



Noronex Sells Witvlei Project in Namibia for A\$4.5M

Sale of non - core asset JV Vehicle (NRX 80%) for a total consideration value of A\$4.5 million, will see Noronex receive A\$3.6 million in staged payments

Highlights

- Proposed sale of the Witvlei asset held in Noronex's Joint Venture vehicle Larchmont Investments Pty Ltd (**LIP**), for a total cash consideration of A\$4.5 million, payable in stages, with 80% attributable to Noronex (A\$3.6 million) and the remaining 20% attributable to Larchmont Holdings Pty Ltd (**LIH**).
- Witvlei (EPL 7028 and 7029) is located in the western part of the Company's extensive Namibian portfolio and some 120km from the Humpback/Damara Copper Project.
- Witvlei represents approximately 3.5% of the total licence area held by Noronex in Namibia, both directly and through joint venture arrangements, and hosts a JORC compliant Mineral Resource of 8.8Mt at 1.28% Cu (or 112,500 tonnes of contained copper).
- Witvlei is part of the original Witvlei and Dordabis asset group, acquired in November 2020, that was subject to an earn-in through a joint venture vehicle which is now controlled by Noronex.
- The proposed sale to private mining company Joint Era Mining Co., Limited (**JEM**) is expected to simplify management of the Company's claim group, provide additional resources for exploration across its other projects, and is consistent with its broader portfolio management strategy, allowing it to focus on the core areas of its licence area in the Kalahari Copper Belt.
- The Company has agreed to a 3-month exclusivity arrangement, with the proposed sale subject to buyer due diligence. Assuming successful completion of due diligence, completion is targeted for early 2026.
- The 7,000m RC drill program is progressing at the neighbouring Powerline Project as part of the Humpback-Damara Earn-In Agreement with a wholly owned subsidiary of South32 Ltd (**South32**) in Namibia, along with a 3,000m RC drilling program at the Cgae Cgae Project, as part of the Cgae Cgae Earn-In Agreement with South32 in Botswana.

Noronex Managing Director and CEO, Victor Rajasooriar, commented:

"We are delighted to be working with JEM, who have the funding capacity to take the Witvlei Project to the next step of commercial development. As part of the deal, JEM will also be granted 20 million options"

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Non-Executive Director

Tony Chisnall

Chief Geologist

Shares on Issue

619,099,499

in Noronex at a strike price of 2.4c, which demonstrates their belief in our remaining tenement package.

“The total cash proceeds from the sale, comprising \$4.5 million in staged payments, will be used to explore at the Etango North Uranium Project, where our maiden drilling program is expected to commence in early 2026. It will also strengthen our balance sheet, putting us in a much stronger position to pursue attractive new business development opportunities across the Kalahari Copper Belt, whilst rationalising the broader portfolio within the Company.”

Noronex Limited (**ASX: NRX**) (**Noronex** or the **Company**) is pleased to advise that it has entered into an agreement to divest the non-core **Witvlei Project** in **Namibia** to a privately owned mining group for total cash consideration of \$4.5 million, payable in stages.

The sale agreement has been entered into with Joint Era Mining Co., Limited (**JEM**), a private company with interests in mineral exploration. The key terms are:

- 1) JEM has agreed to pay a non-refundable option fee of A\$200,000 payable 80:20 to NRX and LIH within seven (7) days from the date of signing the Binding Heads of Agreement (**BHA**), with NRX granting a 3-month exclusivity period to conduct due diligence on the Witvlei Project (**Option Period**).
- 2) On the successful conclusion of the Option Period, JEM must pay the following consideration for the Witvlei acquisition:
 - **Tranche 1 Cash Consideration:** A\$1,250,000 in cash, payable 80:20 to NRX and LIH for which NRX and LIH will transfer 60% of shareholding of LIP in proportion to their respective ownership of LIP and JEM will become responsible for 100% of the expenditure obligations, rates, taxes and any other holding costs of the Mineral Licences;
 - **Milestone Cash Consideration:** A further A\$1,250,000 in cash, payable 80:20 to NRX and LIH within 5 business days of the official grant of a Mining Licence for the Witvlei Project to JEM (or its nominee), In consideration for which LIH and NRX shall transfer the remaining 40% of LIP to JEM. JEM will have the right to make this payment prior to grant of the Mining Licence following which NRX and LIH shall transfer and arrange the transfer of the remaining 40% of LIP;
 - **Deferred Consideration:** A further aggregate of A\$2,000,000, payable to NRX and LIH in an 80:20 proportion following the commencement of commercial production at the Witvlei Project. This amount shall be paid by way of a 2% Net Smelter Return (NSR) royalty from all minerals recovered from the Mineral Licences, payable quarterly until the total sum of A\$2,000,000 has been paid in full, at which point the royalty shall extinguish.

As consideration for JEM entering into this transaction, NRX will allocate to JEM (or its nominee) 20,000,000 Options to acquire fully paid ordinary shares in NRX on or before the Settlement Date (Tranche 1 payment). These Options shall have an exercise price (Strike Price) equal to 150% of the 15-day Volume Weighted Average Price (VWAP) (2.4c) of NRX shares on the ASX immediately prior to signing the BHA. The Options will be issued to JEM when **Tranche 1** of the payment has been received and will have a 2-year term from signing of the BHA.

Exercise of the Option is subject to and conditional upon the satisfaction (or waiver) of the following conditions precedent:

- a) **Due diligence:** completion of the financial, legal and technical due diligence by JEM on the Sale Assets and the Mineral Licences, to the absolute satisfaction of JEM;
- b) **Third-party approvals:** the Parties obtaining all third-party approvals and consents necessary to lawfully complete the matters set out in this Agreement;

- c) **Shareholder and Regulatory approvals:** JEM and NRX obtaining all necessary shareholder and regulatory approvals (as required) to complete the matters set out in this Agreement including pursuant to the ASX Listing Rules and the Corporations Act 2001 (Cth) (Corporations Act); and
- d) **Other asset restructure:** LIP completing a restructure of Canadian registered Noronex Ltd and Aloe Investments Two Hundred Thirty Seven (Pty) Ltd completing the divestment of Borage Investments Proprietary Limited (Namibia).

Condition a) is for the sole benefit of JEM and may only be waived by notice in writing by JEM. Condition (d) is for the sole benefit of NRX and may only be waived by NRX.

Witvlei Project Background

The Witvlei Project is contained within EPL 7028 and 7029. The licence area represents 29,000 Ha of Noronex's current 858,000Ha exploration package. The Witvlei Project is located at the western end of Noronex's extensive copper portfolio, which spans 300km within the Kalahari Copper Belt in Namibia.

The successful sale of Witvlei (see location in Figure 1) would allow the Company to focus on its extensive copper portfolio including the Humpback, Damara and Powerline Projects, which are currently being drilled as part of earn-in agreements with South32.

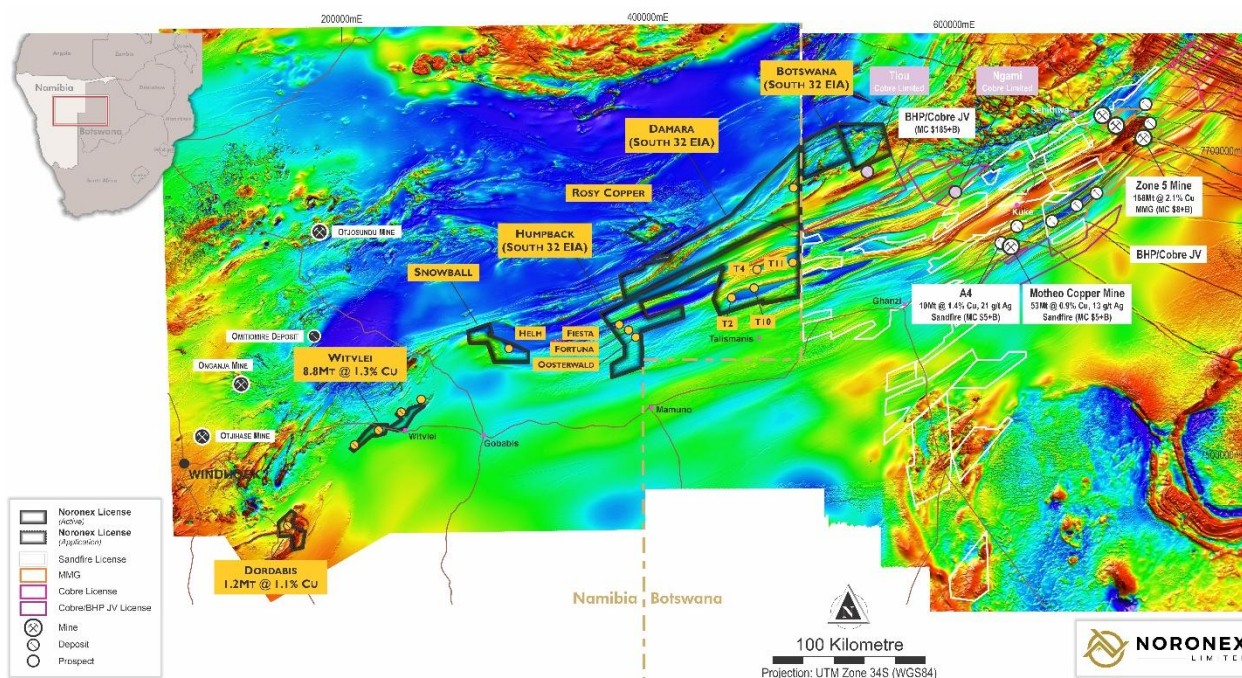


Figure 1: Map of Noronex's current claim package and location of the Witvlei Project.

Witvlei is held under a joint venture vehicle (Aloe 237 (Pty) Ltd (Namibia) which covers EPLs 7028 and 7029 and through a subsidiary company, Borage (Pty) Ltd (Namibia) owns EPL7030. The EPL7030 (Dordabis Project) is not part of the proposed sale.

Witvlei represents approximately 3.5% of the total licence area held in Namibia by Noronex both directly and through joint venture arrangements and contains approximately 8.8Mt at 1.28% Cu (or 112,500 tonnes of contained copper) as outlined in the ASX resource statement released to the market on 8 March 2021 (Figure 2).

Deposit	Oxidation State	Classification Category	Tonnes (Millions)	Cu (%)	Ag (ppm)	Cu content (kilo tonnes)
Malachite Pan	Oxide	Indicated	0.11	1.30	7	1.4
		Inferred	0.04	1.19	7	0.4
		Total	0.15	1.27	7	1.8
	Fresh	Indicated	2.81	1.39	8	39.2
		Inferred	0.51	1.17	6	6.0
		Total	3.32	1.36	8	45.2
	All	Total	3.47	1.36	7	47.0
Okasewa	Oxide	Inferred	0.09	1.24	4	1.1
	Fresh	Inferred	4.28	1.15	4	49.2
	All	Total	4.36	1.15	4	50.3
Christiadore	Oxide	Inferred	0.02	0.98	-	0.2
	Fresh	Inferred	0.93	1.62	-	15.0
	All	Total	0.95	1.61	-	15.2
Total Witvlei (Malachite Pan Okasewa Christiadore)	Oxide	Indicated	0.11	1.30	7	1.4
		Inferred	0.14	1.19	-	1.7
		Total	0.25	1.24	-	3.1
	Fresh	Indicated	2.81	1.39	8	39.2
		Inferred	5.72	1.23	-	70.3
		Total	8.53	1.28	-	109.4
	All	Total	8.78	1.28	-	112.5

Figure 2: Witvlei Mineral Resources at a cut-off grade of 0.5% Cu as at 01 March 2021

Current Joint Venture holding EPL 7028 and 7029

On 16 September 2020, the Company released a Prospectus detailing the terms for investment into various proposed copper projects, including terms of a proposed joint venture for an earn-in and call option over joint venture vehicle, Aloe Investments Two Hundred and Thirty Seven (Pty) Ltd (Namibia) ("Aloe 237"), which is in turn the holder of 100% of EPL 7028 & 7029 (Witvlei Project) and, through a subsidiary company, Borage (Pty) Ltd (Namibia) EPL 7030 (Dordabis Project).

In November 2020, the Company acquired 80% of Larchmont Investments Pty Ltd (**LIP**) which in turn held the right to earn-in up to 70% of Aloe 237 plus had a call option over an additional 25% (for 95% in total). Noronex is therefore the controlling shareholder in LIP which in turn currently holds 95% of Aloe 237, resulting in Noronex's current indirect interest in Aloe 237 being 76%.

At present, it is expected that any funds from a completed sale would be used for transaction costs, working capital and further exploration of the Company's remaining portfolio, with A\$3.6M, of the total consideration of A\$4.5M attributable to Noronex.

The Company looks forward to providing further updates regarding the transaction as appropriate.

– ENDS –

This ASX announcement has been authorised by the Board of Noronex Limited

For further information, contact the Company at info@noronex.com.au or on (08) 6555 2950

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About Noronex Limited

Noronex is an ASX-listed copper explorer with advanced projects in the Kalahari Copper Belt, spanning Namibia and Botswana, and in Ontario, Canada. Collectively, these projects have seen over 180,000m of historical drilling. The Company currently has a JORC 2012 Resource of 10Mt @ 1.3% Cu at its Witvlei and Dordabis Projects (Namibia) consisting of 2.9 Mt (Indicated) @ 1.39 % Cu and 7.1 Mt (Inferred) @ 1.20%¹. The Company has a Strategic Alliance Agreement (SAA) with South32, and two Earn-in Agreements providing South32 with the right to acquire 60% of each of Noronex's Humpback-Damara Project in Namibia and the Cgae Cgae Project in Botswana by funding a combined A\$4M in exploration per year for a maximum of five years. Noronex will be the manager of the exploration activities under the Earn-In Agreements and SAA and plans to use modern technology and exploration techniques to generate new targets at the projects and grow the current Resource base.

The Company also has exposure to a Uranium tenement in the centre of Namibia's hard rock uranium district. The Etango North (EPL 6776) is a joint venture with a local Namibian partner, where Noronex can earn up to an 80% interest on EPL 6776 with Noronex the manager and operator of the JV.

About Joint Era Mining Co., Limited

Joint Era Mining Co., Limited is a Hongkong registered South African based Mining and mineral trading company with assets of Chrome and Copper across the South African region.

Compliance Statements

The Company confirms that it is not aware of any new information or data that materially affects the previously disclosed exploration results referenced in this announcement. Information included in the original market announcements and that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Any information contained in this report that relates to Mineral Resources has been extracted from a previously released announcement dated 8/03/2021 ("Announcement"). The Company confirms that it is not aware of any new information or data that materially affects the information included in the Announcement, and that all material assumptions and technical parameters underpinning the estimates in the Announcement continue to apply and have not materially changed.

Forward-Looking Statements

This document includes forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Noronex Limited's planned exploration programs, corporate activities, and any, and all, statements that are not historical facts. When used in this document, words such as "could," "plan," "estimate," "expect," "intend," "may", "potential," "should" and similar expressions are forward-looking statements. Noronex Limited believes that its forward-looking statements are reasonable; however, forward-looking statements involve risks and uncertainties, and no assurance can be given that actual future results will be consistent with these forward-looking statements. All figures presented in this document are unaudited and this document does not contain any forecasts of profitability or loss.

¹ Refer to ASX Announcement dated 8 March 2021.