

Chase Mining Corporation Limited Notice of General Meeting

The General Meeting of the Company will be held at 22 Townshend Road, Subiaco, Western Australia on 17 October 2022 at 10am (WST).

This notice of general meeting should be read in its entirety. If Shareholders are in any doubt as to how they should vote, they should seek advice from their professional advisor prior to voting.

Please contact the Company Secretary on +61 439 310 818 or email suzanne.yeates@oasolutions.com.au if you wish to discuss any matter concerning the Meeting.

Chase Mining Corporation Limited has obtained an independent expert's report from BDO Corporate Finance (WA) Pty Limited opining on whether the Acquisition is fair and reasonable to Shareholders whose votes are not to be disregarded.

The Independent Expert has opined that the Acquisition is not fair but reasonable to unrelated Shareholders.

A copy of the Independent's Expert's report accompanies this Notice of Meeting, and Shareholders are urged to read the report in full and obtain their own advice if they have any queries.

Chase Mining Corporation Limited ACN 118 788 846

Notice of General Meeting

Notice is hereby given that the general meeting of the Shareholders of Chase Mining Corporation Limited will be held at 22 Townshend Road, Subiaco, Western Australia on 17 October 2022 at 10 am (Perth Time) (Meeting).

The Explanatory Memorandum to this Notice of Meeting provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and Proxy Form form part of this Notice of Meeting.

Shareholders are urged to vote by attending the Meeting in person physically or by videoconference, or by returning a completed Proxy Form. Instructions on how to attend by video conference and how to complete a Proxy Form are set out in the Explanatory Memorandum.

Proxy Forms must be received by no later than 10am (Perth time) on 15 October 2022.

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in SCHEDULE 1 of the Explanatory Memorandum.

Agenda

RESOLUTION 1 ACQUISITION OF GREEN CRITICAL MINERALS PTY LIMITED

To consider, and if thought fit, to pass with or without amendment the following as an ordinary resolution:

"That for the purposes of Listing Rules 10.1 and 11.1.2 and for all other purposes, Shareholder approval is given for the Company to acquire Green Critical Minerals Pty Limited under the Acquisition and on the terms set out in the Explanatory Memorandum."

A voting exclusion statement is set out below.

BDO Corporate Finance (WA) Pty Limited has opined that the Resolution is not fair but reasonable to Shareholders whose votes are not to be disregarded. A copy of their report accompanies this Notice of Meeting.

RESOLUTION 2 ISSUE OF CONSIDERATION SHARES TO ROCCO TASSONE

To consider, and if thought fit, to pass with or without amendment the following as an ordinary resolution:

"That for the purposes of section 611 (item 7) of the Corporations Act and for all other purposes, Shareholder approval is given for the Company

- (a) to issue the Consideration Securities to Rocco Tassone or his nominees; and
- (b) Rocco Tassone to acquire a relevant interest in Shares with a maximum voting power in the Company of up to 51.59%,

under the Acquisition and on the terms set out in the Explanatory Memorandum."

A voting exclusion statement is set out below.

RESOLUTION 3 ISSUE OF SHARES UNDER THE PLACEMENT

To consider, and if thought fit, to pass with or without amendment the following as an ordinary resolution:

"That for the purposes of Listing Rule 7.1 and for all other purposes, Shareholder approval is given for the Company to issue up to 83,333,333 Shares at an issue price of \$0.012, with one attaching Transaction Option for every two new Shares issued under the Placement on the terms set out in the Explanatory Memorandum."

A voting exclusion statement is set out below.

RESOLUTION 4 CHANGE OF COMPANY NAME

To consider and, if thought fit, to pass the following as a special resolution:

"That, for the purposes of section 136(2) of the Corporations Act and for all other purposes, Shareholders approve the change of the Company's name to "Green Critical Minerals Limited" with effect from completion of the Transaction.

RESOLUTION 5 APPROVE EMPLOYEE INCENTIVE SCHEME

To consider and, if thought fit, to pass the following as a special resolution:

"That, for the purposes of Listing Rule 7.2 exception 13 and for all other purposes, Shareholders approve the issue of securities under an employee incentive scheme, the terms of which are set out in SCHEDULE 5.

INTER-CONDITIONAL RESOLUTIONS

Resolutions 1 and 2 are inter-conditional. All Resolutions will be withdrawn if any of Resolutions 1 and 2 are not approved.

VOTING PROHIBITION AND EXCLUSION STATEMENTS

Corporations Act

The Corporations Act provides that no votes may be cast on Resolution 2 by any of the following persons:

| Resolution | | Persons excluded from voting | |
|----------------------------------|-----|------------------------------------------------------------------------------------|--|
| Resolution 2- Acquisition of GCM | (a) | the person proposing to make the acquisition and their associates; or | |
| | (b) | the persons (if any) from whom the acquisition is to be made and their associates; | |

Listing Rules

The Listing Rules prohibit votes being cast (in any capacity) on the following resolutions by any of the following persons or their associates:

| Resolution | Persons excluded from voting |
|-----------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Resolution 1 - Acquisition of GCM | Mr Tassone and any other person who will obtain a material benefit as a result of the transaction (except a benefit solely by reason of being a holder of *ordinary securities in the entity). |
| | A counterparty to the transaction that, of itself or together with one or more other transactions, will result in a significant change to the nature or scale of the entity's activities and any other *person who will obtain a material benefit as a result of the transaction (except a benefit solely by reason of being a holder of *ordinary securities in the entity) |
| Resolution 3 - Placement | A person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity) or any associate of such person. |
| Resolution 5 | A person who is eligible to participate in the employee incentive scheme or any associate of such person. |

However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
 - (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or

- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

By order of the Board of Directors

// frate

Suzanne Yeates

Company Secretary

Chase Mining Corporation Limited

16 September 2022

Chase Mining Corporation Limited ACN 118 788 846

Explanatory Memorandum

INTRODUCTION

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at 22 Townsend Road, Subiaco, Western Australia on 17 October 2022 at 10am (Perth Time). The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding how to vote on the Resolutions set out in the Notice.

Shareholders can attend the Meeting in person, by videoconference or through appointing a proxy. See section 1 for details.

This Explanatory Memorandum should be read in conjunction with and forms part of the accompanying Notice, and includes the following:

| 1 | ACTION TO BE TAKEN BY SHAREHOLDERS, INCLUDING ATTENDING THE MEETING | 6 |
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A Proxy Form is located at the end of Explanatory Memorandum.

Any forward looking statements in this Explanatory Memorandum are based on the Company's current expectations about future events. They are, however, subject to known and unknown risks, uncertainties and assumptions, many of which are outside the control of the Company and its board, which could cause actual results, performance or achievements expressed or implied by forward-looking statements in this Explanatory Memorandum.

This Explanatory Memorandum does not take into account any person's investment objectives, financial situation or particular needs. If you are in any doubt about what to do in relation to the Meeting you should consult your financial or other professional advisor.

This Explanatory Memorandum includes exploration results and resource statements first announced by the Company to ASX on 15 June 2022. The Company confirms that it is not aware of any new information or data that materially affects these exploration results and resource statements.

Please contact the Company Secretary on +61 439 310 818 or suzanne.yeates@oasolutions.com.au if you wish to discuss any matter concerning the Meeting.

1 ACTION TO BE TAKEN BY SHAREHOLDERS, INCLUDING ATTENDING THE MEETING

Shareholders should read the Notice and this Explanatory Memorandum carefully before deciding how to attend and vote on the Resolutions.

1.1 Proxies

All Shareholders are invited and encouraged to attend the Meeting. If a Shareholder is unable to attend in person (whether physically or by videoconference), they can appoint a proxy to attend on their behalf by signing and returning the Proxy Form (attached to the Notice) to the Company in accordance with the instructions on the Proxy Form. The Company encourages Shareholders completing a Proxy Form to direct the proxy how to vote on each Resolution.

The Proxy Form must be received no later than 48 hours before the commencement of the Meeting, i.e. by no later than 10am (Perth time) on 15 October 2022. Any Proxy Form received after that time will not be valid for the Meeting.

A Proxy Form may be lodged in the following ways:

By Mail Chase Mining Limited

C/- Link Market Services Limited

Locked Bag A14

Sydney South NSW 1235 Australia

By Facsimile +61 2 9287 0309

By Hand Link Market Services Limited

Parramatta Square Level 22 Tower 6

10 Darcy Street, Parramatta NSW 2150

Online: www.linkmarketservices.com.au

Shareholders lodging a Proxy Form are not precluded from attending and voting in person at the Meeting.

1.2 Videoconference

The Meeting will be accessible to all Shareholders via videoconference on Teams, an online platform which will allow Shareholders to listen to and observe the Meeting. If you are a Shareholder and you wish to attend the Meeting virtually, you will need to pre-register for the Meeting by emailing the Company Secretary, suzanne.yeates@oasolutions.com.au. Shareholders pre-registering will prior to the Meeting be emailed an electronic Teams invitation and poll voting slip. The poll voting slip will need to be completed and emailed back to the Company Secretary when asked to do so by the Meeting's Chair.

You may, if you have completed a Proxy Form, still attend the Meeting via the Teams videoconference facility. Any person you have appointed as proxy will cast your vote on your behalf unless you lodge a poll voting slip, in which case the proxy's appointment is withdrawn.

Please contact the Company Secretary on +61 439 310 818 or suzanne.yeates@oasolutions.com.au if you have any queries about the videoconference facility.

1.3 Corporate representatives

Shareholders who are body corporates may appoint a person to act as their corporate representative at the Meeting by providing that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as the body corporate's representative. The authority may be sent to the Company and/or registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

An appointment of corporate representative form is available from the website of the Company's share registry (Link Market Services Limited).

1.4 Eligibility to vote

The Directors have determined that, for the purposes of voting at the Meeting, Shareholders are those persons who are the registered holders of Shares at 7.00pm (EST) on 15 October 2022.

2 ACQUISITION OF GREEN CRITICAL MINERALS AND PLACEMENT

2.1 Introduction

On 15 June 2022, the Company announced that it has signed a conditional agreement (Agreement) with Mr Rocco Tassone (the sole legal and beneficial owner) to purchase all of the issued shares in Green Critical Minerals Pty Limited (GCM), and received firm and binding commitments in a placement to sophisticated and professional investors (Placement). The Acquisition and Placement (together the Transaction) are subject to certain conditions, including Shareholder approval, which will be sought at the Meeting.

GCM has the right to acquire up to 80% of the graphite rights for the advanced McIntosh Graphite Project, located in Halls Creek, Western Australia under a binding term sheet with Hexagon Energy Materials Limited (**HXG**). The terms of the Acquisition and term sheet between GCM and HXG are set out in section 2.7.

HXG has previously announced a graphite mineral resource and a pre-feasibility study for the McIntosh Graphite Project. Further details on the project are set out in section 2.2 and the independent expert's report prepared by BDO and which accompanies this Notice of Meeting (Independent Expert's Report).

On 31 August 2022 the Company announced that it had varied the Transaction as follows:

- (a) The consideration to be paid to Mr Tassone was varied to be as follows (all subject to 12 months escrow from issue in accordance with item 5 of Appendix 9B of the Listing Rules):
 - (i) 245,872,849 Consideration Shares issued at Completion.
 - (ii) 122,936,424 Options, each to be issued one Share at an exercise price of \$0.022 and expiring 3 years from issue, and otherwise on the terms in SCHEDULE 2 (**Transaction Options**).
 - (iii) 245,872,849 Performance Rights which vest in 3 equal tranches to Shares upon satisfying performance milestones linked to substantially increasing the resources and reserves for McIntosh. The Performance Right terms are set out in SCHEDULE 3.

(together the Consideration Securities).

- (b) The capital raising to be undertaken would consist of the following (together the Capital Raising):
 - (i) A non-renounceable rights issue of 11 new Shares for every 20 Shares held at an issue price of \$0.012, with 1 Transaction Option for every 2 new Shares issued (**Rights Issue**).
 - (ii) The Placement would be at GTT's election and reduced to up to \$1 million through the issue of up 83,333,333 Shares at an issue price of \$0.012, with 1 Transaction Option for every 2 new Shares issue.

CML's directors have committed to taking up their entitlement under the Rights Issue and the Company has received binding commitments from sophisticated investors introduced by GTT Ventures to subscribe for all of the shortfall under the Rights Issue.

Mr Tassone currently holds 45,598,052 Shares, or 9.74% of the Company's Shares on issue and, within the last 6 months prior to entering the Agreement, held more than 10% of the Company's Shares. Furthermore, Mr Tassone will as a result of the Acquisition acquire up to an additional:

- (a) following Completion and assuming he and his associates take up their entitlement under the Rights Issue, 316,549,830 Shares, or between 30.01% and 32.58% of the Company's then issued Shares (depending on the number of Shares, if any, issued under the Placement); and
- (b) a further 381,348,737 Shares for a total of 697,898,567 Shares, assuming Mr Tassone exercises all of his Transaction Options, the Performance Rights milestones are all reached, no further Shares are issued and Mr Tassone does not sell any Shares, or up to a maximum of 51.59% of the Company's issued Shares (assuming no Shares are issued under the Placement).

Existing Shareholders (other than Mr Tassone) will be diluted to between 40.06% and 43.49% of the Company's issued Shares following completion of the Transaction (depending upon the number of Shares issued under the Placement, and assuming these Shareholders do not participate in the Rights Issue) and to between 26.51% and 28.76% (depending upon the number of Shares issued under the Placement, and assuming these Shareholders do not participate in the Rights Issue) assuming all Transaction Options are exercised and Performance Rights hurdles met.

The Company's capital structure following the Completion of the Transaction is as follows:

| | Current | | Placement | | No Placement | |
|---------------------------|-------------|-------|---------------|-------|--------------|-------|
| | Shares | % | Shares | % | Shares | % |
| Mr Tassone ¹ | 45,598,052 | 9.74 | 316,549,830 | 30.01 | 316,549,830 | 32.58 |
| Other Shareholders | 422,534,709 | 90.26 | 422,534,709 | 40.06 | 422,534,709 | 43.49 |
| Rights Issue ² | | | 232,394,090 | 22.03 | 348,591,135 | 23.92 |
| Placement | | | 83,333,333 | 7.90 | | |
| Total | 468,132,761 | 100 | 1,054,811,962 | 100 | 971,478,629 | 100 |

- 1 This assumes that Mr Tassone participates in the Rights Issue for his full entitlement and no further Shares are issued.
- 2 This excludes Mr Tassone's entitlement, which is included under his holding.

The Company's capital structure on a fully diluted basis is as follows:

| | Curren | ırrent Placemei | | .3 | No Placeme | ent³ |
|---------------------------|-------------|-----------------|---------------|-------|---------------|-------|
| | Shares | % | Shares | % | Shares | % |
| Mr Tassone ¹ | 45,598,052 | 9.74 | 697,898,567 | 43.78 | 697,898,567 | 47.51 |
| Other Shareholders | 422,534,709 | 90.26 | 422,534,709 | 26.51 | 422,534,709 | 28.76 |
| Rights Issue ² | | | 348,591,135 | 21.87 | 348,591,135 | 23.73 |
| Placement | | | 124,999,999 | 7.84 | | |
| Total | 468,132,761 | 100 | 1,594,024,411 | 100 | 1,469,024,411 | 100 |

- 1 This assumes that Mr Tassone participates in the Rights Issue for his full entitlement and no further Shares are issued.
- 2 This excludes Mr Tassone's entitlement, which is included under his holding.

This assumes that all Transaction Options are exercised and Performance Milestones are met, and no further Shares are issued.

The Company's capital structure assuming only Mr Tassone exercises Transaction Options and the maximum voting power Mr Tassone may acquire as a result of the Transaction is as follows:

| | Current | | Placement ³ | | No Placement ³ | |
|---------------------------|-------------|-------|------------------------|-------|---------------------------|-------|
| | Shares | % | Shares | % | Shares | % |
| Mr Tassone ¹ | 45,598,052 | 9.74 | 697,898,567 | 48.59 | 697,898,567 | 51.59 |
| Other Shareholders | 422,534,709 | 90.26 | 422,534,709 | 29.42 | 422,534,709 | 31.23 |
| Rights Issue ² | | | 232,394,090 | 16.18 | 348,591,135 | 17.18 |
| Placement | | | 83,333,333 | 5.8 | | |
| Total | 468,132,761 | 100 | 1,436,160,698 | 100 | 1,687,132,761 | 100 |

- 1 This assumes that Mr Tassone participates in the Rights Issue for his full entitlement and no further Shares are issued.
- 2 This excludes Mr Tassone's entitlement, which is included under his holding.
- 3 This assumes that Mr Tassone's Transaction Options are exercised and Performance Milestones are met, and no further Shares are issued.

The Corporations Act prohibits a person and their associates from increasing their voting power in a listed company to 20% or more unless, amongst other things, the increase is approved by the company's shareholders. The notice of meeting for the shareholder meeting must include an independent expert's report opining on the fairness and reasonableness of the acquisition.

For these reasons, the Independent Expert's Report has been prepared to opine on whether the Transaction is fair and reasonable to Shareholders who are not excluded from voting on Resolutions 1 and 2, and to ensure that the Notice of Meeting includes all material information on how to vote on Resolutions 1 and 2.

The Independent Expert has opined that the Transaction is not fair but reasonable to Shareholders who may vote on the Transaction. Shareholders should carefully read the Independent Expert's Report and seek their own advice.

The Placement is subject to completion of the Acquisition and Shareholder approval. Resolution 3 seeks that approval. The Placement is being lead managed by GTT Ventures, of which Director Charles Thomas is an executive director and shareholder. Mr Tassone is also an executive director and shareholder of GTT Ventures, and as a result Mr Thomas has excused himself from board deliberations on the Transaction.

The remaining Directors, Chairman Leon Pretorius and Julian Atkinson (Independent Directors) consider themselves independent with respect to the Transaction.

The Acquisition will require the Company to engage an experienced and motivated team progress McIntosh and maximise the prospect of a successful development. To do so, the Company proposes to establish an employee incentive scheme that can provide flexibility in granting incentives to employees and consultants. Resolution 5 seeks Shareholder approval to issue securities under the scheme without using the Company's 15% capacity under Listing Rule 7.1.

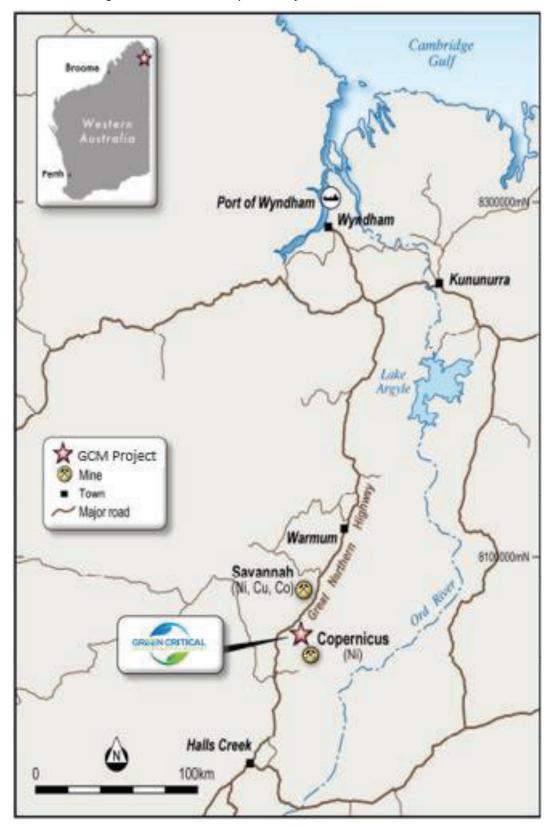
2.2 McIntosh Graphite Project

(a) Location

The McIntosh Graphite Project comprises sixteen Exploration Licences and one Prospecting Licence located between 40km and 90km north to north-east of the town of Halls Creek in the Kimberley region of Western Australia. Access to the tenements is via the Great Northern Highway north from Halls

Creek. The McIntosh project has excellent infrastructure with good access roads and is 12km to Great North Highway.

Figure 1 - McIntosh Graphite Project Location



The project is well positioned to port and key customer groups - Asia, Europe and USA through access to a deep-water port (with surplus capacity) ~250km by truck to the Port of Wyndham.

The McIntosh project is well situated to supply the rapidly growing demand for Lithium-ion battery end users. Market research highlights a desire by customers to source supply from stable, reputable countries with good environmental practices.

With a large majority of graphite deposits located in Africa, battery anode end users are attracted to supply in Tier 1 jurisdictions such as Australia.

(b) Regional Geological Setting

Graphite deposits occur across the McIntosh tenements as discrete horizons within the schist terrain of the Halls Creek Mobile Zone of Western Australia. Their host stratigraphy is the Tickalara Metamorphics which extends for approximately 130 km along the western side of the Halls Creek Fault, a major NNE trending structure in the area.

Rock types comprise of felsic to mafic and ultramafic intrusions within highgrade metamorphic sediments and mafic units of the Tickalara Metamorphics. The Tickalara Metamorphics have been subjected to burial metamorphism with a resulting package of high-grade amphibolite to granulite facies rocks.

The formation comprises of schist, paragneiss, granite gneiss, calcsilicate rocks, amphibolite and pyroxene granulites. Graphite is hosted within a sillimanite gneiss unit in a horizon intersected at up to approximately 50 m in thickness. This horizon is intermittently developed along some 10 km of strike length.

This has been the focus of previous graphite exploration activities over several years.

(c) McIntosh Graphite Project - Mineral Resource Estimate

The project contains a combined JORC2012 mineral resource estimate total of 23.8 million tonnes grading 4.5% Total Graphitic Carbon (TGC). The estimate was undertaken by Mineral Resources Ltd (ASX:MIN) and announced to ASX by HXG (ASX Announcement 1 April 2019).

| Current Stage 1 - McIntosh Graphite Project Mineral Resource 3.5% TGC cutoff | | | | | |
|------------------------------------------------------------------------------|----------------------------|-------------|----------------------------------|----------------------------|--|
| Deposit | Resource Classification | Tonnes (Mt) | %Total Graphite Content (TGC) | Contained Graphite (kt) | |
| Emperor | Indicated | 12.1 | 4.28 | 517 | |
| | Inferred | 3.8 | 4.35 | 165 | |

| | Total | 15.9 | 4.30 | 683 |
|-----------|-----------|------|------|-------|
| Wahoo | Indicated | 1.3 | 3.97 | 51 |
| | Inferred | 0.0 | 0 | 0 |
| | Total | 1.3 | 3.97 | 51 |
| Longtom | Indicated | 5.1 | 4.93 | 252 |
| | Inferred | 0.8 | 5.25 | 40 |
| | Total | 5.9 | 4.97 | 293 |
| Barracuda | Indicated | 0.7 | 4.40 | 31 |
| | Inferred | 0.0 | 0 | 0 |
| | Total | 0.7 | 4.40 | 31 |
| TOTAL | Indicated | 19.2 | 4.44 | 853 |
| | Inferred | 4.6 | 4.50 | 205 |
| | Total | 23.8 | 4.45 | 1,060 |

In undertaking the Mineral Resource estimate, the likelihood of eventual economic extraction was considered in terms of possible open-pit mining, likely product specifications, possible product marketability and potentially favourable logistics to port and it was concluded that the McIntosh Project contains an Industrial Resource in terms of JORC Code 2012 Clause 49.

Additional details of the Mineral Resources as per the Listing Rule 5.8 requirements are contained in the Company's announcement to ASX on 15 June 2022. The Company confirms that it is not aware of any new information or data that materially affects the information included in the 15 June 2022 announcement and that all material assumptions and technical parameters underpinning the estimates in the 15 June 2022 announcement continue to apply and have not materially changed.

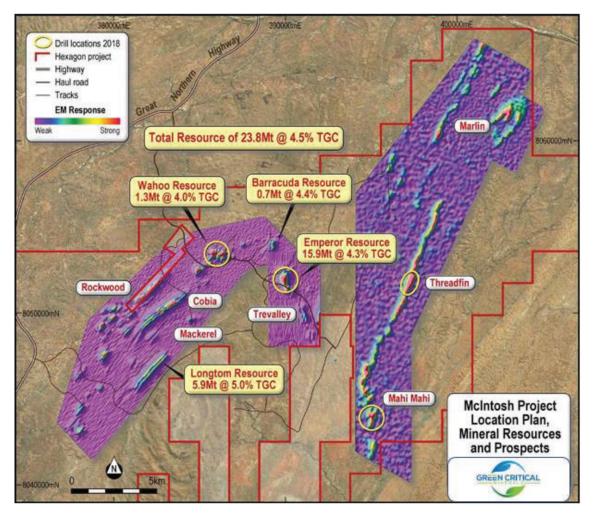


Figure 2 - McIntosh Graphite Project Location Plan; Resources and Prospects.

A range of graphite products is being considered and metallurgical test work completed to date indicates flake graphite concentrates produced would be amenable for sale into a variety of high-value end-use markets including for Lithium-ion batteries, graphite foils, nuclear materials, semiconductors, industrial diamonds, aerospace, and defence applications.

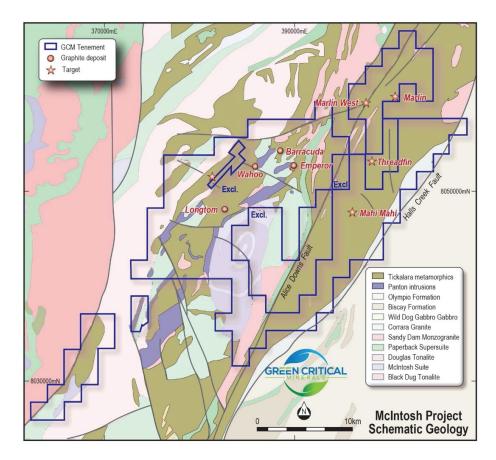


Figure 3: McIntosh Project Geology

(d) Exploration Target

HXG has announced the following exploration target (see ASX announcement 1 April 2019):

| Current Stage 2 - McIntosh Graphite Project Exploration Target* (Additional to Mineral Resource) | | | | | |
|---------------------------------------------------------------------------------------------------|--------------------|------------------------|-----------|--|--|
| Prospect | Tonnage Range (Mt) | Grade Range TGC (%) | | | |
| | Minimum | | | | |
| Emperor | 2 | 4.0 - 5.0 | | | |
| Wahoo | 1 | 4.0 - 5.0 | | | |
| Barracuda | 1 2 4.0 - 5.0 | | | | |
| Cobia | 3 6 2.0 - 5.0 | | | | |
| Marlin | 30 | 60 | 2.0 - 5.0 | | |

| Marlin West | 5 | 10 | 2.0 - 5.0 |
|-------------|----|-----|-----------|
| Rockcod | 5 | 10 | 2.0 - 5.0 |
| Mackerel | 2 | 4 | 2.0 - 5.0 |
| Trevally | 1 | 2 | 2.0 - 5.0 |
| Total | 50 | 100 | 2.0 - 5.0 |

*Cautionary Statement: The potential quantity and grade of the Exploration Targets is conceptual in nature, there has been insufficient exploration work to estimate a mineral resource and it is uncertain if further exploration will result in defining a mineral resource as determined by JORC 2012 guidelines.

Figure 4 shows the location of the Exploration Targets generated, overlain on coloured contours of the "late-time EM" anomalism coloured using comparable channels from the VTEM and Xcite EM surveys. Full details are available in HXG ASX announcement dated 1 April, 2019.

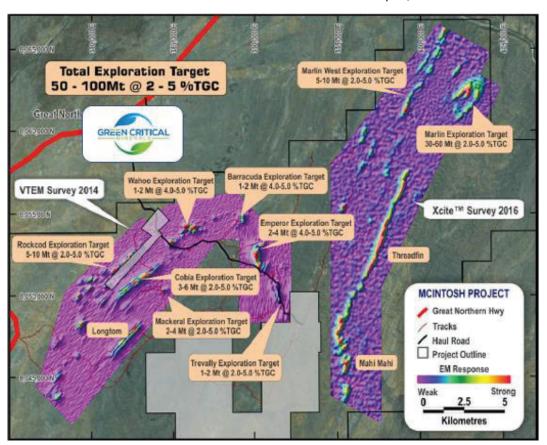


Figure 4: Location Plan of Exploration Targets on the McIntosh Project.

(e) The Marlin and Marlin West Targets

The initial primary focus on exploration will be on the Marlin and Marlin West deposits, as these prospects have flake graphite at surface and the potential to add significant tonnage to the global resource.

Figure 5 shows a thin section photomicrograph taken from a surface sample at the Marlin prospect, the graphite demonstrates good flake size which is important for easy liberation during processing and is also highly crystalline, allowing for high purity concentrates to be produced. The flake graphite is extremely well formed and contains no, to very little interstitial deleterious material, and for these reasons flake graphite concentrates of +99%TC can be achieved, using a simple process without the use of acids.

Marlin West was added to the exploration target on the basis of improved geological confidence, including petrological data from surface samples with flakes exceeding 500 microns in length frequently observed.

Importantly, despite having >large flake frequently observed in surface samples these targets have never been drill tested. Prior exploration campaigns were prohibited for conducting drilling at these targets due to heritage agreements not being in place. Heritage agreements were received in June 2019, 9 months after the last drill program at the McIntosh project was completed (October of 2018). These targets represent exciting walk up targets to expand on the significant resource.

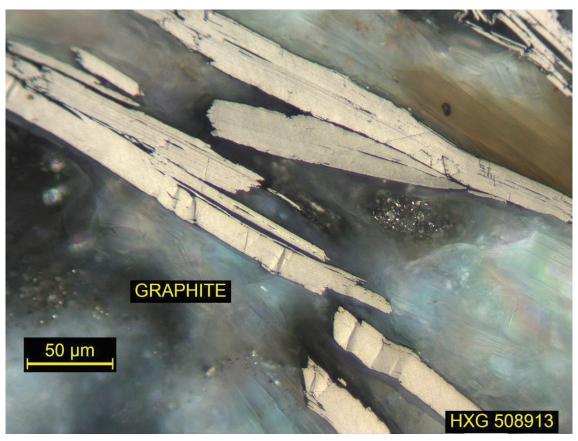


Figure 5: Jumbo flake graphite in thin section from surface rock chip sample HXG 508913 (396578mE; 8059820mN) at the Marlin prospect

(f) Emperor Deposit

The Emperor deposit had 75 drill holes for a total 11,143 meters and represents the largest single deposit in terms of contained tonnes of Mineral Resource. Emperor is composed of graphitic schist horizons folded around an interpreted anticlinal structure plunging to the northeast making it amenable to simple open pit mining.

Broad graphitic schist horizons in this structure were initially indicated by induced polarization (IP) geophysical studies and subsequently confirmed by geological mapping and the first phase of reverse circulation drilling in 2012. As a result, two broad graphitic schist horizons were defined with an aggregate width of 150m and strike length of 1km. Regional EM data also indicate that the structure remains open to the northeast and southwest.

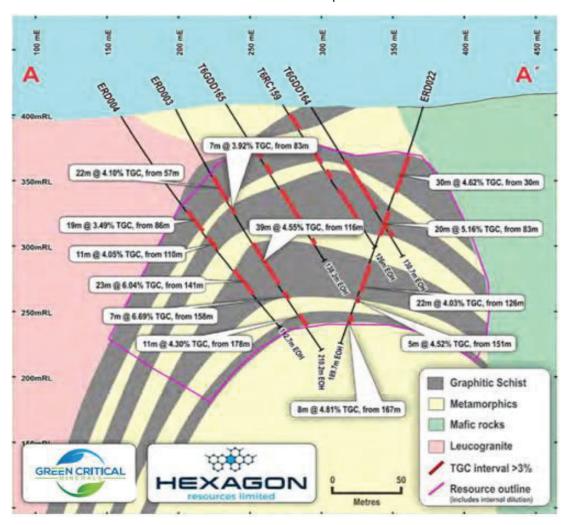


Figure 6: Emperor Deposit Drilling

(g) Previous studies

HXG completed a pre-feasibility study (**PFS**) on the project (ASX Announcement 31 May 2017) and a downstream study (**Downstream Study**) (ASX announcement 17 May 2019). The studies can be obtained from asx.com.au.

Investors are cautioned that the studies are several years old and the parameters and assumptions upon which the studies were completed may no longer apply, and for that reason the studies should not be relied upon.

Chase intends to announce the results of a review and updating of the parameters and assumptions of the PFS and Downstream Study as soon as practicable. With a better understanding of the graphite market and the learnings from the 2017 PFS, the potential exists to make significant improvements to the flowsheet, including fewer crushing circuits to preserve flake size which may result in a reduction in CAPEX and OPEX.

Chase will also incorporate in their own updated PFS the additional drilling conducted in 2018 (post the PFS) that identified shallow mineralisation, highlighting the potential for improved open pit mining economics.

The Company will also carry on work conducted by the previous owners in relation to downstreaming options as well as revise the potential plant locations based on the learnings from the Downstream Study which should result in improvements to the OPEX.

(h) Metallurgical Testing

Test work to date has confirmed virtually no notable concentrations of critical elements within the large, purified sample batch which could potentially be deleterious to advanced batteries or other high-tech applications.

The McIntosh flake possesses unique properties including:

- (i) 5 Nine (5N) nuclear purity is achievable by light purification
- (ii) Globally significant flake size endowment (Emperor 85% > 180 microns)
- (iii) Highly expandable 220% expansion factor for flake >180 Microns
- (iv) Excellent crystallinity "HOPG (highly oriented pyrolytic graphite)-like"
- (v) Excellent electrochemical properties (Batteries); and is
- (vi) Easily spheroinised and easily micronized

(i) Purity

McIntosh Graphite is a high-quality resource, characterised by favourable metallurgy allowing for production of high purity graphite concentrates for supply into the premium value battery and other advanced technical applications.

Concentrate grades of 99.9998 wt% C and 99.9991 wt% C were achieved by a proprietary medium temperature thermal purification technique.

Purification test results are important for 3 core reasons:

- (i) Price premium: Ability to produce Five Nines (5N) enables McIntosh flake to operate in the "nuclear purity world". Every extra "Nine" elevates the selling price by an order of magnitude. Five Nines flake has a selling price up to US\$30k per tonne.
- (ii) Low cost: achieving Five Nines (99.999%) from only "light" purification means low costs compared to acid leach or other thermal refining systems currently used, worldwide.
- (iii) Environmental and Safety: the use of acids, in particular, hazardous hydrofluoric acid is the dominant purification method with resultant adverse impacts on the environment and worker safety.

A clean, benign ore-type is a key differentiating factor for McIntosh and outweighs simple mining metrics, such as grade.

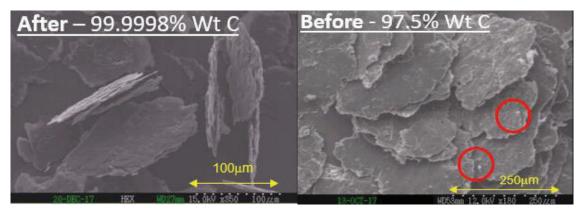


Figure 7: Impurities (circled-top) tend to occur on top of the flakes not embedded into the flake layers making for "easier" purification.

(j) Flake Size - McIntosh Graphite

McIntosh graphite concentrate contains a significant proportion of larger flake sizes with 85% of flake greater than 180 microns (Large, Jumbo and Super Jumbo).

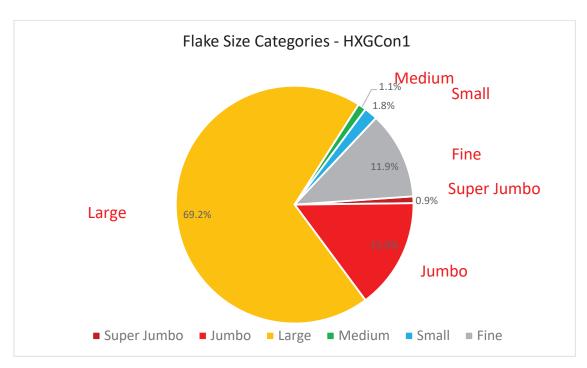


Figure 8: Flake Size Categories (HXGCon1)

| USA Sieve Se | USA Sieve Series - ASTM Specification E-11:70 (ISO Standard) | | | | | |
|-----------------|--------------------------------------------------------------|--------------|---------------|---------------|---------------|----------------|
| | Fine | Small | Medium | Large | Jumbo | Super Jumbo |
| Mesh (#ASTM) | 200 | 200-100 | 100- 80 | 80 - 50 | 50 - 35 | + 35 |
| Microns (μm) | < 75 | +75 - 150 | +150 - 180 | +180 - 300 | +300 - 500 | +500 |
| Distribution | 11.9% | 1.8% | 1.1% | 69.2% | 15% | 0.9% |

(k) Expandability - McIntosh Graphite

A large proportion of the Mcintosh Graphite Mineral Resource comprises large, potentially expandable flake with +78% of concentrate flake being larger than 60 Mesh (250 microns) and at McIntosh a 220% Expansion Factor is well above average and a highly marketable attribute.

Synthesis of expandable McIntosh flake graphite did not require the use of exotic chemicals or complicated treatments which translates to the ability to produce at a low cost.

Expandable graphite is an important growth market due to:

(i) A rapidly declining supply of large flake graphite from China; and

(ii) Increased demand in electronics as a high value foil (US\$30,000) fire retardants and the nuclear industry.



Figure 9: 220% Expansion Factor for +60 Mesh (+250 micron) sized flake.

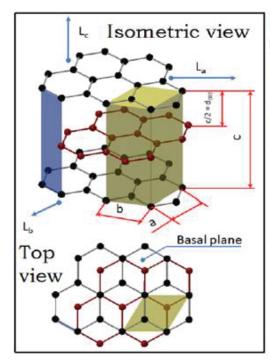
Figure 10: Expanded graphite "worms" produced from +60 mesh fraction of HXGCON 1 precursor flake: optical (left), SEM (right).

(l) Crystallinity - "HOPG-like" (Extremely Rare)

The McIntosh flake is highly crystalline, near all-hexagonal preferred crystal orientation, these are vital and rare aspects needed to compete with premium quality synthetic graphite products which is currently the preferred material due to its reliable consistency, despite being significantly more expensive than natural flake graphite.

McIntosh material is "HOPG-like", which is extremely rare in the world of natural graphite and is applicable to advanced battery systems to friction, nuclear, thermal management and electrical applications, to name a few.

Testing undertaken by US Dept. of Energy provides hard data on the exceptional qualities of McIntosh purified flake required by all leading lithium-ion, lead acid and alkaline battery manufacturers.



HOPG – rare attribute
Highly Ordered Pyrolytic Graphite*

Highly crystalline, near all-hexagonal preferred crystal orientation – vital aspects to compete with premium quality synthetic graphite products.

- higher electrical conductivity,
- greater reversible capacity towards lithium ion intercalation,
- superb thermal management properties and
- better lubricity for ultra-purified material.
- Higher selling price.
- High-cost, synthetic graphite producers aspire to reach these technical specifications.
- McIntosh Graphite can out-compete synthetic on price and quality

*Independent testing conducted by Argonne National Laboratory which is operated by the US Department of Energy.

HOPG is an acronym for "highly oriented pyrolytic" graphite and is characterised by the highest degree of three-dimensional atomic ordering. This is a very high value synthetic graphite product currently selling for approximately US\$30,000/tonne.

| Source of Technical Data Sheet | Specified Crysta | Specified Crystalline Lattice Attributes | | |
|-----------------------------------|--------------------------|------------------------------------------|--|--|
| | La and Lc (nm) | d ₀₀₂ interlayer spacing (nm) | | |
| McIntosh Sample | >5,500 (La); >1,000 (Lc) | 0.3351 | | |
| TIMREX® KS44 | 100 (Lc); >100 (La) | 0.3354-0.3358 | | |
| TIMREX® KS15 | 80 (Lc); > 90 (La) | 0.3356 | | |
| TIMREX® BNB90 | 35 (Lc) | 0.3359 | | |
| | | | | |

Results - Perfect interlayered spacing and large scale (macro) crystal structures.

(m) Battery Properties

Test work completed by HXG in 2018 confirmed that the McIntosh flake was suitable for use in Li-Ion battery anodes and more advanced battery applications, and the Company will focus its end product on the EV market.

The results for spheroidised material sample passed on all the key preliminary assessment criteria.

| Parameter Tested | Units | McIntosh Sample (average) | Reference Material | |
|--------------------------------------|--------------|---------------------------------|--------------------|---|
| Yield | % | 58 | c.50% | ~ |
| Particle Size (D50) | Microns (μm) | 15.3 | 15.1 | 1 |
| Particle Size Distribution (D90/D10) | Ratio | 2.2 | 2.4 | 1 |
| Tap Density | g/cm³ | 0.92 | 1.07 | 1 |
| Surface Area (BET) | m²/g | 8.9 | 2 - 5 | * |
| Reversible Capacity ² | mAh/g | 370 | >360 | ~ |

Test work conducted on concentrate after initial test work above indicates Surface Area (BET) ability to reduce to between 2 to 4*.

(n) Drill Core Availability

To advance concentrate marketing activities, develop the process flow sheet and undertake further downstream processing test work, it is necessary to have access to large quantities of representative mineralised samples.

The 2018 drill program produced a sample inventory of nearly 14 tonnes related to the Mineral Resources and nearly a 1 tonne from the exploration prospects. The core is easily accessible and is stored in a Perth Industrial area.

2.3 Management

GCM has engaged a mining focussed recruitment agency to engage a pro-active executive to progress McIntosh. The candidate will have strong credentials to advance the project through mining and feasibility studies, offtake agreements and exploration concurrently. CML intends to build a strong dedicated team to aggressively advance the project.

2.4 Proposed Company Name Change

To reflect the acquisition and in accordance with the material terms of the acquisition of GCM, the Company seeks Shareholder approval to change its name to Green Critical Minerals (GCM), with effect from completion of the Transaction.

This is the subject of Resolution 4.

2.5 Next Steps

Assuming Shareholders approve the Acquisition and the Transaction completes, the Company intends to aggressively advance McIntosh to capitalise on the lithium-ion batteries sector and high value graphite foils, nuclear materials, semiconductors, industrial diamonds, aerospace, and defence applications, consisting the following:

- (a) Undertake a drilling exploration program over high priority key targets Marlin and Marlin West deposits with the intention of increasing the size of the McIntosh Graphite resource.
- (b) Update the PFS; having regard to current circumstances and the mineral resource estimate announced in 2019.
- (c) Update the Downstream Study, including by assessing 2 new site locations (Australia and Southeast Asia) with a specific consideration to:
 - (i) Source and cost of power
 - (ii) Access to chemicals used in the manufacturing process
 - (iii) Timeframes for obtaining required permits and regulatory approvals
 - (iv) Environmental regulations
 - (v) Availability of government funding and tax incentives; and
 - (vi) Logistics, labour, and proximity to customers
- (d) Continue to engage with potential downstream locations and partners identified by HXG and GCM in preparing the Downstream Study, including by providing sample concentrate that has already been produced.
- (e) Geologically review the significant amount of diamond drill core available in a Perth storage location.
- (f) Continue metallurgical test work to define the highest value end use product for McIntosh flake
- (g) Assess a potential Frankfurt listing to target the lucrative European market, both for investor appeal and end user markets.

2.6 Capital Raising

As set out in section 2.1, the Company is undertaking the Rights Issue and Placement to raise up to approximately \$4 million to fund the Acquisition and progressing GCM.

The Company has received firm and binding commitments from sophisticated and professional investors introduced by GTT Ventures to subscribe for any shortfall under the Rights Issue. In addition GTT Ventures has the right to place up to a further 83,333,333 Shares, raising up to \$1,000,000 on the same terms as the Rights Issue (\$0.012 per new Share with 1 Transaction Option for every 2 new Shares issued) (**Placement**). The Placement Shares will be issued in one tranche subject to Shareholder approval and completion of the Acquisition.

The use of funds raised under the Placement is set out in section 2.8.

The issue of shortfall Shares under the Rights Issue and the Placement is being lead managed by GTT Ventures, of which Director Charles Thomas is an executive director.

GTT Ventures will be paid 6% of the amount raised and an administration fee of \$15,000. GTT may terminate the mandate if the S&P/ASX 200 is down by more than 300 points from 6,686.

The Independent Directors have determined that GTT Ventures' mandate is on arm's length terms so that Shareholder approval is not required under Chapter 2E of the Corporations Act.

2.7 Transaction Terms

GCM's only asset is the rights under a binding earn in terms sheet (Earn-In Binding Terms Sheet) with HXG. The material terms of the earn-in are as follows:

- (a) GCM has the right to earn up to an 80% interest in the graphite mineral rights contained in McIntosh from Hexagon Energy Minerals Limited (HXG) as follows:
 - (i) Payment of \$300,000 upon commencing the earn-in and a further \$200,000 within 12 months.
 - (ii) Exploration expenditure of \$1 million within 12 months to earn an initial 30%.
 - (iii) Exploration expenditure of \$1 million within 24 months to earn 51%.
 - (iv) Exploration expenditure of \$1 million within 36 months to earn 80%.
- (b) If the stage 2 or 3 expenditure requirements are not met, HXG will have the right to buy the graphite minerals rights back for \$750,000 or \$1.2 million, depending on the stage.
- (c) After stages 1 to 3 are met, a joint venture will be formed with HXG being free carried until a decision to mine and commencement of construction activities, which must be made within 2 years of GCM earning 80%, failing which GCM must sell its 80% interest to HXG for \$1.5m. This period may be extended for a further 2 years by GCM paying HXG a further \$3 million.
- (d) HXG's activities over McIntosh for non-graphite minerals, to the extent of any conflict, prevail over GCM's activities.
- (e) The Earn-In Binding Terms Sheet is conditional upon, inter alia, GCM being acquired by an entity listed on ASX that at completion has cash in the bank of no less than \$4.5 million on or before 30 November 2022.
- (f) The Earn-In Binding Terms Sheet contains usual warranties and pre-emptive rights.

The material terms of the acquisition of GCM are as follows:

- (g) The total purchase price to acquire GCM is:
 - (i) 245,872,849 Shares.

- (ii) 122,936,424 Transaction Options (exercise price \$0.022 and expiring 36 months from issue). The full terms of the Consideration Options are set out in SCHEDULE 2.
- (iii) 245,872,849 Performance Rights that convert to ordinary Shares in 3 equal tranches upon satisfying performance milestones. The full terms of the Performance Rights, including milestones, are set out in SCHEDULE 3.
- (h) The Acquisition is conditional upon:
 - (i) The Company's shareholders approving the resolutions for the issue of the consideration securities at a shareholder meeting by the requisite majorities under the Corporations Act and/or the ASX Listing Rules (as the case may be). The Resolutions seek that approval.
 - (ii) The Company raising sufficient funds through the issue of Shares to satisfy the conditions in the Earn-In Binding Terms Sheet. The Rights Issue and, if proceeded with, the Placement satisfies this condition.
 - (iii) A resolution being put at the General Meeting that the Company change its name to Green Critical Minerals Limited. Resolution 4 satisfies this condition.
 - (iv) If the Independent Expert opines that the Transaction is reasonable, the Independent Directors recommending that Shareholders vote in favour of the Resolutions.
 - (v) There being no Material Adverse Change in the business, financial position, or assets, liabilities or profitability or prospects of GCM, or any event reasonably likely to result in such a Material Adverse Change.
 - (vi) There is no material breach, and there are no facts or circumstances that may reasonably be expected to lead to a material breach, of any Warranties before Completion.

The agreement contains warranties typically found in an agreement of this nature, including that GCM has no debt and no assets other than the rights under the Earn-In Binding Terms Sheet.

2.8 Use of funds

Assuming the Transaction completes, funds raised under the Capital Raising, will be used as follows:

| \$'000 | Rights Issue | Placement |
|--------------------------------------------------------------|--------------|-----------|
| Initial payment to HXG under the Earn-In Binding Terms Sheet | 500 | |

| Undertake a drilling exploration program over high priority key targets Marlin and Marlin West deposits. | 1,500 | 250 |
|----------------------------------------------------------------------------------------------------------|-------|-------|
| Update the PFS | 350 | 100 |
| Update the Downstream Study | 500 | 200 |
| Working capital | \$239 | 450 |
| Total | 3,089 | 1,000 |

This table is a statement of the proposed application of the funds raised as at the date of this Notice of Meeting. As with any budget, intervening events and new circumstances have the potential to affect the Company's decisions and the Company reserves the right to vary the way funds are applied.

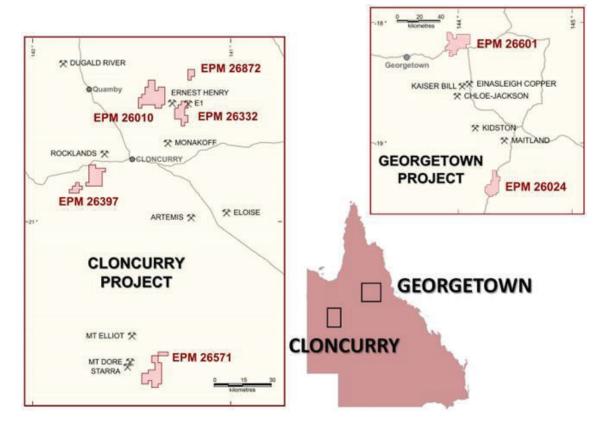
The Rights Issue is not conditional upon Completion and funds raised under the Rights Issue will, in the event Completion does not occur, use funds raised under the Rights on its existing projects.

2.9 Existing projects

The Company's existing projects consist of the following:

(a) Red Fox Resources

The Company holds 30.4% of Red Fox Resources Limited, a private Queensland focused advanced exploration company that holds seven wholly owned granted tenements (EPMs) covering 900 square km in two highly mineralised districts: Mt Isa / Cloncurry and Georgetown. The tenements contain a pipeline of targets for discovery of Ernest Henry style IOCG Cu-Au; Tick Hill style high grade Au; and, large Century and Broken Hill style Zn-Pb-Ag deposits.

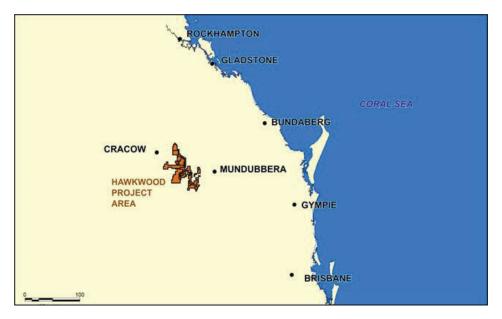


Further information and progress reports on Red Fox and its activities can be found on its website, http://www.redfoxresources.net.au and in sections 5 and 6 of the Technical Assessment Report.

(b) Hawkwood Project JV with Auburn Resources Limited

The Company has entered into an earn-in and joint venture agreement with unlisted Australian junior explorer Auburn Resources Limited (ASX Announcement 27 October 2021) whereby it can acquire up to 90% of the district-scale Hawkwood project area with Ni Cu Co Au PGE potential. The tenement holding consists of 13 granted EPMs covering approximately 1,680km2 located approximately 55km west of Mundubbera in Southern Queensland.

Further information on the Hawkwood Project JV is set out in section 7 of the Technical Assessment Report.



(c) Barkly North project (Northern Territory Australia)

The Company has itself recently commenced applying for Exploration Permits (EPMs) in the search for REE Cu Ni and PGEs. five contiguous EL Applications covering an area of approximately 3,270km2 have successfully been lodged, with three applications recently granted (ASX Announcements 2 February 2022, 26 May 2022 and 26 August 2022).

Further information on the Company's Barkly North project in Territory is set out in section 8 of the Technical Assessment Report.

(d) Torrington Topaz-Tungsten project

In New South Wales Australia, the Company has an advanced Topaz-Tungsten project 60km SSW of Tenterfield where it is focused on the recovery of Tungsten and Topaz concentrate from a large deposit of outcropping silexite, which is nominally 80% quartz and 20% topaz plus variable levels of tungsten (wolframite and ferberite) mineralisation. Metallurgical testwork and the resultant process flowsheet shows that crushing of silexite to minus 1mm followed by water (or air) based gravity separation and concentration processes followed by magnetic clean-up results in excellent recovery of both Tungsten and Topaz saleable products.

Topaz is an alumina silicate mineral that given its hardness can be used in abrasive applications, especially in high-pressure water cutting and as a raw material for castable refractory and ceramic production. It can also be used to produce castable mullite and to produce mullite fibre for use in the specialist metals / ceramic composite markets. The latter has been the subject of a recently concluded 4-year research project at the UNSW which resulted in several proof-of-concept trajectory applications, including for instance in the production of military vehicle and personnel armour, friction (brake) pads and catalytic converters.

The Company is looking for a strategic industry partner to progress and commercialise the production of mullite fibre from the topaz.

Further information on the Torrington Topaz-Tungsten project is set out in section 4 of the Technical Assessment Report.

2.10 Capital structure

The Company's proposed capital structure following the Transaction is set out in 2.1.

Resolution 2 seeks, in accordance with item 7 of section 606 of the Corporations Act, Shareholder approval for Mr Tassone to acquire a relevant interest in the Company of up to 51.59%.

2.11 Regulatory requirements

GCM is wholly owned by Mr Tassone, an executive director of GTT Ventures. Mr Tassone currently holds 45,598,052 shares in CML, or 9.74% of its issued share capital. In the previous 6 months Mr Tassone held more than 10% of CML's issued shares, and is a person to whom Listing Rule 10.1 (acquisitions from related parties) applies. Listing Rule 10.1% prohibits an entity from acquiring from or disposing to related parties without prior shareholder approval, and Listing Rule 10.5 requires the notice of meeting to include an independent expert's report opining on whether the proposed transaction is fair and reasonable to shareholders who may vote. Resolution 1 seeks that approval and this Notice of Meeting includes the Independent Expert's Report.

Furthermore the Consideration Securities to be issued to Mr Tassone will, in accordance with Listing Rule 10.7 and item 5 of Appendix 9B of the Listing Rules, be subject to 12 months escrow from issue.

Listing Rule 11.1.2 provides that if required by ASX, an entity must obtain shareholder approval prior to making a significant change to the nature of its scale or activities. ASX has confirmed that the Transaction requires Shareholder approval under Listing Rule 11.1.2. Resolution 1 also seeks that approval.

The Corporations Act prohibits a person from acquiring a relevant interest of more than 19.9% in certain public companies, including listed companies, unless in certain circumstances, including where the company's shareholders first approve the acquisition (item 7, section 611 of the Corporations Act). Mr Tassone will acquire a relevant interest of up to 51.59% in CML following the transaction. Resolution 2 seeks Shareholder approval for the acquisition.

2.12 Timetable

Following is the proposed timetable for the transaction:

| Announce varied terms and revised capital raising | 31 August 2022 |
|---------------------------------------------------|-------------------|
| Lodge prospectus with ASIC | 12 September 2022 |

| Announce prospectus to ASX | |
|------------------------------------------------------------------------|-------------------|
| Announce notice of meeting to ASX | |
| Rights Issue ex date | 14 September 2022 |
| Complete mailout of notice of meeting | |
| Rights Issue record date | 15 September 2022 |
| Send prospectus | 20 September 2022 |
| Open offer | |
| Last day to extend rights issue offer | 12 October 2022 |
| Meeting to approve Acquisition and Placement | 17 October 2022 |
| Close Rights Issue offer | |
| Announce results of the Rights Issue | 21 October 2022 |
| Complete Acquisition and issue Rights Issue and Placement Shares | |
| Trading of Rights Issue and Placement Shares commences on normal basis | 24 October 2022 |

2.13 Independent Expert's Report

To comply with Listing Rule 10.5 and item 7 of section 611 of the Corporations Act, an independent expert's report prepared by BDO Corporate Finance accompanies this Notice of Meeting. The report opines that the Acquisition is not fair but reasonable for Shareholders whose vote is not to be disregarded.

2.14 Independent Directors' recommendation

The Independent Directors recommend, subject to their directors' duties, that Shareholders vote in favour of the Resolutions and will vote their Shares in favour of the Resolutions. The Chair will also vote all undirected Proxies in favour of all Resolutions. In doing so, the Independent Directors note the following:

(a) Advantages

- (i) McIntosh is an advanced graphite project, with previous owners announcing a JORC 2012 resource and a preliminary scoping study. The project includes an exploration target that may significantly increase the scale and viability of the project.
- (ii) Under the Transaction the Company will be well funded to complete a significant portion of the spend required under the Earn-In Binding Terms Sheet to earn an 80% interest in the McIntosh Project.

- (iii) Funding under the Transaction will primarily be through a rights issue which allows eligible Shareholders to participate and minimize dilution. The rights issue is 25% discount to the last traded price of the Company's Shares, and the Company has received binding commitments to place any shortfall.
- (iv) A significant proportion of the Consideration Securities is success based, and dependent upon increasing the resources and announcing a reserve for McIntosh.
- (v) Significant growth in the electric vehicle and battery storage industries may further drive demand for graphite as a critical component of lithium-ion and other batteries. Graphite also complements the Company's early stage exploration projects.
- (vi) McIntosh is located in Western Australia, a mining friendly state with low sovereign country risk.
- (vii) Chase will continue to advance its existing Queensland and Northern Territory early stage exploration projects, which are considered prospective for REE Cu Ni and PGEs.

(b) Disadvantages

- (i) Existing Shareholders (other than Mr Tassone) will be diluted by up to 59.94% if they do not participate in the Rights Issue or 37.91% if they do (assuming the Placement is made). At Completion, the Consideration Shares represent 25.31% of the Company's issued Shares (assuming no Placement).
- (ii) Mr Tassone's voting power will be 32.58% following Completion, assuming he fully participates in the Rights Issue and there is no Placement, and may be able to exert significant control over the Company. However, Mr Tassone will not have the right to appoint any directors to the Company's board.
- (iii) There are significant exploration and development risks associated with any resource development.
- (iv) GCM's sole asset are contractual rights under the Earn-In Binding Terms Sheet, and GCM will not have any direct interest in the tenements over the McIntosh Project. Whilst the Company will do all that it can to protect GCM's rights, contractual rights are less secure than proprietary rights.
- (v) After earn-in stages 1 to 3 under the Earn-In Binding Terms Sheet are met and a joint venture formed with HXG, GCM must make a decision to mine within 2 years of GCM earning 80%, failing which GCM must sell its 80% interest to HXG for \$1.5m. This period may be extended for a further 2 years by GCM paying HXG a further \$3 million.

3 RESOLUTIONS 1 AND 2 -ACQUISITION OF GREEN CRITICAL MINERALS

Resolutions 1 and 2 seek Shareholder approval for the acquisition of GCM, including the issue of the Consideration Securities and for Mr Tassone to acquire up to 51.59% of the Company's issued Shares.

3.1 Regulatory requirements

Listing Rule 10.1 provides that a company must not acquire a substantial asset from a person to whom Listing Rule 10.1 applies (including a person who in the previous 6 months held more than 10% of a company's issued share capital). An asset is substantial if its value is greater than 5% or more the company's equity interests as set out in the company's latest accounts given to ASX.

Listing Rule 10.11 prohibits a company from issuing securities to related parties and persons whom, in ASX's opinion, shareholder approval should be obtained, without shareholder approval. An exception is where the issue is approved for the purposes of item 7 of section 611 of the Corporations Act. Securities issued with approval under item 7 of section 611 of the Corporations Act are not included in the 15% limit under Listing Rule 7.1.

As noted above, Mr Tassone has, within the last 6 months, held more than 10% of the Company's Shares and is therefore a person to whom Listing Rule 10.1 applies.

Listing Rule 11.1.2 provides that if an entity proposes to make a significant change, either directly or indirectly, to the nature or scale of its activities, it must amongst other things and if ASX requires, get the approval of holders of its ordinary securities and must comply with any requirements of ASX in relation to the notice of meeting.

ASX has determined that the Transaction is a significant change to the Company's activities and that Shareholder approval of the Transaction is required for the purposes of Listing Rule 11.1.2.

Listing Rule 10.1 applies to the Acquisition and Shareholder approval is required under that Rule for the Acquisition. As Shareholder approval is sought under item 7 of section 611 of the Corporations Act, Shareholder approval is not required under Listing Rule 10.11 for the issue of Consideration Securities to Mr Tassone.

The effect of Resolutions 1 and 2 is to allow the Company to complete the Acquisition and to issue Consideration Shares to Mr Tassone. In the event Resolutions 1 and 2 are not passed Completion will not occur, the Agreement will terminate, and the Company will focus on its existing projects and consider potential projects that complement the Company's skills, circumstances and existing projects.

As noted in section 2.10 above, Mr Tassone will acquire a relevant interest in up to a maximum of 51.59% of the Company's issued Shares. Section 606(1) of the

Corporations Act provides that a person must not acquire a relevant interest in issued voting shares in a company if:

- (a) the company is:
 - (i) a listed company; or
 - (ii) an unlisted company with more than 50 members; and
- (b) the person acquiring the interest does so through a transaction in relation to securities entered into by or on behalf of the person; and
- (c) because of the transaction, that person's or someone else's voting power in the company increases:
 - (i) from 20% or below to more than 20%; or
 - (ii) from a starting point that is above 20% and below 90%.

Existing Shareholders will be diluted from 90.26% to 16.18% of the Company's issued Shares as a result of the issue of Consideration Securities under the Acquisition (assuming they do not participate in the Rights Issue, the Placement is completed in full, all Transaction Options held by Mr Tassone are exercised and Performance Rights hurdles are met, and no other Shares are issued).

3.2 Resolution 1 - information required by Listing Rule 10.1

For the purposes of Listing Rule 10.5, the following information is provided about the Acquisition:

- (a) The person from whom the Company is acquiring GCM is Mr Rocco Tassone.
- (b) Mr Tassone was in the 6 months prior to the Acquisition, a substantial (10%) holder (as defined in the Listing Rules) in the Company.
- (c) The asset being acquired are all of the issued shares in GCM, the details of which are in section 2.
- (d) The consideration for the acquisition is the Consideration Securities, and no funds will be paid for the acquisition.
- (e) The timetable for the Acquisition is in section 2.12.
- (f) A summary of the material terms of the Acquisition is in section 2.7.
- (g) A voting exclusion statement appears in the notice.
- (h) A report on the Acquisition from the Independent Expert appears in SCHEDULE
 4. The Independent Expert's Report states that the Acquisition is not fair but reasonable to Shareholders whose votes in favour of the Acquisition are not to be disregarded under Listing Rule 14.11.

Shareholders may request, at no cost to them, a hard copy of the Independent Expert's Report.

For the purposes of section 7.2 of ASX Guidance Note 12, the following information is provided:

- (a) The parties and material terms of the transaction are set out in sections 2.1 and 2.7.
- (b) Set out in SCHEDULE 6 is the unaudited Statement of Financial Position of the Company as at 30 June 2022 and the Pro-Forma Statement of Financial Position as at 30 June 2022, on the basis of the following assumptions:
 - (i) the Rights Issue, Acquisition and Placement were effective on 30 June 2022;
 - (ii) completion occurs under the Agreement and the Placement;
 - (iii) full subscription and the Placement are raised;
 - (iv) no further Shares are issued other than all Shares offered under the Rights Issue or Placement; and
 - (v) costs of the Rights Issue, Acquisition and Placement are \$225,000, \$175,000 and \$60,000 respectively.

The Pro-Forma Statement of Financial Position has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company. The pro-forma financial information is unaudited and presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

The Transaction will not have any material effect on the Company's annual revenue. Exploration expenditure is expected to increase from \$1 million to \$1.7 million over the 12 months following Completion.

- (c) Detailed information about the issue of securities under the Transaction, its effect on the Company's total issued capital, and the proposed use of funds are set out in sections 2.1 and 2.8 above.
- (d) The are no changes to the Company's board as a result of the Transaction. The Company is actively seeking a senior executive to manage the McIntosh Project and downstream opportunities.
- (e) An outline of the process for seeking Shareholder approval under Listing Rule 11.1.2 is above.
- (f) A timetable for the Transaction is set out in section 2.12.

3.3 Resolution 2 - Disclosure required under section 611 item 7 of the Corporations Act

Section 606 of the Corporations Act prohibits a person acquiring a relevant interest in the issued voting shares of a company if, because of the acquisition, that person's or another person's voting power in the company increases from 20% or below to

more than 20%, or from a starting point that is above 20% and below 90%, unless an exception applies.

A person has a relevant interest if, amongst other things, they are the holder of the shares.

Section 611 of the Corporations Act sets out certain exceptions to the general prohibition and permits an increase in voting power over 20%, including where a company's shareholders approve the acquisition of shares which results in the increased voting power (item 7 of section 611).

- (a) Information required by Item 7 of Section 611 of the Corporations Act
 - (i) The identity of the person proposing to make the acquisition and their associates:
 - The person proposing to make the acquisition is Mr Tassone.
 - (ii) The maximum extent of the increase in that person's voting power in the entity that would result from the acquisition:51.59%.
 - (iii) The voting power that person would have as a result of the acquisition: Up to 51.59%.
 - (iv) The maximum extent of the increase in the voting power of each of that person's associates that would result from the acquisition:
 - The Company is not aware of any associates of Mr Tassone who may increase their voting power as a result of the Transaction.
 - (v) The voting power that each of that person's associates would have as a result of the acquisition:
 - See section 3.3(a)(iv).
- (b) Additional information required by ASIC Regulatory Guide 74: Acquisitions approved by members
 - (i) An explanation of the reasons for the proposed acquisition:
 - See section 2 above.
 - (ii) When the proposed acquisition is to occur:
 - The Acquisition will complete as soon as reasonably practicable following the Meeting, and in any event no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).
 - (iii) The material terms of the proposed acquisition:
 - See section 2.7.

(iv) Details of the terms of any other relevant agreement between Mr Tassone and the Company (or any of their associates) that are conditional on (or directly or indirectly depends on) members' approval of the proposed acquisition:

There are no other relevant agreements between Mr Tassone and the Company (or their associates) that are conditional on (or directly or indirectly depends on) members' approval, other than the Agreement.

(v) A statement of Mr Tassone's intentions regarding the future of the Company if Shareholders approve the acquisition:

Mr Tassone has no intentions regarding the future of the Company.

(vi) Any intention of Mr Tassone to change the financial or dividend distribution policies of the Company:

No intentions.

(vii) The interests that any director has in the acquisition or any relevant agreement disclosed in 4.3(d):

Director Charles Thomas is a director and shareholder of GTT Ventures. See section 2.6 for details of GTT's role in placing Rights Issue shortfall and the Placement.

Director Julian Atkinson is providing legal services to the Company with respect to the Transaction. These services are being provided on arm's length terms and applying Mr Atkinson's usual terms of engagement.

Executive Chairman Leon Pretorius has no interest in the Acquisition or the Transaction.

(viii) The identity, associations (with the subscriber, purchaser or vendor and with any of their associates) and qualifications of any person who it is intended will become a director if the shareholders approve the acquisition:

No person will be appointed a Director as a result of the Transaction.

4 RESOLUTION 3 - PLACEMENT

4.1 Introduction

The Acquisition is conditional upon the Company raising sufficient funds through the issue of Shares to satisfy the conditions of the Earn-In Binding Term Sheet. These include a condition that the Company (as the entity acquiring GCM) has at completion cash of no less than \$4.5 million. As set out in section 2.1, this will be satisfied through the Rights Issue and potentially the Placement.

The effect of Resolution 3 is to allow the Company to issue Shares under the Placement without affecting the Company's 15% capacity under Listing Rule 7.1.

4.2 Listing Rules

Broadly speaking and subject to a number of exceptions, Listing Rule 7.1 limits the number of equity securities a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid up ordinary securities it had on issue at the start of that period.

The Placement exceeds 15% and does not fall within any of the exceptions. It therefore requires Shareholder approval under Listing Rule 7.1 Resolution 3 seeks that approval.

Securities issues that are approved by Shareholders under Listing Rule 7.1 are not included in calculating an entity's 15% capacity under Listing Rule 7.1.

4.3 Resolution 3 - Information required by Listing Rule 7.3

Resolution 3 seeks Shareholder approval under Listing Rule 7.1 for the Company to issue up to 83,333,333 Shares and 41,666,666 attaching Transaction Options to institutional and sophisticated investors introduced by GTT Ventures.

If Resolution 3 is passed, the Company can proceed with the issue. In addition, the issue will be excluded from the calculation of the number of equity securities that the Company can issue without shareholder approval under Listing Rule 7.1. If Resolution 3 is not passed, the Placement will not proceed although the Company may still proceed with the Acquisition.

For the purposes of Listing Rule 7.3, the following information is provided about the proposed issue of Shares under the Placement:

- (a) The securities will be issued to institutional and sophisticated investors introduced by GTT Ventures, who are not related parties to the Company or otherwise persons to whom Listing Rule 10.11 applies.
- (b) The maximum number of securities to be issued is 83,333,333 Shares and 41,666,666 Transaction Options.
- (c) The securities to be issued are:
 - (i) fully paid ordinary shares in the capital of the Company, with the same terms as existing Shares on issue; and
 - (ii) Transaction Options, the terms of which are in SCHEDULE 2.
- (d) The securities will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).
- (e) The Shares will be issued for \$0.012 per Shares. The Transaction Options are attaching Options.

- (f) Funds raised under the Placement will be used in the manner set out in section 2.8.
- (g) As of the date of this Notice, other than those set out in section 2.6 and this section 4, there are no other material terms relating to the proposed issue.
- (h) A voting exclusion statement is included in the Notice.

4.4 Directors recommendations

The Directors unanimously recommend that Shareholders vote in favour of Resolution 3 as, whilst the Placement is not required to complete the Acquisition, it will give the Company flexibility in raising capital to fund GCM whilst preserving the Company's 15% placement capacity under ASX Listing Rule 7.1.

5 RESOLUTION 4 - CHANGE OF NAME

A condition of Completion of the Acquisition is that a resolution is put at the General Meeting that the Company change its name to Green Critical Minerals Limited. Resolution 4 satisfies this condition.

Section 136(2) of the Corporations Act provides that a company may modify, including by changing its name, by special resolution. If approved, the change will take effect from Completion.

Completion is not conditional on Shareholders approving Resolution 4.

6 RESOLUTION 5 - EMPLOYEE INCENTIVE SCHEME

6.1 Introduction

The Acquisition will require the Company to engage an experienced and motivated team progress McIntosh and maximise the prospect of a successful development. To do so, the Company proposes to establish a employee incentive scheme that can provide flexibility in granting incentives to employees and consultants without using the Company's 15% capacity under Listing Rule 7.1.

The effect of Resolution 5 is to for Shareholders to approve the issue of securities under the Company's proposed employee incentive scheme, the terms of which are set out in SCHEDULE 5 (**Chase Mining Employee Incentive Scheme**), without such issues being included in determining the Company's capacity under Listing Rule 7.1. This will allow securities to be issued under the scheme to unrelated parties without affecting the Company's 15% capacity under Listing Rule 7.1.

6.2 Listing Rules

As set out in section 4.2 above, broadly speaking and subject to a number of exceptions, Listing Rule 7.1 limits the number of equity securities a company can

issue without the approval of its shareholders over any 12 month period to 15% of the fully paid up ordinary securities it had on issue at the start of that period.

An exception to Listing Rule 7.1 is where the securities are issued under an employee incentive scheme that has within the previous 3 years been approved by the entity's shareholders as an exception to Listing Rule 7.1.

6.3 Resolution 5 - Information required by Listing Rule 7.2 exception 13

Resolution 5 seeks Shareholder approval under Listing Rule 7.2 exception 13 to issue securities issued under the Chase Mining Employee Incentive Scheme

If Resolution 5 is passed, securities issued under the Chase Mining Employee Incentive Scheme will be excluded from the calculation of the number of equity securities that the Company can issue without shareholder approval under Listing Rule 7.1. If Resolution 5 is not passed, any securities issued under the scheme will be counted in determining the Company's capacity under Listing Rule 7.1, and reduce the Company's flexibility to raise capital.

For the purposes of Listing Rule 7.2 exception 13, the following information is provided about the scheme:

- (i) A summary of the terms of the Chase Mining Employee Incentive Scheme is set out in SCHEDULE 5.
- (j) The Company has not previously had an employee incentive scheme.
- (k) The maximum number of securities that can be issued under the Chase Mining Employee Incentive Scheme following Shareholder approval is 46,813,276.
- (l) A voting exclusion statement is included in the Notice.

SCHEDULE 1 DEFINITIONS

In this Notice and Explanatory Memorandum:

Acquisition means the acquisition of GCM under the Agreement.

Agreement has the meaning given in section 2.1.

ASX means ASX Limited or the Australian Securities Exchange

operated by ASX Limited, as the context requires.

Board means the board of Directors.

Capital Raising has the meaning given in section 2.1.

Chairman means the Chairman of the Company.

Chase Mining Employee

Incentive Scheme

has the meaning given in section 6.1.

Company, Chase or CML means Chase Mining Corporation Limited (ACN 118 788 846).

Completion means completion of the Transaction, including the issue of

the Consideration Securities and acquisition of GCM.

Consideration Securities mean the Consideration Shares and Performance Rights and,

where the context permits, the Transaction Options.

Consideration Shares means 245,872,849 Shares to be issued by the Company to Mr

Tassone in consideration of the Acquisition under the

Agreement.

Constitution means the constitution of the Company as amended.

Corporations Act means the Corporations Act 2001 (Cth) as amended.

Director means a director of the Company.

Downstream Study has the meaning given in section 2.2(g).

Earn-In Binding Terms

Sheet

has the meaning given in section 2.7.

means Eastern Standard Time.

Explanatory means this explanatory memorandum.

Memorandum

GCM or Green Critical

Minerals

means Green Critical Minerals Pty Limited.

HXG Hexagon Energy Materials Limited

Independent Directors has the meaning given in section 2.1.

Independent Expert means BDO Corporate Finance (WA) Pty Limited.

Independent Expert's

Report

means the report prepared by the Independent Expert, a

copy of which is SCHEDULE 4.

Listing Rule means the listing rules of the ASX.

Meeting means the meeting convened by this Notice (as adjourned

from time to time).

Notice means this notice of meeting.

Option means an option to be issued a Share.

Performance Rights means a performance right to be issued a Share on the terms

in SCHEDULE 3.

PFS has the meaning given in section 2.2(g).

Placement has the meaning given in section 2.1.

Proxy Form means the proxy form attached to this Notice.

Resolution means a resolution set out in the Notice.

Share means a fully paid ordinary share in the capital of the

Company.

Shareholder means a holder of a Share.

Technical Assessment

Report

means the technical assessment report included in the

Independent Expert's Report.

Transaction has the meaning given in section 2.1.

Transaction Option means an Option on the terms in SCHEDULE 2.

SCHEDULE 2 TRANSACTION OPTIONS

(a) In these terms, capitalized terms have the following meanings:

Chase or Company means Chase Mining Corporation Limited.

- (b) Each Option entitles the holder to, upon exercise, be issued one Share.
- (c) The exercise price for each Option is \$0.022.
- (d) The expiry date of an Option is 36 months from issue.
- (e) The Options may be exercised at any time prior to the expiry date upon payment of the exercise price per Option.
- (f) The Options are transferable.
- (g) The holder of an Option must exercise all of the Options together.
- (h) Chase will provide to each Option holder a notice that is to be completed when exercising the Options (Notice of Exercise). Options may be exercised by the Option holder in whole or in part by completing the Notice of Exercise and forwarding the same to the Share Registry to be received prior to the expiry date. The Notice of Exercise must state the number of Options exercised, the consequent number of Shares to be issued and the identity of the proposed subscribers. The Notice of Exercise by an Option holder must be accompanied by payment in full for the relevant number of Shares being subscribed, being an amount of the exercise price per Share.
- (i) All Shares issued upon the exercise of the Options will rank equally in all respects with Chase's then issued Shares. Chase must apply to the ASX in accordance with the Listing Rules for all Shares pursuant to the exercise of Options to be admitted to quotation.
- (j) There are no participating rights or entitlements inherent in the Options and the holders will not be entitled to participate in new issues or pro-rata issues of capital to Shareholders during the term of the Options. Thereby, the Option holder has no rights to a change in:
 - (i) the exercise price of the Option; or
 - (ii) period of exercise of the Option; or
 - (iii) except in the event of a Bonus Issue (defined below), a change to the number of underlying securities over which the Option can be exercised.
- (k) Chase will ensure, for the purposes of determining entitlements to any issue, that Option holder will be notified of a proposed issue after the issue is announced. This will give Option holders the opportunity to exercise their Options prior to the date for determining entitlements to participate in such issues.
- (I) If from time to time on or prior to the Expiry Date Chase makes a bonus issue of securities to holders of Shares in Chase (Bonus Issue), then upon exercise of his or

her Options a holder will be entitled to have issued to him or her (in addition to the Shares which he or she is otherwise entitled to have issued to him or her upon such exercise) the number of securities which would have been issued to him or her under that Bonus Issue if the Options had been exercised before the record date for the Bonus Issue.

- (m) In the event of any reconstruction (including consolidation, subdivisions, reduction or return) of the authorised or issued capital of Chase, all rights of the Option holder shall be reconstructed (as appropriate) in accordance with the ASX Listing Rules.
- (n) Within 5 Business Days after the Exercise Date, Chase will, if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act or, if Chase is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the section 708A(11) of the Corporations Act, and otherwise do all such things necessary to ensure that an offer for sale of the Shares does not require disclosure to investors.

SCHEDULE 3 PERFORMANCE RIGHTS

1.2 Definitions

Words with capitalized letters in this section have the following meaning, unless the context requires otherwise:

Authority is any government department, local government council, government or statutory authority or any other party under a Law which has a right to impose a requirement or whose consent is required with respect to the Tenements.

Chase or Company means Chase Mining Corporation Limited.

Class A Performance Hurdle means Chase announcing a JORC 2012 defined Resource of no less than a total of 30,000,000 tonnes from the Tenements using a cut off grade of 3% TGC.

Class B Performance Hurdle means Chase announcing a JORC 2012 defined Resource of no less than a total of 40,000,000 tonnes from the Tenements using a cut off grade of 3% TGC.

Class C Performance Hurdle means Chase announcing a JORC 2012 reserve of no less than 1,000,000 tonnes of TGC from the Tenements.

Conversion Event means:

- (a) the achievement of a Performance Hurdle detailed in section 1.4(a); or
- (b) the happening of any of the events detailed in section 1.4(e).

Deal means to sell, transfer, assign, novate, vary, mortgage, encumber, create any equitable interest, share any rights, otherwise deal with any right, title or interest, or agreement to do any of those actions.

Earn-In Binding Terms Sheet means the binding terms sheet between Chase and McIntosh Resources Pty Limited dated on or about 11 February 2022.

Expiry Date means, subject to Term 1.4(e), the date which is:

- (c) with respect to the Class A Performance Hurdle, 24 months from the grant of the Performance Right;
- (d) with respect to the Class B Performance Hurdle, 36 months from the grant of the Performance Right; and
- (e) with respect to the Class C Performance Hurdle, 36 months from the grant of the Performance Right.

Force Majeure means any cause which is not reasonably within the control of the Company, which cause may include:

- (a) an act of God;
- (b) strike, lockout, stoppage, ban or other types of labour difficulty whether at the Tenements or otherwise;
- (c) war (whether declared or undeclared), blockade, act of the public enemy, act of terrorism, revolution, insurrection, riot or civil commotion;
- (d) earthquake, lightning, fire, flood, storm, cyclone, explosion or epidemic;
- (e) embargoes or restraint by an Authority (including heritage related restraints);
- (f) Native Title Claims;
- (g) unavailability of equipment or transport, or inability to access the Tenements or any relevant portion of them; or
- (h) any other cause whether of the kind specifically listed above or otherwise which is not reasonably within the Company's control.

Graphite has the meaning given in the Earn-In Binding Terms Sheet.

Holder means a holder of a Performance Right.

Law means Commonwealth and State legislation including regulations, by laws, and other subordinate legislation, the requirements and guidelines of any Authority, including the ASX Listing Rules, with which a party is legally required to comply, and common law and equity.

Native Title Claims means means either:

- (a) any claim, application or proceeding in respect of Native Title Rights which is accepted by the Native Title Tribunal or the Registrar thereof pursuant to the Native Title Act 1993 (Cth); or
- (b) any claim, application or proceeding in respect of those rights, interests and statutory protections of and relating to aboriginal persons as set out in the legislation of Western Australia or the Aboriginal and Torres Strait Islander Heritage Protection Act 1984 (Cth).

Native Title Rights has the same meaning as the expressions "native title" or "native title rights and interests" as defined in section 223(1) of the Native Title Act 1993 (Cth) and includes those rights, interests and statutory protections of and relating to aboriginal persons as set out in the relevant legislation of the Nominated State or the Aboriginal and Torres Strait Islander Heritage Protection Act 1984 (Cth).

Performance Hurdle means a Class A Performance Hurdle, Class B Performance Hurdle and/or Class C Performance Hurdle, as the case may be.

Performance Right means a right to be issued a Share upon achievement of the relevant Performance Hurdle, issued on the terms and conditions detailed in these Terms.

Shareholder means a holder of Shares.

Shares means fully paid ordinary shares in the capital of Chase.

TGC means total graphite content.

Tenements has the meaning given in the Earn-In Binding Terms Sheet.

Terms means these terms of issue which apply to Performance Rights.

1.3 Performance Rights

- (a) The Performance Rights are granted subject to these Terms.
- (b) Where lawful, these Terms prevail to the extent of any inconsistency with the Constitution.
- (c) Once a Conversion Event occurs in respect of Performance Rights and subject to Term 1.4(b), that number of Performance Rights that are subject to the Conversion Event will be converted to Shares on the basis of one Share for each converting Performance Right, with the Shares ranking equally with all other Shares then on issue.

1.4 Conversion

- (a) Subject to Term 1.4(b), Chase shall procure that:
 - (i) 81,957616 Performance Rights shall convert to 81,957616 Shares upon achievement of the Class A Performance Hurdle before (and including) within 24 months from issue, on the basis of one Share for each Performance Right, failing which these Performance Rights will lapse.
 - (ii) 81,957616 Performance Rights shall convert to 81,957616 Shares upon achievement of the Class B Performance Hurdle before (and including) within 36 months from issue, on the basis of one Share for each Performance Right, failing which these Performance Rights will lapse.
 - (iii) 81,957616 Performance Rights shall convert to 81,957616 Shares upon achievement of the Class C Performance Hurdle before (and including) within 36 months from issue, on the basis of one Share for each Performance Right, failing which these Performance Rights will lapse.
- (b) For the purposes of determining whether a specific Performance Hurdle is achieved, Chase's Directors who do not have any personal interest in the determination will cause Chase to obtain an opinion from a suitably qualified independent expert on whether a specific Performance Hurdle is achieved.

- (c) Conversion into Shares will occur as soon as possible after achievement of the relevant Performance Hurdle but in any event within 10 business days after confirmation from the independent expert appointed under Term 1.4(b) that the Performance Hurdle has been achieved.
- (d) The Performance Hurdles must be met before the relevant Expiry Date, failing which the relevant class of Performance Rights the subject of the Expiry Date will automatically lapse.
- (e) If, as a direct result of Force Majeure, Chase is wholly or in part, prevented from carrying out activities required to achieve a Performance Hurdle:
 - (i) Chase's independent directors may announce to ASX notice of the Force Majeure with reasonably full particulars and, insofar as is known to it, the probable extent to which it will be unable to achieve a Performance Hurdle.
 - (ii) On giving the notice of the Force Majeure, the Expiry Dates are delayed but only to the extent that and for so long as they are affected by the Force Majeure and for a maximum period of 12 months.
 - (iii) Chase must use all reasonable diligence to overcome or remove the effect of the Force Majeure as quickly as possible.
 - (iv) The obligation to use all reasonable diligence to overcome or remove the effect of the Force Majeure does not require Chase to:
 - (A) settle any strike, or other labour dispute;
 - (B) contest the validity or enforceability of any law, regulation or legally enforceable order by way of legal proceedings; or
 - (C) settle Native Title Claim or enter into any agreement with respect to Native Title Rights,

on terms not acceptable to it solely for the purpose of removing the event of Force Majeure.

- (f) All Performance Rights on issue will automatically convert into Shares up to a maximum number that is equal to 10% of Chase's issued share capital (as at the date of conversion) upon any of the following events occurring:
 - (i) an offeror (who at the date the Performance Rights are issued does not control Chase) under a takeover offer for all Shares announcing that it has achieved acceptances in respect of more than 50.1% of Shares and that the takeover bid has become unconditional; or
 - (ii) an arrangement (other than one under which a person who controls Chase at the date the Performance Rights are issued increases their control) under which all of Chase's Shares are to be either cancelled, transferred to a third party, or a Court by order approves the proposed scheme of arrangement.

1.5 Voting rights

Each Holder has the right to receive notice of and attend but has no right to vote, except as required by law.

1.6 Dividends

The Performance Rights do not have any right to receive dividends (whether cash or non-cash) from the profits of Chase at any time.

1.7 Dealings

A Holder must not Deal with Performance Rights.

1.8 Access to documents and information

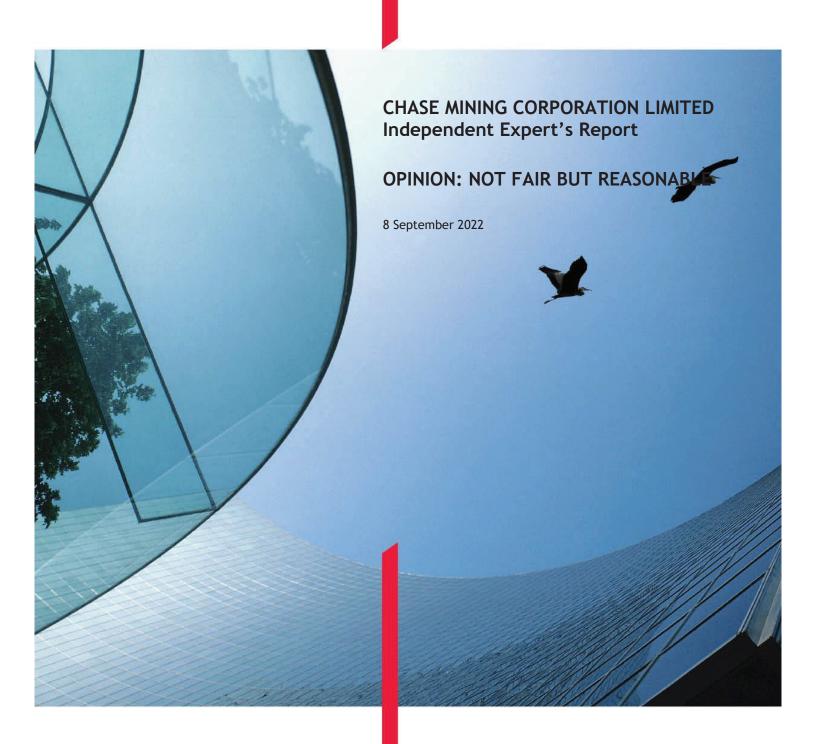
A Holder has the right to receive notices of general meetings and financial reports and accounts of Chase that are circulated to Shareholders, and a right to attend Shareholder meetings.

1.9 Other terms and conditions

- (a) A Holder will not be entitled to a return on capital, whether in a winding upon, upon reduction of capital or otherwise.
- (b) A Holder will not be entitled to participate in the surplus profit or assets of Chase on winding up.
- (c) There are no participating rights or entitlements inherent in the Performance Rights and Holders will not be entitled to participate in new issues (such as bonus issues) or pro-rata issues of capital to Shareholders.
- (d) Chase will issue each Holder with a new holding statement for Shares upon conversion of Performance Rights as soon as practicable following the conversion of Performance Rights .
- (e) The Performance Rights will not be quoted on ASX and are not transferable.
- (f) All Shares issued upon conversion will rank equally in all respects with the then-issued Shares. Chase must, within the time frame required by the Listing Rules, apply to ASX for quotation of the Shares on ASX.
- (g) A Performance Right does not give the Holder any rights other than those expressly provided by these Terms and those provided at law where such rights cannot be excluded.
- (h) The Terms may, subject to the Corporations Act, be amended as necessary by the Directors to comply with the Listing Rules or any directions of ASX regarding the Terms, it being understood that Chase shall use best endeavours to ensure that the Terms are amended only to the extent necessary to comply with the Listing Rules or any reasonable directions of ASX regarding the Terms, and provide both copies of all correspondence with ASX and the Holder a reasonable opportunity to make submissions to ASX.

(i) Within 5 Business Days after the Exercise Date, Chase will, if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act or, if Chase is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the section 708A(11) of the Corporations Act, and otherwise do all such things necessary to ensure that an offer for sale of the Shares does not require disclosure to investors.

| SCHEDULE 4 | INDEPENDENT EXPERT'S REPORT |
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Financial Services Guide

8 September 2022

BDO Corporate Finance (WA) Pty Ltd ABN 27 124 031 045 ('we' or 'us' or 'ours' as appropriate) has been engaged by Chase Mining Corporation Limited ('Chase' or 'the Company') to provide an independent expert's report on the proposal to acquire Green Critical Minerals Pty Ltd ('GCM') ('Proposed Acquisition'). You are being provided with a copy of our report because you are a shareholder of Chase, 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 Notice of Meeting required to be provided to you by Chase to assist you in deciding on whether or not to approve the proposal.

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.



Financial Services Guide

Page 2

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 \$50,000.

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 Chase.

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 Chase 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. Complaints can be in writing addressed to The Complaints Officer, BDO Corporate Finance (WA) Pty Ltd, PO Box 700, West Perth WA 6872 or, by telephone or email using the contact details within the following report.

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.

Referral to External Dispute Resolution Scheme

If a complaint is made and the complainant is dissatisfied with the outcome of the above process, or our determination, the complainant has the right to refer the matter to the Australian Financial Complaints Authority Limited ('AFCA').

AFCA is an independent company that has been established to impartially resolve disputes between consumers and participating financial services providers.

Our AFCA Membership Number is 12561. Further details about AFCA are available on its website www.afca.org.au or by contacting it directly via the details set out below.

Australian Financial Complaints Authority Limited GPO Box 3 Melbourne VIC 3001

AFCA Free call: 1800 931 678
Website: www.afca.org.au
Email: info@afca.org.au

You may contact us using the details set out on page 1 of the accompanying report.



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PO Box 700 West Perth WA 6872 Australia

8 September 2022

The Independent Directors Chase Mining Corporation Limited Suite 4, Level 1, 40 Edward Street Brisbane QLD 4000

Dear Directors

INDEPENDENT EXPERT'S REPORT

1. Introduction

On 15 June 2022, Chase Mining Corporation Limited ('Chase' or 'the Company') announced that it had entered into binding agreements to acquire Green Critical Minerals Pty Ltd ('GCM') ('Proposed Acquisition'). GCM has the right to acquire up to 80% of the graphite rights for the McIntosh Graphite Project ('McIntosh Project'), currently owned by Hexagon Energy Materials Limited ('Hexagon').

GCM is wholly owned by Mr Rocco Tassone ('Mr. Tassone' or 'the Vendor'). Mr. Tassone is an existing substantial shareholder of Chase, holding a 9.74% interest in the Company prior to the announcement of the Proposed Acquisition (and more than 10% of Chase's issued shares in the preceding six months).

The initial consideration for the Proposed Acquisition included:

- 460 million fully paid ordinary shares in Chase;
- 100 million options with an exercise price of \$0.015 and expiring 36 months from issue; and
- 459 million performance rights that convert to ordinary shares in three equal tranches upon satisfying performance milestones linked to substantially increasing the resources and reserves of for the McIntosh Project

Collectively the 'Initial Consideration'.

On 19 August 2022, we provided Chase with a draft of our Report which included our opinion that the Proposed Acquisition was neither fair nor reasonable to Shareholders.

Subsequently, Chase and Mr Tassone agreed to vary the terms under which Chase will acquire GCM. Under the revised terms, the updated consideration for the Proposed Acquisition is:

- 245,872,849 fully paid ordinary shares in Chase ('Share Consideration');
- 122,936,424 options with an exercise price of \$0.022 and expiring 36 months from issue ('Option Consideration'); and
- 245,872,849 performance rights that convert to ordinary shares in three equal tranches upon satisfying performance milestones linked to substantially increasing the resources and reserves of for the McIntosh Project ('Performance Rights Consideration')

Collectively the 'Revised Consideration'.



The Proposed Acquisition is conditional upon (amongst other things), Chase completing a capital raising so that the Company has a minimum of \$4.5 million in cash.

Chase currently intends to raise up to \$3.09 million through a non-renounceable entitlement offer to shareholders for 11 new ordinary shares for every 20 ordinary shares held at an issue price of \$0.012 and one new option for every two shares issued (with an exercise price of \$0.022 and expiring 36 months from issue) ('Rights Issue'). The Company has received firm and binding commitments from sophisticated and professional investors to subscribe for any shortfall under the Rights Issue.

In addition, GTT Ventures Pty Ltd ('GTT'), has the right to place a further 83,333,333 Shares, raising up to \$1.0 million at \$0.012 per Share ('Placement') with one new option for every two shares issued (with an exercise price of \$0.022 and expiring 36 months from issue). The Placement shares will be issued in one tranche subject to Shareholder approval and completion of the Proposed Acquisition.

Chase director Charles Thomas and Mr Tassone are both executive directors of GTT. GTT will be paid 6% of the amount raised from the Rights Issue and the Placement and an administration fee of \$15,000. GTT may terminate the mandate if the S&P/ASX 200 is down by more than 300 points from 6,686.

The Proposed Acquisition of GCM, the issue of the Revised Consideration securities to Mr Tassone and the Placement each require shareholder approval under separate resolutions at the Company's General Meeting. We note that the resolutions are inter-conditional on each other.

If the Proposed Acquisition is approved, Mr Tassone would hold a relevant interest in Chase of between 30.01% and 32.58% on an undiluted basis (depending on the number of shares issued under the Placement) and 51.59% on a fully diluted basis (assuming no shares are issued under the Placement).

As the Proposed Acquisition will result in the Vendor's interest in Chase increasing from below 20% to more than 20%, and the Proposed Acquisition is to be entered into with a related party for a deemed amount more than 5% of the reported net assets of the Company, approval from Chase shareholders not associated with Mr Tassone ('Shareholders') is required for the Company to enter the Proposed Acquisition.

Following the provision of our draft report to Chase on 19 August 2022, which included our opinion that the Proposed Acquisition was neither fair nor reasonable to Shareholders, we were advised that Chase's relevant interest in Red Fox Resources Pty Ltd had reduced to 30.4%, down from 40% (which was the ownership interest we had used in the analysis in our draft report provided to Chase). We were provided with documentation supporting the updated ownership interest and have amended our analysis accordingly.

All currencies are quoted in Australian Dollars unless stated otherwise.

2. Summary and Opinion

2.1 Requirement for the report

The directors of Chase have requested that BDO Corporate Finance (WA) Pty Ltd ('BDO') prepare an independent expert's report ('our Report') to express an opinion as to whether or not the Proposed Acquisition is fair and reasonable to the non-associated shareholders of Chase ('Shareholders').

Our Report is prepared pursuant to ASX listing rule 10.1 and 10.5, and item 7 of section 611 of the Corporations Act 2001 Cth ('Corporations Act' or 'the Act') and is to be included in the Notice of Meeting



for Chase in order to assist the Shareholders in their decision whether to approve the Proposed Acquisition.

2.2 Approach

Our Report has been prepared having regard to Australian Securities and Investments Commission ('ASIC') Regulatory Guide 74 'Acquisitions Approved by Members' ('RG 74'), Regulatory Guide 76 'Related party transactions' ('RG 76'), Regulatory Guide 111 'Content of Expert's Reports' ('RG 111') and Regulatory Guide 112 'Independence of Experts' ('RG 112').

In arriving at our opinion, we have assessed the terms of the Proposed Acquisition as outlined in the body of this report. We have considered:

- How the value of a Chase share prior to the Proposed Acquisition on a controlling interest basis compares to the value of a Chase share following the Proposed Acquisition on a minority interest basis;
- The likelihood of an alternative offer being made to Chase;
- Other factors which we consider to be relevant to the Shareholders in their assessment of the Proposed Acquisition; and
- The position of Shareholders should the Proposed Acquisition not proceed.

2.3 Opinion

We have considered the terms of the Proposed Acquisition as outlined in the body of this report and have concluded that, in the absence of an alternative offer, the Proposed Acquisition is not fair but reasonable to Shareholders.

In our opinion, the Proposed Acquisition is not fair because the low, preferred, and high minority interest values of a share in Chase following the Proposed Acquisition are less than the respective low, preferred, and high controlling interest values of a Chase share prior to the Proposed Acquisition. However, we consider the Proposed Acquisition to be reasonable because the advantages of the Proposed Acquisition outweigh the disadvantages. We note that the Proposed Acquisition is value accretive on a control vs control basis (on an undiluted basis). Additionally, we note that the achievement of the performance milestones on the Performance Right Consideration issued to Mr Tassone are likely to be value accretive. Therefore, despite Shareholder's interests in the Company reducing, the value of their interest is likely to increase.

2.4 Fairness

In section 12 we determined that the value of a Chase share prior to the Proposed Acquisition compares to the value of a Chase share following the Proposed Acquisition as detailed below.

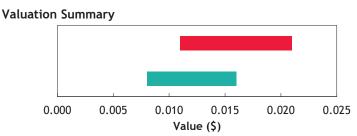
| | Ref | Low \$ | Preferred \$ | High \$ |
|--------------------------------------------------------------------------------------------------------------------------|------|-----------|-----------------|------------|
| Value of a Chase share prior to the Proposed Acquisition on a control basis | 10.1 | 0.011 | 0.016 | 0.021 |
| Value of a Chase share following the Proposed Acquisition on a minority interest basis (undiluted) Source: BDO analysis | 11.1 | 0.008 | 0.013 | 0.016 |

The above valuation ranges are graphically presented below:



Value of a Chase share prior to the Proposed Acquisition on a control basis

Value of a Chase share following the Proposed Acquisition on a minority interest basis (undiluted)



The above pricing indicates that, in the absence of any other relevant information, and an alternate offer, the Proposed Acquisition is not fair for Shareholders.

2.5 Reasonableness

We have considered the analysis in section 13 of this report, in terms of both

- advantages and disadvantages of the Proposed Acquisition; and
- other considerations, including the position of Shareholders if the Proposed Acquisition does not proceed and the consequences of not approving the Proposed Acquisition.

In our opinion, the position of Shareholders if the Proposed Acquisition is approved is more advantageous than the position if the Proposed Acquisition is not approved. Accordingly, in the absence of any other relevant information and/or an alternate proposal we believe that the Proposed Acquisition is reasonable for Shareholders.

The respective advantages and disadvantages considered are summarised below:

| ADVANTAGES AND DISADVANTAGES | | | | | |
|------------------------------|-----------------------------------------------------------------------------------------------------|---------|----------------------------------------------|--|--|
| Section | Advantages | Section | Disadvantages | | |
| 13.4 | No cash element | 13.5 | Loss of control by shareholders | | |
| 13.4 | Proposed Acquisition is value accretive on a control vs control basis (on an undiluted basis) | 13.5 | Dilution of existing shareholders' interests | | |
| 13.4 | Diversification of commodity exposure | 13.5 | Future takeover bids may be deterred | | |
| | | 13.5 | Potential reduction in liquidity | | |

Other key matters we have considered include:

| Section | Description |
|---------|--------------------------------------------------------|
| 13.1 | Alternative Proposal |
| 13.2 | Practical Level of Control |
| 13.3 | Consequences of not approving the Proposed Acquisition |



3. Scope of the Report

3.1 Purpose of the Report

ASX Listing Rule 10.1

ASX Listing Rule 10.1 requires that a listed entity must obtain shareholders' approval before it acquires or disposes of, or agrees to acquire or dispose of, a substantial asset when the consideration to be paid for the asset or the value of the asset being disposed constitutes more than 5% of the equity interest of that entity as set out in the latest accounts given to the ASX under its Listing Rules. Listing Rule 10.1 applies where the vendor or acquirer of the relevant assets is a related party or person of influence of the listed entity as defined under the ASX Listing Rules.

Based on the reviewed accounts as at 31 December 2021, the value of the consideration paid for GCM to Mr Tassone is more than 5% of the equity interest of Chase. Mr. Tassone is an existing substantial shareholder of Chase, holding a 9.74% interest in the Company prior to the announcement of the Proposed Acquisition (and more than 10% of Chase's issued shares in the preceding six months).

Listing Rule 10.5.10 requires the Notice of Meeting for shareholders' approval to be accompanied by a report by an independent expert expressing their opinion as to whether the transaction is fair and reasonable to the shareholders whose votes are not to be disregarded.

Accordingly, an independent experts' report is required for the Proposed Acquisition.

Item 7 section 611 of the Corporations Act

Section 606 of the Corporations Act ('Section 606') expressly prohibits the acquisition of further shares by a party if the party acquiring the interest does so through a transaction and because of the transaction, that party (or someone else's voting power in the company) increases from 20% or below to more than 20%.

Section 611 of the Corporations Act ('Section 611') provides exceptions to the Section 606 prohibition and item 7 Section 611 ('item 7 s611') permits such an acquisition if the shareholders of Chase have agreed to the acquisition. This agreement must be by resolution passed at a general meeting at which no votes are cast in favour of the resolution by the party to the acquisition or any party who is associated with the acquiring party.

Item 7 Section 611 states that shareholders of the company must be given all information that is material to the decision on how to vote at the meeting.

RG 74 states that to satisfy the obligation to provide all material information on how to vote on the item 7 resolution Chase can commission an Independent Expert's Report.

The directors of Chase have commissioned this Independent Expert's Report to satisfy this obligation.

3.2 Regulatory guidance

Neither the Listing Rules nor the Corporations Act defines the meaning of 'fair and reasonable'. In determining whether the Proposed Acquisition is 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.



This regulatory guide suggests that where the transaction is a control transaction, the expert should focus on the substance of the control transaction rather than the legal mechanism used to effect it. RG 111 suggests that where a transaction is a control transaction, it should be analysed on a basis consistent with a takeover bid.

In our opinion, the Proposed Acquisition is a control transaction as defined by RG 111 and we have therefore assessed the Proposed Acquisition as a control transaction to consider whether, in our opinion, it is fair and reasonable to Shareholders.

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. 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. When considering the value of the securities subject of the offer in a control transaction it is inappropriate for the expert to apply a discount on the basis that the shares being acquired represent a minority or portfolio interest as such the expert should consider this value inclusive of a control premium. Further to this, 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 higher bid.

Having regard to the above, BDO has completed this comparison in two parts:

- A comparison between value of a Chase share prior to the Proposed Acquisition on a controlling interest basis and the value of a Chase share following the Proposed Acquisition on a minority interest basis (fairness see Section 12 'Is the Proposed Acquisition Fair?'); and
- An investigation into other significant factors to which Shareholders might give consideration, prior to approving the resolution, after reference to the value derived above (reasonableness see Section 13 'Is the Proposed Acquisition 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 Proposed Acquisition

On 15 June 2022, Chase announced that it had entered into binding agreements to acquire GCM. GCM has the right to acquire up to 80% of the graphite rights for the McIntosh Project currently owned by Hexagon ('Earn-in').

As announced on 31 August 2022, the Revised Consideration payable to Mr Tassone for the acquisition of GCM is:

- 245,872,849 fully paid ordinary shares in Chase;
- 122,936,424 options with an exercise price of \$0.022 and expiring 36 months from issue; and
- 245,872,849 performance rights that convert to ordinary shares in three equal tranches upon satisfying the performance milestones set out below:
 - Class A Performance Rights: will vest on Chase announcing a JORC 2012 defined resource
 of no less than a total of 30,000,000 tonnes from the tenements covered under the Earnin, using a cut off grade of 3% total graphite content ('TGC'), 24 months from issue;
 - Class B Performance Rights: will vest on Chase announcing a JORC 2012 defined resource
 of no less than a total of 40,000,000 tonnes from the tenements covered under the Earn-in
 using a cut off grade of 3% TGC, 36 months from issue; and
 - Class C Performance Rights: will vest on Chase announcing a JORC 2012 defined reserve of no less than a total of 1,000,000 tonnes of TGC from the tenements covered under the Earn-in, 36 months from issue.

The Proposed Acquisition is conditional upon the following:

- The Company's shareholders approving the resolutions for the issue of the Consideration Securities
 at a shareholders' meeting by the requisite majorities under the Corporations Act and ASX Listing
 Rules;
- The Company raising sufficient funds through the issue of fully paid ordinary shares to satisfy the conditions of the Earn-in;
- A resolution being put at the shareholder meeting that Chase change its name to Green Critical Minerals Limited;
- The independent expert opining that the Proposed Acquisition is reasonable and the independent directors of Chase recommending that Shareholders vote in favour for the resolutions;
- No material adverse change in the business, financial position, profitability or prospects of the Company or any event reasonably likely to result in such a material adverse change; and
- No material breach or no factors or circumstances that may reasonably expected to lead to a material breach of any warranties before completion.

Earn-In terms

The material terms of the Earn in are as follows:

- Payment of \$300,000 upon commencing the Earn-in and a further \$200,000 within 12 months;
- Exploration expenditure of \$1 million within 12 months to earn an initial 30% ('Stage 1');



- Additional exploration expenditure of \$1 million within 24 months to earn 51% ('Stage 2'); and
- Additional exploration expenditure of \$1 million within 36 months to earn 80% ('Stage 3').

We note the Earn in relates to the graphite rights only. Hexagon will remain the tenement owner and focus on exploring for nickel and copper at the McIntosh Project.

After all Stages are completed, a joint venture will be formed with Hexagon free carried until a decision to mine and commencement of construction activities which must be made within two years of GCM earning 80%, failing which GCM must sell its 80% interest to Hexagon for \$1.5 million.

The Earn-in agreement is conditional upon GCM being acquired by an entity listed on the ASX that at completion has cash in the bank of no less than \$4.5 million, on or before 31 August 2022 (with the Earn-in agreement having a mechanism to extend in certain circumstances).

Capital Raising

As announced on 31 August 2022 the Company intends to raise up to approximately \$3.09 million, through a Rights Issue offering shareholders 11 new ordinary shares for every 20 ordinary shares held at an issue price of \$0.012, and one new option for every two shares issued (with an exercise price of \$0.022 and expiring 36 months from issue).

In addition, GTT has the right to place a further 83,333,333 shares, raising up to \$1.0 million at \$0.012 per share, with one new option for every two shares issued (with an exercise price of \$0.022 and expiring 36 months from issue). The Placement shares will be issued in one tranche subject to Shareholder approval and completion of the Proposed Acquisition.

Chase director Charles Thomas and Mr Tassone are both executive directors of GTT. GTT will be paid 6% of the amount raised from the Rights Issue and the Placement and an administration fee of \$15,000. GTT may terminate the mandate if the S&P/ASX 200 is down by more than 300 points from 6,686.

Proceeds from the Rights Issue and Placement are intended to be used for exploration activities on the McIntosh Project as well as for general working capital purposes. The is conditional on the Proposed Acquisition being approved.

Capital Structure following the Proposed Acquisition

Chase is seeking approval to issue Mr Tassone the Consideration Securities, to increase his interest to up to 51.59% of the issued capital in Chase, on a fully diluted basis. As at the date of our Report, Mr Tassone holds a 9.74% interest in Chase. The Company's capital structure following the Proposed Acquisition, under two different scenarios, is set out below:

Scenario one: no shares are issued under the Placement:

| Description | Existing Shareholders | Mr. Tassone | Total |
|----------------------------------------------|--------------------------|-------------|-------------|
| Shares on issue at the date of our Report | 422,534,709 | 45,598,052 | 468,132,761 |
| % holdings prior to the Proposed Acquisition | 90.26% | 9.74% | 100.00% |
| Rights Issue | 232,394,090 | 25,078,929 | 257,473,019 |
| Shares on issue following the Rights Issue | 654,928,799 | 70,676,981 | 725,605,780 |
| % holdings following the Rights Issue | 90.26% | 9.74% | 100.00% |
| Placement | - | - | - |
| Shares on issue following the Placement | 654,928,799 | 70,676,981 | 725,605,780 |



| Description | Existing Shareholders | Mr. Tassone | Total |
|--------------------------------------------------------------------------------------------------------|--------------------------|-------------|---------------|
| % holdings following the Placement | 90.26% | 9.74% | 100.00% |
| Share Consideration | - | 245,872,849 | 245,872,849 |
| Shares on issue following Share Consideration | 654,928,799 | 316,549,830 | 971,478,629 |
| % holdings following Share Consideration (undiluted) | 67.42% | 32.58% | 100.00% |
| Exercise of Options issued as Option Consideration | - | 122,936,424 | 122,936,424 |
| Shares on issue following exercise of Options issued as Option Consideration | 654,928,799 | 439,486,254 | 1,094,415,053 |
| % holdings following Option Consideration | 59.84% | 40.16% | 100.00% |
| Exercise of performance rights issued as Performance Rights Consideration | - | 245,872,849 | 245,872,849 |
| Shares on issue following exercise of performance rights issued as Performance Rights Consideration | 654,928,799 | 685,359,103 | 1,340,287,902 |
| % holdings following Performance Rights Consideration | 48.86% | 51.14% | 100.00% |
| Exercise of options issued under Rights Issue and Placement* | - | 12,539,464 | 12,539,464 |
| Shares on issue following the exercise of the options issued under Rights Issue and Placement | 654,928,799 | 697,898,567 | 1,352,827,366 |
| % holdings following the exercise of the options (fully diluted) | 48.41% | 51.59% | 100.00% |

 $^{^{\}star}$ On a fully diluted basis we have assumed the only Mr Tassone will exercise the options issued under the Rights Issue

Scenario two: Placement is fully subscribed

| Description | Existing Shareholders | Mr. Tassone | Total |
|--------------------------------------------------------------------------------------------------------|--------------------------|-------------|---------------|
| Shares on issue at the date of our Report | 422,534,709 | 45,598,052 | 468,132,761 |
| % holdings prior to the Proposed Acquisition | 90.26% | 9.74% | 100.00% |
| Rights Issue | 232,394,090 | 25,078,929 | 257,473,019 |
| Shares on issue following the Rights Issue | 654,928,799 | 70,676,981 | 725,605,780 |
| % holdings following the Rights Issue | 90.26% | 9.74% | 100.00% |
| Placement | 83,333,333 | - | 83,333,333 |
| Shares on issue following the Placement | 738,262,132 | 70,676,981 | 808,939,113 |
| % holdings following the Placement | 91.26% | 8.74% | 100.00% |
| Share Consideration | - | 245,872,849 | 245,872,849 |
| Shares on issue following Share Consideration | 738,262,132 | 316,549,830 | 1,054,811,962 |
| % holdings following Share Consideration (undiluted) | 69.99% | 30.01% | 100.00% |
| Exercise of Options issued as Option Consideration | - | 122,936,424 | 122,936,424 |
| Shares on issue following exercise of Options issued as Option Consideration | 738,262,132 | 439,486,254 | 1,177,748,386 |
| % holdings following Option Consideration | 62.68% | 37.32% | 100.00% |
| Exercise of performance rights issued as Performance Rights Consideration | - | 245,872,849 | 245,872,849 |
| Shares on issue following exercise of performance rights issued as Performance Rights Consideration | 738,262,132 | 685,359,103 | 1,423,621,235 |
| % holdings following Performance Rights Consideration | 51.86% | 48.14% | 100.00% |
| Exercise of options issued under Rights Issue and Placement* | - | 12,539,464 | 12,539,464 |
| Shares on issue following the exercise of the options issued under Rights Issue and Placement | 738,262,132 | 697,898,567 | 1,436,160,699 |
| % holdings following the exercise of the options (fully diluted) | 51.41% | 48.59% | 100.00% |
| Source: Chase Notice of Meeting | | | |

Source: Chase Notice of Meeting

We note that the table above assumes no other securities are issued and all performance milestones are met.

^{*}On a fully diluted basis we have assumed the only Mr Tassone will exercise the options issued under the Rights Issue



5. Profile of Chase

5.1 Overview

Chase is an Australian-based mineral exploration company with projects in Queensland ('QLD'), the Northern Territory ('NT') and New South Wales ('NSW'). Chase is listed on the Australian Securities Exchange ('ASX') and is headquartered in Brisbane, Australia. Chase's current board members and senior management include:

- Leon Pretorius Executive Chairman;
- Charles Thomas Non-Executive Director;
- Julian Atkinson Non-Executive Director; and
- Suzanne Yeates Chief Financial Officer and Company Secretary.

5.2 Projects

An overview of Chase's current projects is set out below:

5.2.1. 30.4% Interest in Red Fox Resources Pty Ltd

In November 2020, Chase acquired a 40% interest in Red Fox Resources Pty Limited ('Red Fox'). Red Fox is a private mineral exploration company with ten wholly owned, granted tenements. The tenements cover an area of approximately 1,100 square kilometres ('km²') and are located in Georgetown and Cloncurry, in QLD. Mr Leon Pretorius, the Executive Chairman of Chase, is also a Non-Executive Director of Red Fox. Chase's current interest in Red Fox is 30.4%.

Georgetown Projects

Red Fox has two areas of interest located in the Georgetown area, being the Eveleigh Zinc Project and the Copper Creek Target.

Eveleigh Zinc Project

The Eveleigh Zinc Project ('Eveleigh Project') comprises exploration permit ('EPM') 26601, which covers an area of approximately 300 km². The area was previously drilled in the 1960s and 1970s, with modern interpretation indicating the deposit contains Broken Hill Type-style ('BHT-style') mineralisation.

On 18 February 2022, Red Fox announced it had been awarded \$200,000 in grants from the QLD government as part of the Collaborative Exploration Initiative ('CEI'), with the funding being used to drill six diamond holes at the Eveleigh Project. The purpose of the drilling is to confirm the BHT-style mineralisation and is expected to be completed in mid-2022. On 4 April 2022, Red Fox announced it had commenced its 2022 field work at the project, including mapping and geochemical sampling, with results yet to be known.

Copper Creek Target

The Copper Creek Target ('Copper Creek') is located on EPM 26024 and is an iron oxide copper-gold ('IOCG') style target containing copper and zinc stream anomalies over a 10 km strike length. The site has not been subject to drilling.



In late 2021, Red Fox completed a soil sampling program at the site and on 15 February 2022, the Company announced the results of the program. Red Fox intends to follow up the results with further sampling and mapping to eventually refine drill targets.

Cloncurry Projects

Red Fox has multiple projects located in the Cloncurry district including the Ernest Henry Project (EPM 26010, EPM 26332, and EPM 26872), Butchers Bore (EPM 26397) and the Selwyn Project (EPM 26571, EPM 28006, 28007 and 28015).

Ernest Henry Project

The Ernest Henry Project consists of three EPMs that cover an area of approximately 200 km², being:

- Ernest Henry West EPM 26010 ('Ernest Henry West');
- Ernest Henry South EPM 26332 ('Ernest Henry South'); and
- Gipsy Creek EPM 26872 ('Gipsy Creek') (together, 'the Ernest Henry Project').

The Ernest Henry West prospect has three main target zones. On 18 February 2022, Red Fox announced it had received a \$0.12 million grant from the QLD government to fund three reverse circulation ('RC') drill holes. Drilling is yet to commence.

In 2020, Ernest Henry South was subject to a farm-in agreement with Rio Tinto Exploration Pty Limited ('RTX'). As part of the agreement, RTX would be required to spend up to \$3.5 million. RTX undertook an RC drill program on several targets identified at the site. The results found no significant mineralisation in any of the holes drilled. On 31 May 2021, the Company announced that RTX had withdrawn from the Ernest Henry South farm-in agreement, effective 10 June 2021.

In 2020, Red Fox received a \$0.19 million grant from the QLD government to complete the drilling of three holes at Gipsy Creek. Drilling commenced in 2021 and on 15 June 2021, the results were released.

Butcher's Bore

The Butcher's Bore Project comprises EPM 26397 ('Butcher's Bore'). No past drilling has been undertaken at the site.

In late 2021, Red Fox completed a sampling and mapping program at the site. On 3 February 2022, the Company announced it had received results from the program, which identified anomalies in the soil. On 4 April 2022, Red Fox announced it had commenced further sampling and mapping at the GW Gossan anomaly. On 30 May 2022, the Company announced results from the program. Red Fox intends to complete additional sampling and geological mapping to define specific drill targets.

Selywn Project

The Selwyn Project is located south of Cloncurry and comprises four tenements which cover an area of 335.1 km². The main prospects are set out below.

Wallaby Copper-Gold Prospect

The Wallaby Prospect is located within EPM 26571 ('Wallaby Prospect'). The Wallaby Prospect contains coincident gold in soil geochemistry and geophysical anomalies. The bulk of the 2.5 km strike length has



not been drilled. Red Fox intends to complete additional soil sampling and geological mapping before drilling.

Mt Ulo Lead-Zinc Prospect

The Mt Ulo Prospect is also located within EPM 26571 ('Mt Ulo Prospect'). Anomalous lead and zinc has been identified. Some shallow drilling has been conducted, however the previous work performed focused on lead anomalies, meaning the main zinc target is untested.

On 4 August 2022, Red Fox announced that it had been granted three additional tenements, being Mt Carol West (EPM 28006), Camel Dam (EPM 28007) and Mt Carol West 2 (EPM 28051).

5.2.2. Joint Venture with Auburn Resources

On 27 October 2021, Chase announced it had entered an earn-in and joint venture ('JV') agreement with Auburn Resources Limited ('AUB'), a private junior exploration company with operations in QLD and the NT. The JV allows Chase to acquire up to 90% of a tenement holding of approximately 1,680 km², located in south QLD. The tenement holding consists of 13 granted EPMs, known as the Hawkwood Project ('Hawkwood Project').

At the time of the JV agreement, limited exploration had occurred at the Hawkwood Project, with no known mineral resources. The project had unproven geological potential for the magmatic nickel, copper, cobalt and platinum-group elements ('PGEs') sulphide mineralisation associated with mafic and ultramafic intrusive complexes.

Under the JV agreement, Chase and AUB entered a binding term sheet, with the material terms of which are set out below:

- Chase would spend \$0.5 million over 12 months on exploration for the Hawkwood Project (stage
 1). A management fee of 5% will be provided to DGR Global Limited ('DGR Global'), an ASX listed exploration company holding a 37% interest in AUB;
- At the end of stage 1, Chase may elect to spend a further \$2 million on exploration over 12 months, known as stage 2 (stage 2). Upon completing Stage 2, Chase will earn a 51% interest in the project tenements and associated assets. Chase may elect to undertake the program and be entitled to a management fee of 5% of the amount spent;
- At the end of stage 2, Chase may elect to spend a further \$2 million on exploration over 12 months, known as stage 3 (stage 3). Upon completing stage 3, Chase will obtain a further 24% interest to hold a 75% interest in the project tenements and associated assets. Chase may undertake the program at its election and be entitled to a management fee of 5% of the amount spent. Upon completing stage 3 and subject to the final point below, the parties will manage and fund the project in accordance with their respective JV interests; and
- AUB has the right, for a period of 30 days following Chase earning a 75% interest, to sell a further 15% interest to Chase for fully paid ordinary shares in Chase with a total value of \$2 million at an issue price equal to the then 30-day volume weighted average market price ('VWAP'). If exercised and AUB's interest is reduced to 10%, AUB is free carried to a decision to mine.

In Chase's Quarterly Activities Report for December 2021 and March 2022, the Company stated that no groundwork or reportable progress had been made due to the extreme wet season and localised flooding in the project area. However, as part of stage 1 in the JV agreement, the initial \$0.5 million funding from Chase will likely be used for the following activities:



- Conducting ground electromagnetic surveys over anomalies generated by a previously completed survey to refine drill targets for magmatic related sulphide nickel, copper, cobalt and PGE mineralisation;
- Investigate supergene copper workings which appear to be part of an outcropping zone of copper, gold and PGEs by drilling; and
- additional ground exploration on two other copper molybdenum and gold zones, which pending results from the exploration, will be drilled.

On 3 May 2022, Chase announced that a drill campaign covering approximately 2,100 metres is planned to commence later in 2022. Most of the targets are drill-ready or can be advanced to drilling after minor surface programs. No drilling has commenced yet.

5.2.3. Torrington Project

Chase operates the Torrington Tungsten and Topaz Project ('Torrington Project') through its wholly owned subsidiary Torrington Minerals Pty Ltd ('TMPL'). The project is located near Torrington, 60 km south-west of Tenterfield in NSW. The project is primarily focused on the recovery of topaz concentrates from large deposits of outcropping silexite.

Topaz is used to produce castable mullite and mullite fibre which can be utilised in the production of specialist metals/ceramic composites. This use has been the subject of a recently concluded four-year research project at the University of New South Wales ('UNSW'), to develop cutting edge topaz beneficiation technology. Through this collaboration, the project received a grant from the Federal Government Australian Research Council. This grant had a three-year tenure and finished in May 2021. The work undertaken by UNSW resulted in the demonstration of proof-of-concept that Torrington topaz derived mullite-fibre composites that can be processed into metal matrix composites, which could be utilised by a range of industries. Chase continues to search for an industry or funding partner to progress the research and hopefully commercialise one or more potential products.

5.2.4. Exploration Permits in Queensland

In January 2022, Chase applied for three uncontested 100 sub block exploration permits in Northern QLD. The applications are still pending.

On 18 May Chase announced that it had also applied for an EPM north or the Hawkwood Project area. The application is also still pending.

Once the EPMs are granted, Chase intents to undertake sediment, soil and rock sampling designed to define rare earth and base metal structures prior to trenching and drilling.

5.2.5. Exploration Permits in Northern Territory

At the start of 2022, Chase applied for three adjacent exploration licenses ('ELs') covering an area of 1,950 km² on the northern Barkly Tableland. The project is referred to as the Barkly North Rare Earths Project ('Barkly North Project'). On 26 May 2022, Chase announced that it had applied for two adjoining ELs located to the north-west of the Barkly North Project.

On 26 August 2022, Chase announced that the ELs for the Barkly North Project had been granted. Chase intends to conduct surface sampling to better define and identify the sources of rare earths



Further information on the Chase's mineral assets can be found in the Independent Technical Specialists Report, prepared by Valuation and Resource Management Pty Ltd included in Appendix 3.

5.3 Recent Corporate Events

5.3.1. Sale of Alotta and Lorraine Projects

On 24 May 2022, Chase announced the sale of its Alotta and Lorraine Projects in Quebec, to Rafaella Resources Limited ('RFR'), an ASX-listed exploration and development company. As consideration for the sale, Chase will receive 8,333,333 new fully paid ordinary shares in RFR (subject to a six-month voluntary escrow) and \$100,000 in cash.

5.3.2. Recent Capital Raisings

In January 2021, the Company issued 47,805,360 fully paid ordinary shares to sophisticated investors and 3,500,500 fully paid ordinary shares to directors at an issue price of \$0.016 to raise \$820,886 (before costs). The funds were used to carry out additional desktop and fieldwork at its Alotta and Lorraine Projects in Quebec

On 2 November 2021, the Company issued 56,250,000 fully paid ordinary shares at an issue price of \$0.016 to raise \$900,000 (before costs) under a placement. Funds raised from the placement were applied to exploration expenditure and working capital requirements.

On 22 November 2021, the Company issued 35,625,000 fully paid ordinary shares as part a share purchase plan ('SPP') offered to eligible shareholders. The SPP allowed shareholders to purchase up to \$30,000 in new shares, irrespective of the number of shares they owned. The offer price for the SPP was \$0.016. The Company raised \$570,000 from the SPP (before costs). Funds raised from the SPP were applied to exploration expenditure and working capital requirements.

Following shareholder approval, on 17 December 2021, 6,250,000 shares were issued to directors of Chase under a placement, at an issue price of \$0.016 raising \$100,000 (before costs). Funds raised from the placement were applied to exploration expenditure and working capital requirements.



5.4 Historical Statements of Financial Position

| Statement of Financial Position | Reviewed as at 31-Dec-21 \$ | Audited as at 30-Jun-21 \$ | Audited as at 30-Jun-20 \$ |
|---------------------------------------------------|-----------------------------------|----------------------------------|----------------------------------|
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 2,438,803 | 1,289,925 | 2,390,056 |
| Trade and other receivables | 546,293 | 680,206 | 297,700 |
| TOTAL CURRENT ASSETS | 2,985,096 | 1,970,131 | 2,687,756 |
| NON-CURRENT ASSETS | | | |
| Plant and equipment | 19,945 | 22,068 | 26,999 |
| Exploration and evaluation assets | 4,220,287 | 5,860,930 | 6,361,325 |
| Investments accounted for using the equity method | 571,417 | 592,696 | - |
| Trade and other receivables | 36,100 | 36,100 | 36,100 |
| TOTAL NON-CURRENT ASSETS | 4,847,749 | 6,511,794 | 6,424,424 |
| TOTAL ASSETS | 7,832,845 | 8,481,925 | 9,112,180 |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 148,791 | 159,175 | 535,424 |
| TOTAL CURRENT LIABILITIES | 148,791 | 159,175 | 535,424 |
| TOTAL LIABILITIES | 148,791 | 159,175 | 535,424 |
| NET ASSETS | 7,684,054 | 8,322,750 | 8,576,756 |
| EQUITY | - | - | |
| Contributed equity | 15,112,958 | 13,634,004 | 12,866,373 |
| Reserves | 1,385,372 | 1,397,554 | 1,416,017 |
| Accumulated losses | (8,814,276) | (6,708,808) | (5,705,634) |
| TOTAL EQUITY | 7,684,054 | 8,322,750 | 8,576,756 |

Source: Chase's reviewed financial statements for the half-year ended 31 December 2021, and Chase's audited financial statements for the years ended 30 June 2021 and 30 June 2020.

We note that the Company's auditor highlighted a material uncertainty around the ability of Chase to continue as a going concern in its reports for the half-year ended 31 December 2021 and for the years ended 30 June 2021 and 30 June 2020. However, the audit opinion was not modified in respect of the matter.

Commentary on Historical Statements of Financial Position

- Cash and cash equivalents increased from \$1.29 million as at 30 June 2021 to \$2.44 million as at 31 December 2021. The increase in cash and cash equivalents was primarily from the proceeds from the issue of shares, totalling \$1.57 million. The proceeds came from private placements to sophisticated investors and directors that raised \$1 million and the SPP that raised \$0.57 million;
- Current trade and other receivables of \$0.55 million as at 31 December 2021 comprise GST receivables, tax incentives receivables and other receivables.
- Plant and equipment of \$0.02 million as at 31 December 2021 consists of field equipment, office equipment and furniture and motor vehicles;
- Exploration and evaluation assets decreased from \$5.86 million as at 30 June 2021 to \$4.22 million as at 31 December 2021. The decrease was primarily the result of expenditure written off for the expected sale of the Lorraine and Alotta assets in Quebec, worth \$1.83 million;
- Investments accounted for using the equity method relates to Chase's interest in Red Fox.



5.5 Historical Statements of Profit or Loss and Other Comprehensive Income

| Statement of Profit or Loss and Other Comprehensive Income | Reviewed for the half-year ended 31-Dec-21 \$ | Audited for the year ended 30-Jul-21 \$ | Audited for the year ended 30-Jul-20 \$ |
|---------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|--------------------------------------------------|--------------------------------------------------|
| Other income | 2,843 | 130,044 | 146,236 |
| Expenses | | | |
| Depreciation and amortisation expense | (2,123) | (4,931) | (21,473) |
| Employee benefits expense | (111,983) | (170,063) | (688,202) |
| Research and development expensed | (7,521) | (92,521) | (154,744) |
| Share of net loss of equity-accounted associates | (21,279) | (7,304) | - |
| Foreign currency gain | 24,079 | - | - |
| Corporate advisory fees | - | - | (65,000) |
| Exploration written off | (1,830,000) | (613,988) | (26,356) |
| Administration expenses | (159,484) | (244,411) | (408,943) |
| Loss before income tax expense | (2,105,468) | (1,003,174) | (1,218,482) |
| Income tax benefit | - | | - |
| Loss for the year | (2,105,468) | (1,003,174) | (1,218,482) |
| Other comprehensive income, net of tax May be reclassified subsequently to profit or loss: Foreign currency translation | (12,182) | (18,463) | 6,273 |
| Total comprehensive income for the year | (2,117,650) | (1,021,637) | (1,212,209) |

Source: Chase's reviewed financial statements for the half-year ended 31 December 2021, and Chase's audited financial statements for the years ended 30 June 2021 and 30 June 2020.

As noted above, the Company's auditor highlighted a material uncertainty around the ability of Chase to continue as a going concern in its reports for the half-year ended 31 December 2021 and the years ended 30 June 2021 and 30 June 2020. However, the audit opinion was not modified in respect of the matter.

Commentary on Historical Statements of Profit or Loss and Other Comprehensive Income

- Other income of \$2,843 for the half-year ended 31 December 2021 relates to interest income;
- The share of net loss of equity accounted associates of \$0.02 million for the half-year ended 31 December relates to the Company's interest in Red Fox; and
- Exploration written off totalling \$1.83 million for the half-year ended 31 December 2021 relates to the expected sale of the Lorraine and Alotta assets in Quebec.



5.6 Capital Structure

The share structure of CML as at 11 August 2022 is outlined below:

| | Number |
|--------------------------------------------|-------------|
| Total ordinary shares on issue | 468,132,761 |
| Top 20 shareholders | 245,320,522 |
| Top 20 shareholders - % of shares on issue | 52.40% |

Source: CML share registry

The range of shares held in CML as at 11 August 2022 is as follows:

| Range of Shares Held | No. of Ordinary Shareholders | No. of Ordinary Shares | Percentage of Issued Shares (%) |
|----------------------|------------------------------|------------------------|---------------------------------|
| 1 - 1,000 | 63 | 16,241 | 0.00% |
| 1,001 - 5,000 | 67 | 207,251 | 0.04% |
| 5,001 - 10,000 | 100 | 879,584 | 0.19% |
| 10,001 - 100,000 | 522 | 23,657,931 | 5.05% |
| 100,001 - and over | 350 | 443,371,754 | 94.71% |
| TOTAL | 1,102 | 468,132,761 | 100.00% |

Source: CML share registry

The ordinary shares held by the most significant shareholders as at 11 August 2022 are detailed below:

| Name | No. of Ordinary Shares | Percentage of Issued Shares (%) |
|--------------------------------|------------------------|---------------------------------|
| Syracuse Capital Pty Ltd | 45,598,052 | 9.74% |
| Dr Leon Eugene Pretorius | 28,525,000 | 6.09% |
| Subtotal | 74,123,052 | 15.83% |
| Others | 394,009,709 | 84.17% |
| Total ordinary shares on Issue | 468,132,761 | 100.00% |

Source: CML share registry

As at 11 August 2022, CML had the following tranche of Options on issue:

| Options on Issue | No. of Options |
|--------------------------------------------------------------------|----------------|
| Options exercisable at \$0.02 with expiry date of 31 December 2022 | 32,000,000 |
| Total number of Options on issue | 32,000,000 |

Source: CML share registry



6. Profile of GCM

6.1 History

GCM is a private exploration company wholly owned by Mr. Tassone. GCM's primary asset is the rights under a binding earn in term sheet with Hexagon for the McIntosh Project.

In February 2022, GCM and Hexagon signed an Earn-in agreement giving GCM the right to acquire up to 80% of the graphite rights for the McIntosh Project, based on certain milestones being achieved. The Earn-in relates to the graphite rights only, with Hexagon to remain the tenement owner. The material terms of the Earn-in include:

- Payment of \$300,000 upon commencing the earn-in and a further \$200,000 within 12 months;
- Exploration expenditure of \$1 million within 12 months to earn an initial 30%;
- Exploration expenditure of \$1 million within 24 months to earn 51%; and
- Exploration expenditure of \$1 million within 36 months to earn 80%.

After all stages are completed, a joint venture will be formed with Hexagon free carried until a decision to mine and commencement of construction activities, which must be made within two years of GCM earning 80%, failing which, GCM must sell its 80% interest to Hexagon for \$1.5 million. The Earn-in agreement is conditional upon GCM being acquired by an entity listed on the ASX that at completion has cash in the bank of no less than \$4.5 million, on or before 31 August 2022 (with the Earn-in agreement having a mechanism to extend in certain circumstances).

6.2 McIntosh Project

The McIntosh Project is comprised of sixteen ELs and one Prospecting Licence ('PL'). The project covers 542km² and is located northeast of Halls Creek in the Kimberly region of Western Australia ('WA'). The McIntosh Project is situated around 250km from the port of Wyndham.

The McIntosh Project contains a combined JORC2012 mineral resource estimate total of 23.8 million tonnes grading 4.5% total graphite content, with 81% classified as Indicated.

Hexagon completed a pre-feasibility study ('PFS') on the project in 2017 which confirmed the technical and financial viability of the initial project development to provide a rationale to advance the project through to a feasibility study ('FS'). In 2019, Hexagon completed a scoping study for a standalone advanced graphite processing plant sourcing feedstock from sources including the McIntosh project.

To date, the McIntosh Project has been subject to over 40,000 meters of graphite targeted drilling. The metallurgical test work completed at the project has confirmed no notable concentrations of critical elements within the large, purified sample batch, which could potentially be deleterious to advance batteries or other high-tech applications.

The exploration targets for the McIntosh Project include the Marlin, Marlin West, Emperor, Wahoo, Barracuda, Cobia, Rockcod, Mackerel and Trevally targets.

In July 2022, Chase agreed to provide GCM with pre-funding of \$150,000 to fast track a drill program at the McIntosh Project. If the Proposed Acquisition is not approved the pre-funding will be refunded to Chase in full. GCM has engaged MEC Mining to manage its drill program. Exploration drilling is expected to commence in April 2023 and will focus on the Marlin Prospect.

Further information on the Mcintosh Project can be found in the Independent Technical Specialists Report, prepared by Valuation and Resource Management Pty Ltd included in Appendix 3.



7. Economic analysis

Chase and GCM are exposed to the risks and opportunities of the Australian market due to the geographic location of their operations. Accordingly, we have presented an economic analysis of Australia.

Overview

In its August 2022 Statement of Monetary Policy, the Reserve Bank of Australia ('RBA') stated that it expects GDP in Australia to grow by 3.25% over 2022, and 1.75% in each of the two following years. However, the RBA also elucidated caution around rising inflationary pressures, projecting consumer price inflation to peak at 7.5% in the latter half of 2022.

Both the Australian and global outlooks for growth and inflation remain uncertain in light of substantial geopolitical disruptions, emerging from several supply side factors, pandemic related disturbances in China and Russia's invasion of Ukraine. Moreover, it is uncertain how the withdrawal of extraordinary policy support will affect consumer demand. In many advanced economies, inflation has exceeded the initial forecasts published earlier in the year, as well as central banks' inflation targets, and remains a key source of market volatility.

Bond yields have increased, and equity prices have contracted, as the market outlook remains uncertain amongst market participants. The Australian equity market has outperformed other developed markets, as resource companies have capitalised on the recent wave of high commodity prices. In Australia and most advanced economies, fixed borrowing rates remain low for most borrowers, however, borrowing rates have increased from previous lows, in line with rising bond yields and other market interest rates.

The RBA has executed three consecutive monthly cash rate raises of 0.5%, beginning in June 2022, which at the time was the single largest rise in 22 years. The raising of rates represented a direct response to external pressures around global supply chain and energy price concerns, as well as domestic pressures in the form of tight labour markets, recent flooding in New South Wales and capacity restraints throughout the economy. The RBA has indicated that further rate raises are likely to be forthcoming, guided by the transpiring of several global macroeconomic and domestic events.

Economic Indicators

Inflation in Australia has increased quicker than expected but remains lower than in many advanced economies. In headline terms, inflation was 6.1% over the year to June 2022, and in underlying terms, it was 4.9%. Additionally, the inflation outlook is higher than forecast earlier in the year, with headline annual inflation expected to peak in the latter half of 2022. As supply side issues are rectified, inflation is forecast to ease. However, with labour market conditions becoming increasingly tight, labour costs are expected to pick up in the coming years. Inflation is expected to normalise to approximately 4% in 2023 and further fall to around 3% over 2024.

The behaviour of household spending continues to be a critical source of uncertainty, as higher inflation and interest rates persist in tightening household budgets. Consumer confidence has also fallen, and housing prices in some markets are declining after posting notable increases in recent years. However, growth in the labour market has partially neutralised this trend, as increased work hours and overall employment levels have incited an increase in household savings. Consequently, the household saving rate remains higher than pre pandemic levels.

The labour market has generated significant momentum on the back of the pandemic, and demand for labour is strong. The unemployment rate is currently 3.5%, which is the lowest rate in almost 50 years.



Demand for employment has been met by firms increasing headcount and hours of existing staff, as restrictions and capacity limits are abolished across the country. Relatedly, labour underutilisation has declined significantly across most industries, and has been particularly prominent in industries where employment has grown strongly, such as professional services. The level of job vacancies remain very high at a time where labour participation rates and the ratio of employment to working-age population are already at historical highs.

The combination of a tight labour market and a higher inflationary environment means that firms are generally better at compensating employees with higher wages and other benefits to attract and retain staff. However, despite low unemployment rates, wage growth has not matched inflation, and consequently, real wages have declined. Consumer sentiment has fallen as households maintain a pessimistic outlook in light of declining real incomes and rising living costs. The expected decline in consumer spending will likely be cushioned by strong household balance sheets, however, more recent evidence from liaison and business surveys indicate that larger wage increases have been occurring or are planned in many private-sector firms.

Despite depreciating significantly against the United States dollar in early 2020, the Australian dollar recovered rapidly on the back of strong demand for Australian commodity exports. From mid-May 2021, the Australian dollar entered a depreciating trend against the United States dollar, however, this trend reversed from February 2022 onwards, following several price shocks to key commodity markets after Russia's invasion of Ukraine. The currencies of Australia and other commodity exporting countries have depreciated over April to July 2022, with recent depreciation in the Australian dollar further linked to weaker forecast activity in China.

Source: www.rba.gov.au Statement by Phillip Lowe, Governor: Monetary Policy Decision dated 2 August 2022 and prior periods, www.rba.gov.au Statement on Monetary Policy May 2022 and prior periods, budget.gov.au Australian Government 2022-23 Budget Overview and imf.org World Economic Outlook dated April 2022.



8. Industry analysis

8.1 Graphite

Graphite is one of the three allotropes of carbon, along with coal and diamonds. In its natural form, it is a very soft and low density mineral with a metallic lustre. Graphite has a unique combination of both metallic and non-metallic properties making it suitable for a variety of industrial and electronic end uses and in many cases, unable to be substituted. It is highly refractory, flexible, lubricant and chemically inert and is also considered to be the most electrically and thermally conductive of non-metals.

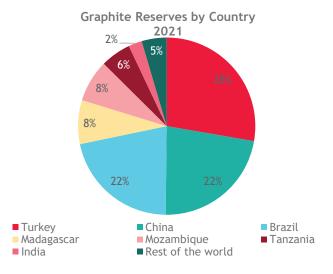
Natural graphite occurs primarily in three forms, flake, amorphous, and vein graphite. Flake graphite occurs as carbon flakes which crystallise in metamorphic rocks and form large disseminated deposits. Amorphous graphite refers to smaller crystal-like particles found in similar geologies. Vein graphite is considered the rarest form of graphite and occurs in veins intruding igneous rocks. It is mined as solid lumps in small quantities, currently only in Sri Lanka. The majority of global graphite produced is flake and amorphous graphite. Graphite can also be recycled and some graphite powders synthetically manufactured.

The majority of global graphite production is used for refractory applications in steelmaking and metallurgy, and to a lesser extent in a wide variety of applications for the automotive industry - in brake linings, spark plugs, bearings, gaskets, clutch materials and more. In the past decade however, growth in the graphite market has been driven primarily by emerging technologies including large-scale fuel cells, lithium-ion batteries, aerospace, pebble-bed nuclear reactors, solar power and to make graphene.

Most portable electronic devices such as laptops, tablets and smartphones use lithium-ion batteries, with the average smartphone battery containing about 15 grams of graphite. Significant growth in the electric vehicle and battery storage industries have further driven demand for graphite for use in lithium-ion batteries, which contain approximately 10 times the amount of graphite as they do lithium.

Global Reserves and Production

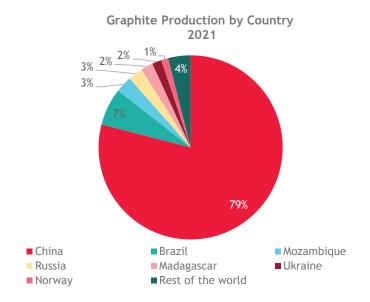
Collectively, Turkey, Brazil and China account for approximately 72% of the world's 320 million tonnes of known graphite reserves, while Madagascar and Mozambique each possess 8%, as shown below.





Source: USGS 2022

China is the world's leading producer of natural graphite, responsible for approximately 79% of global production in 2021. Approximately 24% of China's graphite production was amorphous graphite, and 76% flake. New thermal technology and acid-leaching techniques have allowed for higher purity graphite powders to be produced. A graph illustrating graphite production by country for 2021 is shown below.



Source: USGS 2022

Pricing and Outlook

There is no spot or futures market for graphite, rather prices are set by private treaty on a contract basis. Graphite prices are determined based on particle (flake) size, carbon content (purity), shape, thickness (layers) and application. The historical average annual price of flake graphite according to the United States Geological Survey ('USGS') is set out in the table below.

| Graphite flake import price | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 |
|-------------------------------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Average price per tonne at foreign ports (US\$) | 1,600 | 1,540 | 1,350 | 1,520 | 1,390 | 1,460 | 1,710 | 1,270 | 1,330 | 1,370 |

Source: USGS 2021, 2019 & 2013

Traditionally, demand for graphite has been driven by the steel and automotive manufacturing industries and long-term contracts have characterised the industry. In the last decade, demand for graphite has continued to steadily increase, largely as the result of improving global economic conditions which have benefitted key consumption industries. Subsequent periods of under-supply have seen prices fluctuate, although global supply has also gradually increased. While this has allowed prices to stabilise, it has been at a new higher base, reflective of the growing global demand for graphite. In the short term, the main impact to graphite prices is seen to be the supply chain disruptions caused by Russia's attack on Ukraine and by continued COVID-19 lockdowns in some parts of China.



During 2021, graphite supply began recovering from the effects that the global COVID-19 pandemic had during 2020. In 2021, global graphite production was estimated to have increased by 7.6% from 2020 production. In China, the world's leading producer of natural graphite, the recovery was quick as COVID-19 had the largest impact on graphite supplies outside of China. China's most important areas for natural graphite flake production were far from the initial COVID-19 occurrence and as such, Chinese producers quickly increased production after a few months of closures in 2020. This allowed China to gain a more dominant position in the market for 2021 and slowed down the diversification of the supply chain.

While traditional industrial industries will continue to play a significant role in sustaining the demand for graphite, emerging technologies within the clean energy sector, such as electric vehicles, are expected to drive an increase in global demand going forward. In 2021, sales of electric vehicles doubled from the previous year to 6.6 million and are projected to be 26.8 million in 2030. Growth in the electric vehicle market is correlated with the demand for graphite due to each electric vehicle requiring approximately 55kg of spherical graphite in its lithium-ion battery. As such the World Bank forecasts that production of graphite could increase nearly 500% by 2050 to meet the worlds growing demand for clean energy technologies.

Source: USGS 2022, Bloomberg, World Bank, IEA



9. Valuation approach adopted

There are a number of methodologies which can be used to value a business or the shares in a company. The principal methodologies which can be used are as follows:

- Capitalisation of future maintainable earnings ('FME')
- Discounted cash flow ('DCF')
- Quoted market price basis ('QMP')
- Net asset value ('NAV')
- Market based assessment

A summary of each of these methodologies is outlined in Appendix 2.

Different methodologies are appropriate in valuing particular companies, based on the individual circumstances of that company and available information.

It is possible for a combination of different methodologies to be used together to determine an overall value where separate assets and liabilities are valued using different methodologies. When such a combination of methodologies is used, it is referred to as a 'sum-of-parts' ('Sum-of-Parts') valuation.

The approach using the Sum-of-Parts involves separately valuing each asset and liability of the company. The value of each asset may be determined using different methods as described above.

9.1 Value of a Chase Share prior to the Proposed Acquisition

In assessing the value of a Chase share prior to the Proposed Acquisition, we have chosen to employ the following methodologies:

- Sum-of-Parts as our primary methodology, which estimates the market value of a company by
 assessing the realisable value of its identifiable assets and liabilities. The value of each asset and
 liability may be determined using different methods and the component parts are then aggregated
 using the NAV methodology; and
- QMP as our secondary methodology, as this represents the value that a Shareholder may receive for a share if it were sold on market.

We have chosen these methodologies for the following reasons:

- We have adopted the Sum-of-Parts approach as our primary valuation method. We consider that the core value of Chase lies in the value of its mineral assets (which are currently not producing assets and they are not generating any cash flows). Consequently, we consider that the Sum-of-Parts approach to be the most appropriate methodology. We have commissioned Valuation and Resource Management Pty Ltd ('VRM') to provide an independent market valuation of the Company's mineral assets, which is incorporated in our Sum-of-Parts;
- We have adopted the QMP as a secondary methodology due to Chase's shares being listed on the ASX. This means there is a regulated and observable market where Chase's shares can be traded. However, in order for the QMP methodology to be considered appropriate, the listed shares should be liquid and the market should be fully informed of the company's activities. As detailed in Section 10.2, we consider there to be a moderately liquid and active market for Chase shares. Therefore, we have utilised the QMP approach as our secondary valuation methodology in determining the value of a Chase share prior to the Proposed Acquisition.



- The FME methodology is most commonly applicable to profitable businesses with steady growth histories and forecasts. Chase's mineral assets do not currently generate any income, nor are there any historical profits that could be used to represent future earnings. Furthermore, the FME methodology is not considered appropriate for valuing finite life assets such as mining assets, therefore, we do not consider the application of the FME approach to be appropriate; and
- Chase has no foreseeable future net cash inflows on which we would have sufficient reasonable grounds to rely, in accordance with Regulatory Guide 170 'Prospective Financial Information' ('RG 170') and Information Sheet 214: Mining and Resources: Forward-looking Statements ('IS 214'), therefore we do not consider the application of the DCF approach to be appropriate.

Technical Expert

In performing our valuation of Chase's mineral assets, we have relied on the Technical Specialist Report ('Technical Specialist Report') prepared by VRM, which includes an assessment of the market value of Chase's mineral assets.

We instructed VRM to provide an independent market valuation of Chase's mineral assets. VRM considered a number of different valuation methods when valuing these assets. VRM's Technical Specialist Report has been prepared in accordance with the Australasian Code for Public Reporting of Technical Assessments and Valuation of Mineral Assets (2015 Edition) ('VALMIN Code') and the JORC Code.

We are satisfied with the valuation methodologies adopted by VRM, which we believe are in accordance with industry practices and are compliant with the requirements of the VALMIN Code. The specific valuation methodologies used by VRM are referred to in the respective sections of our Report and in further detail in the Technical Specialist Report attached in Appendix 3.

9.2 Valuation of a Chase share following the Proposed Acquisition

In our assessment of the value of a Chase share following the Proposed Acquisition, we have utilised the Sum-of-Parts methodology, which estimates the market value of Chase by aggregating the fair market value of its assets and liabilities, including those impacted through the Proposed Acquisition. In our Sum-of-Parts valuation, we have had consideration of the following:

- The value of Chase prior to the Proposed Acquisition as detailed in Section 10;
- The increase in the value of the Company as a result of the acquisition of GCM's mineral assets, being the earn in for the McIntosh Project, with reliance on the independent market valuation undertaken by VRM;
- The change in the value of the Company as a result of the acquisition of GCM's other assets and liabilities;
- The cash raised from the Rights Issue;
- The effect of the new securities issued as part of the Proposed Acquisition; and
- The application of a minority discount.

The consistent use of the Sum-of-Parts approach before and after the Proposed Acquisition provides Shareholders with the best indicator of the change in value per share resulting from the approval of the Proposed Acquisition.



10. Valuation of Chase prior to the Proposed Acquisition

10.1 Sum-of-Parts

We have employed the Sum-of-Parts methodology in estimating the fair market value of a Chase share on a control basis prior to the Proposed Acquisition, by aggregating the estimated fair market values of its underlying assets and liabilities, having consideration of the following:

- Value of Chase's mineral assets;
- · Value of Chase's other assets and liabilities; and
- Value of Chase's interest in Red Fox.

Our Sum-of-Parts valuation is set out in the table below:

| Valuation of Chase prior to the Proposed | Ref | Low | Preferred | High |
|-----------------------------------------------|----------|-------------|-------------|-------------|
| Acquisition | | \$ | \$ | \$ |
| Value of Chase's mineral assets | 10.1.1 | 1,700,000 | 2,100,000 | 2,700,000 |
| Value of Chase's other assets and liabilities | 10.1.2 | 2,782,923 | 2,791,257 | 2,799,590 |
| Value of Chase's interest in Red Fox | 10.1.3.3 | 900,000 | 2,527,214 | 4,154,428 |
| Total value of Chase (control) | • | 5,382,923 | 7,418,471 | 9,654,018 |
| Number of shares outstanding | 10.1.4 | 468,132,761 | 468,132,761 | 468,132,761 |
| Value per share (\$) (control) | | 0.011 | 0.016 | 0.021 |

We have assessed the value of a Chase share prior to the Proposed Acquisition (on a controlling interest basis) to be in the range of \$0.011 to \$0.021 with a preferred value of \$0.016.

10.1.1. Valuation of Chase's mineral assets

In performing our valuation of Chase's mineral assets, we have relied on the Technical Specialist Report prepared by VRM which includes an assessment of the market value of the Hawkwood Project, the Torrington Project and the Company's exploration permits in QLD and the NT.

We instructed VRM to provide an independent market valuation of the mineral assets held by Chase. VRM considered a number of different valuation methods when valuing the mineral assets of Chase. VRM applied the Kilburn approach as the primary valuation methodology.

The range of values for Chase's mineral assets as determined by VRM is set out below:

| Chase's Mineral Assets | Low Value \$m | Preferred Value \$m | High Value \$m |
|-------------------------------------------|---------------------|---------------------------|----------------------|
| Hawkwood Project (up to a 90% interest) * | 1.20 | 1.50 | 1.80 |
| Glencoe (up to a 90% interest) * | 0.10 | 0.10 | 0.10 |
| Boulia (100% interest) | 0.10 | 0.10 | 0.20 |
| Digby Peaks (100% interest) | - | - | - |
| Torrington (100% interest) | 0.20 | 0.30 | 0.50 |
| North Barkly (100% interest) | 0.10 | 0.10 | 0.10 |
| TOTAL (rounded) | 1.70 | 2.10 | 2.70 |

Source: Technical Specialist Report prepared by VRM

^{*}VRM has concluded that the expenditure required to earn in and the assigned equity for the Hawkwood and Glencoe projects would likely significantly increase the value of those assets and therefore the



required expenditure should not be deducted from the project valuations above, this is primarily due to the projects being at an early exploration stage.

The table above indicates a range of values between \$1.7 million and \$2.7 million, with a preferred value of \$2.1 million. For further information on VRM's approach and conclusions, refer to the VRM Technical Specialists Report, which is included as Appendix 3 of our Report.

10.1.2. Valuation of Chase's other assets and liabilities

The other assets and liabilities of Chase represent the assets and liabilities that have not been specifically addressed elsewhere in our Sum-of-Parts valuation. From our discussions with Chase and analysis of the other assets and liabilities, outlined in the table below, we do not consider there to be a material difference between book value and fair value, unless an adjustment has been noted below.

The table below represents a summary of the assets and liabilities identified:

| Other assets and liabilities of Chase | | Reviewed as at 31-Dec-21 \$ | Adjusted Low \$ | Adjusted Preferred \$ | Adjusted High \$ |
|---------------------------------------------------|----|--------------------------------------|-----------------------|-----------------------------|------------------------|
| CURRENT ASSETS | | | | | |
| Cash and cash equivalents | a) | 2,438,803 | 2,443,545 | 2,443,545 | 2,443,545 |
| Trade and other receivables | b) | 546,293 | 250,000 | 250,000 | 250,000 |
| TOTAL CURRENT ASSETS | _ | 2,985,096 | 2,693,545 | 2,693,545 | 2,693,545 |
| NON-CURRENT ASSETS | | | | | |
| Plant and equipment | | 19,945 | 19,945 | 19,945 | 19,945 |
| Exploration and evaluation assets | c) | 4,220,287 | - | - | - |
| Investments accounted for using the equity method | d) | 571,417 | - | - | - |
| Investment in RFR | e) | - | 208,333 | 216,667 | 225,000 |
| Trade and other receivables | | 36,100 | 36,100 | 36,100 | 36,100 |
| TOTAL NON-CURRENT ASSETS | _ | 4,847,749 | 264,378 | 272,712 | 281,045 |
| TOTAL ASSETS | _ | 7,832,845 | 2,957,923 | 2,966,257 | 2,974,590 |
| CURRENT LIABILITIES | _ | | | | |
| Trade and other payables | f) | 148,791 | 175,000 | 175,000 | 175,000 |
| TOTAL CURRENT LIABILITIES | _ | 148,791 | 175,000 | 175,000 | 175,000 |
| TOTAL LIABILITIES | _ | 148,791 | 175,000 | 175,000 | 175,000 |
| NET ASSETS | _ | 7,684,054 | 2,782,923 | 2,791,257 | 2,799,590 |

Source: Chase's reviewed financial statements for the half year ended 31 December 2021, management accounts as at 30 June 2022 and BDO analysis

We have been provided with Chase's unaudited management accounts at 30 June 2022. We have not undertaken a review of Chase's unaudited accounts in accordance with Australian Auditing and Assurance Standard 2405 'Review of Historical Financial Information' and do not express an opinion on this financial information. However, nothing has come to our attention as a result of our procedures that would suggest the financial information within the management accounts has not been prepared on a reasonable basis.

We have been advised that there has not been any other significant change in the net assets of Chase since 30 June 2022 and that the above assets and liabilities represent their fair market values apart from the adjustments detailed below. Where the above balances differ materially from the reviewed position at 31 December 2021 we have obtained supporting documentation to validate the adjusted values used, which provides reasonable grounds for reliance on the unaudited financial information.

We note the following in relation to the above valuation to Chase's other assets and liabilities:



Note a): Cash and cash equivalents

We have adjusted cash to reflect cash on hand at 30 June 2022, per the Company's Appendix 5B announced on the ASX on 27 July 2022.

Note b): Trade and other receivables

Trade and other receivables have been adjusted to reflect the receipt of exploration incentives post 31 December 2021.

Note c): Exploration and evaluation expenditure

We have adjusted the book value of exploration and evaluation expenditure of \$4.22 million at 31 December 2021 to nil, as it is accounted for in the valuation of Chase's mineral assets, which have been valued separately in Section 10.1.1.

Note d): Investments accounted for using the equity method

We have adjusted the book value of investments accounted for using the equity method, being the Company's interest in Red Fox, to nil as we have valued Chase's interest in Red Fox separately in Section 10.1.3.

Note e): value of Chase's shares in RFR

In May 2022, Chase sold its Alotta and Lorraine Projects in Quebec to RFR, an ASX-listed exploration and development company. As consideration for the sale, Chase received 8,333,333 new fully paid ordinary shares in RFR (subject to a six-month voluntary escrow).

In assessing the value of Chase's 8,333,333 shares in RFR, we have considered the weighted average market price for RFR over 10, 30, 60 and 90 day periods to 11 August 2022.

| Share Price per unit | 11-Aug-22 | 10 Davs | 30 Davs | 60 Davs | 90 Days |
|--------------------------------------|-----------|---------|---------|-----------------------------------------------|---------|
| Closing price | \$0.026 | ĺ | ĺ | <u>, </u> | |
| Volume weighted average price (VWAP) | | \$0.025 | \$0.027 | \$0.034 | \$0.039 |

Source: Bloomberg and BDO analysis

Our assessment is that a range of values for RFR shares based on market pricing, after disregarding post announcement pricing, is between \$0.025 and \$0.027, with a preferred value of \$0.026.

| | Low | Preferred | High |
|---------------------------------------|-----------|-----------|-----------|
| Value per RFR share | \$0.0250 | \$0.0260 | \$0.0270 |
| Number of shares in RFR held by Chase | 8,333,333 | 8,333,333 | 8,333,333 |
| Value of Chase's interest in RFR | \$208,333 | \$216,667 | \$225,000 |

Source: BDO analysis

We have therefore determined the value of Chase's interest in RFR to be between \$208,333 and \$225,000 with a preferred value of \$216,667.

Note f): Trade and other payables

The trade and other payables adjustment reflects the increase in employee leave provisions and trade creditors to the 30 June 2022 balance.



10.1.3. Value of Chase's interest in Red Fox

Chase has a 30.4% interest in Red Fox, a private mineral exploration company. We have considered different methodologies to estimate the fair market value of Chase's 30.4% in Red Fox.

10.1.3.1. Sum-of-parts

One methodology we have considered is the Sum-of-Parts methodology. We have used this to estimate the fair market value of Chase's 30.4% interest in Red Fox, by aggregating the estimated fair market values of its underlying assets and liabilities, having consideration of the following:

- Value of Red Fox's mineral assets; and
- Value of Red Fox's other assets and liabilities.

We have relied on an independent market valuation of Red Fox's mineral assets prepared by VRM. Our valuation is set out below:

| Valuation of Red Fox | | Low \$ | Preferred \$ | High \$ |
|-------------------------------------------------------------|--------|-----------|-----------------|------------|
| | | | | |
| Mineral Assets: | | | | |
| Red Fox's mineral assets (30.4% ownership) | a) | 3,100,000 | 4,100,000 | 5,000,000 |
| Chase's interest in Red Fox's mineral assets | | 3,100,000 | 4,100,000 | 5,000,000 |
| | | | | |
| Other assets and liabilities: | b) | | | |
| Cash and cash equivalents | | 600,273 | 600,273 | 600,273 |
| Trade and other receivables | | 22,005 | 22,005 | 22,005 |
| Intangibles | | 20,538 | 20,538 | 20,538 |
| Trade and other payables | | (7,938) | (7,938) | (7,938) |
| Total value of Red Fox's other assets and liabilities | | 634,878 | 634,878 | 634,878 |
| Chase's ownership interest | | 30.4% | 30.4% | 30.4% |
| Chase's interest in Red Fox's other assets and liabilities | | 193,035 | 193,035 | 193,035 |
| Total value of Chase's interest in Red Fox | | 3,293,035 | 4,293,035 | 5,193,035 |
| Minority Discount | 11.1.5 | 26% | 23% | 20% |
| Total value of Chase's interest in Red Fox (minority basis) | | 2,436,846 | 3,305,637 | 4,154,428 |

Source: Red Fox unaudited management accounts at 30 June 2022 and Technical Specialist Report prepared by VRM

Note a): Red Fox's mineral assets

In performing our valuation, we have relied on the Technical Specialist Report prepared by VRM which includes an assessment of the market value of Chase's interest in Red Fox's mineral assets. The range of values as determined by VRM is set out below:

| Chase's interest in Red Fox's mineral assets | Low Value \$m | Preferred Value \$m | High Value \$m |
|----------------------------------------------|---------------------|---------------------------|----------------------|
| Cloncurry (30.4% interest) | 1.30 | 1.70 | 2.10 |
| Butchers Bore (30.4% interest) | 0.20 | 0.30 | 0.40 |
| Selwyn (30.4% interest) | 0.40 | 0.50 | 0.60 |
| Georgetown (30.4% interest) | 1.20 | 1.60 | 1.90 |
| TOTAL (rounded) | 3.10 | 4.10 | 5.00 |

Source: Technical Specialist Report prepared by VRM

The table above indicates a range of values between \$3.1 million and \$5.0 million, with a preferred value of \$4.1 million. For further information on VRM's approach and conclusions, refer to the VRM Technical Specialists Report, which is included as Appendix 3 of our Report.



Note b): Other assets and liabilities

We have been provided with Red Fox's unaudited management accounts at 30 June 2022. We have not undertaken a review of Red Fox's unaudited accounts in accordance with Australian Auditing and Assurance Standard 2405 'Review of Historical Financial Information' and do not express an opinion on this financial information. However, nothing has come to our attention as a result of our procedures that would suggest the financial information within the management accounts has not been prepared on a reasonable basis.

10.1.3.2. Recent Capital Raise

In May 2022, Red Fox undertook a seed raising at a subscription price of \$0.075 per share, raising approximately \$0.7 million ('Seed Raising').

In determining the fair value of Chase's interest in Red Fox, we have considered the subscription price of \$0.075 per share offered and note the following:

- Fair market value is defined as "The estimated amount for which an asset should exchange on the date of valuation between a willing buyer and a willing seller in an arms' length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion". We understand that the Seed Raising was conducted on an arm's length basis after proper marketing efforts by Red Fox; and
- The Seed Raising was relatively recent, completing in June 2022.

As at the date of our Report, Chase owns 12,000,000 shares in Red Fox. Using the recent subscription price of \$0.075, the fair value of Chase's interest in Red Fox would be \$900,000.

10.1.3.3. Conclusion

We have relied on both the sum-of-parts valuation and the recent capital raising price in forming our assessed value range of Chase's interest in Red Fox.

We have adopted a low value of \$900,000, having reliance on the recent subscription price of \$0.075 per share. We have adopted a high value of \$4,154,428, having reliance on the sum-of-parts value of Red Fox, which includes an independent market valuation of Red Fox's mineral assets prepared by VRM. Given the wide value range, we have adopted a midpoint between these two values, being \$2,527,214 as our preferred value of Chase's interest in Red Fox.

10.1.4. Number of shares outstanding

As detailed in Section 5.6, the number of Chase shares on issue as at the date of our Report is 468,132,761.

10.2 Quoted Market Prices for Chase Securities

To provide a comparison to the valuation of Chase in Section 10.1, we have also assessed the quoted market price for a Chase share.

The quoted market value of a company's shares is reflective of a minority interest. A minority interest is an interest in a company that is not significant enough for the holder to have an individual influence in the operations and value of that company.



RG 111.43 suggests that when considering the value of a company's shares for the purposes of approval under Item 7 of s611 the expert should consider a premium for control. An acquirer could be expected to pay a premium for control due to the advantages they will receive should they obtain 100% control of another company. These advantages include the following:

- control over decision making and strategic direction;
- access to underlying cash flows;
- control over dividend policies; and
- access to potential tax losses.

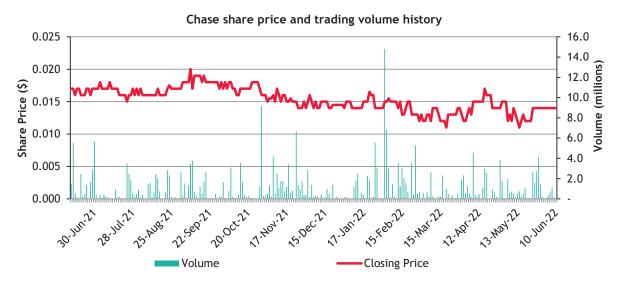
Whilst Mr. Tassone will not be obtaining 100% of Chase, RG 111 states that the expert should calculate the value of a target's shares as if 100% control were being obtained. The expert can then consider an acquirer's practical level of control when considering reasonableness. Reasonableness has been considered in Section 13.

Therefore, our calculation of the quoted market price of a Chase share including a premium for control has been prepared in two parts. The first part is to calculate the quoted market price on a minority interest basis. The second part is to add a premium for control to the minority interest value to arrive at a quoted market price value that includes a premium for control.

Minority interest value

Our analysis of the quoted market price of a Chase share is based on the pricing prior to the announcement of the Proposed Acquisition. This is because the value of a Chase share after the announcement may include the effects of any change in value as a result of the Proposed Acquisition. However, we have considered the value of a Chase share following the announcement when we have considered reasonableness in Section 13.

Information on the Proposed Acquisition was announced to the market on 15 June 2022. Therefore, the following chart provides a summary of the share price movement over the 12 months to 10 June 2022, which was the last trading day prior to the announcement.



Source: Bloomberg



The daily price of Chase shares from one year prior to announcement to 10 June 2022 has ranged from a low of \$0.011 on 18 March 2022 and 16 May 2022 to a high of \$0.020 on 8 September 2022. The highest single trading day over the assessed period was 2 February 2022, where 14,798,621 shares were traded.

During this period a number of announcements were made to the market. The key announcements are set out below:

| Date | Announcement | | Closing Share Price Following Announcement \$ (movement) | | e Day ounce | re Price s After ement nent) |
|------------|----------------------------------------------------------------|-------|----------------------------------------------------------|-------|----------------|---------------------------------------|
| 30/05/2022 | Red Fox returns significant Butchers Bore gold results | 0.014 | 0.0% | 0.014 | • | 0.0% |
| 26/05/2022 | Rare earths project in Northern Territory expanded | 0.014 | 0.0% | 0.014 | • | 0.0% |
| 24/05/2022 | RFR: RFR strengthens PGM-Ni-Cu portfolio in Canada | 0.012 | 0.0% | 0.014 | • | 16.7% |
| 24/05/2022 | Disposal of Alotta and Lorraine Projects in Quebec | 0.012 | 0.0% | 0.014 | • | 16.7% |
| 18/05/2022 | Exploration for magmatic nickel sulphide in QLD expanded | 0.013 | 8.3% | 0.012 | • | 7.7% |
| 11/05/2022 | Cancellation of Prophet Resources binding term sheet | 0.014 | 16.7% | 0.011 | • | 21.4% |
| 03/05/2022 | DGR: JV drilling scheduled for Auburn/CML Hawkwood Project | 0.015 | 7.1% | 0.012 | • | 20.0% |
| 03/05/2022 | JV drilling scheduled for Hawkwood Ni Cu Co Au PGE in QLD | 0.015 | 7.1% | 0.012 | • | 20.0% |
| 21/04/2022 | Quarterly Activities/Appendix 5B Cash Flow Report | 0.016 | 0.0% | 0.014 | • | 12.5% |
| 06/04/2022 | Change of Director's Interest Notice | 0.013 | 7.1% | 0.015 | • | 15.4% |
| 04/04/2022 | Red Fox commences 2022 field work | 0.013 | 8.3% | 0.015 | • | 15.4% |
| 15/03/2022 | Half Yearly Report and Accounts | 0.012 | 7.7% | 0.011 | • | 8.3% |
| 18/02/2022 | Red Fox awarded two QLD Government Grants to fund drilling | 0.015 | 7.1% | 0.013 | • | 13.3% |
| 15/02/2022 | Notification regarding unquoted securities - CML | 0.013 | 13.3% | 0.015 | • | 15.4% |
| 15/02/2022 | Red Fox completes preliminary Copper Creek field assessment | 0.013 | 13.3% | 0.015 | • | 15.4% |
| 03/02/2022 | Red Fox completes preliminary Butchers Bore field assessment | 0.015 | 0.0% | 0.015 | • | 0.0% |
| 02/02/2022 | Large scale rare earths and base metal project identified | 0.015 | 7.1% | 0.015 | • | 0.0% |
| 19/01/2022 | Areas identified with rare earths potential in NW QLD | 0.015 | 0.0% | 0.016 | • | 6.7% |
| 18/01/2022 | Quarterly Activities/Appendix 5B Cash Flow Report | 0.015 | 0.0% | 0.016 | • | 6.7% |
| 16/12/2021 | Red Fox geophysical modelling / review at Ernest Henry West | 0.015 | 0.0% | 0.015 | • | 3.3% |
| 22/11/2021 | Application for quotation of securities - CML | 0.015 | 3.2% | 0.014 | • | 6.7% |
| 18/11/2021 | Share purchase plan results | 0.015 | 0.0% | 0.015 | • | 0.0% |
| 15/11/2021 | Red Fox completes Selwyn Project Camel Bore gravity survey | 0.016 | 6.7% | 0.015 | • | 6.3% |
| 01/11/2021 | Drilling planned for Croydon n-junction prospect sam targets | 0.016 | 0.0% | 0.016 | • | 3.1% |
| 27/10/2021 | Proposed issue of securities - CML | 0.018 | 0.0% | 0.016 | • | 11.1% |
| 27/10/2021 | Proposed issue of securities - CML | 0.018 | 0.0% | 0.016 | • | 11.1% |
| 27/10/2021 | Proposed issue of securities - CML | 0.018 | 0.0% | 0.016 | • | 11.1% |
| 27/10/2021 | Exposure to district scale Ni Cu Co Au PGE potential in QLD | 0.018 | 0.0% | 0.016 | • | 11.1% |



| Date | Announcement | Closing Share Price Following Announcement \$ (movement) | | Three Anno | Day: ounce | re Price s After ment nent) | |
|------------|-------------------------------------------------------------|-------------------------------------------------------------------|---|---------------|---------------|--------------------------------------|-------|
| 27/10/2021 | Private placement and share purchase plan | 0.018 | • | 0.0% | 0.016 | • | 11.1% |
| 27/10/2021 | Opportunity to acquire a broad range of QLD tenements | 0.018 | • | 0.0% | 0.016 | • | 11.1% |
| 12/10/2021 | Red Fox work program, Butchers Bore, Cloncurry district QLD | 0.016 | • | 5.9% | 0.017 | • | 6.3% |
| 26/08/2021 | Reawakening of Torringtons Tungsten potential | 0.017 | • | 0.0% | 0.017 | • | 0.0% |

Source: Bloomberg and BDO analysis

On 15 February 2022, the Company announced that Red Fox, of which Chase holds 30.4%, released assay results from a soil sampling program completed in late 2021 for its Copper Creek project in the Georgetown district in north-east QLD. On the date of this announcement, the share price decreased by 13.3% to close at \$0.013, before increasing by 15.4% to close at \$0.015.

On 18 February 2022, the Company released an announcement that Red Fox was awarded two grants by the QLD government to fund drilling at the Eveleigh Zinc Project and at the Ernest Henry West project. On the date of this announcement, the share price increased by 7.1% to close at \$0.015, before decreasing by 13.3% to close at \$0.013.

On 4 April 2022, the Company announced that Red Fox was commencing field work at the Eveleigh Project and at Butcher's Bore, in QLD. On the date of this announcement, the share price increased by 8.3% to close at \$0.013, before increasing by 15.4% over the subsequent three trading days to close at \$0.015.

On 3 May 2022, the Company released an announcement stating that drilling was scheduled for the Hawkwood Project in QLD, of which Chase has a JV agreement with AUB. On the date of this announcement, the share price increased by 7.1% to close at \$0.015, before decreasing by 20.0% over the subsequent three trading days to close at \$0.012.

On 18 May 2022, the Company announced it had applied for an EPM to expand its exploration for magmatic nickel sulphide in QLD, as part of its JV with AUB. On the date of the announcement, the share price increased by 8.3% to close at \$0.013, before decreasing by 7.7% to close at \$0.012.

On 24 May 2022, the Company announced the sale of its Alotta and Lorraine Projects, located in Quebec, Canada, to RFR. The consideration for the sale was 8,333,333 new fully paid ordinary shares in RFR, subject to 6 months voluntary escrow and \$0.1 million in cash. On the date of this announcement, the share price remained unchanged to close at \$0.012, before increasing by 16.7% to close at \$0.014.

To provide further analysis of the market prices for a Chase share, we have also considered the weighted average market price for 10, 30, 60 and 90 day periods to 10 June 2022.

| Share Price per unit | 10-Jun-22 | 10 Days | 30 Days | 60 Days | 90 Days |
|--------------------------------------|-----------|---------|---------|---------|---------|
| Closing price | \$0.014 | | | | |
| Volume weighted average price (VWAP) | | \$0.014 | \$0.014 | \$0.014 | \$0.014 |
| Source: Bloomberg, BDO analysis | | | | | |

The above weighted average prices are prior to the date of the announcement of the Proposed Acquisition, to avoid the influence of any increase in price of Chase shares that has occurred since the Proposed Acquisition was announced.



An analysis of the volume of trading in Chase shares for the twelve months to 10 June 2022 is set out below:

| Trading days | Share price | Share price | Cumulative volume | As a % of |
|--------------|-------------|-------------|-------------------|----------------|
| | low | high | traded | Issued capital |
| 1 Day | \$0.014 | \$0.014 | 70,714 | 0.02% |
| 10 Days | \$0.014 | \$0.015 | 8,275,469 | 1.77% |
| 30 Days | \$0.011 | \$0.017 | 28,012,078 | 5.98% |
| 60 Days | \$0.011 | \$0.017 | 53,874,928 | 11.51% |
| 90 Days | \$0.011 | \$0.017 | 107,788,548 | 23.03% |
| 180 Days | \$0.011 | \$0.018 | 193,275,217 | 41.29% |
| 1 Year | \$0.011 | \$0.021 | 264,776,129 | 56.56% |

Source: Bloomberg, BDO analysis

This table indicates that Chase's shares display a moderate level of liquidity, with 56.56% of the Company's current issued capital being traded in a twelve month period. RG 111.86 states that for the quoted market price methodology to be an appropriate methodology there needs to be a 'liquid and active' market in the shares and allowing for the fact that the quoted price may not reflect their value should 100% of the securities not be available for sale. We consider the following characteristics to be representative of a liquid and active market:

- · Regular trading in a company's securities;
- Approximately 1% of a company's securities are traded on a weekly basis;
- The spread of a company's shares must not be so great that a single minority trade can significantly affect the market capitalisation of a company; and
- There are no significant but unexplained movements in share price.

A company's shares should meet all of the above criteria to be considered 'liquid and active', however, failure of a company's securities to exhibit all of the above characteristics does not necessarily mean that the value of its shares cannot be considered relevant. As noted above, we consider the shares to display a moderate level of liquidity.

We note that the level of trading is however not consistent, with a number of days on which the shares did not trade and large spikes influencing the observed trading percentages significantly. .

Our assessment is that a range of values for Chase shares based on market pricing, after disregarding post announcement pricing, is between \$0.011 and \$0.017, with a preferred value of \$0.014.

Control Premium

The quoted market price per share reflects the value to minority interest shareholders. In order to value a Chase share on a control basis, we have added a control premium that is based on our analysis set out below.

We have reviewed control premiums on completed transactions, paid by acquirers of mining and exploration companies and all ASX-listed companies. In assessing the appropriate sample of transactions from which to determine an appropriate control premium, we have excluded transactions where an acquirer obtained a controlling interest (20% and above) at a discount (i.e. less than a 0% premium) and at a premium in excess of 100%. We have summarised our findings below:



ASX-listed mining and exploration companies

| Year | Number of Transactions | Average Deal Value (\$m) | Average Control Premium (%) |
|------|------------------------|--------------------------|-----------------------------|
| 2022 | 5 | 3237.01 | 30.00 |
| 2021 | 6 | 1235.14 | 29.89 |
| 2020 | 6 | 494.17 | 33.24 |
| 2019 | 11 | 153.60 | 36.27 |
| 2018 | 9 | 61.53 | 39.47 |
| 2017 | 5 | 13.91 | 35.21 |
| 2016 | 11 | 66.19 | 51.54 |
| 2015 | 9 | 340.83 | 57.86 |
| 2014 | 15 | 113.69 | 41.79 |
| 2013 | 13 | 134.67 | 34.94 |
| 2012 | 9 | 123.33 | 51.26 |

Source: Bloomberg and BDO analysis

All ASX-listed companies

| Year | Number of Transactions | Average Deal Value (\$m) | Average Control Premium (%) |
|------|------------------------|--------------------------|-----------------------------|
| 2022 | 20 | 5,536.70 | 18.31 |
| 2021 | 33 | 1,420.58 | 33.59 |
| 2020 | 25 | 451.20 | 37.66 |
| 2019 | 43 | 3,161.24 | 29.90 |
| 2018 | 42 | 1,158.47 | 31.08 |
| 2017 | 29 | 973.72 | 37.91 |
| 2016 | 38 | 788.28 | 36.82 |
| 2015 | 34 | 828.15 | 34.10 |
| 2014 | 45 | 517.00 | 37.98 |
| 2013 | 36 | 138.78 | 33.37 |
| 2012 | 28 | 537.39 | 40.20 |

Source: Bloomberg and BDO analysis

The mean and median of the entire data sets comprising control transactions from 2012 onwards for ASX-listed mining and exploration companies and all ASX-listed companies are set out below:

| Entire Data Set Metrics | ASX-listed mining and exploration companies | | All ASX-listed companies | | |
|-------------------------|---------------------------------------------|---------------------|--------------------------|---------------------|--|
| | Deal Value (\$m) | Control Premium (%) | Deal Value (\$m) | Control Premium (%) | |
| Mean | 379.81 | 41.31 | 1276.62 | 34.05 | |
| Median | 40.69 | 39.10 | 124.26 | 30.24 | |

Source: Bloomberg and BDO analysis

In arriving at an appropriate control premium to apply, we note that observed control premiums can vary due to the:

- Nature and magnitude of non-operating assets;
- Nature and magnitude of discretionary expenses;
- Perceived quality of existing management;
- Nature and magnitude of business opportunities not currently being exploited;
- Ability to integrate the acquiree into the acquirer's business;
- Level of pre-announcement speculation of the transaction;
- Level of liquidity in the trade of the acquiree's securities.



When performing our control premium analysis, we considered completed transactions where the acquirer held a controlling interest, defined at 20% or above, pre-transaction or proceeded to hold a controlling interest post-transaction in the target company.

The table above indicates that the long-term average control premium by acquirers of ASX-listed mining and exploration companies and all ASX-listed companies is approximately 41.31% and 34.05% respectively. However, in assessing the transactions included in the table above, we noted that control premiums appeared to be positively skewed.

In a population where the data is skewed, the median often represents a superior measure of central tendency compared to the mean. We note that the median announced control premium over the assessed period was approximately 39.10% for ASX-listed mining and exploration companies and 30.24% for all ASX-listed companies.

Based on the above, we consider an appropriate premium for control to be between 25% and 35%, with a midpoint of 30%.

Quoted market price including control premium

Applying a control premium to Chase's quoted market share price results in the following quoted market price value including a premium for control:

| | Low | Preferred | High |
|---------------------------------------------------------------|-------|-----------|-------|
| | \$ | \$ | \$ |
| Quoted market price value | 0.011 | 0.014 | 0.017 |
| Control premium | 25% | 30% | 35% |
| Quoted market price valuation including a premium for control | 0.014 | 0.018 | 0.023 |
| Source: PDO analysis | | | |

Therefore, our valuation of a Chase share based on the quoted market price method and including a premium for control is between \$0.014 and \$0.023, with a preferred value of \$0.018.

10.3 Assessment of Chase value

The results of the valuations performed are summarised in the table below:

| | Low \$ | Preferred \$ | High \$ |
|-----------------------------|-----------|-----------------|------------|
| Sum-of-Parts (Section 10.1) | 0.011 | 0.016 | 0.021 |
| QMP (Section 10.2) | 0.014 | 0.018 | 0.023 |

Source: BDO analysis

We consider the Sum-of-Parts approach to be the most appropriate methodology to value Chase as the core value lies within the Company's mineral assets, which have been independently valued by VRM, an independent technical specialist in accordance with VALMIN.

We note that the value of Chase derived under the QMP approach is higher than that derived under the Sumof-Parts valuation for the following reasons.

• It is not uncommon for the market price of companies that have exploration and development assets to differ from a valuation prepared by an independent technical specialist for the purposes



of an Independent Expert's Report. This is because investors are not necessarily guided by the principles of RG 170 and IS 214 in forming their valuations, allowing the market price to reflect the potential upside or downside expectations associated with the exploration assets should market conditions change;

- We have instructed VRM to prepare their Technical Specialist Report in compliance with the VALMIN Code and other industry guidelines, whilst also adhering to guidance provided by ASIC's Regulatory Guides. Market participants are not governed by these industry codes and therefore may be basing their valuations on different technical and economic assumptions;
- We note that the QMP value provides a cross check that strongly supports the Sum of Parts approach.

Based on the results above we consider the value of a Chase share to be between \$0.011 and \$0.021, with a preferred value of \$0.016.



11. Valuation of Chase following the Proposed Acquisition

11.1 Sum-of-Parts valuation of Chase following the Proposed Acquisition

We have employed the Sum-of-Parts methodology in estimating the fair market value of a Chase share on a minority basis following the Proposed Acquisition, by aggregating the estimated fair market values of its underlying assets and liabilities, having consideration of the following:

- Value of Chase's mineral assets;
- Value of Chase's other assets and liabilities;
- Value of Chase's interest in Red Fox;
- Value of GCM's Earn-in for the McIntosh Project;
- Value of GCM's other assets and liabilities;
- Cash raised from the Rights Issue;

Our Sum-of-Parts valuation is set out in the table below:

| Valuation of Chase following the Proposed Acquisition | Ref | Low | Preferred | High |
|----------------------------------------------------------|--------|-------------|-------------|-------------|
| , requisition | | \$ | \$ | \$ |
| Value of Chase's mineral assets | 10.1.1 | 1,700,000 | 2,100,000 | 2,700,000 |
| Value of Chase's other assets and liabilities | 10.1.2 | 2,782,923 | 2,791,257 | 2,799,590 |
| Value of Chase's interest in Red Fox | 10.1.3 | 900,000 | 2,527,214 | 4,154,428 |
| Value of the Earn-In for the McIntosh Project | 11.1.1 | 2,400,000 | 5,600,000 | 6,700,000 |
| Value of GCM's other assets and liabilities | 11.1.2 | 162,479 | 162,479 | 162,479 |
| Cash raised from the Rights Issue (net of costs) | 11.1.3 | 2,889,296 | 2,889,296 | 2,889,296 |
| Total value of Chase | | 10,834,698 | 16,070,245 | 19,405,792 |
| Number of shares outstanding (undiluted basis) | 11.1.4 | 971,478,629 | 971,478,629 | 971,478,629 |
| Value per share (\$) (control) (undiluted basis) | | 0.011 | 0.017 | 0.020 |
| Minority discount | 11.1.5 | 26% | 23% | 20% |
| Value per share (\$) (minority) (undiluted basis) | | 0.008 | 0.013 | 0.016 |
| Value per share (\$) (minority) (fully diluted basis) | 11.1.6 | 0.008 | 0.011 | 0.013 |

The table above indicates that the value of a Chase share on a minority and fully diluted basis is between \$0.008 and \$0.013, with a preferred value of \$0.011.

11.1.1. Valuation of the Earn-in for the McIntosh Project

In performing our valuation of the Earn in, we have relied on the Technical Specialist Report prepared by VRM which includes an assessment of the market value of Earn-in for the McIntosh Project.

VRM considered a number of different valuation methods when valuing the Earn-in. VRM applied the comparable transactions approach for valuing McIntosh and the Yardstick approach as a secondary method, adopting the comparable transactions approach as their adopted valuation range. VRM advised



that the acquisition cost of McIntosh being \$500,000 was required to be deducted from their adopted range to reflect the 80% interest.

The range of values for the Earn-in as determined by VRM is set out below:

| Earn-in for the McIntosh Project | Low Value \$m | Preferred Value \$m | High Value \$m |
|--------------------------------------------------|---------------------|---------------------------|----------------------|
| Value of the McIntosh Project (80% interest) | 2.9 | 6.1 | 7.2 |
| Less: \$500,000 acquisition cost | (0.5) | (0.5) | (0.5) |
| TOTAL (rounded) after deduction of consideration | 2.4 | 5.6 | 6.7 |

Source: Technical Specialist Report prepared by VRM

The table above indicates a range of values between \$2.4 million and \$6.7 million, with a preferred value of \$5.6 million. For further information on VRM's approach and conclusions, refer to the VRM Technical Specialists Report, which is included as Appendix 3 of our Report.

11.1.2. Valuation of GCM's other assets and liabilities

The other assets of GCM represent the assets that have not been specifically addressed elsewhere in our Sum-of-Parts valuation. From our discussions with GCM and analysis of the other assets, outlined in the table below, we do not consider there to be a material difference between book value and fair value. We note that GCM did not have any liabilities at 24 June 2022 and have been advised that no liabilities have been recognised subsequent to 24 June 2022.

The table below represents a summary of the assets identified:

| Other assets of GCM | Unaudited as at 24-Jun-22 \$ |
|-----------------------------|------------------------------------|
| CURRENT ASSETS | |
| Cash and cash equivalents | 160,561 |
| Trade and other receivables | 1,917 |
| TOTAL CURRENT ASSETS | 162,479 |
| TOTAL ASSETS | 162,479 |
| NET ASSETS | 162,479 |

Source: GCM's unaudited management accounts

We have not undertaken a review of GCM's unaudited accounts in accordance with Australian Auditing and Assurance Standard 2405 'Review of Historical Financial Information' and do not express an opinion on this financial information. However, nothing has come to our attention as a result of our procedures that would suggest the financial information within the management accounts has not been prepared on a reasonable basis.

We have been advised that there has not been any other significant change in the net assets of GCM since 24 June 2022 and that the above assets represent their fair market values. We have obtained supporting documentation to validate the values above, which provides reasonable grounds for reliance on the unaudited financial information.



11.1.3. Cash raised from Rights Issue

As set out in Section 4, the Proposed Acquisition is conditional upon the Company raising sufficient funds through the issue of fully paid ordinary shares, to satisfy the conditions of the Earn-in. The Earn-in agreement is conditional upon GCM being acquired by an entity listed on the ASX that at completion has cash in the bank of no less than \$4.5 million, on or before 31 August 2022 (with the Earn-in agreement having a mechanism to extend in certain circumstances).

On 31 August 2022, the Company announced that it intends to raise up to \$3.09 million, through a Rights Issue offering shareholders 11 new ordinary shares for every 20 ordinary shares held at an issue price of \$0.012 and one new option for every two shares issued (with an exercise price of \$0.022 and expiring 36 months from issue). The Company has received firm and binding commitments from sophisticated and professional investors to subscribe for any shortfall under the Rights Issue.

GTT will be paid 6% of the amount raised from the Rights Issue and an administration fee of \$15,000. GTT may terminate the mandate if the S&P/ASX 200 is down by more than 300 points from 6,686.

In determining the value of a Chase share following the Proposed Acquisition, we have included the net cash raised from the Rights Issue, as set out below:

| Capital Raise amount (\$) | 3,089,676 |
|--------------------------------------|-----------|
| Broker fee (%) | 6% |
| Broker fee (\$) | (185,381) |
| Additional fee (\$) | (15,000) |
| Net cash raised from Capital Raising | 2,889,296 |

Source: BDO analysis

11.1.4. Number of shares outstanding

As set out in Section 4, the number of shares on issue following the Proposed Acquisition, on an undiluted basis is 1,128,132,761. The number of shares on issue following the Proposed Acquisition, on a fully diluted basis (i.e. assuming the exercise of the options and performance rights issued as Option Consideration and Performance Rights Consideration), is 1,687,132,761.

A breakdown is set out below:

| Shares on issue at the date of our Report | 468,132,761 |
|------------------------------------------------------------------------------|---------------|
| Shares issued pursuant to the Rights Issue | 257,473,019 |
| Consideration shares | 245,872,849 |
| Total shares on issue following the Proposed Acquisition (undiluted) | 971,478,629 |
| Shares issued on notional exercise of the Consideration Options | 122,936,424 |
| Shares issued on notional conversion of the Consideration Performance Rights | 245,872,849 |
| Shares issued on conversion of Mr Tassone's options under the Rights Issue | 12,539,464 |
| Total shares on issue following the Proposed Acquisition (fully diluted) | 1,352,827,366 |

Source: BDO analysis



11.1.5. Minority discount

As outlined in Section 3.3 of our Report, in assessing fairness we have compared the value of a Chase share prior to the Proposed Acquisition on a control basis to the value of a Chase share following the Proposed Acquisition on a minority interest basis, as we are required to do by RG 111.

A minority discount is based on the inverse of the control premium and is calculated using the formula 1-(1/(1+control premium)). Based on our analysis in Section 10.2, we consider an appropriate control premium to be in the range of 25% to 35%. This assessed control premium range gives rise to a rounded minority discount in the range of 20% to 26%, with a rounded midpoint of 23%.

11.1.6. Fully diluted basis

As set out in Section 4, Mr Tassone will be issued with 122,936,424 Consideration Options and 12,539,464 options pursuant to the Rights Issue with an exercise price of \$0.022. We have taken this into account in our valuation assessment in the acquisition of a fully diluted basis and as such we have assumed that the 135,475,888 options will be exercised for that purpose, raising \$2,980,470 for the Company. Mr Tassone will also be issued with 245,872,849 performance rights that convert to ordinary shares, for nil exercise price, in three equal tranches upon satisfying the performance milestones set out below

- Class A Performance Rights: will vest on Chase announcing a JORC 2012 defined resource
 of no less than a total of 30,000,000 tonnes from the tenements covered under the Earnin, using a cut off grade of 3% total graphite content ('TGC'), 24 months from issue;
- Class B Performance Rights: will vest on Chase announcing a JORC 2012 defined resource of no less than a total of 40,000,000 tonnes from the tenements covered under the Earn-in using a cut off grade of 3% TGC, 36 months from issue; and
- Class C Performance Rights: will vest on Chase announcing a JORC 2012 defined reserve of no less than a total of 1,000,000 tonnes of TGC from the tenements covered under the Earn-in, 36 months from issue.

We do not have reasonable grounds to determine what the impact of the value of the Company will be however we have set out below the impact of dilution to existing shareholders in the event the shares were issued. We do note however that the terms of the performance rights are linked to events that are likely to create value if achieved.

| Valuation of Chase following the Proposed Acquisition | Ref | Low | Preferred | High |
|----------------------------------------------------------|--------|---------------|---------------|---------------|
| Acquisition | | \$ | \$ | \$ |
| Total value of Chase (undiluted basis) | | 10,834,698 | 16,070,245 | 19,405,792 |
| Add: cash raised from notional exercise of options | | 2,980,470 | 2,980,470 | 2,980,470 |
| Total value of Chase (fully diluted basis) | | 13,815,168 | 19,050,715 | 22,386,262 |
| Number of shares outstanding (fully diluted basis) | 11.1.4 | 1,352,827,366 | 1,352,827,366 | 1,352,827,366 |
| Value per share (\$) (control) (fully diluted basis) | | 0.010 | 0.014 | 0.017 |
| Minority discount | 11.1.5 | 26% | 23% | 20% |
| Value per share (\$) (minority) (fully diluted basis) | 11.1.6 | 0.008 | 0.011 | 0.013 |



12. Is the Proposed Acquisition fair?

A comparison of the value of a Chase share prior to the Proposed Acquisition, on a control basis, and the value of a Chase share following the Proposed Acquisition, on a minority interest basis, is set out below:

| | Ref | Low \$ | Preferred \$ | High \$ |
|-----------------------------------------------------------------------------------------------------|------|-----------|-----------------|------------|
| Value of a Chase share prior to the Proposed Acquisition (controlling basis) | 10.1 | 0.011 | 0.016 | 0.021 |
| Value of a Chase share following the Proposed Acquisition (minority interest basis) - undiluted | 11.1 | 0.008 | 0.013 | 0.016 |
| Value of a Chase share following the Proposed Acquisition (minority interest basis) - fully diluted | 11.1 | 0.008 | 0.011 | 0.013 |

We note from the table above that the value of a Chase share prior to the Proposed Acquisition on a controlling interest basis is less than the value of a Chase share following the acquisition on a minority interest basis. Therefore in accordance with RG 111, we consider that the Proposed Acquisition is not fair.

13. Is the Proposed Acquisition reasonable?

13.1 Alternative Proposal

We are unaware of any alternative proposal that might offer the Shareholders of Chase a premium over the value resulting from the Proposed Acquisition.

13.2 Practical Level of Control

If the Proposed Acquisition is approved, then Mr Tassone will hold an interest of approximately 51.59% on a fully diluted basis and between 30.01% and 32.58% on an undiluted basis (depending on the number of shares issued under the Placement) following the issue of the initial consideration post Rights Issue in Chase. When shareholders are required to approve an issue that relates to a company there are two types of approval levels. These are general resolutions and special resolutions. A general resolution requires 50% of shares to be voted in favour to approve a matter and a special resolution required 75% of shares on issue to be voted in favour to approve a matter. If the Proposed Acquisition is approved, then Mr Tassone could be able to pass or block general resolutions and block special resolutions.

Mr Tassone's control of Chase following the Proposed Acquisition will be significant when compared to all other shareholders, with the next largest shareholder being Syracuse Capital Pty Ltd, who will hold an interest of between 4.32% and 4.69% (depending on the number of shares issued under the Placement) following the issue of the initial consideration shares and post capital raise.

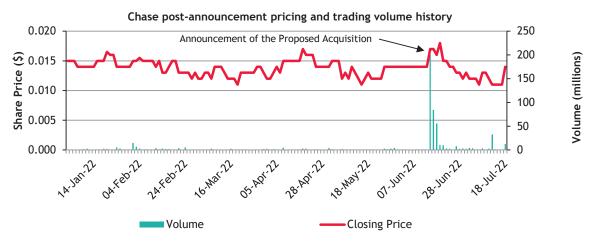
We are not aware of any intentions to appoint additional independent directors to the board.



13.3 Consequences of not Approving the Proposed Acquisition

13.3.1. Potential decline in share price

We have analysed movements in Chase's share price since the Proposed Acquisition was announced. A graph of Chase's share price and trading volume leading up to and following the announcement of the Transaction is set out below.



Source: Bloomberg

Given the above analysis it is possible that if the Proposed Acquisition is not approved then Chase's share price may decline. In the event that the Proposed Acquisition is not approved Chase will continue to progress exploration on their current assets.

13.4 Advantages of Approving the Proposed Acquisition

We have considered the following advantages when assessing whether the Proposed Acquisition is reasonable.

| Advantage | Description |
|-----------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| No cash element | The Proposed Acquisition does not deplete the cash funds of Chase as the consideration payable by the Company is in the form of ordinary shares in Chase with no cash element. The exploration expenditure required for the earn-in is able to be largely met by the capital raise that forms part of the acquisition. |
| Proposed Acquisition is value accretive on a control vs control basis (on an undiluted basis) | On a control vs control basis on an undiluted basis the Proposed Acquisition is value accretive when comparing the preferred value pre and post. We also note there is sufficient overlap for the entire valuation range. |
| | Additionally, we note the following: |
| | The Consideration Options and options pursuant to the Rights Issue are exercisable at \$0.022 and as such are |



| Advantage | Description |
|---------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | currently out of the money. Notwithstanding that shareholder's will be diluted upon exercise of the options, for the options to be exercised the value of a Chase share would need to increase to above \$0.022, which would be value accretive to shareholders. |
| | Notwithstanding that shareholder's will be diluted upon vesting of the Consideration Performance Rights, the achievement of the performance milestones are likely to be value accretive. Therefore, despite Security Holders' interests in the Company reducing, the value of their interest is likely to increase. |
| Diversification of commodity exposure | The McIntosh project provides exposure for shareholders to a commodity that is linked to the growing demand for batteries |

13.5 Disadvantages of Approving the Proposed Acquisition

If the Proposed Acquisition is approved, in our opinion, the potential disadvantages to Shareholders include those listed in the table below:

| Disadvantage | Description |
|----------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Loss of control by shareholders | Since Mr Tassone will hold an interest of up to approximately 51.59% shareholding of the Company (on a diluted basis), this will restrict the remaining shareholders' ability to take decisions requiring Ordinary and Special Resolutions without the approval of Mr Tassone. |
| Dilution of existing shareholders' interests | The issue of new Chase shares as part of the Proposed Acquisition is dilutive to current Shareholders. |
| Future takeover bids may be deterred | The existence of a large shareholding which can block special resolutions and ordinary resolutions (on a fully diluted basis) may be a deterrent to potential future takeover bids, therefore reducing the likelihood of Shareholders receiving a takeover premium in the future. |
| Potential reduction in liquidity | The presence of such a large shareholding is likely to reduce liquidity due to the reduced level of free float. |

Source: BDO Analysis

14. Conclusion

We have considered the terms of the Proposed Acquisition as outlined in the body of this report and have concluded that, in the absence of an alternative offer, the Proposed Acquisition is not fair but reasonable to Shareholders.



In our opinion, the Proposed Acquisition is not fair because the low, preferred, and high minority interest values of a share in Chase following the Proposed Acquisition are less than the respective low, preferred and high controlling interest values of a Chase share prior to the Proposed Acquisition. However, we consider the Proposed Acquisition to be reasonable because the advantages of the Proposed Acquisition outweigh the disadvantages. We note that the Proposed Acquisition is value accretive on a control vs control basis (on an undiluted basis). Additionally, we note that the achievement of the performance milestones on the Performance Right Consideration issued to Mr Tassone are likely to be value accretive. Therefore, despite Shareholder's interests in the Company reducing, the value of their interest is likely to increase.

15. Sources of information

This report has been based on the following information:

- Draft Notice of General Meeting and Explanatory Statement on or about the date of this report;
- Audited financial statements of Chase for the years ended 30 June 2020 and 30 June 2021;
- Reviewed financial statements of Chase for the half year ended 31 December 2021;
- Unaudited management accounts of Chase for the period ended 30 June 2022;
- Unaudited management accounts of Red Fox for the period ended 31 December 2021;
- Unaudited management accounts of GCM at 24 June 2022;
- Independent technical specialists report prepared by VRM;
- Earn in agreement for the McIntosh Project;
- Share sale and purchase agreement for GCM;
- Capital raise mandate with GTT;
- Bloomberg;
- S&P Capital IQ;
- RBA;
- USGS;
- Worldbank;
- IEA;
- Share registry information;
- Information in the public domain; and
- Discussions with Directors and Management of Chase.

16. Independence

BDO Corporate Finance (WA) Pty Ltd is entitled to receive a fee of \$35,000 (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 Chase in respect of any claim arising from BDO Corporate Finance (WA) Pty Ltd's reliance on information provided by the Company, 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 Chase and GCM 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 Chase and GCM 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 Chase or GCM, or their associates, other than in connection with the preparation of this report.

A draft of this report was provided to Chase 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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17. 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 Adam Myers and Sherif Andrawes 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.

Adam Myers is a member of Chartered Accountants Australia & New Zealand and the Joint Ore Reserves Committee. Adam's career spans over 20 years in the Audit and Assurance 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.

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 30 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 400 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.

18. Disclaimers and consents

This report has been prepared at the request of Chase for inclusion in the Explanatory Memorandum which will be sent to all Chase Shareholders. Chase engaged BDO Corporate Finance (WA) Pty Ltd to prepare an independent expert's report to consider if the proposed acquisition of GCM was fair and reasonable to the non-associated shareholders of Chase.



BDO Corporate Finance (WA) Pty Ltd hereby consents to this report accompanying the above Explanatory Memorandum. 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 Explanatory Memorandum 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. The Directors of the Company are responsible for conducting appropriate due diligence in relation to GCM. 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 Shareholders obtain their own taxation advice, in respect of the Proposed Acquisition tailored to their own particular circumstances. Furthermore, the advice provided in this report does not constitute legal or taxation advice to the Shareholders of Chase, or any other party.

BDO Corporate Finance (WA) Pty Ltd has also considered and relied upon independent valuations for the mineral assets. The valuer engaged for the mineral asset valuation, Valuation and Resource Management Pty Ltd, possess the appropriate qualifications and experience in the industry to make such assessments. The approaches adopted and assumptions made in arriving at their valuation is appropriate for this report. We have received consent from the valuer for the use of their valuation report in the preparation of this report and to append a copy of their report to this report.

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

Adam Myers

Director

Sherif Andrawes

Director



Appendix 1 - Glossary of Terms

| Reference | Definition |
|--------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| AFCA | Australian Financial Complaints Authority Limited |
| APES 225 | Accounting Professional & Ethical Standards Board professional standard APES 225 'Valuation Services' |
| ASIC | Australian Securities and Investments Commission |
| ASX | Australian Securities Exchange |
| AUB | Auburn Resources Limited |
| Barkly North Project | Barkly North Rare Earths Project |
| BDO | BDO Corporate Finance (WA) Pty Ltd |
| BHT-style | Broken Hill Type-style |
| Butcher's Bore | Butcher's Bore Project - EPM 26397 |
| CEI | Collaborative Exploration Initiative |
| Chase Consideration Securities | Chase Mining Corporation Limited The consideration for the Proposed Acquisition including the Share Consideration, Option Consideration and Performance Rights Consideration |
| Copper Creek | Copper Creek Target - EPM 26024 |
| Corporations Act | The Corporations Act 2001 Cth |
| DCF | Discounted Future Cash Flows |
| DGR Global | DGR Global Limited |
| Earn-in | the right to acquire up to 80% of the graphite rights for the McIntosh Project currently owned by Hexagon |
| EBIT | Earnings before interest and tax |
| EBITDA | Earnings before interest, tax, depreciation and amortisation |
| Els | Exploration licenses |
| EPM | Exploration permit |
| Ernest Henry Project | The Ernest Henry West, Ernest Henry South and Gipsy Creek EPMs |
| Ernest Henry South | Ernest Henry South - EPM 26332 |
| Ernest Henry West | Ernest Henry West - EPM 26010 |
| Eveleigh Project | Eveleigh Zinc Project - EPM 26601 |
| FME | Future Maintainable Earnings |
| FS | Feasibility study |
| FSG | Financial Services Guide |
| GCM | Green Critical Minerals Pty Ltd |
| Gipsy Creek | Gipsy Creek - EPM 26872 |
| GTT | GTT Ventures Pty Ltd |
| Hexagon | Hexagon Energy Materials Limited |



| IEA International Energy Agency IOGC Iron oxide copper-gold IS 214 Information Sheet 214: Mining and Resources: Forward-looking Statements Item 7 s611 Item 7 Section 611 permits such an acquisition if the shareholders of Chase have at to the acquisition JORC Code The Australasian Code for Reporting of Exploration Results, Mineral Resources and Reserves (2012 Edition) JV Joint Venture km² Square kilometres McIntosh Project McIntosh Graphite Project Mr. Tassone Mr Rocco Tassone Mt Ulo Prospect Mt Ulo Lead-Zinc Prospect - EPM 26571 NAV Net Asset Value NSW New South Wales NT Northern Territory Option Consideration 122,936,424 options with an exercise price of \$0.022 and expiring 36 months from Our Report This Independent Expert's Report prepared by BDO 245,872,849 performance rights that convert to ordinary shares in three equal traupn satisfying performance milestones linked to substantially increasing the resonance reserves of for the McIntosh Project PFS Pre-feasibility study PGEs Platinum-group elements PL Prospecting Licence The proposed acquisition of Green Critical Minerals Pty Ltd by Chase Mining Corporation of the proposed acquisition of Green Critical Minerals Pty Ltd by Chase Mining Corporation of the proposed acquisition of Green Critical Minerals Pty Ltd by Chase Mining Corporation of the proposed acquisition of Green Critical Minerals Pty Ltd by Chase Mining Corporation of the proposed acquisition of Green Critical Minerals Pty Ltd by Chase Mining Corporation of Corporat | |
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| Proposed Acquisition Limited | ration |
| QLD Queensland | |
| QMP Quoted market price | |
| RBA Reserve Bank of Australia | |
| RC Reverse circulation | |
| Red Fox Red Fox Resources Pty Ltd | |
| Regulations Corporations Act Regulations 2001 (Cth) | |
| RFR Rafaella Resources Limited | |
| RG 74 Acquisitions approved by Members (December 2011) | |
| RG 76 Regulatory Guide 76 'Related party transactions' | |
| RG 111 Content of expert reports (March 2011) | |
| RG 112 Independence of experts (March 2011) | |
| RTX Rio Tinto Exploration Pty Limited | |
| Section 411 Section 411 of the Corporations Act | |
| Section 606 Section 606 of the Corporations Act | |



| Reference | Definition |
|--------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Section 611 | Section 611 of the Corporations Act |
| Share Consideration | 245,872,849 fully paid ordinary shares in Chase issued as part of the consideration for the Proposed Acquisition |
| Shareholders | Shareholders of Chase not associated with Mr Tassone |
| SPP | Share purchase plan |
| Stage 1 | Exploration expenditure of \$1 million within 12 months to earn an initial 30% |
| Stage 2 | Additional exploration expenditure of \$1 million within 24 months to earn 51% |
| Stage 3 | Additional exploration expenditure of \$1 million within 36 months to earn 80% |
| Sum-of-Parts | A combination of different methodologies used together to determine an overall value where separate assets and liabilities are valued using different methodologies |
| Technical Specialist Report | Technical Specialist Report |
| TGC | Total graphite content |
| The Act | The Corporations Act 2001 Cth |
| The Company | Chase Mining Corporation Limited |
| The Vendor | Mr. Rocco Tassone |
| TMPL | Torrington Minerals Pty Ltd |
| Torrington Project | Torrington Tungsten and Topaz Project |
| UNSW | University of New South Wales |
| USGS | United States Geological Survey |
| Valmin Code | Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets (2015 Edition) |
| Valuation Engagement | 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. |
| VRM | Valuation and Resource Management Pty Ltd |
| VWAP | Volume Weighted Average Price |
| WA | Western Australia |
| Wallaby Prospect | Wallaby Copper-Gold Prospect - EPM 26571 |

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Appendix 2 - Valuation Methodologies

Methodologies commonly used for valuing assets and businesses are as follows:

1 Net asset value ('NAV')

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 ('QMP')

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 ('FME')

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 ('DCF')

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.



Appendix 3 - Independent Valuation Report







| Document Reference | Chase Mining ITAR August 2022 | 2 Rev3 |
|---------------------------|---------------------------------------------------------------------------------------|----------------------|
| Distribution | Chase Mining Corporation Limited Valuation and Resource Management | : Pty Ltd |
| Principal Author | Paul Dunbar BSc Hons (Geology) MSc (Minex) M AusIMM M AIG | Date: 30 August 2022 |
| Contributing Authors | Vanessa Lickfold BSc Hons (Geology) PhD (Economic Geology) F AusIMM GAICD | |
| | Louis Bucci PhD (Geology) M AIG | |
| Reviewer | Lynda Burnett BSc Hons (Geology) M AusIMM GAICD | |
| Valuation Date | 15 June 2022 | |



Executive Summary

BDO, on behalf of Chase Mining Corporation Limited (Chase or the Company), commissioned Valuation and Resource Management Pty Ltd (VRM) to prepare an Independent Technical Assessment and Valuation Report (ITAR or the Report) on the mineral assets under consideration by Chase. The Report is to be included in an Independent Experts Report (IER) to be prepared by BDO and included in a notice of meeting to be distributed by Chase to obtain shareholder approval of the proposed transaction.

This report was prepared as a public document, in the format of a Specialist 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).

This Report is a technical review of several mineral asset projects in Australia (Figure 1); namely:

- The McIntosh Project (graphite) previously owned by Hexagon Energy Materials Limited (Hexagon) in Western Australia in which Chase is considering an 80% acquisition;
- Torrington Project (tungsten and topaz) in New South Wales
- Red Fox Resources Pty Ltd.'s Cloncurry iron ore-copper-gold (IOCG), Selwyn (multi-commodity) and Georgetown copper-zinc-lead-silver (Cu-Zn-Pb-Ag) Projects in Queensland in which Chase has a 30.4% interest;
- Auburn Resources Ltd.'s Hawkwood and Glencoe (Ni-Cu-PGE) nickel-copper-platinum group elements (or Ni-Cu-PGE) Projects in Queensland in which Chase has an option to acquire a 90% interest; and
- Chase's Boulia Rare Earth Elements (or REE) and Digby Creek (REE) Projects in Queensland, the North Barkly (REE) Project in the Northern Territory.

McIntosh Graphite Project

The McIntosh Graphite Project consists of sixteen granted exploration licences and one granted prospecting licences in the Kimberley region of Western Australia. Hexagon, the previous owners of the project announced an updated JORC 2012 Mineral Resource estimate for the Emperor, Wahoo, Longtom, and Barracuda deposits ASX release of 1 April 2019 and re reported in the Chase ASX release of 15 June 2022 with an Indicated and Inferred Mineral Resource estimate totalling 23.8Mt at 4.45% Total Graphitic Carbon (TCG) using a 3.5% TGC cut-off. Additional mineralisation and Exploration Targets of between 50 and 100Mt at between 2% and 5% TGC have been announced by Chase (ASX release 15 June 2022). These targets are along strike and adjacent to the currently identified Mineral Resources. In the ASX announcement of 15 June 2022 additional work is being planned, should Chase acquire the project, to undertake additional exploration, update and refresh the Pre-Feasibility study, undertake additional metallurgical test work, undertake discussions, development studies and downstream processing studies.





Figure 1: Project location, Australia (Source: Modified from QGIS and Google Roads)

Chase Mining Exploration Projects

Chase holds 100% of two exploration licences at the Torrington Project in New South Wales, five exploration licence applications in the Northern Territory, three applications for Exploration Permits for Minerals (EPM's) in Queensland. In addition to the 100% owned tenements Chase also has an option to acquire up to 90% of 13 EPM's at the Hawkwood and one application for an EPM at the Glencoe projects in Queensland and 30.4% of Red Fox Resources Pty Ltd, an unlisted company undertaking exploration on eleven granted EPM's over four project areas in Queensland.

The Torrington Project hosts an indicated and inferred Mineral Resource estimate totalling 2.146Mt at 0.2% tungsten and a coincident indicated and inferred Topaz Mineral Resource estimate totalling 2.146Mt at 17% topaz (Chase ASX release of 12 August 2015).

All of the projects are considered to be early-stage exploration projects with variable exploration potential however most have geochemical anomalies and previous drilling that have returned encouraging results.

Valuation Opinion

VRM has estimated the value of the projects owned by Chase, including the 100% owned Torrington, North Barkly, Digby Plains and Boulia projects, the option to acquire 90% of the Hawkwood and Glencoe projects



and the 30.4% interest in Red Fox Resources Pty Ltd where Red Fox is exploring four projects in Queensland. and the McIntosh Graphite Project that Chase is seeking shareholder approval to acquire. Considering the technical information available as at the valuation date as described further in the body of this report. Tenements under application have been discounted where appropriate to account for the risk of these not being granted or less area being granted. There are declared Mineral Resource estimates within the McIntosh and Torrington Projects which have been prepared applying the guidelines of the Australasian Code for Reporting of Exploration Targets, Mineral Resources and Ore Reserves - The JORC Code 2012 Edition (JORC). The Chase projects are all at an early stage of exploration, and it is uncertain whether future exploration will result in the definition of any Mineral Resource estimates. While there was previously a prefeasibility study reported for the McIntosh project (reported in 2017) VRM considers that the 2017 study is no longer current and there is not a reasonable basis for reporting or valuing the project using an income approach. The primary valuation method was a geoscientific / Kilburn method for the Chase exploration projects while the McIntosh project was primarily valued using a comparable transaction based on a resource multiple. Secondary valuations were determined based on a PEM method for the exploration tenements or Yardstick method for the McIntosh Project.

This report documents the technical aspects of the tenements along with explaining valuations for the properties applying the principles and guidelines of the VALMIN and JORC Codes. The valuations are determined on an equity basis with the expenditure required to attain that equity not deducted from the project valuation. In VRM's opinion the exploration expenditure required to attain the equity in the projects would likely increase the project's value however the extent to which the value would increase is not able to be determined at the valuation date. Additionally, VRM considers that it would be reasonable to deduct the required payment to the vendor of the McIntosh project from the valuation determined in this report.

Conclusions

Considering the current exploration status and mineralisation potential of the tenements in VRM's opinion the Projects currently owned by Chase have a market value of between \$4.7 million and \$7.7 million with a preferred value of \$6.2 million while the McIntosh Project has a market value of between \$2.9 million and \$7.2 million with a preferred value of \$6.1 million as summarised in Table ES-1 below.

Table ES-1 – Preferred Valuation Summary for the Chase and McIntosh Mineral Assets on an equity basis

| Valuation summary | | | |
|---------------------|-----------------------|---------------------------|-----------------------|
| Valuation Technique | Lower (\$ million) | Preferred (\$ million) | Upper (\$ million) |
| McIntosh Project | 2.9 | 6.1 | 7.2 |
| Chase Projects | 4.7 | 6.2 | 7.7 |

iii www.varm.com.au



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1. Introduction

Valuation and Resource Management Pty Ltd (VRM) was engaged by BDO, on behalf of Chase Mining Corporation Limited (Chase or the Company) to prepare an Independent Technical Assessment Report (Technical Assessment or the Report) on the mineral assets under consideration by Chase.

The mineral assets being assessed in this report are as follows (Figure 1):

- The McIntosh Project (graphite) previously owned by Hexagon Energy Materials Limited (Hexagon) in Western Australia in which Chase is considering an 80% acquisition;
- Red Fox Resources Pty Ltd.'s Cloncurry (iron ore-copper-gold or IOCG), Selwyn (multi-commodity) and Georgetown (copper-zinc-lead-silver or Cu-Zn-Pb-Ag) Projects in Queensland in which Chase has a 30.4% interest;
- Auburn Resources Ltd.'s Hawkwood nickel-copper-platinum group elements or Ni-Cu-PGE Project in Queensland in which Chase has an option to acquire a 90% interest; and
- Chase's Boulia (rare earth elements or REE), Digby Creek (REE) and Glencoe (Ni-Cu-PGE) Projects in Queensland, their North Barkly (REE) Project in the Northern Territory and Torrington Project (tungsten and topaz) in New South Wales.

1.1. Compliance with the JORC and VALMIN Codes and ASIC Regulatory Guides

The Technical Assessment is prepared applying the guidelines and principles 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). Both industry codes are mandatory for all members of the Australasian Institute of Mining and Metallurgy (AusIMM) and the Australian Institute of Geoscientists (AIG). These codes are also requirements under Australian Securities and Investments Commission (ASIC) rules and guidelines and the listing rules of the Australian Securities Exchange (ASX).

This Technical Assessment is a Public Report as described in the VALMIN Code (clause 5) and the JORC Code (clause 9). It is based on, and fairly reflects, the information and supporting documentation provided by Chase as referenced in this Technical Assessment and additional publicly available information.

This Technical Assessment 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 departments or the ASX. The authors of these previous reports have not consented to the statements' use in this report and these statements are included in accordance with ASIC Corporations (Consent to Statements) Instrument 2016/72.

1.2. Scope of Work

VRM's primary obligation in preparing mineral asset reports is to independently describe mineral projects in compliance with the JORC and VALMIN Codes. These require that the Public Report contains all the relevant information at the date of disclosure, which investors and their professional advisors would reasonably require in making a reasoned and balanced judgement regarding the project.



VRM has compiled the Technical Assessment based upon the principle of reviewing and interrogating both the work of Chase and independent specialists who have contributed to the technical information available for the projects. This report is a summary of the work conducted to 15 June 2022 and is based on information supplied to VRM by Chase and its advisors as well as information that is in the public domain, to the extent required by the JORC and VALMIN Codes.

VRM understands that its review and report will be included in a Chase Notice of Meeting, and as such, it is understood that VRM's review will be a public document. Accordingly, this report has been prepared in accordance with the requirements of the VALMIN Code.

Much of this report is based on information provided by Chase along with publicly available data, including ASX releases and public data from various companies currently or previously working existing and nearby tenements, the Northern Territory and Western Australia Geological Surveys, government databases and published articles. VRM has made all reasonable endeavours to confirm the accuracy, validity and completeness of the technical data that forms the basis of this report. The opinions and statements in this report are given in good faith and under the belief that they are accurate and not false nor misleading.

1.3. Statement of Independence

VRM, was engaged to undertake a Technical Assessment on the mineral assets of Chase. This work has been conducted in accordance with the JORC and VALMIN Codes. In also complies with ASIC Regulatory Guideline 111 – Content of Expert Reports (RG111) and ASIC Regulatory Guidelines 112 Independence of Experts (RG112).

Dr Vanessa Lickfold, Dr Louis Bucci and Mr Paul Dunbar and VRM have not had any direct association with Chase, its individual employees, or any interest in the securities of the company, which could be regarded as affecting the ability to give an independent, objective, and unbiased opinion. VRM will be paid a fee for this work on standard commercial rates for professional services. The fee is not contingent on the results of this review and is estimated at between \$40,000 and \$43,000 (excluding GST).

1.4. Competent Persons Declaration and Qualifications

This Report was prepared by Dr Vanessa Lickfold and Dr Louis Bucci

The information in this Report that relates to Technical Assessment of Mineral Assets reflects information compiled and conclusions derived by Dr Vanessa Lickfold, who is a Fellow of the AuslMM and Graduate of the Australian Institute of Company Directors. Dr Lickfold, who has a PhD in economic geology and BSc Honours in geology, is an associate of VRM, a Geology and Exploration Management consultancy, which has been engaged by BDO to complete the Report for Chase.

Report sections that relate to local geology and previous exploration is based on information compiled by Mr Louis Bucci, PhD (Geol). Mr Bucci, an Associate of VRM, is a member of the Australian Institute of Geoscientists and has sufficient experience, which is relevant to the style of mineralisation, geology, and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person under the 2012 edition of the Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves (the 2012 JORC Code). Mr Bucci consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.



The information in this Report associated with Mineral Valuation has been supervised and managed by Mr Paul Dunbar. Mr Dunbar, who has a MSc in mineral exploration and BSc Honours in geology, is employed by VRM and he takes overall responsibility for compilation of the Report. He is a member of the AusIMM and the AIG and has sufficient experience relevant to the Technical Assessment of the Mineral Assets under consideration and to the activity that he is undertaking to qualify as a Practitioner as defined in the 2015 edition of the VALMIN Code. Mr Dunbar consents to the inclusion in the Report of the matters based on the information in the form and context in which it appears.

The Technical Assessment has been peer-reviewed Ms Burnett BSc (Hons), a Competent Person who is a member of the AusIMM, is a geological consultant with expertise in mineral exploration and management. Lynda Burnett is a geologist and mining company director with over 35 years of experience in the mining industry.

1.5. Reliance on Experts

The authors of this Report are not qualified to provide extensive commentary on the legal aspects of the tenure of the mineral properties or the compliance with the legislative environment and permitting in the Northern Territory or Western Australia. In relation to the tenement standing within the Northern Territory and Western Australia, VRM has relied on the information publicly available on the Northern Territory STRIKE and Western Australia's Department of Industry and Resources (DMIRS) websites, respectively.

In respect of the information contained in this Report, VRM has relied on the following:

- Information and/or reports obtained from Chase;
- Various ASX releases, including from previous owners and neighbouring companies, including but not limited to Core Lithium, Charger Metals, Lithium Plus and Castillo Copper; and
- Publicly available information, including maps, datasets and technical publications of the Northern Territory and Western Australian Geological Surveys.

This report contains references or statements made by other parties sourced from the following:

- Technical papers or journal articles from the Geological Surveys of Queensland, the Northern Territory and Western Australia;
- Academic and technical papers and abstracts in publicly available journals;
- ASX Releases by various Companies; and
- Published and unpublished Annual Technical reports for the Tenements.

The authors of these reports have not consented to the use of their statements in this report. These statements are issued in accordance with ASIC Regulatory Guide 55 and ASIC Corporations (Consents to Statements) Instrument 2016/72.

1.6. Sources of Information

All information and conclusions within this report are based on information made available to VRM to assist with this report by Chase and other relevant publicly available data to 15 June 2022. Reference has been made to sources of information, published and unpublished, including government reports and reports



prepared by previous parties to the areas. VRM has, as far as possible and making all reasonable enquiries, attempted to confirm the authenticity and completeness of the technical data used in the preparation of this report and to ensure that it had access to all relevant technical information. VRM has relied on the information contained within the reports, articles and databases provided by Chase as detailed in the reference list. In addition to the information provided by Chase, much of the technical information is also available in ASX releases by previous owners; it is referenced as such in the report below.

A draft of this report has been provided to Chase to identify and address any factual errors or omissions prior to finalisation of the report.

1.7. Site Visits

Site visits to the tenements were not undertaken during the preparation of this report. VRM has verified the information from previous owners via Government agencies and ASX releases and considered that site visits would not result in additional material information that would change the opinion or valuation of the project especially given the early-stage nature, remote location, limited outcrop, and minimal sampling associated with the tenements.



2. Mineral Assets

Chase Mining Corporation Ltd.'s mineral tenements under consideration are detailed in Table 1 where the Project description denotes the section below where it is discussed on a location (Figure 1) and geological framework basis

2.1. Mineral Tenure

According to the respective government agencies databases in Western Australia, New South Wales, Queensland and the Northern Territory, accessed on 13 and 20 July 2020, the licences associated with Chase Mining Corporation limited are in good order as granted or applied as indicated that to the best of VRM's knowledge, they remain in good standing with all statutory filings, reports and documentation including renewals supplied to the various government departments. However, according to the Queensland government's data (GeoResGlobe) there is a competing application by Rio Tinto Exploration Pty Ltd over EPM28420 in the Butchers Bore area. There are some tenements that are approaching the end of the initial term, VRM expects and assumes that these will be renewed in accordance with the relevant mining act and that these extension of term applications will be approved. VRM also assumes that the tenement applications will progress to grant as per the normal grant process with the exception of where there are competing applications where these will be processed in accordance with the mining act of the various jurisdictions. At the valuation date VRM understands that the Chase interest in Red Fox was 40% however VRM has since been informed that in June 2022 Chase was diluted from 40% to 30.4% due to a capital raising by Red Fox. Therefore VRM has assigned the updated equity position to the Red Fox assets when determining the equity ownership of those assets.

Regarding each project area individually, the following:

- McIntosh Graphite:
- Torrington Tungsten/Topaz:
- Red Fox Resources and Chase's Queensland Projects: Almost the entire area of the three Boulia REE tenement applications as well as the Selwyn tenements is covered by lands of the Yulluna Aboriginal Corporation RNTBC group (application numbers QCD2012/001 and /007 in the south; QCD2014/008 over Digby Peaks and QDC2014/008); part of Digby Peaks and all of the Mount Carol tenements are bound by the Yulluna Indigenous Land Use Agreement for backlog Exploration Permits and Mount Carol by the Kalkaboon and Yulluna Peoples Joint ILUA for Backlog Exploration Permits. A Native Title claim application (QDC2015/009) exists over both Ernest Henry tenements.
- Georgetown Project: The Eveleigh tenement forms part of the forms part of the Ewamian Renison Exploration ILUA and is subject to a Registered Native Title Body Corporate. The western quarter of the Cooper Creek area also forms part of the Ewamian Renison Exploration ILUA and is subject to a private Indigenous Land Use agreement.
- Hawkwood and Glencoe Projects: Several native title areas have been registered and have Registered Native Title Body Corporate (RNTBC) representation over the Hawkwood Project, particularly over tenements EPM27404, EPM27405, EPM26467 and EPM26523. These mostly, but not exclusively, coincide with the State Forest areas.



North Barkly: Native title determination outcomes have been registered over most of the application, with only EL33130 and the eastern part of EL33230 not being subject to native title. In detail, EL33229 is subject to agreement DCD2012/012 on the Beelatoo Pastoral Lease, EL33230 to DCD2012/006 on the Mungabroom Pastoral Lease, EL33128 to DCD2015/010 on the Mallapunyah Pastoral Lease and EL33128 (part) and EL33129 to DCD2015/011 on the Wallhollow Pastoral Lease. Consent for exploration activities will have to be negotiated and agreed.

The authors of this report are not qualified to provide extensive commentary on the legal aspects of the mineral properties or the compliance with the relevant laws governing mining within Western Australia, New South Wales, Queensland or the Northern Territory or Western Australia. As VRM and the authors of this Report are not experts in Australian mining law, no warranty or guarantee, be it expressed or implied, is made by VRM with respect to the completeness or accuracy of the legal aspects regarding the security of the tenure.



Table 1: Chase Mining Corporation Limited mineral tenements

| | | - II. | Registered | | G | Area | Grant | Expiry | Expenditure |
|----------|---------------|-----------------|------------|-------------|-------------|---------|------------|------------|-------------|
| Tenement | Project | Commodity | Holder | Equity | Status | (km²) | Date | Date | (\$) |
| EPM26010 | Cloncurry | IOCG | Red Fox | 30.4% | Live | 132.00 | 10/11/2016 | 09/11/2026 | \$47,000 |
| EPM26332 | Cloncurry | IOCG | Red Fox | 30.4% | Live | 57.91 | 31/05/2018 | 30/05/2023 | \$77,000 |
| EPM26872 | Cloncurry | IOCG | Red Fox | 30.4% | Live | 15.70 | 08/11/2018 | 07/11/2023 | \$60,000 |
| EPM26397 | Butchers Bore | Au | Red Fox | 30.4% | Live | 99.53 | 10/09/2018 | 09/09/2023 | \$85,000 |
| EPM28420 | Butchers Bore | Au | Red Fox | 30.4% | Application | 102.70 | 03/05/2022 | | |
| EPM26571 | Selwyn | Multi | Red Fox | 30.4% | Live | 108.50 | 21/08/2018 | 20/08/2023 | \$82,000 |
| EPM28006 | Selwyn | Multi | Red Fox | 30.4% | Live# | 22.34 | 27/06/2022 | 27/06/2027 | \$15,000 |
| EPM28007 | Selwyn | Multi | Red Fox | 30.4% | Live# | 76.50 | 28/06/2022 | 27/06/2027 | \$30,000 |
| EMP28051 | Selwyn | Multi | Red Fox | 30.4% | Live# | 124.30 | 26/07/2022 | 25/07/2027 | |
| EPM26024 | Georgetown | Cu | Red Fox | 30.4% | Live | 181.50 | 15/11/2017 | 14/11/2022 | \$77,000 |
| EPM26601 | Georgetown | Zn-Pb-Ag | Red Fox | 30.4% | Live | 303.50 | 14/05/2018 | 13/05/2023 | \$95,000 |
| EPM25948 | Hawkwood | Ni-Cu-Co-Au-PGE | Auburn | Earning 90% | Live | 100.54* | 11/02/2016 | 10/02/2024 | |
| EPM26013 | Hawkwood | Ni-Cu-Co-Au-PGE | Auburn | Earning 90% | Live | 32.43* | 14/03/2016 | 13/03/2024 | |
| EPM26245 | Hawkwood | Cu-Mo-Au | Auburn | Earning 90% | Live | 77.85* | 15/05/2017 | 14/05/2024 | |
| EPM26248 | Hawkwood | Cu-Mo-Au | Auburn | Earning 90% | Live | 84.32* | 30/01/2017 | 29/01/2023 | |
| EPM26526 | Hawkwood | Ni-Cu-Co-Au-PGE | Auburn | Earning 90% | Live | 51.89* | 04/01/2018 | 03/01/2024 | |
| EPM26529 | Hawkwood | Ni-Cu-Co-Au-PGE | Auburn | Earning 90% | Live | 12.97* | 24/08/2017 | 23/08/2023 | |
| EPM27217 | Hawkwood | Ni-Cu-Co-Au-PGE | Auburn | Earning 90% | Live | 116.76* | 28/08/2019 | 27/08/2022 | |
| EPM26523 | Hawkwood | Ni-Cu-Co-Au-PGE | Auburn | Earning 90% | Live | 77.84* | 11/12/2010 | 10/12/2022 | |
| EPM18534 | Hawkwood | Ni-Cu-Co-Au-PGE | Auburn | Earning 90% | Live | 29.19* | 12/10/2010 | 11/10/2023 | |
| EPM27403 | Hawkwood | Ni-Cu-Co-Au-PGE | Auburn | Earning 90% | Live | 324.32* | 03/12/2020 | 02/12/2025 | |
| EPM27404 | Hawkwood | Ni-Cu-Co-Au-PGE | Auburn | Earning 90% | Live | 324.32* | 03/12/2020 | 02/12/2025 | |
| EPM27405 | Hawkwood | Ni-Cu-Co-Au-PGE | Auburn | Earning 90% | Live | 24.32* | 10/03/2021 | 09/03/2026 | |
| EPM27406 | Hawkwood | Ni-Cu-Co-Au-PGE | Auburn | Earning 90% | Live | 123.24* | 03/12/2020 | 02/12/2025 | |
| EPM28434 | Glencoe | Ni-Cu-PGE | Chase*2 | Earning 90% | Application | 50 bl | 11/05/2022 | | |
| EPM28251 | Boulia | REE | Chase | 100% | Application | 100 bl | 14/01/2022 | | |
| EPM28253 | Boulia | REE | Chase | 100% | Application | 100 bl | 14/01/2022 | | |
| EPM28256 | Digby Peaks | REE | Chase | 100% | Application | 100 bl | 17/01/2022 | | |
| EL33128 | North Barkly | REE | Chase | 100% | Application | 652.49 | 25/01/2022 | | |



| Tenement | Project | Commodity | Registered Holder | Equity | Status | Area (km²) | Grant Date | Expiry Date | Expenditure (\$) |
|----------|--------------|-----------|----------------------|-------------|-------------|---------------|---------------|----------------|------------------|
| EL33129 | North Barkly | REE | Chase | 100% | Application | 654.82 | 25/01/2022 | | |
| EL33130 | North Barkly | REE | Chase | 100% | Application | 200 bl | 27/01/2022 | | |
| EL33229 | North Barkly | REE | Chase | 100% | Application | 656.80 | 24/05/2022 | | |
| EL33230 | North Barkly | REE | Chase | 100% | Application | 656.16 | 24/05/2022 | | |
| EL8258 | Torrington | W - topaz | Torrington Minerals | 100% | Live | 4 blocks | 16/04/2014 | 16/04/2023 | |
| EL8355 | Torrington | W - topaz | Resolve Geo Pty Ltd | 100% | Live | 13 blocks | 18/03/2015 | 18/03/2024 | |
| E80/4733 | McIntosh | Graphite | Hexagon | Earning 80% | Live | 9 blocks | 15/11/2013 | 14/11/2023 | \$70,000 |
| E80/4734 | McIntosh | Graphite | Hexagon | Earning 80% | Live | 14 blocks | 17/09/2014 | 16/09/2024 | \$70,000 |
| E80/4825 | McIntosh | Graphite | Hexagon | Earning 80% | Live | 7 blocks | 03/09/2014 | 02/09/2024 | \$70,000 |
| E80/3864 | McIntosh | Graphite | McIntosh Resources | Earning 80% | Live | 9 blocks | 08/04/2008 | 07/04/2024 | \$70,000 |
| E80/3906 | McIntosh | Graphite | McIntosh Resources | Earning 80% | Live | 10 blocks | 03/12/2008 | 02/12/2022 | \$70,000 |
| E80/3907 | McIntosh | Graphite | McIntosh Resources | Earning 80% | Live | 3 blocks | 03/12/2008 | 02/12/2022 | \$50,000 |
| E80/3928 | McIntosh | Graphite | McIntosh Resources | Earning 80% | Live | 14 blocks | 02/06/2009 | 01/06/2023 | \$70,000 |
| E80/4688 | McIntosh | Graphite | McIntosh Resources | Earning 80% | Live | 7 blocks | 25/10/2012 | 24/10/2022 | \$70,000 |
| E80/4732 | McIntosh | Graphite | McIntosh Resources | Earning 80% | Live | 15 blocks | 14/11/2013 | 13/11/2023 | \$70,000 |
| E80/4739 | McIntosh | Graphite | McIntosh Resources | Earning 80% | Live | 21 blocks | 14/11/2013 | 13/11/2023 | \$70,000 |
| E80/4841 | McIntosh | Graphite | McIntosh Resources | Earning 80% | Live | 4 blocks | 27/08/2014 | 26/08/2024 | \$50,000 |
| E80/4842 | McIntosh | Graphite | McIntosh Resources | Earning 80% | Live | 9 blocks | 27/08/2014 | 26/08/2024 | \$70,000 |
| E80/4879 | McIntosh | Graphite | McIntosh Resources | Earning 80% | Live | 3 blocks | 23/07/2015 | 22/07/2025 | \$30,000 |
| E80/4931 | McIntosh | Graphite | McIntosh Resources | Earning 80% | Live | 5 blocks | 12/08/2015 | 11/08/2025 | \$30,000 |
| E80/5151 | McIntosh | Graphite | McIntosh Resources | Earning 80% | Live | 1 block | 05/07/2019 | 04/07/2024 | \$10,000 |
| E80/5157 | McIntosh | Graphite | McIntosh Resources | Earning 80% | Live | 17 blocks | 05/07/2019 | 04/07/2024 | \$30,000 |
| P80/1821 | McIntosh | Graphite | McIntosh Resources | Earning 80% | Live | 110.86ha | 27/08/2014 | 26/08/2022 | \$4,440 |

Chase - Chase Mining Corporation Limited, McIntosh Resources - McIntosh Resources Pty Ltd, Hexagon - Hexagon Energy Materials Limited, Auburn - Auburn Resources Limited, Red Fox - Red Fox Resources Pty Ltd, Torrington Minerals - Torrington Minerals Pty Ltd * estimated from number of blocks and total km² area; *2 Chase application believed to be included in the Auburn agreement. # tenements granted after the valuation date.

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3. McIntosh Graphite Project

3.1. Location and Access

The McIntosh Graphite Project comprises sixteen (16) active exploration licences and one prospecting licence covering 542 km² of ground in the East Kimberley of Western Australia (Figure 2; Table 1). In June 2022, Chase Mining (ASX: CML) announced acquisition of Green Critical Minerals Pty Limited (GCM), which has the right to acquire up to 80% of the graphite rights for the McIntosh Graphite Project (CML, 2022a) with all other mineral rights at McIntosh retained by Hexagon Resources (HGX).

The tenements are located between 40km and 90km north to north-east of the town of Halls Creek in the Kimberley. Access to the tenements is via the Great Northern Highway north from Halls Creek. The McIntosh project has good access roads and is 12km to Great North Highway, with access to a deep-water port ~250km by truck to the Port of Wyndham (CML, 2022a).

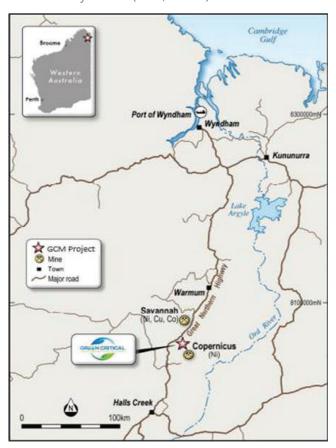


Figure 2: Location of the McIntosh Graphite Project (Source: CML, 2022a)

3.2. Geological Setting

Graphite deposits occur across the McIntosh tenements as discrete horizons within the schist terrain of the Halls Creek Mobile Zone of Western Australia. Their host stratigraphy is the Tickalara Metamorphics which extends for approximately 130 km along the western side of the Halls Creek Fault, a major north northeast trending structure in the area (Figure 3).



Dominant rock types at the deposit-scale comprise felsic to mafic and ultramafic intrusions within high-grade metamorphic sediments and mafic units of the Tickalara Metamorphics. The Tickalara Metamorphics have been metamorphosed up to high-grade amphibolite and granulite facies, with the formation comprising of schist, paragneiss, granite gneiss, calcislicate rocks, amphibolite, and pyroxene granulites. Previous explorers have identified potential graphite schist horizons based on GSWA mapping and EM anomalism over a strike length more than 15km within the project area.

Field work within the area has identified graphite mineralization as hosted within a sillimanite gneiss unit in a horizon intersected at up to ~50m in thickness. This horizon intermittently developed along approximately 10 km of strike length (CML, 2022a and CP statements therein).

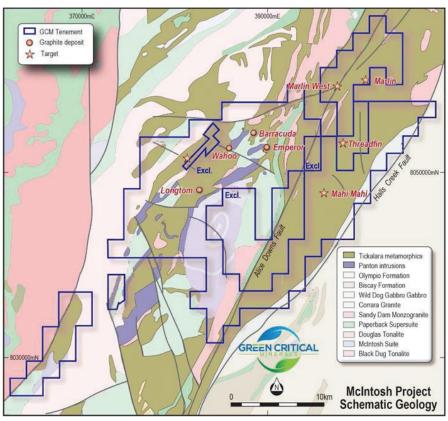


Figure 3: Local geological setting of the McIntosh Graphite Project
(Source: CML 2022a)

3.3. Exploration History

A description of relevant exploration and results thereof is presented with JORC Tables that accompany CML (2022a), with a brief summary here. The East Kimberley has been largely explored for base metals and diamonds with no previous or currently exploration for graphite aside from the McIntosh project. Graphite had been noted by Gemutz during regional mapping in the Mabel Downs area for the BMR in 1967 (Gemuts, 1971), by Rugless mapping and RAB drilling in the vicinity of Melon Patch bore, to the east of the Great Northern Highway in 1993 (WAMEX 39116) and repeatedly encountered during nickel exploration by



Australian Anglo American Ltd (WAMEX 8862), Panoramic Resources Ltd and Thundelarra Resources Ltd over the last 20 years (WAMEX 79234).

3.4. Mineral Resource Estimates and Exploration Targets

The Project contains a combined JORC (2012) Mineral Resource estimate total of 23.8 million tonnes grading 4.5% Total Graphitic Carbon (TGC) across four (4) deposits (Table 2; Figure 4).

The estimate was undertaken by Mineral Resources Ltd (ASX: MIN) and announced by HXG (see ASX Announcement 1 April 2019 and CP statements therein). The 2019 Mineral Resource estimate was updated from a 2017 Mineral Resource estimate which was used as the basis of the 2017 Pre-Feasibility study (PFS). As the Mineral Resource estimate was updated and due to the time since the 2017 PFS was completed VRM considers that the 2017 PFS is no longer current and there is no reasonable basis for using an income valuation approach due to the PFS being outdated.

Whilst undertaking the Mineral Resource estimate, the likelihood of eventual economic extraction was considered by the CP in terms of possible open-pit mining, likely product specifications, possible product marketability and potentially favourable logistics to port and it was concluded that the McIntosh Project contains an Industrial Resource in terms of JORC Code 2012 Clause 49 (see ASX Announcement 1 April 2019 and CP statements therein).

In addition to the Mineral Resources, HGX has defined Exploration Targets as outlined in Table 3 (see ASX Announcement 1 April 2019 and CP statements therein). These Exploration Targets were also confirmed and re-reported by Chase in the 15 June 2022 ASX release.

In VRM's opinion the Mineral Resource estimates and Exploration Targets are reasonable, they remain current and are of a quality that allows reporting in accordance with JORC 2012.

Table 2: McIntosh Graphite Project Mineral Resource 3.5% TGC cut-off

| Deposit | Resource Classification | Tonnes (Mt) | %Total Graphite Content (TGC) | Contained Graphite (kt) |
|-----------|----------------------------|-------------|----------------------------------|----------------------------|
| | Indicated | 12.1 | 4.28 | 517 |
| Emperor | Inferred | 3.8 | 4.35 | 165 |
| | Total | 15.9 | 4.30 | 683 |
| | Indicated | 1.3 | 3.97 | 51 |
| Wahoo | Inferred | 0.0 | 0 | 0 |
| | Total | 1.3 | 3.97 | 51, |
| | Indicated | 5.1 | 4.93 | 252 |
| Longtom | Inferred | 0.8 | 5.25 | 40 |
| | Total | 5.9 | 4.97 | 293 |
| | Indicated | 0.7 | 4.40 | 31 |
| Barracuda | Inferred | 0.0 | 0 | 0 |
| | Total | 0.7 | 4.40 | 31 |
| | Indicated | 19.2 | 4.44 | 853 |
| TOTAL | Inferred | 4.6 | 4.50 | 205 |
| | Total | 23.8 | 4.45 | 1,060 |

(Source: CML, 2022a and CP statements therein)



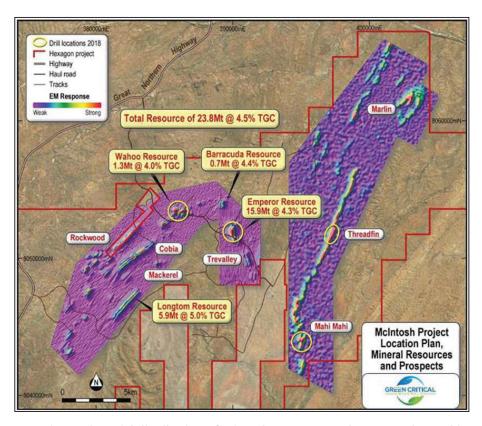


Figure 4: Location and spatial distribution of Mineral Resources at the McIntosh Graphite Project (Source: CML, 2022a and CP statements therein)

Table 3: McIntosh Graphite Project Exploration Target estimates

| Dunamant | Tonnag | Grade Range | |
|------------------------|---------|-------------|-----------|
| Prospect | Minimum | Maximum | (%TGC) |
| Emperor ¹ | 2 | 4 | 4.0 – 5.0 |
| Wahoo ¹ | 1 | 2 | 4.0 – 5.0 |
| Barracuda ¹ | 1 | 2 | 4.0 – 5.0 |
| Cobia | 3 | 6 | 2.0 – 5.0 |
| Marlin | 30 | 60 | 2.0 – 5.0 |
| Marlin West | 5 | 10 | 2.0 – 5.0 |
| Rockcod | 5 | 10 | 2.0 – 5.0 |
| Mackerel | 2 | 4 | 2.0 – 5.0 |
| Trevally | 1 | 2 | 2.0 – 5.0 |
| Total | 50 | 100 | 2.0 – 5.0 |

(NB: ¹ This estimate is in addition to tonnes reported in the Mineral Resources outlined in Table 2; Source: CML, 2022a and CP statements therein)



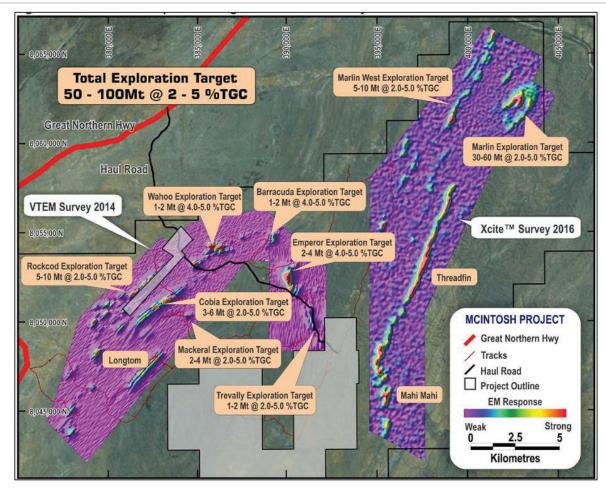


Figure 5: Location and spatial distribution of Exploration Targets at the McIntosh Graphite Project (Source: CML, 2022a and CP statements therein)

3.5. Exploration Potential

The area remains highly prospective for graphite mineralization of the style defined within the Mineral Resource areas. Airborne electromagnetic surveys (AEM) have identified several highly conductive horizons along strike of the current Mineral Resources which require field validation and drill testing. AEM surveys identify conductive stratigraphic units, as the conductors coincident and along strike of the known mineralisation these are considered high priority targets for additional exploration. In addition to the regional targets there are also the reported Exploration Target areas which represent immediate drill targets.



4. Torrington Tungsten/Topaz Project

4.1. Location and Access

The Torrington Project comprises two (2) exploration licences (EL8258 and EL8355; Table 1) located in northern New South Wales (NSW) approximately 370km southwest of Brisbane and approximately 50km to the NSW town of Tenterfield (Figure 6). Access to the Project is via the New England Highway and sealed local roads, followed by unsealed forestry tracks to the Project site.

Chase Mining Corporation announced that its' wholly owned subsidiary Torrington Minerals Pty Limited had agreed to acquire EL8258 and EL8355 from Resolve Geo Pty Ltd (Resolve) on 15 April 2015 (KRB, 2015a).

The tenement area is currently subject to a right to negotiate process regarding Native Title, and tenements are partially covered by State Conservation Area and the Torrington State Forrest (Figure 7). A mining application MLA547 also partially covers both tenements, although its status is unclear.

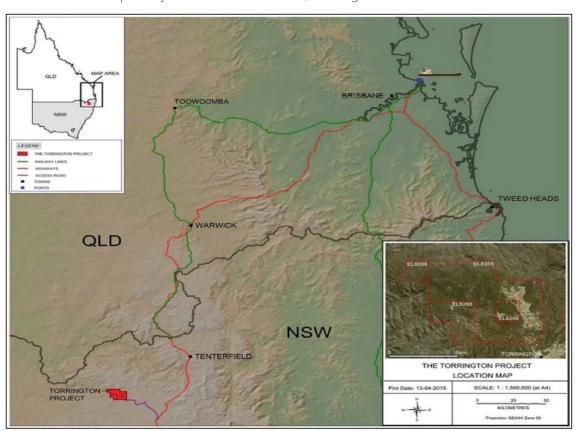


Figure 6: Location of the Torrington Project
(Source: KRB, 2015b)



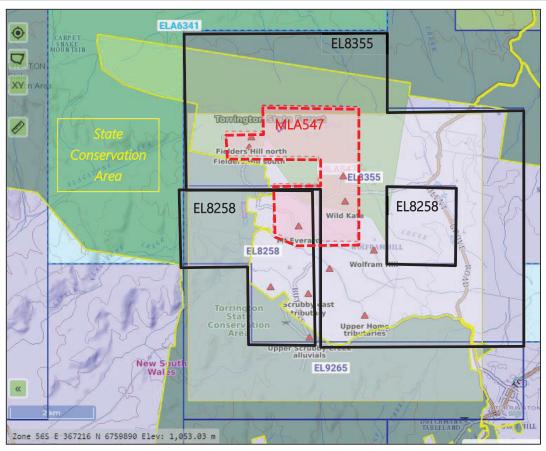


Figure 7: Area restrictions proximal to the Torrington Project NSW (Source: MinView)

4.2. Geological Setting

The Project is hosted within the Torrington Pendant, which is an outlier of Early Permian metasedimentary rocks (siltstones through to conglomerates), located within the Mole Granite (Figure 8). The Mole Granite is a member of the Mole Supersuite of leucogranites of the New England Orogen, which are considered as sources for mineralization of various styles in the region (Blevin and Downes, 2017). It was emplaced during the Late Permian – Early Triassic, interpreted as synchronous with NE-NW shear couples which also exhibit a strong control to the distribution of mineralization and focus of hydrothermal fluid migration (KRB, 2015b).

The tenements encompass the majority of the Torrington Pendant, which contains substantial silexite bodies (quartz-rich greisen) that have formed as late-stage sills and dikes within the roof pendant and at its margins. Late fracturing of the carapace has resulted in sheeted veins and various NW-trending shears faults and joints.

4.2.1.Mineralization

Mineralization associated with the Mole Granite includes polymetallic tin, tungsten, gold, silver, and base metals. Topaz and beryl are also noted. A typical zonation of tin-rich core grading out to tungsten-rich then +/- gold close to the granite margins is noted for similar prospects in the region (Blevin and Downes, 2017). The focus of the Company at Torrington is solely tungsten and topaz at the time of writing.



4.3. Mineral Resource Estimates and Exploration Targets

4.3.1.Mineral Resource Estimates

Inferred and Indicated Mineral Resources (JORC, 2012) for both Tungsten (W) and Topaz have been defined at Torrington (see ASX Announcement 12 August 2015 and CP statements therein).

For W, an Inferred and Indicated Mineral Resource has been defined totalling 2,146,000 tonnes at 0.23% WO₃ at a cut-off grade of 0.05% W for 4,965 tonnes of WO₃ (Table 4). Note to convert W to WO3 is the W assay value is multiplied by 1.2610.

For Topaz, an Inferred and Indicated Mineral Resource has been defined totalling 2,146,000 tonnes at 17% topaz (at a cut-off grade of 0.05% W) for 364,820 tonnes of topaz (Table 5).

Details of the estimation parameters and CP sign-off are outlined in Krucible Resources Ltd (KRB) ASX Announcement 12 August 2015.

In VRM's opinion the Mineral Resource estimates are reasonable, they remain current and are of a quality that allows reporting in accordance with JORC 2012.

Table 4: Inferred and Indicated Mineral Resources (W) at Torrington

| | Silexite (t) > 0.05% W | Grade W (%) | W (t) | WO₃ (t) |
|-----------|---------------------------|----------------|-------|------------|
| Inferred | 1,724,000 | 0.18 | 3,110 | 3,922 |
| Indicated | 422,000 | 0.21 | 827 | 1,043 |
| Total | 2,146,000 | 0.18 | 3,937 | 4,965 |

(Source: KRB ASX Announcement 12 August 2015 and CP statements therein)
(Rounding has resulted in totals not summing exactly)

Table 5: Inferred and Indicated Mineral Resources (Topaz) at Torrington

| | Silexite (t) > 0.05% W | Grade (%) | Topaz (t) |
|-----------|---------------------------|-----------|-----------|
| Inferred | 1,724,000 | 17 | 293,080 |
| Indicated | 422,000 | 17 | 71,740 |
| Total | 2,146,000 | 17 | 364,820 |

(Source: ASX Announcement 12 August 2015 and CP statements therein) (Rounding has resulted in totals not summing exactly)



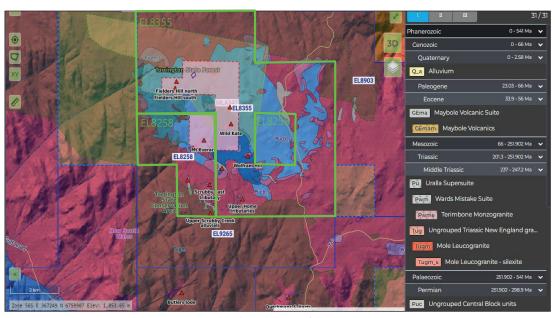


Figure 8: Location and geological setting of the Torrington Project NSW (Source: MinView)



4.3.2.Exploration Targets

In addition to the Mineral Resources outlined in Table 4 and Table 5, the Project has allocated Exploration Targets (JORC, 2012) as outlined in Table 6 (ASX Announcement 12 August 2015 and CP statements therein).

4.4. Exploration Potential

The area is considered prospective for intrusion-related base and precious metals mineralization following the mineralization model outlined by Blevin and Downes (2017).



Table 6: Torrington Exploration Target estimates

| Domain Name | Domain Area (m2) | | Silexite footprint (%) | | orebody thickness (m) | | Orebody Tonnes (t) | | Anticipated grade range | |
|------------------------------------------------------|--------------------|--------------------|------------------------|------------|--------------------------|--------------|--------------------|-----------------|-----------------------------------------------|-----------------|
| | | Silexite Area (m2) | Minimum | Maximum | Minimum | Maximum | Minimum | Maximum | Tungsten (W) | Topaz |
| Burnt Kate | 714,000 | 11,000 | 7 | 29 | 5 | 15 | 770,000 | 8,910,000 | Disseminated mineralisation 0.05 - 0.4% | |
| Mt Everard | 568,000 | 177,000 | 8 | 29 | 5 | 15 | 685,000 | 7,085,000 | | |
| Fielders Hill | 136,000 | 8,000 | 3 | 9 | 4 | 6 | 45,000 | 210,000 | | |
| D&E Bodies (orebodies) | 411,000 | 18,000 | 2 | 7 | 3 | 5 | 80,000 | 390,000 | | |
| Bung/New Hope (orebodies) | 323,000 | 49,000 | 8 | 23 | 4 | 8 | 285,000 | 1,705,000 | | |
| Carters East | 176,000 | 14,000 | 4 | 12 | 4 | 8 | 80,000 | 485,000 | | |
| Locks | 612,000 | 152,000 | 12 | 37 | 5 | 8 | 1,100,000 | 5,290,000 | | |
| Gordons | 592,000 | 175,000 | 15 | 44 | 4 | 8 | 1,015,000 | 6,090,000 | | Disseminated |
| Currawong | 453,000 | 103,000 | 11 | 34 | 2 | 6 | 300,000 | 2,690,000 | | mineralisation |
| Wolfram Hill | 419,000 | 90,000 | 11 | 32 | 2 | 6 | 260,000 | 2,350,000 | | 10 -25% |
| Sheep Station | 211,000 | 44,000 | 10 | 31 | 2 | 6 | 130,000 | 1,150,000 | | 10 -25% |
| Carters West | 143,000 | 16,000 | 6 | 17 | 4 | 8 | 95,000 | 555,000 | | |
| Bob Swamp East | 51,000 | 51,000 | 25 | 100 | 2 | 6 | 75,000 | 885,000 | | |
| The Ranch | 50,000 | 50,000 | 25 | 100 | 3 | 9 | 110,000 | 1,305,000 | | |
| Officer | 17,000 | 17,000 | 25 | 100 | 1 | 5 | 10,000 | 245,000 | | |
| isolated bodies (combined) | 90,000 | 90,000 | 25 | 100 | 4 | 8 | 260,000 | 2,090,000 | | |
| Massive orebody exploration target subtotal | 4,876,000 | 975,000 | 12 | 41 | 4 | 9 | 5,040,000 | 39,345,000 | | |
| Complet (Main Adults annual) | 212.000 | C 000 | 1.4 | 4.2 | | | 2,000 | 6,000 | | |
| Cow Flat (Vein/dyke swarm) | 212,000 | 6,000 | | | assumed 0.5m width * 10m | | - | | | |
| Elliots (Vein/Dyke swarm) Mt Abundance (Vein/dyke sw | 260,000 | 2,000 | 0.4 1.3 | 1.2 4.0 | | | 7,000 | 21,000 9,000 | Vein hosted | N/A - Veins not |
| D&E Bodies (Vein/Dyke swarn | 263,000 411,000 | 7,000 3,000 | 0.4 | 1 | | sed on field | 3,000 7,000 | 21,000 | mineralisation - | considered for |
| Bung/New Hope (Vein/Dyke: | 323.000 | 7,000 | 1.1 | 3 | | vations | 7,000 | 21,000 | 0.5 -4% | Topaz potential |
| Vein-hosted orebody exploration target subtotal | 1,146,000 | 18,000 | 1.1 | 3.3 | obser | vacions | 4,680 | 14,040 | 0.5 -470 | Topuz potential |

(Source: ASX Announcement 12 August 2015 and CP statements therein)



5. Red Fox Resources and Chase's Queensland (excl Glencoe) Projects

Red Fox Resources Pty Ltd has three groups of tenements in the Cloncurry – Selwyn region of central-west Queensland (Figure 9) and another group of two tenements near Conjuboy in north-eastern Queensland that, with the exception of two applications, are actively being explored for iron ore-copper-gold, zinc-lead-silver, copper, and gold. The Chinaman Creek tenement (EPM28420) was applied for on 3 May 2002 and is still being processed; the Mount Carol West II tenement (EPM 28051), applied for on 1 October 2021, is also still being processed. The Conjuboy tenements will be described separately as they are in a distinctly different geological setting than that of central-west Queensland.

Chase's Queensland Project comprises four tenement applications; two adjoining tenements (EPM28251 and EPM28253) south and one (EPM28256) north of Boulia in central-west Queensland (Figure 9and one tenement very close to the Hawkwood Project, Glencoe (EPM28434) in southwestern Queensland. Chase has applied for the Boulia tenements because of the Company's interest in rare earth elements (REEs) and the elevated REE signatures on the properties reported from previous exploration and they are included here due to the proximity to and similar regional geology of the Red Fox Resources tenements in the area. Similarly, the Glencoe tenement is described along with the Hawkwood Project and not included here.

5.1. Location and Access

The Boulia tenements are serviced by unsealed regional and farm roads that connect to sealed Road 62, the roughly east/west running Winton Road, and Road 83, the Boulia-Mount Isa Highway in the north and Boulia-Bedourie Road in the south. The Donohue Highway from the Northern Territory joins the Boulia-Mount Isa Highway ~5km northwest of the town, which is approximately 296km south of Mount Isa by road. There is a sealed airstrip at Boulia that caters for regional air services, but the closest commercial airport is at Mount Isa. The closest railway is located at the Duchess – Chatsworth Phosphate Road intersection approximately 15km northwest of the north-western corner of the Digby Peaks tenement in the north. The main industry in the Boulia area is beef cattle grazing on natural vegetation.

Of the Red Fox tenements, the group of four tenements in the Selwyn area (Mount Carol Project) is 60km northeast of Chase's northern Boulia tenement. The second group comprising three tenements (Ernest Henry and Butler's Bore Projects) is close to Ernest Henry mine 35km northeast of the town of Cloncurry and the third is a group of two tenements (Georgetown Project) 25kms southwest of Cloncurry and 35km northwest of Cloncurry.

5.2. Climate

Cloncurry, which is also used as the closest weather station for Selwyn, has a local steppe climate (Cloncurry, climate-data.org) with temperatures ranging from lows of around 10-24°C in July and 25-38°C in December and January. Rain falls mostly in summer with maximum falls in January and February (>140mm); the average annual rainfall is 481mm

The Boulia region experiences a hot desert climate with very hot summers (26-39°C) that have occasional rains, warm to hot (16-26°C) springs and autumns and mild (10-23°C) dry winters with rare frosts. Annual



rainfall is erratic but occurs mostly in January and February; ranging from 24mm in 1905 to 799mm in 1950, but on average it is in the order of ~215mm (<u>Boulia Queensland climate</u>). During rain events, channels running between the rivers and creeks of the region fill with water and spread floodwaters over expansive areas.

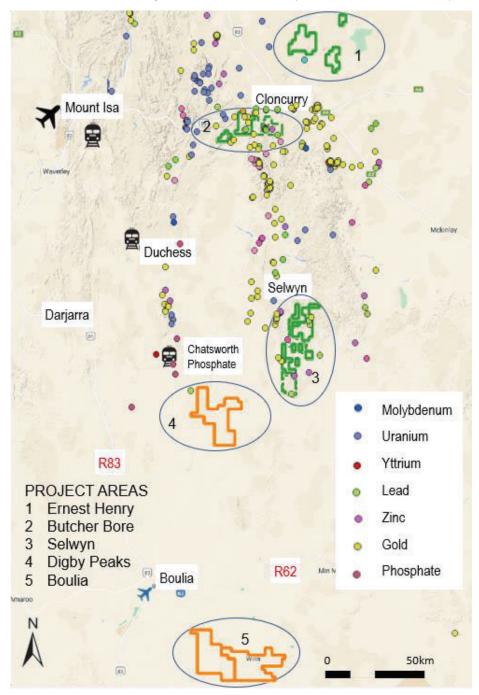


Figure 9: Location of the Chase (orange) and Red Fox Resources (green) tenements in central west Queensland (Source: www.landtracker.com.au and Queensland Government geoscience data portal)

5.3. Environmental Considerations

The watercourses in the region of the Boulia and Selwyn Project tenements are part of the Lake Eyre drainage basin and typically dry up before reaching Lake Eyre (<u>Boulia</u>, <u>Queensland</u> - <u>Wikipedia</u>). The Burke River, which



flows through the northern Digby Peaks tenement, also flows through Boulia, and meets up with Georgina River and Hamilton River (running through the western of the southern two tenements) in "Channel Country." The rest of the landscape is a complex series of ridges, valleys, and plateaus and gently plains. The Selwyn and Georgetown tenements are located on the same large plateau area between watercourse as the western portion of the Digby Peak tenement whereas the Ernest Henry tenements are on the western edge of the Julia Creek plain.

From the <u>GeoResGlobe information.qld.gov.au – native title</u> map, it is confirmed that almost the entire area of the three Boulia REE tenement applications as well as the Selwyn tenements is covered by lands of the Yulluna Aboriginal Corporation RNTBC group (application numbers QCD2012/001 and /007 in the south; QCD2014/008 over Digby Peaks and QDC2014/008); part of Digby Peaks and all of the Mount Carol tenements are bound by the Yulluna Indigenous Land Use Agreement for backlog Exploration Permits and Mount Carol by the Kalkaboon and Yulluna Peoples Joint ILUA for Backlog Exploration Permits. A Native Title claim application (QDC2015/009) exists over both Ernest Henry tenements.

5.4. Regional Geology

The geology of Queensland is divided into three main structural domains; viz., the Proterozoic North Australian Craton in the northwest, the Palaeozoic-Mesozoic Tasman Orogen in the east and the overlapping Mesozoic rocks of the Great Australian Basin. Most of the Proterozoic rocks outcropping in the Duchess and Boulia region of central-west Queensland are within the Eastern Fold Belt and Western Fold Belt Sub provinces of the Proterozoic Mount Isa Inlier Province. In the region of the Red Fox Resources and Chase Queensland tenements, geology consists of the Kalkadoon-Leichhardt, Kuridala-Selwyn, Marimo-Staveley, Doherty – Fig Tree, Tommy Creek, Canobie and Soldiers Cap domains (Figure 10).

The Mount Isa Province principally comprises the 1,870-1,500Ma stacked super basin marine sediments and bimodal volcanics of the Leichhardt, Calvert, and Isa successions unconformably overlying Archaean to Early Proterozoic crystalline basement (Simpson and Heinson, 2018). The volcano-sedimentary units and later shallow-water clastic and carbonate sediments of the Leichhardt Superbasin, which forms the western margin of the Mount Isa Province, were deposited in the north-south trending Leichhardt Rift from 1,790 to 1,730Ma. Calvert Superbasin successions, comprising mainly marine siliciclastics with intercalated rift volcanics were deposited in half-grabens formed at the rift margin from 1,730 to 16,70Ma and Isa Superbasin successions of a similar nature were deposited from 1,670 to 1,590Ma. Basin inversion history remains unclear, but evidence suggests that it involved significant granitic plutonism and the Isan Orogeny involved components of north-south and east-west shortening and extensive plutonism (Withnall and Cranfield, 2013).

An extensive and regional metasomatic overprint is evident over most of the rocks of the Mount Isa Province, which have had a complex history of deformation. Early shortening of the Barramundi Orogeny, demonstrated by tight folding in the basement to the Leichhardt Superbasin, was followed at 1,620Ma with an early east-west compressional phase of the Isan Orogeny that formed the major north-trending upright folds that occur over much of the Province. A period of extension at ~1,500Ma then followed compression and led to the intrusion of the Naraku Batholiths. The kilometre-scale predominantly strike-slip faults over much of the Province were thought to be active during this period as well (Withnall and Cranfield, 2013).



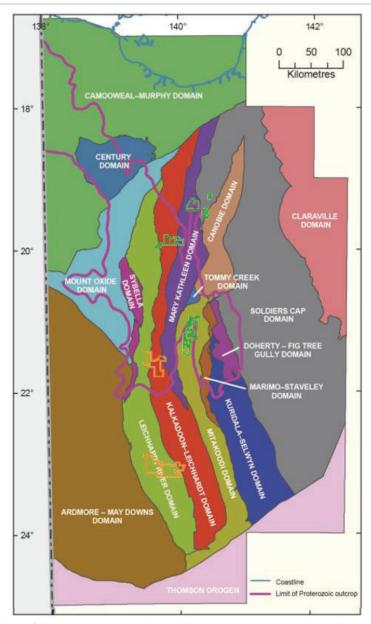


Figure 10: Domains of the Mount Isa Province (Chase tenements green; Red Fox Resource green)

(Source: modified from Withnall and Cranfield, 2013)

Mineralisation

The Mount Isa Province has been a focus for mineral exploration and discovery since copper and gold were first discovered near Cloncurry in the 1860s and remains one of the top producing zinc, copper, and silver regions of the world. According to Withnall and Cranfield (2013), there are four main styles of copper-lead-silver deposits in the Mount Isa Province; viz:

sediment-hosted silver-lead-zinc deposits, e.g., Mount Isa lead-zinc (Black Star) deposits in the Urquhart Shale Formation of the Mount Isa Group and Century and Lady Loreta in the laminated siltstones of the Lawn Hill Formation of the McNamara Group, which interfingers with the Mount Isa Group in the Western Fold Belt;



- brecciated sediment-hosted copper deposits in the Leichhardt, Calvert, and Isa Superbasin sediments
 of the Western Fold Belt, e.g., Mount Isa copper, where mineralisation is associated with brecciated
 dolomitic, pyritic, and carbonaceous sedimentary rocks, and Mammoth deposit in the Whitworth
 quartzite of the Myally Subgroup, where it is associated with brecciated sandstone close to regional
 shear or fault zones (Clark, 2003)
- iron oxide-copper-gold deposits, e.g., Ernest Henry in the intensely altered metamorphosed felsic to intermediate volcanics of the Mount Fort Constantine Volcanics of the Eastern Fold Belt; and
- Broken Hill type silver-lead-zinc deposits, e.g., Cannington, which is hosted in the highly metamorphosed volcano-sedimentary Mount Fuller Group in the Soldier's Cap domain of the Eastern Fold Belt of the Mount Isa Province.

Besides copper-lead-zinc deposits and mineral occurrences, gold occurrences are also fairly common (Figure 9; where copper has been intentionally omitted as the numerous occurrences obscured other occurrences). Other mineral resources in the region of the Boulia and Cloncurry tenements include molybdenum (and rhenium at Merlin deposit near Selwyn), uranium, phosphate, and yttrium (Korella close to Chatsworth phosphate, the Yttro deposit near Duchess and Cookabulka ~20km south of the southern Boulia tenements). The Korella Phosphate deposit (also known as the Krucible) has a declared JORC-compliant Inferred Mineral Resource of 7Mt@0.93kg/t Y₂O₃ (ASX Krucible 2014 CEO Report). An historic Lead Mine (no data) is noted to occur on the Digby Peaks tenement.

5.5. Local Geology

As discussed above, the tenements in the Boulia-Selwyn-Cloncurry region occur in various domains of the Mount Isa Province. Below follows a brief overview of the lithologies occurring within each of the five groups of tenements defined in Figure 9.

Ernest Henry: From the detailed surface geology map produced by the Queensland Geological Survey in 2018, although the group of three tenements in the vicinity of the Ernest Henry Mine are entirely covered by thick (35-60m) Quaternary and Tertiary sediments, the subsurface is interpreted to be either the same rock hosting the Ernest Henry Mine in the area, the Mount Fort Constantine Volcanics, or the associated carbonate and calc-silicate metasediments of the Corella Formation (PorterGeo Database - Ernest Henry). The Mount Fort Constantine metavolcanics comprise dacite and andesite with subordinate metabasalts and calc-silicate metasedimentary rocks. The 1,350Ma Williams Supersuite, or Williams-Naraku Batholith, which includes the Malakoff Granite (Williams et al., 2015), subcrops in the west (Figure 11).



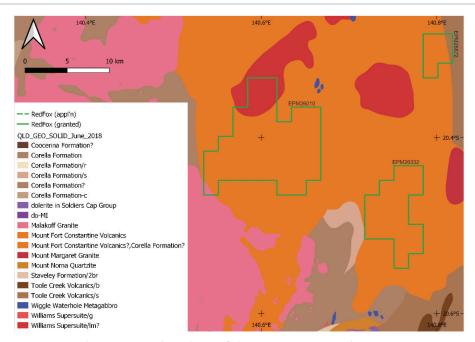


Figure 11: Local geology of the Ernest Henry Project area

(Source: Queensland Geological Survey 2018 map)

Butchers Bore: Quaternary and Tertiary cover is limited to the watercourses on the easternmost tenement (EPM28420). Various units of the Mitakoodi Quartzite, Bulonga Volcanics, Staveley Formation, Corella Formation and other units of the Mount Isa Province dominate the geology of the remainder of the tenements, though minor gabbroic complexes and dolerite intrusives also occur (Figure 12).

Selwyn: Various units of the Mitakoodi Domain of the Mount Isa Province outcrop over the tenements, where the New Hope Sandstone, carbonaceous Hampden Slate and Starcross Formation psammites and schists dominate. The Yellow Waterhole Granite, part of the Williams Supersuite (batholith) separates the tenements into a northern and southern portion and the Squirrel Hill Granite, also part of the Williams Supersuite, occurs in the east of EPM26571 (Figure 13).

Digby Peaks: Units of the Kalkadoon-Leichhardt domain occur in this tenement, where the Jiggamore limestone Member, meta sand- and siltstone Swift Formation and carbonates of the Mort Member and Nimaroo Formation dominate the subsurface below Quaternary and Tertiary cover sequences. The Digby Peaks breccia, an Ordovician-aged silicified ferruginous chert breccia, is present in the central western parts of the tenement (Figure 14). The Burke River Fault, an extension of the same fault hosting rare earth anomalism on the Boulia Project to the south, is interpreted to diagonally transect the tenement in a northwest/southeast direction.

Boulia: Both tenements south of Boulia are dominated by early Cretaceous sediments of the Toolebuc and Wallumbilla Formations, the Allaru Formation and other Tertiary and Quaternary cover. The 2018 "solids" geological map indicates that the Kalkadoon Granodiorite, Kurbayia Metamorphic Complex and Leichhardt Volcanics of the Leichhardt River Domain of the Mount Isa Province are present below this cover (Figure 15).



Magnetic features, potentially carbonatite dykes are thought to occur in the subsurface on the western tenement.

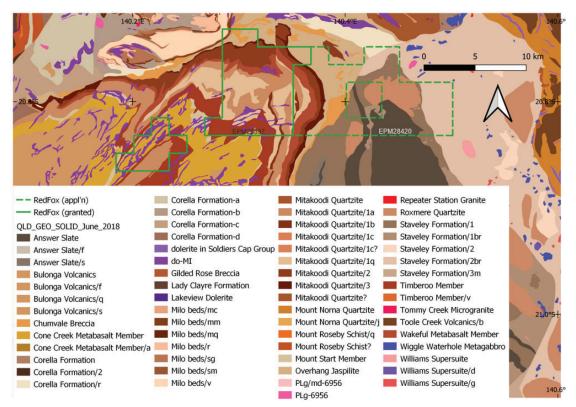


Figure 12: Local geology of the Butchers Bore Project area





Figure 13: Local geology of the Selwyn Project area

(Source: Queensland Geological Survey 2018 map)

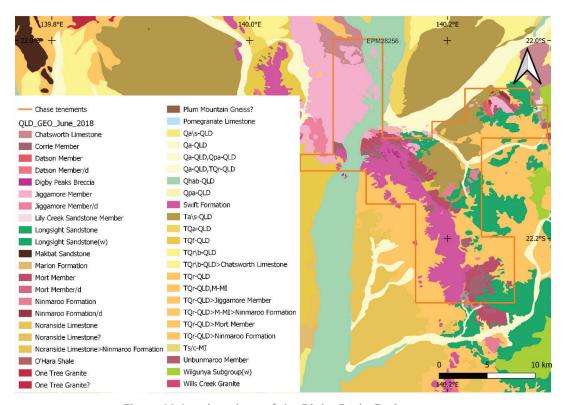


Figure 14: Local geology of the Digby Peaks Project area

(Source: Queensland Geological Survey 2018 map)



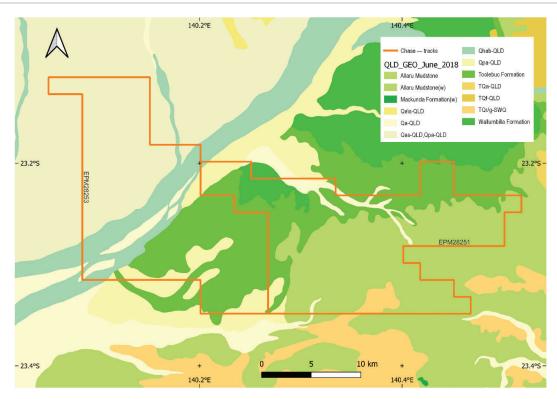


Figure 15: Local geology of the Boulia Project area

(Source: Queensland Geological Survey 2018 map)

5.6. Exploration History

The exploration history of each tenement group is discussed below.

Ernest Henry: Extensive geophysical surveys have been conducted over the EPM26010 tenement previously, mostly by WMC and Mount Isa Mines/Xstrata under EPMs 8648 and 11466 and later by Minotaur in 2013. Prior to the discovery of Ernest Henry, previous drilling by Chevron and MTA in the 1970s targeted roll-front uranium mineralisation in the overlying Gilbert River Formation (CML ASX release 20211216). WMC's work (EPM 8648 and 11466) included ionic leach soil sampling, airborne and ground geophysics including magnetics, gravity and drilling predominantly magnetic targets. Minotaur reprocessed the available data in 2013 and identified several chargeability anomalies for follow-up in 2014; however, this work was not completed. Detailed ground magnetic and gravity surveys were completed over the FC8 target by WMC, but little information is provided in the relinquishment reports and no modelling was carried out. Only six holes have been drilled within the EPM 26010 that targeted base metals, four of which were in the southern part of the EPM targeting a discrete magnetic anomaly was also drilled. Several geophysical targets remain untested via drilling.

On the Gipsy Creek tenement (EPM26872) exploration activities were completed by Xstrata (EPM8648) in the 1990s and later by Minatour (EPM 12463) in 2013 prior to Red Fox commencing activities in 2020 based on a major conductivity anomaly defined by a magneto-tellurics survey completed in 2017 by the Queensland Government. Regional ionic leach soil sampling and aircore drilling over the Gipsy Creek intersected sporadic elevated copper up to 1020ppm but with no discernible pattern. One previous diamond



drill hole into the edge of the Gipsy Creek chargeability target zone GCD001 intersected pyrrhotite veins and breccias with a maximum copper assay of 368ppm copper and maximum gold assay of 31ppb Au over 2m. The inversion models of the 2017 magneto-telluric survey, which were released in 2018, identified a significant conductivity anomaly at Gipsy Creek (Figure 16), which have been the target of drilling in mid-2021. The results from this three-hole drilling campaign were disappointing with mainly pyrite and pyrrhotite intersected with only traces of chalcopyrite reported. No significant base or precious metal mineralisation was visible and no significant results were returned from analyses carried out (Red Fox ASX release 20210615).

Exploration over the EPM26332 tenement, called Ernest Henry South, immediately west of the Ernest Henry E1 Pit, has mainly been completed in three campaigns. Initially Chevron and MTA focused their efforts on uranium roll front style mineralisation in the 1970s. This was followed by WMC and partners' various airborne and ground geophysical surveys with follow-up reverse circulation and diamond drilling programmes targeting continuations of the Ernest Henry deposit from 1994. Cloncurry Metals conducted a detailed magneto-telluric survey in 2017 and inversion models were released in 2018, which highlighted a significant conductivity anomaly at E1 that extends into the tenement. Red Fox commenced exploration in 2018 with a review of the numerous geophysical anomalies on the property interpreted to represent deep structural conduits that may be important for localising mineralisation (Red Fox Resources ASX release 20220217). They completed a seven-hole reverse circulation drilling programme in late 2020 to follow-up several of the geophysical anomalies and were disappointed by the results, which showed no significant base or precious metal mineralisation (Red Fox Resources ASX release 20210212). Red Fox Resources have recently been awarded a government grant of AU\$120,000 to help the three-hole reverse circulation drilling campaign on the tenement.



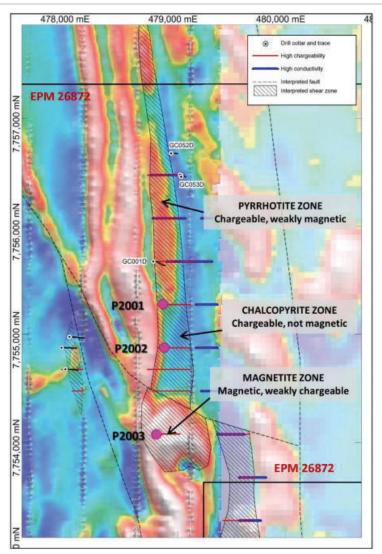


Figure 16: Magneto-telluric anomaly over the Gipsy Creek are of the Ernest Henry Project

Source: Red Fox Resources Pty Ltd

Butchers Bore: Previous work on the tenements was conducted by Arimco between 1995-1999 and again in 2002 focussing on the GW Gossan (Figure 17) in the Marraba Volcanics on EPM26397 (GSQ Open Data Portal CR33672). Their work initially included the collection of 116 soil sample and 94 rock samples followed up with three reverse circulation boreholes based on aeromagnetic data collected and gridded by GSQ in 2018, survey 1377. They later conducted a rock sampling campaign (14 samples) over GW Gossan that returned several samples of >1g/t gold and one sample with 25.6g/t gold, 339ppm bismuth, 176ppm tungsten and elevated cobalt. A regional geological study to prioritise exploration targets was completed prior to a reconnaissance trip in 2002, which led to the relinquishment of tenements hosting the Pick and Shovel and Fine Gully Prospects. They noted in their report that the GW Gossan Prospect remained untested.

Recent exploration results for Butchers Bore (Red Fox Resources ASX release 20220530) show significant gold results from a soil (176 samples) and rock chip (27 samples) sampling and mapping campaign completed in March 2022 over the GW Gossan target.



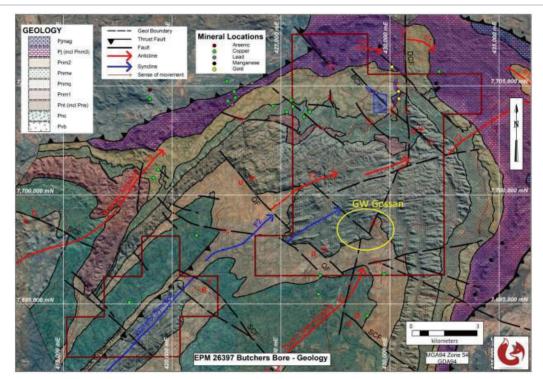


Figure 17: GW Gossan target on the Butchers Bore Project tenement

Source: Red Fox Resources Pty Ltd

Selwyn: Prior to Red Fox's exploration activities, the area had been explored by Amoco in 1982 (Perisher), Placer in 1972 (Mt Ulo) and 1995, BHP in 1996 and 2006 and Cloncurry Metals in 2010 (see <u>CML ASX release 20211115</u> for details). In summary, Amoco, Placer, and Cloncurry Metals targeted IOCG mineralisation at the Camel Bore prospect on a linear magnetic anomaly, where drilling intersected variably magnetic amphibolites with minor copper in veinlets (maximum assay of 0.3% copper). BHP targeted Cannington-style mineralisation at KSG008 and KSG009 prospects (Jasper Ridge) in 2006, which had elevated zinc-in-soil results coincident with magnetic anomalies. Drilling intersected variably magnetic amphibolite with minor pyrite and pyrrhotite (maximum assay of 4m @ 0.34% zinc from 56m). Other prospects, including Wallaby and Bustard Flat have also been explored previously.

The Jasper Ridge target, a zone of semi-massive pyrite/pyrrhotite in albite-altered metasediments on the applied for EPM28051 was drilled by CSR in the 1980s and encountered two drilling intersections that ended in mineralisation; JRD-4, 18m @ 0.42% Cu, 0.55% Zn, 6g/t Ag, 252ppm Co (from 62m); and JRD-6, 7.8m @ 0.97% Cu, 0.39% Pb, 22g/t Ag, 684ppm Co (from 32m). The Jasper Ridge intersections are similar to wide zones of mineralisation at Mt Ulo/Perisher 33km to the north intersected in shallow historical drilling including 30m @ 0.42% Pb, 8.6g/t Ag. High grade sections were also intersected at Mt Ulo/Perisher including 3.05m @ 2.08% Pb, 16g/t Ag have been recorded. Minatour also conducted ground geophysics over EPM28051 (Red Fox Resource ASX release 20211115).

Red Fox Resources Pty Ltd commenced exploration on the Selwyn tenements in 2018 on the anomalous lead- and zinc-in-soil, rock and gossan results at the Mount Ulo Perisher prosects on EPM26571 (), which are coincident with airborne electromagnetic highs. Continued exploration through 2021 included a 617-station



gravity survey over the same tenement. Red Fox has focussed on a large gravity anomaly identified in regional gravity surveys associated with the prospective stratigraphy as this is thought to represent a body of significant density contrast to the surrounding meta-sediments.

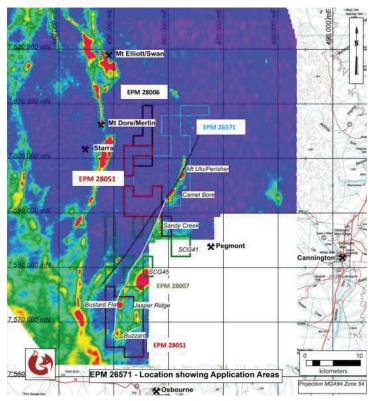


Figure 18: Red Fox targets within the Selwyn Project area (Source: Chase)

Digby Peaks: CRA undertook a stream sediment and rock sampling campaign over the tenements in 1977 to assess the zinc, lead, copper and cobalt potential (CML ASX release 20220119). They also conducted a 9-hole rotary percussion drilling programme (GSQ Open Data Portal CR6371) over several anomalies, most of which were interpreted to indicate low concentrations of galena and sphalerite derived from a Mississippi Valley Type base metal deposit in the Ninmaroo Formation carbonates. With the exception of the Lead Mine anomaly, all other surface anomalies failed to return substantial mineralisation in the shallow drilling samples, and it was concluded that likely economic mineralisation thought to be present would be associated with blind targets. Rare earth element exploration has not been previously conducted on the tenement and Chase indicate they have selected the area based mainly on the similar geochemistry and geology to the Boulia Project (described below), which occurs further south along the Burke River fault zone that also occurs on Digby Peaks.

Boulia: Jacaranda Minerals Ltd previously conducted exploration for molybdenum-vanadium-uranium roll front style mineralisation in the Cretaceous Toolebuc Formation over the two tenements between 2007 and 2012 (CML ASX release 20220119; GSQ Open Data Portal CR73656). The exploration comprised low-level



aerial magnetic survey and follow-up drilling target identification; geological mapping and widely spaced 76-hole 30m deep air core drilling programme (which included downhole gamma and handheld Niton XRF spectrometer analysis. The resulting generally low uranium contents (~30ppm U₃O₈, but up to 285ppm U and 700ppm Mo) of the drilling samples led Jacaranda to surrender the tenement in 2012. Rare Earth Element exploration over the tenements was previously undertaken by Hartz Rare Earths in 2014 and 2015 off the back of their assessment of the Jacaranda results, which demonstrated a clear structural control (associated with the Burke River fault) on anomalism. Combined with their view that REE mineralisation may be developed more strongly in the Toolebuc Formation than in the overlying less phosphate and organic Allaru Formation. They conducted a stream sediment sampling campaign (87 samples), which demonstrated that the main REE system strikes north westerly for at least 40km and lies east of the Krucible prospect. They interpreted the weak response from the Krucible prospect to indicate that it was likely a minor, lower grade occurrence and subsequently relinquished their tenements (GSQ Open Data Portal CR91920).

5.7. Mineral Resource and Ore Reserve Estimates

With the exception of the noted Lead Mine on the Digby Peaks tenement, there are no declared JORC-compliant Mineral Resources on any of the Ernest Henry, Butchers Bore, Selwyn or Boulia tenements.

5.8. Exploration Potential

The exploration history of each tenement group is discussed below.

Ernest Henry: The three tenements comprising the Ernest Henry Project; viz. Ernest Henry West (EPM26010), Ernest Henry South (EPM26332) and Gipsy Creek (EPM26872) are, in VRM's option, variably prospective for iron ore-copper-gold deposits like the nearby Ernest Henry mine. Rio Tinto opted to withdraw from the Ernest Henry South farm-in in June 2021. This, combined with the disappointing drilling results at Gipsy Creek and Ernest Henry South, are considered indications that, despite the geophysical anomalies, significant copper mineralisation may not be present, which to VRM, suggests the iron ore-copper-gold potential of these two tenements to be medium. VRM considers that there is copper-gold potential on the Ernest Henry West tenement, which contains undrilled and larger geophysical anomalies.

Butchers Bore: Recent rock chip and soil sampling and mapping campaigns over the GW Gossan on the granted tenement (EPM26397) are encouraging. In addition, Arimco note in their 2002 report that the target remains untested despite positive results. These two aspects, combined with an attractive geological setting are considered by VRM to be indicative potential for gold mineralisation over the granted tenement. The fact that the adjacent tenement application, EPM28420, is also under application by Rio Tinto Exploration (EPM28422) is noteworthy.

Selwyn: There are two targets considered by VRM to be noteworthy in the Selwyn group of tenements; viz., a small block of EPM28007 that hosts the SCG45 target from the BHP aerial conductivity survey conducted in 2006, and the applied for but not yet granted EPM28051, which hosts the known mineralisation at Jasper Ridge. In VRM's opinion, these two tenements are moderately to highly prospective for sediment-hosted or Broken Hill Type massive sulphide mineralisation. Albeit that the remaining tenements have a similar geological setting and are in the vicinity of several mines, including Cannington 110km to the east-northeast,



VRM views the lack of any geophysical anomalies over these areas to be indicative of potential for base metal and gold potential within the tenement.

Boulia: The wide-spaced stream sediment sampling campaign conducted by Hartz Rare Earths in 2014 demonstrated a large surface rare earth anomaly. This anomaly occurs in roughly the same orientation to the interpreted carbonatite dykes, the potential source for the rare earth, in the western tenement. VRM considers that there is that there is potential for rare earth element mineralisation the Boulia tenements.

Digby Peaks: Exploration for shear zone related rare earth element mineralisation is not well-tested in the region. The tenement has been selected mostly on geology like the Boulia Project to the south and the rare earth element occurrences at Korella, Yttro and Cookabulka outside the tenement. As the previous exploration was limited to evaluating the base metal and uranium potential with no previous REE exploration VRM is of the opinion that there is potential for base metals and rare earth elements on the Digby Peaks tenement.



6. Red Fox Resources' Georgetown Project

Red Fox's Georgetown Broken Hill Type zinc-lead-copper-silver Project comprises two individual tenements in the Proterozoic Georgetown Inlier rocks of northern Queensland.

6.1. Location and Access

The 303km² Eveleigh tenement (EPM26601) is located 95km northwest of Conjuboy while the 181km² Copper Creek tenement (EPM26024) is 60km southeast of the Conjuboy. Conjuboy is 250km southwest of Cairns in northern Queensland. National Highway 1 (N1), which joins Cairns in the east to Normanton in the west of the Cape York Peninsula. The closest settlement to the tenement is Mount Surprise along the N1, 32km east of the Einasleigh River, which runs through the tenement. In the south, the Kennedy Developmental Road (R62) to runs through the eastern part of the tenement and joins with the N1 85km north of Conjuboy. The closest settlement to the Copper Creek tenement is Lyndhurst, which also has a regional airport. Georgetown also has a regional airfield. Townsville and Cairns airports are 250km and 260km respectively from Conjuboy. The nearest port is Cairns, which is connected to the Tablelands Railway network at Mount Surprise. Although this station is also closer to the Copper Creek in a straight line, the more direct rail link for this tenement 165km to the south at Hughenden on the Mount Isa line.

6.2. Climate

Taken from the Georgetown weather station, where a hot humid summer climate is experienced, temperatures range from 23-37°C in November, December, and January to 12-28°C in July, the coldest month of the year. Rain typically falls as downpours in January and February, where monthly rainfall averages at around 220mm a month, though falls of between 50-120mm throughout summer to bring the total annual average rainfall to 820mm. VRM is of the opinion that the high summer rainfall will restrict exploration activities for parts of the year.

6.3. Environmental Considerations

Natural vegetation and grazing lands form large parts of the region, where beef cattle farming is the primary industry. The landscape comprises several mesas and plateaus and the ridge of Australia's Great Dividing Range runs north/south around Mount Surprise, forming a natural watershed in the region.

The Eveleigh tenement forms part of the forms part of the Ewamian Renison Exploration ILUA and is subject to a Registered Native Title Body Corporate. The western quarter of the Cooper Creek area also forms part of the Ewamian Renison Exploration ILUA and is subject to a private Indigenous Land Use agreement.

6.4. Regional Geology

The Georgetown region is located in the western part of the Proterozoic Etheridge Province of the North Australian Craton. The Proterozoic lithologies have been extensively intruded by Silurian to Early Devonian granitoid batholiths and Carboniferous to early Permian felsic intrusive and extrusive complexes and Cretaceous sediments cover part of the area, particularly in the west (Figure 19). The Proterozoic basement is commonly referred to as the Georgetown Inlier, which has been postulated to be part of the Diamantina Orogen (Laing and Beardsmore, 1986), which connects the Mount Isa Province with the Broken Hill block in



the south and the Georgetown block, inferring they were contiguous through much of the Proterozoic and therefore have the potential to host Broken Hill Type base metal deposits.

The following summary of the region is taken from Morrison et al., 2019.

Where present, the Proterozoic rocks in the region are generally one of four units of the Etheridge Group, viz., the Einasleigh, Cassidy Creek and Juntala Metamorphics, the Bernecker Formation, Robertson River Subgroup and Upper Etheridge Group sediments.

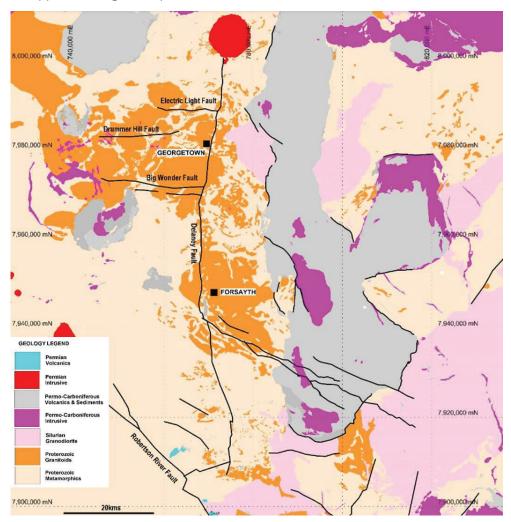


Figure 19: Regional geology of the Georgetown area, northern Queensland

Source: Morrison *et al.*, 2019

The 1,700-1,660Ma Einasleigh Metamorphics are characterised by layered biotite and calc-silicate gneisses, with common amphibolites and migmatites. Grading into and faulted against the Einasleigh Metamorphics in the south are the mica schists (locally graphitic) and minor quartzites of the Juntala Metamorphics. The compositionally similar Cassidy Creek Metamorphics are structurally juxtaposed against the Einasleigh Metamorphics in the east, north-east of Einasleigh. The Bernecker Creek Formation, which grades into the Einasleigh Metamorphics, comprises predominantly calcareous to dolomitic fine-grained sandstones,



siltstones, and mudstones, grading into calcareous mica schists and quartzites with calc-silicate minerals and calc-silicate gneisses similar in composition to the Einasleigh Metamorphics in the east.

The Robertson River Subgroup comprises mostly fine-grained meta-sediments (calcareous siltstones, calcareous or carbonaceous mudstones, minor sandstones) interlayered with meta-pillow basalts. The Upper Etheridge Group is dominated by siltstones and mudstones (locally calcareous or carbonaceous), minor sandstones and rare thin limestones, with an upper laminated carbonaceous pyritic mudstone unit, the 1,629±12Ma Langdon River Mudstone.

The Etheridge Group was intruded by extensive Mesoproterozoic (1,550-1,560Ma) predominantly S-type granitoids, mostly forming the Forsayth Batholith. The main individual plutons include the Aurora, Delaney, Forsayth, Goldsmiths, Mount Turner, Bowler Creek, Mistletoe, Ropewalk, Welfern, Mywyn, Mount Hogan and Lighthouse granites, the Forest Home and Talbot Creek trondhjemites and the Brandy Hot Granodiorite.

Multiple phases of regional Proterozoic metamorphism and deformation are recorded in the rocks of the Georgetown region. Metamorphic grades in the Etheridge Group generally increase west to east and range from the lower greenschist to granulite facies. The main regional high-grade metamorphic and deformational event accompanied the emplacement of the Mesoproterozoic granitoids; however, two periods of deformation at 1,620 and 1,590Ma predated this magmatism.

The Copper Creep tenement region is located at the juncture of the Etheridge (Palaeoproterozoic), Thalanga (Early Palaeozoic) and Broken River Provinces (Palaeozoic). Regional faults systems delineate these provinces, where the northeast-trending Burdekin River Fault, or Teddy Mountain Fault as it is termed locally, separates the Etheridge Province from the Broken River Province in the south and the north-northeast trending Lynd Mylonite Zone separates the Etheridge Province from the Thalanga Province to the east.

Apart from the Proterozoic basement (described above) that dominates the area, the Georgetown region has been intruded by three phases of plutonism during the Silurian, Permo-Carboniferous, and Permian as well as a prominent north-south-trending Permo-Carboniferous felsic volcanic belt. Most of the over 1,000 mines, prospects and mineral occurrences identified in the region are associated with these three intrusive events.

Mineralisation

Morrison *et al.* (2019) analysed the >1,000 known mineral occurrences in the Georgetown region into three overall classes; viz., intrusion-hosted gold with base metals; intrusion-related hydrothermal gold systems with polymetallic (gold-bismuth, tellurium, lead, zinc, copper, arsenic, and antimony) geochemistry and epithermal gold-silver ± tellurium, arsenic-antimony, and base metals. They further divided these according to four age categories; viz., Early Devonian, which includes most of the historic and recent gold producers of the district; Early Carboniferous, which includes the mostly scattered occurrences east of the Newcastle Range; Late Carboniferous and Early Permian.

The Proterozoic rocks in the region show copper, zinc, molybdenum, and silver mineral occurrences (Figure 20), potentially indicating the presence of Broken Hill Type base metal mineralisation. Other copper deposits in the region include Kaizer Bill, Chloe & Jackson, Dreadnought, the historic Einasleigh Copper Mine, Teasdale and Railway Flat, all within about 30km of the town of Einasleigh (Figure 20 and Figure 21)). Copper Strike



Ltd reported JORC 1989 resources for Kaiser Bill, the Chloe & Jackson trend and Railway Flat in 2010 (CopperStrike ASX release 20100929).

Lees and Buckle (2014) classify these deposits as Broken Hill Type and Kaiser Bell and Einasleigh as well as another deposit, Daintree, are hosted in the Einasleigh Metamorphics, the same unit that outcrops over both of the Georgetown tenements. There is an alternative hypothesis that these deposits are not only Broken Hill Types, but shear-hosted and iron oxide-copper-gold because of the magnetite association in places (e.g., Daintree).

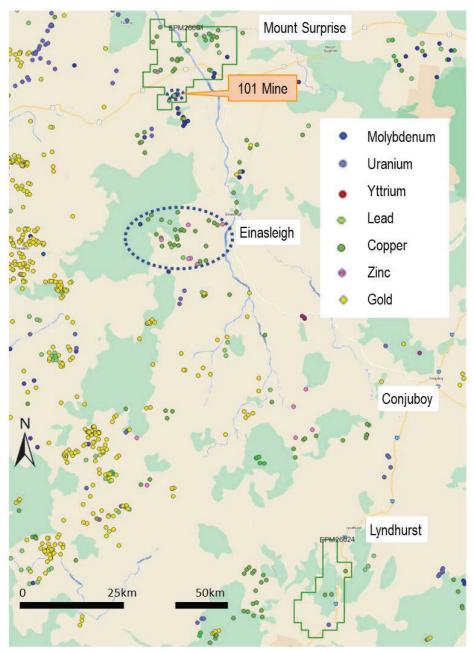


Figure 20: Mineral occurrences in the Georgetown Project area, northern Queensland (Source: Geological Survey of Queensland 2018 map; Red Fox Resources ASX release 20220217)



| Deposit | Resource Category | Size (Mt) | Cu (%) | Au (g/t) | Ag (g/t) | Zn (%) | Pb (%) | JORC Resource | |
|----------------|----------------------|--------------|--------|-------------|-------------|--------|--------|-------------------|---------------|
| (aiser Bill | Indicated | 13.5 | 0.84 | 0.13 | 6 | | | | 11 11 |
| | Inferred | 1.5 | 0.85 | 0.08 | 11 | | | The second second | Caiser Bill 🚫 |
| Einasleigh | Indicated | 0.5 | 4.0 | 0.22 | 18 | | | 5 | |
| | Inferred | 0.6 | 1.9 | 0.10 | 8 | | | | |
| ackson/Stella/ | Indicated | 3.4 | 0.2 | | 47 | 4.7 | 2.1 | The second | |
| hloe Trend | Inferred | 1.3 | 0.2 | | 51 | 5.1 | 1.8 | o 2 4km Jackson | Chloe |
| ailway Flat | Inferred | 0.9 | 0.2 | - | 16 | 3.4 | 0.9 | | Sec. |

Figure 21: Mineral Resources declared in the Einasleigh area of the Georgetown Inlier (Source: Copper Strike Ltd CopperStrike ASX release 20100920)

6.5. Local Geology

From the 2018 geological map produced by the Geological Survey of Queensland, the Eveleigh tenement (EPM26601) is dominated by the highly metamorphosed Proterozoic Einasleigh Metamorphics (Figure 22). Over the tenement, these units range from sillimanite-biotite schist, micaceous quartzite, and biotite gneiss through amphibolites, some with relict lava pillows, to mafic granulites and migmatites; leucogranites and pegmatites are common. Mesoproterozoic muscovite-biotite, biotite-muscovite, and muscovite granitoids, leucogranites and pegmatites also occur over the eastern part of the tenement but are less abundant.

The Silurian White Springs Granodiorite medium-grained biotite granodiorite intrudes the Proterozoic basement in the northern part of the tenement, while in the west, this unit is fine to medium-grained garnetiferous, muscovite leucogranite, aplite and pegmatite

In the south, the Proterozoic basement is intruded by the Early Carboniferous Yellow Jacket Rhyolite, Caterpillar Microgranite and Eva Creek Microgranite and the Late Carboniferous early Permian Kennedy Province intrusive suite, which comprises commonly flow-banded aphyric to highly porphyritic, intrusive rhyolite.

Late Tertiary – Quaternary sediments variably cover the tenement but are more abundant southwest of the Einasleigh River (Figure 22).

The Eveleigh Project contains a lens of zinc mineralisation called "101 Mine" (thought to be Broken Hill Type similar to Cannington) that was drilled primarily in the 1970s, with historical intersections including 24.4m @ 2.5% Zn.



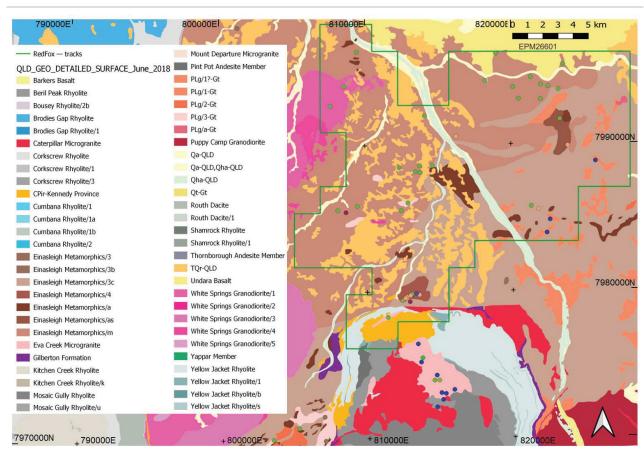


Figure 22: Local geology of the Eveleigh tenement of the Georgetown Project, northern Queensland (Source: Geological Survey of Queensland 2018 map)

The Copper Creek tenement (EPM26024) is located at the juncture of the Etheridge (Palaeoproterozoic), Thalanga (Early Palaeozoic) and Broken River Provinces (Palaeozoic) in north Queensland. Calc-silicate gneiss, sillimanite-biotite schist, and micaceous quartzite grading locally into migmatite; subordinate calc-silicate gneiss, leucogranite and pegmatite dykes and veins of the Einasleigh Metamorphics of the Etheridge Group dominate outcrops over the tenement (Figure 23). Outcrops of biotite schist, hornblende granofels and minor amphibolite of the Neoproterozoic – Cambrian Oasis Metamorphics occur in the northeast. The Dido Tonalite and Dubano granite, both Silurian-aged, outcrop in the north western parts of the tenement. In the south outcrops are dominated by the sandstones and limestones of the Late Devonian Turrets Formation and Late Devonian – Early Carboniferous Teddy Mount Formation and the Early to Late Carboniferous intrusive rhyolites of the Kennedy Province.



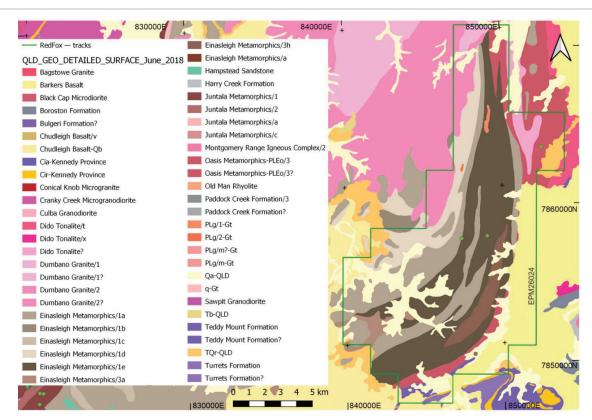


Figure 23: Local geology of the Copper Creek tenement of the Georgetown Project, northern Queensland (Source: Geological Survey of Queensland 2018 map)

6.6. Exploration History

The exploration history of each tenement group is discussed below.

Eveleigh: More than 50 EPMs have been taken out over parts of the Eveleigh tenement previously (Red Fox Resources ASX release 20220217). Exploration over the tenement was mostly undertaken in the 1960s and 1970s, the 1990s and again between 2010 and 2014. Minad started exploration with a soil sampling and costeaning campaign in the 1960s followed by shallow rotary air blast and deeper percussion and diamond drilling in the early 1970s, which intersected stratabound zinc mineralisation. Further mainly shallow drilling, totalling 4,600m in 68 holes, was conducted by BP in the late 1970s (percussion) and CRAE (reverse circulation and diamond) in the early 1990s, confirming zinc mineralisation to depths of 70m dipping to the south. A ground EM survey followed up by drilling by BHP in 1996 returned disappointing results with only one intersection of interest; 14m of pyrite-epidote-magnetite bearing quartzites with best 2m @ 686ppm Cu, 478ppm Pb (GSQ Open Data Portal CR028151).

More recently, KS Mining Pty Ltd undertook field reconnaissance, geophysical interpretation and a rock chip sampling campaign, which returned elevated zinc, copper and silver results and led them to conclude the area remained an attractive target (GSQ Open Data Portal CR75048).

Exploration for other commodities include an aeromagnetic and radiometric survey by Mega Uranium in 2007, which failed to identify mineralisation. In 2009 Queensland Tantalum conducted a soil and rock



sampling followed by reverse circulation drilling campaign for intrusion related gold. The Kelly's End prospect returned the best intersection 12m @ 0.11g/t Au.

Current exploration by Red Fox Resources is focused on upcoming drilling (six boreholes) to test the potential for Broken Hill Type mineralisation and is partly funded (A\$200,000) by a Collaborative Exploration Initiative grant from the Queensland government. The main targets for this drilling are around old diggings and coincident historic soil and drilling anomalies in the southern part of the tenement close to Kennedy Province and Caterpillar microgranite (Figure 24).

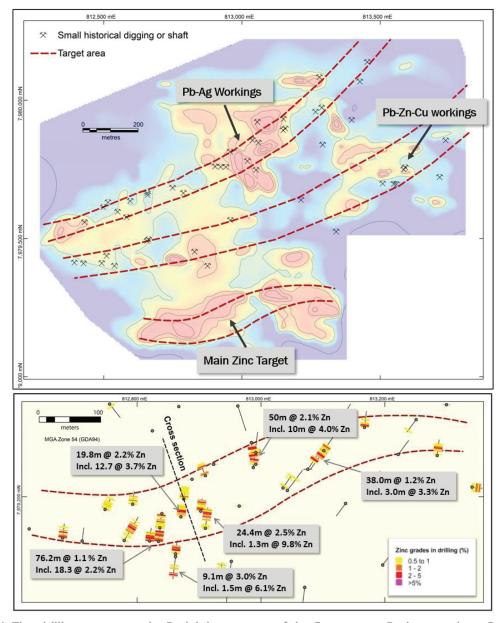


Figure 24: Zinc drilling targets on the Eveleigh tenement of the Georgetown Project, northern Queensland (Source: Red Fox Resources)



Copper Creek: Portions of the tenement have been held by 14 EPMs previously (Red Fox Resources ASX release 20220214). Newmont/CRAE targeted the area for base metals in the mid-1970s and covered a large area with a stream sediment sampling and geological mapping campaign. Uranium and base metals exploration activities by Afmeco in the early 1980s led to the first discovery of the Copper Creek prospect, which was identified from rock chip samples that returns up to 0.3% copper, 360ppm molybdenum and 204ppm uranium. BHP targeted Broken Hill Type mineralisation in an aeromagnetic and GEOTEM survey followed up with soil, stream sediment and rock chip sampling and ground EM in 1995 (GSQ Open Data Portal CR27501). Results for the current tenement only include a large zinc-in-soil anomaly as the GEOTEM survey did not cover the existing tenement. Glengarry Resources Pty Ltd, and later Kagara Limited (Mega Uranium) conducted work (soil and rock sampling followed by reverse circulation drilling) for gold and despite most of it not being on the existing area, some soil and rock chip samples taken in 2007 taken over the tenement confirmed a 1,400m long by 200m wide coherent copper-in-soil anomaly in a mylonite zone (GSQ Open Data Portal CR50103).

Red Fox Resources commenced exploration in 2021 and conducted a detailed 200m x 50m grid soil sampling campaign collecting 236 samples to further define the anomaly originally defined by Glengarry in 2007 (Figure 25). The new soil sampling campaign improved the definition of the copper anomalous zone, which is coincident with a zone of potassium depletion, to extend for at least 2.2km. The soil sampling also identified a strong zinc (and lesser lead) anomaly coincident with elevated thorium, cerium and lanthanum but not related to the copper anomaly.



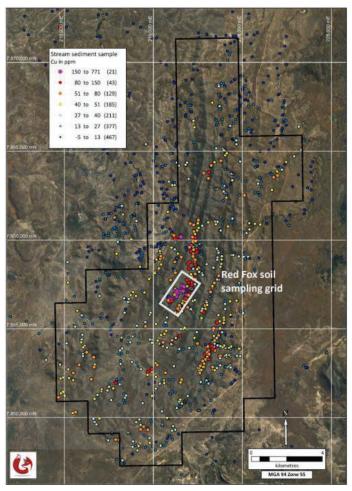


Figure 25: Glengarry and Red Fox Resources' zinc-in-soil anomalies on the Copper Creek tenement (Source: Red Fox Resources)

6.7. Mineral Resource and Ore Reserve Estimates

No JORC-compliant (2012) resources have been declared for the Eveleigh or Copper Creek tenements.

6.8. Exploration Potential

The exploration history of each tenement group is discussed below.

Eveleigh: JORC-compliant Mineral Resources have not been declared over the Eveleigh tenement (EPM26010), however, exploration spanning several decades clearly demonstrates that zinc-lead-copper-silver mineralisation is present on the property. This indication of mineralisation combined with the presence of several deposits nearby that do have declared resources is considered by VRM to suggest that there is reasonable potential for zinc-lead-copper-silver mineralisation and copper-gold potential at Eveleigh. However, it is noteworthy that previous exploration failed to delineate economic mineralisation.

Copper Creek: Several episodes of exploration have identified zinc-lead-copper mineralisation on the Copper Creek tenement (EPM26024). Given that BHPs geophysical survey in 1995 did not cover the currently refined zinc-in-soil anomaly and the fact that no drilling has been conducted, it is possible that mineralisation



below surface may have been missed by previous campaigns. Taking these aspects into consideration, it is VRM's opinion that there is potential for base metals (copper-zinc-lead) mineralisation within the Copper Creek tenement.



7. <u>Auburn Resources' Hawkwood and Glencoe Projects</u>

The Hawkwood Project comprises a package of 100% owned adjacent exploration tenements in the Permian-Triassic mineral belt of the New England Orogen of southern and central Queensland. The area is known to host several mafic-ultramafic complexes with nickel-copper-cobalt-platinum group element as well as porphyry systems with associated copper-molybdenum-gold and epithermal gold potential. For the purposes of this this report, the Hawkwood Project description also includes the Glencoe tenement under application by Chase as it occurs in the same geological setting.

7.1. Location and Access

The broader Hawkwood Project area is in Queensland between Cracow and Mundubbera, approximately 350km northwest of Brisbane (Figure 26). The 13 contiguous tenements, comprising ~1,680km², is serviced by several sealed roads, including the A3 that links Mundubbera to Toowoomba in the south and the Eidsvold – Theodore Road, Road 73, that links Mundubbera and Cracow, and a network of unsealed station and state forest roads. The nearest port, which has rail access as well, is at Gladstone, 200km to the north, and there is a railway station at Bancroft 90km north of Mundubbera. The nearest airfield is at Mundubbera and the closest commercial airport is at Bundaberg 135km northeast of Mundubbera.

The Mundubbera region comprises a continental landscape of rolling hills, valleys, plateaus, and plains. Stream erosion has been a major factor in the landscape evolution and has produced incised valleys over much of the area (<u>Munduberra crcleme.org.au</u>. Land use comprises a mixture of agriculture and State Forest, where the latter accounts for approximately 15% of total area.

7.2. Climate

The climate is subtropical without a distinct dry season although most of the annual average rainfall of ~600mm occurring in summer with maximum falls in February (~110mm) and minimum falls in July (15mm). Temperatures range from an average of 20-35°C in summer with January being the hottest month, through to 8-22°C in winter with July being the coldest month (<u>Eidsvold climate</u>).

VRM is of the opinion that the effects of unseasonably high rainfall (La Niña) experienced in early 2022 and the resulting limitations this placed on access will likely continue to affect exploration activities in future and may cause ongoing delays to summer activities.

7.3. Environmental Considerations

There are several State Forests across the Hawkwood Project area (Figure 26); e.g., Rockybar, Boronia, Calrossie, Yerilla and Rosehall State Forests, which are more prominent in the northern tenements (particularly EPM27403, EPM27404 and EPM27405).

Several native title areas have been registered and have Registered Native Title Body Corporate (RNTBC) representation over the Hawkwood Project, particularly over tenements EPM27404, EPM27405, EPM26467 and EPM26523. These mostly, but not exclusively, coincide with the State Forest areas.



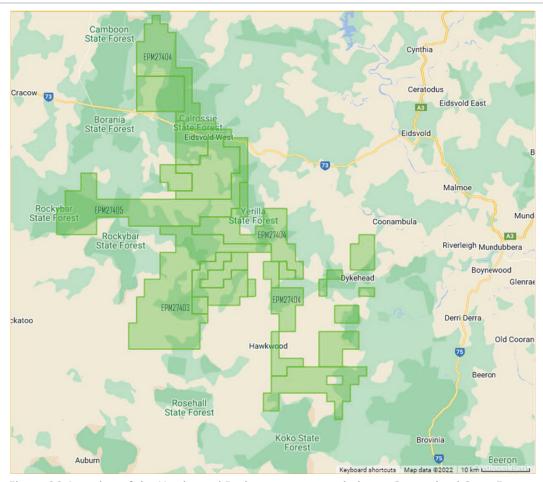


Figure 26: Location of the Hawkwood Project tenements relative to Queensland State Forests

Source: www.landtracker.com.au

7.4. Regional Geology

The summary below of the Hawkwood Project regional geology is largely taken from Auburn Resources Ltd's 2021 report to the Queensland Geological Survey regarding partial tenure relinquishment of EPM 26526 (GSQ Open Data Portal WPM26526).

The Hawkwood Project is located in the southern part of the Auburn Subprovince of the Late Carboniferous to Early Permian Connors-Auburn Arc, a volcano-sedimentary succession formed in a convergent margin setting during the New England Orogeny (Figure 27). The Connors-Auburn Arc separates the backarc Bowen Basin from the forarc Yarrol Province.

Over the most part of the Hawkwood Projects, basement rocks, thought to comprise the Devonian Yerilla Metamorphics (biotite gneiss, mica schist, amphibolite), are unconformably overlain by the Narayen Beds, Torsdale Volcanics and Camboon Volcanics of the Auburn Subprovince. The Torsdale Volcanics (~314Ma) are predominantly silicic ignimbrites that have been intruded by numerous small granites. Unconformably overlying the Torsdale Volcanics are the Camboon Volcanics, a ~283Ma volcano-sedimentary unit comprising a lower bimodal mafic / felsic ignimbrite unit and an upper terrestrial andesitic unit. The Early



Permian Narayen Beds comprise dominantly andesitic conglomerate, sandstone, lava flows, siltstone, lithic sandstone and rare chert and limestone.

The central part of the Auburn Subprovince is dominated by coeval Carboniferous – Early Permian granite batholiths and along the eastern edge, a Late Permian – Early Triassic intrusion, the Rawbelle Batholith, intrudes the succession. This batholith comprises several differentiated plutons ranging in composition from granite to granodiorite, adamellite, and gabbro. The Permian Eidsvold Complex also outcrops in the area. Target nickel-bearing mafic and ultramafic intrusive complexes are potentially coeval with Rawbelle Batholith development during late rifting (Holcombe et al., 1997). The Triassic Bowen Basin unconformably overlies the western margin and the Jurassic Surat Basin overlies the southern and south-eastern margins of the Auburn Subprovince.

Outcrop over the central part of the Hawkwood Project is dominated by Tertiary and Quaternary sedimentary cover that partially to completely obscure the mafic-ultramafic intrusive complexes.

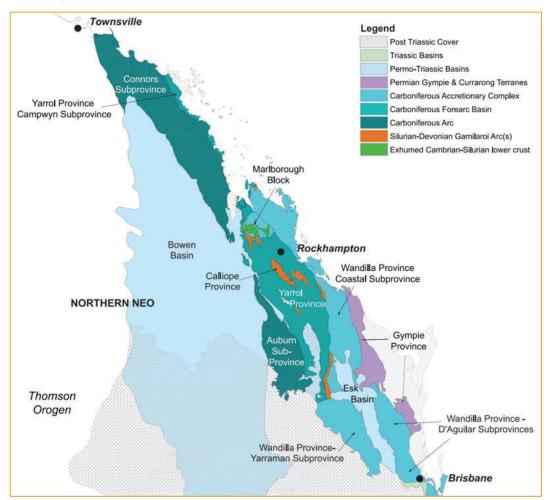


Figure 27: Regional geology of the Hawkwood Project, Auburn Subprovince New England Orogeny (NEO) (Source: Jessop et al., 2018)



Province-scale gravity data indicates a strong spatial relationship between a pronounced, north-trending gravity ridge and mafic-ultramafic intrusive complexes (Figure 28A). Intrusive complexes are generally observed on the eastern side of the gravity ridge, except for the Delubra complex, which appears to be related to the less pronounced Nogo Subprovince gravity ridge. The Auburn and Nogo gravity ridges merge south of the Auburn Subprovince / Surat Basin lithological contact.

There is also a spatial relationship between the mafic-ultramafic intrusive complexes and the magnetic anomalies (Figure 28B), where they typically show as magnetic highs within low magnetic response granite, volcano-sedimentary and basement metamorphic lithologies.

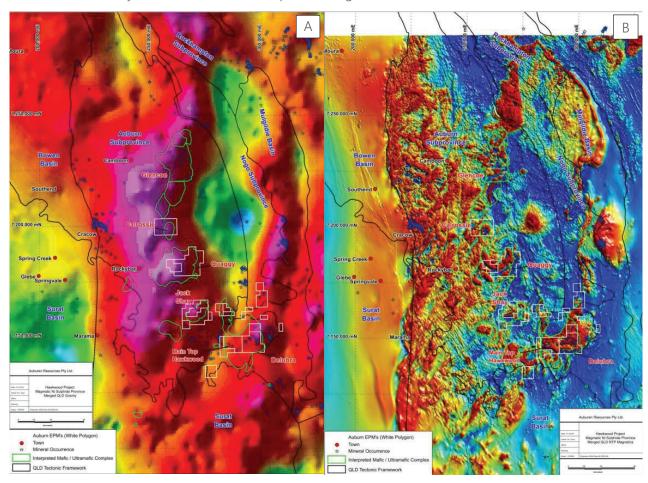


Figure 28: Merged gravity (A) and magnetic (B) images over the interpreted mafic/ultramafic intrusive complexes (green) on the Auburn tenements (white) of the Auburn Subprovince

(Source: Auburn Resources Ltd, Dow, 2021)

Mineralisation

According to the Queensland Geological Survey, gold and copper occurrences have been reported over the Hawkwood Project area is gold (Figure 29). Titanomagnetite and iron occurrences, indicative of maficultramafic intrusions on Hawkwood and Glencoe, have also been noted.

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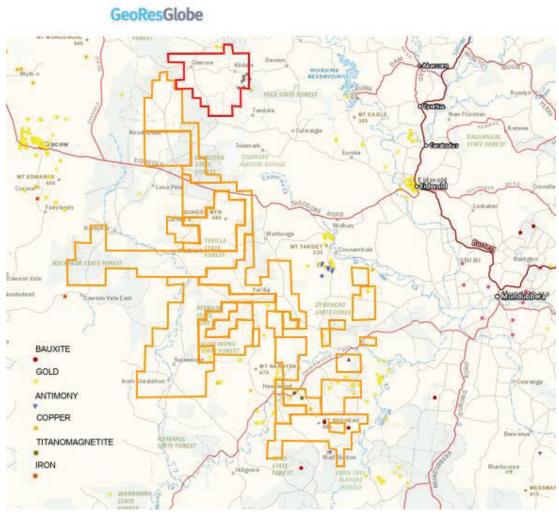


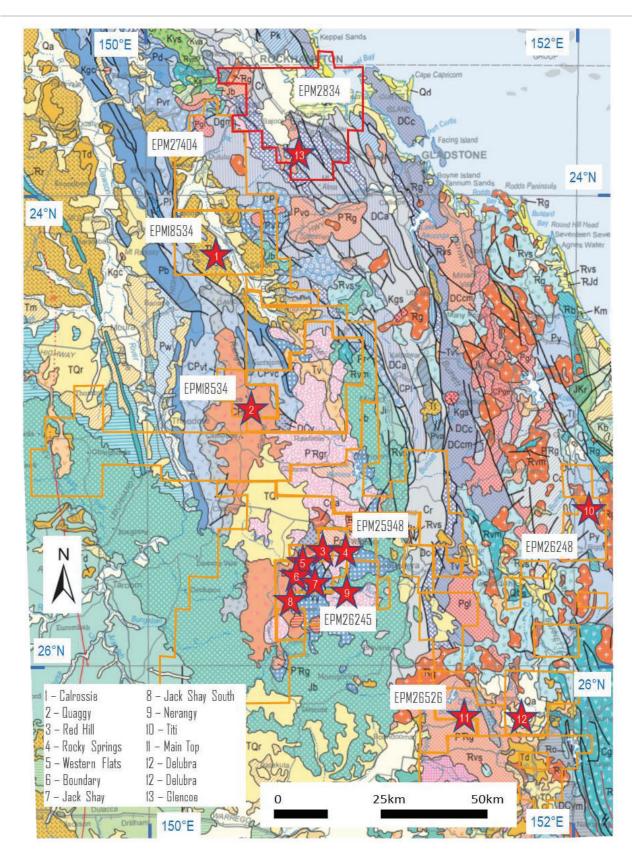
Figure 29: Mineral occurrences over the Hawkwood Project (Glencoe application is in red)

Source: GeoResGlobe (information.qld.gov.au)

7.5. Local Geology

Outcrop over the Hawkwood Project area, which can be obscured by Tertiary cover, comprises the volcano-sedimentary and coeval intrusive phases associated with the Auburn Subprovince of the Late Carboniferous to Early Permian Connors-Auburn Arc of the New England Orogeny. Figure 30, an excerpt from the 1:2,000,000 geological map of Queensland published by the Geological Survey of Queensland in 2021 with an overlay of the Hawkwood area, shows the local geology of each tenement. The approximate positions of the nickel-copper-cobalt-platinum group element and copper-molybdenum-gold targets defined by Auburn Resources are also depicted.







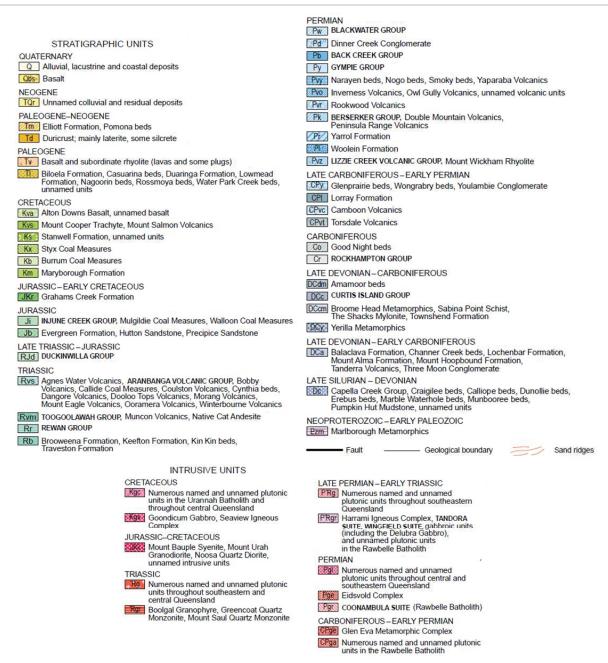


Figure 30: Local geology of the Hawkwood tenements (orange) with 13 Auburn targets shown as stars

Source: Queensland Geology Map 2012 – Queensland Geology Map 2012 – Map-Collection – GSQ Open Data Portal

7.6. Exploration History

Exploration over the Hawkwood Project prior to Auburn commencing activities in 2017/2018 had mostly been undertaken by Geopeko in the late 1980s through to the mid-1990s and comprised rock chip, soil, and stream sediment sampling over the Quaggy, Nerangy, Jack Shay, Delubra and Calrossie targets. More recent exploration on adjacent tenements (EPM18534) and Glencoe (EPM28434) by Ironridge Resources Ltd between 2014 and 2018 2018 also mention Quaggy Creek, Calrossie, Jack Shay and Nerangy. A review of the Hawkwood area by Eastern Iron Ltd in 2010, mentioning the Delubra gabbro, is also noteworthy.



Reports from the government authorities include <u>GSQ Open Data Portal CR18272</u>; <u>GSQ Open Data Portal CR18832</u>; <u>GSQ Open Data Portal CR29261</u>; <u>GSQ Open Data Portal CR86845</u>; <u>GSQ Open Data Portal CR91160</u>; <u>GSQ Open Data Portal CR92947</u>; <u>EPM 18534</u>, <u>QUAGGY CREEK 16/7/2018 Ironridge</u> and <u>Eastern Iron Ltd Hawkwood 2010</u>.

Auburn commenced exploration activities targeting potential large-scale copper-nickel-cobalt-gold-PGE prospects in 2017/2018 with a detailed desktop study that included aeromagnetic interpretation and target generation. This exercise identified a number of high priority conductors, including Jack Shay, Quaggy, Delubra and Calrossie, which were covered by a large VTEM Max conductivity (electromagnetic) survey in 2018.

In addition to geophysics, large soil and stream sediment sampling, rock sampling and handheld XRF analysis campaigns over all of the tenements, including those hosting the Nerangy and Titi Creek porphyry targets, were also undertaken, including (e.g. <u>GSQ Open Data Portal CR110739</u>):

- Calrossie and Quaggy stream sediments 4mm MS-ICP Analyses 67 samples;
- Other EPMs stream sediments 4mm MS-ICP Analyses 374 samples;
- Jack Shay / Main Top surface soils 4mm 10cm depth handheld XRF (MS-ICP checked) 2,009 samples;
- Quaggy surface soils 4mm 10cm depth MS ICP analyses by ALS 459 samples;
- Calrossie auger soil samples (total cover alluvium) MS ICP 91 samples;
- All EPMs rock samples for MS-ICP 104 samples; and
- Glencoe 244 soil samples and 22 stream sediment samples.

Mafic-ultramafic intrusion nickel-copper-cobalt-gold-platinum group element targets

By analysing the geophysical and geochemical results and combining these with a solid understanding of the regional geology in terms of the identification of source areas for nickel, cobalt, copper, PGEs and gold, several new magmatic sulphide targets, and porphyry copper as well as a layered gabbro intrusion hosting anomalous and copper, gold and PGEs have been defined and are considered "drill-ready."

The potential magmatic sulphide hosting mafic-ultramafic intrusions have been demonstrated to coincide with depth-persistent electromagnetic conductors adjacent to peak geochemical results, where the bedrock in these localities is buried under Tertiary cover. The mafic intrusive complexes with peak nickel geochemistry are the Jack Shay gabbro and the Quaggy gabbro. The Delubra layered gabbro does not have a nickel geochemical anomaly while the Calrossie gabbro is inferred and covered (Figure 31).



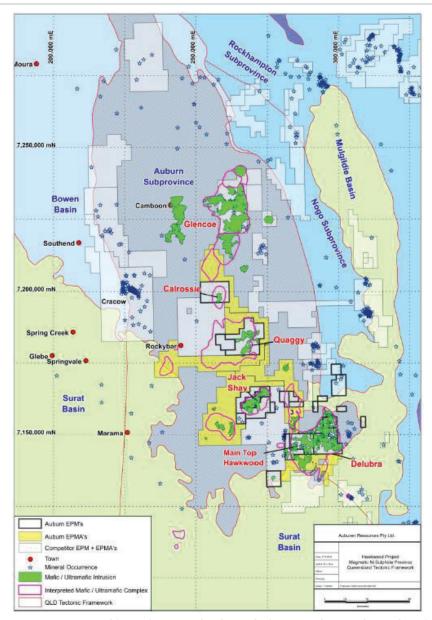


Figure 31: Interpreted intrusive complex boundaries over the Hawkwood Project

(Source: Partial Relinquishment Report Auburn EPM 26526 13112020.pdf)

The Jack Shay gabbro hosts several targets distributed around the inside margin of the mafic intrusive complex, which are interpreted as extensive depth persistent zones of disseminated and stringer sulphides related to strongly magnetic intrusive phases. Targets include Red Hill, Jack Shay, Jack Shay South, Boundary, Western Flats and Rocky Springs (Figure 32). The Quaggy target is a very intense conductor, which has been interpreted to indicate a large body of massive sulphides.



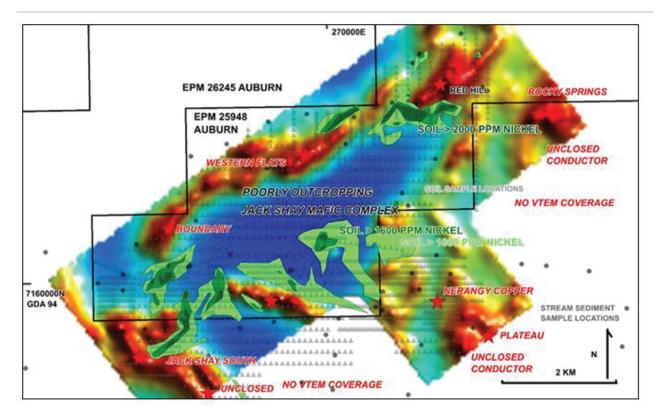


Figure 32: Targets within the Jack Shay Gabbro (Source: Chase Mining website)

The alluvial covered Calrossie gabbro target has been interpreted from a coincident peak geochemistry anomaly and a magnetic signature typical of ultramafic hosts rocks (Figure 33).



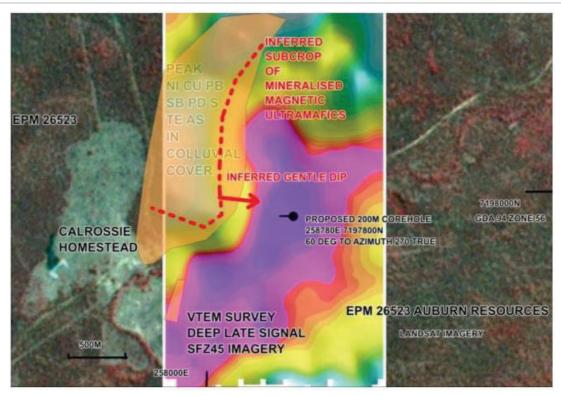


Figure 33: The inferred (from geophysics) Calrossie gabbro intrusion of the Hawkwood Project (Source: GSQ, Auburn, EPM 26526 Partial Relinquishment)

The layered Delubra gabbro was sparsely drilled for magnetite in the layered intrusion at Hawkwood previously (<u>Eastern Iron Ltd Hawkwood 2010</u>). There are old diggings and a collapsed shaft (not verified by VRM) close to the Main Top target area, where one of the rock samples returned a result of 0.43% Cu (Figure 34).

Ironridge Resources Ltd conducted exploration over the Glencoe gabbro in 2014 and 2015 and reported anomalous nickel, copper, gold and platinum group elements associated with mafic and ultramafic intrusions (EPM 19164 Annual/Final Report CR92947) and drilling in 2015 confirmed disseminated sulphides associated with a narrow ultramafic intrusive, but grades were not economic.





Figure 34: A surface rock sample from the digging site at the Main Top target of the Hawkwood Project (Source: Chase Mining Corporation Limited)

Porphyry copper-molybdenum-gold targets

Geochemical anomalies of copper, molybdenum and gold led to the recognition of two porphyry systems on the tenements, the Nerangy and Titi Creek targets.

The Nerangy occurrence has been explored previously (see above reports) and can be described as a coincident geochemistry and magnetic target that manifests on surface as leached propylitic-altered porphyry outcrop containing numerous veinlets containing molybdenite. Visible indications of copper leaching have been interpreted to imply an enriched copper zone at or close to the water table.

At Titi Creek, old diggings (not verified by VRM) in the area have been identified. There is also outcrop of intrusive porphyry rocks and breccias with veinlet and disseminated sulphide mineralisation. Handheld XRF analyses show some anomalous areas, but much of the target rocks are obscured by Tertiary cover and more work is required to confirm this target.

7.7. Mineral Resource and Ore Reserve Estimates

There are no JORC 2012 Mineral Resource estimates for the Hawkwood Project.

7.8. Exploration Potential

Jack Shay, Quaggy, Calrossie and Glencoe gabbros: The consistent geochemical anomalism and coincident magnetic anomalies typical of magmatic sulphides within mafic-ultramafic intrusions are, in VRM's opinion, satisfactory indications that there is reasonable potential for the discovery of nickel-copper-cobalt-gold-platinum group element mineralisation at one or more of the targets within the broader Hawkwood Project.



However, attention should be given to the uneconomic grades encountered previously (e.g. <u>EPM 19164</u> ANNUAL/FINAL REPORT CR92947).

Delubra gabbro: It is recommended in Eastern Iron's 2010 review of previous exploration activities that the Hawkwood-Delubra gabbro is prospective for PGE-Au-(Cu) mineralisation and warrants further testing by drilling. VRM is of a similar opinion that there is potential for mafic-ultramafic hosted magmatic nickel-copper-cobalt-gold-platinum group elements and that the coincident geophysical and geochemical anomalies that have been tested on the ground warrant additional exploration. The Main Top target on the flanks of the known magnetite mineralisation warrants the planned drilling.

Nerangy porphyry: Visible porphyry-style alteration, molybdenite-bearing veins, and evidence of surface showings of copper leaching are considered by VRM to indicate good potential for copper-molybdenum-gold mineralisation associated with the Nerangy porphyry. However, previous exploration by Geopeko in the late 1980's returned disappointing grades (GSQ Open Data Portal CR21111).

Titi Creek porphyry: With the presence, in places, of porphyritic intrusive rocks containing disseminated and vein sulphide mineralisation combined with geochemical anomalism, it is VRM's opinion that there is potential for copper-molybdenum-gold mineralisation at Titi Creek. Target definition is considered preliminary and further work is necessary to derive a more specific opinion.



8. North Barkly Project

The North Barkly Project comprises an area of ~3,275km² in five contiguous tenements under application in the north of the Northern Territory in Australia targeting rare earth elements (REE) and base metals.

8.1. Location and Access

The five tenements are located in the Barkly tablelands of the Northern Territory serviced by a network of unsealed station roads connecting to several sealed roads in the region, including the Tableland Hwy to the west, the Carpentaria Hwy in the north, the Stuart Hwy in the west and the Barkly Stock Route Rd in the south. There are small settlements with basic amenities at McArthur, Pamayu, Elliot and Tableland, with the closest town, Tennant Creek, 275km to the south (Figure 35) Tennant Creek is also the closest rail link to the project.

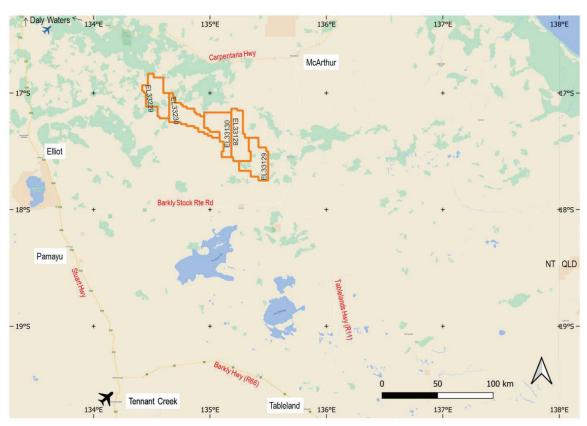


Figure 35: Location and access to the North Barkly Project, Northern Territory

(Source: www.landtracker.com.au)

8.2. Climate

The climate of the Barkly tablelands region is classified as hot, winter drought grassland (<u>bom.gov.au</u>). The closest weather station is at Elliot, where average temperatures range from 24-39°C in November through February and 11-28°C in June and July. Most of the rain falls in December (102mm), January (138mm) and February (153mm) to give an annual average rainfall of 590mm over an average 34 rain days.



8.3. Environmental Considerations

Native title determination outcomes have been registered over most of the application, with only EL33130 and the eastern part of EL33230 not being subject to native title. In detail, EL33229 is subject to agreement DCD2012/012 on the Beelatoo Pastoral Lease, EL33230 to DCD2012/006 on the Mungabroom Pastoral Lease, EL33128 to DCD2015/010 on the Mallapunyah Pastoral Lease and EL33128 (part) and EL33129 to DCD2015/011 on the Wallhollow Pastoral Lease. Consent for exploration activities will require negotiation.

8.4. Geology

Summarised below from various chapters in the book "Geology and mineral resources of the Northern Territory" (NTGS, 2013), the North Barkly Project lies in the Carpentaria basin, one of the widespread and relatively undeformed Mesozoic to Cenozoic cover sequences on the North Australian Craton (Figure 36).

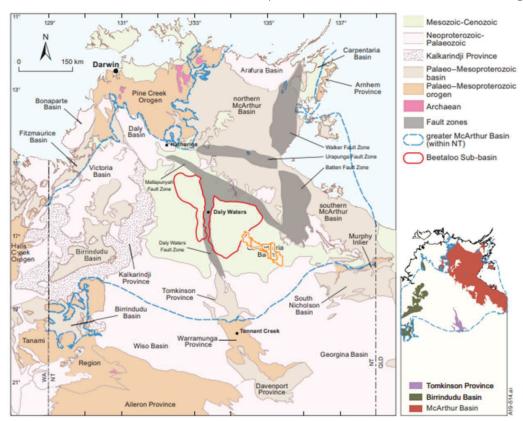


Figure 36: Regional geological framework of northern Territory (North Barkly tenements shown in orange)
(Source: NTGS 2013)

Williams (2020) describes the Proterozoic McArthur, and South Nicholson Basins and the Tomkinson Province to be part of a single, large unnamed Superbasin linked at depth beneath the overlying Mesozoic Georgina, Wiso, Daly and Carpentaria basins (Figure 36). These linked Palaeo- to Mesoproterozoic basins, which also have correlatives in the Mount Isa Inlier in Queensland (Southgate *et al.*, 2000), were substantially affected and structurally dismembered by Mid to Late Palaeozoic intraplate tectonics in central Australia. The Daly Waters and Mallapunyah Fault Zones bound the Carpentaria Basin in the region of interest. For the most part, timing and dominant phases of Proterozoic granitic magmatism associated intraplate



tectonics young in a southerly direction from ~1,865-1,850Ma in the north through 1,850-1,840Ma in the Warramunga Province through 1,820-1,70Ma in the Tanami region. Unconformably overlying these Proterozoic basin sequences are the Neoproterozoic basin sediments and, around the Barkly Tablelands, the Mesozoic-Cenozoic sedimentary rocks of the Carpenter Basin, a succession of sediments ~1,700m thick deposited over vast expanses in a depression created by a gentle intracratonic downwarp during Jurassic and Cretaceous. Because of the thick nature of the Mesozoic and Cenozoic cover, further detail on the subsurface (Proterozoic) geology of the area is unknown (Figure 37).

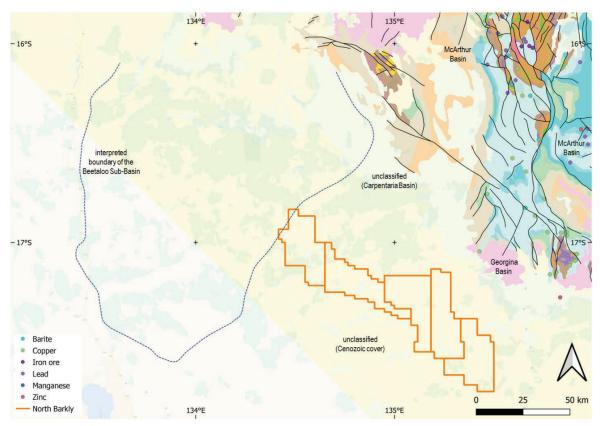


Figure 37: Geology of the North Barkly tenements, Northern Territory

Source: NTGS databases and tectonostratigraphic map of the McArthur Basin (2001)

Mineralisation

The March 2022 NTGS MODAT database (Mineral Occurrence Database (MODAT) nt.gov.au) shows no mineral occurrences over the North Barkly tenements. There are several copper, zinc, and lead occurrences in the McArthur Group to the north and a few scattered diamond occurrences to the east. Further detail on mineralisation is summarised in the Exploration History section below.

8.5. Exploration History

There have been 75 historic mineral titles for a variety of commodities over the area encompassing the North Barky Project (<u>STRIKE database nt.gov.au</u>) between 1968 and 2019, with Rio Tinto, BHP(<u>CR19930191 nt.gov.au</u>) and De Beers being the most active in the late 1980s and early 1990s for base metals and De Beers for diamonds in the late 1990s and early 2000s. Several companies (e.g., Dunmarra Uranium and Jacaranda

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Minerals) explored for uranium in the mid- to late 2000s. Normandy also explored the region in the mid- to late 1990s, also for base metals (<u>CR19970607 nt.gov.au</u>). Vale (<u>EL271888 nt.gov.au</u>) and Fertoz (<u>EL 27027 nt.gov.au</u>) also explored the area for phosphates around 2010-2012. None of this activity resulted in the declaration of mineral resources or mineral occurrences in the North Barkly area.

More recently, with published data in 2020 and 2021, a joint analysis of all available geological, geochemical and geophysical studies over northern Australia was undertaken by Geoscience Australia (Exploring for the Future ga.gov.au). Chase examined the data from this study and identified the North Barkly area as having the strongest indicators of a major REE deposit, with the peak REE values trending northwest to southeast through the project area. These peaks are coincident with the peak niobium, scandium, tellurium palladium and cobalt values in the centre of the southern three tenements. Since the initial application for the southern licences, upon further investigation of the data, Chase identified the REE trend to extend northwest onto the two newer applications (Figure 38). Chase interpreted the REE trend and coincident niobium and scandium peaks to be indicative of a carbonatite source, which may be one or more of the magnetic bodies close to the peak niobium. According to Chase, the area is covered by lateritised sediments with strongly developed clayey soil profiles, in which ionic clay REE mineralisation may occur.

Chase identified that in 1993, BHP (CR 19930191) drilled a diamond drillhole (MD1) on EL33128 to 415m 10km north of the peak niobium sample and noted weak copper lead and zinc disseminations, stringers, and veinlets in contorted black shales between 311m and 399m. The recent, detailed gravity data from Geoscience Australia has revealed a non-magnetic gravity trend arcing through MD1 and Chase interpret this to represent the dense prospective pyritic dolomitic shale which hosts the mineralisation intercepted in the BHP drillhole (Figure 38).



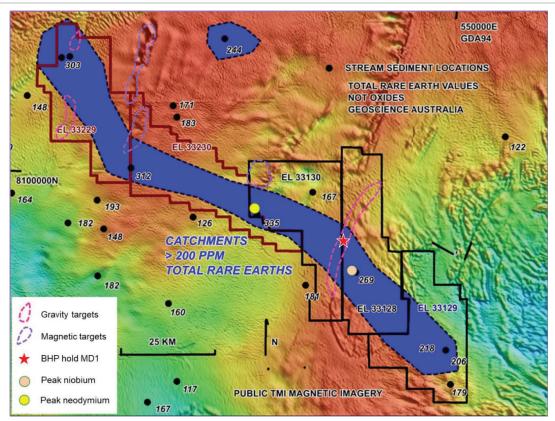


Figure 38: REE trend, magnetic and gravity targets interpreted from the "Exploring for the Future" study

(Source: compiled from Chase information and GA)

8.6. Mineral Resource and Ore Reserve Estimates

There are no Mineral Resource or Ore Reserve Estimates over the North Barkly tenements.

8.7. Exploration Potential

The 2020 and 2021 study of all previous geological, geochemical, and geophysical information over northern Australia provides a strong base for revised interpretation of the geology beneath the Mesozoic and Cenozoic cover in the region. Considering the significant advances in exploration technology since previous base metals activity in the late 1990s and the fact that the area has not been explored for REE previously, VRM's opinion is that Chase's analysis of the "Exploration for the future" data demonstrates medium potential for base metals and REE.



9. Valuation Approach

The VALMIN Code outlines various valuation approaches that are applicable for Properties at various stages of the development pipeline. These include valuations based on market-based transactions, income or costs as shown in Table 7 and provides a guide as to the most applicable valuation techniques for different assets.

Valuation Approaches suitable for mineral properties Valuation Production Exploration Pre-development Development **Approach Projects Projects Projects Projects** Market Yes Yes Yes Yes Income No In some cases Yes Yes Cost Yes In some cases No No

Table 7 - VALMIN Code 2015 valuation approaches suitable for mineral Properties

The Chase tenements in the Northern Territory and Queensland are best described as early exploration projects. There are no Mineral Resource estimates within any of the projects in these States, and it is uncertain if further exploration will result in the estimation of a Mineral Resource. In VRM's opinion, the Projects should be valued using a Geoscientific or Kilburn approach, with a prospectivity enhancement multiplier (PEM) valuation as a secondary approach.

In the McIntosh Project and Torrington Project, there are Mineral Resource estimates which are reported under the JORC Code (2012). Nonetheless, given the given the stage of study of these assets and the reliability of customer-dependant end-product specifications which have yet to be defined (McIntosh), VRM considers the projects as advanced exploration stage (Torrington) and advanced exploration to predevelopment stage (McIntosh) projects. Development Projects are defined in VALMIN as tenure holdings for which a decision has been made to proceed with construction or production or both. VRM understands this decision has not yet been made and significant work is required prior to making any development decision. As there are Mineral Resource estimates at McIntosh and Torrington but no current feasibility study or reportable Ore Reserves, in VRM's opinion, these Projects should not be valued using an income approach and are best valued using a comparable transaction method based on Resource Multiples as a primary valuation method, with a secondary valuation being a Yardstick or Geoscientific or Kilburn approach. VRM does not consider an income valuation approach appropriate.

The tenements constituting the mineral assets of Chase or the McIntosh project that Chase is considering acquiring have been valued using two separate valuation methods. These include a Kilburn valuation as the primary method and a PEM valuation as a secondary method for the early-stage projects. For the more advanced projects with currently identified Mineral Resources a comparable transaction method based on the mineral resource estimates has been used as a primary method with supporting valuations undertaken including a Yardstick, Kilburn, PEM, and enterprise value methods. The valuations have been undertaken by



ranking each tenement separately using various independent criteria that determine the value of the projects, resulting in a range of market valuations for each tenement.

9.1. Previous Valuations

VRM is not aware of any previous valuations of the Projects.

9.2. Valuation Subject to Change

The valuation of any mineral Property is subject to several critical inputs most of these change over time and this valuation is using information available as of 15 June 2022 being the valuation date of this Report and considering information up to 30 July 2022. This valuation is subject to change due to updates in the geological understanding, variable assumptions and mining conditions, climatic variability that may impact on the development assumptions, the ability and timing of available funding to advance the properties, the current and future metal prices, exchange rates, political, social, environmental aspects of a possible development, a multitude of input costs including but not limited to fuel and energy prices, steel prices, labour rates and supply and demand dynamics for critical aspects of the potential development like mining equipment. While VRM has undertaken a review of several key technical aspects that could impact the valuation there are numerous factors that are beyond the control of VRM.

As at the date of this Report in VRM's opinion there have been no significant changes in the underlying inputs or circumstances that would make a material impact on the outcomes or findings of this Report.

9.3. General Assumptions

The Mineral Assets are valued using appropriate methodologies as described Table 5 and in the following sections. The valuation is based on several specific assumptions detailed above, including the following general assumptions.

- That all information provided to VRM is accurate and can be relied upon;
- The valuations only relate to the Mineral Assets located within the tenement controlled by the respective Companies, and not the Company itself nor its shares or market value;
- That the mineral rights, tenement security and statutory obligations were fairly stated to VRM and that the mineral licence will remain active;
- That all other regulatory approvals for exploration and mining are either active or will be obtained in the required and expected timeframe;
- That the owners of the mineral assets can obtain the required funding to continue exploration activities;
- All currency in this report are Australian Dollars or AUS, unless otherwise noted, if a particular value is in United States Dollars, it is prefixed with US\$; and
- An estimate of the likely "basket" price of graphite concentrates possible from McIntosh of A\$900/t.

9.4. Exploration Asset Valuation

To generate a value of an early-stage exploration Property or the exploration potential away from a mineral deposit it is important to value all the separate parts of the mineral assets under consideration. In the case

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of the advanced Properties the most significant value drivers for the overall Property are the declared Mineral Resources or Ore Reserves, while for earlier stage Properties a significant contributor to the Property's value is the exploration potential. There are several ways to determine the potential of pre-resource Properties, these being:

- A Geoscientific (Kilburn) Valuation
- Comparable transactions (purchase) based on the Properties' area or historic "Resources"
- Joint Venture terms based on the Properties' area
- A prospectivity enhancement multiplier (PEM)

The methodology to determine the Comparable transactions based on a projects area is undertaken using the same methodology as that described for the Comparable transactions' valuation for advanced projects section; however transactional value is applied to the project's area rather than the Mineral Resources or Ore Reserves. The Joint Venture terms valuation is similar to the comparable transactions based on the project area, other than a discount to the Joint Venture terms is applied to account for the time value of money (an appropriate discount rate is applied) and a discount to the earn-in expenditure to account for the chance that the Joint Venture earn-in expenditure is not completed in the agreed timeframe.

VRM considers a Geoscientific or Kilburn valuation as a robust valuation method. The area based comparable transaction multiples can also be useful in valuations but are strongly related to the projects tenement area so can be conservative for small areas and overstated for large areas. It is the view of VRM that the least transparent and most variable valuation method is a PEM valuation as this depends on an assessment of the effectiveness of the expenditure.

9.5. Geoscientific (Kilburn) Valuation

One valuation technique that is widely used to determine the value of a project that is at an early exploration stage without any Mineral Resources or Ore Reserve estimates was developed and is described in an article published in the CIM bulletin by Kilburn (1990). This method is widely termed the geoscientific method where a series of factors within a project are assessed for their potential.

While this technique is somewhat subjective and open to interpretation it is a method that when applied correctly by a suitably experienced specialist enables an accurate estimate of the value of the project. There are five critical aspects that need to be considered when using a Kilburn or Geoscientific valuation, these are the base acquisition cost, which put simply is the cost to acquire and continue to retain the tenements being valued. The other aspects are the proximity to both adjacent to and along strike of a major deposit (Off Property Factors), the occurrence of a mineral system on the tenement (On Property Factors), the success of previous exploration within the tenement (Anomaly Factors) and the geological prospectivity of the geological terrain covered by the mineral claims or tenements (Geological Factors). In early-stage projects often the anomaly factors and geological factors have limited information.



While this valuation method is robust and transparent it can generate a very wide range in valuations, especially when the ranking criteria are assigned to a large tenement. This method was initially developed in Canada where the mineral claims are generally small therefore reducing the potential errors associated with spreading both favourable and unfavourable ranking criteria to be spread over a large tenement. Therefore, VRM either values each tenement or breaks down a larger tenement into areas of higher and lower prospectivity.

Table 8 documents the ranking criteria that were used in conjunction with the base acquisition cost (BAC) for the one project tenement to determine the technical valuation of the project.

VRM determines the BAC based on the holding cost of maintaining the tenement for the next year. That cost is determined by the minimum exploration commitment required on the tenement. For the Chase and McIntosh tenements the BAC has been determined using the exploration commitments for the tenement and the annual rent payments.

The technical valuation derived from the Kilburn ranking factors are frequently adjusted to reflect the geopolitical risks associated with the location of the project and the current market conditions toward a specific commodity or geological terrain. These adjustments can either increase or decrease the technical value to derive the fair market valuation.

Using the ranking criteria from Table 8 along with the base acquisition costs tabulated in the appendices an overall technical valuation is determined.



Table 8 - Ranking criteria are used to determine the geoscientific technical valuation

| | G | eoscientific Rankin | g Criteria | |
|--------|--------------------------------------------------|--------------------------------------------|--------------------------------------------------|--------------------------------------------------------|
| Rating | Off-property factor | On-property factor | Anomaly factor | Geological factor |
| 0.1 | | | | Generally unfavourable geological setting |
| 0.5 | | | Extensive previous exploration with poor results | Poor geological setting |
| 0.9 | | | Poor results to date | Generally unfavourable geological setting, under cover |
| 1.0 | No known mineralisation in district | No known mineralisation within | No targets defined | Generally favourable geological setting |
| 1.5 | Mineralisation identified | Mineralisation identified | Target identified; initial indications positive | |
| 2.0 | Resource targets identified | Exploration targets identified | | Favourable geological setting |
| 2.5 | dentined | dentined | Significant intersections – | setting |
| 3.0 | Along strike or adjacent to known mineralisation | Mine or abundant workings with significant | | Mineralised zones exposed in prospective |
| 3.5 | to known mineralisation | previous production | Several significant ore grade intersections that | host rocks |
| 4.0 | Along strike from a major mine(s) | Major mine with significant historical | can be correlated | |
| 5.0 | Along strike from world class mine | production | | |

The total technical valuation was discounted to derive a total market valuation by making a market factor adjustment and a locational adjustment.

For early-stage Projects (where there are no Mineral Resources estimated or where there are rare or unreliable Resource transactions), VRM considers the Geoscientific (Kilburn) Valuation method to be the most robust method and is the primary valuation method.

9.6. Comparable Market Based Transactions

A comparable transactional valuation is a simple and easily understood valuation method which is broadly based on the real estate approach to valuation. It can be applied to a transaction based on the contained metal for projects with Mineral Resource or Ore Reserves estimates reported. Advantages of this type of valuation method include that it is easily understood and applied, especially where the resources or tenement area is comparable, and the resource or exploration work is reported according to an industry standard (like the JORC Code or NI43-101).

As such, this valuation method is typically the primary valuation method for exploration or advanced (predevelopment) projects. More advanced projects would generally be valued using an income approach due



to the modifying factors for a mining operation being better defined. The preference is to limit the transactions and resource multiples to completed transactions from the past two to three years in either the same geopolitical region or same geological terrain. The current valuation considered a period of 5 years in order to identify enough comparable transactions. The comparable transactions have been compiled where Mineral Resources have been estimated. Appendix A and B details the Resource Multiples for a series of transactions that are considered at least broadly comparable with the McIntosh and Torrington Projects. The comparable project transactions all included large tenements around the identified Mineral Resources therefore in VRM's opinion no allowance for exploration upside should be added to the Resource Multiple valuation as the exploration potential has been included in the comparable transactions that have determined the resource multiples.

Similar projects that have no defined resources can also be considered, albeit the comparison would be based on the somewhat more subjective interpretation of the geological prospectivity potential, rather than contained metal. Some view this valuation method not as robust for projects where the resources are either historic in nature, reported according to a more relaxed standard, or are using a cut-off grade that reflects a commodity price that is not justified by the current market fundamentals. If the projects being valued are in the same or a comparable jurisdiction, then it removes the requirement for a geopolitical adjustment. Finally, if the transaction being used is recent then it should reflect the current market conditions.

Difficulties arise when there are a limited number of transactions, and where the projects have subtle but identifiable differences that impact the economic viability of one of the projects. For example, the requirement of a commodity buyer regarding particular end-product specifications (e.g., flake size for graphite project).

The information for the comparable transactions in this report have been derived from various sources including the ASX and other securities exchange releases associated with these transactions, a database compiled by VRM for exploration stage projects (with or without resources estimated) and development ready projects.

9.7. Yardstick Valuation

A yardstick valuation was undertaken as a check of the comparable transactions. This yardstick valuation is based on a rule of thumb as supported by a large database of transactions where resources and reserves at various degrees of confidence are multiplied by a percentage of the spot price. The yardstick valuation factors used in this report are in line with other yardstick valuation factors commonly used by other independent specialists and used in other VALMIN reports such as Naidoo *et.al.* (2016). The US\$-AUS\$ exchange rate and Graphite price as of June 2022 and documented above have been used to determine the yardstick valuation. Due to the likely product from the mining operation being a Graphite concentrate the yardstick multiples used are between 1% and 2% of the product value for Measured Mineral Resources and stockpiles, 0.5% and 1% for Indicated Mineral Resources and 0.25% and 0.5% for Inferred Mineral Resources



and 0.1% and 0.25% for Exploration Targets. Where an Exploration Target has been reported by the company VRM would usually assign a Yardstick value to the exploration target based on the mid-point of the Exploration target, rather than the lower or upper ranges of the Exploration Target.

9.8. Prospectivity Enhancement Multiplier (PEM) Valuation

As outlined in Table 7 and in the VALMIN Code a cost - based or appraised value method is an appropriate valuation technique for early-stage exploration Properties. Under this method, the previous exploration expenditure is assessed as either improving or decreasing the potential of the Property.

The prospectivity enhancement multiplier (PEM) involves a factor which is directly related to the success of the exploration expenditure to advance the Property. There are several alternate PEM factors that can be used depending on the specific Property and commodity being evaluated. Onley, (1994) included several guidelines for the use and selection of appropriate PEM criteria. The PEM ranking criteria used in this report are outlined in Table 9 below. VRM considers the PEM valuation method as a secondary valuation method and no higher PEM ranges are used once a JORC 2012 resource has been estimated. In the opinion of the author, it is preferable to use resource multiples for comparable transactions once a JORC 2012 resource has been estimated.

Table 9 Prospectivity Enhancement Multiplier (PEM) ranking criteria

| | PEM Ranking Criteria |
|-----------|---------------------------------------------------------------------------------|
| Range | Criteria |
| 0.2 - 0.5 | Exploration downgrades the potential |
| 0.5 - 1 | Exploration has maintained the potential |
| 1.0 - 1.3 | Exploration has slightly increased the potential |
| 1.3 – 1.5 | Exploration has considerably increased the potential |
| 1.5 – 2.0 | Limited Preliminary Drilling intersected interesting, mineralised intersections |
| 2.0 - 2.5 | Detailed Drilling has defined targets with potential economic interest |
| 2.5 - 3.0 | A Mineral Resource has been estimated at an Inferred category |



10. Valuation of tenements owned by or being acquired by Chase

The McIntosh Projects have been valued using a comparable transaction valuation method as a primary method with a supporting or secondary valuation method being a Yardstick method.

VRM notes that a Pre-feasibility study has previously been completed on the McIntosh project (in 2017) however that study is no longer considered by VRM to be current and the assumptions within that study are not considered reasonable. On that basis VRM considers that a Market and Cash valuation approach as outlined in the VALMIN code is reasonable and an income-based valuation approach is not considered a viable valuation approach for McIntosh.

The Torrington Project is valued as a primary method using a Geoscientific or Kilburn method with a comparable transaction valuation method being a supporting method.

The exploration potential on the Queensland and Northern Territory projects are valued using a Kilburn or Geoscientific method as the primary method with a supporting method being a Prospectivity enhancement multiplier method as a secondary method. It is however noted that the PEM method generates a significantly lower valuation due to a large number of the tenements being recently granted or remain as applications.

10.1.. Comparable Transactions Valuation

As detailed in Appendix A - , VRM has reviewed a series of transactions on projects that are broadly comparable to the McIntosh and Torrington Projects.

10.1.1. McIntosh Project

There are very few projects that have transacted that would be considered to be comparable. However, VRM has identified six transactions for early-stage graphite projects, four of these are considered at least partly comparable. The utilised transactions that contain resources that contain between 860kt and 6.4Mt of graphite. All the projects have had at least initial feasibility or scoping studies into potential development options. A fifth potentially comparable project, while at an earlier development stage has approximately 59Mt of contained graphite and was recently vended into an Australian listed entity.

The resource multiples for the six transactions ranged from \$0.06/t of contained graphite to \$18.05/t of contained graphite. The upper and lower transactions were considered to be outliers and not comparable as one was for an operating mine while the other was at an earlier evaluation stage. The four comparable transactions ranged from \$0.53 and \$8.55/t of contained graphite. The upper value was for the earlier stage high grade Springdale project in southern Western Australia while the lower multiple was for the very large (6.4Mt) Siviour Project in South Australia.

Given the nature of the transactions and the variable graphite flake sizes from the various transactions the transaction multiples were not normalised.



Analysis of the four transactions results in an average resource multiple of \$3.45/t while the 25th percentile is \$0.74/t and the 75th percentile is \$7.25/t of contained graphite. The median resource multiple is 2.35/t of contained graphite. In determining the most suitable Resource Multiples for the identified transactions VRM considers that the median resource multiple likely reflects the lower range of the valuations while, the upper valuation should be derived from the most recent transaction, the Springdale transaction where the project transacted at \$8.55/t of contained graphite. As those resource multiples create a significant variation in the overall project valuation VRM considers that the 75th Percentile is likely to represent the most likely market multiple for current graphite projects, especially when considering the advanced nature of the McIntosh project. The very large high grade early stage project that was vended into an Australian listed company generated a resource multiple of A\$0.17/t of contained graphite, however that transaction was not considered comparable and was not used in generating the Resource Multiples used to value McIntosh.

The Resource Multiples detailed above as supported by the information in Appendix A - have been used along with the JORC (2012) McIntosh Mineral Resources detailed above to determine the valuations shown in Table 10. The contained Graphite is determined by calculating the grade (4.45%) by the Resource tonnage (23.8Mt) to generate contained Graphite of 1,060,000t. The Upper valuation is based on the potential to sell all of the Mineral Resource and there being no beneficiation losses, the lower valuation assumes there is no beneficiation of the mineralised material.

Therefore, VRM considers that 80% of the McIntosh Project has a market value, after appropriate rounding, based on comparable transactions, of between \$2.9 million and \$7.2 million with a preferred valuation of \$6.1 million.

Table 10: Comparable Transaction Valuation Summary for McIntosh

| | Lower | Preferred | Upper |
|--------------------------------------|---------------|--------------------------------|---------------------|
| | (A\$ million) | (A\$ million) | (A\$ million) |
| Contained Tonnes Graphite (Mt) | 1.06 | 1.06 | 1.06 |
| Equity Contained Graphite | 0.85 | 0.85 | 0.85 |
| Resource Multiple Contained Graphite | 3.45 | 7.25 | 8.55 |
| VRM Valuation Range | Average | 75 th Percentile | Maximum Multiple |
| | 2.92 | 6.14 | 7.24 |

10.1.2. Torrington Project

As was the case for McIntosh, there are very few projects that have transacted that would be considered to be comparable to Torrington. VRM has identified only three transactions for early-stage tungsten projects and utilised transactions that contain between 12.6Kt and 382kt of tungsten in Mineral Resource estimates. Of the six tungsten transactions identified two were in Australia with one of those advanced with a completed DFS while the other does not have any JORC mineral resource estimates reported. An additional project was operating and is therefore not considered comparable. In addition to the challenges in identifying potentially comparable transactions an additional complication is the common association between tin and tungsten mineralisation.



Of the three potentially comparable transactions the resource multiples range from \$43.42/t of contained tungsten to \$263.89/t of contained tungsten. The average of the three transactions is approximately \$170/t of contained tungsten. To determine the likely market value of the Torrington project and the tungsten mineral resource contained within the project VRM has used the average resource multiple of \$170/t of contained tungsten as the preferred valuation with the lower range being 20% below the average multiple or \$\$136/t of contained tungsten while the upper valuation is based on the maximum resource multiple of \$264/t of contained tungsten.

The lack of transactions has resulted in VRM using the comparable transaction method as a supporting or secondary valuation method rather than a primary method.

The Topaz Resource is a potential by-product that is not economically viable in isolation (see KBR ASX Announcement 15 August 2015 and CP statement therein) and has therefore been allocated no value.

The Resource Multiples detailed above as supported by the information in Appendix B - have been used along with the JORC (2012) Torrington Mineral Resources detailed above to determine the valuations shown in Table 11. The contained tungsten is determined by calculating the grade (0.2%) by the Resource tonnage (2,146,000t) to generate contained tungsten of 3,989t. The Upper valuation is based on the potential to sell all of the Mineral Resource and there being no beneficiation losses, the lower valuation assumes there is no beneficiation of the mineralised material.

Therefore, VRM considers that the Torrington Project has a market value after appropriate rounding, based on comparable transactions, of between \$0.5 million and \$1.0 million with a preferred valuation of \$0.7 million.

Table 11: Comparable Transaction Valuation Summary for Torrington

| | Lower | Preferred | Upper |
|--------------------------------------|---------------------------|----------------------|------------------|
| | (A\$ million) | (A\$ million) | (A\$ million) |
| Contained Tonnes Tungsten | 3,989 | 3,989 | 3,989 |
| Resource Multiple Contained Tungsten | 136 | 170 | 264 |
| VRM Valuation Range | Lower Average - 20% | Mid-Point Average | Upper Maximum |
| | \$0.54 | \$0.68 | \$1.05 |

10.2.. McIntosh Yardstick Valuation

Table 12 details the yardstick multiples were used to determine the value of the Mineral Resources while Table 13 tabulates the valuation for the McIntosh Project based on the current Mineral Resource estimates. The price per tonne of graphite was determined based on the basket price (in US\$) attained for one of the



largest graphite producers over the past year with those prices converted to Australian dollars based on the exchange rate at the valuation date. There has been an improvement in the graphite price over the past 12 months from a low of US\$490/t to a high of US\$662/t those basket prices convert to a range of A\$705/t to A\$953/t, therefore VRM considers that a price of A\$900/t is reasonable especially given the uncertainty associated with the graphite flake distribution attainable from McIntosh. The tonnes of contained graphite for the Mineral Resources was determined based on the resource tonnage and the grade, while the contained graphite from the Exploration Target was based on the mid-point tonnes and grade of the exploration target range.

Table 12 Yardstick Multiples used for the McIntosh Graphite Project.

| Yards | tick Multiple | S |
|---------------------------|---------------|-------|
| | Low | High |
| Reserves | 5% | 10% |
| Measured | 1% | 2% |
| Indicated | 0.5% | 1.0% |
| Inferred | 0.25% | 0.5% |
| Exploration Target | 0.10% | 0.25% |

Note there are no Ore Reserves within the McIntosh Project as VRM considers that the previously reported feasibility study is no longer valid or current.

Table 13 Yardstick Valuation of the McIntosh Graphite Project

| | Mineral | | Valuation | | | |
|--------------------------------|------------------------|-------------------|-----------|---------------|--------|--|
| Valuation | Resources Contained | Graphite Price | | (A\$ Million) | | |
| | Graphite (Mt) | | Low | Mid-Point | High | |
| Indicated | 0.852 | \$900 | \$3.84 | \$5.75 | \$7.67 | |
| Inferred | 0.207 | \$900 | \$0.47 | \$0.70 | \$0.93 | |
| Exploration Target (Mid-Point) | 2.813 | \$900 | \$2.5 | \$4.4 | \$6.3 | |
| Valuation AUS\$ | | | \$5.5 | \$8.7 | \$11.9 | |

The yardstick valuation determined to be between \$5.5 million and \$11.9 million with a mid-point valuation of \$8.7 million is broadly in line with the comparable transaction valuation of between \$2.9 million and \$7.2 million with a preferred valuation of \$6.1 million. however, it is considered by VRM to be a useful guide of a possible valuation and should not be used as a primary valuation method.



10.3. Geoscientific / Kilburn valuation

There are several specific inputs that are critical in determining a valid geoscientific or Kilburn valuation, including ensuring that the specialist undertaking the valuation has a good understanding of the mineralisation styles within the overall region. In addition, access is needed to all relevant exploration and geological information, to ensure that the rankings are based on a thorough knowledge of the project. In addition to ensuring the rankings are correct, deriving the base acquisition costs (BAC) is critical as that is the primary driver of the final value. In this case, the BAC is derived by the exploration commitment to maintain the tenement in good standing and annual tenement rents, while the expected costs of targeting have not been included. In addition to the various ranking criteria and the BAC VRM has also assigned the equity that Chase either currently owns, has the right to own or is considering acquiring the right to own for each of the projects. For the Red Fox projects Chase has a 30.4% beneficial interest, while for the Hawkwood and Glencoe projects Chase has an option to potentially acquire up to 90% in the projects given various earn in rights. Chase holds 100% of the Boulia and Digby Peaks projects in Queensland, 100% of the Torrington Project in New South Wales and 100% of the North Barkly project in the Northern Territory. The project acquisition of the McIntosh project, should it be approved by the Chase Shareholders would allow up to an 80% interest in the Project.

To determine the market value, the technical value has been discounted as follows:

- All tenements: geopolitical risks due to labour shortages, access issues, environmental approvals, and possible heritage delays. As such, a slight discount of 2% has been applied;
- Tenements Applications: discounted dependant on whether they were competitive tenders or have encumbrances (50% discount) or were subject to administrative process (25% discount);
- Torrington Project: currently subject to a right to negotiate process regarding Native Title, and tenements are partially covered by State Conservation Area and the Torrington State Forrest. As such, a 50% discount has been applied;
- NT Projects: Native title determination outcomes have been registered over most of the application, and consent for exploration activities will require negotiation. As such, a 50% discount has been applied

10.3.1. Torrington Project

The Geoscientific rankings were derived for each of the ranking criteria with the Off-Property Criteria considered to be between 3.0 and 3.5, the On-Property Criteria between 3.0 and 3.5, the Anomaly Factor between 4 and 5 while the Geology Criteria are also considered to be between 4.0 and 5.0. When these ranking criteria are combined with the base acquisition cost, as detailed in Appendix C - this has determined the technical value. The technical value was then discounted by relevant factors as outlined in Section 10.3. The Geoscientific valuation for the Torrington Project is an entire project valuation, with the value determined for all of the tenements.



Table 14: Geoscientific Valuation of the Torrington Project

| Tonomont | Fourity Area | | Geoscien ^a | Geoscientific (Kilburn) valuation (A\$) | | | |
|---------------|--------------|--------|-----------------------|-----------------------------------------|------|--|--|
| Tenement | Equity | km² | Min | Mid | Max | | |
| EL8258 | 100% | 12.888 | 0.09 | 0.14 | 0.19 | | |
| EL8355 | 100% | 41.89 | 0.13 | 0.2 | 0.27 | | |
| All Tenements | | 54.77 | 0.22 | 0.34 | 0.46 | | |

The Geoscientific valuation for the Torrington Project is considered by VRM to have a market value in Australian dollars of between A\$0.22 million and A\$0.46 million with a preferred value of A\$0.46 million.

10.3.2. Queensland Projects

The Geoscientific rankings were derived for each of the ranking criteria with the Off-Property Criteria considered to be between 1.2 and 4.5, the On-Property Criteria between 1.0 and 2.7, the Anomaly Factor between 1.5 and 2.5 while the Geology Criteria are considered to be between 1.2 and 2.6. When these ranking criteria are combined with the base acquisition cost and the equity owned by or potentially owned by Chase, as detailed in Appendix D - , this has determined the technical value. The technical value was then discounted by relevant factors as outlined in Section 10.3. The Geoscientific valuation for the Queensland Projects is an entire project valuation, with the value determined for all of the tenements.

Table 15: Geoscientific Valuation of the Queensland Project

| Tonomont | Equity | Area km² - | Geoscier | ntific (Kilburn) va | luation (A\$) |
|----------|--------|------------|----------|---------------------|---------------|
| Tenement | Equity | Area km | Min | Mid | Max |
| EPM26010 | 30.4% | 132.00 | 0.4 | 0.51 | 0.61 |
| EPM26332 | 30.4% | 57.91 | 0.37 | 0.5 | 0.62 |
| EPM26872 | 30.4% | 15.70 | 0.51 | 0.68 | 0.85 |
| EPM26397 | 30.4% | 99.53 | 0.24 | 0.33 | 0.43 |
| EPM28420 | 30.4% | 102.70 | 0 | 0 | 0.01 |
| EPM26571 | 30.4% | 108.50 | 0.24 | 0.31 | 0.39 |
| EPM28006 | 30.4% | 22.34 | 0.04 | 0.05 | 0.06 |
| EPM28007 | 30.4% | 76.50 | 0.07 | 0.1 | 0.13 |
| EMP28051 | 30.4% | 124.30 | 0.01 | 0.02 | 0.02 |
| EPM26024 | 30.4% | 181.50 | 0.49 | 0.6 | 0.72 |
| EPM26601 | 30.4% | 303.50 | 0.72 | 0.96 | 1.19 |
| EPM25948 | 90% | 100.54 | 0.08 | 0.09 | 0.11 |
| EPM26013 | 90% | 32.43 | 0.03 | 0.04 | 0.05 |
| EPM26245 | 90% | 77.85 | 0.06 | 80.0 | 0.09 |
| EPM26248 | 90% | 84.32 | 0.06 | 0.08 | 0.09 |
| EPM26526 | 90% | 51.89 | 0.04 | 0.05 | 0.06 |
| EPM26529 | 90% | 12.97 | 0.02 | 0.02 | 0.03 |
| EPM27217 | 90% | 116.76 | 0.09 | 0.11 | 0.14 |



| Tenement | Fauity | Equity Area km ² | | Geoscientific (Kilburn) valuation (| | | |
|---------------|--------|-----------------------------|-------|-------------------------------------|-------|--|--|
| renement | Equity | Alea Kili | Min | Mid | Max | | |
| EPM26523 | 90% | 77.84 | 0.06 | 0.08 | 0.1 | | |
| EPM18534 | 90% | 29.19 | 0.03 | 0.04 | 0.05 | | |
| EPM27403 | 90% | 324.32 | 0.2 | 0.25 | 0.3 | | |
| EPM27404 | 90% | 324.32 | 0.22 | 0.28 | 0.34 | | |
| EPM27405 | 90% | 324.32 | 0.22 | 0.28 | 0.34 | | |
| EPM27406 | 90% | 123.24 | 0.08 | 0.1 | 0.13 | | |
| EPM28434 | 90% | 161.10 | 0.04 | 0.06 | 0.07 | | |
| EPM28251 | 100% | 322.20 | 0.05 | 0.07 | 0.08 | | |
| EPM28253 | 100% | 322.20 | 0.05 | 0.07 | 0.08 | | |
| EPM28256 | 100% | 322.20 | 0.02 | 0.02 | 0.03 | | |
| All Tenements | | 4,032.17 | \$4.4 | \$5.8 | \$7.1 | | |

The Geoscientific valuation for the combined Queensland Projects is considered by VRM to have a market value in Australian dollars of between A\$4.4 million and A\$7.1 million with a preferred value of A\$5.8 million.

10.3.3. Northern Territory Projects

The Geoscientific rankings were derived for each of the ranking criteria with the Off-Property Criteria considered to be between 1.0 and 1.3, the On-Property Criteria between 1.5 and 2.2, the Anomaly Factor between 1.4 and 2.3 while the Geology Criteria are considered to be between 1.2 and 2.2. When these ranking criteria are combined with the base acquisition cost, as detailed in Appendix E - this has determined the technical value. The technical value was then discounted by relevant factors as outlined in Section 10.3, the tenement applications are considered to be administrative, so a 25% discount has been applied. The Geoscientific valuation for the Queensland Projects is an entire project valuation, with the value determined for all of the tenements

Table 16: Geoscientific Valuation of the Northern Territory Projects

| Tenement | Equity | Area km² – | Geoscier | Geoscientific (Kilburn) valuation (A\$) | | | |
|---------------|--------|------------|----------|-----------------------------------------|------|--|--|
| renement | Equity | Alea Kili | Min | Mid | Max | | |
| EL33128 | 100% | 652.49 | 0.02 | 0.03 | 0.04 | | |
| EL33129 | 100% | 654.82 | 0.01 | 0.01 | 0.01 | | |
| EL33130 | 100% | 655.00 | 0.01 | 0.01 | 0.02 | | |
| EL33229 | 100% | 656.80 | 0.01 | 0.01 | 0.01 | | |
| EL33230 | 100% | 656.16 | 0.01 | 0.01 | 0.01 | | |
| All Tenements | | 3,275.27 | 0.06 | 0.07 | 0.09 | | |

The Geoscientific valuation for the Northern Territory Projects is considered by VRM to have a market value in Australian dollars of between A\$60,000 and A\$90,000 with a preferred value of A\$70,000. When appropriate rounding is applied VRM considers that they NT Projects have a value of \$0.1 million.



10.4. 7.2. Prospectivity Enhancement Multiplier (PEM) Valuation

VRM has undertaken a PEM valuation of the tenements not containing Mineral Resources, using the BAC and the exploration expenditure as provided by Chase. The expenditures were provided on a tenement basis with rents and rates factored into the amounts. This PEM valuation has been used as a cross check or secondary valuation of the Kilburn or Geoscientific valuation above.

This expenditure has been multiplied by and Prospectivity Enhancement Multiplier as detailed in Table 9. To generate a range in in the PEM valuation VRM has assessed the effectiveness of the exploration expenditure and therefore used an upper and lower PEM multiple to generate a range in likely values of the Projects. The preferred valuation is the average of the upper and lower PEM valuation. Table 17 details the expenditure, the PEM multiples, and the valuations for the Project.

Table 17: PEM Valuation for all granted exploration tenements

| Ctoto | Duningt | | PEM V | /aluation | by Tener | ment | |
|--------------------|-----------------|--------------|-------|-----------|----------|----------------------------------------------------------------------------------------------|-------|
| State | Project | Expenditure | PEM | PEM | Lower | nent Preferred 2.34 0.13 0.12 0.46 0.12 N/A N/A N/A N/A N/A 3.17 0.01 N/A 3.18 | Upper |
| | Cloncurry | 184,000 | 1 | 1.3 | 2.03 | 2.34 | 2.64 |
| | Butchers Bore | 184,000 | 0.15 | | | | |
| | Selwyn | | 0.14 | | | | |
| | Georgetown | 172,000 | 1 | 1.3 | 0.40 | 0.46 | 0.52 |
| Queensland | Hawkwood | 100,058 | 1 | 1.3 | 0.10 | 0.12 | 0.13 |
| | Glencoe | N/A | N/A | N/A | N/A | N/A | N/A |
| | Boulia | N/A | N/A | N/A | N/A | N/A | N/A |
| | Digby Peaks | N/A | N/A | N/A | N/A | N/A | N/A |
| | Total | 681,999 | | | 2.75 | 3.17 | 3.58 |
| New South Wales | Torrington | 3,020 | 3.5 | 4 | 0.01 | 0.01 | 0.01 |
| Northern Territory | North Barkly | N/A | N/A | N/A | N/A | N/A | N/A |
| | Final Value (AU | S\$ million) | | | 2.76 | 3.18 | 3.59 |

The PEM valuation has been determined to be between \$2.7 million and \$3.6 million with a mid-point valuation of \$3.2 million while this is significantly less than the Kilburn or Geoscientific valuation of between \$5.7 million and \$9.3 million with a preferred valuation of \$7.5 million the reasons for the significant difference in the valuations is due to a large number of the project tenements being either recently granted or remaining as applications. VRM still considers that on an individual project basis where the projects have been granted and exploration activities have commenced the PEM valuation supports the Kilburn or Geoscientific valuation.



11. Risks and opportunities

11.1.General Risks and Opportunities

The only projects with a JORC 2012 Mineral Resource estimates are the McIntosh Graphite Project where a graphite Mineral Resource estimate has been estimated and the Torrington Project where there is a tungsten and Topaz Mineral Resource estimate. No other projects contain Mineral Resource estimates.

Mineral exploration, by its very nature has significant risks, particularly for early-stage projects. Chase's Projects are considered all early-stage projects. Based on the industry-wide exploration success rates it is possible that no additional significant economic mineralisation will be located within any of the Projects. Even in the event significant mineralisation does exist within the Projects, factors both in and out of the control of the Company may prevent the identification or development of such mineralisation.

There are often environmental, safety and regulatory risks associated with exploration. This may include, but is not limited to, factors such as community consultation and agreements, as well as environmental considerations. Once more advanced, Projects are assessed for risks associated with mining, metallurgical and processing facilities requirements and services, ability to develop infrastructure appropriately, and mine closure processes. Assessment of these risks would be addressed in successive technical-economic studies, which generally commence once a Project has initiated Mineral Resource definition drilling and estimation activities. A risk exists that fatal flaws may be identified during these studies, which impede project development.

The data included in this Report and the basis of the interpretations herein have been derived from a compilation of data included in annual and quarterly technical reports compiled by way of historical tenement database searches. In addition, company presentations and academic literature has been utilised to evaluate the historic exploration data, and to ascertain the prospectivity potential and possible mineralisation systems present within the tenement holdings.

There are two potential sources of uncertainty associated with this type of information compilation; 1. significant material information may not have been identified in the data compilation, and 2. There is a potential risk associated with the release of the exploration reports related to the areas of interest. Therefore, obtaining the historical reports often requires extremely time-consuming and costly searches in the government department records. There is also duplication and compilation errors associated with several of the publicly available data compilations; this is commonly associated with multiple reporting of the exploration activities by different tenement managers using different grid references for the exploration activities. As such, these data may not be available and may have material errors that could have a material impact on potential exploration decisions.



Often the historical exploration reports do not include or discuss the use of quality assurance and quality control (QAQC) procedures as part of the sampling programs. Therefore, it is difficult to determine the validity and reliability of much of the historical samples, even where original assays are reported. The inability to properly validate all the exploration data reported herein, which has an impact on the proposed exploration, increases the exploration risk.

Global economics such as changes to commodity prices and access to capital to fund exploration can be considered as both risks and opportunities. These are factors that are outside of the control of the Company, as are broader societal issues. For example, at the time of drafting this Report, the impact of COVID-19 is being felt globally. While to date the mining industry and resources sector has adapted quickly and largely continued business activities throughout this time, the potential risks for future exploration in the near future remains unclear. There is also significant uncertainty associated the global economy due to with energy supplies and various commodities due to the ongoing conflict between Russia and Ukraine.

11.2.Project Specific Risks and Opportunities

As a general comment, VRM has not identified any registered heritage sites that are likely to impact the exploration activities. It is possible however, that additional surveys may identify heritage sites. VRM notes that heritage surveys have previously been undertaken in the area, with no sites registered, and that exploration has been undertaken within the immediate and adjacent Project areas in the past.

For the McIntosh Project there are the typical risks associated with early-stage exploration projects and additional risks associated with the Mineral Resource estimate, especially associated with the metallurgy associated with the extraction and product specifications that would be required for specific customer uses for the graphite. There is a requirement that the product specifications from the operations meet usually stringent product specifications which have a significant impact on the value of the graphite concentrates.



12. <u>Preferred Valuation Range</u>

VRM has compared and analysed the various valuation methods for the projects to determine the most suitable valuation methodology for the primary valuation and a supporting or secondary valuation method for each of the projects. Table 18 below summarises the various valuation methods and details the preferred valuations for the various projects.

Table 18 Valuation summary of each method for each project.

| Desired | | | Valuation , , , , | | Valuation (AUS\$M) Equity | | | |
|-----------------|-----------------------|-------|-------------------|------------|---------------------------|-------|-----------|--------|
| Project | State | Owner | Туре | Method | Equity | | Basis | |
| | Western | | | | | Lower | Preferred | Upper |
| McIntosh | Australia | GCM | Primary | Comparable | 80% | \$2.9 | \$6.1 | \$7.2 |
| | | | Secondary | Yardstick | 80% | \$5.5 | \$8.7 | \$11.9 |
| Total GCM Proje | ect | | | | | \$2.9 | \$6.1 | \$7.2 |
| | | | | | | | | |
| Cloncurry | Queensland | Chase | Primary | Kilburn | 30.4% | \$1.3 | \$1.7 | \$2.1 |
| Butchers Bore | Queensland | Chase | Primary | Kilburn | 30.4% | \$0.2 | \$0.3 | \$0.4 |
| Selwyn | Queensland | Chase | Primary | Kilburn | 30.4% | \$0.4 | \$0.5 | \$0.6 |
| Georgetown | Queensland | Chase | Primary | Kilburn | 30.4% | \$1.2 | \$1.6 | \$1.9 |
| Hawkwood | Queensland | Chase | Primary | Kilburn | 90% | \$1.2 | \$1.5 | \$1.8 |
| Glencoe | Queensland | Chase | Primary | Kilburn | 90% | \$0.1 | \$0.1 | \$0.1 |
| Boulia | Queensland | Chase | Primary | Kilburn | 100% | \$0.1 | \$0.1 | \$0.2 |
| Digby Peaks | Queensland | Chase | Primary | Kilburn | 100% | \$0.0 | \$0.0 | \$0.0 |
| Total QLD | | | Primary | | | \$4.4 | \$5.8 | \$7.1 |
| Cloncurry | Queensland | Chase | Secondary | PEM | 30.4% | \$2.0 | \$2.3 | \$2.6 |
| Butchers Bore | Queensland | Chase | Secondary | PEM | 30.4% | \$0.1 | \$0.1 | \$0.1 |
| Selwyn | Queensland | Chase | Secondary | PEM | 30.4% | \$0.1 | \$0.1 | \$0.1 |
| Georgetown | Queensland | Chase | Secondary | PEM | 30.4% | \$0.4 | \$0.5 | \$0.5 |
| Hawkwood | Queensland | Chase | Secondary | PEM | 90% | \$0.1 | \$0.1 | \$0.1 |
| Glencoe | Queensland | Chase | Secondary | PEM | 90% | \$- | \$- | \$- |
| Boulia | Queensland | Chase | Secondary | PEM | 100% | \$- | \$- | \$- |
| Digby Peaks | Queensland | Chase | Secondary | PEM | 100% | \$- | \$- | \$- |
| Total QLD | | | Secondary | PEM | | \$2.8 | \$3.2 | \$3.6 |
| | | | | | | | | |
| Torrington | New South Wales | Chase | Primary | Kilburn | 100% | \$0.2 | \$0.3 | \$0.5 |
| | | | Secondary | Comparable | 100% | \$0.5 | \$0.7 | \$1.1 |
| North Barkly | Northern Territory | Chase | Primary | Kilburn | 100% | \$0.1 | \$0.1 | \$0.1 |
| Total Chase Pro | jects | | Primary | | | \$4.7 | \$6.2 | \$7.7 |

.



Based on the analysis presented, VRM considers the market value of the Chase Mineral Assets to be between A\$4.7 million and A\$7.7 million with a preferred value of A\$6.2 million and the McIntosh Project has a market value of A\$2.9 million and A\$7.2 million with a preferred valuation of A\$6.1 million.

In VRM's opinion the expenditure required to earn in and the assigned equity for the Hawkwood and Glencoe projects would likely significantly increase the value of those assets and therefore the required expenditure should not be deducted from the project valuations above, this is primarily due to the projects being at an early exploration stage.

It is uncertain how the exploration expenditure associated with the earn-in for the McIntosh project would impact the valuation of the project at the time the expenditure has been completed. The project is at an advanced stage and therefore the expenditure could increase the value by a less than the expenditure required to earn the equity or it is possible that the earn-in expenditure could result in a significant increase in the project value. In VRM's opinion the additional exploration expenditure would be more than likely to result in an increase in value however the extent is not certain. Therefore, the valuation in the table above could be reduced by the cash payment required to the project vendor (\$0.5 million), but the exploration expenditure to earn in the 80% equity should not be deducted from the valuation.





Figure 39 The various valuations and VRM's preferred valuation range



13. References

13.1.Published References

The references below document the main documents referred to in this report; however, the various ASX releases for the various companies have not been included in the reference list but have been hyperlinked in the document. Open-source files from the various government departments dealing with tenement information and reporting requirements are also not included in this list but hyperlinked in the document.

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13.2.Project Specific References

This section outlines the WA Mineral Exploration (WAMEX) and MinView (NSW) database reports utilised in the report. WAMEX and MinView contain the statutory mineral exploration reports submitted by companies to the Department of Mines, Industry Regulation and Safety (WA) and The Department of Regional New South Wales, as part of their reporting commitments on mining and exploration leases. Only reports which reported drilling on the Project and / or digital data that has been reviewed are included.

McIntosh Project

| A-Number | Author | Date | Report Title | Company/Operat or |
|----------|-----------------|------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|
| 110224 | N/A | 2016 | Combined Annual Report for the period 1 September 2015 to 31 August 2016, McIntosh Project, C191/2010, E80/03864, E80/03906, E80/03907, E80/03928, E80/04688, E80/04732, E80/04733, E80/04734, E80/04739, E80/04825, E80/04841, E80/04842, P80/01821, E80/ | Hexagon Resources Ltd |
| 107106 | N/A | 2015 | Combined Annual report for the period 1 September 2014 to 31 August 2015, McIntosh Project, C191/2010, E80/3864, E80/3906, E80/3907, E80/3928, E80/4396, E80/4688, E80/4732, E80/4733, E80/4734, E80/4739, E80/4825, E80/4841, E80/4842, P80/1821 | Lamboo Resources Ltd |
| 104389 | N/A | 2014 | Annual Report -15th November 2013 to 14th November 2014, McIntosh Project, E80/4733 | Lamboo Resources Ltd |
| 80379 | Attwell, S. | 2008 | Annual Report, Togo North Project E80/2574, for the period 27 October 2007 to 26 October 2008, East Kimberley Mineral Field, Western Australia | Thundelarra Exploration Ltd |
| 8862 | Codner, C.C. | 1980 | East Kimberley Project, Annual Report for the period 24th January 1979 to 23rd January 1980, TR70/6283H & 6284H | Australian Anglo American Ltd |
| 39116 | Rugless C.S. | 1971 | McIntosh Project, Partial Surrender Report, September 1993, E80/1205. | Pathfinder Exploration P/L |



14. Glossary

Below are brief descriptions of some terms used in this report. For further information or for terms that are not described here, please refer to internet sources such as Webmineral www.webmineral.com, Wikipedia www.wikipedia.org,

HIGHLIGHTED IN GREEN – NOT USED IN THIS REPORT (delete or not?)

EPM – Exploration Permit for Minerals in Queensland.

The following terms, if and where used, are taken from the 2015 VALMIN Code

Annual Report means a document published by public corporations on a yearly basis to provide shareholders, the public and the government with financial data, a summary of ownership and the accounting practices used to prepare the report.

Australasian means Australia, New Zealand, Papua New Guinea and their off-shore territories.

Code of Ethics means the Code of Ethics of the relevant Professional Organisation or Recognised Professional Organisations.

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

Experts are persons defined in the Corporations Act whose profession or reputation gives authority to a statement made by him or her in relation to a matter. A Practitioner may be an Expert. Also see Clause 2.1.

Exploration Results is defined in the current version of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Refer to http://www.jorc.org for further information.

Feasibility Study means 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. The confidence level of the study will be higher than that of a Pre-feasibility Study.

Financial Reporting Standards means Australian statements of generally accepted accounting practice in the relevant jurisdiction in accordance with the Australian Accounting Standards Board (AASB) and the Corporations Act.

Independent Expert's Report means a Public Report as may be required by the Corporations Act, the Listing Rules of the ASX or other security exchanges prepared by a Practitioner who is acknowledged as being independent of the Commissioning Entity. Also see ASIC Regulatory Guides RG 111 and RG 112 as well as Clause 5.5 of the VALMIN Code for guidance on Independent Expert Reports.

Information Memoranda means documents used in financing of projects detailing the project and financing arrangements.

Investment Value means the benefit of an asset to the owner or prospective owner for individual investment or operational objectives.

Life-of-Mine Plan means a design and costing study of an existing or proposed mining operation where all Modifying Factors have been considered in sufficient detail to demonstrate at the time of reporting that extraction is reasonably justified. Such a study should be inclusive of all development and mining activities proposed through to the effective closure of the existing or proposed mining operation.

Market Value means the estimated amount of money (or the cash equivalent of some other consideration) for which the Mineral Asset should exchange on the date of Valuation between a willing buyer and a willing seller in an arm's length transaction after appropriate marketing wherein the parties each acted knowledgeably, prudently and without compulsion. Also see Clause 8.1 for guidance on Market Value.

Materiality or being **Material** requires that a Public Report contains all the relevant information that investors and their professional advisors would reasonably require, and reasonably expect to find in the report, for the purpose of



making a reasoned and balanced judgement regarding the Technical Assessment or Mineral Asset Valuation being reported. Where relevant information is not supplied, an explanation must be provided to justify its exclusion. Also see Clause 3.2 for guidance on what is Material.

Member means a person who has been accepted and entitled to the post-nominals associated with the AIG or the AusIMM or both. Alternatively, it may be a person who is a member of a Recognised Professional Organisation included in a list promulgated from time to time.

Mineable means those parts of the mineralised body, both economic and uneconomic, that are extracted or to be extracted during the normal course of mining.

Mineral Asset means all property including (but not limited to) tangible property, intellectual property, mining and exploration Tenure and other rights held or acquired in connection with the exploration, development of and production from those Tenures. This may include the plant, equipment and infrastructure owned or acquired for the development, extraction, and processing of Minerals in connection with that Tenure.

Most Mineral Assets can be classified as either:

- (a) **Early-stage Exploration Projects** Tenure holdings where mineralisation may or may not have been identified, but where Mineral Resources have not been identified;
- (b) **Advanced Exploration Projects** Tenure holdings where considerable exploration has been undertaken and specific targets identified that warrant further detailed evaluation, usually by drill testing, trenching or some other form of detailed geological sampling. A Mineral Resource estimate may or may not have been made, but sufficient work will have been undertaken on at least one prospect to provide both a good understanding of the type of mineralisation present and encouragement that further work will elevate one or more of the prospects to the Mineral Resources category;
- (c) **Pre-Development Projects** Tenure holdings where Mineral Resources have been identified and their extent estimated (possibly incompletely), but where a decision to proceed with development has not been made. Properties at the early assessment stage, properties for which a decision has been made not to proceed with development, properties on care and maintenance and properties held on retention titles are included in this category if Mineral Resources have been identified, even if no further work is being undertaken;
- (d) **Development Projects** Tenure holdings for which a decision has been made to proceed with construction or production or both, but which are not yet commissioned or operating at design levels. Economic viability of Development Projects will be proven by at least a Pre-Feasibility Study;
- (e) **Production Projects** Tenure holdings particularly mines, wellfields, and processing plants that have been commissioned and are in production.

Mine Design means a framework of mining components and processes taking into account mining methods, access to the Mineralisation, personnel, material handling, ventilation, water, power, and other technical requirements spanning commissioning, operation, and closure so that mine planning can be undertaken.

Mine Planning includes production planning, scheduling and economic studies within the Mine Design taking into account geological structures and mineralisation, associated infrastructure and constraints, and other relevant aspects that span commissioning, operation, and closure.

Mineral means any naturally occurring material found in or on the Earth's crust that is either useful to or has a value placed on it by humankind, or both. This excludes hydrocarbons, which are classified as Petroleum.

Mineralisation means any single mineral or combination of minerals occurring in a mass, or deposit, of economic interest. The term is intended to cover all forms in which mineralisation might occur, whether by class of deposit, mode of occurrence, genesis, or composition.

Mineral Project means any exploration, development, or production activity, including a royalty or similar interest in these activities, in respect of Minerals.

Mineral Securities means those Securities issued by a body corporate or an unincorporated body whose business includes exploration, development or extraction and processing of Minerals.

Mineral Resources is defined in the current version of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Refer to http://www.jorc.org for further information.



Mining means all activities related to extraction of Minerals by any method (e.g., quarries, open cast, open cut, solution mining, dredging etc).

Mining Industry means the business of exploring for, extracting, processing, and marketing Minerals.

Modifying Factors is defined in the current version of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Refer to http://www.jorc.org for further information.

Ore Reserves is defined in the current version of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Refer to http://www.jorc.org for further information.

Petroleum means any naturally occurring hydrocarbon in a gaseous or liquid state, including coal-based methane, tar sands and oil-shale.

Petroleum Resource and **Petroleum Reserve** are defined in the current version of the Petroleum Resources Management System (PRMS) published by the Society of Petroleum Engineers, the American Association of Petroleum Geologists, the World Petroleum Council, and the Society of Petroleum Evaluation Engineers. Refer to http://www.spe.org for further information.

Practitioner is an Expert as defined in the Corporations Act, who prepares a Public Report on a Technical Assessment or Valuation Report for Mineral Assets. This collective term includes Specialists and Securities Experts.

Preliminary Feasibility Study (Pre-Feasibility Study) means 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 that 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. A Pre-Feasibility Study is at a lower confidence level than a Feasibility Study.

Professional Organisation means a self-regulating body, such as one of engineers or geoscientists or of both, that:

- (a) admits members primarily on the basis of their academic qualifications and professional experience;
- (b) requires compliance with professional standards of expertise and behaviour according to a Code of Ethics established by the organisation; and
- (c) has enforceable disciplinary powers, including that of suspension or expulsion of a member, should its Code of Ethics be breached.

Public Presentation means the process of presenting a topic or project to a public audience. It may include, but not be limited to, a demonstration, lecture or speech meant to inform, persuade, or build good will.

Public Report means a report prepared for the purpose of informing investors or potential investors and their advisers when making investment decisions, or to satisfy regulatory requirements. It includes, but is not limited to, Annual Reports, Quarterly Reports, press releases, Information Memoranda, Technical Assessment Reports, Valuation Reports, Independent Expert Reports, website postings and Public Presentations. Also see Clause 5 for guidance on Public Reports.

Quarterly Report means a document published by public corporations on a quarterly basis to provide shareholders, the public and the government with financial data, a summary of ownership and the accounting practices used to prepare the report.

Reasonableness implies that an assessment which is impartial, rational, realistic, and logical in its treatment of the inputs to a Valuation or Technical Assessment has been used, to the extent that another Practitioner with the same information would make a similar Technical Assessment or Valuation.

Royalty or Royalty Interest means the amount of benefit accruing to the royalty owner from the royalty share of production.

Securities has the meaning as defined in the Corporations Act.

Securities Expert are persons whose profession, reputation or experience provides them with the authority to assess or value Securities in compliance with the requirements of the Corporations Act, ASIC Regulatory Guides and ASX Listing Rules.

Scoping Study means 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

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relevant operational factors that are necessary to demonstrate at the time of reporting that progress to a Pre-Feasibility Study can be reasonably justified.

Specialist are persons whose profession, reputation, or relevant industry experience in a technical discipline (such as geology, mine engineering or metallurgy) provides them with the authority to assess or value Mineral Assets.

Status in relation to Tenure means an assessment of the security of title to the Tenure.

Technical Assessment is an evaluation prepared by a Specialist of the technical aspects of a Mineral Asset. Depending on the development status of the Mineral Asset, a Technical Assessment may include the review of geology, mining methods, metallurgical processes and recoveries, provision of infrastructure and environmental aspects.

Technical Assessment Report involves the Technical Assessment of elements that may affect the economic benefit of a Mineral Asset.

Technical Value is an assessment of a Mineral Asset's future net economic benefit at the Valuation Date under a set of assumptions deemed most appropriate by a Practitioner, excluding any premium or discount to account for market considerations.

Tenure is any form of title, right, licence, permit or lease granted by the responsible government in accordance with its mining legislation that confers on the holder certain rights to explore for and/or extract agreed minerals that may be (or is known to be) contained. Tenure can include third-party ownership of the Minerals (for example, a royalty stream). Tenure and Title have the same connotation as Tenement.

Transparency or being **Transparent** requires that the reader of a Public Report is provided with sufficient information, the presentation of which is clear and unambiguous, to understand the report and not be misled by this information or by omission of Material information that is known to the Practitioner.

Valuation is the process of determining the monetary Value of a Mineral Asset at a set Valuation Date.

Valuation Approach means a grouping of valuation methods for which there is a common underlying rationale or basis.

Valuation Date means the reference date on which the monetary amount of a Valuation in real (dollars of the day) terms is current. This date could be different from the dates of finalisation of the Public Report or the cut-off date of available data. The Valuation Date and date of finalisation of the Public Report **must** not be more than 12 months apart.

Valuation Methods means a subset of Valuation Approaches and may represent variations on a common rationale or basis.

Valuation Report expresses an opinion as to monetary Value of a Mineral Asset but specifically excludes commentary on the value of any related Securities.

Value means the Market Value of a Mineral Asset.



Appendix A - Comparable Graphite Transactions

| Project | Date | Transaction Value (A\$) | % Acquired | Buyer | Seller | Project Status | Acquired T Graphite Contained | \$/ t Contained Graphite |
|-----------------|------------|----------------------------|---------------|---------------------------|-------------------------|----------------------------------------------|-------------------------------------|--------------------------------|
| Springdale | 27/10/2021 | 8.00 | 100.00 | International Graphite | Comet Resources | Reserves Development | 936,000 | \$8.55 |
| Munglinup | 20/11/2017 | 9.00 | 90.00 | Mineral Commodities | Gold Terrace Pty Ltd | Reserves Development | 498,600 | \$18.05 |
| Siviour | 22/11/2018 | 3.38 | 100.00 | Renascor Resources | Ausmin Development | Feasibility Started | 6,400,000 | \$0.53 |
| Lochaber | 3/05/2018 | 0.55 | 100.00 | Saint Jean Carbon | Great Lakes Graphite | Reserves Development | 164,200 | \$3.35 |
| Ancuabe, Balama | 21/02/2018 | 1.90 | 20.00 | Triton Minerals | Grafex | Construction Planned, Feasibility Started | 33,921,600 | \$0.06 |
| Lindi Jumbo | 30/05/2018 | 1.33 | 30.00 | Walkabout Resources | undisclosed seller | Feasibility Complete | 976,800 | \$1.36 |

Note transactions in *italics* are excluded as they are not considered comparable – outliers

| Transaction Multiples excl | uding high and low |
|----------------------------|--------------------|
| Average | \$3.45 |
| Median | \$2.35 |
| 25th percentile | \$0.74 |
| 75th percentile | \$7.25 |
| Maximum | \$8.55 |
| Minimum | \$0.53 |
| Count | 4 |



Appendix B - Comparable Tungsten Transactions

| Project | Date | Transaction Value (A\$) | % Acquired | Buyer | Seller | Project Status | Acquired T Tungsten Contained | \$/ t Contained Tungsten | |
|---------------|------------|----------------------------|---------------|--------------------|---------------------------|------------------------------------------|-------------------------------------|--------------------------------|--|
| MacTung | 7/06/2022 | 16.58 | 100.00 | Fireweed Zinc Ltd. | Government of the | Not Reported | 381,980 | \$43.42 | |
| Fostung | 24/07/2020 | 5.32 | 100.00 | 1930153 ON Ltd. | Transition Metals Corp | Not Reported | 26,412 | \$201.60 | |
| Barruecopardo | 8/01/2020 | 10.73 | 30.00 | Oaktree Capital | Ormonde Mining | Operating Mine | 21,360 | \$502.14 | |
| Santa Comba | 27/08/2019 | 3.33 | 100.00 | Rafaella Resources | Investor Group | Previous mining adjacent to the Resource | 12,600 | \$263.89 | |
| Hatches Creek | 3/09/2018 | 8.68 | 100.00 | Tungsten Mining NL | GWR Group Ltd | No JORC resource | 1,297 | \$6,692.37 | |
| Watershed | 27/07/2018 | 15.00 | 100.00 | Tungsten Mining NL | Vital Metals Ltd | DFS completed not comparable | 70,400 | \$213.07 | |

Note transactions in *italics* are excluded as they are not considered comparable – outliers. Bold resource multiples are potentially comparable



Appendix C - Geoscientific Valuation of the Torrington Project

| Tenement | BAC | Off Property | | On Property | | Anomaly Factor | | Geology Factor | | Technical Valuation (AUS\$) | | | Fair Market Valuation (AUS\$M) | | |
|---------------|------------|-----------------|------|-------------|------|-------------------|------|-------------------|------|-----------------------------|-----------|-----------|-----------------------------------|-----------|-------|
| | (AUS\$) | Low | High | Low | High | Low | High | Low | High | Lower | Preferred | Upper | Lower | Preferred | Upper |
| EL8258 | \$1,240 | 3.0 | 3.5 | 3.0 | 3.5 | 4.0 | 5.0 | 4.0 | 5.0 | \$178,600 | \$279,200 | \$379,800 | 0.09 | 0.14 | 0.19 |
| EL8355 | \$1,780 | 3.0 | 3.5 | 3.0 | 3.5 | 4.0 | 5.0 | 4.0 | 5.0 | \$256,300 | \$400,700 | \$545,100 | 0.13 | 0.2 | 0.27 |
| Total Torring | gton Proje | ct | | | | | | | | \$434,900 | \$679,900 | \$924,900 | 0.22 | 0.34 | 0.46 |

To determine the market value the technical value has been discounted following the parameters outlined in Section 10.3 on a tenement-by-tenement basis.



Appendix D - Geoscientific Valuation of the Queensland Projects

| Tenement | BAC | Off Pr | Off Property | | On Property | | maly | Geo | logy | | Technical Valuation (A | AUS\$) | Fair Ma | rket Valuatio | n (AUS\$M) |
|--------------|--------------|--------|--------------|-----|-------------|-----|------|-----|------|-------------|------------------------|-------------|---------|---------------|------------|
| renement | (AUS\$) | Low | High | Low | High | Low | High | Low | High | Lower | Preferred | Upper | Lower | Preferred | Upper |
| EPM26010 | \$47,000 | 4.0 | 4.5 | 2.0 | 2.2 | 1.8 | 2.0 | 2.0 | 2.2 | \$411,500 | \$516,950 | \$622,400 | 0.4 | 0.51 | 0.61 |
| EPM26332 | \$77,000 | 4.0 | 4.5 | 2.0 | 2.5 | 2.0 | 2.2 | 2.0 | 2.2 | \$374,500 | \$505,900 | \$637,300 | 0.37 | 0.5 | 0.62 |
| EPM26872 | \$60,000 | 4.0 | 4.5 | 2.0 | 2.4 | 1.8 | 2.0 | 2.0 | 2.2 | \$525,300 | \$696,050 | \$866,800 | 0.51 | 0.68 | 0.85 |
| EPM26397 | \$85,000 | 1.5 | 1.8 | 1.5 | 1.8 | 1.9 | 2.1 | 2.2 | 2.5 | \$243,000 | \$341,250 | \$439,500 | 0.24 | 0.33 | 0.43 |
| EPM28420 | \$6,386 | 1.5 | 1.8 | 1.5 | 1.8 | 2.0 | 2.2 | 2.2 | 2.5 | \$4,800 | \$6,700 | \$8,600 | 0 | 0 | 0.01 |
| EPM26571 | \$82,000 | 1.5 | 1.8 | 1.8 | 2.0 | 1.8 | 2.0 | 2.0 | 2.2 | \$242,300 | \$318,600 | \$394,900 | 0.24 | 0.31 | 0.39 |
| EPM28006 | \$15,000 | 1.5 | 1.8 | 1.5 | 1.8 | 1.8 | 2.0 | 2.0 | 2.2 | \$36,900 | \$50,950 | \$65,000 | 0.04 | 0.05 | 0.06 |
| EPM28007 | \$30,000 | 1.5 | 1.8 | 1.5 | 1.8 | 1.8 | 2.0 | 2.0 | 2.2 | \$73,900 | \$101,950 | \$130,000 | 0.07 | 0.1 | 0.13 |
| EMP28051 | \$7,555 | 1.5 | 1.8 | 2.2 | 2.5 | 2.2 | 2.5 | 2.0 | 2.2 | \$16,700 | \$22,550 | \$28,400 | 0.01 | 0.02 | 0.02 |
| EPM26024 | \$77,000 | 1.9 | 2.1 | 2.2 | 2.5 | 2.2 | 2.4 | 2.3 | 2.5 | \$495,100 | \$616,250 | \$737,400 | 0.49 | 0.6 | 0.72 |
| EPM26601 | \$95,000 | 2.0 | 2.4 | 2.3 | 2.7 | 2.3 | 2.5 | 2.4 | 2.6 | \$733,300 | \$974,850 | \$1,216,400 | 0.72 | 0.96 | 1.19 |
| EPM25948 | \$6,219 | 1.3 | 1.5 | 2.2 | 2.4 | 2.2 | 2.4 | 2.2 | 2.4 | \$77,500 | \$96,800 | \$116,100 | 0.08 | 0.09 | 0.11 |
| EPM26013 | \$2,712 | 1.2 | 1.4 | 2.2 | 2.4 | 2.2 | 2.4 | 2.2 | 2.4 | \$31,200 | \$39,200 | \$47,200 | 0.03 | 0.04 | 0.05 |
| EPM26245 | \$5,050 | 1.3 | 1.5 | 2.2 | 2.4 | 2.2 | 2.4 | 2.2 | 2.4 | \$62,900 | \$78,600 | \$94,300 | 0.06 | 0.08 | 0.09 |
| EPM26248 | \$5,384 | 1.2 | 1.4 | 2.2 | 2.4 | 2.2 | 2.4 | 2.2 | 2.4 | \$61,900 | \$77,850 | \$93,800 | 0.06 | 0.08 | 0.09 |
| EPM26526 | \$3,714 | 1.4 | 1.7 | 2.0 | 2.2 | 2.0 | 2.2 | 2.2 | 2.4 | \$41,200 | \$53,600 | \$66,000 | 0.04 | 0.05 | 0.06 |
| EPM26529 | \$1,710 | 1.2 | 1.4 | 2.2 | 2.4 | 2.2 | 2.4 | 2.2 | 2.4 | \$19,700 | \$24,750 | \$29,800 | 0.02 | 0.02 | 0.03 |
| EPM27217 | \$7,054 | 1.5 | 1.8 | 2.1 | 2.3 | 2.0 | 2.2 | 2.2 | 2.4 | \$88,000 | \$113,400 | \$138,800 | 0.09 | 0.11 | 0.14 |
| EPM26523 | \$5,050 | 1.5 | 1.8 | 2.1 | 2.3 | 2.0 | 2.2 | 2.2 | 2.4 | \$63,000 | \$81,200 | \$99,400 | 0.06 | 0.08 | 0.1 |
| EPM18534 | \$2,545 | 1.5 | 1.8 | 2.1 | 2.3 | 2.0 | 2.2 | 2.2 | 2.4 | \$31,800 | \$40,950 | \$50,100 | 0.03 | 0.04 | 0.05 |
| EPM27403 | \$17,742 | 1.2 | 1.4 | 2.2 | 2.4 | 2.2 | 2.4 | 2.2 | 2.4 | \$204,000 | \$256,500 | \$309,000 | 0.2 | 0.25 | 0.3 |
| EPM27404 | \$17,742 | 1.5 | 1.8 | 2.1 | 2.3 | 2.0 | 2.2 | 2.2 | 2.4 | \$221,300 | \$285,200 | \$349,100 | 0.22 | 0.28 | 0.34 |
| EPM27405 | \$17,742 | 1.5 | 1.8 | 2.1 | 2.3 | 2.0 | 2.2 | 2.2 | 2.4 | \$221,300 | \$285,200 | \$349,100 | 0.22 | 0.28 | 0.34 |
| EPM27406 | \$7,388 | 1.4 | 1.7 | 2.0 | 2.2 | 2.0 | 2.2 | 2.2 | 2.4 | \$81,900 | \$106,600 | \$131,300 | 0.08 | 0.1 | 0.13 |
| EPM28434 | \$9,392 | 1.5 | 1.8 | 2.1 | 2.3 | 2.0 | 2.2 | 2.2 | 2.4 | \$58,600 | \$75,500 | \$92,400 | 0.04 | 0.06 | 0.07 |
| EPM28251 | \$17,742 | 1.5 | 1.7 | 2.0 | 2.2 | 1.5 | 1.8 | 1.7 | 1.9 | \$67,900 | \$90,700 | \$113,500 | 0.05 | 0.07 | 0.08 |
| EPM28253 | \$17,742 | 1.5 | 1.7 | 2.0 | 2.2 | 1.5 | 1.8 | 1.7 | 1.9 | \$67,900 | \$90,700 | \$113,500 | 0.05 | 0.07 | 0.08 |
| EPM28256 | \$17,742 | 1.5 | 1.7 | 1.0 | 1.0 | 1.5 | 1.7 | 1.2 | 1.4 | \$24,000 | \$29,950 | \$35,900 | 0.02 | 0.02 | 0.03 |
| Total Queens | sland Projec | ts | | | | | | | | \$4,581,400 | \$5,978,700 | \$7,376,000 | 4.4 | 5.8 | 7.1 |

To determine the market value the technical value has been discounted following the parameters outlined in Section 10.3 on a tenement-by-tenement basis.



Appendix E - Geoscientific Valuation of the Northern Territory Projects

| Tenement | BAC (AUS\$) | Off Property | | On Property | | Anomaly Factor | | Geology Factor | | Technical Valuation (AUS\$) | | | Fair Market Valuation (AUS\$M) | | |
|----------------------------------|----------------|-----------------|------|-------------|------|-------------------|------|-------------------|-----------|-----------------------------|----------|----------|-----------------------------------|------|-------|
| | Low | | High | | High | | High | | High | | | Upper | | | Upper |
| EL33128 | \$8,244 | 1.0 | 1.3 | 2.0 | 2.2 | 2.0 | 2.3 | 2.0 | 2.2 | \$33,000 | \$46,350 | \$59,700 | 0.02 | 0.02 | 0.03 |
| EL33129 | \$8,244 | 1.0 | 1.1 | 1.5 | 1.7 | 1.4 | 1.5 | 1.2 | 1.5 | \$10,400 | \$13,850 | \$17,300 | 0.01 | 0.01 | 0.01 |
| EL33130 | \$8,244 | 1.0 | 1.2 | 1.8 | 2.0 | 1.5 | 1.6 | 1.2 | 1.5 | \$13,400 | \$18,550 | \$23,700 | 0.01 | 0.01 | 0.01 |
| EL33229 | \$8,244 | 1.0 | 1.1 | 1.7 | 1.8 | 1.4 | 1.5 | 1.2 | 1.5 | \$11,800 | \$15,100 | \$18,400 | 0.01 | 0.01 | 0.01 |
| EL33230 | \$8,244 | 1.0 | 1.1 | 1.5 | 1.7 | 1.4 | 1.5 | 1.2 | 1.5 | \$10,400 | \$13,850 | \$17,300 | 0.01 | 0.01 | 0.01 |
| Total Northern Territory Project | | | | | | | | \$79,000 | \$107,700 | \$136,400 | 0.06 | 0.06 | 0.07 | | |

To determine the market value the technical value has been discounted following the parameters outlined in Section 10.3 on a tenement-by-tenement basis.

SCHEDULE 5 TERMS OF EMPLOYEE INCENTIVE SCHEME

1.1 Purpose of the Scheme

The purpose of the Scheme is to:

- (a) provide an incentive for Eligible Participants to participate in the future growth of the Company and, upon becoming shareholders, to participate in the Company's profits and development;
- (b) ensure that securities issued under the Equity Incentive Scheme are issued in accordance with the Corporations Act and the Listing Rules.

1.2 PARTICIPANTS IN THE SCHEME

The Board may offer Options and/or Performance Rights (Incentive Securities) to persons (Scheme Participants) who are Directors, employees or consultants of the Company based on a number of criteria including potential contribution to the Company in the future and other factors the Board considers relevant and on such issue terms as the Directors see fit.

Upon receipt of such an offer, the Scheme Participant may nominate a nominee acceptable to the Board to be issued with the Incentive Securities.

1.3 NUMBER OF INCENTIVE SECURITIES

The maximum number of Incentive Securities issued under the Scheme over a 3 year period is 5% of the total number of fully paid ordinary shares on issue in the Company at any time (on a fully diluted basis), and in any event will be no more than 46,813,276 equity securities or such other amount as determined by the Company's shareholders from time to time.

1.4 TERMS OF INCENTIVE SECURITIES

- (c) An uncertified holding statement will be issued for the Incentive Securities;
- (d) The Incentive Securities shall lapse on the earliest of the relevant dates set out below (Expiry Date):
 - (i) the date on which the Scheme Participant's appointment with the Company is terminated for cause;
 - (ii) unless the Board agrees otherwise, the Participant's resignation or employment or engagement with the Company or an associated body corporate is terminated;
 - (iii) the date specified by the Board upon the grant of an Incentive Securities.
- (e) Incentive Securities shall be issued subject to such vesting conditions as the Board determines.

- (f) Each Incentive Security shall carry the right in favour of the Scheme Participant to be issued one (1) Share upon:
 - in the case of Options, vesting of the Option and (if applicable) payment of the Option exercise price determined by the Board in its discretion (Exercise Price); and
 - (ii) In the case of Performance Rights, vesting of the Performance Rights.
- (g) The Option Exercise Price shall be payable in full on exercise of the Options.
- (h) The Options held by each Option holder may be exercised in whole or in part, at any time upon any vesting conditions being satisfied, up to and including the Expiry Date by the delivery to the registered office of the Company of a notice in writing stating the intention of the Scheme Participant to:
 - (i) exercise all or a specified number of Options; and
 - (ii) pay the Exercise Price by way of subscription monies in full for the exercise of each Option.

The notice must be accompanied by a cheque made payable to the Company for the subscription monies for the shares. An exercise of only some Options shall not affect the rights of the Scheme Participant to the balance of the Options held by the Scheme Participant, subject to any vesting conditions.

- (i) The Company shall allot the resultant shares and deliver the share certificate or uncertified holding statement within 5 business days of the exercise of the Options or vesting of Performance Rights (as the case may be).
- (j) Incentive Securities shall not be listed for Official Quotation on ASX.
- (k) The Incentive Securities are not transferable except to an associate (as defined in the Corporations Act) of the Scheme Participant or nominee approved by the Board in its discretion.
- (I) Shares allotted pursuant to an exercise of the Options or vesting of Performance Rights shall rank from the date of allotment, equally with existing fully paid ordinary shares in all respects.
- (m) The Company shall, in accordance with the Listing Rules, make application to have Shares allotted pursuant to an exercise of Options or vesting of Performance Rights listed for Official Quotation on ASX.
- (n) In the event of a reconstruction (including consolidation, subdivision, reduction or return of the issued capital of the Company), all rights of the Scheme Participant shall be reconstructed in accordance with the Listing Rules.
- (o) Subject to paragraph 4(l), the Scheme Participant shall have no rights to a change in the Exercise Price of an Option or a change to the number of Shares over which an Option can be exercised.

- (p) If the Company enters into a scheme of arrangement, a takeover bid is made for the Company's shares, or a party acquires a sufficient interest in the Company to enable them to replace the Board (or the Board forms the view that one of those events is likely to occur) then the Board may declare an Option to be free of any conditions of exercise. Options which are so declared may be exercised at any time on or before they lapse.
- (q) There are no participating rights or entitlement inherent in the Incentive Securities and Scheme Participants will not be entitled to participate in new issues of securities offered to Shareholders of the Company during the currency of the Incentive Securities.

1.5 TAXATION

Under current taxation laws any taxation liability in relation to the Incentive Securities, or the Shares issued on exercise of the Options or vesting of Performance Rights, will fall on the Scheme Participants.

1.6 LAPSE

If at any time before the exercise of an Incentive Securities, the holder of the Incentive Securities ceases to be an Eligible Employee, all Incentive Securities held by the Eligible Employee will automatically lapse unless the Board otherwise determines.

1.7 PARTICIPATION BY DIRECTORS

Although Directors are eligible to be offered Incentive Securities under the Scheme, this requires specific shareholder approval due to the requirements of the ASX Listing Rules and the Corporations Act.

1.8 ADMINISTRATION OF THE SCHEME

The Incentive Scheme will be administered under the directions of the Board and the Board may make regulations and establish procedures for the administration and management of the Incentive Scheme as it considers appropriate.

1.9 OPERATION

The operation of the Incentive Scheme is subject to the ASX Listing Rules and the Corporations Act.

SCHEDULE 6 PRO FORMA BALANCE SHEET

| | 1 | 2 | 3 | 4 | 1 | 3 | |
|-------------------------------------------------------|---------------------------|-----------|-----------|-------------|--------------|-------------|--------------|
| | 30 June 2022 Unaudited | GCM | GCM loan | Rights | Issue | Placen | nent |
| | \$ | | | Adjustments | 30 June 2022 | Adjustments | 30 June 2022 |
| ASSETS | | | | | Proforma | | Proforma |
| Current assets | | | | | | | |
| Cash and cash equivalents | 2,443,545 | (175,000) | (150,000) | 2,844,296 | 4,962,841 | 940,000 | 5,902,841 |
| Trade and other receivables | 303,662 | - | | - | | - | 303,662 |
| Total current assets | 2,747,207 | (175,000) | (150,000) | 2,844,296 | | 940,000 | 6,206,503 |
| Non-current assets | | | | | | | |
| Plant and equipment | 18,059 | - | | - | | - | 18,059 |
| Exploration and evaluation assets | 3,273,440 | 6,515,630 | 150,000 | - | | - | 9,939,070 |
| Investments accounted for using the equity method | 393,708 | - | | - | | - | 393,708 |
| Financial assets at fair value through profit or loss | 250,000 | - | | - | | - | 250,000 |
| Trade and other receivables | 37,600 | - | | - | | - | 37,600 |
| Total non-current assets | 3,972,807 | 6,515,630 | 150,000 | - | | - | 10,638,437 |
| Total assets | 6,720,014 | 6,340,630 | 0 | 2,844,296 | | 940,000 | 16,844,940 |
| LIABILITIES | | | | | | | |
| Current liabilities | | | | | | | |
| Trade and other payables | 223,328 | | - | - | | - | 223,328 |
| Total current liabilities | 223,328 | - | 0 | - | | 0 | 223,328 |
| Total liabilities | 223,328 | | 0 | | | 0 | 223,328 |
| Net assets | 6,496,686 | 6,340,630 | 0 | 2,844,296 | | 940,000 | 16,621,612 |
| EQUITY | | | | | | | |
| Contributed equity | 15,112,958 | 2,950,474 | | 2,844,296 | | 940.000 | 21,847,728 |
| Reserves | 1,335,357 | 3,565,156 | | 2,044,290 | | 540,000 | 4,900,513 |
| Accumulated losses | (9,951,629) | (175,000) | | | | | (10,126,629) |
| Accumulated 1033e3 | (9,931,029) | (1/3,000) | | | | | (10,120,029) |
| Total equity | 6,496,686 | 6,340,630 | 0 | 2,844,296 | | 940,000 | 16,621,612 |
| | 0 | 0 | | 0 | | 0 | <u></u> - |

Notes

Unaudited 30/6/2022 balance sheet.

Acquisition of GCM: 245,872,849 ordinary shares (assumed fair value \$0.012/share); 122,936,424 options (see valuation), 245,872,849 performance rights (assumed > 50% Assumed CML loan to GCM fully drawn down to \$150,000.

11 new ordinary shares for every 20 ordinary shares held at \$0.012 per share + 1 free attaching option for every 2 new shares issued. Less 6% GTT fee + \$15,000 GTT fee + 15k legal, \$10k registry and \$10k other.

Placement of 83,333,333 new ordinary shares at \$0.012 per share, with 1 new option for every 2 new shares issued. Less 6% GTT fee.



LODGE YOUR VOTE

ONLINE www.linkmarketservices.com.au

 \boxtimes

BY MAI

Chase Mining Corporation Limited C/- Link Market Services Limited Locked Bag A14 Sydney South NSW 1235 Australia



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Link Market Services Limited Parramatta Square, Level 22, Tower 6, 10 Darcy Street, Parramatta NSW 2150



Overseas: +61 1300 554 474



X9999999999

PROXY FORM

I/We being a member(s) of Chase Mining Corporation Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box) **OR** if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the General Meeting of the Company to be held at 10:00am (WST) on Monday, 17 October 2022 at 22 Townshend Road, Subiaco, Western Australia (the Meeting) and at any postponement or adjournment of the Meeting.

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an \boxtimes

Resolutions For Against Abstain* 1 Acquisition of Green Critical Minerals Pty Limited 2 Issue of consideration shares to Rocco Tassone 3 Issue of Shares under the Placement 4 Change of Company Name

SIGNATURE OF SHAREHOLDERS - THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).



HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. Please note: you cannot change ownership of your shares using this form.

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting (whether physically or by videoconference) the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by 10:00am (WST) on Saturday, 15 October 2022, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).



BY MAIL

Chase Mining Corporation Limited C/- Link Market Services Limited Locked Bag A14 Sydney South NSW 1235





+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
Parramatta Square
Level 22, Tower 6
10 Darcy Street
Parramatta NSW 2150

*during business hours Monday to Friday (9:00am - 5:00pm) and subject to public health orders and restrictions

ATTENDING VIA VIDEOCONFERENCE

The Meeting will be accessible to all Shareholders via videoconference on Teams, an online platform which will allow Shareholders to listen to and observe the Meeting. If you are a Shareholder and you wish to attend the Meeting virtually, you will need to pre-register for the Meeting by emailing the Company Secretary, suzanne.yeates@oasolutions.com.au. Shareholders pre-registering will prior to the Meeting be emailed an electronic Teams invitation and poll voting slip. The poll voting slip will need to be completed and emailed back to the Company Secretary when asked to do so by the Meeting's Chair.

You may, if you have completed a Proxy Form, still attend the Meeting via the Teams videoconference facility. Any person you have appointed as proxy will cast your vote on your behalf unless you lodge a poll voting slip, in which case the proxy's appointment is withdrawn.

Please contact the Company Secretary on +61 439 310 818 or suzanne.yeates@oasolutions.com.au if you have any queries about the videoconference facility.