

# AGUIA

22 December 2023

ASX Market Announcements  
Level 6, Exchange Centre  
20 Bridge Street  
Sydney NSW 2000

## PROPOSED TAKEOVER OFFER FOR HIGH-GRADE GOLD FOCUSED MINING AND EXPLORATION COMPANY, ANDEAN MINING

### PROJECTS HIGHLIGHTS

- Andean Mining has a portfolio of 100%-owned, high-grade gold, silver and copper projects in the Republic of Colombia, South America.
- **Santa Barbara Gold Mine:** high-grade mesothermal gold project with a 30 tonnes per day pilot plant that has treated 500 tonnes of ore, with average recoveries of **20 g/t Au**; early cashflow opportunity.
- Atocha – high-grade silver/gold exploration project with reported drill intercepts that include **20.14g/t Au and 723g/t Ag (29.0g/t AuEq)** over a true width of 0.8m in drill hole AT-21-02.
- **El Dovio high grade copper/gold project:** VMS-style mineralisation, with 34 drill hole intercepts that include **8.14g/t Au, 6.92% Cu, 39.41g/t Ag and 1.46% Zn** over 5.80 metres in drill hole D13-05 and an exploration adit having been completed.

### TRANSACTION HIGHLIGHTS

- Aguia Resources Limited (“Aguia”) proposes to acquire all (and not less than 90%) of the shares in Andean Mining Limited (“Andean”) via an off-market takeover offer.
- Under the Offer, Aguia proposes to offer approximately 453 million Aguia shares in consideration for 100% of the issued shares in Andean.
- Aguia and Andean have entered into a Bid Implementation Agreement pursuant to which Andean’s Independent Board Committee has recommended that Andean shareholders accept the Offer, in the absence of a superior proposal and subject to the outcome of an independent expert’s report to be commissions by Andean.
- The Aguia takeover offer is subject to a limited number of conditions.
- If the takeover is successful, it is proposed that Andean Managing Director William Howe will join the Board of Aguia.

### CONTINUED FOCUS ON BRAZIL

- Aguia will continue to pursue the development of its phosphate and copper assets in Brazil and they remain key to the Company’s future growth plans.
  - Near-term focus is on further assessing the presence of rare earths mineralisation identified in Aguia’s extensive phosphate assets.
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Agua Resources Limited (ASX:AGR) (Agua) is pleased to announce the signing of a Bid Implementation Agreement (Implementation Agreement) with Andean Mining Limited (Andean). Agua proposes to purchase all (and not less than 90%) of the shares in Andean in an all scrip-based, off-market takeover offer.

The proposed offer is recommended by an Independent Board Committee of Andean, comprising Executive Director William Howe and Non-Executive Directors Paul Ingram and James Green, in the absence of a superior offer. Warwick Grigor, being a director of Andean and the Chairman of Agua, has recused himself from being involved in the assessment of the proposed offer on behalf of Andean or the recommendation of the proposed offer by Agua.

Under the proposed offer, Agua proposes to offer approximately 453 million shares in consideration for 100% of the issued shares in Andean. The Agua shares are proposed to be unquoted (and therefore subject to escrow) for a period of 6 months following completion of the proposed offer.

**Agua's Non-Executive Director Ben Jarvis commented:** *"The acquisition of Andean Mining will be an important development for Agua as it offers the opportunity for a near-term cash generating asset. The very high-grade Santa Barbara Gold Project in Colombia has already demonstrated its merit following a pilot scale operation that established underground mining conditions, metallurgical parameters and excellent recovered grades. Agua will seek to recommission the existing treatment facility at an expanded, continuous operating capacity of 50 tpd at minimal capital cost. A subsequent priority will be the drilling of the veins proximate and along strike to the existing underground workings in order to increase confidence levels in mineable resources and to better understand the exploration potential, which is believed to be considerable".*

*"We believe this is a mutually beneficial transaction, offering Agua shareholders exposure to a gold earning stream and exciting exploration potential from the Santa Barbara Project and the Atocha high-grade silver/gold project. Additionally, the El Dovio copper-gold project could prove to be a valuable development project in due course. While Agua's Tres Entradas Phosphate Project has been delayed by obstructive litigation for the last couple of years, we are optimistic that the Company will eventually overcome this obstacle. In the meantime, Agua shareholders will benefit from the Colombian projects. The Brazilian properties continue to offer promising speculative opportunities, particularly when you consider that there are five carbonatites that are yet to be tested. The combination of the assets of both entities will make for a much stronger company with a pipeline of development and exploration projects."*

**Andean's Managing Director William Howe added:** *"The proposed transaction with Agua provides our shareholders with an opportunity to be part of an ASX-listed public company with multiple assets in South America and the capacity to more rapidly fund the growth and development of our portfolio of gold and copper projects in Colombia. Andean delivers to Agua a company that can be quickly cash generative through Santa Barbara, and one that has huge exploration upside. Colombia is a well-regarded and established mining and exploration jurisdiction and we are confident we can generate considerable value here. If this transaction is completed, I look forward to joining Agua and being integral to its success."*

## **Transaction Details**

The proposed offer will be implemented by way of an off-market takeover offer under the Australian Corporations Act for all Andean shares. Assuming 100% acceptance, Andean will become a wholly-owned subsidiary of Aguia.

As consideration for the acquisition, Aguia will issue up to approximately 453 million shares, to Andean shareholders who will collectively own approximately 44% of the issued capital of Aguia.

The proposed offer is subject to conditions which include a 90% minimum acceptance condition.

Further details about the proposed offer, the conditions to the proposed offer and proposed timetable are set out in the Bid Implementation Agreement, which is attached as an annexure to this announcement.

It is expected that Aguia's Bidder's Statement, containing further information about the Offer, will be posted to all Andean shareholders in mid-February 2024.

### **Advisers**

QR Lawyers are acting as Australian legal adviser to Aguia.

Ash Street Lawyers are acting as legal adviser to Andean.

# ANDEAN MINING AND EXPLORATION PROJECTS

## 1) SANTA BARBARA GOLD PROJECT (100% OWNED)

### Background

The Santa Barbara Project is comprised of approximately 320 hectares strategically located in the core of a prolific gold camp on the northern tip of the Serranía de San Lucas, also known as the “richest gold belt” in Colombia. It is surrounded by numerous active small-scale mining operations and artisanal miners, next to the Pueblito Mejia and Norosí Special Reserve Areas of Mining (ARE) with numerous active small-scale miners demonstrating the richness and gold potential of the district. The project was previously advanced by Baroyeca Gold & Silver Inc. (TSX-V.BSG) (Baroyeca) before being acquired by Andean Mining Limited in July 2023.



Diagram 1: Santa Barbara heavily mineralized Vein #1 in exploratory tunnel

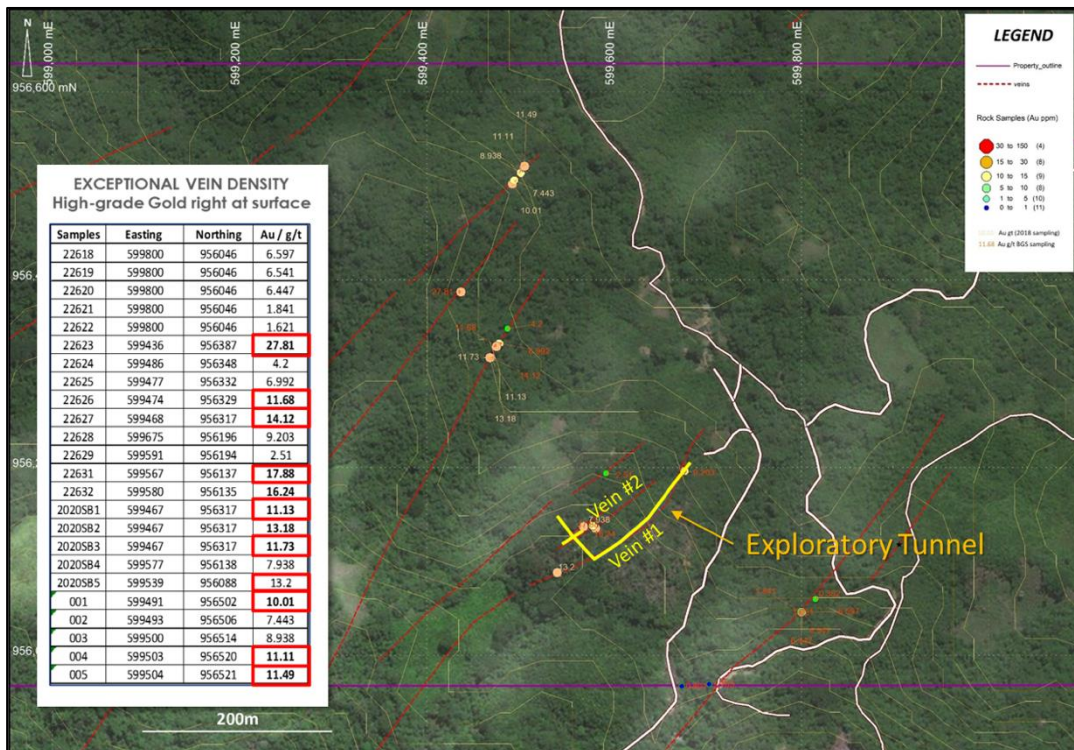


Diagram 2: Santa Barbara principal vein traces and rock assay results from surface samples.

### **Previous Work Performed**

A total of seven gold-bearing veins were examined and sampled by Baroyeca, while several more mineralised veins were discovered which require further detailed exploration. Based on observations of mineralised exposures, artisanal diggings, pits, tunnels and adits, individual veins have an estimated minimum strike of 50 metres and up to > 400 metres. They are generally parallel, trending from N020° to N060°, and overall steep to sub-vertical dips. Vein widths may reach 0.5 metres, but veining does pinch and swell, and in some cases, splits, or bifurcates.

Underground sampling on Veins 1 and 2 developed at the Santa Barbara Mine returned average channel sampling grades over the full strike exposed of 38.91g/t Au and 31.0g/t Au respectively. Vein widths vary from 10 cm to 1.1 metres. Underground sampling at the Mariana Mine vein returned similar gold grades seen at the Santa Barbara mine with vein widths of up to 50cm.

Underground development on Veins 1 and 2 at the Santa Barbara mine has exposed continuous gold mineralisation for more than 200 metres on strike. Ore mined from this development made up a 500 tonne bulk sample for treatment in the 30 tpd pilot plant constructed on site.

Veins are characterized by a gangue of quartz, and minor carbonates (calcite, Mn-calcite), chlorite and sericite. Sulphides range from 10% to almost 80%, with pyrite being the dominant sulphide (>50% of the total sulphide content)) with variable amounts of galena, sphalerite, and chalcopyrite. The gold to sulphides ratio seems to be consistent along the entirety of the vein.

In total, more than USD\$1.5M was previously invested on the project since 2015, by previous operators including acquisition costs, permitting, compliance, infrastructure, pilot plant construction and underground development.

### **Bulk Sampling**

The Santa Barbara project has a gold pilot processing plant capable of processing the ore material from the veins, comprised of two stages of crushing, two stages of milling and cyanide leaching tanks. Pregnant solution from the cyanide leaching tanks is transferred to a precipitation tank and gold precipitate is obtained at the plant site for on-site smelting.

The mineralised material extracted from Vein # 1 during the years 2020 and 2021 was part of a large bulk sampling program designed under the supervision of a Qualified Person and completed by the previous operator.

The exploratory tunnel was designed to enable blasting and splitting of the vein from the waste host rock for subsequent collection and pre-concentration of higher-grade mineralized material at the mine portal. This material was then bagged, with each bag being weighed individually until an approximate 10 tonne batch was completed. Bags were randomly scrambled while stockpiling, loaded and discharged for homogenization purposes. The batch was then fed through the on-site 30 tpd pilot plant. Gold was precipitated by agitation adding zinc powder and smelted for every batch individually. Head grade assay results were cross referenced with gold pours to determine efficiency in plant recoveries as part of the metallurgical testing and to facilitate future improvements of the processing plant to increase processing capacity and recovery. These preliminary processing methods produced overall gold recovery of approximately 90% at > 98% gold purity. The 500-ton bulk sample was completed in September 2021 at the Santa Barbara project which returned mill head grades with a weighted average of >24g/t Au for Vein #1 (Santa Barbara vein)



*Diagram 3: Pilot plant equipment the Santa Barbara Gold Project*

## **2) ATOCHA SILVER/GOLD EXPLORATION PROJECT (100% OWNED)**

The Atocha project covers a significant part of the colonial era Santa Ana-Frias-Mariquita primary silver district where mining records date to at least 1585. Following the Spanish Conquest, more formal mining commenced, with extraction of gold and more importantly, silver, specifically around the town of Falan to the North of the project. During the time the Spanish operated the mines, silver grades were reported to be some of the highest in Latin America. The average smelter return for silver ore during those days was "4 marcos per quintal" (equal to approximately >17kg/ton Ag or over 500 oz/ton Ag). Subsequent exploration discovered further veins in the Santa Ana (today Falan) and Frias regions, adding 14 new mines to the district, all of them producing over one marco of silver per quintal (approximately 4.3kg Ag/ ton or over 138 oz/ton Ag).

Spanish mining was superseded by the British, commonly in the form of Cornish migrants who worked their way through Central and subsequently, Southern America. The British engineer Robert Stevenson worked briefly in the Falan area, leaving well-preserved old mine workings and reports indicating the relatively extensive underground mine development within and around the town of Falan, and also several kilometres to the South, in a second mining area operated by the British called El Cristo mine, together with other extensive mining infrastructure located at the headwaters of the Jimenez creek, near the northern boundary of the Atocha project. The last gold-silver rush started in the area in the 1930's, with focus on existing or past producing mines. As a result, four mining districts (re)-started: Ibagué, Anzoategui, Santa Isabel and Líbano.

### **Geology**

Gold-silver mineralisation is located within the Palestina (NW), Otú-Pericos (East) and the North-South trending Mulatos faults. Mineralisation at the Atocha project appears to be modified more by the late, Mesozoic, Cretaceous to Miocene age, brittle faulting, with mineralised veins usually hosted by north-east trending, sub-vertically to steeply east-dipping normal and reverse faults. The main mineralisation

may retain the postulated early phase of orogenic-related mineralisation, but it should be emphasised that the area has a locally significant epithermal overprint.

Overall, veins in the district are hosted by sub-parallel, oblique-slip normal faults and extension fractures striking between 030° and 060° and dip moderately to steeply north-west. These fault orientations host some of the richest veins of the district, including La Ye, Veta Grande, NW Veins, Tavera-Guadua and the recently discovered El Erizo vein. Vein textures include crustiform banding, breccias, and cockade textures, suggesting that vein opening and filling was episodic, with several episodes of fault movement related to brecciation and mineralization. Veins in the district are hosted by folded, metamorphosed Palaeozoic schists (basement) and are generally narrow, and locally anastomosing, with anomalous silver grades (<5 oz/t Ag) or small zones of high-grade ore (>15 oz/t Ag). It has been observed that for some veins (e.g., NW Vein, Veta Grande W, and elsewhere, e.g. around Santa Ana-Falan), significant mineralisation (taken as >50 oz/t Ag) was present near E-W trending aplite-diorite stocks.

The lineament pattern for the area covering the Atocha project, is based on satellite and photographic interpretation and limited prospecting and geological investigations. Postulated mineralised veins discovered during the prospecting are shown in red and coincide with a regional marked structure that seems to be controlling the Silver-Gold mineralization in the property, and we refer to it as the "Atocha Corridor". Precise trends and strike extent are inferred due to the exploratory nature of past work, but much of the Atocha property remains unexplored.

### **Recent Work Performed – Focus on La Ye Vein Zone**

La Ye vein zone has demonstrated the existence of a major structural deformation corridor with a wide associated multiple vein system. The primary vein system at La Ye is comprised of at least six major veins and several smaller associated parallel veins covering a strike length in excess of 500m, open in both directions. Mapping has been possible due to the existence of a vast number of exposures and outcrop occurrences and the first batch of rock chips collected in Q2-2021 at outcrops and sub-outcrops averaged 182 g/t Ag (or 304.4g/t AgEq).

The previous operator Baroyeca Gold & Silver Inc. (TSX-V.BSG) (Baroyeca), drilled 13 diamond holes at the La Ye target for a total of approximately 1,700m as part of an ongoing drill program which has to date covered approximately 350m of strike length of the vein corridor. Drilling was intended to test only the shallowest part of the vein corridor with approximately 25 metre step outs to identify and delineate a high-grade silver and gold mineralized zone or shoot near surface at La Ye. This will be followed-up at depth in future delineation drilling campaigns.

The first holes drilled on Atocha targeted the La Ye vein system and successfully identified and delineated the first mineralized zone. In the initial 13 drill holes, the previous operator intersected high-grades on the La Ye vein including 2,233g/t AgEq over 0.80m, 1,137g/t AgEq over 0.50m and 981g/t AgEq over 0.40m and **encountered more than 25 intercepts returning over 200g/t AgEq, with a weighted average grade of 570g/t AgEq (7.6 g/t AuEq) over an average intercept width of 0.50 metres**. The drilling to date has tested 350m along strike to shallow depths in small step outs, demonstrating the continuity of the silver and gold mineralization and the consistency of high grades across a growing vein system. Over 30 cumulative km of sampled vein exposures has been identified to date on the Atocha licence.

The highest gold and silver grades obtained from previous operators include a series of rock chip samples taken in three exposures on the Veta Grande vein system and individual samples returned gold values as high as **14.65 g/t Au** and **14.20 g/t Au**, and highest silver values of **3,480, 2,300, 1,955** and **1,570 g/t Ag**. Table 1 below provides examples of the better intercepts recorded.

Hole #	From (m)	To (m)	Interval (*)	Au ppm	Ag ppm	AgEq ppm
AT-21-01	84.00	84.50	0.50	<b>13.11</b>	<b>153.8</b>	<b>1,137.05</b>
	84.50	85.10	0.60	<b>4.519</b>	<b>364</b>	<b>702.93</b>
	87.35	87.90	0.55	1.163	24.1	111.33
	87.90	88.40	0.50	2.605	17.4	<b>212.78</b>
AT-21-02	85.70	86.50	0.80	<b>20.14</b>	<b>723</b>	<b>2,233.50</b>
	88.10	89.00	0.90	1.289	<b>276.5</b>	<b>373.18</b>
AT-21-03	38.50	39.00	0.50	0.127	<b>306.5</b>	<b>316.03</b>
	62.50	63.00	0.50	1.305	11.8	109.68
	65.80	66.30	0.50	<b>3.736</b>	<b>271.1</b>	<b>551.30</b>
AT-21-04	41.30	41.55	0.25	0.176	<b>251</b>	<b>263.32</b>
	52.80	53.10	0.30	0.379	42.2	68.73
	59.20	59.40	0.20	2.047	15.6	158.89
	63.32	63.62	0.30	0.373	75.7	101.81
AT-21-05	67.10	67.50	0.40	1.112	107.2	190.60
	85.40	85.95	0.55	2.529	<b>371.4</b>	<b>561.08</b>
	85.95	86.30	0.35	0.183	53.8	67.53
	86.30	86.70	0.40	0.273	56.8	77.28
	86.70	87.10	0.40	<b>4.146</b>	<b>461.5</b>	<b>772.45</b>
	87.10	87.50	0.40	1.411	<b>240.1</b>	<b>345.93</b>
AT-21-06	49.50	50.00	0.50	<b>0.908</b>	<b>6.4</b>	<b>74.50</b>
	50.00	50.50	0.50	<b>3.011</b>	<b>178.4</b>	<b>404.23</b>
	60.80	61.40	0.60	0.884	154.9	<b>221.20</b>
	62.75	63.05	0.30	1.173	152.1	<b>240.08</b>
	82.70	83.20	0.50	1.807	127.5	135.53
AT-21-07	47.50	47.70	0.20	0.984	<b>310.6</b>	<b>384.40</b>
	51.70	52.20	0.50	<b>2.084</b>	<b>244</b>	<b>400.30</b>
	64.10	64.50	0.40	0.63	53.9	101.15

*Table 1. Au and Ag drill core assay results for Atocha  
The silver equivalence calculation uses a ratio of 1:75 for gold and silver*



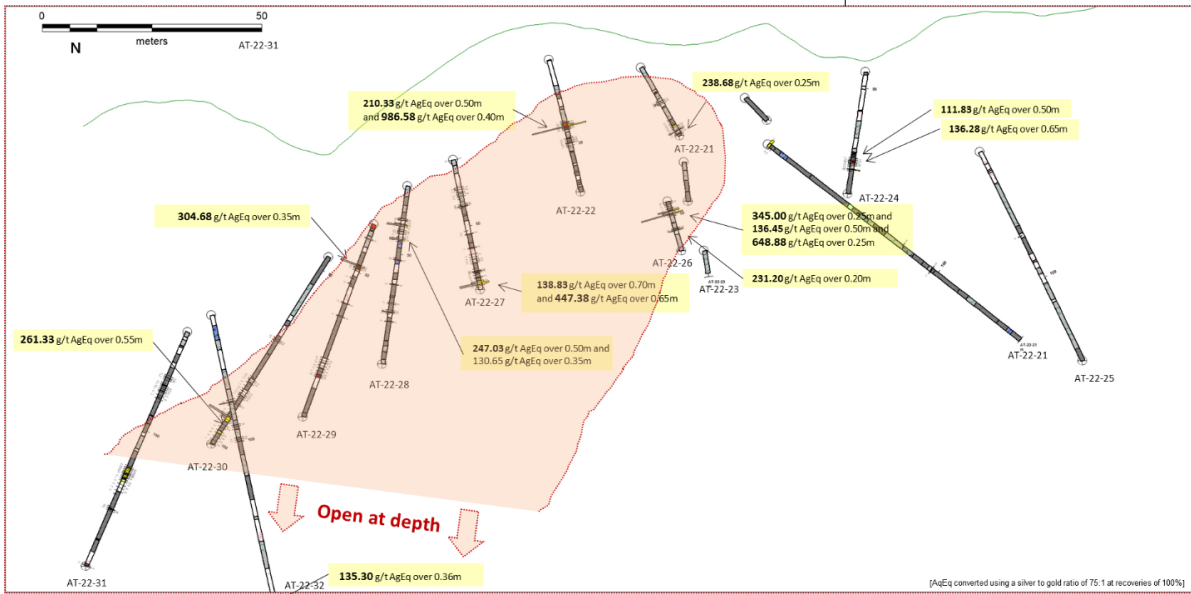


Diagram 4: La Ye West (long section) summary of drill results (AgEq)

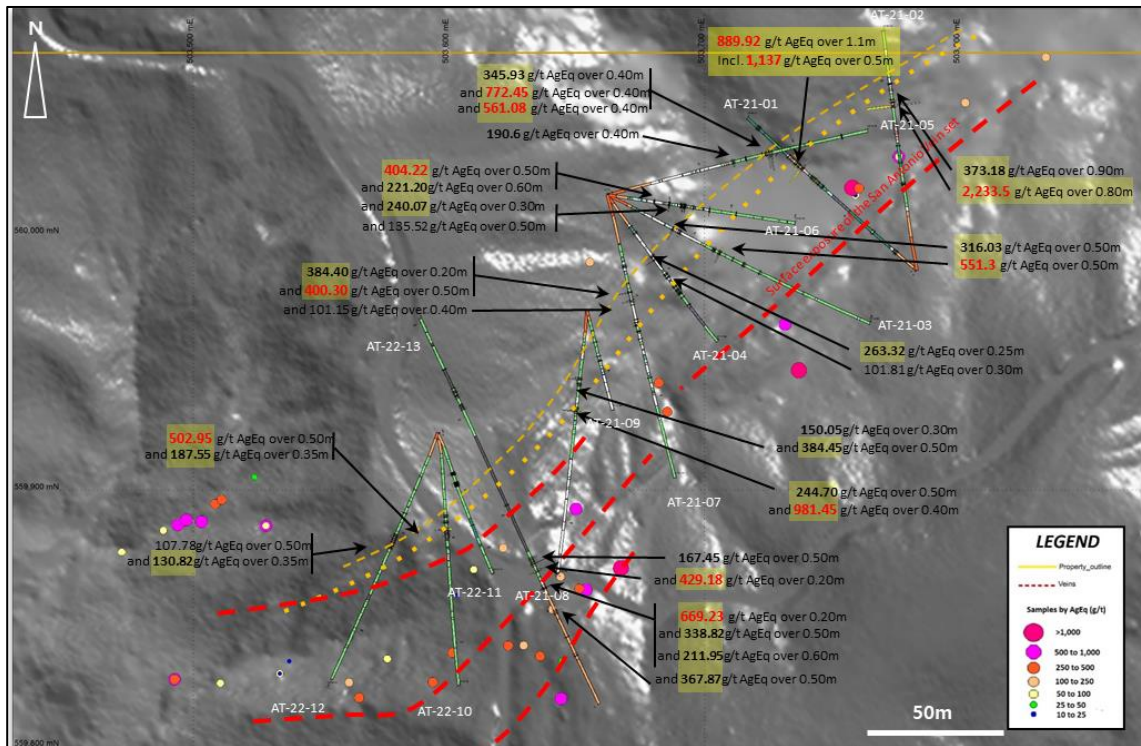


Diagram 5: Plan view of Drilling at Atocha

### 3) EL DOVIO GOLD-COPPER-SILVER-ZINC PROJECT (100% OWNED)

#### Background

The El Dovio Project is comprised of approximately 1,298.82ha. It is a gold-rich polymetallic system that also contains significant copper, zinc and silver mineralization. The Sabana Blanca Zone, the principal known mineralized zone on the property at this time, is hosted in brecciated and altered marine volcanic and intrusive rocks and remains open to expansion in all directions.

Mineralisation appears to be structurally controlled, with high-grade polymetallic mineralisation comprised of multi-phased colloform banded crystalline quartz containing zones of enriched zinc mineralisation and strongly deformed zones hosting semi-massive to massive chalcopyrite in metamorphosed mafic volcanic rocks of the Cañasgordas Group.

Mineralisation at El Dovio occurs in four major zones, the Sabana Blanca, Granizales, Platanilla and Brazo 1 Zones.

#### Drilling

The main target at Sabana Blanca is a high-grade gold-bearing zone manifested as a dense quartz vein system structurally controlled and oriented WNW-ESE and hosted in greenschist metamorphic grade mafic metavolcanics rocks. A total of 23 diamond drill holes were completed on the property between the years 2013 and 2014, by previous operator Newrange Gold Corp. (Newrange).



*Diagram 6 : Banded, colloform gold bearing veins with internal zone of semi-massive pyrrhotite*

As a separate event, sphalerite mineralization selectively overprints the quartz vein system zones, starting from the edges of the quartz veins, rimming brecciated vein fragments, and selectively replacing zones of pyrite and pyrrhotite.



Diagram 7: Selective replacements of semi-massive sphalerite around gold-bearing quartz veins. SBC zone

Lastly, semi-massive to massive copper (chalcopyrite) mineralization occurs in very deformed areas (shear zones), intersecting the previous gold veined system and sphalerite mineralization, producing replacement of the sphalerite and obliterating previous vein textures, always in a very silicified dark matrix (metasediments).



Diagram 8. High-grade copper mineralization at Sabana Blanca semi-massive to massive chalcopyrite mineralization in a heavily veined zone

The three gold, zinc and copper events of mineralisation are well isolated in time and respond to three different mineralising events overlapping in time as a result of reactivation of the system. The style of gold mineralisation is akin to classic lode gold orogenic type, whereas the zinc and copper mineralization seem to be remobilizations favoured by late deformation.

### **Metallurgical Test Work**

Newrange conducted metallurgical testwork on a bulk composite sample taken from the Sabana Blanca adit. McClelland Laboratories, Inc. of Reno, Nevada supervised and conducted the tests using conventional milling and froth flotation techniques and recorded recoveries for gold, copper, silver and zinc of 96.4%, 97.8%, 91.1% 96.8% respectively into a bulk concentrate.

Andean Mining Limited conducted further testwork on a sample from the Sabana Blanca adit using Resource Development Inc based in Denver, Colorado, USA. This testwork included Bond's Ball Mill

Work Index (15.55 kWh/st – considered hard), Bond Abrasion Index (0.798 – considered abrasive), Crusher Index (12.2 kWh/st – considered medium hardness) and Rougher flotation Testing.

The rougher flotation testing was specifically designed to produce separate copper and zinc concentrates so as to determine where the gold and silver reported in the concentrates.

Recoveries for all metals into separate copper and zinc concentrates were approximately 95% (which was in line with the Newrange testwork) with 93.6% of the gold and 86% of the silver reporting into the copper concentrate.

#### **JORC Code Competent Person Statement:**

The exploration results contained in this press release has been prepared and reviewed by Raul Sanabria, M. Sc., P. Geo, EurGeol, member in good standing of the APEGBC and EFG, and Qualified Person as described in NI43-101 Canadian Guidelines and Competent Person as described in JORC Guidelines for standards of public reporting technical information relevant to exploration results. Mr Sanabria has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Sanabria consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

#### **THE ANNOUNCEMENT HAS BEEN AUTHORISED BY THE BOARD OF DIRECTORS OF AGUIA RESOURCES LIMITED AND THE INDEPENDENT BOARD COMMITTEE OF ANDEAN MINING LIMITED.**

For further information please contact:

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#### **About Andean Mining Limited**

Andean Mining Limited is an Australian unlisted public company focused on growth through the discovery and development of gold and base metal mineral deposits in South America. We are a progressive mining company focused on developing small to medium scale high grade low cost operations in highly prospective regions in South America. Our portfolio of gold, copper and silver projects include the Santa Barbara mine where on site pilot plant treatment of high grade mineralisation from the Santa Barbara mine has consistently yielded mill head grades of 24g/t Au. Core to our approach is our commitment to the communities where our projects are located. Led by a highly experienced leadership team, our strategic initiatives has laid the foundation for a sustainable business which can deliver high-multiplier returns on shareholder investment and economic benefits to all stakeholders.

#### **About Agua Resources Limited**

Agua Resources Limited is an ASX-listed multi-commodity company (AGR:ASX) with pre-production phosphate and metallic copper projects located in Rio Grande do Sul, the southernmost state of Brazil. Agua has an established and highly experienced in-country team based in Porto Alegre, the capital of Rio Grande do Sul.

**Caution regarding forward-looking information:**

This announcement is for information purposes only and does not constitute a prospectus or prospectus equivalent document. It is not intended to and does not constitute, or form part of, an offer, invitation or the solicitation of an offer to purchase or otherwise acquire, subscribe for, sell or otherwise dispose of any securities, or the solicitation of any vote or approval in any jurisdiction, nor shall there be any offer, sale, issuance or transfer of securities in any jurisdiction in contravention of any applicable law. This press release contains "forward looking information" within the meaning of applicable Australian securities legislation. Forward looking information includes, without limitation, statements regarding the next steps for the project, timetable for development, production forecast, mineral resource estimate, exploration program, permit approvals, timetable and budget, property prospectivity, and the future financial or operating performance of the Company. Generally, forward looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including, but not limited to: general business, economic, competitive, geopolitical and social uncertainties; the actual results of current exploration activities; other risks of the mining industry and the risks described in the Company's public disclosure. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities law.

# AGUIA

**JORC TABLE 1 Section 1 Sampling Techniques and Data**

Criteria	Explanation
<i>Sampling techniques</i>	<ul style="list-style-type: none"> <li>• Chip sampling of surface occurrences at Santa Barbara and Atocha was completed at suboutcrops or limited outcrops. When vein width wasn't amenable for channel sampling, surface chip samples are considered representative of existing mineralization for further follow up or for drill target generation.</li> <li>• Surface samples and vein occurrences are georeferenced using handheld GPS and later refined with high-resolution digital elevation models (DEM) and orthophoto from Lidar high resolution surveys.</li> <li>• Where possible, in tunnels like those at Santa Barbara and El Dovio, or excavated trenches at El Dovio, systematic channel sampling (using diamond portable saws or percussion methods) was undertaken to cover the full extent of the mineralized zones, including the shoulders, for true widths and representativity of the mineralized zones.</li> <li>• At Santa Barbara, commercial sized bulk sampling from mineralized vein material was collected at the Santa Barbara Vein #1 for gold processing and recovery tests at the pilot processing plant.</li> </ul>
<i>Drilling techniques</i>	<ul style="list-style-type: none"> <li>• Exploration diamond drilling with NQ or HQ diameter was performed at El Dovio and Atocha projects.</li> </ul>
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> <li>• Core was geotechnically assessed for recoveries, fracturing (RQD). The rocks in both projects were competent and recoveries overall are &gt;90% in mineralized zones.</li> </ul>
<i>Logging</i>	<ul style="list-style-type: none"> <li>• Core was logged, photographed, and recorded in digital format, later integrated into a GIS platform for further mining studies, modeling and interpretation.</li> </ul>
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> <li>• Core was sampled in intervals no smaller than 10cm, cut in halves with diamond saw, and individual samples bagged in polyurethane bags labeled in sequence.</li> <li>• Cutting tray is cleaned after every mineralized sample preventing contamination of next samples, and blanks, standard and duplicate samples are inserted in the train of samples following standard practices and QA/QC protocols.</li> <li>• After sampling, the core is stored in warehouses near the project sites preserving the mineralized intervals.</li> <li>• Sampling spacing for this stage of exploration and delineation is deemed representative and sufficient.</li> </ul>
<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"> <li>• The sample processing of all projects has been supervised by a Qualified Person/Competent Person (QP). Control blanks and commercial certified (CDN Labs or similar) standard samples were inserted in the sequence of sampling following a strict chain of custody and QA/QC protocols.</li> </ul>

	<ul style="list-style-type: none"> <li>• Samples were sent to certified mineral assay laboratories (ALS Global and SGS) for Au-Ag Fire Assay (30g-50g) with gravity ore grade finish and ICP IES Multi element for samples returning over limits (&gt;10,000 ppm Au or 100 ppm Ag, &gt;10,000 ppm Cu, Zn) for testing.</li> </ul>
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> <li>• The data recorded in digital format is validated and later integrated into a GIS platform for modeling and interpretation. Review of the blank and standard samples for data accuracy and lab control are done as routine checks. Assay results are cross referenced with described mineralized zones, and anomalous and atypical results cross checked with core intervals inadvertently missed or new styles of mineralization detected.</li> </ul>
<i>Location of data points</i>	<ul style="list-style-type: none"> <li>• Drill collars and trenches are surveyed with a total station by certified land surveyor and the casing left is cemented for future recognition. Location is presented in both UTM WGS85 18N or Colombian Local Coordinate systems (MAGNA Sirgas).</li> <li>• Holes were surveyed using downhole probes (Reflex, EZ-Shot) at regular 25m intervals for dip and azimuth corrections at depth.</li> </ul>
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> <li>• Sampling spacing for this stage of exploration and delineation is deemed sufficient and it warrants follow up work.</li> <li>• No composite sampling was needed at this stage of the projects.</li> </ul>
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> <li>• True width is reported whenever possible based on the angle between the vein boundary and the core axis, otherwise is stated with a cautionary note indicating there is an apparent width for the interval reported.</li> </ul>
<i>Sample security</i>	<ul style="list-style-type: none"> <li>• The sample processing and protocols of all projects has been designed and supervised by a Qualified Person/Competent Person (QP), following standard QA/QC protocols and a strict chain of custody.</li> </ul>

## Section 2 Reporting of Exploration Results

Criteria	Explanation
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> <li>• All properties held by Andean are 100% owned either by registered titles or mining title applications in the name of the 100% controlled Colombian subsidiary companies (CMC, Minera La Fortuna SAS) or by binding agreements with the vendors while the mining concessions are being transferred to the company's subsidiary company (i.e. Title IEV16061C1).</li> <li>• There are no impediments to obtaining a mining license other than new declared government imposed restrictions on environmentally or sensitive areas that will require trimming off the original title application.</li> </ul>
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <li>• Sampling, drilling results and technical/legal information from previous exploration completed on the properties by previous operators Condor Precious Metals Inc., Malabar Gold Corp., Colombian Mines Limited/New Range Gold Inc., Baroyeca Gold &amp; Silver Inc., is acknowledged and deemed reliable as it followed the standards of public reporting issuers and QA/QC protocols supervised by certified Qualified Persons.</li> </ul>
<i>Geology</i>	<ul style="list-style-type: none"> <li>• Deposit types are described as follows: mesothermal gold veining at Santa Barbara, Orogenic-distal IRGS (Ag-Au) with epithermal overprint (Au) at Atocha, and orogenic gold vein with Massive Sulfide Cu-Zn mineralization at El Dovio. The Alejandria project mining title applications cover porphyry Au-Cu-Mo and epithermal systems.</li> </ul>
<i>Drill hole Information</i>	<ul style="list-style-type: none"> <li>• Drill Hole Information is compiled and integrated into a GIS database. Easting, Northing, depth, deviations, collars surveyed, sampling intervals and samples referenced for the intervals with associated assay results are integrated to create 2D plans, sections and 3D Models.</li> </ul>
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> <li>• The kind of mineralization explored at this early stage doesn't require the aggregation of intercepts and areas of economic mineralization. The mineralized intercepts are individually reported with individual assay results for further interpretation.</li> </ul>
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> <li>• True width is reported whenever possible based on the angle observed between the vein boundary and the core axis, otherwise is stated with a cautionary note indicating there is an apparent width for the interval reported.</li> </ul>
<i>Diagrams</i>	<ul style="list-style-type: none"> <li>• See maps and figures in the report</li> </ul>
<i>Balanced reporting</i>	<ul style="list-style-type: none"> <li>• All sampling results (low and high grades) are currently being reported and are representative to prevent misleading interpretation.</li> </ul>



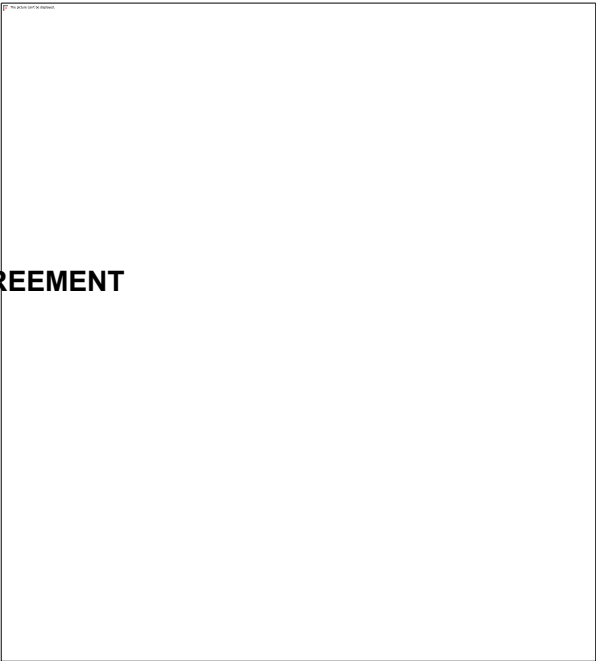
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <li>• At Santa Barbara, the preliminary processing methods produced overall gold recovery of approximately 90% at &gt; 98% gold purity. The 500-ton bulk sample returned mill head grades with a weighted average of &gt;24g/t Au for Vein #1.</li> <li>• At El Dovio, preliminary metallurgical tests using conventional milling and froth flotation techniques recorded recoveries for gold, copper, silver and zinc of 96.4%, 97.8%, 91.1% 96.8% respectively into a bulk concentrate.</li> </ul>
<i>Further work</i>	<ul style="list-style-type: none"> <li>• At Andean project portfolio, all projects warrant further exploration. The projects can be categorized as early exploration projects with high-upside potential for further discoveries. Santa Barbara is advanced to a point that can be mined at small scale while conducting exploration in parallel with the possibility of generating cash flow on the known identified veins in the exploration tunnels.</li> </ul>

### **Section 3 Estimation and Reporting of Mineral Resources**

There are no Mineral Resource Estimates on any of Andean Project.

# AGUIA

## ANNEXURE – BID IMPLEMENTATION AGREEMENT



# BID IMPLEMENTATION AGREEMENT

**THIS AGREEMENT** is made the 21st day of December 2023

## **BETWEEN**

**AGUIA RESOURCES LIMITED** (ACN 128 256 888) of Level 12, 680 George Street, Sydney, NSW 2000 (**Aguia**)

AND

**ANDEAN MINING LIMITED** (ACN 625 466 006) of Ash Street Partners Pty Limited, Level 5, 285-287 George Street, Sydney, NSW 2000 (**Andean**).

## **RECITALS**

- A.** Aguia is proposing to acquire all of the Andean Shares by way of the Takeover Bid.
- B.** Aguia and Andean have agreed to certain matters in relation to the Takeover Bid as set out in this agreement.

**IT IS AGREED** as follows:

### **1. THE OFFER**

#### **1.1 Offer by Aguia**

Aguia must, by no later than the Offer Date, and in any event as soon as reasonably practicable, make the Offer to all Andean Shareholders in respect of all of their Andean Shares on the terms of this agreement or terms no less favourable to Andean Shareholders than the terms of this agreement and otherwise in accordance with all applicable provisions of the Corporations Act.

#### **1.2 Consideration**

The consideration offered by Aguia under the Takeover Bid will be a total of approximately 453,740,376 Aguia Shares (being 3 Aguia Shares for every 1 Andean Share).

#### **1.3 Fractional entitlements**

If the number of Andean Shares held by an Andean Shareholder means that their aggregate entitlement to Aguia Shares is not a whole number, then any fractional entitlement will be rounded up to the nearest whole number.

#### **1.4 Conditions of the Offer**

- (a) The Offer and any contract which results from its acceptance will be subject to the Conditions.
- (b) Each party must use all reasonable endeavours to satisfy the Conditions as soon as practicable after the date of this agreement.
- (c) Aguia may waive the satisfaction of any Condition in its sole discretion.
- (d) It is the intention of the parties that the Aguia Shares issued under the Offer will, subject

ASX listing rules and the Corporations Act, be unquoted (and not able to be traded on or off market) for a period of 6 months from their issue. The parties agree to act reasonably to give effect to this sub-clause.

### **1.5 Offer Period**

The parties intend that the Offer Period will be one (1) month, but acknowledge and agree that the Offer Period may be extended by Aguia at its discretion or automatically, in accordance with the Corporations Act.

### **1.6 Variation**

- (a) Aguia may vary the Offer in accordance with the Corporations Act.
- (b) Subject to the Corporations Act, Aguia may declare the Offer to be free from any Condition or extend the Offer Period at any time.

## **2. ANNOUNCEMENT OF TAKEOVER BID**

### **2.1 Public announcement of Takeover Bid**

Immediately after signing this agreement, the parties must procure the issue by Aguia to ASX of an announcement in relation to this agreement and the Takeover Bid in the form agreed between the parties.

### **2.2 Required disclosure**

Subject always to the disclosure obligations under the Listing Rules and applicable laws, where a party is required by law or the Listing Rules to make any announcement or make any disclosure relating to a matter the subject of the Takeover Bid by law, it must use best endeavours to give the other party as much notice as reasonably practicable having regard to its disclosure obligations and consult with the other party to the extent reasonably practicable having regard to its disclosure obligations.

### **2.3 Other announcements**

Subject to clause 2.1 and 2.2 and its disclosure obligations under the Listing Rules and applicable laws, no party may make any public announcement or disclosure in connection with the Takeover Bid (including disclosure to a Regulatory Authority) unless it has used best endeavours to obtain the approval of the form of the disclosure by the other party (acting reasonably). Each party will use all reasonable endeavours to provide such approval as soon as practicable.

## **3. DOCUMENTATION AND RECOMMENDING DIRECTORS' RECOMMENDATION**

### **3.1 Aguia's obligations to prepare documentation**

- (a) Aguia will prepare:
  - (i) the Bidder's Statement; and
  - (ii) an acceptance form for the Offer,in each case consistent with clauses 1.2 to 1.5 and in accordance with the Corporations Act.
- (b) Aguia agrees to do and to procure its Officers to do such things as are reasonably necessary to prepare the Bidder's Statement, its lodgement with ASIC and despatch to

Andean Shareholders in accordance with the Timetable, subject to Andean granting any necessary consents and ASIC granting any necessary modifications.

### **3.2 Andean's obligations to prepare documentation**

- (a) As soon as practicable and, in any event, within 3 Business Days after the date of this agreement, Andean must engage the Independent Expert to prepare the Independent Expert's Report in accordance with applicable laws for inclusion in the Target's Statement on whether the Takeover Bid is fair and reasonable to Andean Shareholders. Andean must provide any assistance and information reasonably requested by the Independent Expert to enable it to prepare the Independent Expert's Report and Andean must in a timely manner provide any information reasonably requested by Andean to enable the Independent Expert to prepare the Independent Expert's Report.
- (b) Andean will prepare the Target's Statement in response to the Offer in accordance with the Corporations Act and ensure that the Target's Statement includes the Independent Expert's Report.
- (c) Andean agrees to do and to procure its Officers to do such things as are reasonably necessary to prepare the Target's Statement, its lodgement with ASIC and despatch to Andean Shareholders in accordance with the Timetable, subject to Andean granting any necessary consents and ASIC granting any necessary modifications.

### **3.3 Provision of Information**

Each party agrees that it will provide to the other party such information (including Confidential Information on the terms set out in this agreement) as is reasonably required by the other party in order to enable the other party to fulfil its obligations under this agreement, including, but not limited to, the preparation of the Bidder's Statement and Target's Statement and to enable the Independent Expert to prepare and finalise the Independent Expert's Report.

### **3.4 Recommendation of Andean Directors**

Andean represents and warrants that:

- (a) the Non-Conflicted Andean Directors will recommend that all Andean Shareholders accept the Offer, subject to there being no Superior Proposal and subject to the Independent Expert not concluding that the Offer is not fair and not reasonable; and
- (b) it has been informed by each of the Non-Conflicted Andean Directors that they will not withdraw, revise, revoke or qualify, or make any public statement inconsistent with, the recommendation in clause 3.4(a) unless a Superior Proposal emerges or unless the Independent Expert concludes that the Offer is not fair and not reasonable.

### **3.5 Review of Bidder's Statement and Target's Statement**

Subject to there being no Superior Proposal:

- (a) Andean agrees that it will provide Andean with a reasonable opportunity to review the final draft of its Bidder's Statement and any supplementary bidder's statements and Andean agrees that it will provide Andean with a reasonable opportunity to review the final draft of its Target's Statement and any supplementary Target's statements; and
- (b) each party agrees to consider in good faith, and consult in relation to, all reasonable and timely comments received from the other and its Advisers and make such changes to its statement as are reasonably required by the other to correct any errors or deficiencies which the other party may identify in relation to such statement.

### **3.6 Timetable**

Each party agrees to use its reasonable endeavours to comply with the Timetable.

### **3.7 Consent to early dispatch of Bidder's Statement**

Andean agrees that the Offer and accompanying documents to be sent by Aguia under the Takeover Bid under item 6 of section 633(1) of the Corporations Act may be sent earlier than the date for sending under item 6 of section 633(1) of the Corporations Act as contemplated in the Timetable.

## **4. CO-OPERATION**

### **4.1 General obligations**

Andean and Aguia must each:

- (a) use all reasonable endeavours and commit necessary resources (including management and the resources of external advisers); and
- (b) procure that its Representatives work in good faith and in a timely and co-operative fashion with the other party and its Representatives (including by attending meetings and by providing such records and information as the other party reasonably requires),

to implement the Takeover Bid.

### **4.2 Access to people and information**

- (a) Between the date of this agreement and the earlier of the end of the Offer Period and the date this agreement is terminated, each party must, to the extent reasonably required to implement the Takeover Bid:
  - (i) as soon as reasonably practicable provide the other party and its Representatives with any documents, records, and other information (subject to applicable privacy laws) reasonably requested by them; and
  - (ii) provide the other party and its Officers and Advisers with reasonable access within normal business hours to the other party's Officers and Advisers (provided that such access does not impose an undue burden) which the party reasonably requires for the purposes of:
    - (A) further understanding the other party's financial position (including its working capital position), trading performance and management control systems;
    - (B) implementing the Takeover Bid;
    - (C) preparing for carrying on the business of Andean and Aguia following implementation of the Takeover Bid; and
    - (D) any other purpose which is agreed in writing between the parties.
- (b) The obligations in clause 4.2(a) do not apply to the extent that:
  - (i) in respect of Andean the access or information is connected to the Non-Conflicted Andean Directors' deliberations in relation to the transactions contemplated by this agreement, or information connected to a potential

Competing Proposal; and

- (ii) in respect of Aguia, the access or information is connected to the Aguia Board's deliberations in relation to the transactions contemplated by this agreement.

#### **4.3 Implementation obligations of Andean**

Andean must:

- (a) provide all necessary information about the Register to Aguia which Aguia reasonably requires in order to assist Aguia to solicit acceptances under the Takeover Bid;
- (b) provide all necessary directions to the Registry promptly to provide any information that Aguia reasonably requests in relation to the Register, including any sub-register, and, where requested by Aguia, Andean must procure such information is provided to Aguia in such electronic form as is reasonably requested by Aguia; and
- (c) undertake regular beneficial shareholder analysis and promptly exercise its powers under section 672A of the Corporations Act if requested to do so by Aguia, acting reasonably, subject to Aguia meeting 100% of the costs of such services and preparing the requests to the shareholders.

### **5. CONDUCT OF BUSINESS**

#### **5.1 Overview**

- (a) From the date of this agreement until the expiry of the Restriction Period, each party must:
  - (i) conduct its business in the ordinary and proper course and (save as permitted under clause 5.1(b)) in substantially the same manner as previously conducted; and
  - (ii) regularly consult with the other party on the manner of conduct of its business, including on any matters that may have an adverse impact on the integration of the businesses of Aguia and Andean following implementation of the Takeover Bid.
- (b) For the purpose of clause 5.1(a) and subject to the terms of this agreement:
  - (i) Aguia making the Offer and responding to any Competing Proposal (together with all associated activity and expenditure) in accordance with this agreement, is deemed to be Aguia conducting its business in the ordinary and proper course; and
  - (ii) Andean responding to the Offer and responding to any potential Competing Proposal (together with all associated activity and expenditure) in accordance with this agreement, is deemed to be Andean conducting its business in the ordinary and proper course.
- (c) Nothing in clause 5.1(a) restricts the ability of either party to take any action which:
  - (i) is required, permitted or contemplated by this agreement;
  - (ii) has been fairly disclosed by the party prior to execution of this agreement, including in public filings to a Regulatory Authority (and, in the case of

Andean, includes the Excluded Arrangements and all relevant actions to give effect to them);

- (iii) is required by any applicable law or Regulatory Authority;
- (iv) is required to reasonably and prudently respond to an emergency or disaster (including a situation giving rise to a risk of personal injury or damage to property);
- (v) has been agreed to in writing by the other party; or
- (vi) involves the incurring of reasonable costs in relation to the transactions contemplated by the Takeover Bid.

## **6. WARRANTIES**

### **6.1 Aguia Warranties**

Aguia represents and warrants to Andean as at the date of this agreement that, subject to the matters which are fairly disclosed in public filings of Aguia, provided or disclosed by Aguia to Andean in writing prior to the date of this agreement, within the actual knowledge of the Andean Group or otherwise in the public domain:

- (a) Aguia is a validly existing corporation registered under the laws of its place of incorporation;
- (b) the execution and delivery of this agreement by Aguia has been properly authorised by all necessary corporate action and Aguia has full corporate power and lawful authority to execute and deliver this agreement and to perform or cause to be performed its obligations under this agreement;
- (c) (subject to the laws generally affecting creditors' rights and the principles of equity) this agreement constitutes legal, valid and binding obligations on it and execution of this agreement will not result in a breach of or default under Aguia's constitution or any agreement or deed or writ, order or injunction, rule or regulation to which Aguia or any of its Subsidiaries is a party or to which they are bound or require any consent or approval, authorisation or permit from any governmental agency;
- (d) the Aguia Shares to be offered as consideration under clause 1.2 will (subject to the Conditions) be duly authorised and validly issued, not liable to the imposition of any duty and be free of all Encumbrances, security interests and third party rights, will be fully paid and will rank equally with all other Aguia Shares;
- (e) to the best of Aguia's knowledge, having made reasonable enquiries, it has complied with its continuous disclosure obligations under the Listing Rules and the Corporations Act and is not relying on Listing Rule 3.1A to withhold any information from disclosure other than as disclosed in writing to Andean or its Representatives on or before the date of this agreement and but for the existence of the agreement in the period prior to its disclosure;
- (f) its accounts are prepared on a consistent basis with past practices (except to the extent that the adoption of Australian Accounting Standards requires a change to past practices) and in accordance with all relevant accounting standards;
- (g) no resolutions have been passed or steps taken, and no petition or other process has been presented or threatened in writing against it for winding-up or dissolution, and no



receiver, receiver and manager, liquidator, administrator or like official has been appointed, or is threatened or expected to be appointed, over the whole or any part of its assets;

- (h) except as disclosed by Aguia to Andean in writing prior to the date of this agreement, there is no litigation, claim, action or proceeding pending or in progress or threatened against or relating to any member of the Aguia Group that does or is reasonably likely to constitute an Aguia Material Adverse Change;
- (i) all material leases and permits held by, or on behalf of, Aguia or any Subsidiary of Aguia are in good standing and Aguia and its Subsidiaries are in compliance with the conditions of such leases and permits and the applicable mining legislation in all material respects and, as far as Aguia is aware, such material leases and permits are not liable to forfeiture;
- (j) it is not aware of any act, omission, event or fact that would result in one or more of the Conditions being breached, except as disclosed by Aguia to Andean in writing prior to the date of this agreement;
- (k) as at the date of this agreement and on placement of the shortfall from Aguia's recent pro-rata entitlement offer to its shareholders (**Shortfall Shares**), Aguia has or will have the following securities on issue (as set out in the table below) and there are no other shares, options, notes or other securities of Aguia and no rights to be issued such shares, options, notes or other securities other than as a result of the conversion or exercise of convertible securities or as envisaged by this agreement;

<b>Shares</b>	
Aguia Shares Currently on Issue	505,480,888
Total on Issue after issue of Shortfall Shares	73,200,951
<b>Total:</b>	<b>578,681,839</b>
<b>Options/Performance Rights/Others</b>	
Director Options – 10¢ strike, expiring 20/11/2025	8,500,000
Director Options – 10¢ strike, expiring 30/11/2026	18,500,000
(Proposed Issues)	
Director Options – 4¢ strike, expiring 30/11/26	11,000,000
Broker Options (paid on issue of Shortfall Shares) -2¢ strike expiring 18 months from issue	2,500,000
Broker Options (paid on issue of Shortfall Shares) -5¢ strike, expiring 3 years from issue	5,000,000

- (l) it will not take any steps to sub-divide its share capital or issue bonus shares to its shareholders prior to the first to occur of completion of the Offer or termination of this agreement.

## 6.2 Andean Warranties

Andean represents and warrants to Aguia as at the date of this agreement that, subject to the matters which are fairly disclosed by Andean to Aguia in writing prior to the date of this agreement, within the actual knowledge to the Aguia Group or otherwise in the public domain:

- (a) each member of the Andean Group is a validly existing corporation registered under the laws of its place of incorporation;
- (b) the execution and delivery of this agreement by Andean has been properly authorised by all necessary corporate action and Andean has full corporate power and lawful authority to execute and deliver this agreement and to perform or cause to be performed its obligations under this agreement;
- (c) (subject to the laws generally affecting creditors' rights and the principles of equity) this agreement constitutes legal, valid and binding obligations on it and execution of this agreement will not result in a breach of or default under Andean's constitution or any agreement or deed or writ, order or injunction, rule or regulation to which Andean or any of its Subsidiaries is a party or to which they are bound or require any consent or approval, authorisation or permit from any governmental agency;
- (d) to the best of Andean's knowledge, having made reasonable enquiries, it has complied with its continuous disclosure obligations under the Corporations Act;
- (e) Andean Group's accounts are prepared on a consistent basis with past practices (except to the extent that the adoption of Australian Accounting Standards requires a change to past practices) and in accordance with all relevant accounting standards;
- (f) no resolutions have been passed or steps taken, and no petition or other process has been presented or threatened in writing against it for winding-up or dissolution, and no receiver, receiver and manager, liquidator, administrator or like official has been appointed, or is threatened or expected to be appointed, over the whole or any part of its assets;
- (g) except as disclosed by Andean to Aguia in writing prior to the date of this agreement, there is no litigation, claim, action or proceeding pending or in progress or threatened against or relating to any member of the Andean Group that does or is reasonably likely to constitute a Andean Material Adverse Change;
- (h) except as disclosed by Andean to Aguia in writing prior to the date of this agreement, all material leases and permits held by, or on behalf of, Andean or any Subsidiary of Andean are in good standing and Andean and its Subsidiaries are in compliance with the conditions of such leases and permits and the applicable mining legislation in all material respects and, as far as Andean is aware, such material leases and permits are not liable to forfeiture;
- (i) it is not aware of any act, omission, event or fact that would result in one or more of the Conditions being breached, except as disclosed by Andean to Aguia in writing prior to the date of this agreement; and
- (j) as at the date of the Offer, Andean will have the following securities on issue (as set out in the table below) and there are no other shares, options, notes or other securities of Andean and no rights to be issued such shares, options, notes or other securities other than as a result of the conversion or exercise of convertible securities or as envisaged by this agreement.

<b>Shares</b>	
Andean Shares	151,246,792
<b>Options/Performance Rights/Others</b>	
None	N/A

## **7. TERMINATION**

### **7.1 Termination rights**

This agreement may be terminated by a party by notice to the other party if:

- (a) the other party is in material breach of this agreement and that breach is not remedied by that other party within 5 Business Days of it receiving notice from the first party of the details of the breach and the first party's intention to terminate;
- (b) Aguia withdraws the Takeover Bid as permitted by the Corporations Act for any reason including non-satisfaction of a Condition or if the Takeover Bid lapses;
- (c) there is a material breach of a representation or warranty contained in clause 6 by the other party and that breach is not remedied by that other party within 5 Business Days of it receiving notice from the first party of the details of the breach and the first party's intention to terminate;
- (d) a Court or other Regulatory Authority has issued a final and non-appealable order, decree or ruling or taken other action which permanently restrains or prohibits the Takeover Bid;
- (e) if the other party or any of its Subsidiaries becomes Insolvent; or
- (f) a majority of the Non-Conflicted Andean Directors, having recommended the Takeover Bid, withdraw their recommendation of the Takeover Bid.

### **7.2 Termination by Aguia**

This agreement may be terminated by Aguia by notice in writing to Andean if:

- (a) a Superior Proposal is made or publicly announced for Andean by a third party;
- (b) Non-Conflicted Andean Directors do not recommend the Takeover Bid be accepted by Andean Shareholders or having recommended the Takeover Bid, withdraws or adversely modifies his or her recommendation of the Takeover Bid (other than where the agreement is terminated as provided for in clause 7.1);
- (c) a person (other than Aguia or its Associates) has a Relevant Interest in more than 20% of the Andean Shares on issue (other than existing Andean Shareholders who at the date of this agreement hold a Relevant Interest in more than 20% of the Andean Shares on issue); or
- (d) an Andean Material Adverse Change occurs.

### **7.3 Termination by Andean**

This agreement may be terminated by Andean by notice in writing to Aguia if:

- (a) an Aguia Material Adverse Change has occurred; or
- (b) the Independent Expert concludes that the Offer is not fair and not reasonable

### **7.4 Effect of termination**

If this agreement is terminated by a party under this clause 7:

- (a) each party will be released from its obligations under this agreement except Schedule 4 and clauses, 7, 8, 10, 11 and 12 will continue to apply;
- (b) each party will retain the rights it has or may have against the other party in respect of any past breach of this agreement; and
- (c) in all other respects, all future obligations of the parties under this agreement will immediately terminate and be of no further force or effect, including, without limitation, any further obligations in respect of the Takeover Bid.

## **8. SUPERIOR PROPOSALS**

Notwithstanding any other provision of this agreement, should the Non-Conflicted Andean Directors determine that a Superior Proposal exists, Andean's obligations under clauses 4.1(b), 4.2, 1.4, 5.1(a)(ii), 2.2 and 2.3 shall cease to apply with effect from the date of that determination and until such time as the Non-Conflicted Andean Directors determine (whether as a result of the withdrawal of such Superior Proposal or the non-satisfaction of any defeating conditions to which it is subject, the improvement by Aguia of the consideration offered by it under the Takeover Bid, or otherwise) that there is no longer a Superior Proposal on foot.

## **9. CONFIDENTIAL INFORMATION OBLIGATIONS**

### **9.1 Disclosure of Aguia Confidential Information**

No Aguia Confidential Information may be disclosed by Andean to any person except:

- (a) to Representatives of Andean or its Related Bodies Corporate requiring the information for the purposes of this agreement;
- (b) with the written consent of Aguia;
- (c) if Andean is required to do so by law; or
- (d) if Andean is required to do so in connection with legal proceedings relating to this agreement.

### **9.2 Use of Aguia Confidential Information**

Andean must use the Aguia Confidential Information exclusively for the purpose of considering the Takeover Bid, any Competing Proposal and preparing the Target's Statement (and any supplementary statement it is required to prepare during the Offer Period) and for no other purpose (and must not make any use of any Aguia Confidential Information to the competitive disadvantage of Aguia or any of its Related Bodies Corporate).

### **9.3 Disclosure of Andean Confidential Information**

No Andean Confidential Information may be disclosed by Aguia to any person except:

- (a) to Representatives of Aguia requiring the information for the purposes of this agreement;
- (b) with the written consent of Andean;
- (c) if Aguia is required to do so by law or by the Listing Rules; or
- (d) if Aguia is required to do so in connection with legal proceedings relating to this agreement.

#### **9.4 Use of Andean Confidential Information**

Agua must use the Andean Confidential Information exclusively for the purpose of preparing the Bidder's Statement (and any supplementary statement it is required to prepare during the Offer Period) and for no other purpose (and must not make any use of any Andean Confidential Information to the competitive disadvantage of Andean or any of its Subsidiaries).

#### **9.5 Disclosure by recipient of Confidential Information**

Any party disclosing information under clause 9.1(a) or 9.1(b) or 9.3(a) or 9.3(b) must use all reasonable endeavours to ensure that persons receiving Confidential Information from it do not disclose the information except in the circumstances permitted in clause 9.1 or 9.3.

#### **9.6 Excluded Information**

Clauses 9.1 to 9.5 (inclusive) do not apply to the Excluded Information.

#### **9.7 Return of Confidential Information**

A party who has received Confidential Information from the other party under this agreement must, on the request of the other party, immediately deliver to that party all documents or other materials containing or referring to that information which are in its possession, power or control or in the possession, power or control of persons who have received Confidential Information from it under clauses 9.1(a) or 9.1(b) or 9.3(a) or 9.3(b).

#### **9.8 Termination**

This clause 9 will survive termination or expiry (for whatever reason) of this agreement.

### **10. NOTICES AND OTHER COMMUNICATIONS**

#### **10.1 Requirements for notices**

Each notice authorised or required to be given to a party under or in connection with this agreement shall be in legible writing and in English addressed to the party's address set out in clause 10.2 (or such other address nominated in accordance with clause 10.3).

#### **10.2 Details**

The initial address of the parties shall be as follows:

<b>Party</b>	<b>Address</b>	<b>Attention</b>	<b>E-mail</b>
Agua	Level 12, 680 George Street, Sydney, NSW 2000	Christina McGrath	cmcgrath@aguiareources.com.au
Andean	c/- Ash Street Partners Pty Limited, Level 5, 285- 287 George Street, Sydney, NSW 2000	William Howe	William.howe@andeanmining.com .au

With a copy of communications to Aguia to [ross.pearson@aguiaresources.com.au](mailto:ross.pearson@aguiaresources.com.au) and a copy of communications to Andean to Graham Hogan (E-mail: [graeme.hogan@andeanmining.com.au](mailto:graeme.hogan@andeanmining.com.au)).

### **10.3 Change of Address**

Each party may from time to time change its address by giving notice pursuant to clause 10.1 to the other party.

### **10.4 Receipt of notice**

Any notice given pursuant to this clause 10 will be conclusively deemed to have been received:

- (a) in the case of personal delivery, on the actual day of delivery;
- (b) if sent by mail, two (2) Business Days from and including the day of posting; or
- (c) if sent by e-mail, when a delivery confirmation report is received by the sender which records the time that the e-mail was delivered to the addressee's e-mail address (unless the sender receives a delivery failure notification indicating that the e-mail has not been delivered to the addressee),

but if the delivery or receipt is on a day that is not a Business Day or is after 5:00 pm (addressee's time) it is regarded as received at 9:00 am on the following Business Day.

## **11. GOODS AND SERVICES TAX (GST)**

### **11.1 Consideration does not include GST**

The consideration specified in this agreement does not include any amount for GST.

### **11.2 Recovery of GST**

If a supply under this agreement is subject to GST, the recipient must pay to the supplier an additional amount equal to the Amount of the Consideration multiplied by the applicable GST rate.

### **11.3 Time of payment**

The additional amount is payable at the same time as the consideration for the supply is payable or is to be provided. However, the additional amount need not be paid until the supplier gives the recipient a tax invoice.

### **11.4 Adjustment of additional amount**

If the additional amount differs from the amount of GST payable by the supplier, the parties must adjust the additional amount.

### **11.5 Reimbursement**

If a party is entitled to be reimbursed or indemnified under this agreement, the amount to be reimbursed or indemnified does not include any amount for GST for which the party is entitled to an Input Tax Credit.

## **11.6 Survival**

This clause 11 will survive termination of this agreement.

## **12. MISCELLANEOUS**

### **12.1 Discretion in exercising rights**

A party may exercise a right or remedy or give or refuse its consent in any way it considers appropriate (including by imposing conditions) unless this agreement expressly states otherwise.

### **12.2 Partial exercising of rights**

If a party does not exercise a right or remedy fully or at a given time, the party may still exercise it later.

### **12.3 No liability for loss**

A party is not liable for loss caused by the exercise or attempted exercise of, failure to exercise, or delay in exercising a right or remedy under this agreement.

### **12.4 Approvals and consents**

By giving its approval or consent, a party does not make or give any warranty or representation as to any circumstance relating to the subject matter of the consent or approval.

### **12.5 Conflict of interest**

The parties' rights and remedies under this agreement may be exercised even if it involves a conflict of duty or a party has a personal interest in their exercise.

### **12.6 Remedies cumulative**

The rights and remedies in this agreement are in addition to other rights and remedies given by law independently of this agreement.

### **12.7 Variation and waiver**

A provision of this agreement, or a right created under it, may not be waived or varied except in writing, signed by the party or parties to be bound.

### **12.8 No merger**

The warranties and undertakings in this agreement do not merge on completion of any transaction contemplated by this agreement.

### **12.9 Further steps**

Each party agrees, at its own expense, to do anything the other party reasonably asks (such as obtaining consents, signing, and producing documents and getting documents completed and signed):

- (a) to bind the party and any other person intended to be bound under this agreement to their obligations under this agreement; or
- (b) to show whether the party is complying with this agreement.

#### **12.10 Construction**

No rule of construction applies to the disadvantage of a party because that party was responsible for the preparation of, or seeks to rely on, this agreement or any part of it.

#### **12.11 Costs**

The parties agree to pay their own legal and other costs and expenses in connection with the preparation, execution and completion of this agreement and other related documentation except for stamp duty.

#### **12.12 Duty**

Agua agrees to pay all duty (including fines and penalties) payable and assessed on this agreement or in respect of a transaction evidenced by this agreement.

#### **12.13 Assignment**

A party may not assign or otherwise deal with its rights under this agreement or allow any interest in them to arise or be varied in each case, without the prior written consent of the other party.

#### **12.14 No representation or reliance**

Each party acknowledges that:

- (a) no party (nor any person acting on its behalf) has made any representation or other inducement to it to enter into this agreement, except for representations or inducements expressly set out in this agreement;
- (b) it does not enter into this agreement in reliance on any representation or other inducement by or on behalf of the other party, except for any representation or inducement expressly set out in this agreement; and
- (c) clauses 12.14(a) and 12.14(b) above do not prejudice any rights a party may have in relation to information filed by the other party with ASIC (or, in the case of Agua, ASX).

#### **12.15 Governing law**

This agreement is governed by and is to be construed according to the laws of Victoria. Each party submits to the non-exclusive jurisdiction of the courts of Victoria.

#### **12.16 Counterparts**

This agreement may be executed in counterparts. All counterparts when taken together are to be taken to constitute one instrument.

#### **12.17 Knowledge and belief**

Any statement made by a party on the basis of its knowledge, information, belief or awareness, is made on the basis that the party has, in order to establish that the statement is accurate and not misleading in any material respect, made all reasonable enquiries of its officers, managers and employees who could reasonably be expected to have information relevant to matters to which the statement relates.



## SCHEDULE 1 – INDICATIVE TIMETABLE

Date	Event
22 December 2023	Announcement of Proposed Offer
13 February 2024	Aguia lodges Bidder's Statement with ASX and ASIC.
27 February 2024	Aguia dispatches Bidder's Statement to Andean shareholders and Andean lodges Target Statement with ASX and ASIC.
29 March 2024	Offer closes

## **SCHEDULE 2 – BID CONDITIONS**

The Offer, and any contract resulting from acceptance of the Offer, are subject to the following conditions:

### **1. Minimum Acceptance**

At or before the end of the Offer Period, Aguia has a Relevant Interest in the number of Andean Shares that represents at least 90% of the aggregate of all the Andean Shares on issue.

### **2. No regulatory action**

Between the Announcement Date and the end of the Offer Period (each inclusive):

- (a) there is not in effect any preliminary or final decision, order or ruling issued by any Regulatory Authority;
- (b) no application is made to any Regulatory Authority (other than by Aguia or any Associate of Aguia); and
- (c) no action or investigation is announced, commenced, or threatened by any Regulatory Authority,

in consequence of or in connection with the Offer (other than an application to, or a decision or order of, or action or investigation by, ASIC or the Takeovers Panel in exercise of the powers and discretions conferred by the Corporations Act) which restrains, prohibit or impedes, or threatens to restrain, prohibit or impede, or materially impact on, the making of the Offer and the completion of any transaction completed by the Bidder's Statement (including, without limitation, full, lawful, timely and effectual implementation of Aguia's intentions expressed in the Bidder's Statement) or which requires the divestiture by Aguia of any Andean shares or any material assets of the Andean Group.

### **3. Tenements**

During the Offer Period there not being any change which has or could reasonably be expected to have a material adverse effect on the status of any of the Tenements.

### **4. Capital Expenditure**

Between the date of this agreement and the end of the Offer Period (each inclusive), Andean does not incur or commit to incur an amount of capital expenditure in excess of \$50,000 in aggregate other than capital expenditure that is incurred in the day-to-day operating activities of the business of Andean conducted materially in the same manner before the date of this deed.

### **5. Acquisitions and Disposals**

Between the date of this agreement and the end of the Offer Period (each inclusive), Andean does not acquire or dispose of, or enter into or announce any agreement for the acquisition or disposal of, any asset or business, or enter into any corporate transaction, which would or would be likely to involve a material change in:

- (a) the manner in which Andean conducts its business;
- (b) the nature (including balance sheet classification), extent or value of the assets of Andean (provided that such change shall be considered material if it is of a value of more than \$50,000); or
- (c) the nature (including balance sheet classification), extent or value of the liabilities of

Andean (provided that such change shall be considered material if it is of a value of more than \$50,000),

including, without limitation, any transaction which would or (subject to one or more conditions) may involve:

- (d) Andean acquiring or agreeing to acquire any interest in any tenements or disposing, or agreeing to dispose of any interest in any of its tenements (including, without limitation entering into a joint venture agreement with any third party in relation to the exploration or development of any tenements, but excluding any surrender or relinquishment of a tenement or part thereof in accordance with Applicable Law, provided it has first consulted with Aguia prior to the surrender or relinquishment);
- (e) Andean acquiring, or agreeing to acquire, or disposing, or agreeing to dispose, of one or more companies, businesses or assets for an amount in aggregate greater than \$50,000; or

other than to the extent directly resulting from any actions taken (or omitted to be taken) following a written request from Aguia or with Aguia's prior written consent.

## SCHEDULE 3 – DEFINITIONS AND INTERPRETATION

### 1. DEFINITIONS AND INTERPRETATION

#### 1.1 Definitions

The following words have these meanings in this agreement unless the contrary intention appears:

**Advisers** means, in relation to an entity, its legal, financial and other expert advisers.

**Amount of the Consideration** means:

- (a) the amount of any payment in connection with a supply; and
- (b) in relation to non-monetary consideration in connection with a supply, the GST exclusive market value of that consideration as reasonably determined by the supplier.

**Announcement Date** means the date on which the announcement referred to in clause 2.1 is released to ASX.

**ASIC** means the Australian Securities and Investments Commission.

**Associate** has the meaning in section 12 of the Corporations Act as if subsection (1) of that section is included as a reference to this agreement.

**ASX** means ASX Limited or the Australian Securities Exchange, as appropriate.

**Bidder's Statement** means the bidder's statement to be issued by Aguia in respect of the Takeover Bid in accordance with Chapter 6 of the Corporations Act.

**Aguia Board** means the board of directors of Aguia from time to time.

**Aguia Confidential Information** means all confidential, non-public or proprietary information, regardless of how the information is stored or delivered, exchanged between the parties before, on, or after the date of this agreement relating to the business, technology, tenements, projects or other affairs of Aguia, the terms of this agreement, its existence and the fact the parties are in negotiations in relation to the agreement.

**Aguia Group** means Aguia and its Subsidiaries (other than Andean).

**Aguia Material Adverse Change** means any act, omission, event, change, matter or circumstance occurring, or being discovered or becoming public (either individually or aggregated with other acts, omissions, events, changes, matters or circumstances) which:

- (a) has, will or is reasonably likely to have a material adverse effect on the assets, liabilities, financial position, performance, profitability or prospects of the Aguia Group taken as a whole (whether individually or when aggregated with one or more other events, matters or things); or
- (b) any event, matter or thing, as described in sub-paragraph(a), which occurred before the date of this agreement but was not apparent from public filings by Aguia before then, becomes public,

where the financial impact of such event, change, condition, matter or thing on the Aguia Group exceeds \$50,000, but does not include:

- (a) anything which has arisen solely as a result of any actions taken by any member of the Aguia Group in the ordinary course of its business;
- (b) those events or circumstances required to be done or procured by Aguia pursuant to this agreement;
- (c) those events or circumstances relating to changes in the global gold industry or security markets generally or a change in the market price of gold which impacts on Aguia and its competitors in a similar manner;
- (d) an event, circumstance, matter or information that is known to Andean or its Representatives on or prior to the date of this agreement or otherwise disclosed in public filings by Aguia with ASIC or provided to ASX on or prior to the date of this agreement.

**Aguia Share** means a fully paid ordinary share in Aguia

**Andean Board** means the board of directors of Andean from time to time.

**Andean Confidential Information** means all confidential, non-public or proprietary information regardless of how the information is stored or delivered, exchanged between the parties before, on or after the date of this agreement relating to the business, technology, tenements, projects or other affairs of Andean or its Subsidiaries, the terms of this agreement, its existence and the fact the parties are in negotiations in relation to the agreement.

**Andean Director** means a director of Andean.

**Andean Group** means Andean and its Subsidiaries.

**Andean Material Adverse Change** means:

- (a) any act, omission, event, change, matter or circumstance occurring, or being discovered or becoming public (either individually or aggregated with other acts, omissions, events, changes, matters or circumstances) which has, will or is reasonably likely to have a material adverse effect on the assets, liabilities, financial position, performance, profitability or prospects of the Andean Group taken as a whole (whether individually or when aggregated with one or more other events, matters or things); or
- (b) any event, matter or thing, as described in sub-paragraph (a), which occurred before the date of this agreement but was not apparent from public filings of Andean before then, becomes public,

where the financial impact of such event, change, condition, matter or thing on the Andean Group exceeds \$50,000, but does not include:

- (c) any Excluded Arrangements;
- (d) anything which has arisen solely as a result of actions taken by any member of the Andean Group either in the ordinary course of its business or with the prior written approval of Aguia;
- (e) those events or circumstances required to be done or procured by Andean pursuant to this agreement;
- (f) those events or circumstances relating to:

- (i) changes in the global gold industry or security markets generally or a change in the market price of gold which impacts on Andean and its competitors in a similar manner;
  - (ii) changes in law or in general economic, political or business conditions occurring after the date of this agreement that impact Andean and its competitors in a similar manner; or
  - (iii) changes in generally accepted accounting principles or the interpretation of them;
- (g) those events or circumstances resulting from:
- (i) an act of God, act of war declared or undeclared, public disorder, riot, civil disturbance, insurrection, rebellion, sabotage, cyber-attack or act of terrorists, pandemic (or worsening of it), technical failure, cable transmission and/or satellite failure or degradation, accident, lightning, storm, flood, fire, earthquake or explosion, cyclone, tidal wave, landslide or adverse weather conditions occurring on or after the date of this agreement; or
  - (ii) any deterioration in equity or debt markets, interest rates, exchange rates or credit spreads that impact Andean and its competitors in a similar manner; or
- (h) an event, circumstance, matter or information that has been disclosed by Andean to Agua or is otherwise known to Agua or its Representatives on or prior to the date of this agreement or otherwise disclosed in public filings by Andean with ASIC.

**Andean Share** means a fully paid ordinary share in Andean

**Andean Shareholder** means a holder of one or more Andean Shares (but does not include Agua).

**Business Day** means a business day as defined in the Listing Rules.

**Competing Proposal** means any expression of interest, proposal, offer or transaction notified to Andean which, if completed substantially in accordance with its terms, would mean a person (other than Agua or its Related Bodies Corporate) would:

- (a) directly or indirectly, acquire an interest or Relevant Interest in or become the holder of:
  - (i) 20% or more of all Andean Shares; or
  - (ii) all or a substantial part of the business conducted by the Andean Group;
- (b) acquire control of Andean, within the meaning of section 50AA of the Corporations Act; or
- (c) otherwise directly or indirectly acquire or merge with Andean or acquire an economic interest in the whole or a substantial part of Andean or its business (including by takeover offer, scheme of arrangement, capital reduction, sale of assets, strategic alliance, joint venture, partnership or reverse takeover bid).

**Conditions** means the conditions to the Offer which are set out in Schedule 2.

**Confidential Information** means Agua Confidential Information or Andean Confidential Information, as the case requires.

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

**Encumbrance** means any mortgage, lien, charge, pledge, assignment by way of security, security interest, title retention, preferential right or trust arrangement, claim, covenant, profit a prendre, easement or any other security arrangement or any other arrangement having the same effect.

**End Date** means the earliest of:

- (a) the date of termination of this agreement in accordance with its terms; and
- (b) the end of the Offer Period,

or such later date as the parties agree.

**Excluded Arrangements** means any transactional, operational and incidental activities undertaken by any member of the Andean Group in respect of any of the following:

- (a) the progression of any transaction in respect of the Andean Group's Tenement portfolio, as contemplated under any draft agreement previously disclosed to Aguaia (including the entry by any member of the Andean Group into any of those agreements on substantially the same terms as has previously been disclosed to Aguaia);
- (b) ensuring all material leases and permits held by, or on behalf of, Andean or any Subsidiary of Andean are in good standing and Andean and its Subsidiaries are in compliance with the conditions of such leases and permits and the applicable mining legislation in all material respects including meeting expenditure requirements on all leases and permits; and/or
- (c) ensuring the Andean Group is able to continue to conduct its business in the ordinary and proper course and in substantially the same manner as previously conducted (including ensuring the Andean Group has sufficient working capital to be able to do so, which may include sourcing debt funding to give effect to that position and to ensure that the Andean Group is able to take any action under paragraphs (a) and (b) above),

and for the avoidance of doubt includes the entry by any member of the Andean Group into any agreement to give effect to any action under paragraphs (a) to (c) above.

**Excluded Information** means Aguaia Confidential Information or Andean Confidential Information which:

- (a) is in or becomes part of the public domain other than through a breach of this agreement or an obligation of confidence owed to the party providing the Confidential Information;
- (b) the recipient of the Confidential Information can prove by contemporaneous written documentation was already known to it at the time of disclosure by the party providing the Confidential Information (unless such knowledge arose from disclosure of information in breach of an obligation of confidentiality); or
- (c) the recipient of the Confidential Information acquires from a source other than the party providing the Confidential Information or any Related Body Corporate or Representative of the party providing the Confidential Information where such source is entitled to disclose it.

**GST** means a goods and services or similar tax imposed in Australia.

**GST Act** means the A New Tax System (Goods and Services Tax) Act 1999 (Cth).

**Independent Expert** means the independent expert to be engaged by Andean to prepare the

Independent Expert's Report.

**Independent Expert's Report** has the meaning given in clause 3.2 and includes any updates to that report that are issued by the Independent Expert.

**Input Tax Credit** has the meaning it has in the GST Act.

**Insolvent** a person is Insolvent if:

- (a) it is (or states that it is) an insolvent under administration or insolvent (each as defined in the Corporations Act);
- (b) it or any of its Subsidiaries is in liquidation, in provisional liquidation, under administration or wound up or has had a controller, receiver or receiver and manager appointed to any part of its property;
- (c) it or any of its Subsidiaries enters into a deed of company arrangement;
- (d) it is subject to any arrangement, assignment, moratorium or composition, protected from creditors under any statute or dissolved (in each case, other than to carry out a reconstruction or amalgamation while solvent on terms approved by the other parties to this agreement);
- (e) an application or order has been made (and in the case of an application, it is not stayed, withdrawn or dismissed within 30 days), resolution passed, proposal put forward, or any other action taken, in each case in connection with that person, which is preparatory to or could result in any of (a), (b) or (c) above occurring;
- (f) it is taken (under section 459F(1) of the Corporations Act) to have failed to comply with a statutory demand;
- (g) it is the subject of an event described in section 459C(2)(b) or section 585 of the Corporations Act (or it makes a statement from which the other party to this agreement reasonably deduces it is so subject);
- (h) it is otherwise unable to pay its debts when they fall due; or
- (i) something having a substantially similar effect to any of the events in (a) to (h) happens in connection with that person under the law of any jurisdiction.

**Listing Rules** means the Listing Rules of ASX.

**Lodgement Date** means the date Aguia lodges the Bidder's Statement with ASIC.

**Non-Conflicted Andean Directors** means each of the Andean Directors other than a Director of Andean who considers, acting reasonably (including after having taken legal advice) and in good faith, that he or she should not provide or continue to maintain the recommendation because he or she has an interest in the Offer that as a matter of law or as a result of that interest being so materially different from Andean Shareholders which would properly preclude or render it inappropriate for him or her to provide the recommendation.

**Offer** means the offer to Andean Shareholders by way of the Takeover Bid in respect of:

- (a) the Andean Shares on issue as at the date of the Offer; and
- (b) those Andean Shares that are issued during the Offer Period as a result of the exercise or conversion of convertible securities or any other instrument convertible into Andean



Shares (subject always to any necessary ASIC modifications being obtained and to the extent they are permitted to vest in accordance with this agreement) that are on issue as at the date of this agreement.

**Offer Date** means:

- (a) the date which is 6 Business Days after the Lodgement Date, unless the parties otherwise agree on an earlier despatch date for the Bidder's Statement following lodgement of the Bidder's Statement with ASIC, in which case the Offer Date will be the earlier despatch date agreed by the parties; or
- (b) such other date agreed on in writing by the parties.

**Offer Period** means the period during which the Offer is open for acceptance.

**Officers** means, in relation to an entity, its directors, officers, and employees.

**Register** means the share register of Andean and **Registry** has a corresponding meaning.

**Register Date** means the date set by Andean pursuant to section 633(2) of the Corporations Act.

**Regulatory Authority** includes:

- (a) ASX and ASIC;
- (b) a government or governmental, semi-governmental or judicial entity or authority including the Takeovers Panel;
- (c) a minister, department, office, commission, delegate, instrumentality, agency, board, authority or organisation of any government; and
- (d) any regulatory organisation established under statute.

**Related Bodies Corporate** has the meaning given to it in the Corporations Act.

**Related Person** in respect of a party or its Related Bodies Corporate, each director, officer, employee, Adviser (and each director, officer, employee or contractor of that Adviser), agent or representative of that party or Related Body Corporate.

**Relevant Interest** has the meaning given to it in the Corporations Act.

**Representatives** of a party includes:

- (a) a Related Bodies Corporate of the party; and
- (b) each of the Officers and Advisers of the party or any of its Related Bodies Corporate.

**Restriction Period** means the period commencing on the date of this agreement and ending on the End Date.

**Subsidiaries** has the meaning given in the Corporations Act.

**Superior Proposal** means a bona fide Competing Proposal received after the date of this agreement which is, in the determination of the Andean Board acting in good faith and in order to satisfy what the Andean Board consider to be their fiduciary and statutory duties:

- (a) reasonably capable of being valued and completed taking into account all aspects of the Competing Proposal; and

- (b) would if completed substantially on its terms, be more favourable to Andean Shareholders as a whole than the Takeover Bid, taking into account all terms and conditions of the Competing Proposal and of the Takeover Bid.

**Takeover Bid** means the off-market takeover bid by Aguia for all Andean Shares, to which this agreement relates, to be implemented in accordance with Chapter 6 of the Corporations Act.

**Target's Statement** means the target's statement to be issued by Andean in respect of the Takeover Bid under Section 638 of the Corporations Act.

**Tax** means any tax, levy, impost, charge or duty that is assessed, levied, imposed or collected by any Regulatory Authority together with any related interest, penalties, fines and expenses in connection with them.

**Tenements** means the tenements Andean interests in mining properties set out in Schedule 4.

**Third Party** means a person other than Andean, Aguia or their respective Related Bodies Corporate or Associates.

**Timetable** means the timetable set out in Schedule 1.

## 1.2 Interpretation

In this agreement:

- (a) headings are for convenience only and do not affect its interpretation;
- (b) no provision of this agreement will be construed adversely to a party because that party was responsible for the preparation of this agreement or that provision;
- (c) specifying anything after the words "include" or "for example" or similar expressions does not limit what else is included;

and unless the context otherwise requires:

- (d) the expression **person** includes an individual, the estate of an individual, a corporation, an authority, an association or joint venture (whether incorporated or unincorporated), a partnership and a trust;
- (e) a reference to any party includes that party's executors, administrators, successors and permitted assigns, including any person taking by way of novation;
- (f) a reference to any document (including this agreement) is to that document as varied, novated, ratified or replaced from time to time;
- (g) a reference to any statute or to any statutory provision includes any statutory modification or re-enactment of it or any statutory provision substituted for it, and all ordinances, by-laws, regulations, rules and statutory instruments (however described) issued under it;
- (h) words importing the singular include the plural (and vice versa) and words indicating a gender include every other gender;
- (i) reference to parties, clauses, schedules, exhibits or annexures are references to parties, clauses, schedules, exhibits and annexures to or of this agreement and a reference to this agreement includes any schedule, exhibit or annexure to this agreement;
- (j) where a word or phrase is given a defined meaning, any other part of speech or grammatical form of that word or phrase has a corresponding meaning;

- (k) a reference to time is to Eastern Standard Time as observed in Melbourne, Victoria;
- (l) if a period of time is specified and dates from a given day or the day of an event, it is to be calculated exclusive of that day;
- (m) a reference to a day is to be interpreted as the period of time commencing at midnight and ending 24 hours later;
- (n) where an action is required to be undertaken on a day that is not a Business Day it shall be undertaken on the next Business Day;
- (o) if an act under this agreement to be done by a party on or by a given day is done after 5.00 pm on that day, it is taken to be done on the next day;
- (p) a reference to a payment is to a payment by bank cheque or such other form of cleared funds the recipient otherwise allows in the relevant lawful currency specified;
- (q) a reference to **\$** or **dollar** is to the lawful currency of the Commonwealth of Australia; and
- (r) a reference to a party using or an obligation on a party to use reasonable endeavours or its best endeavours does not oblige that party to agree to commercially onerous or unreasonable conditions or to do or omit to do anything which will or may be likely to contravene any law or agreement by which it is bound.

#### **SCHEDULE 4 – TENEMENTS**

El Dovio; 2 x licences IEH-08441 (1145.763ha) and IEH-08401 (150.852ha)

Santa Barbara; 1 x licence 0-439CI (214ha) ; (1 x licence awaiting transfer IEV-16061(110.86013ha)

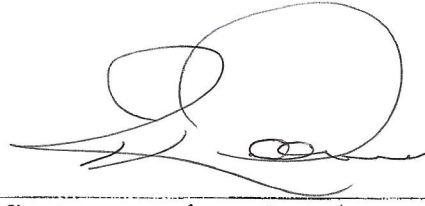
Atocha; 1 x licence HFL-151 (214.0687ha)

EXECUTED by the parties as an agreement.

EXECUTED by AGUIA RESOURCES LIMITED )  
ACN 128 256 888 )  
in accordance with section 127 of the )  
Corporations Act 2001 (Cth): )



Signature of director



Signature of ~~director~~/company  
secretary\*

C. M. McGRATH

Name of director

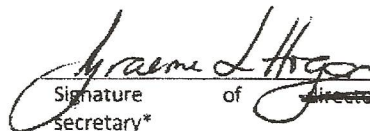
Name of director/company secretary\*

\*please delete as applicable

EXECUTED by )  
ANDEAN MINING LIMITED )  
ACN 625 466 006 )  
in accordance with section 127 of the )  
Corporations Act 2001 (Cth): )



Signature of director



Signature of ~~director~~/company  
secretary\*

WILLIAM JAMES HOWE

Name of director

GRAEME LINDSAY HOGAN

Name of ~~director~~/company secretary\*

\*please delete as applicable

