dated April 16, 2024, from MDR, as at the day of this report the reconnaissance permit is yet to be granted.

#### **(4) Indirect Transfer of the Granted Reconnaissance Permits and the Reconnaissance Permit Application**

##### **(a) Veridis' Share Sale Deed**

On May 15, 2024, DMC and Veridis entered into a Share Sale Deed in which DMC agreed to acquire 100% of Veridis' shares.

Article 42 of the Mining Code prohibits the direct transfer of reconnaissance permits.

There is also an interpretation that Article 42 of the Mining Code prohibits direct transfers of the shares of the holder of a reconnaissance permit which would be "indirect" transfers of the reconnaissance permit. Accordingly, there is a risk that the validity of the reconnaissance permits may be challenged as a result of the acquisition by DMC of the totality of the share capital of Veridis. As noted in this Report, DMC has applied for exploration licences over the area of the granted exploration permits. DMC intends to complete the transfer of shares in Veridis to the nominated subsidiary of DMC immediately prior to the grant of the exploration licences. As exploration licences (once granted) will replace the existing granted reconnaissance permits, the risk associated with the impact of the change of control on the validity of the reconnaissance permits is considered to be minimal. The transfer of shares will be unwound if DMC's securities are not re-admitted to the Official List.

We note however that Article 42 would be the only prohibition of the change of control of the holder of a reconnaissance permit and such prohibition is not provided for under Article 90 which is the general provision of the Mining Code regarding the transfer of mining titles, including when Article 90 requires ministerial approval for the change of control of the holder of a "mining title" (which does not include a reconnaissance permit). As noted in this Report, DMC has applied for an exploration licence over the area of the reconnaissance permit application. DMC intends to complete the transfer of shares in MDR to the nominated subsidiary of DMC immediately prior to the grant of the exploration licence. As the exploration licence (once granted) will replace the reconnaissance permit application, the risk associated with the impact of the change of control on the validity of the reconnaissance permit application is considered to be minimal. The transfer of shares will be unwound if DMC's securities are not re-admitted to the Official List.

##### **(b) MDR's Share Sale Deed**

On May 15, 2024, DMC and MDR entered into a Share Sales Deed in which DMC agreed to acquire 100% of MDR' shares.



As set out above, Article 42 of the Mining Code prohibits the direct transfer of reconnaissance permits.

However, as the reconnaissance permit is not yet granted, the provisions of Article 42 of the Mining Code do not apply to MDR.

**(5) Work program and the corresponding budget**

In accordance with Article 6 of the Granted Reconnaissance Permits, Veridis is required to execute its work program and the corresponding budget, in accordance with the Mining Law. We have not been provided with the work program and the budget submitted to the Mining Authorities. We have, therefore, requested from the Mining Authorities to confirm whether Veridis is compliant with its obligations or not. However, by letter dated June 18, 2024, the National Directorate of Mines simply confirmed that the Granted Reconnaissance Permits were valid.

**(6) Social and environmental obligations**

In accordance with Article 7 of the Granted Reconnaissance Permits, Veridis is required to protect the environment, in accordance with Articles 142, 143 and 145 of the Mining Code, and Articles 20, 60 and 69 of the Environment Law. Veridis has provided two environmental and social assessment provisional reports in relation to the Granted Reconnaissance Permits.

We have requested from the Mining Authorities to confirm whether Veridis is compliant with its obligations or not. By letter dated June 18, 2024, the National Mining Directorate confirmed that the Granted Reconnaissance Permits were valid.

**(7) Reporting requirements**

Pursuant to Article 8 of the Granted Reconnaissance Permits, Veridis is required to provide an activities report.

At our request, the National Directorate of Mines has confirmed that the Granted Reconnaissance Permits are valid.

**(8) Obligation to pay application fee**

We have been provided with copies of the receipt confirming the payment of the application fees by the Companies. Therefore, we confirm that this requirement is satisfied.

**(9) Third party's right on the Reconnaissance Permits' perimeter**

Pursuant to the Mining Law, the issuance of a reconnaissance permit does not exclude the grant of other mining permits or authorizations within the same perimeter.

Although CPDM has not confirmed that there are no overlapping applications on the exploration permits perimeters, we have checked and reviewed the Mining Cadastre Portal, which shows no overlapping permits on the Granted Reconnaissance Permits' perimeter as well as on the MDR reconnaissance permit application perimeter.

The three (3) exploration permit applications (two for Veridis and one for MDR) are under instruction, and they are registered in the cadastral system under the numbers 24028 and 24029 for Veridis and 24027 for MDR.



**(10) Land right and Compensation for prejudice and damage**

Mining rights are distinct from land rights.

In accordance with Article 9 of the Granted Reconnaissance Permits, Veridis is required to compensate the State (Republic of Guinea) or land owners for damages that would have caused its reconnaissance work.

**(11) Withdrawal of the Permits**

To our knowledge Veridis has not received any notice of revocation, cancellation or suspension of the Reconnaissance Permits or any indication that any such notice may be given.

Furthermore, letter received from National Mining Directorate confirms that the Reconnaissance Permits are valid.

**(12) Obtaining exploration permits from the Reconnaissance Permits**

In accordance with Article 43 of the Mining Code, reconnaissance permits are issued to applicants for exploration permits. As a result, we are of the opinion that Veridis is likely to be granted exploration permits from its Granted Reconnaissance Permits, as it has confirmed that it has satisfied all its obligations under Granted Reconnaissance Permits.

**B) Exploration Permit Applications****(1) General information on the Exploration Permit Applications**

No exploration permits have yet been issued to Veridis and MDR. However, we have been provided with copies of two exploration permit applications submitted by Veridis and one exploration permit application submitted by MDR. The relevant information on the three applications is set out in the below table.

| <b>Veridis</b>                                              |                                                                                                                                                                                                                                                                                                       |
|-------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Exploration Permit Application 1<br>(Cadastre Number 24029) | <ul style="list-style-type: none"> <li>• Exploration permit application submitted on January 10, 2024 (which was amended on June 10, 2024), for rare earth precious metals, uranium, and niobium</li> <li>• Surface requested = 99.8773 Km<sup>2</sup></li> <li>• Status = not yet granted</li> </ul> |
| Exploration Permit Application 2<br>(Cadastre Number 24028) | <ul style="list-style-type: none"> <li>• Exploration permit application submitted on January 10, 2024 (which was amended on June 10, 2024), for gold, rare earth and precious metals, uranium, and niobium</li> <li>• Surface requested = not provided</li> <li>• Status = not yet granted</li> </ul> |

| MDR                                                      |                                                                                                                                                                                                                                                          |
|----------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Exploration Permit Application 3 (Cadastre Number 24027) | <ul style="list-style-type: none"> <li>• Exploration permit application submitted on January 10, 2024, for gold, rare earth and associated minerals</li> <li>• Surface requested = 99.4788 Km<sup>2</sup></li> <li>• Status = not yet granted</li> </ul> |

## (2)Comments on the status of the Exploration Permits Applications

Pursuant to Article 24 of the Mining Decree, the examination of an application consists of examining the nature and consistency of the work presented in the exploration program, as well as the expected expenditures and the technical and financial capabilities of the applicant.

If the application is denied, the applicant is notified, and the reasons for the denial are stated.

The acceptance of the application is notified to the applicant, subject to the suspensive condition of presenting the receipt of payment of the fixed fees within 15 working days, failing which the application is denied.

The presentation of the receipt of payment of the fixed fee within the allotted time entails the issuance of the exploration permit within 30 days.

As stated above, CPDM has confirmed that the three (3) exploration permit applications are under examination.

It is worth noting that, except for the above-mentioned timing, the Mining Law does not provide for any timeframe within which the exploration permit shall be issued to the applicant. Furthermore, to the best of our knowledge, no rejection letters have been notified by the Mining Administration to the Companies regarding the Exploration Permit Applications; therefore, we are of the opinion that Exploration Permits were validly applied for.

Exploration Permit applications work on a first come priority basis. The Veridis and MDR Exploration Permit applications have priority over any other 3<sup>rd</sup> party exploration permit or reconnaissance permit applications.

## (3)Obligation to pay the instruction fee and fixed fee

We have not been provided with copies of the receipt for the application fees and fixed fees payment in relation to the Exploration Permits applications. Although the fixed fee is due at the end of the application process, the instruction fee payment is required from the application date.

**As at the date of this Report, according to the Guinea Mining Cadastre, the abovementioned Exploration licence applications are valid and there is no reason why they would not be granted.**





20 August 2024

The Directors  
DMC Mining Limited  
Level 27, 44 St Georges Tce  
Perth WA 6000

Dear Directors,

## Independent Limited Assurance Report

### 1 Introduction

- 1.1 Stantons Corporate Finance Pty Ltd ("**Stantons**") was engaged by DMC Mining Limited ("**DMC**" or the "**Company**") to prepare this Independent Limited Assurance Report ("**Report**") in relation to certain financial information of the Company and its subsidiaries (the "**Group**"). The Report will be included in a Prospectus expected to be distributed in or around August 2024 (the "**Prospectus**").
- 1.2 DMC is an Australian mineral exploration company listed on the Australian Securities Exchange ("**ASX**"). The Company currently holds the Ravensthorpe Project in Western Australia, which is prospective for nickel, copper, cobalt and lithium. The Company has been suspended from trading on ASX pursuant to Listing Rule 17.2 pending the announcement of a transaction. The Company's shares will remain suspended from trading until it has completed a re-compliance with Chapters 1 and 2 of the ASX Listing Rules.
- 1.3 The Company is proposing to complete 2 transactions (collectively, the "**Transactions**") to acquire:
- 100% of the issued capital of Veridis Energie SARL ("**Veridis**") (the "**Veridis Transaction**") through a newly incorporated subsidiary based in Singapore, Veridis Holdings Pte Ltd; and
  - 100% of the issued capital of Mining Development Resources SARLU ("**MDR**") (the "**MDR Transaction**") through a newly incorporated subsidiary based in Singapore, Mider Holdings Pte Ltd;
- (refer to Section 5.10 of the Prospectus for details of the Group's proposed capital structure).
- 1.4 Veridis is a private company incorporated in Guinea, which holds 2 reconnaissance permits and 2 exploration licence applications over the reconnaissance permits in Southeast Guinea, which comprise the Firawa Uranium and Rare Earth Element Project ("**Firawa Project**").
- 1.5 MDR is a private company incorporated in Guinea, which holds 1 reconnaissance permit application and 1 exploration licence application over the reconnaissance permit application in northern Guinea, which comprise the Labé Uranium Project ("**Labé Project**").
- 1.6 The consideration proposed to be issued by DMC in relation to the Veridis Transaction, to be apportioned amongst the Veridis shareholders, comprises:
- 35,000,000 ordinary shares (with a deemed value of A\$1,750,000);
  - 45,000,000 performance shares (the "**Tranche 1 Performance Shares**") which will convert into ordinary shares in DMC upon satisfaction of both:

- a drill intercept on the Firawa Project which includes an average  $U_3O_8$  grade of 400ppm or greater over at least 10m; and
    - on the day of or any time after satisfaction of the above, the Volume Weighted Average Price (“**VWAP**”) of DMC over 20 consecutive trading days (on which DMC shares have traded) being at least \$0.075, subject to a deadline of 4 years from the date of issue;
  - 45,000,000 performance shares (the “**Tranche 2 Performance Shares**”) which will convert into ordinary shares in DMC upon satisfaction of both:
    - the Company announcing a JORC (2012) Inferred Mineral Resource Estimate on the Firawa Project of no less than 10 million tonnes at a grade greater than 4,000ppm (0.4%) total rare earth oxides (“**TREO**”); and
    - on the day of or at any time after satisfaction of the above, the VWAP of DMC over 20 consecutive trading days (on which DMC shares have traded) being at least \$0.10, subject to a deadline of 4 years from the issue date; and
  - 40,000,000 performance shares (the “**Tranche 3 Performance Shares**”) which will convert into ordinary shares in DMC upon satisfaction of both:
    - the Company announcing a JORC (2012) Inferred Mineral Resource Estimate on the Firawa Project of either:
      - no less than 20 million tonnes at a grade greater than 4,000ppm (0.4%) TREO; or
      - no less than 45 million lbs contained  $U_3O_8$ , using a 100ppm cutoff; and
    - on the day of or at any time after satisfaction of the above, the VWAP of DMC over 20 consecutive trading days (on which DMC shares have traded) being at least \$0.15, subject to a deadline of 4 years from the issue date.
- 1.7 Pursuant to the Veridis Share Sale Agreement, the Company has made payments to Veridis of US\$90,000 as an exclusivity fee and US\$25,000 per month for a period of 4 months in consideration for consultancy services to the Company during the period prior to completion of the Veridis Transaction.
- 1.8 The consideration proposed to be issued by DMC to the MDR vendors in relation to the MDR Transaction is 15,000,000 ordinary shares, with a deemed value of A\$750,000.
- 1.9 The Prospectus relates to a capital raising (the “**Capital Raising**”) by DMC, which is a component of the re-compliance of the Company with Chapters 1 and 2 of the ASX Listing Rules. The Capital Raising will seek to raise \$5,000,000 (before costs) via the issue of 100,000,000 ordinary shares at an issue price of \$0.05 per share, with oversubscriptions of up to \$500,000 allowed.
- 1.10 CPS Capital Pty Limited are the lead manager (the “**Lead Manager**”) for the Capital Raising and will receive a management fee of 3% of funds raised, a placement fee of 3% of funds raised and 8,100,000 ordinary shares as facilitation fees.
- 1.11 The Company also proposes to issue 2,000,000 ordinary shares, 2,000,000 tranche 1 performance rights (“**Tranche 1 Performance Rights**”), 2,000,000 tranche 2 performance rights (“**Tranche 2 Performance Rights**”) and 2,000,000 tranche 3 performance rights (“**Tranche 3 Performance Rights**”) to the proposed Managing Director, David Sumich. The Tranche 1 Performance Rights, Tranche 2 Performance Rights and Tranche 3 Performance Rights have the same terms as the corresponding Performance Shares.
- 1.12 This Report has been prepared for inclusion in the Prospectus. We disclaim any assumptions of responsibility for any reliance on this Report or on the historical financial information and pro forma historical financial information (“**Financial Information**”) to which it relates for any purpose other than for which it was prepared.



- 1.13 Stantons holds an Australian Financial Services Licence (AFS Licence Number 448697), and our Financial Services Guide (“FSG”) has been included in this Report in the event that you are a retail investor. Our FSG provides you with information on how to contact us, our services, remuneration, associations and relationships.

## 2 Scope

- 2.1 DMC have requested Stantons perform a limited assurance engagement in relation to the Financial Information described below and disclosed in the appendices to this Report.
- 2.2 The Financial Information is presented in the appendices to this Report in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act 2001.
- 2.3 Stantons was not instructed to consider the prospects of DMC, the securities on offer and related pricing issues, nor the merits and risks associated with becoming a shareholder in DMC and accordingly, has not done so nor purports to do so.

### *Historical Financial Information*

- 2.4 Stantons was instructed to review historical financial information (the “**Historical Financial Information**”) of DMC, comprising:
- the audited historical consolidated Statements of Profit or Loss and Other Comprehensive Income and Statements of Cash Flows of DMC for the financial years to 30 June 2022 and 30 June 2023 and reviewed statements for the half year period to 31 December 2023; and
  - the audited historical consolidated Statement of Financial Position of DMC as at 30 June 2022 and 30 June 2023 and reviewed as at 31 December 2023.
- 2.5 The Historical Financial Information of DMC was prepared in accordance with the stated basis of preparation, being the recognition and measurement principles contained in Australian Accounting Standards and DMC’s adopted accounting policies. The Historical Financial Information was extracted from the financial reports of DMC for the financial years ended 30 June 2022 and 30 June 2023, which were audited in accordance with Australian Auditing Standards, and the interim report for the half year ended 31 December 2023, which was reviewed.
- 2.6 The financial reports of DMC contain unmodified audit opinions for the financial years ended 30 June 2022 and 30 June 2023 and an unmodified review opinion for the half year ended 31 December 2023. The audit and review opinions note a material uncertainty relating to going concern, on the basis that DMC incurred net losses and net operating cash outflows for each period.

### *Pro Forma Historical Financial Information*

- 2.7 Stantons was instructed to review pro forma historical financial information (the “**Pro Forma Financial Information**”) of DMC, comprising:
- the pro forma historical consolidated Statement of Financial Position as at 31 December 2023 adjusted for transactions associated with the Transactions, Capital Raising and other subsequent events.
- 2.8 The Pro Forma Financial Information was derived from the Historical Financial Information of DMC, after adjusting for the effects of the pro forma adjustments described in Appendix 5 to this Report. The Pro Forma Financial Information has been subject to review in accordance with the Standard on Assurance Engagements ASAE 3450 “*Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*” and the Auditing Standard on Review Engagements ASRE 2405 “*Review of Historical Financial Information Other than a Financial Report.*”
- 2.9 The stated basis of preparation is the recognition and measurement principles contained in Australian Accounting Standards applied to the Historical Financial Information and the events or transactions to which the pro forma adjustments relate, as described in Appendix 5 to this Report,

as if those events or transactions had occurred as at the date of the Historical Financial Information. Due to its nature, the Pro Forma Financial Information does not represent the Company's actual or prospective financial position.

- 2.10 The Pro Forma Financial Information is presented to illustrate the impact of the events or transactions described in Appendix 5 to this Report on DMC's financial position as at 31 December 2023.

### **3 Directors' Responsibility**

- 3.1 The directors of DMC are responsible for the preparation of the Financial Information. This includes responsibility for such internal controls as the directors determine are necessary to enable the preparation of Financial Information to be free from material misstatement, whether due to fraud or error.

### **4 Our Responsibility**

- 4.1 Our responsibility is to express limited assurance conclusions on the Historical Financial Information and the Pro Forma Financial Information. We conducted our engagement in accordance with the Auditing Standard on Review Engagements ASRE 2405 *"Review of Historical Financial Information Other than a Financial Report"* and the Standard on Assurance Engagements ASAE 3450 *"Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information"*.
- 4.2 Our limited assurance procedures consisted of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A limited assurance engagement is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express an audit opinion.
- 4.3 Our engagement did not involve updating or re-issuing any previously issued audit or limited assurance reports on any financial information used as a source of the Financial Information.

### **5 Conclusion**

#### *Historical Financial Information*

- 5.1 Based on our limited assurance engagement, which is not an audit, nothing has come to our attention that causes us to believe that the Historical Financial Information of DMC, comprising:
- the consolidated Statement of Profit or Loss and Other Comprehensive Income and Statement of Cash Flows for the financial years to 30 June 2022, 30 June 2023 and half year to 31 December 2023; and
  - the consolidated Statement of Financial Position as at 30 June 2022, 30 June 2023 and 31 December 2023;

of DMC is not presented fairly, in all material respects, in accordance with the stated basis of preparation.

- 5.2 To the best of our knowledge and information provided by the Company, there have been no other material items, transactions or events involving DMC subsequent to 31 December 2023 that have come to our attention during the course of our review which would cause the Historical Financial Information presented in the Appendices to this Report to be misleading.

#### *Pro Forma Financial information*

- 5.3 Based on our limited assurance engagement, which is not an audit, nothing has come to our attention that causes us to believe that the Pro Forma Financial Information, comprising:
- the consolidated pro forma historical Statement of Financial Position of DMC as at 31 December 2023, adjusted for subsequent events;

is not presented fairly, in all material respects, in accordance with the stated basis of preparation.

- 5.4 To the best of our knowledge and belief, there have been no other material items, transactions or events involving DMC, Veridis or MDR subsequent to 31 December 2023, besides those disclosed in Appendix 5 to this Report, that have come to our attention during the course of our review which would cause the Pro Forma Financial Information presented in the Appendices to this report to be misleading.

### **Independence**

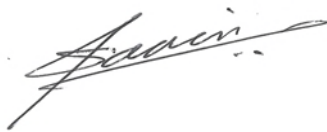
- 5.5 At the date of this Report, Stantons does not have any interest in DMC, Veridis or MDR either directly or indirectly other than in connection with the preparation of this Report and participation in due diligence procedures, for which professional fees will be received.

### **Disclosures**

- 5.6 This Report has been prepared, and included in the Prospectus, to provide investors with general information only and does not consider the objectives, financial situation or needs of any specific investor. It is not intended to be a substitute for professional advice and potential investors should not make specific investment decisions in reliance on the information contained in this Report. Before acting or relying on any information, potential investors should consider whether it is appropriate for their objectives, financial situation or needs.
- 5.7 Without modifying our conclusions, we draw attention to Section 2 of this Report, which describes the purpose of the Historical Financial Information and Pro Forma Financial Information, being for inclusion in the Prospectus. As a result, the Historical Financial Information and Pro Forma Financial Information may not be suitable for use for another purpose.
- 5.8 Stantons consents to the inclusion of this Report (including Appendices 1 to 5) in the Prospectus in the form and context in which it is included. At the date of this Report this consent has not been withdrawn. However, Stantons has not authorised the issue of the Prospectus. Accordingly, Stantons makes no representation regarding, and takes no responsibility for, any other statements or material in or omissions from the Prospectus.

Yours faithfully,

**STANTONS CORPORATE FINANCE PTY LTD**



**Samir Tirodkar**  
**West Perth**  
**20 August 2024**

## APPENDIX 1 – DMC HISTORICAL CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

|                                                                      | Audited year to<br>30 June 2022<br>(\$) | Audited year to<br>30 June 2023<br>(\$) | Reviewed 6<br>months to 31<br>December 2023<br>(\$) |
|----------------------------------------------------------------------|-----------------------------------------|-----------------------------------------|-----------------------------------------------------|
| Interest income                                                      | 344                                     | 20,251                                  | -                                                   |
| Other revenue                                                        | 141,786                                 | -                                       | 9,257                                               |
| <b>Expenses</b>                                                      |                                         |                                         |                                                     |
| Administrative expenses                                              | (18,380)                                | (15,137)                                | (15,172)                                            |
| Compliance and regulatory expenses                                   | (142,717)                               | (152,632)                               | (101,434)                                           |
| Exploration expenses                                                 | (168,645)                               | (87,839)                                | (28,996)                                            |
| Consultancy expenses                                                 | (66,800)                                | (132,000)                               | (69,000)                                            |
| Directors' fees                                                      | (176,188)                               | (325,462)                               | (168,117)                                           |
| Marketing and investor relations expenses                            | (80,721)                                | (127,160)                               | (58,519)                                            |
| Insurance expenses                                                   | (17,285)                                | (28,342)                                | (17,129)                                            |
| Occupancy expenses                                                   | (21,212)                                | (19,719)                                | (10,352)                                            |
| Impairment expenses                                                  | -                                       | (1,243,032)                             | -                                                   |
| <b>Loss before income tax</b>                                        | <b>(549,818)</b>                        | <b>(2,111,072)</b>                      | <b>(459,462)</b>                                    |
| Income tax                                                           | -                                       | -                                       | -                                                   |
| <b>Loss for the period</b>                                           | <b>(549,818)</b>                        | <b>(2,111,072)</b>                      | <b>(459,462)</b>                                    |
| <b>Other comprehensive income/(loss), net of income tax</b>          |                                         |                                         |                                                     |
| <i>Items that may be reclassified subsequently to profit or loss</i> |                                         |                                         |                                                     |
| Net change in fair value of available for sale financial asset       | -                                       | -                                       | -                                                   |
| <b>Total comprehensive loss for the period</b>                       | <b>(549,818)</b>                        | <b>(2,111,072)</b>                      | <b>(459,462)</b>                                    |

## APPENDIX 2 – DMC HISTORICAL CONSOLIDATED STATEMENT OF FINANCIAL POSITION

|                                        | Audited as at<br>30 June 2022<br>(\$) | Audited as at<br>30 June 2023<br>(\$) | Reviewed as at<br>31 December<br>2023<br>(\$) |
|----------------------------------------|---------------------------------------|---------------------------------------|-----------------------------------------------|
| <b>Current assets</b>                  |                                       |                                       |                                               |
| Cash and cash equivalents              | 3,836,261                             | 1,651,733                             | 1,091,458                                     |
| Trade and other receivables            | 44,756                                | 43,806                                | 39,008                                        |
| Other assets                           | 11,189                                | 21,585                                | 22,385                                        |
| <b>Total current assets</b>            | <b>3,892,206</b>                      | <b>1,717,124</b>                      | <b>1,152,851</b>                              |
| <b>Non-current assets</b>              |                                       |                                       |                                               |
| Exploration and evaluation expenditure | 1,013,640                             | 966,169                               | 1,113,130                                     |
| <b>Total non-current assets</b>        | <b>1,013,640</b>                      | <b>966,169</b>                        | <b>1,113,130</b>                              |
| <b>Total assets</b>                    | <b>4,905,846</b>                      | <b>2,683,293</b>                      | <b>2,265,981</b>                              |
| <b>Current liabilities</b>             |                                       |                                       |                                               |
| Trade and other payables               | (201,004)                             | (89,524)                              | (131,674)                                     |
| <b>Total current liabilities</b>       | <b>(201,004)</b>                      | <b>(89,524)</b>                       | <b>(131,674)</b>                              |
| <b>Total liabilities</b>               | <b>(201,004)</b>                      | <b>(89,524)</b>                       | <b>(131,674)</b>                              |
| <b>Net assets</b>                      | <b>4,704,842</b>                      | <b>2,593,769</b>                      | <b>2,134,307</b>                              |
| <b>Equity</b>                          |                                       |                                       |                                               |
| Issued capital                         | 4,839,724                             | 4,839,724                             | 4,839,724                                     |
| Reserves                               | 469,612                               | 469,612                               | 469,612                                       |
| Accumulated losses                     | (604,494)                             | (2,715,567)                           | (3,175,029)                                   |
| <b>Total equity</b>                    | <b>4,704,842</b>                      | <b>2,593,769</b>                      | <b>2,134,307</b>                              |



## APPENDIX 3 – DMC HISTORICAL CONSOLIDATED STATEMENT OF CASH FLOWS

|                                                             | Audited year to<br>30 June 2022<br>(\$) | Audited year to<br>30 June 2023<br>(\$) | Reviewed 6<br>months to 31<br>December 2023<br>(\$) |
|-------------------------------------------------------------|-----------------------------------------|-----------------------------------------|-----------------------------------------------------|
| <b>Cash flows from operating activities</b>                 |                                         |                                         |                                                     |
| Payments to suppliers and employees                         | (389,536)                               | (1,066,240)                             | (405,004)                                           |
| Payments for exploration and evaluation                     | (564,575)                               | (1,138,539)                             | (164,528)                                           |
| Interest received                                           | 344                                     | 20,251                                  | 9,257                                               |
| <b>Net cash flows used in operating activities</b>          | <b>(953,767)</b>                        | <b>(2,184,528)</b>                      | <b>(560,275)</b>                                    |
| <b>Cash flows from investing activities</b>                 |                                         |                                         |                                                     |
| Payments for acquisition of tenements                       | (82,513)                                | -                                       | -                                                   |
| <b>Net cash flows (used) in investing activities</b>        | <b>(82,513)</b>                         | <b>-</b>                                | <b>-</b>                                            |
| <b>Cash flows from financing activities</b>                 |                                         |                                         |                                                     |
| Proceeds from issue of shares and options                   | 5,115,875                               | -                                       | -                                                   |
| Payment of share issue costs                                | (603,879)                               | -                                       | -                                                   |
| <b>Net cash flows provided by financing activities</b>      | <b>4,511,996</b>                        | <b>-</b>                                | <b>-</b>                                            |
| <b>Net increase/(decrease) in cash and cash equivalents</b> | <b>3,475,717</b>                        | <b>(2,184,528)</b>                      | <b>(560,275)</b>                                    |
| Cash and cash equivalents at the beginning of the period    | 360,544                                 | 3,836,261                               | 1,651,733                                           |
| <b>Cash and cash equivalents at the end of the period</b>   | <b>3,836,261</b>                        | <b>1,651,733</b>                        | <b>1,091,458</b>                                    |

## APPENDIX 4 – DMC NOTES TO THE HISTORICAL FINANCIAL INFORMATION

### Summary of Significant Accounting Policies

#### (a) Basis of Preparation

The Historical Financial Information of DMC was prepared in accordance with applicable accounting standards, the Corporations Act 2001 and mandatory professional reporting requirements in Australia (including the Australian equivalents of International Financial Reporting Standards (“IFRS”)).

##### *Historical cost convention*

The Historical Financial Information has been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

##### *Critical accounting estimates*

The preparation of the Historical Financial Information requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Consolidated Entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Historical Financial Information, are disclosed in note t.

#### (b) Parent Entity Information

The Historical Financial Information presents the results of the Consolidated Entity only.

#### (c) Principals of Consolidation

The Historical Financial Information incorporates the assets and liabilities of all subsidiaries of DMC Mining Limited (“**Company**” or “**Parent Entity**”) as at each reporting date and the results of all subsidiaries for the period then ended. DMC Mining Limited and its subsidiaries together are referred to in these notes to the Historical Financial Information as the “**Consolidated Entity**”.

Subsidiaries are all those entities over which the Consolidated Entity has control. The Consolidated Entity controls an entity when the Consolidated Entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Consolidated Entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Consolidated Entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Consolidated Entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the Consolidated Entity. Losses incurred by the Consolidated Entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the Consolidated Entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Consolidated Entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

#### (d) Going Concern

The Historical Financial Information has been prepared on a going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

As of 30 June 2023, the net assets of the Consolidated Entity were \$2,593,769 (2022: \$4,704,842), the cash and cash equivalents were \$1,651,733 (2022: \$3,836,261). For the year ended 30 June 2023, the Consolidated Entity incurred a loss of \$2,111,072 (2022: \$549,818) and experienced operating cash outflow of \$2,184,528 (2022: \$953,767).

The Consolidated Entity's ability to continue as a going concern and meet its debt obligations and commitments as and when they fall due is depended on the Consolidated Entity's ability to raise sufficient working capital to ensure the continued implementation of the Consolidated Entity's exploration plan.

In the event that the Consolidated Entity does not achieve the above actions, there exists a material uncertainty as to whether the Consolidated Entity will be able to continue as a going concern and realise its assets and extinguish its liabilities in the normal course of business.

#### (e) Operating Segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('**CODM**'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

#### (f) Revenue Recognition

The Consolidated Entity recognises revenue as follows:

##### *Interest*

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

##### *Other revenue*

Other revenue is recognised when it is received or when the right to receive payment is established.

##### *New and revised standards that are effective for the Historical Financial Information*

The Consolidated Entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("**AASB**") that are mandatory for the relevant reporting periods.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

#### (g) Income Tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- when the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or

- when the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled, and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

#### **(h) Current and Non-Current Classification**

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Consolidated Entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Consolidated Entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

#### **(i) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Highly liquid investments with original maturities greater than three months will be classified as other receivables. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

#### **(j) Exploration and Evaluation Assets**

Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.

Impairment is recognised when facts and circumstances suggest that the carrying amount of an area of interest may exceed its future recoverable amount.

#### **(k) Property Plant and Equipment**

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Plant and equipment      3-7 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

#### **(l)      Impairment of Non-Financial Assets**

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

#### **(m)      Trade and Other Payables**

These amounts represent liabilities for goods and services provided to the Consolidated Entity prior to the end of the financial year and which are unpaid. Due to their short-term nature, they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

#### **(n)      Employee Benefits**

##### *Short Term Employee Benefits*

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

##### *Other Long-Term Employee Benefits*

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

##### *Defined Contribution Superannuation Expense*

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

##### *Share Based Payments*

Equity-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options or rights over shares, that are provided to employees in exchange for the rendering of services.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Hoadley Trading & Investment Tools ESO2 valuation model, the Hoadley Barrier1 valuation model, Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option or right, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Consolidated Entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.



The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Market conditions are taken into consideration in determining fair value. Therefore, any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Consolidated Entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Consolidated Entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

#### (o) Fair Value Measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

#### (p) Issued Capital

Ordinary shares are classified as equity. Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

#### *Capital Risk Management*

The Consolidated Entity's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the Consolidated Entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Consolidated Entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment. The Consolidated Entity is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

The Consolidated Entity is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

#### **(q) Goods and Services Tax ("GST") and Other Similar Taxes**

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are reported on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

#### **(r) New Accounting Standards and Interpretations Not Yet Mandatorily or Early Adopted**

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory and have not been early adopted by the Consolidated Entity for the reporting periods ended 30 June 2022, 30 June 2023 and 31 December 2023.

There are no material new or amended accounting Standards which will materially affect the Consolidated Entity.

#### **(s) Leases**

##### *Right of Use Assets*

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Consolidated Entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Consolidated Entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

### *Lease Liabilities*

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or if that rate cannot be readily determined, the Consolidated Entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option or lease term extension and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

### **(t) Critical Accounting Judgements, Estimates and Assumptions**

The preparation of the Historical Financial Information in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. These accounting policies have been consistently applied by each entity in the Consolidated Entity.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the Historical Financial Information are described below:

#### *Estimates of Useful Lives of Assets*

The Consolidated Entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

#### *Employee Benefits Provision*

The liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

#### *Share Based Payments*

The Consolidated Entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value of options is determined by using Black and Scholes valuation model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

*Exploration and Evaluation Expenditure*

Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.

## APPENDIX 5 – DMC PRO FORMA FINANCIAL INFORMATION

### ACTUAL AND PROPOSED TRANSACTIONS TO ARRIVE AT PRO FORMA STATEMENT OF FINANCIAL POSITION

Actual and proposed subsequent events to the 31 December 2023 reviewed Statement of Financial Position of DMC include the following.

- a) The Veridis Transaction, which involves DMC indirectly acquiring a 100% interest in the issued capital of Veridis through a newly incorporated Singapore based entity, Veridis Holdings Pte Ltd, for the following consideration (to be apportioned between Veridis shareholders):
- i) 35,000,000 ordinary shares (with a deemed value of A\$1,750,000);
  - ii) 45,000,000 Tranche 1 Performance Shares which will convert into ordinary shares upon satisfaction of both:
    - a. a drill intercept on the Firawa Project which includes an average  $U_3O_8$  grade of 400ppm or greater over at least 10m; and
    - b. on the day of or at any time after satisfaction of the above, the VWAP of DMC over 20 consecutive trading days (on which DMC shares have traded) being at least \$0.075, subject to a deadline of 4 years from the issue date;
  - iii) 45,000,000 Tranche 2 Performance Shares which will convert into ordinary shares upon satisfaction of both:
    - a. the Company announcing a JORC (2012) Inferred Mineral Resource Estimate on the Firawa Project of no less than 10 million tonnes at a grade greater than 4,000ppm (0.4%) TREO; and
    - b. on the day of or at any time after satisfaction of the above, the VWAP of DMC over 20 consecutive trading days (on which DMC shares have traded) being at least \$0.100, subject to a deadline of 4 years from the issue date; and
  - iv) 40,000,000 Tranche 3 Performance Shares which will convert into ordinary shares upon satisfaction of both:
    - a. the Company announcing a JORC (2012) Inferred Mineral Resource Estimate on the Firawa Project of either:
      - no less than 20 million tonnes at a grade greater than 4,000ppm (0.4%) TREO; or
      - no less than 45 million lbs contained  $U_3O_8$ , using 100ppm cutoff; and
    - b. on the day of or at any time after satisfaction of the above, the VWAP of DMC over 20 consecutive trading days (on which DMC shares have traded) being at least \$0.150, subject to a deadline of 4 years from the issue date.
  - v) The estimated fair values of the Tranche 1 Performance Shares, Tranche 2 Performance Shares and Tranche 3 Performance Shares are \$1,663,537, \$1,533,111 and \$1,181,723, respectively. The Performance Shares were valued in accordance with AASB 2: Share Based Payments using a Monte Carlo simulation based methodology.
  - vi) Pursuant to the Veridis Share Sale Agreement, the Company has made payments to Veridis of US\$90,000 as an exclusivity fee and US\$25,000 per month for a period of 4 months in consideration for providing consultancy services to the Company during the period prior to completion of the Veridis Transaction.
  - vii) The Share Sale Agreement between the Company and Veridis shareholders contains representations that Veridis has no assets or liabilities besides the tenements comprising the Firawa Project.



- b) The MDR Transaction, which involves DMC indirectly acquiring a 100% interest in the issued capital of MDR through a newly incorporated Singapore based entity, Mider Holdings Pte Ltd, via the issue of 15,000,000 ordinary shares at a deemed price of \$0.05 per share (deemed value of \$750,000) to the shareholders of MDR. The Share Sale Agreement between the Company and MDR shareholders contains representations that MDR has no assets or liabilities besides the tenements comprising the Labé Project.
- c) The Capital Raising of \$5,000,000 (before costs) via the issue of 100,000,000 ordinary shares at \$0.05 per share under the Prospectus, with oversubscriptions available up to \$500,000. Lead manager fees for the Capital Raising comprise a 3% management fee, placement fee of 3% of funds raised. CPS Capital Pty Ltd will also be issued 8,100,000 ordinary shares as facilitation fees for the Transactions described in a) and b) above. We note other costs of the issue are estimated at \$499,000.
- d) The issue of 2,000,000 ordinary shares at a deemed value of \$0.05, 2,000,000 Tranche 1 Performance Rights (valued at \$73,935), 2,000,000 Tranche 2 Performance Rights (valued at \$68,138) and 2,000,000 Tranche 3 Performance Rights (valued at \$59,086) to the proposed Managing Director, David Sumich. The Tranche 1 Performance Rights, Tranche 2 Performance Rights and Tranche 3 Performance Rights have the same terms as the corresponding Performance Shares to be issued to the Veridis shareholders as described above.
- e) Other subsequent expenditure of \$1,019,957 between 31 December 2023 and 18 July 2024.
- f) The Company has entered into an unsecured loan agreement with Aries Finance for \$200,000, with an establishment fee payable of \$25,000. The repayment term of the loan is 90 days or upon ASX re-admission, whichever comes earlier. The loan has been fully drawn down by the Company though no fees have been paid.

## DMC PRO FORMA STATEMENT OF FINANCIAL POSITION

|                                        | DMC<br>Reviewed<br>as at 31<br>December<br>2023 (\$) | Pro Forma<br>Adjustments<br>(Minimum) (\$) | Pro Forma 31<br>December<br>2023<br>(Minimum) (\$) | Pro Forma<br>Adjustments<br>(Maximum)<br>(\$) | Pro Forma<br>31 December<br>2023<br>(Maximum)<br>(\$) |
|----------------------------------------|------------------------------------------------------|--------------------------------------------|----------------------------------------------------|-----------------------------------------------|-------------------------------------------------------|
| <b>Current assets</b>                  |                                                      |                                            |                                                    |                                               |                                                       |
| Cash and cash equivalents              | 1,091,458                                            | 3,356,043                                  | 4,447,501                                          | 3,826,043                                     | 4,917,501                                             |
| Trade and other receivables            | 39,008                                               | -                                          | 39,008                                             | -                                             | 39,008                                                |
| Other assets                           | 22,385                                               | -                                          | 22,385                                             | -                                             | 22,385                                                |
| <b>Total current assets</b>            | <b>1,152,851</b>                                     | <b>3,356,043</b>                           | <b>4,508,894</b>                                   | <b>3,826,043</b>                              | <b>4,978,894</b>                                      |
| <b>Non-current assets</b>              |                                                      |                                            |                                                    |                                               |                                                       |
| Exploration and evaluation expenditure | 1,113,130                                            | 7,283,371                                  | 8,396,501                                          | 7,283,371                                     | 8,396,501                                             |
| <b>Total non-current assets</b>        | <b>1,113,130</b>                                     | <b>7,283,371</b>                           | <b>8,396,501</b>                                   | <b>7,283,371</b>                              | <b>8,396,501</b>                                      |
| <b>Total assets</b>                    | <b>2,265,981</b>                                     | <b>10,639,414</b>                          | <b>12,905,395</b>                                  | <b>11,109,414</b>                             | <b>13,375,395</b>                                     |
| <b>Current liabilities</b>             |                                                      |                                            |                                                    |                                               |                                                       |
| Trade and other payables               | (131,674)                                            | -                                          | (131,674)                                          | -                                             | (131,674)                                             |
| Borrowings                             | -                                                    | (225,000)                                  | (225,000)                                          | (225,000)                                     | (225,000)                                             |
| <b>Total current liabilities</b>       | <b>(131,674)</b>                                     | <b>(225,000)</b>                           | <b>(356,674)</b>                                   | <b>(225,000)</b>                              | <b>(356,674)</b>                                      |
| <b>Total liabilities</b>               | <b>(131,674)</b>                                     | <b>(225,000)</b>                           | <b>(356,674)</b>                                   | <b>(225,000)</b>                              | <b>(356,674)</b>                                      |
| <b>Net assets</b>                      | <b>2,134,307</b>                                     | <b>10,414,414</b>                          | <b>12,548,721</b>                                  | <b>10,884,414</b>                             | <b>13,018,721</b>                                     |
| <b>Equity</b>                          |                                                      |                                            |                                                    |                                               |                                                       |
| Issued capital                         | 4,839,724                                            | 7,206,000                                  | 12,045,724                                         | 7,676,000                                     | 12,515,724                                            |
| Reserves                               | 469,612                                              | 4,579,530                                  | 5,049,142                                          | 4,579,530                                     | 5,049,142                                             |
| Accumulated losses                     | (3,175,029)                                          | (1,371,116)                                | (4,546,145)                                        | (1,371,116)                                   | (4,546,145)                                           |
| <b>Total equity</b>                    | <b>2,134,307</b>                                     | <b>10,414,414</b>                          | <b>12,548,721</b>                                  | <b>10,884,414</b>                             | <b>13,018,721</b>                                     |

## Note: Pro Forma Adjustments

### Cash and Cash Equivalents

|                                             | Note | Minimum raising (\$) | Maximum raising (\$) |
|---------------------------------------------|------|----------------------|----------------------|
| DMC reviewed balance as at 31 December 2023 |      | 1,091,458            | 1,091,458            |
| IPO funds raised                            | c    | 5,000,000            | 5,500,000            |
| Payment to Lead Manager                     | c    | (300,000)            | (330,000)            |
| Costs of issue                              | c    | (499,000)            | (499,000)            |
| Subsequent expenditure                      | e    | (1,044,957)          | (1,044,957)          |
| Loan funds received                         | f    | 200,000              | 200,000              |
| <b>Pro Forma Adjusted 31 December 2023</b>  |      | <b>4,447,501</b>     | <b>4,917,501</b>     |

### Exploration and Evaluation Expenditure

|                                                   | Note | Minimum raising (\$) | Maximum raising (\$) |
|---------------------------------------------------|------|----------------------|----------------------|
| DMC reviewed balance as at 31 December 2023       |      | 1,113,130            | 1,113,130            |
| Shares issued to Veridis shareholders             | a    | 1,750,000            | 1,750,000            |
| Shares issued to MDR shareholders                 | b    | 750,000              | 750,000              |
| Performance shares issued to Veridis shareholders | a    | 4,378,371            | 4,378,371            |
| Shares issued to Lead Manager                     | c    | 405,000              | 405,000              |
| <b>Pro Forma Adjusted 31 December 2023</b>        |      | <b>8,396,501</b>     | <b>8,396,501</b>     |

### Borrowings

|                                             | Note | Minimum raising (\$) | Maximum raising (\$) |
|---------------------------------------------|------|----------------------|----------------------|
| DMC reviewed balance as at 31 December 2023 |      | -                    | -                    |
| Loan (including fees)                       | f    | (225,000)            | (225,000)            |
| <b>Pro Forma Adjusted 31 December 2023</b>  |      | <b>(225,000)</b>     | <b>(225,000)</b>     |

### Issued Capital

|                                             | Note | Minimum raising (\$) | Maximum raising (\$) |
|---------------------------------------------|------|----------------------|----------------------|
| DMC reviewed balance as at 31 December 2023 |      | 4,839,724            | 4,839,724            |
| Issue of IPO shares                         | c    | 5,000,000            | 5,500,000            |
| Issue of shares to Veridis shareholders     | a    | 1,750,000            | 1,750,000            |
| Issue of shares to MDR shareholders         | b    | 750,000              | 750,000              |
| Issue of shares to Managing Director        | d    | 100,000              | 100,000              |
| Costs of issue                              | c    | (499,000)            | (499,000)            |
| Lead Manager fees                           | c    | (300,000)            | (330,000)            |
| Issue of shares to Lead Manager             | c    | 405,000              | 405,000              |
| <b>Pro Forma Adjusted 31 December 2023</b>  |      | <b>12,045,724</b>    | <b>12,515,724</b>    |

## Reserves

|                                                     | Note | Minimum raising (\$) | Maximum raising (\$) |
|-----------------------------------------------------|------|----------------------|----------------------|
| DMC reviewed balance as at 31 December 2023         |      | 469,612              | 469,612              |
| Issue of Performance Shares to Veridis shareholders | b    | 4,378,371            | 4,378,371            |
| Issue of Performance Rights to Managing Director    | d    | 201,159              | 201,159              |
| <b>Pro Forma Adjusted 31 December 2023</b>          |      | <b>5,049,142</b>     | <b>5,049,142</b>     |

## Accumulated Losses

|                                                  | Note | Minimum raising (\$) | Maximum raising (\$) |
|--------------------------------------------------|------|----------------------|----------------------|
| DMC reviewed balance as at 31 December 2023      |      | (3,175,029)          | (3,175,029)          |
| Issue of Performance Rights to Managing Director | d    | (201,159)            | (201,159)            |
| Issue of share to Managing Director              | d    | (100,000)            | (100,000)            |
| Subsequent expenditure                           | e    | (1,044,957)          | (1,044,957)          |
| Loan fees payable                                | f    | (25,000)             | (25,000)             |
| <b>Pro Forma Adjusted 31 December 2023</b>       |      | <b>(4,546,145)</b>   | <b>(4,546,145)</b>   |

## Financial Services Guide

Dated 20 August 2024

### Stantons Corporate Finance Pty Ltd (Trading as Stantons Corporate Finance)

Stantons Corporate Finance Pty Ltd (ABN 42 128 908 289 and AFSL Licence No 448697) ("**Stantons**" or "**we**" or "**us**" or "**ours**" as appropriate) has been engaged to issue general financial product advice in the form of a report to be provided to you.

### Financial Services Guide

In the above circumstances, we are required to issue to you, as a retail client, a Financial Services Guide ("**FSG**"). This FSG is designed to help retail clients make a decision as to their use of the general financial product advice and to ensure that we comply with our obligations as financial services licensees.

This FSG includes information about:

- a) who we are and how we can be contacted;
- b) the services we are authorized to provide under our **Australian Financial Services Licence, Licence No: 448697**;
- c) remuneration that we and/or our staff and any associated receive in connection with the general financial product advice;
- d) any relevant associations or relationships we have; and
- e) our complaints handling procedures and how you may access them.

### Financial services we are licensed to provide

We hold an Australian Financial Services Licence which authorises us to provide financial product advice in relation to:

- Securities (such as shares, options and debt instruments)

We provide financial product advice by virtue of an engagement to issue a report in connection with a financial product of another person. Our report will include a description of the circumstances of our engagement and identify the person who has engaged us. You will not have engaged us directly but will be provided with a copy of the report as a retail client because of your connection to the matters in respect of which we have been engaged to report.

Any report we provide is provided on our own behalf as a financial services licensee authorised to provide the financial product advice contained in the report.

### General Financial Product Advice

In our report, we provide general financial product advice, not personal financial product advice, because it has been prepared without taking into account your personal objectives, financial situation or needs. You should consider the appropriateness of this general advice having regard to your own objectives, financial situation and needs before you act on the advice. Where the advice relates to the acquisition or possible acquisition of a financial product, you should also obtain a product disclosure statement relating to the product and consider that statement before making any decision about whether to acquire the product. Where you do not understand the matters contained in the Independent Limited Assurance Report, you should seek advice from a registered financial adviser.

### Benefits that we may receive

We charge fees for providing reports. These fees will be agreed with, and paid by, the person who engages us to provide the report. Fees will be agreed on either a fixed fee or time cost basis. Our fee for preparing this report is expected to be \$10,000 exclusive of GST.



You have a right to request for further information in relation to the remuneration, the range of amounts or rates of remuneration and you can contact us for this information.

Except for the fees referred to above, neither Stantons, nor any of its directors, employees or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of the report.

## Referrals

We do not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licensed to provide.

## Associations and relationships

Stantons is ultimately a wholly owned subsidiary of SIAC, a professional advisory and accounting practice. From time to time, Stantons and SIAC (that trades as Stantons International) and/or their related entities may provide professional services, including audit, accounting and financial advisory services, to financial product issuers in the ordinary course of its business.

## Remuneration or other benefits received by our employees and contractors

Stantons and SIAC employees and contractors are eligible for bonuses based on overall performance but not directly in connection with any engagement for the provision of a report.

## Complaints resolution

### *Internal complaints resolution process*

As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial product advice. All complaints must be in writing, addressed to:

The Complaints Officer  
Stantons Corporate Finance Pty Ltd  
Level 2  
40 Kings Park Road  
WEST PERTH WA 6005

When we receive a written complaint, we will record the complaint, acknowledge receipt of the complaints within 10 days and investigate the issues raised. As soon as practical, and not more than 45 days after receiving the written complaint, we will advise the complainant in writing of our determination.

### *Referral to External Dispute Resolution Scheme*

A complainant not satisfied with the outcome of the above process, or our determination, has the right to refer the matter to the Australian Financial Complaints Authority (“**AFCA**”). AFCA has been established to provide free advice and assistance to consumers to help in resolving complaints relating to the financial services industry.

Further details about AFCA are available at the AFCA website [www.afca.org.au](http://www.afca.org.au) or by contacting them directly via the details set out below.

Australian Financial Complaints Authority Limited  
GPO Box 3  
MELBOURNE VIC 3001

Telephone: 1800 931 678

Stantons confirms that it has arrangements in place to ensure it continues to maintain professional indemnity insurance in accordance with s.912B of the Corporations Act 2001 (as amended). In particular our Professional Indemnity insurance, subject to its terms and conditions, provides indemnity up to the sum insured for Stantons and our authorised representatives / representatives / employees in respect of our authorisations and obligations under our Australian Financial Services Licence. This insurance will continue

to provide such coverage for any authorised representative / representative / employee who has ceased work with Stantons for work done whilst engaged with us.

### **Contact details**

You may contact us using the details set out at above or by phoning (08) 9481 3188 or faxing (08) 9321 1204.



## **DMC Mining Limited**

Independent Expert's Report

**Opinion on Vendor Securities: Fair and reasonable**

**Opinion on Director Securities: Fair and reasonable**

10 May 2024



## Financial Services Guide

10 May 2024

BDO Corporate Finance (WA) Pty Ltd ABN 27 124 031 045 ('we' or 'us' or 'ours' as appropriate) has been engaged by DMC Mining Limited ('DMC' or 'the Company') to provide an independent expert's report on the proposal to issue performance shares and performance rights ('Performance Securities') as set out in the Company's Notice of Meeting and Prospectus ('Transaction Documents'). You are being provided with a copy of our report because you have been provided with a copy of the Prospectus and this Financial Services Guide ('FSG') is included in the event you are also classified under the Corporations Act 2001 ('the Act') as a retail client.

Our report and this FSG accompanies the Transaction Documents provided to you by DMC to assist you in deciding on whether to subscribe for shares in the Prospectus offering or approve the issue of Performance Securities.

### Financial Services Guide

This FSG is designed to help retail clients make a decision as to their use of our general financial product advice and to ensure that we comply with our obligations as a financial services licensee.

This FSG includes information about:

- ◆ Who we are and how we can be contacted;
- ◆ The services we are authorised to provide under our Australian Financial Services Licence No. 316158;
- ◆ Remuneration that we and/or our staff and any associates receive in connection with the general financial product advice;
- ◆ Any relevant associations or relationships we have; and
- ◆ Our internal and external complaints handling procedures and how you may access them.

### Information about us

We are a member firm of the BDO network in Australia, a national association of separate entities (each of which has appointed BDO (Australia) Limited ACN 050 110 275 to represent it in BDO International). The financial product advice in our report is provided by BDO Corporate Finance (WA) Pty Ltd and not by BDO or its related entities. BDO and its related entities provide professional services primarily in the areas of audit, tax, consulting, mergers and acquisition, and financial advisory services.

We and BDO (and its related entities) might from time to time provide professional services to financial product issuers in the ordinary course of business and the directors of BDO Corporate Finance (WA) Pty Ltd may receive a share in the profits of related entities that provide these services.

### Financial services we are licensed to provide

We hold an Australian Financial Services Licence that authorises us to provide general financial product advice for securities to retail and wholesale clients, and deal in securities for wholesale clients. The authorisation relevant to this report is general financial product advice.

When we provide this financial service we are engaged to provide an expert report in connection with the financial product of another person. Our reports explain who has engaged us and the nature of the report we have been engaged to provide. When we provide the authorised services we are not acting for you.

### General Financial Product Advice

We only provide general financial product advice, not personal financial product advice. Our report does not take into account your personal objectives, financial situation or needs. You should consider the appropriateness of this general advice having regard to your own objectives, financial situation and needs before you act on the advice. If you have any questions, or don't fully understand our report you should seek professional financial advice.

### Fees, commissions and other benefits that we may receive

We charge fees for providing reports, including this report. These fees are negotiated and agreed with the person who engages us to provide the report. Fees are agreed on an hourly basis or as a fixed amount depending on the terms of the agreement. The fee payable to BDO Corporate Finance (WA) Pty Ltd for this engagement is approximately \$25,000.

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Except for the fees referred to above, neither BDO, nor any of its directors, employees or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of the report and our directors do not hold any shares in DMC.

#### **Remuneration or other benefits received by our employees**

All our employees receive a salary. Our employees are eligible for bonuses based on overall productivity but not directly in connection with any engagement for the provision of a report. We have received a fee from DMC for our professional services in providing this report. That fee is not linked in any way with our opinion as expressed in this report.

#### **Referrals**

We do not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licensed to provide.

#### **Complaints resolution**

##### *Internal complaints resolution process*

As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial product advice. We are also committed to meeting your needs and maintaining a high level of client satisfaction. If you are unsatisfied with a service we have provided you, we have avenues available to you for the investigation and resolution of any complaint you may have.

To make a formal complaint, please use the Complaints Form. For more on this, including the Complaints Form and contact details, see the [BDO Complaints Policy](#) available on our website.

When we receive a complaint we will record the complaint, acknowledge receipt of the complaint in writing within 1 business day or, if the timeline cannot be met, then as soon as practicable and investigate the issues raised. As soon as practical, and not more than 30 days after receiving the complaint, we will advise the complainant in writing of our determination.

#### **Compensation arrangements**

BDO Corporate Finance and its related entities hold Professional Indemnity insurance for the purpose of compensating retail clients for loss or damage suffered because of breaches of relevant obligations by BDO Corporate Finance or its representatives under Chapter 7 of the Corporations Act 2001. These arrangements and the level of cover held by BDO Corporate Finance satisfy the requirements of section 912B of the Corporations Act 2001.

#### **Referral to External Dispute Resolution Scheme**

We are a member of the Australian Financial Complaints Authority ('AFCA') which is an External Dispute Resolution Scheme. Our AFCA Membership Number is 12561. Where you are unsatisfied with the resolution reached through our Internal Dispute Resolution process, you may escalate this complaint to AFCA using the below contact details:

|                      |                                                        |
|----------------------|--------------------------------------------------------|
| Mail:                | GPO Box 3, Melbourne, VIC 3001                         |
| Free call:           | 1800 931 678                                           |
| Website:             | <a href="http://www.afca.org.au">www.afca.org.au</a>   |
| Email:               | <a href="mailto:info@afca.org.au">info@afca.org.au</a> |
| Interpreter Service: | 131 450                                                |

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Appendix 1 - Glossary and copyright notice

Appendix 2 - Valuation Methodologies

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10 May 2024

The Directors  
DMC Mining Limited  
Level 27  
44 St Georges Terrace  
Perth WA 6000

Dear Directors

## INDEPENDENT EXPERT'S REPORT

### 1. Introduction

The directors of DMC Mining Limited ('DMC' or 'the Company') have requested that BDO Corporate Finance (WA) Pty Ltd ('BDO') prepare an independent expert's report ('our Report') to express an opinion on whether the issue of:

- 130 million performance shares in DMC to the vendors of Veridis Energie SARL ('Veridis') ('Vendor Securities'); and
- Six million performance rights to Mr. David Sumich ('Director Securities'),

is fair and reasonable to non-participating security holders ('Security Holders').

The Vendor Securities and Director Securities are collectively termed as the 'Performance Securities'.

Our Report has been prepared for inclusion in the Company's Notice of Meeting. The Notice of Meeting includes a resolution seeking the approval of Security Holders for the issue of Performance Securities, in addition to several resolutions for the proposed issue of securities and acquisitions. The Prospectus is issued by the Company for a capital raising and to facilitate the re-compliance listing of the Company's shares on the Australian Securities Exchange ('ASX') ('Re-admission') as detailed in Section 4.

The Prospectus will offer 100 million shares at a price of \$0.05 per share ('Offer Price') to raise \$5.0 million before associated costs (the 'Capital Raising').

DMC will issue the following additional shares at Re-admission (which are further detailed in Section 4):

- 35 million ordinary shares to the vendors of Veridis and 15 million ordinary shares to the vendors of Mining Development Resources SARLU ('Mining Development');
- 8.1 million ordinary shares to the Company's lead manager of the Capital Raising, CPS Capital Group Pty Ltd ('CPS'); and
- Two million ordinary shares to the Company's newly appointed Managing Director upon Re-admission, Mr David Sumich.

As detailed below, our Report provides an opinion on whether the proposed issue of Performance Securities are issued on terms that are fair and reasonable to Security Holders. According to ASX Guidance

Note 19 ‘Performance Securities’ (**‘ASX GN 19’**), a performance security is a security that converts or may convert, into a given number of ordinary shares with all the usual rights attached if and when a nominated performance milestone is achieved, but otherwise has limited rights until then.

Broadly, the Performance Securities comprise three tranches (which we have termed in our Report as Tranche A, Tranche B and Tranche C), with each tranche having a Volume Weighted Average Price (**‘VWAP’**) target and non-market performance milestones attached. Further details on the terms of the Performance Securities are outlined in Section 4 of our Report and Resolutions 3 and 11 of the Notice of Meeting.

All currencies in our Report are quoted in Australian Dollars (**‘A\$’**) unless otherwise stated.

## 2. Summary and opinion

### 2.1 Requirement for the report

The directors of DMC have requested that BDO prepare an independent expert’s report to express an opinion as to whether the:

- proposed issue of the Director Securities is fair and reasonable to Security Holders; and
- proposed issue of the Vendor Securities is fair and reasonable to Security Holders.

Our Report is required pursuant to ASX GN 19 because the Company is applying for Re-admission and proposes to have performance securities on issue at the date of Re-admission (**‘Re-admission Date’**) which, in aggregate if the performance milestones are achieved, will convert to a number of ordinary shares which is greater than 10% of the number of ordinary shares that the Company proposes to have on issue at the date of Re-admission.

Our Report has set out two separate opinions pertaining to the issue of Vendor Securities and Director Securities.

### 2.2 Approach

Our Report has been prepared having regard to ASX GN 19 and Australian Securities and Investments Commission (**‘ASIC’**) Regulatory Guides 111 *‘Content of Expert’s Reports’* (**‘RG 111’**), 112 *‘Independence of Experts’* (**‘RG 112’**) and 170 *‘Prospective Financial Information’* (**‘RG 170’**) and Information Sheet 214: *Mining and Resources: Forward-looking Statements* (**‘IS 214’**).

In arriving at our opinion, we have assessed the terms of the Performance Securities as outlined in the body of our Report and have considered:

- How the value of a DMC share as at the Re-admission Date (prior to the vesting of the Performance Securities) compares to the value of a DMC share following the achievement of the vesting conditions attached to each tranche of Performance Securities and the resulting issue of the ordinary shares on conversion of the Performance Securities; and
- Other factors which we consider to be relevant to the Security Holders in their assessment of the issue of the Performance Securities.

## 2.3 Opinion

We have considered the terms of the Vendor Securities as outlined in the body of our Report and have concluded that:

- the Director Securities are proposed to be issued on terms that are fair and reasonable to Security Holders; and
- the Vendor Securities are proposed to be issued on terms that are fair and reasonable to Security Holders.

## 2.4 Fairness

In Section 9 of our Report, we determined how the value of a DMC share as at the Re-admission Date, prior to the vesting of each of the Performance Securities, compares to the value of a DMC share assuming that each of the vesting conditions are achieved and each of the Performance Securities convert to ordinary shares.

Our results are summarised in the table below. We note we have performed an individual fairness assessment of the Director Securities and Vendor Securities, in addition to an aggregate assessment of the Performance Securities.

Additional detail in relation to the basis for our opinion can be found in Section 9 of our Report.

| Tranche   | Summary of basis for opinion                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Conclusion          |                   |                                     |
|-----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|-------------------|-------------------------------------|
|           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Director Securities | Vendor Securities | Performance Securities in aggregate |
| Tranche A | The 20-day VWAP hurdle of \$0.075 represents the market value of the Company's shares at the time of achieving the Tranche A Milestone. Therefore, the value of a DMC share following the achievement of the Tranche A Milestone and the resulting issue of the ordinary shares on conversion of the Tranche A Vendor Securities and Director Securities is greater than the value of a DMC share as at the Re-admission Date of \$0.05.                                                                                                          | Fair                | Fair              | Fair                                |
| Tranche B | The 20-day VWAP hurdle of \$0.10 represents the market value of the Company's shares at the time of achieving the Tranche A and Tranche B Milestones. We have assumed both are met because if the Tranche B Share Price Target is met, the Tranche A Share Price Target must also have been met. Therefore, the value of a DMC share following the achievement of the Tranche A and Tranche B Milestones and the resulting issue of the ordinary shares on conversion of the Tranche A and Tranche B Vendor Securities and Director Securities is | Fair                | Fair              | Fair                                |



| Tranche   | Summary of basis for opinion                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Conclusion          |                   |                                     |
|-----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|-------------------|-------------------------------------|
|           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Director Securities | Vendor Securities | Performance Securities in aggregate |
|           | greater than the value of a DMC share as at the Re-admission Date of \$0.05.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                     |                   |                                     |
| Tranche C | The 20-day VWAP hurdle of \$0.15 represents the market value of the Company's shares at the time of achieving the Tranche A, Tranche B and Tranche C Milestones. We have assumed that all three are met because if the Tranche C Share Price Target is met, the Tranche A and Tranche B Share Price Targets must also have been met. Therefore, the value of a DMC share following the achievement of the Tranche A, Tranche B and Tranche C Milestones and the resulting issue of the ordinary shares on conversion of the Tranche A, Tranche B and Tranche C Vendor Securities and Director Securities is greater than the value of a DMC share as at the Re-admission Date of \$0.05. | Fair                | Fair              | Fair                                |

## 2.5 Reasonableness

We have considered the analysis in Section 10 of our Report by considering the advantages and disadvantages of the Performance Securities as well as by presenting alternatives that may have been available to the Company at the time of issue.

Following these considerations, it is our opinion that on balance, the advantages of issuing the Performance Securities and the achievement of meeting the attaching vesting conditions are greater to Security Holders than the disadvantages.

Accordingly, in the absence of any other relevant information, we consider that the issue of the Performance Securities is reasonable for Security Holders.

The respective advantages and disadvantages considered are summarised below:

| ADVANTAGES AND DISADVANTAGES |                                                                                                                                      |         |                                                                                          |
|------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|---------|------------------------------------------------------------------------------------------|
| Section                      | Advantages                                                                                                                           | Section | Disadvantages                                                                            |
| 10.1                         | The terms of the Tranche A, Tranche B and Tranche C Director Securities and Vendor Securities are fair                               | 10.2    | Dilution of Security Holders' interests if a Milestone is met and ordinary shares issued |
| 10.1                         | The Milestones are structured in such a way to align the interests of Security Holders and the holders of the Performance Securities |         |                                                                                          |

## ADVANTAGES AND DISADVANTAGES

| Section | Advantages                                                                                                                                                                                           | Section | Disadvantages |
|---------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|---------------|
| 10.1    | By issuing the Director Securities, it allows the Company to retain its key management personnel and invest a greater portion of the cash raised from the Capital Raising on its projects            |         |               |
| 10.1    | The deferred consideration (the Vendor Securities) payable upon meeting the Milestones is structured in such a way as to align the interests of the Vendors and the Security Holders                 |         |               |
| 10.1    | The Vendor Securities are subject to escrow conditions which prevent an immediate trade on the ordinary shares of DMC which may have placed downward pressure on the ASX trading price of DMC shares |         |               |

Other key matters we have considered include:

| Section | Description                                                 |
|---------|-------------------------------------------------------------|
| 10.3    | Consequences of the Performance Securities not being issued |
| 10.4    | Consequences of the Milestones being achieved               |

## 3. Scope of the Report

### 3.1 Purpose of the Report

ASX Listing Rule 6.1 requires that the terms that apply to each class of equity securities must, in ASX's opinion, be appropriate and equitable. ASX GN 19 requires an expert to be commissioned to prepare an independent expert's report that complies with RG 111, and to express an opinion on whether the terms of the Performance Securities are fair and reasonable.

Relevantly, under ASX GN 19 the requirement for an independent expert report arises if:

- The entity is applying for quotation on the ASX,
- It has or proposes to have performance securities on issue at the date of its re-admission to quotation, and
- The number of ordinary shares into which those performance securities will convert in aggregate if the applicable milestone is achieved, is greater than 10% of the number of ordinary shares the entity proposes to have on issue at the re-admission date (taking into account any ordinary shares that the entity may be issuing in connection with its listing).

The Directors of DMC have engaged BDO as an independent expert as the Performance Securities the Company proposes to have on issue at the Re-admission Date is in excess of 10% of the issued capital at the Re-admission Date (see Section 4).

### 3.2 Regulatory guidance

Neither the Listing Rules nor the Corporations Act defines the meaning of 'fair and reasonable'. In determining whether the terms of the Performance Securities are fair and reasonable, we have had regard to the views expressed by ASIC in RG 111. This regulatory guide provides guidance as to what matters an independent expert should consider to assist security holders to make informed decisions about transactions.

One of the matters to be considered under RG 111 is whether a proposed issue constitutes a control transaction. In circumstances where a transaction is considered a control transaction, RG 111 requires the expert to consider the value inclusive of a control premium. RG 111.27 states that there may be circumstances in which an allottee will acquire 20% or more of the voting power of the securities in the company following the allotment or increase an existing holding of 20% or more, but does not obtain a practical measure of control or increase its practical control over that company. We do not consider the issue or vesting of the Performance Securities to be a control transaction.

We are also required to have regard to ASX GN 19 which states:

*"in determining their opinion on fairness and reasonableness, ASX would expect the independent expert to assume that the relevant performance milestone(s) have been met, assess the impact that would have on the value of the entity compared to the situation if the relevant performance milestone(s) were not met, and then determine whether the resulting number of ordinary shares to be issued by the entity to the holder of the performance shares is fair and reasonable in the circumstances.*

...

*ASX would have no objection to an independent expert expressing a broader view on an issue of performance securities, for example, a statement that while the expert is not able to conclude that the issue is fair or reasonable (as applicable), they regard it as being in the interests of the entity and non-participating security holders to proceed with the issue."*

### 3.3 Adopted basis of evaluation

RG 111 states that a transaction is fair if the value of the offer price or consideration is equal to or greater than the value of the securities subject of the offer.

In order to conduct this assessment, we are required to compare the value of a DMC share as at the Re-admission Date prior to the Company achieving the vesting conditions with the value of a DMC share following the achievement of the vesting conditions. This comparison should be made assuming a knowledgeable and willing, but not anxious buyer and a knowledgeable and willing, but not anxious seller acting at arm's length.

In addition, RG 111 states that a transaction is reasonable if it is fair. It might also be reasonable if despite being 'not fair' the expert believes that there are sufficient reasons for security holders to accept the offer in the absence of any alternate options.

Having regard to the above, BDO sought to conduct this comparison in two parts:

- A comparison between the value of a DMC share as at the Re-admission Date and the value of a DMC share following the achievement of each of the vesting conditions and the resulting issue of the ordinary shares on conversion of the Performance Securities (fairness - see Section 9 'Are the terms of the Performance Securities fair?'); and
- An investigation into other significant factors to which Security Holders might give consideration, after reference to the value derived above (reasonableness - see Section 10 'Are the terms of the Performance Securities reasonable?')

This assignment is a Valuation Engagement as defined by Accounting Professional & Ethical Standards Board professional standard APES 225 'Valuation Services' ('APES 225').

A Valuation Engagement is defined by APES 225 as follows:

*'an Engagement or Assignment to perform a Valuation and provide a Valuation Report where the Valuer is free to employ the Valuation Approaches, Valuation Methods, and Valuation Procedures that a reasonable and informed third party would perform taking into consideration all the specific facts and circumstances of the Engagement or Assignment available to the Valuer at that time.'*

This Valuation Engagement has been undertaken in accordance with the requirements set out in APES 225.

## 4. Outline of the Performance Securities

Upon completion of the Re-admission, the Company intends to issue a total of six million Director Securities to Mr Sumich in his capacity as incoming Managing Director of DMC, as well as 130 million Vendor Securities to the vendors of Veridis.

The Director Securities and Vendor Securities have the same vesting conditions attached and comprise three separate sets of VWAP and non-market performance milestones which we have categorised into Tranches A, B and C.

A breakdown of the Performance Securities, and the vesting conditions for each of the three tranches, proposed to be issued is set out below.

| Tranche   | Number of Securities |                   | Vesting Condition                                                                                                                                                                                                  | Expiry Date                |
|-----------|----------------------|-------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|
|           | Director Securities  | Vendor Securities |                                                                                                                                                                                                                    |                            |
| Tranche A | 2,000,000            | 45,000,000        | The satisfaction of each of the following:                                                                                                                                                                         | 4 years from date of issue |
|           |                      |                   | a) A drill intercept on the Firawa Project which includes an average U <sub>3</sub> O <sub>8</sub> grade of 400 parts per million ('ppm') (or greater) over 10 metres; and                                         |                            |
|           |                      |                   | b) On the day of after satisfaction of the milestone set out in paragraph (a) above, the shares achieving a VWAP of \$0.075, calculated over 20 consecutive trading days on which the shares have actually traded. |                            |
|           |                      |                   | Collectively known as the 'Tranche A Milestone'                                                                                                                                                                    |                            |
| Tranche B | 2,000,000            | 45,000,000        | The satisfaction of each of the following:                                                                                                                                                                         | 4 years from date of issue |
|           |                      |                   | a) the Company announcing a JORC inferred resource (or higher) on the Firawa Project of no less than 10 million tonnes at a grade greater than 4,000ppm (0.4%) total rare earth oxides ('TREO'); and               |                            |
|           |                      |                   | b) On the day of after satisfaction of the milestone set out in paragraph (a) above, the shares achieving a VWAP of \$0.10, calculated over 20 consecutive trading days on which the shares have actually traded.  |                            |
|           |                      |                   | Collectively known as the 'Tranche B Milestone'                                                                                                                                                                    |                            |



| Tranche                                         | Number of Securities |                   | Vesting Condition                                                                                                                                                                                                 | Expiry Date                |
|-------------------------------------------------|----------------------|-------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|
|                                                 | Director Securities  | Vendor Securities |                                                                                                                                                                                                                   |                            |
| Tranche C                                       | 2,000,000            | 40,000,000        | The satisfaction of each of the following:                                                                                                                                                                        | 4 years from date of issue |
|                                                 |                      |                   | a) the Company announcing a JORC inferred resource (or higher) on the Firawa Project of either:                                                                                                                   |                            |
|                                                 |                      |                   | i) no less than 20 million tonnes at a grade greater than 4,000ppm (0.4%) TREO; or                                                                                                                                |                            |
|                                                 |                      |                   | ii) no less than 45 million pounds ('lbs') contained U <sub>3</sub> O <sub>8</sub> using a 100ppm cutoff; and                                                                                                     |                            |
|                                                 |                      |                   | b) On the day of after satisfaction of the milestone set out in paragraph (a) above, the shares achieving a VWAP of \$0.15, calculated over 20 consecutive trading days on which the shares have actually traded. |                            |
| Collectively known as the 'Tranche C Milestone' |                      |                   |                                                                                                                                                                                                                   |                            |

Source: Notice of Meeting

Together, the Tranche A Milestone, Tranche B Milestone and Tranche C Milestone are termed the 'Milestones'. We note the first vesting condition of each tranche is based on a satisfaction pertaining to the Company's exploration results or mineral resource targets ('Resource Targets'), whilst the second vesting condition of each tranche is based on a satisfaction pertaining to the Company's share price ('Share Price Targets'). As to be satisfied in the aforementioned order, the Milestones are structured such that both the Resource Targets and the Share Price Targets must be achieved before the Milestones have been met.

### Capital structure

The table below outlines the impact on the interests in DMC held by Security Holders prior to and following vesting of the Director Securities and Vendor Securities. We have illustrated the maximum dilution to Security Holders' interests which will result in Security Holders being diluted to a holding of 36.29% of the issued capital of DMC:

| Number of Shares                                       | Security Holders   | Mr David Sumich   | Vendors           | Total              |
|--------------------------------------------------------|--------------------|-------------------|-------------------|--------------------|
| Issued shares as at the date of our Report             | 39,265,500         | 3,000,000         | 4,084,500         | 46,350,000         |
| Current voting power in DMC (%)                        | 84.72%             | 6.47%             | 8.81%             | 100.00%            |
| Shares issued to Vendors                               | -                  | -                 | 50,000,000        | 50,000,000         |
| Shares issued pursuant to Capital Raising              | 85,000,000         | 5,000,000         | 10,000,000        | 100,000,000        |
| Facilitation shares issued to CPS                      | -                  | -                 | 8,100,000         | 8,100,000          |
| Shares issued to Managing Director                     | -                  | 2,000,000         | -                 | 2,000,000          |
| <b>Total shares following Re-admission</b>             | <b>124,265,500</b> | <b>10,000,000</b> | <b>72,184,500</b> | <b>206,450,000</b> |
| Voting power following Re-admission (%)                | 60.19%             | 4.84%             | 34.96%            | 100.00%            |
| Shares issued following vesting of Director Securities | -                  | 6,000,000         | -                 | 6,000,000          |

| Number of Shares                                                                         | Security Holders   | Mr David Sumich   | Vendors            | Total              |
|------------------------------------------------------------------------------------------|--------------------|-------------------|--------------------|--------------------|
| <b>Total shares following Re-admission and vesting of Director Securities</b>            | <b>124,265,500</b> | <b>16,000,000</b> | <b>72,184,500</b>  | <b>212,450,000</b> |
| <b>Voting power following vesting of Director Securities (%)</b>                         | <b>58.49%</b>      | <b>7.53%</b>      | <b>33.98%</b>      | <b>100.00%</b>     |
| Shares issued following vesting of Vendor Securities                                     | -                  | -                 | 130,000,000        | 130,000,000        |
| <b>Total shares following Re-admission and vesting of Director and Vendor Securities</b> | <b>124,265,500</b> | <b>16,000,000</b> | <b>202,184,500</b> | <b>342,450,000</b> |
| <b>Voting power following vesting of Director and Vendor Securities (%)</b>              | <b>36.29%</b>      | <b>4.67%</b>      | <b>59.04%</b>      | <b>100.00%</b>     |

Source: BDO analysis and DMC Notice of Meeting

We note that additional shares are proposed to be issued as part of the Re-admission to the ASX. We are required to consider any proposed issue of securities in connection with the Re-admission. Details of the additional shares are outlined in the notes below.

**a) Shares issued to Vendors**

Subject to shareholder approval and pursuant to agreements between the following vendors and the Company, DMC has entered into:

- A share sale agreement to acquire 100% of the issued capital of Veridis, a company incorporated in Guinea which holds two reconnaissance permits and two exploration licence applications in the Kissidougou-Mafran region of Guinea known as the Firawa REE Uranium Project (**‘Firawa Project’**); and
- A share sale agreement to acquire 100% of the issued capital of Mining Development which holds one reconnaissance permit and one exploration licence application located in the Labé district of the Republic of Guinea, West Africa (**‘Labé Project’**).

These are known as the **‘Proposed Acquisitions’**.

Information on the Firawa Project and Labé Project are detailed in the Notice of Meeting.

The consideration payable for the Proposed Acquisitions comprise the following:

- Issue of 35,000,000 ordinary shares and the Vendor Securities to the vendors of Veridis; and
- Issue of the 15,000,000 ordinary shares to the vendors of Mining Development.

The vendors of Verdis and Mining Development are collectively known as the **‘Vendors’**.

**b) Shares issued pursuant to Capital Raising**

Subject to shareholder approval, DMC is proposing to undertake a capital raising to issue 100 million ordinary shares in DMC at an issue price of \$0.05 per share to raise \$5 million before costs. Furthermore, incoming Managing Director, Mr David Sumich, is to participate in the Capital Raising for up to 5,000,000 ordinary shares, pending shareholder approval.

**c) Facilitation shares issued to CPS**

Subject to shareholder approval, DMC will issue 8,100,000 ordinary shares to its lead manager of the Capital Raising, CPS, for the provision of transaction introduction and facilitation services.

**d) Shares issued to Managing Director**

Subject to shareholder approval, DMC will issue 2,000,000 ordinary shares to its incoming Managing Director, Mr. David Sumich.

Further details of the shares proposed for issue upon Re-admission to the ASX can be found in the Notice of Meeting.

## 5. Profile of DMC

### 5.1 History

DMC is an ASX listed exploration company focused on its critical metals projects based in Western Australia. Primarily prospective for nickel, copper and gold, DMC's flagship projects are the Ravensthorpe Nickel Project and the Fraser Range Project which are both located on the border of the Yilgarn Craton of Western Australia ('WA'). In addition, the Company has recently begun nickel and lithium exploration activities at the Talon Ridge Project.

DMC was incorporated in March 2021 and gained admission to the ASX in December 2021. DMC is headquartered in Perth, Australia.

The current board of directors of DMC are:

- Mr David Sumich - Executive Chairman;
- Mr Bruce Franzen - Non-Executive Director; and
- Mr Andrew Dawes - Non-Executive Director.

We note the securities of DMC have been suspended from quotation since 23 January 2024, at the request of the Company and pending the release of an announcement in relation to the proposed re-compliance transaction under Listing Rule 11.1. Listing Rule 11.1 pertains to a significant change in an entity's activities, which is the basis for DMC's Re-admission and makes up Resolution 1 of the Notice of Meeting.

### 5.2 Projects

We have presented below an overview of DMC's critical metals projects prior to the Re-admission, although we note that DMC intends to relinquish the tenements that make up the Fraser Range Projects which include the Talon Ridge Project as described below. We further note that following the Re-admission, DMC will change the focus of its operations to the exploration and development of the Firawa Project and Labé Project.

Further details of the Firawa and Labé Projects are detailed in the Notice of Meeting.

#### Ravensthorpe Nickel Project (Ni)

The Ravensthorpe Nickel Project comprises one granted mining exploration licence and one application for a mining exploration licence and is located within the Esperance region of WA. The project has a strike length of approximately 15 kilometres ('km') which hosts target rocks prospective for nickel sulphide deposits. Neighbouring infrastructure includes well-serviced roads, power and other necessary mining infrastructure. Historical exploration efforts have since led to the identification of two targets, known as RAV 9 and RAV 11, which are respectively located on freehold farming ground and Crown Land.

Following a submission of a Programme of Works, the Department of Energy, Mines, Industry Regulation and Safety ('DMIRS') had requested a flora and fauna assessment over the RAV 11 area which was completed by DMC in the final quarter of 2023. Currently, DMC has an owner/operator access agreement and heritage agreement in place to facilitate completion of the planned drilling at the targets, subject to final approvals.

#### Fraser Range Projects (Ni-Co-Cu-PGEs)

The Fraser Range Projects comprises ten granted exploration licences and four exploration licence applications which collectively cover an area of approximately 1,200 square kilometres ('km<sup>2</sup>'). Notably,

the Fraser Range Project neighbours the First Quantum Minerals' open-pit nickel mine and the RAV8 sulphide nickel mine.

### Talon Ridge Project (Ni-Li)

Within the Fraser Range Projects lies the Talon Ridge Project which comprise of two granted exploration licences and three exploration licence applications. The Talon Ridge Project is prospective for lithium for which DMC has directed exploration efforts, with a particular focus on a 27.5km anomalous lithium zone, since September 2023.

Notably, an expansion of the Talon Ridge Project which focuses on nickel is currently under application and is known as the Talon Ridge Nickel Project. Under exploration licence applications, the Talon Ridge Nickel Project encompasses two nickel sulphide prospects, namely Red Knight and T34, which cover an approximate area of 155km<sup>2</sup>. Access to the Talon Ridge Project is via 14km of unsealed tracks off the Trans Access Road.

## 5.3 Capital structure

The share structure of DMC as at 24 April 2024 is outlined below:

|                                            | Number     |
|--------------------------------------------|------------|
| Total ordinary shares on issue             | 46,350,000 |
| Top 20 shareholders                        | 26,925,029 |
| Top 20 shareholders - % of shares on issue | 58.09%     |

Source: DMC's share registry data

The range of shares held in DMC as at 24 April 2024 is as follows:

| Range of Shares Held | No. of Ordinary Shareholders | No. of Ordinary Shares | Percentage of Issued Shares (%) |
|----------------------|------------------------------|------------------------|---------------------------------|
| 1 - 1,000            | 11                           | 1,057                  | 0.00%                           |
| 1,001 - 5,000        | 35                           | 131,913                | 0.28%                           |
| 5,001 - 10,000       | 85                           | 794,800                | 1.71%                           |
| 10,001 - 100,000     | 254                          | 10,888,016             | 23.49%                          |
| 100,001 - and over   | 72                           | 34,534,214             | 74.51%                          |
| <b>TOTAL</b>         | <b>457</b>                   | <b>46,350,000</b>      | <b>100.00%</b>                  |

Source: DMC's share registry data

The ordinary shares held by the most significant shareholders as at 24 April 2024 are detailed below:

| Name                                                                                 | No. of Ordinary Shares | Percentage of Issued Shares (%) |
|--------------------------------------------------------------------------------------|------------------------|---------------------------------|
| Cityscape Asset Pty Ltd <Cityscape Family A/C>                                       | 3,560,000              | 7.68%                           |
| Colin Kenneth Locke                                                                  | 3,330,000              | 7.18%                           |
| Mr William John Andrew Witham & Ms Katherine Darian Witham Jensen <Acorn Family A/C> | 3,100,000              | 6.69%                           |
| Tirol Investments Pty Ltd                                                            | 2,250,000              | 4.85%                           |
| <b>Subtotal</b>                                                                      | <b>12,240,000</b>      | <b>26.41%</b>                   |
| Others                                                                               | 34,110,000             | 73.59%                          |
| <b>Total ordinary shares on Issue</b>                                                | <b>46,350,000</b>      | <b>100.00%</b>                  |

Source: DMC's share registry data



The options on issue in DMC as at 24 April 2024 are outlined below:

| Description                                 | No. of Options     | Exercise price (\$) | Expiry Date |
|---------------------------------------------|--------------------|---------------------|-------------|
| Listed options                              | 25,575,000         | \$0.20              | 30-Apr-26   |
| Unlisted options                            | 1,000,000          | \$0.30              | 13-Dec-24   |
| <b>Total number of options</b>              | <b>26,575,000</b>  |                     |             |
| <b>Cash raised if options are exercised</b> | <b>\$5,415,000</b> |                     |             |

Source: DMC’s share registry data

## 6. Economic analysis

DMC is exposed to the risks and opportunities of the Australian market through their listings on the ASX and operations within Australia. In addition, as part of the Re-admission, DMC is to acquire the Firawa Project and Labé Project which are both located within Guinea. As such, we have presented an economic analysis of Australia and Guinea.

### 6.1 Australia

In its March 2024 Monetary Policy Decision meeting, the Reserve Bank of Australia ('RBA') made the decision to leave the cash rate target unchanged at 4.35%. Prior to the March meeting, the Board of the RBA ('the RBA Board') had further held interest rates steady, following a 25-basis point increase made in November 2023. The decision to hold the cash rate steady at the March meeting was to facilitate inflation returning to the RBA's inflation target of 2-3% within a reasonable timeframe and ongoing moderate growth in employment. Elevated interest rates were intended to ease inflationary pressures and return inflation to its target rate within a reasonable timeframe. Recent data reviewed by the RBA Board on inflation, the labour market and economic activity, in addition to the revised set of forecasts, indicates that inflation is easing as expected, although it remains high.

Subsequent to its peak in December 2022 at 7.8%, inflation continued to gradually decrease over the 2023 calendar year towards the RBA inflation target of 2-3%. The RBA outlined in the March 2024 statement that the decline in the monthly consumer price index ('CPI') indicator from 5.4% in the September 2023 quarter to 3.4% over the year to January 2024 suggests further progress in the decline in inflation. However, the RBA considers that inflation is still high and whilst goods price inflation has further eased, the prices of many services remain high and is moderating at a more gradual pace. The forecast for CPI inflation reveals it is expected to continue to decline to the target range in 2025, and to the midpoint in 2026.

According to the RBA, data from the December 2023 quarter confirmed that growth in the Australian economy has slowed. Recently, the combination of heightened interest rates and cost-of-living pressures has led to a substantial deceleration in household spending. Additionally, dwelling investments have demonstrated weakness on the back of continual hikes in housing prices across the country. However, real incomes have stabilised recently and are expected to grow from here, supporting growth in consumption later in 2024.

Since the beginning of 2024, equity prices in Australia have increased to reach a record high, similarly experienced in the advanced economies of the United States and Japan, as a result of recent declines in bond yields. The rise in equity prices is likely indicative of growing market confidence in the potential for inflation to align with central bank targets with minimal adverse impact on future earnings.

Among other major economies around the world, the rebound from the COVID-19 pandemic waned throughout 2022 which contributed to a significant slowdown in the global economy. Like many advanced economies, high inflation and energy prices have weighed in on demand in Australia. For 2024, it is anticipated that Gross Domestic Product ('GDP') growth in Australia's key trading partners will remain substantially below historical norms. In China, growth is expected to slow over the next two years as the post-pandemic rebound in services consumptions fades and the property sector remains weak.

Regarding the labour market, conditions continue to ease gradually although it remains tight. As growth in the economy is forecast below trend, employment is predicted to expand at a slower rate than the labour force and the unemployment rate is anticipated to gradually rise to around 4.40% in June 2025.

Additionally, wage growth has also increased over the past year, but has peaked with indications it will moderate over the year ahead.

## Outlook

While there are encouraging signs that inflation is moderating, the economic outlook remains uncertain. To-date, medium-term inflation expectations have been consistent with the inflation target and the RBA Board emphasised the importance of this remaining the case. Services price inflation remains high, as observed overseas however it is expected to gradually decline as domestic inflationary pressures moderate and growth in labour and non-labour costs ease.

Conditions in the labour market are expected to further ease to align broadly with full employment conditions that can be sustained over time without contributing to inflationary pressures in the coming years. Nominal wage growth is expected to remain strong in the near term and then gradually decline in line with labour market easing.

Economic growth in Australia is forecast to remain subdued as earlier interest rate hikes and inflation continues to weigh on consumption. Growth is expected to gradually increase from late 2024 as inflation declines and pressure on household income eases. However, the full impact of policy tightening on household consumption is uncertain and there remains a high level of uncertainty around the outlook for the Chinese economy and the implications of the conflicts in Ukraine and the Middle East. The squeeze on household finances could result in prolonged subdued household consumption, which may put more downward pressure on labour demand and wages and see an earlier return to the inflation target than forecasted. This could also occur if economic growth among Australia's trading partners is slower than anticipated.

**Source:** [www.rba.gov.au](http://www.rba.gov.au) Statement by Michele Bullock, Governor: Monetary Policy Decision dated 19 March 2024 and prior periods, [www.rba.gov.au](http://www.rba.gov.au) Statement on Monetary Policy February 2024 and prior periods, and BDO analysis

## 6.2 Guinea

### Overview

Since gaining independence from France in 1958, Guinea's economic development has been hindered by ongoing political instability. On 13 March 2024, a new government was established following the appointment of a third Prime Minister, Bah Oury, since the 2021 Guinean coup d'état. The Guinean coup d'état had involved the President, Alpha Condé, who was captured by the country's armed forces amid gunfire in the capital, Conakry. Subsequently, special forces commander Mamady Doumbouya released a broadcast on state television announcing the dissolution of the constitution and government. Since 1 October 2021, Mamady Doumbouya has served as the interim President of Guinea.

The formation of a new government comes after the Economic Community of West African States' ('ECOWAS') decision in February to lift economic sanctions imposed on Guinea and engage in technical and consultative discussions with the transition authorities. Accordingly, the Prime Minister, Bah Oury, has indicated a delay from the transition timetable initially agreed with ECOWAS, forecasting a return to constitutional order by at least 2025 instead of December 2024. As stated by the President, a referendum on the new constitution is to be held in December 2024.

Although considered a poor country with a population of close to 14 million people, Guinea possesses the world's largest reserves of bauxite, the largest untapped high-grade iron ore reserves, as well as gold and diamonds. This has attracted foreign investment into the Guinean economy, which has spurred an increase in economic growth over recent years.

## Domestic Growth

Economic growth stood at 4.7% in 2022, before increasing to 7.1% in 2023. Growth was attributed to strong mining sector performance, demonstrating the country's resilience to sociopolitical issues, lingering effects of COVID-19 and Russia-Ukraine conflict. In particular, bauxite production increased by 22% and gold exports increased by 10% over this period. According to The World Bank, the Simandou mining operation, for which first production is anticipated for 2025, is expected to almost triple Guinea's GDP in the medium term.

Following an explosion at Guinea's main fuel depot in the capital, Conakry, which resulted in the death of 24 people and left hundreds injured, growth in the non-mining sectors of the economy was constrained. Specifically, these non-mining sectors comprise services (trade and transport) and agriculture and fishing.

Foreign direct investment into mining, hydropower and agriculture are the key determinants in driving overall economic growth, however, growth was also bolstered by reforms aimed at improving the business climate, access to electricity and investment in the agrifood sector. Exports increased by an estimated 11.3% in 2023 whilst imports increased by 18.2%. Almost all of the Guinean exports are mining products, comprising mainly of bauxite ores which are sent to China for processing.

## Inflation and Employment

Inflation peaked at 34.5% in 2006 and spiked again in 2011 at 21.4%. Since 2021, inflation in Guinea has steadily decreased from 12.6% to 9.3% in 2023, supported by stable transport costs and prudent fiscal and monetary policy. Despite this, food price inflation is estimated to have increased from 13.9% in 2022 to 16.2% in 2023. As a consequence, the World Bank's US\$2.15 international poverty rate (the international poverty line, currently set at \$2.15 per person per day, which is the threshold which determines whether someone is living in poverty) remained at 10.5% in 2023 which was in line with 2022.

According to the World Bank, unemployment in Guinea has decreased to 5.4% in 2023 since its peak of 6.1% in 2020. The agricultural sector continues to be the main source of employment, providing income for majority of rural households and employment for the workforce.

## Risks

The main risk that the Guinean economy currently faces is towards political transition uncertainties in anticipation of the 2025 elections, which could slow the momentum of structural reforms and weaken policy discipline, and in turn, undermine medium-term growth. Other factors such as corruption in the government and mining sectors may also continue to impede potential growth.

The risk of debt distress remains moderate although a decrease in public debt was observed from 36.7% of GDP in 2022 to 35.5% of GDP in 2023.

As economic growth becomes more dependent on the mining of bauxite and iron ore, the risks facing the mining sector will have significant impacts on the Guinean economy.

## Mining Regulation in Guinea

The Guinean Mining Code of 2011 sets out the regulatory requirements for international miners operating in Guinea. Amendments to the code in 2013 saw mining profit taxes reduced from 35% to 30%, and the tax on bauxite reduced from 0.55% to 0.15% of the international price of aluminium. However, mining companies are now also obligated to pay taxes on extraction and exports, and face fines of up to five times the original amount for any non-compliance with the mining code.

The 2013 amendment also lowered the minimum investment threshold required for licensing as a mining operator from US\$1 billion to US\$500 million for projects involving precious stones, metallic substances and rare earths. However, bauxite mining has remained an exception, retaining the US\$1 billion threshold.

The Mining Code also contains a clause entitling the Guinean Government to a free 15% stake in mining projects, with the option to purchase an additional 20% stake.

Subsequently, in March 2022, the Guinean Government further notified all mining companies of its intent to exercise its right to transport 50% of mining production by maritime transport as granted by the Mining Code. Although this has not yet commenced, the Guinean Government intends in the long term to participate in the maritime transport of minerals to acquire greater control over the value chain of mining exports and generate greater revenue in this sector.

## Outlook

Real GDP is projected to slow to around 4.9% in 2024, underpinned by recovery in the non-mining sectors which were impacted by the fuel depot explosion in December 2023. Thereafter, real GDP is anticipated to accelerate to 6.3% on average in 2025 to 2026 (which exclude the Simandou mine exports anticipated by the close of 2026), driven by forecast expansion in mining production and increases in household consumption. With the development of the Simandou mine, Guinea will be able to rely on growing foreign direct investment in infrastructure, which include the construction of a 670km railway and a mineral port. Hydropower is also expected to boost growth, with the development of the Morisanako Hydro Power Plant, a 100 megawatt power plant which is expected to be commission in 2025, which will allow the sharing of renewable energy from Côte d'Ivoire with hydro power from Guinea.

The sustained growth in mining and hydropower in Guinea has raised concerns of the potential negative impact on biodiversity and environment. The Guinean government will be required to ensure that legislation around sustainability and ethics will be able to support the growth in these sectors.

**Source:** World Bank, The World Factbook, African Development Bank Group, Guinean Country Mining Guide, 2024.



## 7. Industry analysis

DMC is a critical metals exploration company listed on the ASX. As such, we have presented an overview of the exploration sector on the ASX to the extent that it may relate to our assessment.

### 7.1 Exploration sector

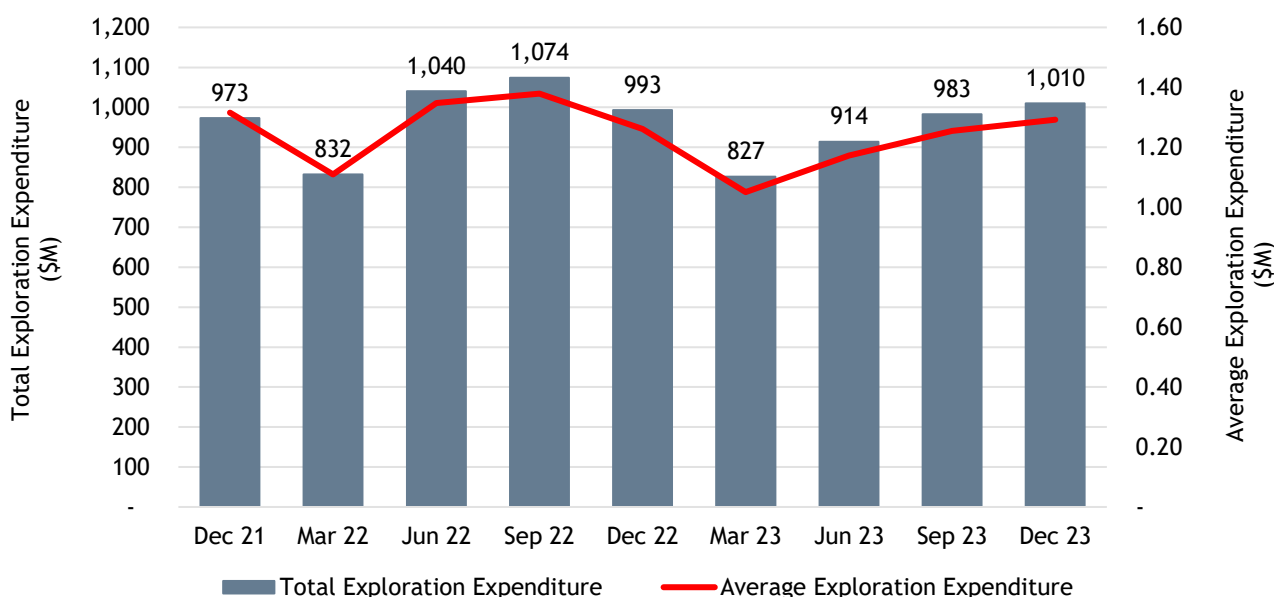
BDO reports on the financial health and cash positions of ASX-listed exploration companies based on the quarterly Appendix 5B reports lodged with the ASX. ASX-listed mining and oil and gas exploration companies are required to lodge an Appendix 5B report each quarter, outlining the company's cash flows, their financing facilities available and management's expectation of future funding requirements. BDO's report for the December quarter of 2023 suggests that explorers' outlook for their commodities and future capital raising ability remained positive. The quarter was characterised by significant volatility in commodity prices driven by key macroeconomic factors, including geopolitical instability stemming from the Israel-Hamas and Russia-Ukraine conflicts, and uncertainty surrounding global interest rates in major global economies during 2024. Despite this, explorers continued to thrive, as was evidenced by the increase in financing and exploration spending, all while maintaining robust cash balances.

Although a slump in lithium and nickel prices and valuations was observed in the second half of 2023, BDO's data demonstrates that support for battery mineral explorers remain resilient. The current quarter also saw an uptick in consolidation activity, most notably in the critical minerals, gold, and oil and gas sectors, as larger players sought to pursue strategic partnerships to advance their projects.

Following a couple of quieter quarters for exploration spend in the March and June 2023 quarters, largely as a result of uncertainty around availability of capital at that time, we have observed a continuous rise in exploration spending since the start of the 2023 calendar year. Exploration expenditure totalled \$1.01 billion for the current quarter, reaching levels among the highest recorded since 2013 and marking the highest of the 2023 calendar year. Average exploration spend per company increased each quarter of 2023, representing an increase of 1.7% over the year, which signalled continued confidence in the sector. This aligned with an improvement in domestic macroeconomic conditions and renewed confidence in explorers' ability to conduct exploration activity.

An encouraging sign for the sector more broadly was that the increase in exploration expenditure was not just coming from the larger end of the market, there was also a 23% increase in those companies spending between \$100k and \$300k. Notably, three of the top five spends related to oil and gas explorers, showcasing the reliance on traditional energy sources in our path to net zero. This underscores the long term nature of the energy transition and the need for investment in new oil and gas sources over the medium term to meet long term demand.

**Total Exploration Expenditure - Dec 21 quarter to Dec 23 quarter (\$M)**



Despite persisting inflationary pressures, explorers have, by and large, navigated the challenges successfully to date. For the December 2023 quarter, the average explorers' cash balances increased marginally from \$10.1 million in the previous quarter to \$10.2 million. Although average cash balances have remained stable over the past four quarters, the percentage of companies with more than \$1 million in cash decreased to 77% in the December 2023 quarter, representing the second consecutive quarter in which this measure has dipped below 80% (first two periods since December 2020.)

An uptick in exploration and investing activity within the small to mid-market was observed during the December 2023 quarter, indicated by an increase in the number of explorers undertaking exploration spends of between \$100k and \$300k. The decreasing cash balances caused by the net impact of exploration and investment activities in the small to mid-market, are likely to lead to explorers seeking to replenish their cash reserves in the upcoming quarters or to consolidate through merger and acquisition activity.

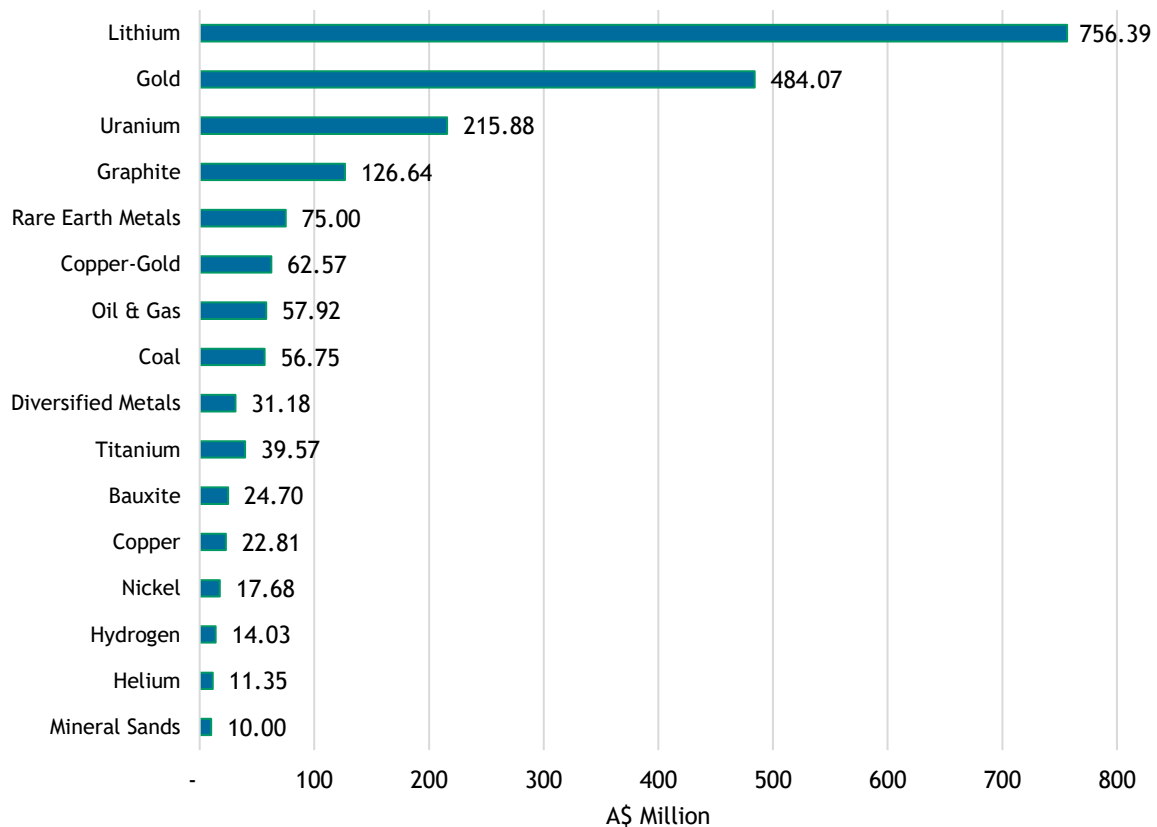
Further, in the December 2023 quarter, financing cash inflows grew to \$2.68 billion, representing a 32% increase on the \$2.03 billion of funds raised in the prior quarter. The strength in financing inflows this quarter was largely driven by the 43 companies that recorded debt and equity raises of \$10 million or more in the quarter (which we have termed '**Fund Finders**'). For the second consecutive quarter, lithium was the leading commodity, accounting for 37.7% of the \$2.01 billion raised by Fund Finders in the quarter. Before lithium reclaimed its top position in the September 2023 quarter, gold had led over the period from June 2022 to June 2023. In spite of recent lithium price drops, this is particularly encouraging as lithium explorers continue to remain a preferred destination for capital, with investors embracing a positive outlook on long-term demand. This underscores the resilience of Australian lithium explorers to attract financial support, despite global supply and demand concerns.

Building on the findings from the September 2023 Fund Finder, gold once again demonstrated its significance, securing the second position in our Fund Finder analysis. Similarly, gold explorers earned second place for the most funds raised the 2023 calendar year. Investors presently grappling with macroeconomic challenges, including elevated interest rates and inflation, and geopolitical conflict, appear to be actively pursuing the stability offered by safe-haven assets like gold. Heightened demand for

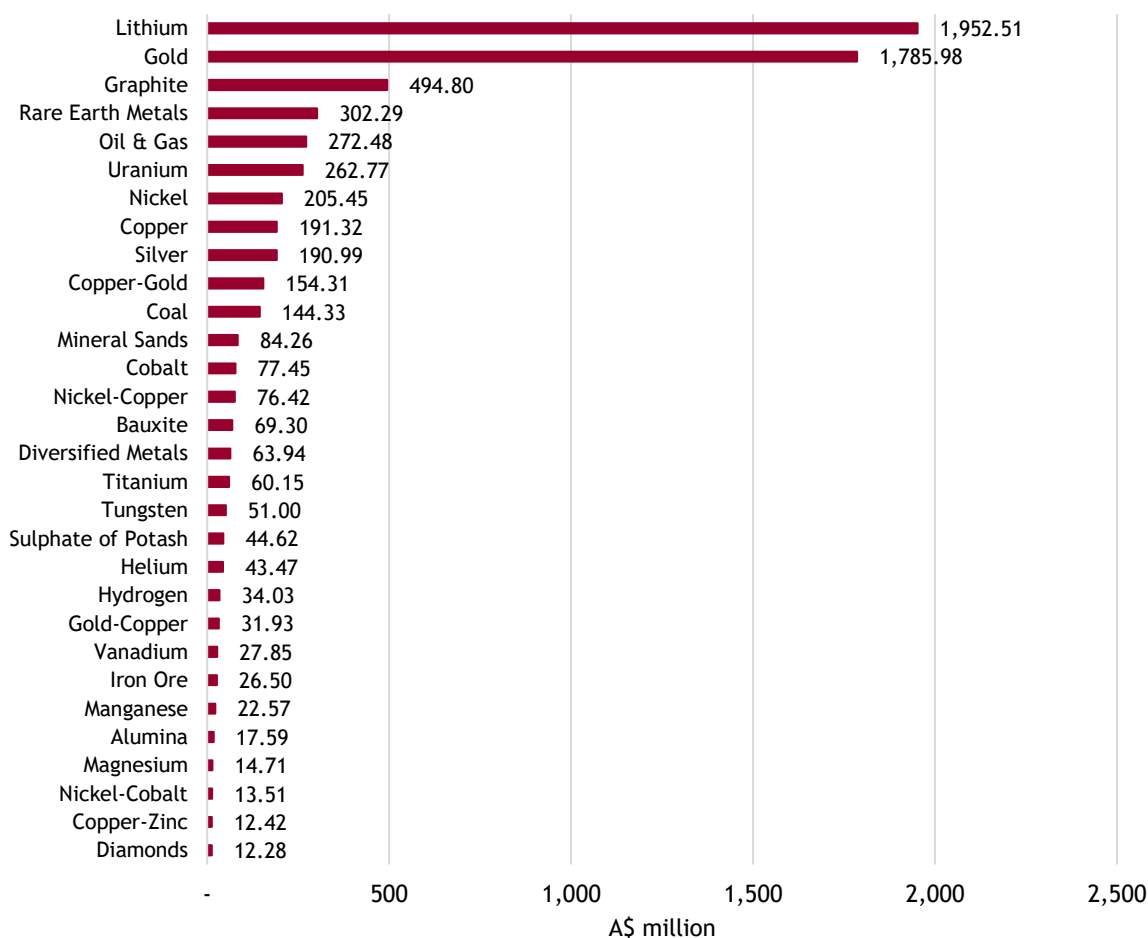
the safe haven asset saw its price reach an all-time high (at the end of the quarter) of US\$2,077 per ounce in the final month of 2023, before increasing further in 2024.

Interestingly, uranium Fund Finders raised the third most funds in the December 2023 quarter. This increase in capital raised, as compared to the September 2023 quarter, was largely a result of the supply and demand thematic which saw the uranium spot price nearly doubling within the December 2023 quarter. Although Australia is yet to decide on whether the radioactive element will make up part of its future energy mix, it appears that uranium explorers should find themselves well positioned in the near term to meet increasing demand from abroad for nuclear power. Differing policies across states, with restrictions on quantity and recipients of national uranium exports, adds to the overall uncertainty surrounding the industry. The political landscape, especially with upcoming state and federal elections, holds significant power in shaping Australia's future energy mix, presently excluding nuclear power.

### Financing Inflow by Commodity - Top 43 Explorers December Quarter 2023



## Financing Inflow by Commodity Calendar Year 2023



BDO anticipates the wave of M&A in the sector to continue into 2024, largely driven by the segmented market that is currently being observed. The smaller end of the market is likely to continue to turn to consolidation in light of rising costs of exploration and corporate costs. The mid-market explorers and developers may also look to consolidation in order to spread the cost of infrastructure investments or to obtain scale for existing or nearby infrastructure. This consolidation strategy becomes much more prominent in times of rising costs and/or declining commodity prices, both of which are present for a number of commodities, with gold being an exception. At the top end of the market, with rising costs of drill programs and the skills and equipment shortage, larger explorers with abundant cash balances may look to acquire smaller companies or projects as a means of expanding their mineral resource inventory or exploration potential, rather than conducting the exploration themselves. The rising cost environment and depressed commodity prices also provides larger players who are capable of weathering challenges, with an opportunity to acquire smaller players at suppressed valuations.

Source: BDO Explorer Quarterly Cash Update: December 2023 and prior releases.

## 8. Valuation approach adopted

As detailed in Sections 2 and 3 of our Report, in assessing whether the terms of each of the Performance Securities are fair and reasonable to Security Holders, we have assessed the value of a DMC share as at the Re-admission Date (prior to vesting) and compared it to the value of a DMC share following the achievement of the Milestones and the resultant issue of ordinary shares on conversion of the Performance Securities. A summary of common valuation methodologies is outlined in Appendix 2.

We have conducted this assessment individually for each of the Vendor Securities and Director Securities, on the basis that we are issuing two separate opinions. However, we have also presented our analysis on a collective basis as the Vendor Securities and Director Securities are issued on the same Milestones, and therefore, will exhibit the same vesting outcomes, all other things remaining equal.

### 8.1 Value of a DMC share as at the Re-admission Date

In our assessment of the value of a DMC share at the Re-admission Date, we have chosen to employ a market based assessment as our valuation methodology. The market approach involves determining the value of a DMC share by considering recent or prospective market sales and precedent transactions involving the sale of the Company's shares, commonly in the form of a placement or other capital raising.

A key factor in determining the appropriateness of using this methodology is whether the acquirer of the shares is an unrelated third party and whether the level of interest subscribed for in the company's equity is substantial enough to reflect the underlying value of the company. These factors need to fulfil the definition of an arm's length transaction between a willing buyer and willing seller for the shares in that company.

We consider the market based assessment to be an appropriate valuation methodology, due to the Capital Raising in connection with the Re-admission comprising an issue of 100 million shares in the Company at an issue price of \$0.05 each to raise \$5 million (before costs). Immediately following the completion of the Re-admission, DMC will have 206,450,000 shares on issue.

We consider that the offer of DMC's shares under the Capital Raising will represent an arm's length transaction between a large number of willing buyers and a willing seller, in which the price subscribed for under the offer is a strong indicator of market value. On an undiluted basis, the number of shares subscribed for under the Capital Raising equates to an interest of up to approximately 215.7% (or 2.16 times greater than the Company's issued capital at the Re-admission date), which we consider to be substantial enough for it to reflect the Company's fair value. Therefore, we have determined that the Offer Price of \$0.05 per share is the best indicator of the fair value of a DMC share upon quotation on the ASX.

We note we did not consider the quoted price of DMC shares prior to the Company's suspension on 23 January 2024 as an appropriate indicator of the value of a DMC share as at the Re-admission Date due to the following reasons:

- significant time has lapsed since the suspension of trading in January 2024, reducing the reliability of the quoted price of DMC shares prior to suspension;
- at the time DMC shares were suspended from quotation, the market was uninformed of the Proposed Acquisitions, which we consider may have had a significant impact on the fair value of DMC shares; and



- the Company's shares prior to suspension exhibited a low level of liquidity, on the basis that less than 1% of securities have been traded weekly on average, with 0.02% of DMC's issued capital as at 22 January 2024 being traded over a twelve-month period.

Notwithstanding this, we note the Company's share price on the ASX, prior to entering its trading suspension on 23 January 2024, was \$0.058, which is broadly similar to the value of a DMC share as at the Re-admission Date of \$0.050, as detailed in Section 9.

## 8.2 Value of a DMC share following the achievement of the Milestones

As detailed in Section 4, the Performance Securities vest subject to the achievement of pre-determined Milestones.

ASX GN 19 states:

*"in determining their opinion on fairness and reasonableness, ASX would expect the independent expert to assume that the relevant performance milestone(s) have been met, assess the impact that would have on the value of the entity compared to the situation if the relevant performance milestone(s) were not met, and then determine whether the resulting number of ordinary shares to be issued by the entity to the holder of the performance shares is fair and reasonable in the circumstances."*

Under RG 111.91, an expert's opinion should be based on reasonable grounds, with the grounds being set out in the report. Similarly, RG 111.112 states that an expert should not include forward-looking information unless there are reasonable grounds for the forward-looking information.

We note that RG 170 ordinarily relates to prospective financial information, however RG 111.114 states that RG 170 provides useful guidance for the inclusion of forward-looking information that does not fall within the definition of 'prospective financial information'. RG 170.17 states that the making of a forward-looking statement must have reasonable grounds, or it will be taken to be misleading.

In order to compare the value of DMC prior to and after meeting the Milestones, we must consider whether there are reasonable grounds to make forward-looking assumptions underpinning the future value of the Company. If there are sufficient reasonable grounds to do so, an assessment as to how the change in value of DMC compares to the value of the Company's shares as at the Re-admission Date can be undertaken and hence an assessment of fairness can be derived. However, if there are insufficient reasonable grounds to make forward-looking assumptions on value, we are unable to express an opinion on value and therefore, by default, each of the Performance Securities would be considered to be not fair.

### Assessment of the achievement of Milestones

We note each tranche of the Performance Securities have a market based vesting condition, namely the Share Price Targets, and non-market based vesting conditions attached, namely the Resource Targets.

We have first considered our ability to assess the non-market based terms of the Performance Securities and have determined that we have insufficient reasonable grounds, in accordance with RG 170, to quantify any uplift in value to DMC on achievement of such Resource Targets. We note that while the achievement of the Resource Targets would likely result in value accretion, we are unable to quantify the extent of the value uplift, nor the timing of achieving it (should it be achieved).

Given that there are currently insufficient reasonable grounds on which to assess the quantum of the value uplift associated with achieving the Resource targets, we have not performed our assessment of the value of a DMC Share following the achievement of Milestones based on the Resource Targets.

However, we are able to form an assessment of the value of a DMC share based on the Share Price Targets, and due to the Performance Securities vesting based on the achievement of both the Share Price Targets and Resource Targets, we consider this a reasonable approach in making our fairness assessment.

**Valuation approach used in assessing the value of a DMC share assuming that the Tranche A, Tranche B and Tranche C Performance Securities vest**

The Tranche A, Tranche B and Tranche C Performance Securities vest subject to the achievement of Share Price Targets (20-day VWAP hurdle) specified for each respective tranche. The detailed terms of the Performance Securities can be found in Section 4 of our Report, as well as the Capital Raising.

In assessing the value of a DMC share following the achievement of the aforementioned VWAP hurdles, we assume the following:

- The 20-day VWAP represents the market value of the Company's shares at the time of meeting the Milestone. This market value of the Company's shares is then used to determine the implied market capitalisation at that point in time;
- The number of shares on issue following the achievement of the Milestones is increased to reflect that the Performance Securities are immediately converted to ordinary shares; and
- All other things remain equal.

We note that our approach takes into consideration whether the quantum of the Performance Securities being issued is appropriate, particularly for the issue of Director Securities to Mr David Sumich, which forms a component of his remuneration. This is on the basis that our approach assesses whether the dilutive impact from the issue of shares arising from the vesting of Performance Securities (when the vesting conditions are met), results in the value of a DMC share being lower than its value at the Re-admission Date, and hence whether Security Holders are worse off. In other words, if the Company issues a certain number of Director Securities, which if vested, results in the value of DMC shares being lower than their value at the Re-admission Date, our assessment would deem the quantum of Director Securities issued to be not fair.

We have also considered whether the achievement of the vesting conditions will result in the current DMC options on issue ('Options') being in-the-money and whether a notional exercise of options should be considered.

Based on the terms of the Options in Section 5.3 of our Report, we note the Options will be out-of-the-money should the Share Price Targets be achieved. We note that even if the current options were to be in-the-money, the exercise of the current options would not alter our conclusion. We would not have adjusted for the exercise of these options because our Report is required to assess the terms of the Performance Securities, and we consider our analysis to be more meaningful to Security Holders if the Performance Securities are considered in isolation.

## 9. Are the terms of the Performance Securities fair?

Having regard to the guidance set out ASX GN 19, RG 111 and RG 170, our opinion in relation to whether the proposed terms of the Performance Securities are fair to Security Holders is set out below.

In arriving at our opinion on whether the proposed terms of each of the Performance Securities are fair, we have assessed the value of a DMC share as at the Re-admission Date and compared it to the value of a DMC share following the achievement of each tranche's respective Share Price Targets. We have performed an individual assessment of the Director Securities and Vendor Securities, in addition to an aggregate assessment of the Performance Securities as a whole.

As detailed in Section 8, we consider the value of a DMC share as at the Re-admission Date to be \$0.05, being the Offer Price as part of the Capital Raising.

### Performance Securities (Tranche A, Tranche B and Tranche C)

As outlined in Section 8, the vesting of the Performance Securities is dependent on an uplift in the value of the Company, implied by an increase in the 20-day VWAP of the Company's shares. In assessing the value of a DMC share following achievement of the 20-day VWAP hurdle attached to each tranche of the Performance Securities, we have assumed the following:

- The 20-day VWAP represents the market value of the Company's shares at the time of meeting the Milestones. This market value of the Company's shares is then used to determine the implied market capitalisation at that point in time;
- The trading price of DMC share on the ASX will be in the knowledge of the vesting conditions attached to the Performance Securities;
- The number of shares on issue following the achievement of the Milestones is increased to reflect that the Performance Securities are immediately converted to ordinary shares; and
- All other things remain equal.

## 9.1 Director Securities

We have presented our fairness conclusions for Tranche A, Tranche B and Tranche C of the Director Securities in the table below.

|                                                                     | Note | Tranche A           | Tranche B           | Tranche C           |
|---------------------------------------------------------------------|------|---------------------|---------------------|---------------------|
| <b>Value of DMC at Re-admission</b>                                 |      |                     |                     |                     |
| Shares on issue at Re-admission prior to Capital Raising            |      | 46,350,000          | 46,350,000          | 46,350,000          |
| Shares issued pursuant to Capital Raising                           |      | 100,000,000         | 100,000,000         | 100,000,000         |
| Facilitation shares issued to CPS                                   |      | 8,100,000           | 8,100,000           | 8,100,000           |
| Shares issued to Vendors                                            |      | 50,000,000          | 50,000,000          | 50,000,000          |
| Shares issued to Managing Director                                  |      | 2,000,000           | 2,000,000           | 2,000,000           |
| <b>Shares on issue at Re-admission</b>                              |      | <b>206,450,000</b>  | <b>206,450,000</b>  | <b>206,450,000</b>  |
| Offer Price (a)                                                     |      | \$0.050             | \$0.050             | \$0.050             |
| <b>Market capitalisation of DMC at Re-admission</b>                 |      | <b>\$10,322,500</b> | <b>\$10,322,500</b> | <b>\$10,322,500</b> |
| Shares on issue at Re-admission                                     |      | 206,450,000         | 206,450,000         | 206,450,000         |
| Shares on issue upon conversion of preceding tranche(s)             | 1    | -                   | 2,000,000           | 4,000,000           |
| 20-day VWAP                                                         | 2    | \$0.075             | \$0.100             | \$0.150             |
| <b>Market capitalisation of DMC on achievement of hurdle (b)</b>    |      | <b>\$15,483,750</b> | <b>\$20,845,000</b> | <b>\$31,567,500</b> |
| <b>Value of DMC following vesting of the Performance Securities</b> |      |                     |                     |                     |
| Shares to be issued upon conversion of Tranche A                    |      | 2,000,000           | n/a                 | n/a                 |
| Shares to be issued upon conversion of Tranche B                    |      | n/a                 | 2,000,000           | n/a                 |
| Shares to be issued upon conversion of Tranche C                    |      | n/a                 | n/a                 | 2,000,000           |
| <b>Shares on issue following vesting (c)</b>                        |      | <b>208,450,000</b>  | <b>210,450,000</b>  | <b>212,450,000</b>  |
| <b>Value per share following vesting (d) = (b)/(c)</b>              |      | <b>0.074</b>        | <b>0.099</b>        | <b>0.149</b>        |
| Offer Price (a)                                                     |      | \$0.050             | \$0.050             | \$0.050             |
| Value accretive? (d) > (a)                                          |      | Yes                 | Yes                 | Yes                 |
| <b>Conclusion</b>                                                   |      | <b>Fair</b>         | <b>Fair</b>         | <b>Fair</b>         |

Source: BDO analysis

### Note 1) Shares on issue upon conversion of preceding tranche(s)

In our assessment of the value of a DMC share assuming that the Tranche B and Tranche C Director Securities vest, we have assumed that the tranche(s) with a lower Share Price Target (20-day VWAP hurdle) have been met. For example, in our assessment of Tranche C, we have assumed the Share Price Targets of Tranche A and Tranche B have already been met and therefore vested. Accordingly, in our calculation of the implied market capitalisation at that point in time, we have reflected the conversion of these tranche(s) into ordinary shares.

| Shares on issue upon conversion of preceding tranche(s) | Tranche A | Tranche B | Tranche C |
|---------------------------------------------------------|-----------|-----------|-----------|
| Shares to be issued upon conversion of Tranche A        | -         | 2,000,000 | 2,000,000 |
| Shares to be issued upon conversion of Tranche B        | -         | -         | 2,000,000 |
| Shares to be issued upon conversion of Tranche C        | -         | -         | -         |

| Shares on issue upon conversion of preceding tranche(s) | Tranche A | Tranche B | Tranche C |
|---------------------------------------------------------|-----------|-----------|-----------|
| Shares on issue upon conversion of preceding tranche(s) | -         | 2,000,000 | 4,000,000 |

Source: BDO analysis

## Note 2) Assessment of the likelihood of the exercise of options

We have considered whether the Share Price Targets will result in the Options being in-the-money and whether a notional exercise of the Options should be considered for Tranche A, Tranche B and Tranche C.

Based on the terms of the Options in Section 5.3 of our Report, we note the Options will be out-of-the-money should the Share Price Targets be achieved. We note that even if the current options were to be in-the-money, the exercise of the current options would not alter our conclusion. We would not have adjusted for the exercise of these options because our Report is required to assess the terms of the Performance Securities, and we consider our analysis to be more meaningful to Security Holders if the Performance Securities are considered in isolation.

Based on the above and applying the fairness test outlined in ASX GN 19, the proposed terms of the Director Securities are fair to Security Holders, as the value of a DMC share following the achievement of the Share Price Targets is greater than the value of a DMC share at the Re-admission Date.

## 9.2 Vendor Securities

We have presented our fairness conclusions for Tranche A, Tranche B and Tranche C of the Vendor Securities in the table below.

|                                                                     | Note | Tranche A           | Tranche B           | Tranche C           |
|---------------------------------------------------------------------|------|---------------------|---------------------|---------------------|
| <b>Value of DMC at Re-admission</b>                                 |      |                     |                     |                     |
| Shares on issue at Re-admission prior to Capital Raising            |      | 46,350,000          | 46,350,000          | 46,350,000          |
| Shares issued pursuant to Capital Raising                           |      | 100,000,000         | 100,000,000         | 100,000,000         |
| Facilitation shares issued to CPS                                   |      | 8,100,000           | 8,100,000           | 8,100,000           |
| Shares issued to Vendors                                            |      | 50,000,000          | 50,000,000          | 50,000,000          |
| Shares issued to Managing Director                                  |      | 2,000,000           | 2,000,000           | 2,000,000           |
| <b>Shares on issue at Re-admission</b>                              |      | <b>206,450,000</b>  | <b>206,450,000</b>  | <b>206,450,000</b>  |
| Offer Price (a)                                                     |      | \$0.050             | \$0.050             | \$0.050             |
| <b>Market capitalisation of DMC at Re-admission</b>                 |      | <b>\$10,322,500</b> | <b>\$10,322,500</b> | <b>\$10,322,500</b> |
| Shares on issue at Re-admission                                     |      | 206,450,000         | 206,450,000         | 206,450,000         |
| Shares on issue upon conversion of preceding tranche(s)             | 1    | -                   | 45,000,000          | 90,000,000          |
| 20-day VWAP                                                         | 2    | \$0.075             | \$0.100             | \$0.150             |
| <b>Market capitalisation of DMC on achievement of hurdle (b)</b>    |      | <b>\$15,483,750</b> | <b>\$25,145,000</b> | <b>\$44,467,500</b> |
| <b>Value of DMC following vesting of the Performance Securities</b> |      |                     |                     |                     |
| Shares to be issued upon conversion of Tranche A                    |      | 45,000,000          | n/a                 | n/a                 |
| Shares to be issued upon conversion of Tranche B                    |      | n/a                 | 45,000,000          | n/a                 |
| Shares to be issued upon conversion of Tranche C                    |      | n/a                 | n/a                 | 40,000,000          |
| <b>Shares on issue following vesting (c)</b>                        |      | <b>251,450,000</b>  | <b>296,450,000</b>  | <b>336,450,000</b>  |
| <b>Value per share following vesting (d) = (b)/(c)</b>              |      | <b>0.062</b>        | <b>0.085</b>        | <b>0.132</b>        |



|                                      | Note | Tranche A | Tranche B | Tranche C |
|--------------------------------------|------|-----------|-----------|-----------|
| <b>Offer Price (a)</b>               |      | \$0.050   | \$0.050   | \$0.050   |
| <b>Value accretive? (d) &gt; (a)</b> |      | Yes       | Yes       | Yes       |
| <b>Conclusion</b>                    |      | Fair      | Fair      | Fair      |

Source: BDO analysis

#### Note 1) Shares on issue upon conversion of preceding tranche(s)

In our assessment of the value of a DMC share assuming that the Tranche B and Tranche C Director Securities vest, we have assumed that the tranche(s) with a lower Share Price Target (20-day VWAP hurdle) have been met. For example, in our assessment of Tranche C, we have assumed the Share Price Targets of Tranche A and Tranche B have already been met and therefore vested. Accordingly, in our calculation of the implied market capitalisation at that point in time, we have reflected the conversion of these tranche(s) into ordinary shares.

| Shares on issue upon conversion of preceding tranche(s)        | Tranche A | Tranche B         | Tranche C         |
|----------------------------------------------------------------|-----------|-------------------|-------------------|
| Shares to be issued upon conversion of Tranche A               | -         | 45,000,000        | 45,000,000        |
| Shares to be issued upon conversion of Tranche B               | -         | -                 | 45,000,000        |
| Shares to be issued upon conversion of Tranche C               | -         | -                 | -                 |
| <b>Shares on issue upon conversion of preceding tranche(s)</b> | <b>-</b>  | <b>45,000,000</b> | <b>90,000,000</b> |

Source: BDO analysis

#### Note 2) Assessment of the likelihood of the exercise of options

As detailed in Section 9.1, we have considered whether the Share Price Targets will result in the Options being in-the-money and whether a notional exercise of the Options should be considered for Tranche A, Tranche B and Tranche C. Based on the terms of the Options in Section 5.3 of our Report, we note the Options will be out-of-the-money should the Share Price Targets be achieved for each of the tranches.

Based on the above and applying the fairness test outlined in ASX GN 19, the proposed terms of the Vendor Securities are fair to Security Holders, as the value of a DMC share following the achievement of the Share Price Targets is greater than the value of a DMC share at the Re-admission Date.

### 9.3 Combined assessment for the Performance Securities

We have presented our fairness conclusions of Tranche A, Tranche B and Tranche C of the Performance Securities in the table below.

|                                                          | Note | Tranche A           | Tranche B           | Tranche C           |
|----------------------------------------------------------|------|---------------------|---------------------|---------------------|
| <b>Value of DMC at Re-admission</b>                      |      |                     |                     |                     |
| Shares on issue at Re-admission prior to Capital Raising |      | 46,350,000          | 46,350,000          | 46,350,000          |
| Shares issued pursuant to Capital Raising                |      | 100,000,000         | 100,000,000         | 100,000,000         |
| Facilitation shares issued to CPS                        |      | 8,100,000           | 8,100,000           | 8,100,000           |
| Shares issued to Vendors                                 |      | 50,000,000          | 50,000,000          | 50,000,000          |
| Shares issued to Managing Director                       |      | 2,000,000           | 2,000,000           | 2,000,000           |
| <b>Shares on issue at Re-admission</b>                   |      | <b>206,450,000</b>  | <b>206,450,000</b>  | <b>206,450,000</b>  |
| Offer Price (a)                                          |      | \$0.050             | \$0.050             | \$0.050             |
| <b>Market capitalisation of DMC at Re-admission</b>      |      | <b>\$10,322,500</b> | <b>\$10,322,500</b> | <b>\$10,322,500</b> |

|                                                                     | Note | Tranche A           | Tranche B           | Tranche C           |
|---------------------------------------------------------------------|------|---------------------|---------------------|---------------------|
| Shares on issue at Re-admission                                     |      | 206,450,000         | 206,450,000         | 206,450,000         |
| Shares on issue upon conversion of preceding tranche(s)             | 1    | -                   | 47,000,000          | 94,000,000          |
| 20-day VWAP                                                         | 2    | \$0.075             | \$0.100             | \$0.150             |
| <b>Market capitalisation of DMC on achievement of hurdle (b)</b>    |      | <b>\$15,483,750</b> | <b>\$25,345,000</b> | <b>\$45,067,500</b> |
| <b>Value of DMC following vesting of the Performance Securities</b> |      |                     |                     |                     |
| Shares to be issued upon conversion of Tranche A                    |      | 47,000,000          | n/a                 | n/a                 |
| Shares to be issued upon conversion of Tranche B                    |      | n/a                 | 47,000,000          | n/a                 |
| Shares to be issued upon conversion of Tranche C                    |      | n/a                 | n/a                 | 42,000,000          |
| <b>Shares on issue following vesting (c)</b>                        |      | <b>253,450,000</b>  | <b>300,450,000</b>  | <b>342,450,000</b>  |
| <b>Value per share following vesting (d) = (b)/(c)</b>              |      | <b>0.061</b>        | <b>0.084</b>        | <b>0.132</b>        |
| <b>Offer Price (a)</b>                                              |      | <b>\$0.050</b>      | <b>\$0.050</b>      | <b>\$0.050</b>      |
| <b>Value accretive? (d) &gt; (a)</b>                                |      | <b>Yes</b>          | <b>Yes</b>          | <b>Yes</b>          |
| <b>Conclusion</b>                                                   |      | <b>Fair</b>         | <b>Fair</b>         | <b>Fair</b>         |

Source: BDO analysis

#### Note 1) Shares on issue upon conversion of preceding tranche(s)

In our assessment of the value of a DMC share assuming that the Tranche B and Tranche C Director Securities vest, we have assumed that the tranche(s) with a lower Share Price Target (20-day VWAP hurdle) have been met. For example, in our assessment of Tranche C, we have assumed the Share Price Targets of Tranche A and Tranche B have already been met and therefore vested. Accordingly, in our calculation of the implied market capitalisation at that point in time, we have reflected the conversion of these tranche(s) into ordinary shares.

| Shares on issue upon conversion of preceding tranche(s)        | Tranche A | Tranche B         | Tranche C         |
|----------------------------------------------------------------|-----------|-------------------|-------------------|
| Shares to be issued upon conversion of Tranche A               | -         | 47,000,000        | 47,000,000        |
| Shares to be issued upon conversion of Tranche B               | -         | -                 | 47,000,000        |
| Shares to be issued upon conversion of Tranche C               | -         | -                 | -                 |
| <b>Shares on issue upon conversion of preceding tranche(s)</b> | <b>-</b>  | <b>47,000,000</b> | <b>94,000,000</b> |

Source: BDO analysis

#### Note 2) Assessment of the likelihood of the exercise of options

As detailed in Section 9.1, we have considered whether the Share Price Targets will result in the Options being in-the-money and whether a notional exercise of the Options should be considered for Tranche A, Tranche B and Tranche C. Based on the terms of the Options in Section 5.3 of our Report, we note the Options will be out-of-the-money should the Share Price Targets be achieved for each of the tranches.

Based on the above and applying the fairness test outlined in ASX GN 19, the proposed terms of the Performance Securities are fair to Security Holders, as the value of a DMC share following the achievement of the Share Price Targets is greater than the value of a DMC share at the Re-admission Date.

## 10. Are the terms of the Performance Securities reasonable?

In assessing whether the issue of Performance Securities is reasonable for Security Holders, we have considered the advantages and disadvantages associated with issuing the Performance Securities, the consequences of the Performance Securities not being on issue, the consequences of the Milestones being achieved, and the position of Security Holders should the Milestones not be achieved.

Giving consideration to each of the points set out below, we consider the Performance Securities to be reasonable.

### 10.1 Advantage of issuing the Performance Securities

We have considered the following advantages when assessing whether the terms of the Performance Securities are reasonable.

| Advantage                                                                                                                                                                                 | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| The terms of the Tranche A, Tranche B and Tranche C Director Securities and Vendor Securities are fair                                                                                    | As set out in Section 9, the terms of the Tranche A, Tranche B and Tranche C Director Securities and Vendor Securities are fair. Therefore, in accordance with the principles of RG 111, if the terms of the Tranche A, Tranche B and Tranche C Director Securities and Vendor Securities are fair, they are reasonable.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| The Milestones are structured in such a way to align the interests of Security Holders and the holders of the Performance Securities                                                      | <p>Performance securities are widely considered to be a method of remuneration that aligns the interests of management with the shareholders of a company. In particular, the Performance Securities with the Share Price Targets are specifically linked to the 20-day VWAP of the Company's shares, therefore aligning the interests of the incoming Managing Director (as recipient of the Director Securities) and Vendors (as recipient of the Vendor Securities) and Security Holders.</p> <p>Our analysis of the Resource Targets also shows that DMC achieving the specific vesting conditions relating to the Company's exploration results and mineral resource may be value accretive, however it will depend on (a) the funding required (if any) in order to progress the Company's project to a point where it can determine a JORC inferred resource at the particular tonnage and grade specified and (b) the extent of any value uplift.</p> <p>Therefore, we consider the Performance Securities are structured in a way to align the interests of Security Holders and the holders of the Performance Securities.</p> |
| By issuing the Director Securities, it allows the Company to retain its key management personnel and invest a greater portion of the cash raised from the Capital Raising on its projects | <p>The Director Securities are being issued to Mr Sumich in his capacity as incoming Managing Director, as outlined in Section 4 of our Report. By remunerating the Company's key management personnel via the issue of the Director Securities, it allows the Company to retain its people which may give it a greater chance of delivering value to Security Holders.</p> <p>As detailed in Section 1.16 of the Notice of Meeting, the Company has allocated a total of approximately \$2.96 million of the gross funds raised to expenditure on the Firawa and Labé Projects (which represents approximately 55% of the Company's total funds following the Capital Raising). If the Director Securities were not issued, it is</p>                                                                                                                                                                                                                                                                                                                                                                                                   |

| Advantage                                                                                                                                                                                 | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                                                                           | likely that a greater portion of the funds raised under the Re-admission would be spent on corporate costs.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| The deferred consideration (the Vendor Securities) payable upon meeting the Milestones is structured in such a way as to align the interests of the Vendors and the Security Holders      | <p>The Vendor Securities are deferred consideration in relation to the acquisition of the Firawa Project and are tied to the achievement of value accretive events, known as the Milestones.</p> <p>That is, part of the consideration paid for the Firawa Project is not based on an early assessment of undiscovered value. Rather, consideration will be payable upon achievement of the Milestones, specifically Resource Targets which advances the prospects of the economic viability of the Firawa Project, as well as the achievement of the Company's Share Price Targets. Further, the consideration is structured in a way which may potentially prevent the Company from overpaying for the assets.</p> <p>This structure ensures that the interests of the Vendors and Security Holders are aligned and allows the Company to balance the inherent speculative nature of mining exploration with its fiduciary duty to protect Security Holders against unwarranted economic dilution. Therefore, all else being equal, despite the dilution arising from the issue of the Vendor Securities, Security Holders will participate in the upside of holding shares in DMC.</p> |
| The Vendor Securities are subject to escrow conditions which prevents an immediate trade on the ordinary shares of DMC which may have placed downward pressure on the value of DMC shares | We note that the Vendor Securities will be subject to escrow arrangements for up to 24 months from the date of official quotation. Therefore, if Vendor Securities were to vest, the ordinary shares cannot not be immediately traded or disposed of by the Vendors on the open market, which may place downward pressure on the ASX trading price of a DMC share.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |

## 10.2 Disadvantages of issuing the Performance Securities

We have considered the following disadvantages when assessing whether the terms of the Performance Securities are reasonable.

| Disadvantage                                                                             | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Dilution of Security Holders' interests if a Milestone is met and ordinary shares issued | The impact of issuing the Performance Securities is that if the Milestones are met, Security Holders' interests in the Company will be diluted. The Security Holders' interests will represent 60.19% of the voting power of the Company's issued capital at Re-admission. In the event whereby all Performance Securities are converted to shares, existing Security Holders' interests will then be diluted to 36.29%. As detailed in Section 9 of our Report, we note that despite the interests of Security Holders decreasing following vesting of the Performance Securities, it is likely that the value of their interest will increase. |

| Disadvantage | Description                                                                                                                                                                                                                                                    |
|--------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|              | Further, we note that following the vesting of the Performance Securities, no individual holder of Performance Securities will obtain control, therefore there is no change of control implications associated with the vesting of the Performance Securities. |

### 10.3 Consequences of the Performance Securities not being issued

#### Director Securities

The Director Securities are being issued to the Company's incoming Managing Director, Mr Sumich. If the Director Securities were not on issue, it is likely that the Company would remunerate Mr Sumich via alternate means. Alternatives available to the Company could be shares, options or cash, which are considered further in the table below.

| Form of remuneration | Potential consequences to Security Holders                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Shares               | Shares would align the interests of Directors and key management personnel with Security Holders, however these would be dilutive to Security Holders' interests. Further, by issuing shares the Company does not ensure that its key people are retained for a minimum term as Directors and key management personnel would not be prohibited from leaving the business and selling their shares.                                                                                                                                                                                                                                                                                                                                                                                  |
| Options              | <p>Options are an effective way of aligning the interests of Directors and key management personnel with Security Holders as options only have value to the holder when at some point over the life of the option, the underlying share value exceeds the exercise price. Therefore, Directors and key management personnel are incentivised to create value for other shareholders. An added benefit of an option is that when exercised, it provides cash for the Company.</p> <p>However, a characteristic of an option is that it has no downside risk. Therefore, in the event that the options are significantly out-of-the-money, there is a possibility that the risk tolerance of the incoming Managing Director may not be consistent with those of Security Holders.</p> |
| Cash                 | <p>If additional remuneration was paid to the incoming Managing Director via fees or higher salaries, then the benefit would be that Security Holders would not be diluted. However, a cash payment means that the incoming Managing Director will not have the additional incentive to create value for Security Holders.</p> <p>Further, additional cash remuneration would have meant that less cash could be invested in the Company's projects, which may limit the ability of the Company to generate value for Security Holders. Alternatively, additional funds may need to be raised, which would dilute Security Holders' interests (assuming they do not participate in the additional raising).</p>                                                                     |



## Vendor Securities

If the Vendor Securities were not on issue, it is likely that the Company would remunerate the vendors of Veridis via alternate means. Alternatives available to the Company could be shares, options or cash, which are similarly mentioned in the table above for the Director Securities.

The contingent consideration payable to the vendors of Veridis under the Acquisition Agreement is structured in such a way as to protect Security Holders in the event the Share Price Targets or Resource Targets are not met (the Company does not identify the Firawa Project to result in or contain the specified resource tonnage and grade targets in the future), preventing the Company from overpaying for the assets. The additional consideration payable to the vendors of Veridis is contingent in nature and will only become payable in the event that the relevant Milestones are met.

We note that if the Milestones are not achieved, assuming no other share issues, Security Holders collectively will continue to hold the same interest in the Company.

### 10.4 Consequences of the Milestones being achieved

If the Milestones are achieved, assuming that no additional equity funding is required, then Security Holders collectively will have their interests diluted as outlined previously in Section 10.2 of this Report. However, the achievement of the Milestones are value accretive, therefore the value of Security Holders' interests will increase (all else being equal).

## 11. Conclusion

We have considered the terms of the Performance Securities as outlined in the body of our Report and have concluded that:

- the Director Securities are proposed to be issued on terms that are fair and reasonable to Security Holders; and
- the Vendor Securities are proposed to be issued on terms that are fair and reasonable to Security Holders.

## 12. Sources of information

Our report has been prepared based on the following information:

- Draft Notice of Meeting issued by DMC on or about the date of this Report;
- The terms of the Performance Securities;
- Share registry information;
- Information in the public domain; and
- Discussions with Directors and Management of DMC.

## 13. Independence

BDO Corporate Finance (WA) Pty Ltd is entitled to receive a fee of \$25,000 (excluding GST and reimbursement of out of pocket expenses). The fee is not contingent on the conclusion, content or future

use of this Report. Except for this fee, BDO Corporate Finance (WA) Pty Ltd has not received and will not receive any pecuniary or other benefit whether direct or indirect in connection with the preparation of this report.

BDO Corporate Finance (WA) Pty Ltd has been indemnified by DMC in respect of any claim arising from BDO Corporate Finance (WA) Pty Ltd's reliance on information provided by the DMC, including the non-provision of material information, in relation to the preparation of this report.

Prior to accepting this engagement BDO Corporate Finance (WA) Pty Ltd has considered its independence with respect to DMC and any of their respective associates with reference to ASIC Regulatory Guide 112 'Independence of Experts'. In BDO Corporate Finance (WA) Pty Ltd's opinion it is independent of DMC and their respective associates.

Neither the two signatories to this report nor BDO Corporate Finance (WA) Pty Ltd, have had within the past two years any professional relationship with DMC, or their associates, other than in connection with the preparation of this report.

A draft of this report was provided to DMC and its advisors for confirmation of the factual accuracy of its contents. No significant changes were made to this report as a result of this review.

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## 14. Qualifications

BDO Corporate Finance (WA) Pty Ltd has extensive experience in the provision of corporate finance advice, particularly in respect of takeovers, mergers and acquisitions.

BDO Corporate Finance (WA) Pty Ltd holds an Australian Financial Services Licence issued by the Australian Securities and Investments Commission for giving expert reports pursuant to the Listing rules of the ASX and the Corporations Act.

The persons specifically involved in preparing and reviewing this report were Sherif Andrawes and Adam Myers of BDO Corporate Finance (WA) Pty Ltd. They have significant experience in the preparation of independent expert reports, valuations and mergers and acquisitions advice across a wide range of industries in Australia and were supported by other BDO staff.

Sherif Andrawes is a Fellow of the Institute of Chartered Accountants in England & Wales and a Fellow of Chartered Accountants Australia & New Zealand. He has over 35 years' experience working in the audit and corporate finance fields with BDO and its predecessor firms in London and Perth. He has been responsible for over 500 public company independent expert's reports under the Corporations Act or ASX Listing Rules and is a CA BV Specialist. These experts' reports cover a wide range of industries in Australia with a focus on companies in the natural resources sector. Sherif Andrawes is the Corporate Finance Practice Group Leader of BDO in Western Australia, the Global Head of Natural Resources for BDO and a former Chairman of BDO in Western Australia.

Adam Myers is a member of Chartered Accountants Australia & New Zealand and the Joint Ore Reserves Committee. Adam's career spans over 25 years in the audit and corporate finance areas. Adam is a CA BV

Specialist and has considerable experience in the preparation of independent expert reports and valuations in general for companies in a wide number of industry sectors.

## 15. Disclaimers and consents

This report has been prepared at the request of DMC for inclusion in the Notice of Meeting and Prospectus. DMC engaged BDO Corporate Finance (WA) Pty Ltd to prepare an independent expert's report to consider whether the issue of Performance Securities is fair and reasonable to non-participating Security Holders.

BDO Corporate Finance (WA) Pty Ltd hereby consents to this report accompanying the Company's Notice of Meeting and Prospectus. Apart from such use, neither the whole nor any part of this report, nor any reference thereto may be included in or with, or attached to any document, circular resolution, statement or letter without the prior written consent of BDO Corporate Finance (WA) Pty Ltd.

BDO Corporate Finance (WA) Pty Ltd takes no responsibility for the contents of the Notice of Meeting or Prospectus other than this report.

We have no reason to believe that any of the information or explanations supplied to us are false or that material information has been withheld. It is not the role of BDO Corporate Finance (WA) Pty Ltd acting as an independent expert to perform any due diligence procedures on behalf of the Company. BDO Corporate Finance (WA) Pty Ltd provides no warranty as to the adequacy, effectiveness or completeness of the due diligence process.

The opinion of BDO Corporate Finance (WA) Pty Ltd is based on the market, economic and other conditions prevailing at the date of this report. Such conditions can change significantly over short periods of time.

With respect to taxation implications it is recommended that individual Security Holders obtain their own taxation advice, in respect of the proposed issue of the Performance Securities, tailored to their own particular circumstances. Furthermore, the advice provided in this report does not constitute legal or taxation advice to the Security Holders of DMC, or any other party.

The statements and opinions included in this report are given in good faith and in the belief that they are not false, misleading or incomplete.

The terms of this engagement are such that BDO Corporate Finance (WA) Pty Ltd is required to provide a supplementary report if we become aware of a significant change affecting the information in this report arising between the date of this report and prior to the date of the meeting or during the offer period.

Yours faithfully

**BDO CORPORATE FINANCE (WA) PTY LTD**



**Sherif Andrewes**  
Director



**Adam Myers**  
Director

# Appendix 1 - Glossary of Terms

| Reference           | Definition                                                                                            |
|---------------------|-------------------------------------------------------------------------------------------------------|
| A\$                 | Australian Dollars                                                                                    |
| the Act             | Corporations Act 2001                                                                                 |
| AFCA                | Australian Financial Complaints Authority                                                             |
| APES 225            | Accounting Professional & Ethical Standards Board professional standard APES 225 'Valuation Services' |
| ASIC                | Australian Securities and Investments Commission                                                      |
| ASX                 | Australian Securities Exchange                                                                        |
| ASX GN 19           | ASX Guidance Note 19 ' <i>Performance Securities</i> '                                                |
| the Company         | DMC Mining Limited                                                                                    |
| CPI                 | Consumer price index                                                                                  |
| CPS                 | CPS Capital Group Pty Ltd                                                                             |
| Director Securities | the six million performance rights to be issued to incoming Managing Director, Mr Sumich              |
| DMC                 | DMC Mining Limited                                                                                    |
| DMIRS               | Department of Energy, Mines, Industry Regulation and Safety                                           |
| EBIT                | earnings before interest and tax                                                                      |
| EBITDA              | earnings before interest, tax, depreciation and amortisation                                          |
| ECOWAS              | Economic Community of West African States                                                             |
| Firawa Project      | the Company's Firawa REE Uranium Project                                                              |
| FSG                 | Financial Services Guide                                                                              |
| GDP                 | Gross Domestic Product                                                                                |
| IS 214              | Information Sheet 214: <i>Mining and Resources: Forward-looking Statement</i>                         |

| Reference              | Definition                                                                                                                                                                              |
|------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| km                     | kilometre                                                                                                                                                                               |
| km <sup>2</sup>        | square kilometres                                                                                                                                                                       |
| lbs                    | Pounds                                                                                                                                                                                  |
| Mining Development     | Mining Development Resources SARLU                                                                                                                                                      |
| Notice of Meeting      | the Company's Notice of Meeting                                                                                                                                                         |
| Offer Price            | The price of \$0.05 per share as per the terms of the Capital Raising                                                                                                                   |
| our Report             | This Independent Expert's Report prepared by BDO                                                                                                                                        |
| ours                   | BDO Corporate Finance (WA) Pty Ltd                                                                                                                                                      |
| Options                | the current DMC options on issue                                                                                                                                                        |
| Performance Securities | the Vendor Securities and Performance Rights                                                                                                                                            |
| ppm                    | Parts per million                                                                                                                                                                       |
| Proposed Acquisitions  | Pursuant to the acquisition agreements between the Vendors and the Company, DMC will acquire 100% of the issued capital of Veridis and 100% of the issued capital of Mining Development |
| RBA                    | the Reserve Bank of Australia                                                                                                                                                           |
| the RBA Board          | the Board of the RBA                                                                                                                                                                    |
| Re-admission           | The re-compliance listing of the Company's shares on the ASX                                                                                                                            |
| Re-admission Date      | The date of Re-admission                                                                                                                                                                |
| Resource Targets       | The first vesting condition of each tranche which pertains to the Company's mineral resource                                                                                            |
| RG 111                 | Regulatory Guide 111 ' <i>Content of Expert's Reports</i> '                                                                                                                             |
| RG 112                 | Regulatory Guide 112 ' <i>Independence of Experts</i> '                                                                                                                                 |
| RG 170                 | Regulatory Guide 170 ' <i>Prospective Financial Information</i> '                                                                                                                       |
| Security Holders       | Non-participating security holders                                                                                                                                                      |



| Reference             | Definition                                                                               |
|-----------------------|------------------------------------------------------------------------------------------|
| Share Price Targets   | The second vesting condition of each tranche which pertains to the Company's share price |
| Transaction Documents | the Company's Notice of Meeting and Prospectus                                           |
| TREO                  | total rare earth oxides                                                                  |
| us                    | BDO Corporate Finance (WA) Pty Ltd                                                       |
| Vendor Securities     | the 130 million performance shares to be issued to the vendors of Veridis                |
| Vendors               | the vendors of Verdis and the vendors of Mining Development                              |
| Veridis               | Veridis Energie SARL                                                                     |
| VWAP                  | Volume Weighted Average Price                                                            |
| WA                    | Western Australia                                                                        |
| we                    | BDO Corporate Finance (WA) Pty Ltd                                                       |

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# Appendix 2 - Valuation Methodologies

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Methodologies commonly used for valuing assets and businesses are as follows:

## **1 Net asset value**

Asset based methods estimate the market value of an entity's securities based on the realisable value of its identifiable net assets. Asset based methods include:

- Orderly realisation of assets method
- Liquidation of assets method
- Net assets on a going concern method

The orderly realisation of assets method estimates fair market value by determining the amount that would be distributed to entity holders, after payment of all liabilities including realisation costs and taxation charges that arise, assuming the entity is wound up in an orderly manner.

The liquidation method is similar to the orderly realisation of assets method except the liquidation method assumes the assets are sold in a shorter time frame. Since wind up or liquidation of the entity may not be contemplated, these methods in their strictest form may not be appropriate. The net assets on a going concern method estimates the market values of the net assets of an entity but does not take into account any realisation costs.

Net assets on a going concern basis are usually appropriate where the majority of assets consist of cash, passive investments or projects with a limited life. All assets and liabilities of the entity are valued at market value under this alternative and this combined market value forms the basis for the entity's valuation.

Often the FME and DCF methodologies are used in valuing assets forming part of the overall Net assets on a going concern basis. This is particularly so for exploration and mining companies where investments are in finite life producing assets or prospective exploration areas.

These asset based methods ignore the possibility that the entity's value could exceed the realisable value of its assets as they do not recognise the value of intangible assets such as management, intellectual property and goodwill. Asset based methods are appropriate when an entity is not making an adequate return on its assets, a significant proportion of the entity's assets are liquid or for asset holding companies.

## **2 Quoted market price basis**

A valuation approach that can be used in conjunction with (or as a replacement for) other valuation methods is the quoted market price of listed securities. Where there is a ready market for securities such as the ASX, through which shares are traded, recent prices at which shares are bought and sold can be taken as the market value per share. Such market value includes all factors and influences that impact upon the ASX. The use of ASX pricing is more relevant where a security displays regular high volume trading, creating a liquid and active market in that security.

## **3 Capitalisation of future maintainable earnings**

This method places a value on the business by estimating the likely FME, capitalised at an appropriate rate which reflects business outlook, business risk, investor expectations, future growth prospects and other entity specific factors. This approach relies on the availability and analysis of comparable market data.

The FME approach is the most commonly applied valuation technique and is particularly applicable to profitable businesses with relatively steady growth histories and forecasts, regular capital expenditure requirements and non-finite lives.

The FME used in the valuation can be based on net profit after tax or alternatives to this such as earnings before interest and tax ('EBIT') or earnings before interest, tax, depreciation and amortisation ('EBITDA'). The capitalisation rate or 'earnings multiple' is adjusted to reflect which base is being used for FME.

#### **4     *Discounted future cash flows***

The DCF methodology is based on the generally accepted theory that the value of an asset or business depends on its future net cash flows, discounted to their present value at an appropriate discount rate (often called the weighted average cost of capital). This discount rate represents an opportunity cost of capital reflecting the expected rate of return which investors can obtain from investments having equivalent risks.

Considerable judgement is required to estimate the future cash flows which must be able to be reliably estimated for a sufficiently long period to make this valuation methodology appropriate.

A terminal value for the asset or business is calculated at the end of the future cash flow period and this is also discounted to its present value using the appropriate discount rate.

DCF valuations are particularly applicable to businesses with limited lives, experiencing growth, that are in a start-up phase, or experience irregular cash flows.

#### **5     *Market-based assessment***

The market based approach seeks to arrive at a value for a business by reference to comparable transactions involving the sale of similar businesses. This is based on the premise that companies with similar characteristics, such as operating in similar industries, command similar values. In performing this analysis it is important to acknowledge the differences between the comparable companies being analysed and the company that is being valued and then to reflect these differences in the valuation.

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