



ASX Release

24 November 2025

Acquisition of Challenger Mines Pty Ltd by GDM & Settlement of ADG and GDM dispute

ASX Announcement

Brisbane, Australia, 24 September 2025 - Great Divide Mining Ltd (ASX: GDM) (**GDM**) advises that it has entered into binding documents (**Binding Documents**) with Adelong Gold Limited (**ADG**) to resolve the ongoing dispute (**Dispute**) relating to GDM's 51% interest in Challenger Mines Pty Ltd (**CMPL**) and the incorporated CMPL joint venture governed by the 'Joint Venture Shareholders and Funding Agreement' (**Joint Venture**).

The Binding Documents consist of a 'Deed of Termination, Settlement and Release' and a 'Share Sale and Purchase Agreement'. The Share Sale and Purchase Agreement appends the terms of a Voluntary Escrow Deed and Minerals Royalty Deed, which are required, among other things, to be signed and exchanged by GDM and ADG on completion of the Share Sale and Purchase Agreement (**Completion**).

ADG however, disputes that the Binding Documents have been effectively entered into and does not agree that they are binding. More detail is provided below.

The settlement

Notwithstanding the position of ADG, GDM asserts that the Binding Agreements are now effective and in full and final settlement of the Dispute, and without admission of liability, by way of the execution of the Binding Documents, the following has been agreed:

1. **Sale of shares in CMPL held by ADG to GDM** - under the terms of the Share Sale and Purchase Agreement, GDM will acquire the balance 49% of the issued share capital in CMPL (**Sale Shares**) in consideration for the issue to ADG or its nominee of 10,000,000 shares in GDM (**Consideration Shares**). Further detail in respect to the Share Sale and Purchase Agreement and the escrow arrangements that apply to the Consideration Shares is provided below.
2. **Payment of a settlement sum by ADG** – under the terms of the Deed of Termination, Settlement and Release, on or before the date of Completion, ADG will pay CMPL the settlement sum of \$134,288 (**Settlement Sum**), being ADG's proportion of Joint Venture expenses up to 9 October 2025, anticipated Joint Venture expenses up to 31 October 2025 and the amount equivalent to the capital gains tax payable by CMPL in relation to the sale of a non-core residential property in Adelong, NSW (**Property Sale**).

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3. **Property Sale** - under the terms of the Deed of Termination, Settlement and Release, subject to items 1 and 2 above occurring (among other things), ADG will retain all proceeds from the Property Sale, in the amount of \$455,000 and ADG will indemnify CMPL and GDM (among others) from and against all costs and liabilities (including in relation to tax and capital gains tax) arising in any way connected with the Property Sale.
4. **Payment of a royalty by CMPL to ADG** – under the terms of the Minerals Royalty Deed, to be executed on Completion, ADG will be entitled to receive a royalty from CMPL (**Royalty**), namely a royalty of 1% of net the smelter return on saleable gold as an ore, concentrate or other non-refined gold product produced from the CMPL mining tenements specified in the Minerals Royalty Deed (**Product**), in existence as at the date of execution of the Minerals Royalty Deed (**Mining Area**), with such royalty capped at 125,000 ounces of Product. The Royalty will commence on the later of execution of the Minerals Royalty Deed, Completion, and the date on which extraction and recovery of any Product commences from the Mining Area.

The Share Sale and Purchase Agreement and the Consideration Shares

Completion is conditional on receipt of all necessary regulatory approvals or waivers pursuant to the ASX Listing Rules, the Corporations Act and any other law and all necessary third-party approvals and consents required to complete the matters set out in the Share Sale and Purchase Agreement and any of the Binding Documents (including the appended documents).

With respect to GDM's ASX compliance requirements:

- GDM has received confirmation from the ASX that Listing Rules 11.1.2 and 11.1.3 do not apply to the proposed acquisition of the Sale Shares by GDM.
- The Consideration Shares to be issued on Completion, will be subject to the approval of GDM shareholders pursuant to ASX Listing Rule 7.1.

The Consideration Shares once issued will be subject to voluntary escrow on the basis that 50% of the Consideration Shares will be escrowed for a 6 month period and the balance 50% of the Consideration Shares will be escrowed for a 12 month period (**Escrow Period**).

During the applicable Escrow Period of the Consideration Shares:

- ADG will grant GDM a right to buy back (**Buy-Back**) the escrowed Consideration Shares by way of a 'selective share buy-back' for the 'purchase price' set out below (**Purchase Price**);
- The Purchase Price for each Consideration Share is to be calculated based on the higher of:
 - the 20-day VWAP of GDM shares in the 20 trading days immediately prior to the date of execution of the Share Sale and Purchase Agreement; and
 - \$0.50.
- The Purchase Price will be offset against any amount that ADG is required to pay to GDM or CMPL with respect to the indemnities provided by ADG in the Deed of Termination, Settlement and Release relating to the Property Sale and the surviving Joint Venture tax indemnities (**Claim Amount**).
- In the event of non-payment of a Claim Amount, GDM may also trigger the Buy-Back of any escrowed Consideration Shares.



- The completion of the Buy-Back will be subject to all regulatory approvals; and
- Further, ADG assigns to GDM (or its nominee), during the applicable Escrow Period, the exclusive right to vote in any manner GDM deems fit in respect of the Consideration Shares.

Termination of the Joint Venture

On the date of Completion, the Joint Venture will be terminated, with the exception of all tax indemnities given by ADG to GDM in respect of CMPL, which will include (but is not limited to) the costs of any recovery action by the Australian Tax Office with respect to any GST refund claimed by CMPL prior to GDM becoming a shareholder of CMPL.

Timetable

The timetable for the completion of the transactions detailed in the Binding Documents is anticipated to be as follows:

Event	Timing
Execution of Share Sale and Purchase Agreement and Deed of Termination, Settlement and Release.	Occurred on 21 November 2025.
Dispatch by GDM of Notice of Meeting for the General Meeting of GDM.	Mid December 2025.
Convening of General Meeting by GDM to approve the issue of the Consideration Shares.	Mid to late January 2026.
Completion and: • transfer of the Sale Shares to GDM, and CMPL passing a director resolution to authorise that transfer; • the resignation of Ian Holland and Mena Habib as officers of CMPL; • issue of the Consideration Shares to ADG; • execution of the Voluntary Escrow Deed and Minerals Royalty Deed; and • termination of the Joint Venture.	Following the General Meeting, anticipated to be late January 2026.
Payment of the Settlement Sum by ADG to GDM.	On before Completion.
Commencement of the Royalty.	On the later of execution of the Minerals Royalty Deed, Completion, and the date on which extraction and recovery of any Product commences from the Mining Area.



Forward plan for the Challenger Mine – 12 months following Completion

The Challenger mine site has been shut down and in care and maintenance, pending resolution of the Dispute, since August 2025.

Following Completion of the Share Sale and Purchase Agreement, GDM intends to restructure the development plans to suit sole-funded development, optimisation and operations. The ramp-up to production is likely to be extended resulting in a lower and slower capital and operating cost requirement. Initial production will also be at a reduced rate until GDM and CMPL have the cashflow available to undertake subsequent stages of development.

The immediate works for the 6 to 12 months following Completion will be in respect of studies and optimisation works, including:

- installation and commissioning of spirals into the process plant;
- finalisation of mullock studies to supply initial feedstock to the Challenger plant when recommissioned;
- technical studies to support the potential small open cut at the Challenger extended deposit, including mining and geotechnical works; and
- environmental and approvals works, as required, to meet regulatory requirements for the restart of processing and open cut mining activities,

which will target initial small-scale commercial operations as soon as possible.

GDM is adequately capitalised to perform the anticipated studies and works and does not expect to have any near-term capital intensive works that will require significant capital raisings or debt facilities.

Adelong Gold Limited's position

Having applied its signatures to the 'Deed of Termination, Settlement and Release' and to the 'Share Sale and Purchase Agreement' and after having communicated same to GDM, ADG subsequently cancelled the DocuSign process. Those documents had already been partially signed by GDM before ADG cancelled the DocuSign process, and GDM held a copy of those partially signed documents. GDM then applied its remaining signatures to those documents and delivered fully executed copies of those documents to ADG on the afternoon of Friday 21 November 2025. Subsequently, ADG asserted that there was no valid agreement and asserted that no binding agreement was reached. GDM disagree with the position now taken by ADG.

This ASX release is authorised by the Board of Great Divide Mining Ltd.

For further information:

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About Great Divide Mining

Great Divide Mining Limited is an Australian explorer focused on gold, antimony and critical metals, operating across four projects and eleven tenements in Queensland. The Company's strategy centres on developing assets in historically mined areas with existing infrastructure, enabling rapid project advancement and cost efficiency.

Its key projects include Yellow Jack (advanced gold with a maiden JORC resource of over 50,000 ounces), Coonambula (antimony and gold with more than 15 historic mines), Devils Mountain (gold and copper in a historic mining district), and Cape (two greenfield opportunities with significant historical exploration results). GDM aims to generate early cash flow from initial projects to fund further exploration, leveraging a staged development approach.

In 2025, GDM commenced production at the historic Challenger Gold Mine (CGM) in New South Wales, marking its transition from explorer to producer.