

11 July 2022

Letter to Shareholders from the Managing Director

To the Shareholders of Mayur Resources Limited

As we enter a new financial year, I want to take the opportunity to provide an update on the Company's activities in advance of the soon to be released June 2022 Quarterly Report. Over the past year and a half Mayur Resources, like many businesses, has faced many challenges as a result of the on-going effects of the COVID-19 pandemic, yet we have continued to materially advance our project portfolio in Papua New Guinea. Whilst this letter is lengthy in nature, I feel it important to explain in detail how we have developed the business and how we have managed your investment.

The announcements made during this time have included key milestones required to transform Mayur's projects into long term cashflow generating businesses. These are outlined in this letter to add context to my statement. The establishment of new businesses to the point of being able to generate long-term cash flow takes time, and we are confident we are on the right pathway on the basis we now have fully permitted and construction ready projects.

Mayur Resources has taken three projects (Iron and Industrial Sands, Quicklime and Clinker/Cement) from inception all the way through the project development stages to be fully permitted with construction bids in place - 'Shovel Ready'. These three projects are now in the financing stage and shall see construction commence as soon as financing has been finalised. For clarity, the development activities of exploration, feasibility studies, permitting/approval, customer offtake support and receipt of construction bids have been completed for these projects.

Within this period the Board also decided to pause our thermal energy power station project at Lae and focus instead its efforts on renewables (solar/geothermal) and the establishment of its PNG Nature Based REDD+ Forestry Carbon Credit projects. The response to this amendment in strategy has been positive with our future customers welcoming our ability to use renewables to penetrate the energy requirements of our projects, thus reducing our carbon footprint. We have then additionally proposed to generate high quality PNG Nature Based REDD+ Forestry Carbon credits to further offset remaining carbon emissions that are currently unavoidable. Collectively *this approach then yields Net Zero products* (with the endeavour to achieve this milestone from the commencement of production).

The Nature Based REDD+ Forestry Carbon Projects we are undertaking with Landowners and the PNG Government relate to forests in PNG that are genuinely under threat from logging and are to be reclassified from logging areas to carbon estates. Revenues from the Carbon Projects will bring vastly larger financial and community benefits vs. logging to landowners, communities, and the PNG Government and under our ESG commitments, the majority of carbon revenues are provided to landowners. These landowners reside in very poor communities where these revenues will provide the most basic of services such as health, employment, community empowerment, electrification, sanitisation, aid posts and education but then also enrich these communities over the coming 30+ years with far more than basic services.

The strategic value of this initiative has been recognised by Santos Limited (ASX:STO), who are now working with Mayur as announced on 21 June 2022. The initiative provides major benefits to landowners but also provides our PNG produced products with a significant competitive advantage in being able to sell products into international markets that are Net Zero from day 1 of production vs. competitors that have made commitments to be net zero in 2030 to 2050.

**Nation building
in Papua New Guinea**



Building Shareholder's a long-term sustainable business

The Company has a deep value, multi generation portfolio of projects that have been set up to provide extra ordinary returns whilst demonstrating environmental, social and governance (ESG) elements in accord with IFC's Equator Principle Investment Standard requirements and aiming to reach net zero commitments far faster than its peers.

The company's founders and key corner-stone and strategic investors, pre and post listing of Mayur on the ASX in 2017, have not sold a single share in the Company and have continued to invest in and support the Company and its development aspirations when raising additional capital.

The attached Appendix A outlines the commitment and significant progress the Company has made since listing and how it has deployed circa A\$69 million in developing these three projects to now be construction ready and fully permitted. Such expenditure has been well managed and are a core part of the front-end investment process in starting new long-life generational EBIT producing businesses. I encourage you to examine this and the announced progress and reflect on, how advanced you feel we as a company now are.

In parallel in bringing these three projects to the financing and construction phase, we have launched a carbon and renewable energy platform, but disappointingly we see our market capitalisation at circa A\$23.5 million (A\$45.5 million less than what has been spent to date). Additionally, there is a p/nav¹ discount of 96.5% of released project NPV's vs current market capitalisation of the company. This arbitrage situation either communicates (1) a misunderstanding in the market on the business proposition or (2) that long term strategic corner stone investors who continue to support the company's direction, have a different view to the smaller short-term Shareholders. Management and our large corner stone investors feel that the market capitalisation does not come close to valuing (a) the money the Company has spent (even on a dollar-for-dollar basis) and (b) a value premium on the money invested to date (which is the purpose and objective of expending such funds in the first place). I further encourage you to also look at Appendix B for the graphical line plot of market capitalisation changes, share price and announcements made that will bring to the fore what I am saying.

The board and I communicate this with conviction as we currently have announced A\$677m NPV for our projects that are at 'construction ready' stage, backed by several hundred million tonnes of already announced JORC Resources, *with a near term plan to announce a growth to this accumulated NPV (due to an expanded case for the Quicklime project and capital structuring of the Clinker/Cement)*. We therefore remain very confident and resilient in the view that there are clear asymmetrical advantages that the platform the company has established, sets the foundations for a vastly larger, profitable, and more resilient business than that which we listed (being Mayur Resources) via IPO in 2017 *(the company came onto the market with a far less developed asset base than what we have today and at a market capitalisation in 2017 of A\$53.5 million)*. Additionally, these projects have now been positioned to be:- expandable via utilisation of unallocated JORC resources, adaptable (with Mayur Resources own granted Special Economic Zone) and sustainable (via the large ESG benefits the project will have for landowners and communities and being Net Zero), thus setting a bright stage for future generational shareholders and stakeholders.

Therefore, if deploying Shareholders funds does not yield an accretion in value, naturally the strategy and/or application of funding should be examined. The challenge for the Board is, the company continues to act in the best interests of ALL Shareholders, with the loyal long term corner stone and strategic Shareholders who hold >50% of the company remaining supportive (in principle and capital support) of the Company's direction, whilst some smaller short-term Shareholders and day traders continue to sell off our stock when value accretive announcements are made. Refer again to Appendix B to examine this trend.

Our three projects of Iron and Industrial Sands, Quicklime and Clinker/Cement provides a line of sight to annual EBIT (see table below) of circa A\$200 million per annum (once in production). Subject to securing financing and commencement of construction, the timeframe to production across the portfolio is estimated as follows:- iron and

¹ P/NAV refers to the ratio of a company's market capitalisation divided by the Project Net Asset Value or Net Present Value.



industrial sands after 12 months, Quicklime after 18-24 months and Clinker/Cement after 26-28 months. I would encourage Shareholders to examine the annual EBIT of other construction materials companies that will have similar products and those with remotely comparable renewable aspirations/credentials. I would then ask you to examine their current market capitalisation today based upon their forward EBIT multiple and reflect and assess what our company's near-term future value could be in the range of vs. where it is today (*noting our projects are fully permitted and construction ready only awaiting to secure finance enabling cashflow and EBIT production*). As already mentioned, the expansion of the Quicklime project case and capital structuring of the Clinker/Cement will improve EBIT in addition to what is documented below.

Carbon Status	Project	Estimated Initial Capex	Annual EBIT	Production	Status
Net Zero Products Day 1 production	Orokelo Bay – Iron and Industrial Sands	A\$30m [^] A\$30m equity	A\$35m [^]	1.5mtpa	Construction Ready Fully Permitted Cashflow 12 Months Binding Offtake
	CCL Stage 1 - Quick Lime (1 Kiln)	A\$67.6m* A\$40.6m debt A\$27.0m equity	A\$21m*	0.2mtpa	Construction Ready Fully Permitted Cashflow 18-24 months In Principle Offtake
	CCL Stage 2 - Clinker & Cement	A\$396.2m* A\$238m debt A\$158.2m equity	A\$128.8m*	1.75mtpa	Construction Ready Fully Permitted Cashflow 26-28 months In Principle Offtake
	Carbon Credits	A\$14m ⁺ Funding from incoming investors	Refer to ASX Release ⁺	8mtpa (Stored Carbon)	Feasibility Underway Cashflow 18-24 months

[^] ASX Release 'Orokelo Bay Industrial Sands Project DFS confirms low cost operation with strong economics' (11/09/2020 & 04/04/22) Exchange rate US\$1.0:A\$1.4.

* ASX Release 'DFS confirms technical robustness and strong economics for the central cement & lime project: a new import replacement and export industry for Papua New Guinea' (24/01/2019) Exchange rate US\$1.0:A\$1.4.

⁺ ASX Release 'Presentation and Webinar Tuesday 21 June 900 am AEST' (20/06/2022) Exchange Rate US\$1.0:A\$1.4.

We remain extremely confident that Mayur will soon be redefined as a producing 'Construction Materials' business coupled with a complimentary Renewable Energy and Carbon Offset arm that the market can easily understand. I remain very encouraged by the continuing and steadfast support that I have received from our PNG stakeholders, the Mayur Resources Board, our leadership team, and major strategic pre and post IPO Shareholders who continue to accumulate their shareholding since listing.

The following sections of this letter set out some of the main deliverables, achievements, and future objectives across the various divisions of our business.

Quicklime (CCL Project – Stage 1)

The Quicklime project is Stage 1 of the 2 Stage Central Cement and Lime (CCL) project that aims to be Australasia's first carbon-neutral Quicklime, Clinker and Cement producer. This project will be able to meet 100% of PNG's domestic Quicklime needs for now and into the future whilst also supplying product to the wider international market i.e. Australia, at a very cost competitive price point.

The project consists of a Quicklime high grade quarry, private import/export wharf, power plant and Quicklime kilns.

This project is located near to the coast within our granted Mining Lease on naturally clear land with the limestone resources at surface. Quicklime is a critical processing mineral for battery and future facing metals such as rare earths, copper, nickel, aluminium, uranium, cobalt, and lithium, and for gold processing, pollution abatement, treatment of



acidification in soils and waterways and for water treatment. Please take the time to inform yourself on the critical role lime plays in the modern world outlined in Appendix E. Without the expansion and development of high-grade Quicklime sources, expansion of high-grade battery processing and critical rare earth minerals will be extremely difficult as Quicklime is a critical processing consumable in the winning/recovery capability of these metals.

If Shareholders were to inquire, they would find Quicklime end user organisations in the Australian market have been focused on the green and future facing metals and other applications that Quicklime aids, however the quality, reliability and supply side of Quicklime has clearly come into focus with a large spike in prices, *in instances more than doubling*. To be clear our project and its economics are not factoring this growth and price increases, but rather has worked with existing users at historical long-term price points and demand profiles which still generate extremely attractive project returns. The current and future tightening of Quicklime supplies is upside for our company.

Over the past 18 months since COVID several key value accretive milestones were still achieved including:

- Receiving quicklime offtake letters of support exceeding the initial proposed upgraded Stage 1 nameplate capacity of 400,000tpa;
- Securing Special Economic Zone status for the project including a range of fiscal and related financial concessions such as tax relief and duty exemptions, which significantly strengthen financial outcomes of the project and ensures the project is a Tier 1 asset throughout the commodity cycle;
- Incorporating optionality into the project of up to 40% renewable power for the Quicklime Plant to reduce carbon emissions from power generation via a hybrid generation system adjacent to the Quicklime kiln;
- Collaboration with world leading company First Graphene Ltd (ASX:FGR) to incorporate graphene-derived additives into Mayur's cement products to reduce emissions by up to a further 25%;
- Amendment of the Mining Lease conditions to enable a staged development of Quicklime as Stage 1;
- Full incorporation and proposed construction of an additional second kiln due to additional Quicklime Kiln offtake, that we shall further update the market on in the near term;
- IFC Equator principles review demonstrating a high level of compliance via 2 independently engaged professionally qualified sustainability officers;
- Heads of Agreement signed with PNG Government owned Kumul Consolidated Holdings for gas supply and enabling the pathway for final negotiations on a Gas Sales Agreement;
- Negotiation with strategic partners for financing support (equity and debt) – these negotiations are well progressed and ongoing; and
- Receipt of revised construction bids, shortlist and commencement of the Early Contract Involvement stage.

These milestones mark significant forward progress in the development of the Quicklime project and re-iterate the Company's commitment to sustainable development and ESG principles. Through innovation and the use of new and emerging renewable and carbon capture technologies along with carbon offsets, the company will hold a significant advantage over competitors from day 1 with the aim to be Australasia's first carbon neutral Quicklime (but also Clinker/Cement) manufacturer.

Project	MRL Subsidiary Market Cap Allocation	MRL(s) Forecast EBIT	Project NPV	Percent of current Quicklime P/NAV
CCL Stage 1 - Quicklime (1 Kiln)	A\$4.7 m ⁺ (Assumed 20% current value attribution ASX:MRL)	A\$21m ^{^*}	A\$96.6m ^{^*}	4.9% (A\$4.7m/A\$96.6m) 95.1% discount

⁺ Management estimate of subsidiary company contribution to Mayur Resources market capitalisation.

[^] ASX Release 'DFS confirms technical robustness and strong economics for the central cement & lime project: a new import replacement and export industry for Papua New Guinea' (24/01/2019) Exchange rate US\$1.0:A\$1.4.

^{*} Derivation of broader CCL NPV via the single kiln CCL Lime only Financial Model – Average LOP EBIT US\$15m = A\$21m [US\$1.0 : A\$1.4]



Clinker/Cement (CCL Project - Stage 2)

The Clinker/Cement project is Stage 2 of the CCL project. This project will be able to meet 100% of PNG's cement needs now and into the future whilst also supplying both Clinker and Cement products to the wider international markets as far away as destinations in the Pacific, South America and West Coast USA and as close as only two days sail time away to Townsville, Australia. There is not another known producer that we are aware of that is able to sell its products cost competitively at a Net Zero carbon emissions level in the coming 24-36 months providing the Company with key strategic advantages of environmental, quality and supply chain superiority into the market.

The project consists of ideal Clinker raw mix grade quarry material (containing limestone, marl, alumina silicates and iron correctives), private import/export wharf (expansion of additional berth to Quicklime wharf), expanded power plant and increase in gas supply.

This project is located on the same Mining Lease as the Quicklime project. Australia imports approximately 50% of its Cementitious requirements today and this trend has and is increasing each year as manufacturing facilities in Australia age and are not replaced. The location of the project renders it the closest supplier to the Australian market and increases delivery time by being three times closer to competing markets (whilst reducing transportation emissions also by a similar factor).

Now that the project is fully permitted and approved it only awaits completion of financing for this multi-generation operation to service PNG (which does not have its own domestic Clinker/Cement plant) and other outlined international destinations. Shareholders should be aware the project hosts a previously announced JORC Resource of 396 million tonnes - adequate resources to service both PNG and Australia's requirements for generations to come.

Over the past 18 months since COVID, several key value accretive milestones were still achieved including:

- Increasing Clinker and cement offtake support to over 1.58 Mtpa which represents circa 92% of our intended nameplate capacity of 1.72 Mtpa;
- Amendment of the Mining Lease to enable a staged development with Clinker/Cement as Stage 2;
- IFC Equator principles review demonstrating a high level of compliance via 2 independently engaged professionally qualified sustainability officers;
- Negotiation with strategic partners for financing support (equity and debt) for the project – these negotiations although stalled during Covid are now going to continue;
- Special Economic Zone Master planning;
- Road design for connecting the mining lease area to public roads;
- Early works scoping complete; and
- Installation of Micro Grid Solar for local landowners at Kido village.

Project	MRL Subsidiary Market Cap Allocation	MRL(s) Forecast EBIT	Project NPV	Percent of current Cement/Clinker P/NAV
CCL Stage 2 – Clinker & Cement	A\$9.4m ⁺ (Assume 40% current value attribution ASX:MRL)	A\$128.8m ^{^*}	A\$396.9m ^{^*}	2.4% (A\$9.4m/A\$396.9m) 97.6% discount

⁺ Management estimate of subsidiary company contribution to Mayur Resources market capitalisation.

[^] ASX Release 'DFS confirms technical robustness and strong economics for the central cement & lime project: a new import replacement and export industry for Papua New Guinea' (24/01/2019) Exchange rate US\$1.0:A\$1.4.

^{*} Derivation of broader CCL NPV via Clinker and cement only Financial Model – Average LOP EBIT US\$92m = A\$128.8m [US\$1 : A\$1.4]



Orokolobay Project (Iron and Industrial Sands)

The Orokolobay Project is an advanced iron and industrial sands project with all statutory permitting requirements to allow full-scale production in place. The operation is designed to produce 0.5 million tonnes per annum (Mtpa) of magnetite, 1 Mtpa of high-grade construction sand, and up to 10,000 tpa of zircon concentrate with its target markets being Japan, Australia, China, and Singapore.

Over the past 18 months the project has delivered several material milestones further strengthening the business and de-risking the project. These include:

- Execution of a Term Sheet with a leading Japanese Trading House, for the supply of magnetite on behalf of Asian Steel mills;
- Securing a binding offtake agreement with Titanium pellet producer rendering the projects magnetite order book 80% full (with 20% be left for the spot market) of which more details will be announced in due course;
- Granting of a 20 Year Mining lease with associated tenure which marks the last statutory requirement to enable full-scale mining on the project;
- Placing a condition precedent order with Australian-based specialist leading engineering firm, Vanadium Pty limited (Vanadium Group), for the mineral process plant units at a contract value of A\$16 million;
- Securing an AU\$8m condition precedent cornerstone Investment in the mineral sands division with leading PNG based construction and mining contactor HBS (PNG) Limited “HBS” for the delivery of the Orokolobay Iron and Industrial Sands Project. This investment will provide HBS 15-16% equity in the iron and industrial sands subsidiary and represents approximately 27% of the total capital expenditure required to bring Orokolobay into full-scale production. This investment values the iron and industrial sands business at A\$32m pre money and A\$40m post money; and
- Progressing a number of capital development options (a) being a proposed Initial Public Offering (IPO) of the project (as Ortus Resources Limited) on the ASX where the Prospectus is completed and it is now at a stage being ‘ready to go live’ should market conditions meet the company’s expectation; (b) work at the subsidiary iron and industrial sands division with pre-IPO corner stone investors alongside HBS; and/or (c) strategic investors that desire to keep the iron and industrial sands division private and remaining a private subsidiary of Mayur Resources

By confirming offtake support, granting of the full-scale Mining Lease, and securing a cornerstone investor, the Orokolobay project has been significantly de-risked. This clearly outlines the company’s commitment to generate near-term cashflow opportunities in the next 12 months through the development of this project as outlined in the Strategic Review conducted in October 2021.

Project	MRL Subsidiary Market Cap Allocation	MRL(s) Forecast EBIT	Project NPV	Percent of current Iron and Industrial Sands P/NAV
Orokolobay Project	A\$4.7 m ⁺ (Assumed 20% current value attribution ASX:MRL)	A\$35m [^]	A\$183m [^]	2.6% (A\$4.7m/A\$183m) 97.4% discount

⁺ Management estimate of subsidiary company contribution to Mayur Resources market capitalisation.

[^] ASX Release ‘Orokolobay Industrial Sands Project DFS confirms low cost operation with strong economics’ (11/09/2020 & 04/04/22) Exchange rate US\$1.0:A\$1.4.



The Upside - beyond our 3 Construction Ready Projects

The below outlines the upside available to Shareholders in supporting our three construction ready projects, along with projected large scale surplus revenues in renewable energy and carbon trade.

Mayur Renewables

Mayur Renewables formed last year is a stand-alone subsidiary company under the Mayur Resources parent focused on developing a PNG portfolio of opportunities including renewable power generation and carbon mitigation opportunities. This will enable the de-carbonisation of Mayur's flagship projects whilst also providing significant surplus green energy and nature-based carbon credits to serve the massive global demand for renewables and the race to Net Zero.

Renewable Energy & Carbon Credits Projects

The Board have embarked upon a medium to long term complimentary strategy to ensure that all Mayur projects should be provided the option to attach a PNG Forestry Nature Based Carbon Credit and utilise where possible, renewable energy and hence, in combination, enable the sale of "Net Zero" products.

As this offering becomes more known in the market, end user customers (and the value they place on ESG and being Net Zero), should recognise our offering via their willingness to purchase the company's products and pay a product price premium. The REDD+ Nature Based Forestry Carbon Credits when designed and executed will establish a framework for Landowners that ensures carbon sales will enable a range of social benefits that will be fully transparent and made available for all stakeholders. Our commitment is to establish a carbon-based economy for our REDD+ Nature Based Forestry Carbon projects where communities and the PNG Government can secure materially more annual income through leaving trees standing vs. allowing logging to occur and stopping the loss of their pristine rainforest, biodiversity and ecology.

REDD+ Nature Based Forestry Carbon projects also will create significant employment (noting such areas where the Company's carbon projects reside currently sit at circa 95% unemployment rates). My expectation is your investment will be rewarded with healthy returns whilst making a significant and real difference to people's lives in PNG where the projects are located, and for the first time, Landowners will get the majority of the revenues.

To complement this Net Zero strategy for products produced by the Company, the Company has on its horizon the expansion of renewable energy to not only support its own businesses but to also develop a meaningful renewable energy platform at scale with the large surplus solar energy (on land located in Mayur's already government gazetted Special Economic Zone (SEZ). This approach gives rise to the opportunity to provide clean renewable power with fiscal incentives attached to industrial and manufacturing businesses at a very low levels not ever offered before in PNG. The backdrop here is that PNG has 87% of its population still "in the dark" with very limited electricity access and being price prohibitive for a population of 9 million people, who pay 3 times the price for electricity vs. other developing nations.

Key milestones in the development of the renewable power and carbon mitigation portfolio achieved in the last 12 months include:

- Nature Based Forestry Carbon Credits - Granting of forest carbon concessions by Forestry with full written support from the Climate Change Development Authority covering close to 800,000 hectares, with the potential to expand to 1.4 million hectares. The carbon credits from the forest concessions will provide Mayur with a tangible path to "Net Zero" for each of its projects by partnering with PNG Landowners and the PNG Government, whilst also enabling participation in international carbon trading markets with a material surplus;



- Additional project areas have been secured in partnership with Landowners, Provincial Government and other carbon developers that shall be announced in due course;
- A long-term partnership EOI signed with Santos for the development of Mayur Renewables portfolio;
- Solar - Completion of a pre-feasibility study demonstrating the potential to install more than 500 MW of solar PV generation for the CCL project, the wider SEZ, adjacent industry, and when/if the national power company (PNG Power Limited) requires such power for the local grid network;
- Identification of three key geothermal areas where the grant of licenses is currently underway – for what is regarded as some of the most prospective geothermal areas in PNG, PNG being ranked in the top five globally for geothermal energy opportunities; and
- Battery Storage – Executed a Memorandum of Understanding (MoU) with Australian-UK energy storage innovator Gelion Technologies (Gelion) for the PNG distribution rights and provision of an initial 100-megawatt hours (MWh) of battery energy storage utilizing Gelion’s safe, robust and scalable zinc-bromide non-flow battery storage technology.

These milestones demonstrate material progress on Mayur’s commitment to achieving “Net Zero” carbon emissions through the development of technology and carbon mitigation projects. This highlights the unrealised opportunities for renewable energy and carbon mitigation in PNG and the potential to monetise these opportunities which could represent potential value vastly greater than Mayur’s current total market capitalisation. Unfortunately, the Board has not been able to point to any real form of value recognition within the stock price whatsoever since announcing the above milestones and continued to observe a decline, even though largescale corporations have seen the potential and have transacted with us accordingly, at our 100% owned subsidiary level.

Adyton Resources

Mayur Resources successfully listed its copper and gold assets in Papua New Guinea on the Canadian TSX-Venture Exchange as Adyton Resources Corporation (TSXV:ADY) in February 2021. The spin-out saw more than C\$10.5 million raised via a syndicate of northern hemisphere investment banks and sophisticated investors.

Mayur owns 43% of Adyton which is developing copper/gold projects within Papua New Guinea’s Pacific Rim of Fire, a prolific geological region hosting some of the world’s largest mines including Ok Tedi, Porgera, Lihir and Golpu.

Since the spin-out, a significant amount of drilling exploration and subsequent work has been completed by Adyton and Mayur Resources Shareholders can view these announcements on Adyton’s website (adytonresources.com) or alternatively on the SEDAR platform.

Looking Forward

The company remains absolutely committed to achieving Shareholder value by delivering on near-term cash flow opportunities across its three commodity asset projects being Iron and Industrial Sands, Quick Lime and Clinker/Cement as well as progressing its more recently formed Mayur Renewables platform.

It shall however be embarking upon these developments at the Company’s 100% owned subsidiary asset levels, where sensible value based strategic investor discussions can be had (*similarly to Santos proposed involvement in our Nature Based Forestry Carbon Credit Projects*). Management is committed in continuing and entering a dialogue between the Company and Investors on its respective projects individually at the respective subsidiary level, at a valuation that at least demonstrates the de-risked construction ready nature of the projects with financing now being the only final hurdle. It is important to highlight this commitment to Shareholders as the Board is of the view it currently would be value destructive to existing Shareholders to raise capital at the Mayur Resources parent holding company level to build these projects. This is said, as there exists a major negative value arbitrage dislocation in the order of A\$45.5m less than what the Company has actually spent to date in developing the portfolio. Moreover, importantly of note,



based upon the current Company market capitalisation of circa A\$23.5m there exists a situation where there is a p/nav discount of 96.5% being applied to the Company's projects that have NPV's of A\$677m (*being the accumulation of output from company announced Definitive Feasibility studies and being fully permitted and construction ready*). Please examine Appendix C demonstrating how such discount is graphically shown for each project and holistically for Mayur Resources as the parent entity.

Company management, strategic investors (pre and post IPO) who collectively hold > 50% of the registered share capital of the Company, believe the Company's portfolio and meaningful value accretive milestones achieved, represent significant value, hence their 'hold and accumulate' position of the Company's stock. Although achievements outlined in Appendix A as previously mentioned are not currently reflected in the company's share price (*due to continued downward selling pressure and low liquidity levels*), we are confident that by delivering on the future milestones, the disconnect between cash spent and the company's Market Capitalisation and p/nav valuations will close and deliver additional value to Shareholders on top of their investment made to date.

We remain totally committed to continue delivering meaningful milestones throughout the remainder of 2022 and beyond, so as to create value for our longstanding stakeholders (PNG Landowners/PNG Government) and the Company's Shareholders and we continue to work towards and delivering the catalyst that will change the markets sentiment and appreciate the value opportunity of a 'construction ready business' poised to deliver annual EBIT of circa A\$200m via bringing our fully permitted construction ready iron and industrial sands, Quicklime, Clinker/Cement, carbon/renewable projects into cashflow. The company's focus over the next 24 months is outlined in Appendix D, please take the time to examine this.

However, if through the execution of these work streams the value recognition is not forthcoming, whilst seeking to transact at the 100% owned subsidiary levels to unlock and drive 'look through value' into the share price, then realistically access to future funding sources to develop the projects is to be questioned from a 'capacity to raise' perspective. Such consideration has been raised with the Company by large corner stone Shareholders who have outlined that a review of Company's direction would be warranted, should the situation outlined prevail or worsen. The primary objective is to be able to get these construction ready projects into operations and cashflow.

Yours Sincerely

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ABOUT MAYUR RESOURCES

Mayur Resources is focused on the development of natural resources in Papua New Guinea. Our diversified asset portfolio spans iron and industrial sands, lime and cement, battery minerals and renewable power generation. Mayur also holds a 43% interest in copper gold explorer/developer Adyton Resources, a company listed on the TSX-V (TSXV:ADY).

Mayur's strategy is to serve PNG and the wider Asia Pacific region's path to decarbonisation by developing mineral projects that deliver higher quality, lower cost, and "net zero" inputs for the mining and construction industries, as well as constructing a renewable energy portfolio of solar, wind, geothermal, carbon mitigation, and battery storage.

Mayur is committed to engaging with host communities throughout the lifecycle of its projects, as well as incorporating internationally recognised Environmental, Social and Governance (ESG) standards into its strategy and business practices.



Appendix A – MRL Project Development Status Overview

Project	Concept	JORC	PFS	DFS	EP	Final Permit	Off Take	FID
Orokolo Bay Project	✓	✓	✓	✓	✓	✓	✓	In Progress
CCL Stage 1 (Quicklime)	✓	✓	✓	✓	✓	✓	✓	In Progress
CCL Stage 2 (Clinker & Cement)	✓	✓	✓	✓	✓	✓	✓	In Progress

Project	Concept	Permit	HOA	VERRA	Off Take	Revenue
Carbon Credits	✓	✓	✓			

Major Value Accretive ASX Announcements – Central Cement and Lime			
ID	Date	Category	ASX Announcement
2	10/01/2018	Central Cement & Lime	Maiden JORC Resource at CCL
3	26/06/2018	Central Cement & Lime	CCL Environmental Permit
5	24/01/2019	Central Cement & Lime	CCL DFS completion
10	19/08/2020	Central Cement & Lime	Mining Lease Grant for CCL
14	13/08/2021	Central Cement & Lime	Offtake Letters of support 100% of Quicklime Products
15	7/09/2021	Central Cement & Lime	Offtake Letters of support 92% of Cement Products
16	8/09/2021	Central Cement & Lime	Grant of Special Economic Zone
23	22/02/2022	Central Cement & Lime	Collaboration with First Graphene

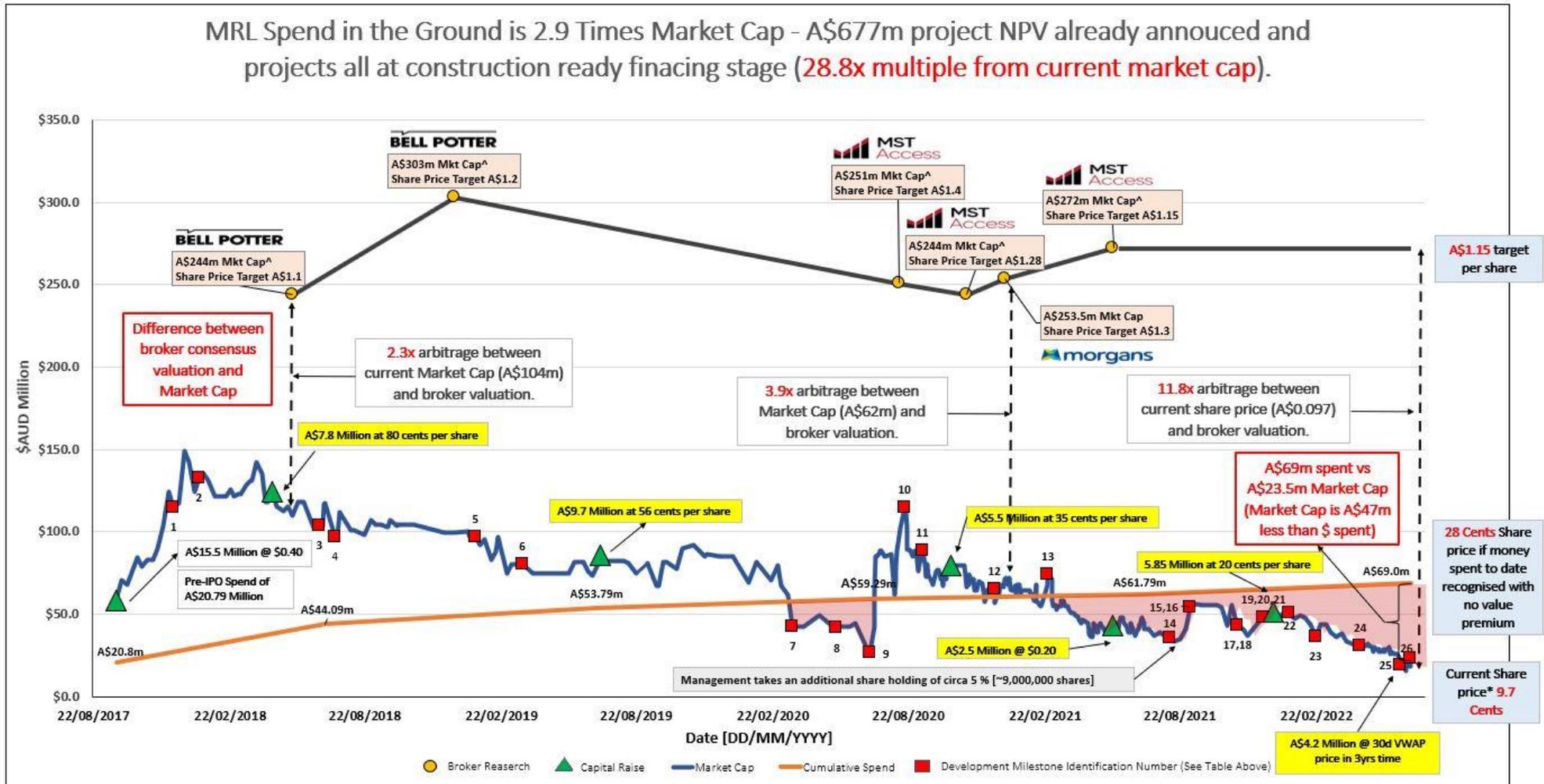
Major Value Accretive ASX Announcements – Iron and Industrial Sands			
ID	Date	Category	ASX Announcement
1	8/12/2017	Iron and Industrial Sands	MOA Signed with Gulf Provincial Gov
4	16/07/2018	Iron and Industrial Sands	LOI for Orokolo Bay product Offtake
6	13/03/2019	Iron and Industrial Sands	Binding Offtake Agreement Orokolo Bay
7	26/03/2020	Iron and Industrial Sands	Enabling Works Complete on Orokolo Bay
8	18/05/2020	Iron and Industrial Sands	40% increase to Resource at Orokolo Bay
9	2/07/2020	Iron and Industrial Sands	Maiden JORC Reserve at Orokolo Bay
11	11/09/2020	Iron and Industrial Sands	DFS completion Orokolo Bay
12	22/12/2020	Iron and Industrial Sands	Mining Lease Application for Orokolo Bay
19	13/12/2021	Iron and Industrial Sands	20-year Mining Lease Granted
20	14/12/2021	Iron and Industrial Sands	Magnetite Offtake Secured
21	15/12/2021	Iron and Industrial Sands	Development Investment Secured for Orokolo Bay
24	21/04/2022	Iron and Industrial Sands	Orokolo Bay Process Plant ordered
26	06/07/2022	Iron and Industrial Sands	Binding Offtake Supports Orokolo Bay Development



Major Value Accretive ASX Announcements – Mayur Renewables			
ID	Date	Category	ASX Announcement
17	9/11/2021	Mayur Renewables	500Mw solar potential identified
18	10/11/2021	Mayur Renewables	100Mw Battery Energy Storage System supply identified
22	12/01/2022	Mayur Renewables	800,000 ha Carbon offsets secured
25	20/06/2022	Mayur Renewables	Agreement With Santos on Carbon Offset Projects



Appendix B – Market Capitalization, Historical Spend, and Broker Research trend since IPO.



MRL Historical Spend, share price, and broker valuation trend (Prepared by Mayur Resources from external/announced sources).

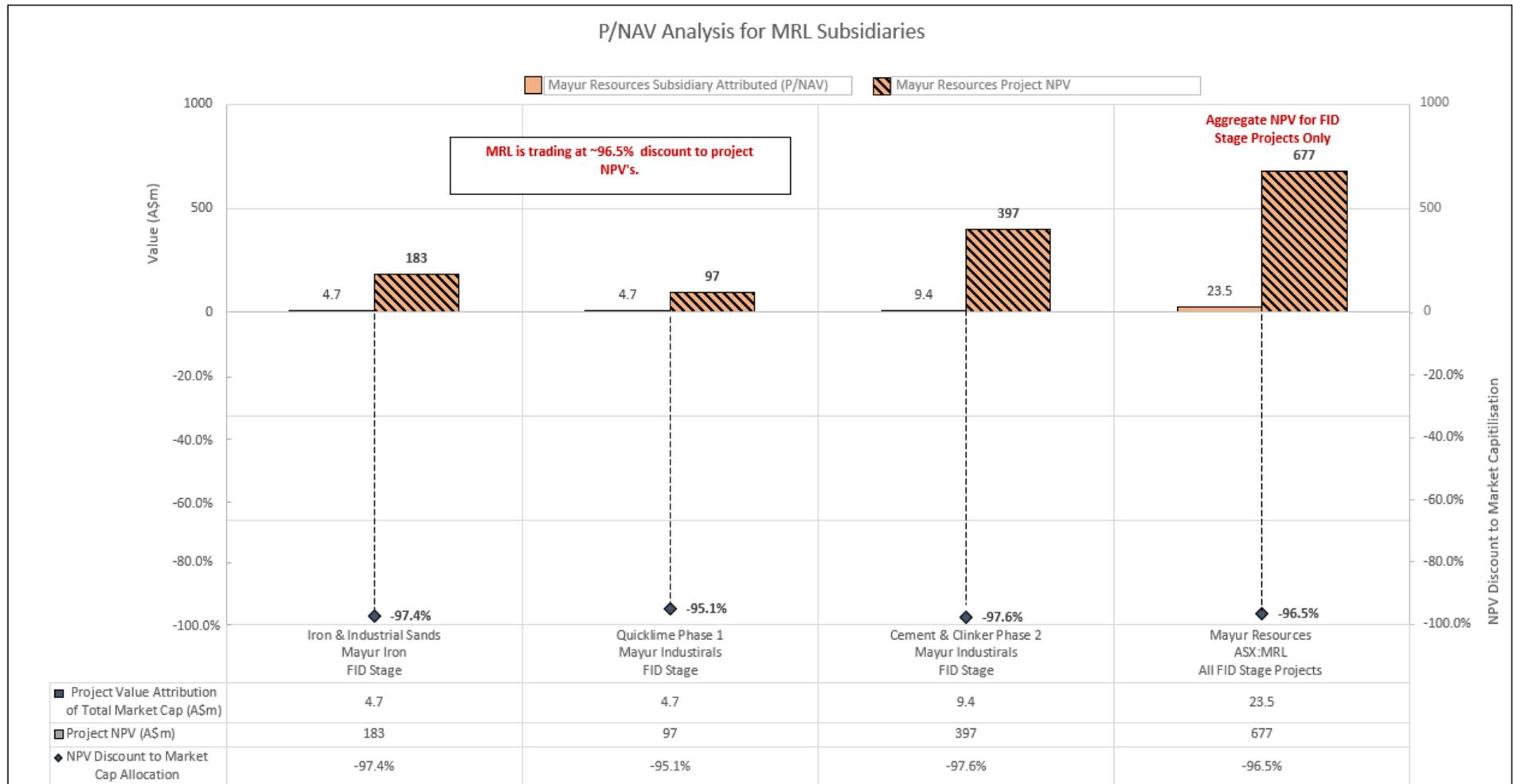
[^]Broker Research Market cap based on shares on issue at time of research.

* Based on Share Price at market close on 07/07/2022.

These numbers are approximate only.



Appendix C – P/NAV Discount



Exchange Rate A\$1.4 : US\$1.0



Appendix D – 24 month focus and work streams

Milestone	Orolo Bay Project	Central Cement and Lime Project	Mayur Renewables Projects
Short Term	<ul style="list-style-type: none"> Finalise funding Commencing Construction of Full-Scale Operation Orolo Bay first product shipment and cash flow 	<ul style="list-style-type: none"> Final Investment Decision (FID) Selection of Lead EPC contractor. Commencing Construction of Quicklime (Stage 1) First product shipment and cash flow from quicklime sales 	<ul style="list-style-type: none"> Move into next Phase with Santos on 1.4 million hectares of carbon credit projects Secure cornerstone investor for large scale Solar project (>500MW) Grant of EL's for Geothermal Projects
Medium Term	<ul style="list-style-type: none"> Development of Iron, Vanadium and Titanium separation and extraction technology for the Amazon Bay project 	<ul style="list-style-type: none"> Final Investment Decision (FID) Selection of Lead EPC contractor. Commencing Construction of Clinker/Cement (Stage 2) First product shipment and cash flow from Clinker/Cement Bring in other manufacturing businesses into the Mayur Special Economic Zone 	<ul style="list-style-type: none"> Complete first carbon offset project (REDD+ verification) and release of verified carbon units for trading Execute Power Purchase Agreement for large scale renewable energy generation Secure development partner for geothermal projects Secure new nature based carbon project opportunities

Review of key achievements and immediate focus

	2021												2022											
	Q1			Q2			Q3			Q4			Q1			Q2			Q3			Q4		
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC
Orolo Bay Project							20-year Mining Lease ● Magnetite Offtake ●							Process Plant Ordered ● Enabling Works Complete ●				Magnetite Offtake ● Appoint LOM Contractor ● Funding of Ortus ● Construction Continuing ●						
CCL Project Stage 1 - Quicklime							Offtake 100% QL ● Grant of SEZ ●													Appoint EPC Contractor ● Construction Commences ●				FID ●
CCL Project Stage 2 - Clinker & Cement							Offtake 60% cement ● Grant of SEZ ●							Offtake 92% Cement ●							Negotiate Finance & Const.. ● Appoint EPC Contractor ● Construction Commences ● Land Conversion ●			
Mayur Renewables							Company Incorporated ● HOA Signed ● 500MW solar potential ● 100MW BESS supply ● Tripartite Signed ●							Vera Accreditation Started ● EOI signed with Santos Ltd ● 800,000 Ha Carbon Offsets ●							1.4M ha Carbon Offsets ● Cornerstone Solar Investor ● Vera accredited BCT Offsets ● Geothermal EL Grants ●			



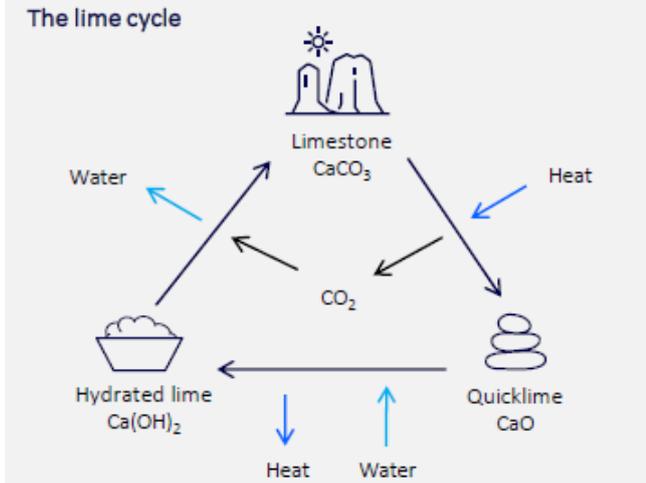
LIME - A CRITICAL MINERAL FOR THE MODERN WORLD



Lime – a key commodity for modern society

What is lime?

- Lime is one of the earliest industrial commodities known to man and remains a fundamental raw material in many industrial value chains.
- It is an essential component of people's lives and one of the key building blocks in modern society.
- There is no economical substitute for lime – it can only be replaced by expensive synthetic materials in most, if not all applications. This would increase the price of virtually all consumer goods.



Lime – a sustainable mineral



Versatile

Lime is an essential but often unseen ingredient. It helps the construction and manufacturing industries optimize their products, it also supports the drinking water, food and farming sectors with its versatile and unique characteristics



Captures Pollutants

Effectively absorbs pollutants in industrial stack gases to reduce hazardous emissions and mitigate acid rain, protecting forests and lakes.



Recyclable

Lime is recyclable in most applications (steel – 95%; construction – 65%) and enables the reuse of industrial by-products. Lime creates gypsum when applied to flue gas and produces biosolids for fertiliser reuse when applied to sewage sludge.



LIME - A CRITICAL MINERAL FOR THE MODERN WORLD



Lime – a highly useful product with many applications



Water Treatment

Lime is the most economic material to absorb and remove pollutants from drinking water, wastewater, industrial flue gases and sewage sludge. Environmental protection is the fastest growing application of lime.



Mineral & Metallurgical Processing

The largest use of lime is to remove impurities in steel manufacturing. Lime products are a key component in the recovery and processing of copper, zinc, nickel, lead, gold and silver, and the removal of silica from bauxite ore in the alumina manufacturing process.



Construction & Civil Engineering

Lime stabilises soil for the construction of roads, buildings and earthen dams. It is the most economic and effective additive to enhance the durability of asphalt roads and pavements, and can be used to make mortar, rendering and plaster.



Chemical & Industrial Manufacturing

Lime is used in chemical processes for virtually all consumer products in Australia, including paper, paint, ink, plastic, rubber and sugar.



Agriculture & Crop Management

Adding lime to soil adjusts the pH to improve growing conditions and increase crop yields, whilst boosting crops' ability to retain fertilisers and survive droughts. Fish and fruit farmers utilise lime for its neutralising and CO₂ absorption abilities, respectively.

Lime – supporting a lower carbon future

Battery minerals will play a key role in supporting the electric vehicle and energy storage sectors and the race to Net Zero.

Lime is a key ingredient in the beneficiation of most critical battery minerals, including:

- ✓ Nickel
- ✓ Lithium
- ✓ Copper
- ✓ Cobalt
- ✓ Alumina
- ✓ Rare earths
- ✓ Uranium
- ✓ Vanadium

40% Annual growth rate of global EV market from 2021 to 2027*

17% Annual growth rate of global energy storage capacity from 2021 to 2030*



Mayur Resources – developing a world class lime project in PNG

Mayur Resources is developing its vertically integrated Central Cement and Lime Project on the coast of PNG, 25km from Port Moresby. It comprises two large, high calcium limestone deposits (JORC 382 Million tonnes). The highly sought-after physical and chemical quicklime properties, include CaO > 94% with low impurities, high reactivity and slaking.

Visit mayurresources.com

*Source: Precedence Research, 2021.