



13 March 2024

**GENERAL MEETING – NOTICE AND PROXY FORM**

Dear Shareholder,

Notice is given that the General Meeting (Meeting) of Shareholders of Austin Metals Limited (ASX: **AYT**, "**Austin Metals**", "the **Company**") will be held as follows:

Time and date: 10:00am (Perth time) on 15 April 2024

Location: Level 3, 88 William Street Perth WA 6000

In accordance with the Corporations Act 2001 (Cth), the Company will not be dispatching physical copies of the Notice of General Meeting (Notice) to shareholders unless a shareholder has previously requested a hard copy. Instead, a copy of the Notice is available at the following link on ASX: <https://www.asx.com.au/markets/trade-our-cash-market/announcements.ayt>

If you have nominated an email address and have elected to receive electronic communications from the Company, you will also receive an email to your nominated email address with a link to an electronic copy of the Notice.

In order to receive electronic communications from the Company in the future, please update your shareholder details online at <https://investor.automic.com.au/#/home> and log in with your unique shareholder identification number and postcode (or country for overseas residents).

You may vote by attending the Meeting in person, by proxy or by appointing an authorised representative.

Shareholders are encouraged to vote online at <https://investor.automic.com.au/#/loginsah> or by returning the enclosed proxy form by:

Post to: Automic  
GPO Box 5193  
Sydney NSW 2001  
Email to: [meetings@automicgroup.com.au](mailto:meetings@automicgroup.com.au)

Your proxy voting instruction must be received by 10:00am (WST) on 13 April 2024, being not less than 48 hours before the commencement of the Meeting. Any proxy voting instructions received after that time will not be valid for the Meeting.

The Notice is important and should be read in its entirety. If you are in doubt as to the course of action you should follow, you should consult your financial adviser, lawyer, accountant or other professional adviser.

Yours sincerely

**Sonu Cheema**  
Director and Company Secretary

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**AUSTIN METALS LIMITED**  
**ACN 130 933 309**  
**NOTICE OF GENERAL MEETING**

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Notice is given that the Meeting will be held at:

**TIME:** 10:00 AM WST

**DATE:** Monday, 15 April 2024

**PLACE:** Level 3, 88 William Street Perth WA 6000

***The business of the Meeting affects your shareholding and your vote is important.***

***This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.***

***The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 10:00 AM WST on Saturday, 13 April 2024.***

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## BUSINESS OF THE MEETING

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### AGENDA

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#### 1. RESOLUTION 1 – APPROVAL TO UNDERTAKE THE TRANSACTION

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

*“That, subject to and conditional upon the passing of the Essential Resolutions, for the purpose of ASX Listing Rule 10.1 and for all other purposes, approval is given for the Company to complete the Transaction, on the terms and conditions set out in the Explanatory Statement.”*

**Short Explanation:** The Company has entered into the Gardner Agreement with Gardner, pursuant to which the Company has agreed to acquire a 100% interest in the Exploration Licences and to earn up to a 90% legal and beneficial interest in the Earn-in Tenements. Gardner is controlled by Director, Mr Darren White and is also a major shareholder of the Company. Therefore, the Transaction must be approved by Shareholders in accordance with Listing Rule 10.1.

**Independent Expert’s Report:** Shareholders should carefully consider the Independent Expert’s Report included with this Notice of Meeting, prepared by the Independent Expert for the purposes of the Shareholder approval required under ASX Listing Rule 10.1. The Independent Expert’s Report comments on the fairness and reasonableness of the Transaction the subject of this Resolution to the non-associated Shareholders. The Independent Expert has determined that the Transaction is **fair and reasonable** to the non-associated Shareholders.

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

Resolution 1 is an Essential Resolution. If Resolution 1 is not passed, all Essential Resolutions will fail, and the Transaction will not complete.

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#### 2. RESOLUTION 2 - APPROVAL TO ISSUE PERFORMANCE RIGHTS TO GARDNER

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

*“That, subject to and conditional upon the passing of the Essential Resolutions, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 400,000,000 Performance Rights to Gardner (or its nominee) on the terms and conditions set out in the Explanatory Statement.”*

A voting exclusion statement applies to this Resolution. Please see below.

Resolution 2 is an Essential Resolution. If Resolution 2 is not passed, all Essential Resolutions will fail, and the Transaction will not complete.

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**3. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF INVESTOR PLACEMENT SHARES – LISTING RULE 7.1**

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

*“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 109,412,534 Investor Placement Shares on the terms and conditions set out in the Explanatory Statement.”*

A voting exclusion statement applies to this Resolution. Please see below.

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**4. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF INVESTOR PLACEMENT SHARES – LISTING RULE 7.1A**

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

*“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 101,587,466 Investor Placement Shares on the terms and conditions set out in the Explanatory Statement.”*

A voting exclusion statement applies to this Resolution. Please see below.

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**5. RESOLUTION 5 – APPROVAL TO ISSUE INVESTOR PLACEMENT OPTIONS**

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

*“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 105,500,000 free attaching Investor Placement Options on the terms and conditions set out in the Explanatory Statement.”*

A voting exclusion statement applies to this Resolution. Please see below.

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**6. RESOLUTION 6 – DIRECTOR PARTICIPATION IN PLACEMENT – DARREN WHITE**

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

*“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 33,333,334 Placement Shares and 16,666,667 free attaching Placement Options to Darren White (or his nominee) on the terms and conditions set out in the Explanatory Statement.”*

A voting exclusion statement applies to this Resolution. Please see below.

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**7. RESOLUTION 7 – DIRECTOR PARTICIPATION IN PLACEMENT – PAUL L’HERPINIERE**

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

*“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 1,666,666 Placement Shares*

*and 833,333 free attaching Placement Options to Paul L'Herpinier (or his nominee) on the terms and conditions set out in the Explanatory Statement."*

A voting exclusion statement applies to this Resolution. Please see below.

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**8. RESOLUTION 8 – DIRECTOR PARTICIPATION IN PLACEMENT – SONU CHEEMA**

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

*"That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 4,000,000 Placement Shares and 2,000,000 free attaching Placement Options to Sonu Cheema (or his nominee) on the terms and conditions set out in the Explanatory Statement."*

A voting exclusion statement applies to this Resolution. Please see below.

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**9. RESOLUTION 9 – APPROVAL TO ISSUE SPP OPTIONS**

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

*"That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 41,666,666 free attaching SPP Options on the terms and conditions set out in the Explanatory Statement."*

A voting exclusion statement applies to this Resolution. Please see below.

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**10. RESOLUTION 10 – APPROVAL TO ISSUE SHORTFALL SHARES AND SHORTFALL OPTIONS**

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

*"That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 83,333,333 Shortfall Shares and up to 41,666,666 free attaching Shortfall Options on the terms and conditions set out in the Explanatory Statement."*

A voting exclusion statement applies to this Resolution. Please see below.

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**11. RESOLUTION 11 – ISSUE OF INCENTIVE OPTIONS TO DIRECTOR – PAUL L'HERPINIERE**

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*"That, for the purposes of Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 10,000,000 Options to Paul L'Herpinier (or his nominee) under the Company's Incentive Plan on the terms and conditions set out in the Explanatory Statement."*

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

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**Dated: 13 March 2024**

**By order of the Board  
Sonu Cheema  
Company Secretary**

## Voting Prohibition Statement

<b>Resolution 1 – Approval to undertake the Transaction</b>	<p>A person appointed as a proxy must not vote on the basis of that appointment, on this Resolution if:</p> <p>(a) the proxy is either:</p> <p>(i) a member of the Key Management Personnel; or</p> <p>(ii) a Closely Related Party of such a member; and</p> <p>(b) the appointment does not specify the way the proxy is to vote on this Resolution.</p> <p>However, the above prohibition does not apply if:</p> <p>(a) the proxy is the Chair; and</p> <p>(b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.</p>
<b>Resolution 11 – Issue of Incentive Options to Director – Paul L’Herpinere</b>	<p>A person appointed as a proxy must not vote on the basis of that appointment, on this Resolution if:</p> <p>(a) the proxy is either:</p> <p>(i) a member of the Key Management Personnel; or</p> <p>(ii) a Closely Related Party of such a member; and</p> <p>(b) the appointment does not specify the way the proxy is to vote on this Resolution.</p> <p>However, the above prohibition does not apply if:</p> <p>(a) the proxy is the Chair; and</p> <p>(b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.</p>

## Voting Exclusion Statements

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the resolution set out below by or on behalf of the following persons:

<b>Resolution 1 – Approval to undertake the Transaction</b>	<p>Gardner (or any of its associates) or any other person who will obtain a material benefit as a result of the transaction (except a benefit solely by reason of being a holder of ordinary securities in the entity).</p>
<b>Resolution 2 - Approval to Issue Performance Rights To Gardner</b>	<p>Gardner and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.</p>
<b>Resolution 3 – Ratification of prior issue of Tranche 1 Placement Shares – Listing Rule 7.1</b>	<p>A person who participated in the issue or is a counterparty to the agreement being approved or an associate of that person or those persons.</p>
<b>Resolution 4 – Ratification of prior issue of Tranche 1 Placement Shares – Listing Rule 7.1A</b>	<p>A person who participated in the issue or is a counterparty to the agreement being approved or an associate of that person or those persons.</p>
<b>Resolution 5 - Approval to Issue Placement Options to Non-Related Party Investors</b>	<p>A person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons).</p>
<b>Resolution 6- Director Participation in Placement – Darren White</b>	<p>Darren White (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.</p>
<b>Resolution 7- Director Participation in Placement – Paul L’Herpinere</b>	<p>Paul L’Herpinere (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.</p>

<b>Resolution 8 - Director Participation in Placement – Sonu Cheema</b>	Sonu Cheema (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
<b>Resolution 9 – Approval to issue SPP Options</b>	A person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) (namely a participant in the SPP) or an associate of that person (or those persons).
<b>Resolution 10 – Approval to issue Shortfall Shares and Shortfall Options</b>	A person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons).
<b>Resolution 11 – Issue of Incentive Options to Director – Paul L’Herpinere</b>	Any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question (including Paul L’Herpinere) or an associate of that person or those persons.

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

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

## **Voting by proxy**

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To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two (2) or more votes may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two (2) proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

## **Voting in person**

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To vote in person, attend the Meeting at the time, date and place set out above.

***Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 (8) 9463 2463.***



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## EXPLANATORY STATEMENT

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This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

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### 1. BACKGROUND TO RESOLUTIONS 1 AND 2

#### 1.1 Overview

On 11 December 2023, the Company announced it had entered into a binding agreement with Gardner Mining Pty Ltd (ACN 130 634 785) (**Gardner**) to:

- (a) acquire 100% interest in Exploration Licences E08/2997, E08/3104, E08/3120, E08/3121, E08/3222 and E08/3273 from Gardner (**Exploration Licences**); and
- (b) be assigned Gardner's exclusive right to earn up to a 90% legal and beneficial interest in exploration licences 08/2938 and 08/2994 and prospecting licence 08/699 under the Earn-In Agreement (defined below) (**Earn-In Tenements**),

that comprise the Ashburton Copper-Gold Project (**Ashburton CGP**) in WA (**Transaction**).

On 19 February 2024, the Company and Gardner entered into a binding heads of agreement on materially the same terms to the agreement entered into on 11 December 2023, to correct a technical defect and properly document the Transaction (**Gardner Agreement**).

Gardner's exclusive right to earn a 90% legal and beneficial interest in the Earn-In Tenements is governed by an earn-in agreement between Gardner and Mr John Harvey Firth (**Owner**) executed on 29 July 2022 and varied on 12 May 2023 (**Earn - In Agreement**). The material terms of the Earn-In Agreement are set out in Section 1.3.

A summary of the material terms and conditions of the Gardner Agreement is set out in Section 1.4.

The Exploration Licences and Earn-In Tenements are collectively referred to as the **Tenements** in this Notice.

Further information in relation to the Ashburton CGP is set out in Section 1.2 and the ASX announcement released on 11 December 2023.

#### 1.2 Overview of the Ashburton CGP

Refer to Schedule 1 for project information relating to the Ashburton CGP.

##### Proposed work program

The following work programs are currently underway to assist with target generation and the planning of a maiden drilling program:

- (a) detailed mapping and geochemical sampling at the Donnelly's Prospect;
- (b) reconnaissance mapping and geochemical sampling of the broader project area; and

- (c) review of geophysics and remote sensing datasets.

Further information in relation to the Ashburton CGP is set out in the ASX announcement released on 11 December 2023.

### 1.3 Earn-In Agreement

The material terms of the Earn-In Agreement (as executed on 29 July 2022 and varied on 12 May 2023) are set out below:

<b>Transaction</b>	The Owner granted Gardner the exclusive right to earn a 90% interest in the Earn-In Tenements (the <b>Exclusive Right</b> ), subject to fulfilling the Expenditure Obligation (defined below) following which it was agreed that an unincorporated joint venture would be formed for the exploration and, if warranted, development of mineral deposits on the Earn-In Tenements.
<b>Expenditure Obligation</b>	Gardner agrees to complete certain work and expenditure obligations to the value of \$100,000 by the date which is 3 years from the date of 12 May 2023 (date of the latest variation), being 12 May 2026 ( <b>Expenditure Obligation</b> ).
<b>Right to enter and conduct work</b>	The Owner granted Gardner the authority under Section 118A of the Mining Act (WA) during the earn-in period to enter and conduct on the Earn-In Tenements such activities as if it were the registered holder of the Earn-In Tenements.
<b>Joint venture</b>	From the date on which Gardner gives notice that it has satisfied the Expenditure Obligation, the parties agreed to form an unincorporated joint venture for the purpose of exploration and development of the Earn-In Tenements and the joint venture interests will be 90% (Gardner) and 10% (Owner).

The terms of the Earn-In Agreement are considered otherwise standard for an agreement of this nature.

### 1.4 Gardner Agreement

The material terms and conditions of the Gardner Agreement are set out below:

<b>Transaction</b>	The parties agree: <ul style="list-style-type: none"> <li>(a) Gardner will sell, and the Company will acquire, 100% of Gardner's rights, title and interest in the Exploration Licences (<b>Acquisition</b>); and</li> <li>(b) Gardner will assign, and the Company will assume, 100% of Gardner's rights, title, interest and obligations under the Earn-In Agreement (<b>Assignment</b>),</li> </ul> for the Consideration referred to below ( <b>Transaction</b> ).
<b>Conditions Precedent</b>	Completion of the Transaction ( <b>Completion</b> ) will be subject to the following conditions precedent: <ul style="list-style-type: none"> <li>(a) completion of due diligence by the Company on the Tenements, to the absolute satisfaction of the Company;</li> </ul>

	<p>(b) all government agency consents and approvals necessary for the transfer of Gardner's interest in the Tenements, including, if required, the consent of the minister under the <i>Mining Act 1978 (WA)</i>; and</p> <p>(c) the Parties obtaining all necessary legal, shareholder and regulatory approvals, including shareholder approval for the Transaction for the purposes of Listing Rule 10.1,</p> <p>(together, the <b>Conditions Precedent</b>).</p>
<p><b>Consideration</b></p>	<p>In consideration for the assignment of the Exclusive Right, the Company is proposing to pay/issue to Gardner (or its nominee/s) the following at Completion:</p> <p>(a) \$200,000 cash (representing reimbursement for expenditure incurred in developing the Tenements); and</p> <p>(b) subject to shareholder approval:</p> <p>(i) \$250,000 worth of performance rights to acquire Shares (<b>Performance Rights</b>), based on a deemed issue price of \$0.005 per Performance Right. The Performance Rights will vest and become exercisable upon the delineation of a JORC Compliant Mineral Resource at the Tenements of at least the 'Inferred' category containing a minimum of 250,000 ounces of gold (AU) or Gold Equivalent at greater than 1g/pt gold or Gold Equivalent (<b>Tranche 1</b>);</p> <p>(ii) \$500,000 worth of Performance Rights, based on a deemed issue price of \$0.005 per Performance Right. The Performance Rights will vest and become exercisable upon the delineation of a JORC Compliant Mineral Resource at the Tenements of at least the 'Inferred' category containing a minimum of 500,000 ounces of gold (AU) or Gold Equivalent at greater than 1g/pt gold or Gold Equivalent (<b>Tranche 2</b>); and</p> <p>(iii) \$1,250,000 worth of Performance Rights, based on a deemed issue price of \$0.005 per Performance Right. The Performance Rights will vest and become exercisable upon the delineation of a JORC Compliant Mineral Resource at the Tenements of at least the 'Inferred' category containing a minimum of 1,000,000 ounces of gold (AU) or Gold Equivalent at greater than 1g/pt gold or Gold Equivalent (<b>Tranche 3</b>),</p> <p><b>Gold Equivalent</b> means, a gold equivalent JORC Compliant Mineral Resource of at least the 'Inferred' category, in respect of copper, silver and zinc (to the extent that they are economically recoverable at the Tenements).</p>

## Escrow

Gardner and the Company acknowledge and agree that the Performance Rights will be subject to a twelve-month ASX escrow period from the date of issue (**Escrow Period**), and Gardner and the Company agree to enter into a voluntary restriction deed on terms acceptable to Gardner and The Company (acting reasonably) to document the escrow provisions (**Escrow Deed**).

The full terms of the Performance Rights are set out in Schedule 2.

The Transaction is otherwise proposed to be on terms and conditions considered for an agreement of this nature.

### 1.5 Summary of Essential Resolutions

Director, Mr Darren White is a director and the controller of Gardner and Gardner and its associated entities has a relevant interest of 26.55% in the capital of the Company (being 341,240,066 Shares).

As Darren White is a director and shareholder of Gardner, the Transaction must be approved by Shareholders in accordance with Listing Rule 10.1.

The number of Performance Rights to be issued to Gardner under the Transaction represents approximately 23.1% of the Company's diluted issued capital. At the date of this Notice, Gardner holds a 26.55% interest in the issued share capital of the Company on an undiluted basis, if all the Performance Rights were to vest and become convertible into Shares, then Gardner would hold a 42.81% interest in the issued share capital of the Company and dilute the interests of non-associated Shareholders in the Company from 73.45% to 57.19%.

This Notice of Meeting set out the Resolutions necessary to complete the Transaction, being Resolutions 1 and 2 (**Essential Resolutions**).

Each of the Essential Resolutions are conditional upon the approval by Shareholders of each of the other Essential Resolution. If any of the Essential Resolutions are not approved by Shareholders, all the Essential Resolutions will fail, and Completion will not occur.

A summary of the Essential Resolutions is as follows:

- (a) Resolution 1 seeks Shareholder approval for the purpose of Listing Rule 10.1 and all other purposes to enable the Company to complete the Transaction; and
- (b) Resolution 2 seeks Shareholder approval for the purposes of Listing Rule 10.11 for the Company to issue the Performance Rights to Gardner, as consideration under the Gardner Agreement.

### 1.6 Advantages of the Transaction

The Directors (other than Mr Darren White) are of the view that the following non-exhaustive list of advantages may be relevant to a Shareholder's decision on how to vote on the Essential Resolutions:

- (a) the Independent Expert has determined that the Transaction is fair for Shareholders;

- (b) the Transaction diversifies the Company's portfolio by providing the Company with additional tenements with copper and gold prospects;
- (c) the Transaction provides the Company with greater exposure to the Australian copper and gold industry;
- (d) the Company may benefit from the potential upside from future transactions with neighbouring tenement holders; and
- (e) the structure of the Consideration partially protects Shareholders, should the Projects not be economically viable.

Further information in relation to the advantages of the Transaction is set out in section 9 of the Independent Expert's Report.

## 1.7 Disadvantages of the Transaction

The Directors (other than Mr Darren White) are of the view that the following non-exhaustive list of disadvantages may be relevant to a Shareholder's decision on how to vote on the Essential Resolutions:

- (a) the issue of the Shares on conversion of the Performance Rights (if the relevant milestones are satisfied) will dilute Shareholders' interests and reduce the level of control of existing Shareholders over the Company; and
- (b) the Transaction will result in the Company having a greater exposure to copper and gold assets, which may not align with the risk preferences of Shareholders.

## 1.8 Capital Structure

The capital structure of the Company, on completion of the Transaction is set out below:

	Shares <sup>1</sup>	Options <sup>2</sup>	Performance Rights <sup>3</sup>	Performance Shares <sup>4</sup>
Current issued capital	1,285,191,349	37,908,363	-	8,500,000
Issued pursuant to the Transaction	-	-	400,000,000	-
<b>Total</b>	<b>1,285,191,349</b>	<b>37,908,363</b>	<b>400,000,000</b>	<b>8,500,000</b>

### Notes:

1. Includes the Shares issued pursuant to the Company's share purchase plan as announced on 29 January 2024.
2. Comprising:
  - (a) 4,000,000 Options expiring on various dates, with various exercise prices;
  - (b) 4,750,000 Options expiring on 30 June 2024, exercisable at \$0.10 each; and
  - (c) 9,158,363 Options expiring on 31 December 2026, exercisable at \$0.16 each.
3. Comprising the Tranche 1, Tranche 2 and Tranche 3 Performance Rights proposed to be issued pursuant to the Transaction.
4. Comprising:
  - (a) 4,250,000 Class A Performance Shares; and

(b) 4,250,000 Class B Performance Shares.

## 1.9 Indicative timetable

Event	Date
Company announces Transaction	11 December 2023
Company despatches the Notice of Meeting	14 March 2024
Shareholders approve the Transaction	15 April 2024
Issue of Consideration to Gardner	22 April 2024
Completion of the Transaction	22 April 2024

The above dates are indicative only and are subject to change at the Board's discretion in accordance with the Corporations Act and Listing Rules.

## 1.10 Board Recommendation

The Company has consistently stated that it intends to investigate exploration and acquisition opportunities to build its portfolio and create and capture value within its projects to further the growth of the Company and to create value for its Shareholders. The Board (with Mr White abstaining) believes that the completion of the Transaction is consistent with the stated objectives of the Company.

Accordingly, the Directors (with Mr White abstaining) recommend that Shareholders vote in favour of Resolutions 1 and 2 set out in this Notice of Meeting to enable Completion to occur.

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## 2. RESOLUTION 1 – APPROVAL OF THE TRANSACTION

The Independent Expert has concluded that the Transaction is fair and reasonable to the non-associated Shareholders of the Company. Further details are set out in the Independent Expert's Report at Annexure A of this Notice.

### 2.1 General Background

A summary of the Transaction is set out at Section 1.1.

Director, Mr Darren White is a director and the controller of Gardner and Gardner and its associated entities has a relevant interest of 26.55% in the capital of the Company (being 341,240,066 Shares). Accordingly, Gardner is considered to be a related party of the Company for the purposes of Listing Rule 10.1.4, by virtue of being an entity controlled by Mr White.

The Transaction falls within Listing Rule 10.1.4 and involves the acquisition of a substantial asset as the value of the consideration is greater than 5% of the equity interests of the entity, as set out in the latest accounts given to ASX. It therefore requires the approval of Shareholders under Listing Rule 10.1.

A summary of the material terms of the Transaction are set out at Section 1.4.

Resolution 1 seeks Shareholder approval for the purpose of Listing Rule 10.1 and all other purposes to enable the Company to complete the Transaction pursuant to the Gardner Agreement.

## 2.2 Independent Expert's Report

Listing Rule 10.5.10 requires a notice of meeting containing a resolution to approve a transaction under Listing Rule 10.1 to include a report on the acquisition from an independent expert.

The Independent Expert's Report prepared by RSM Australia Pty Ltd (**Independent Expert**) (a copy of which is attached as Annexure A to this Notice) sets out a detailed independent examination of the Gardner Agreement to enable non-associated Shareholders to assess the merits and decide whether to approve Resolution 1. The Independent Expert has concluded that the Transaction the subject of Resolution 1 is **fair and reasonable** to the non-associated Shareholders.

Shareholders are urged to carefully read the Independent Expert's Report to understand the scope of the report, the methodology of the valuation and the sources of information and assumptions made.

## 2.3 ASX Listing Rule 10.1

ASX Listing Rule 10.1 provides that an entity (or any of its subsidiaries) must not acquire a substantial asset from:

- 10.1.1 a related party;
- 10.1.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- 10.1.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company;
- 10.1.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- 10.1.5 a person whose relationship with the company or a person referred to in Listing Rules 10.1.1 to 10.1.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

Director, Mr Darren White is a director and the controller of Gardner and Gardner and its associated entities has a relevant interest of 26.55% in the capital of the Company (being 341,240,066 Shares).

Accordingly, Gardner is considered to be a related party of the Company for the purposes of Listing Rule 10.1.4, by virtue of being an entity controlled by Mr White.

## 2.4 Technical information required by ASX Listing Rule 10.5

Pursuant to and in accordance with ASX Listing Rule 10.5 the following information is provided in relation to Resolution 1:

- (a) the Company has entered into the Gardner Agreement with Gardner;
- (b) Mr Darren White, is a director of the Company and the controller of Gardner and Gardner and its associated entities has a relevant interest of 26.55% in the capital of the Company (being 341,240,066 Shares). Accordingly, Gardner is considered to be a related party of the

Company for the purposes of Listing Rule 10.1.4, by virtue of being an entity controlled by Director, Mr White;

- (c) the purpose of the Gardner Agreement is to allow the Company to acquire an interest in the Ashburton CGP with the intention to integrate the Ashburton CGP into the Company's current asset portfolio;
- (d) the consideration payable to Gardner is set out in Section 1.4;
- (e) a summary of the material terms of the Gardner Agreement is set out at Section 1.4;
- (f) an indicative timetable is set out at Section 1.9;
- (g) a voting exclusion statement is included in Resolution 1 of this Notice; and
- (h) the Independent Expert's Report is included at Annexure A of the Notice.

## **2.5 Chapter 2E of the Corporations Act**

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The Directors (other than Mr White), consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Gardner Agreement as the Gardner Agreement is on the same or better terms as the Company would otherwise have entered into with non-related parties and as such the giving of the financial benefit is on arm's length terms.

This conclusion has been reached, inter alia, due to the Independent Expert in its Independent Expert's Report confirming that the Transaction is **fair and reasonable** to the non-associated Shareholders. Accordingly, the Company is not seeking Shareholder approval under Chapter 2E of the Corporations Act.

## **2.6 Technical Information required by Listing Rule 14.1A**

If the Essential Resolutions are passed, the Company will be able to proceed with the Transaction.

If any of the Essential Resolutions are not passed, Company will not be able to proceed with the Transaction.

## **2.7 Board Recommendation**

After carefully considering all aspects of the Gardner Agreement including the advantages and disadvantages referred to in Sections 1.6 and 1.7, the Independent Expert's Report and the alternatives available to the Company, each Director (other than Mr White) considers that the Transaction is in the best



interests of Shareholders. Accordingly, each Director (other than Mr White) recommends that the Shareholders vote in favour of Resolution 1.

The Directors are not aware of any other information other than as set out in this Notice of Meeting that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolution 1.

### 3. RESOLUTION 2 – APPROVAL TO ISSUE PERFORMANCE RIGHTS TO GARDNER

#### 3.1 General

Resolution 2 seeks Shareholder approval for the purposes of Listing Rule 10.11 for the issue of an aggregate of 400,000,000 Performance Rights to Gardner as follows:

Tranche	Performance Rights	Milestone
<b>Tranche 1</b>	\$250,000 worth of Performance Rights based on a deemed issue price of \$0.005 per Performance Right (50,000,000 Shares)	The Performance Rights will vest and become exercisable upon the delineation of a JORC Compliant Mineral Resource at the Tenements of at least the 'Inferred' category containing a minimum of 250,000 ounces of gold (AU) or Gold Equivalent at greater than 1g/pt gold or Gold Equivalent.
<b>Tranche 2</b>	\$500,000 worth of Performance Rights, based on a deemed issue price of \$0.005 per Performance Right (100,000,000 Shares)	The Performance Rights will vest and become exercisable upon the delineation of a JORC Compliant Mineral Resource at the Tenements of at least the 'Inferred' category containing a minimum of 500,000 ounces of gold (AU) or Gold Equivalent at greater than 1g/pt gold or Gold Equivalent.
<b>Tranche 3</b>	\$1,250,000 worth of Performance Rights, based on a deemed issue price of \$0.005 per Performance Right (250,000,000 Shares)	The Performance Rights will vest and become exercisable upon the delineation of a JORC Compliant Mineral Resource at the Tenements of at least the 'Inferred' category containing a minimum of 1,000,000 ounces of gold (AU) or Gold Equivalent at greater than 1g/pt gold or Gold Equivalent.

**Gold Equivalent** means, a gold equivalent JORC Compliant Mineral Resource of at least the 'Inferred' category, in respect of copper, silver and zinc (to the extent that they are economically recoverable at the Tenements).

Further information in relation to the Transaction and the issue of the Performance Rights is set out in Section 1.

### **3.2 Chapter 2E of the Corporations Act**

A summary of Chapter 2E of the Corporations Act is set out in Section 2.5 above.

The issue of the Performance Rights constitutes the giving of a financial benefit and Gardner is a related party of the Company by virtue of being an entity controlled by Director, Mr Darren White.

The Directors (other than Mr White who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Performance Rights because the Performance Rights will be issued to Gardner on the basis that the giving of the financial benefit has been negotiated on arm's length terms.

### **3.3 Listing Rule 10.11**

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

- 10.11.1 a related party;
- 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- 10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- 10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3;  
or
- 10.11.5 a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The issue of the Performance Rights falls within Listing Rule 10.11.4 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.

### **3.4 Technical information required by Listing Rule 14.1A**

If the Essential Resolutions are passed, the Company will be able to proceed with the issue of Performance Rights within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Performance Rights (because approval is being obtained under Listing Rule 10.11), the issue of the Performance Rights will not use up any of the Company's 15% annual placement capacity.

If any of the Essential Resolutions are not passed, the Company will not be able to proceed with the issue of the Performance Rights and the Company will not be able to proceed with the Transaction.

### 3.5 Technical Information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to Resolution 2:

- (a) the Performance Rights will be issued to Gardner (or its nominees), who falls within the category set out in Listing Rule 10.11.4 as Gardner is an entity controlled by Director, Mr Darren White;
- (b) the maximum number of Securities to be issued is 400,000,000 Performance Rights as set out in the table included at Section 3.1;
- (c) the number of Performance Rights to be issued to Gardner under the Transaction represents approximately 23.1% of the Company's diluted issued capital. At the date of this Notice, Gardner holds a 26.55% interest in the issued share capital of the Company on an undiluted basis, if all the Performance Rights were to vest and become convertible into Shares, then Gardner would hold a 42.81% interest in the issued share capital of the Company and dilute the interests of non-associated Shareholders in the Company from 73.45% to 57.19%;
- (d) the Shares issued on conversion of the Performance Rights will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) the Performance Rights will be issued on the terms and conditions set out in Schedule 2;
- (f) the Performance Rights will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is anticipated the Securities will be issued on the same date;
- (g) the Performance Rights will be issued at a nil issue price, in consideration for the Transaction. The Company will not receive any consideration for the issue of the Performance Rights;
- (h) the purpose of the issue of the Performance Rights is to satisfy the Company's obligations under the Gardner Agreement;
- (i) the Performance Rights are not intended to remunerate or incentivise Mr White or any other Director;
- (j) the Performance Rights are being issued under the Gardner Agreement, a summary of the material terms of which is set out in Section 1.4; and
- (k) a voting exclusion statement is included in Resolution 2 of the Notice.

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## 4. BACKGROUND TO RESOLUTIONS 3 TO 10

### 4.1 Placement

On 11 December 2023, the Company announced that, in connection with the Transaction, that it had received firm commitments for a placement of 250,000,000 Shares at an issue price of \$0.006 per Share to sophisticated, institutional and professional investors (**Investors**) to raise approximately \$1,500,000 (**Placement**).

The 250,000,000 Placement Shares comprise:

- (a) 211,000,000 Shares which were issued on 15 December 2023 to raise \$1,266,000, comprising:
  - (i) 109,412,534 Shares which were issued utilising the Company's placement capacity pursuant to ASX Listing Rule 7.1 (the subject of Resolution 3); and
  - (ii) 101,587,466 Shares which were issued utilising the Company's placement capacity pursuant to ASX Listing Rule 7.1A (the subject of Resolution 4), and
- (b) 39,000,000 Shares to raise \$234,000, which will be issued to Directors, as follows:
  - (i) Mr Darren White proposes to subscribe for \$200,000 under the Placement, comprising 33,333,334 Placement Shares (the subject of Resolution 6);
  - (ii) Mr Paul L'Herpinier proposes to subscribe for \$24,000 under the Placement, comprising 1,666,666 Placement Shares (the subject of Resolution 7); and
  - (iii) Mr Sonu Cheema proposes to subscribe for \$10,000 under the Placement, comprising 4,000,000 Placement Shares (the subject of Resolution 8).

The issue of the Placement Options to the Investors is subject to Shareholder approval pursuant to Resolution 5 (being an aggregate of 105,500,000 Options). The issue of the Placement Options to the Directors are subject to Shareholder approval pursuant to Resolutions 6 to 8 (being an aggregate of 19,500,000 Options).

## 4.2 Lead Manager

Canaccord Genuity (**Canaccord**) acted as lead manager to the Placement. Canaccord received a fee of 6% of the total funds raised under the Placement in consideration for lead manager services provided.

## 4.3 SPP

In addition to the Placement, the Company is undertaking a share purchase plan at the same price as the Placement of \$0.006 per Share to raise up to \$500,000 (83,333,333 Shares) (**SPP**).

In line with the Placement, eligible shareholders will one receive free attaching Option for every two Shares subscribed for and issued under the SPP (**SPP Options**), subject to Shareholder approval pursuant to Resolution 9 (41,666,666 SPP Options).

The SPP offer also includes a shortfall offer (**Shortfall Offer**), which is a conditional offer of up to 83,333,333 Shares (**Shortfall Shares**) and 41,666,666 free-attaching Options (**Shortfall Options**). In the event that less than \$500,000 is applied for under the SPP, the Directors may seek to place that number of Shares at an issue price of \$0.006 per Share constituting the shortfall from the SPP.

Resolution 10 seeks shareholder approval to issue the Shortfall Shares and Shortfall Options under the Shortfall Offer.

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## 5. RESOLUTIONS 3 AND 4 - RATIFICATION OF PRIOR ISSUE OF INVESTOR PLACEMENT SHARES

### 5.1 General

Resolutions 3 and 4 seek Shareholder ratification for the prior issue of 211,000,000 Placement Shares which were issued on 15 December 2023 to raise \$1,266,000, comprising:

- (a) 109,412,534 Shares which were issued utilising the Company's placement capacity pursuant to ASX Listing Rule 7.1 (the subject of Resolution 3); and
- (b) 101,587,466 Shares which were issued utilising the Company's placement capacity pursuant to the Company's 7.1A mandate which was approved by Shareholders at the annual general meeting held on 28 November 2023 (the subject of Resolution 4),

(together, the **Investor Placement Shares**).

Refer to Section 4.1 for further information with respect to the Placement.

The issue of the Investor Placement Shares did not breach Listing Rule 7.1 at the time of the issue.

### 5.2 Listing Rules 7.1 and 7.1A

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

Under Listing Rule 7.1A however, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%.

The Company obtained approval to increase its limit to 25% at the annual general meeting held on 28 November 2023.

The issue of the Investor Placement Shares does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 25% limit in Listing Rules 7.1 and 7.1A, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 and 7.1A for the 12 month period following the date of issue of the Tranche 1 Placement Shares.

### 5.3 Listing Rule 7.4

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Investor Placement Shares.

Resolutions 3 and 4 seek Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Tranche 1 Placement Shares.

#### **5.4 Technical information required by Listing Rule 14.1A**

If Resolutions 3 and 4 are passed, the Investor Placement Shares will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Tranche 1 Placement Shares.

If Resolutions 3 and 4 are not passed, the Investor Placement Shares will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Tranche 1 Placement Shares.

#### **5.5 Technical information required by Listing Rule 7.5**

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolutions 3 and 4:

- (a) the Investor Placement Shares were issued to the Investors, who are professional and sophisticated investors who are clients of Canaccord. The recipients were identified through a bookbuild process, which involved Canaccord seeking expressions of interest to participate in the capital raising from non-related parties of the Company;
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients were:
  - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
  - (ii) issued more than 1% of the issued capital of the Company;
- (c) 211,000,000 Investor Placement Shares which were issued on 15 December 2023, comprising:
  - (i) 109,412,534 Shares which were issued utilising the Company's placement capacity pursuant to ASX Listing Rule 7.1 (the subject of Resolution 3); and
  - (ii) 101,587,466 Shares which were issued utilising the Company's placement capacity pursuant to the Company's 7.1A mandate which was approved by Shareholders at the annual general meeting held on 28 November 2023 (the subject of Resolution 4),
- (d) the Investor Placement Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) the issue price was \$0.006 per Investor Placement Shares under both the issue of Shares pursuant to Listing Rule 7.1 and Listing Rule 7.1A. The Company has not and will not receive any other consideration for the issue of the Tranche 1 Placement Shares;

- (f) the purpose of the issue of the Investor Placement Shares was to raise \$1,266,000, which will be applied toward exploration activities, business development and work capital requirements; and
- (g) the Investor Placement Shares were not issued under an agreement.

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## **6. RESOLUTION 5 – APPROVAL TO ISSUE INVESTOR PLACEMENT OPTIONS**

### **6.1 General**

An overview of the Placement is set out above in Section 4.1. As part of the Placement, the Company offered participants the opportunity to subscribe for one (1) free attaching Option for every two (2) Shares subscribed for under the Placement.

Based on the number of Shares subscribed for and issued under the Placement to non-related party Investors, the Company is seeking approval to issue 105,500,000 Placement Options to those Investors who participated in the Placement and received Investor Placement Shares, under Resolution 5 (**Investor Placement Options**).

### **6.2 Listing Rule 7.1**

A summary of Listing Rule 7.1 is set out in Section 5.2 above.

The proposed issue of the Investor Placement Options does not fall within any of the exceptions set out in Listing Rule 7.2 and requires the approval of Shareholders under Listing Rule 7.1.

While the issue of the Investor Placement Options does not exceed the 15% limit in Listing Rule 7.1 and can therefore be made without breaching that rule, if Shareholders do not approve the issue of the Investor Placement Options the subject of Resolution 5, then Investors will not receive Investor Placement Options as part of the Placement.

### **6.3 Technical information required by Listing Rule 14.1A**

If Resolution 5 is passed, the Company will be able to proceed with the issue of the Investor Placement Options. In addition, the issue of the Investor Placement Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 5 is not passed, the Company will not be able to proceed with the issue of the Investor Placement Options and the Company may potentially consider alternate ways to incentivise the Investors.

### **6.4 Technical information required by Listing Rule 7.3**

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolutions 5:

- (a) the Investor Placement Options are proposed to be issued to the holders of the Investor Placement Shares, who are professional and sophisticated investors who are clients of Canaccord. The recipients were identified through a bookbuild process, which involved Canaccord seeking expressions of interest to participate in the Placement from non-related parties of the Company;

- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients of the Investor Placement Options will be:
  - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; or
  - (ii) issued more than 1% of the issued capital of the Company,
- (c) the maximum number of Investor Placement Options to be issued is 105,500,000.
- (d) the terms and conditions of the Investor Placement Options are set out in Schedule 3;
- (e) the Investor Placement Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules);
- (f) the issue price will be nil, as the Investor Placement Options are free attaching to the Investor Placement Shares. No funds will be raised from the issue of the Investor Placement Options (other than in respect of funds received on exercise of the Options);
- (g) the purpose of the issue of the Investor Placement Options is to incentivise participants in the Placement;
- (h) the Investor Placement Options are not being issued under an agreement; and
- (i) the Investor Placement Options are not being issued under, or to fund, a reverse takeover.

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## 7. RESOLUTIONS 6 TO 8 – APPROVAL FOR DIRECTOR PARTICIPATION IN THE PLACEMENT

### 7.1 General

The Directors wish to participate in the Placement on the same terms as unrelated Investors in the Placement (**Director Participation**), for an aggregate of up to 39,000,000 Placement Shares at an issue price of \$0.006 per Share, and 19,500,000 free attaching Placement Options (**Director Participation Securities**) as follows:

- (a) Mr Darren White proposes to subscribe for \$200,000 under the Placement, comprising 33,333,334 Placement Shares and will receive 16,666,667 Placement Options (the subject of Resolution 6);
- (b) Mr Paul L'Herpinierie proposes to subscribe for \$10,000 under the Placement, comprising 1,666,666 Placement Shares and will receive 833,333 Placement Options (the subject of Resolution 7); and
- (c) Mr Sonu Cheema proposes to subscribe for \$24,000 under the Placement, comprising 4,000,000 Placement Shares and will receive 2,000,000 Placement Options (the subject of Resolution 8).

Mr White, Mr L'Herpinierie and Mr Cheema are herein referred to as the **Related Parties**.



Should Resolutions 6 to 8 be passed, it is proposed that the Company will receive an aggregate of \$234,000 from the Director Participation to be applied towards exploration activities, business development and work capital requirements.

## **7.2 Chapter 2E of the Corporations Act**

A summary of Chapter 2E of the Corporations Act is set out in Section 2.5 above.

The issue of the Director Participation Securities to the Related Parties (or their nominee(s)) constitutes giving a financial benefit and each of the Related Parties are related parties of the Company by virtue of each being a director of the Company.

In respect of Resolution 6, the Directors (other than Mr White who has a material personal interest in Resolution 6) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of Resolution 6 because the Director Participation Securities will be issued on the same terms as the Placement Shares issued under the Placement to non-related party participants and as such, the giving of the financial benefit is on arm's length terms.

In respect of Resolution 7, the Directors (other than Mr L'Herpiniere who has a material personal interest in Resolution 7) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of Resolution 7 because the Director Participation Securities will be issued on the same terms as the Placement Shares issued under the Placement to non-related party participants and as such, the giving of the financial benefit is on arm's length terms.

In respect of Resolution 8, the Directors (other than Mr Cheema who has a material personal interest in Resolution 8) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of Resolution 8 because the Director Participation Securities will be issued on the same terms as the Placement Shares issued under the Placement to non-related party participants and as such, the giving of the financial benefit is on arm's length terms.

## **7.3 Director recommendation**

Each of the Related Parties has a material personal interest in the outcome of Resolutions 6 to 8 on the basis that each Director (or their respective nominees) would be permitted to participate in the Placement should Resolutions 6 to 8 be passed. For this reason, the Related Parties do not believe that it is appropriate to make a recommendation on Resolutions 6 to 8 of this Notice.

## **7.4 Listing Rule 10.11**

A summary of Listing Rule 10.11 is set out in Section 3.3 above.

The Director Participation falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.

Resolutions 6 to 8 seek the required Shareholder approval for the issue of the Director Participation Securities under and for the purposes of Listing Rule 10.11.

## **7.5 Technical information required by Listing Rule 14.1A**

If each of Resolutions 6 to 8 are passed, the Company will be able to proceed with the issue of the Director Participation Securities within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Director Participation Securities (because approval is being obtained under Listing Rule 10.11), the issue of the Director Participation Securities will not use up any of the Company's 15% annual placement capacity.

If any of Resolutions 6 to 8 are not passed, the Company will not be able to proceed with the issue of the Director Participation Securities and the \$234,000 that would be raised via the Director Participation under the Placement will not be raised.

Resolutions 6 to 8 seek approval for individual issues and are not dependent on one another.

## **7.6 Technical Information required by Listing Rule 10.13**

Pursuant to, and in accordance with Listing Rule 10.13, the following information is provided in relation to Resolutions 6 to 8:

- (a) the Director Participation Securities will be issued to the Related Parties (or their nominee(s)), who fall within the category set out in Listing Rule 10.11.1 as the Related Parties are related parties of the Company by virtue of each being a director of the Company;
- (b) the maximum number of Director Participation Securities to be issued is 39,000,000 Placement Shares at an issue price of \$0.006 per Share, and 19,500,000 free attaching Placement Options;
- (c) the Director Participation Securities will be issued to the Related Parties (or their nominees) in the proportions set out in Section 7.1;
- (d) the Placement Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) the Placement Options will be issued on the terms and conditions set out in Schedule 3;
- (f) the Director Participation Securities will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Director Participation Securities will occur on the same date;
- (g) the Company is proposing to issue an aggregate of 39,000,000 Placement Shares to raise \$234,000 (before costs) which the Company intends to be applied towards exploration activities, business development and work capital requirements. The issue price of the Placement Shares is the same issue price as all other Shares issued to other participants in the Placement. The Company will not receive any other consideration for the issue of the Placement Shares to the Related Parties;
- (h) the issue price will be nil, as the Placement Options are free attaching to the Placement Shares. No funds will be raised from the issue of the

Placement Options (other than in respect of funds received on exercise of the Options);

- (i) the Director Participation Securities to be issued under the Director Participation are not intended to remunerate or incentivise the Related Parties;
- (j) the relevant interests of the Related Parties in securities of the Company as at the date of this Notice are set out below:

Related Party	Shares	Options	Performance Shares
Darren White <sup>1</sup>	341,240,066	Nil	Nil
Paul L'Herpinier <sup>2</sup>	Nil	Nil	Nil
Sonu Cheema <sup>3</sup>	2,500,000	500,000	1,000,000

**Notes:**

- 1. Held directly.
- 2. Appointed on 11 October 2023.
- 3. Held directly.

- (k) If Resolutions 6 to 8 are approved by Shareholders, the relevant interests of the Related Parties in securities of the Company on completion of the issues contemplated by Resolutions 6 to 8 (assuming no other Shares are issued and no other Options, Performance Rights or Performance Shares are converted or exercised) will be as follows:

Related Party	Shares	Options	Performance Shares	% Undiluted	% Fully Diluted
Darren White	374,573,400	16,666,667	Nil	29.15%	30.44%
Paul L'Herpinier	1,666,666	833,333	Nil	0.13%	0.19%
Sonu Cheema	6,500,000	2,500,000	1,000,000	0.51%	0.78%

- (l) the Director Participation Securities are not being issued under an agreement; and
- (m) voting exclusion statements are included in Resolutions 6 to 8 of the Notice.

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## 8. RESOLUTION 9 – APPROVAL TO ISSUE SPP OPTIONS

### 8.1 General

Resolution 9 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of up to 41,666,666 SPP Options (being one Option for every two Shares subscribed for and issued pursuant to the SPP).

Refer to Section 4.3 for further information with respect to the SPP.

### 8.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is set out in Section 5.2 above.

The proposed issue of the SPP Options does not fall within any of the exceptions set out in Listing Rule 7.2 and requires the approval of Shareholders under Listing Rule 7.1.

While the issue does not exceed the 15% limit in Listing Rule 7.1 and can therefore be made without breaching that rule, if Shareholders do not approve the issue of the SPP Options the subject of Resolution 9, then participants in the SPP will not receive SPP Options as part of the SPP.

### **8.3 Technical information required by Listing Rule 14.1A**

If Resolution 9 is passed, the Company will be able to proceed with the issue of the SPP Options. In addition, the issue of the SPP Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 9 is not passed, the Company will not be able to proceed with the issue of the SPP Options and the Company may potentially consider alternate ways to incentivise the SPP participants.

### **8.4 Technical information required by Listing Rule 7.3**

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 9:

- (a) the SPP Options will be issued to eligible Shareholders who participate in the SPP (**SPP Participants**);
- (b) the SPP Options will be issued to SPP Participants on the basis of one Option for every two Shares subscribed for and issued under the SPP. The Company anticipates that up to 41,666,666 SPP Options will be issued assuming full subscription under the SPP;
- (c) the terms and conditions of the SPP Options are set out in Schedule 3;
- (d) Company confirms that none of the SPP Participants will be:
  - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
  - (ii) issued more than 1% of the issued capital of the Company;
- (e) the SPP Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that the issue of the SPP Options will occur on the same date;
- (f) the issue price will be nil per SPP Option as the Options will be issued free attaching to the Shares issued under the SPP;
- (g) the purpose of the issue of the issue of the SPP Option is to incentivise SPP Participants;
- (h) the SPP Options are not being issued under an agreement; and
- (i) the SPP Options are not being issued under, or to fund, a reverse takeover.

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## **9. RESOLUTION 10 – APPROVAL TO ISSUE SHORTFALL SHARES AND SHORTFALL OPTIONS**

### **9.1 General**

Resolution 10 seeks Shareholder approval for the Shortfall Shares and Shortfall Options. Any portion of the SPP that is not taken up by eligible Shareholders will form part of a Shortfall Offer. As such, the definitive number of Shortfall Shares and Shortfall Options issued under this Resolution will be determined once the SPP has completed.

Refer to Section 4.3 for further information with respect to the SPP.

### **9.2 Listing Rule 7.1**

A summary of Listing Rule 7.1 is set out in Section 5.2 above.

The proposed issue of the Shortfall Shares and Shortfall Options does not fit within any of the exceptions set out in Listing Rule 7.2.

In terms of the Shortfall Shares, while the issue does not exceed the 15% limit in Listing Rule 7.1 and can therefore be made without breaching that rule, the Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder approval pursuant to Listing Rule 7.1 so that it does not use up any of its 15% placement capacity under Listing Rule 7.1.

In terms of the Shortfall Options, while the issue does not exceed the 15% limit in Listing Rule 7.1 and can therefore be made without breaching that rule, if Shareholders do not approve the issue of the Shortfall Options the subject of Resolution 9, then participants in the SPP will not receive free attaching Options as part of the Shortfall Offer.

### **9.3 Technical information required by Listing Rule 14.1A**

If Resolution 10 is passed, the Company will be able to proceed with the issue of the Shortfall Shares and Shortfall Options. In addition, the issue of the Shortfall Shares and Shortfall Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 10 is not passed:

- (a) the issue of the Shortfall Shares can still proceed but it will reduce, to that extent, the Company's capacity to issue equity securities without Shareholder approval under Listing Rule 7.1 for 12 months following the issue; and
- (b) the issue of the Shortfall Options will not proceed and the Company may potentially consider alternate ways to incentivise the Shortfall Participants.

### **9.4 Technical information required by Listing Rule 7.1**

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 10:

- (a) the Shortfall Shares and Shortfall Options will be issued to participants in the Shortfall Offer (**Shortfall Participants**). The allocation of Shortfall Shares and Shortfall Options under the Shortfall Offer will be determined by the Board at their discretion, and may be influenced by the following factors:
  - (i) the number of Shares applied for by participants under the SPP;
  - (ii) the overall level of demand under the SPP and Shortfall Offer;
  - (iii) the likelihood that participants will be long-term Shareholders;
  - (iv) the Company's desire to establish a wide spread of investors, including institutional investors; and
  - (v) any other factors that the Company consider appropriate,
- (b) in accordance with paragraph 7.2 of ASX Guidance Note 21, the Company confirms that none of the Shortfall Participants will be:
  - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
  - (ii) issued more than 1% of the issued capital of the Company;
- (c) the maximum number of Shortfall Shares to be issued is 83,333,333 and the maximum number of Shortfall Options to be issued is 41,666,666;
- (d) the Shortfall Shares will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) the Shortfall Options will be issued to Shortfall Participants on the basis of one Option for every two Shares subscribed for and issued under the Shortfall Offer. The Company anticipates that up to 41,666,666 Shortfall Options will be issued assuming full subscription under the Shortfall Offer;
- (f) the Shortfall Shares and Shortfall Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules);
- (g) the terms and conditions of the Shortfall Options are set out in Schedule 3. The Company will not receive any other consideration for the issue of Shortfall Options (other than on exercise of the Shortfall Options);
- (h) the issue price of the Shortfall Shares will be \$0.006 per Share. The Company will not receive any other consideration for the issue of Shortfall Shares;
- (i) the purpose of the issue of Shortfall Shares and Shortfall Options is to incentive Shortfall participants and ensure the Company can raise the full \$500,000 under the SPP. The Company intends to apply the funds raised from the SPP towards exploration activities, business development and work capital requirements;
- (j) the Shortfall Shares and Shortfall Options are not being issued under an agreement; and

- (k) the Shortfall Shares and Shortfall Options are not being issued under, or to fund, a reverse takeover.

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## **10. RESOLUTION 11 – ISSUE OF INCENTIVE OPTIONS TO DIRECTOR – PAUL L'HERPINIERE**

### **10.1 General**

The Company has agreed, subject to obtaining Shareholder approval to issue 10,000,000 Options to Mr Paul L'herpinierie (or his nominee) pursuant to the Company's Employee Securities Incentive Plan (**Incentive Plan**) and on the terms and conditions set out below (**Incentive Options**).

### **10.2 Chapter 2E of the Corporations Act**

A summary of Chapter 2E of the Corporations Act is set out in Section 2.5 above.

The issue of the Incentive Options to Mr Paul L'herpinierie (or his nominee) constitutes giving a financial benefit and Mr Paul L'herpinierie is a related party of the Company by virtue of being a Director.

The Directors (other than Mr Paul L'herpinierie) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of Incentive Options, because the agreement to issue the Incentive Options, reached as part of the remuneration package for Mr Paul L'herpinierie, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

### **10.3 Listing Rule 10.14**

Listing Rule 10.14 provides that an entity must not permit any of the following persons to acquire equity securities under an employee incentive scheme without the approval of the holders of its ordinary securities:

- 10.14.1 a director of the entity;
- 10.14.2 an associate of a director of the entity; or
- 10.14.3 a person whose relationship with the entity or a person referred to in Listing Rules 10.14.1 to 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by security holders.

The issue of Incentive Options to Mr L'herpinie falls within Listing Rule 10.14.1 and therefore requires the approval of Shareholders under Listing Rule 10.14.

Resolution 11 seeks the required Shareholder approval for the issue of the Incentive Options under and for the purposes of Listing Rule 10.14.

### **10.4 Technical information required by Listing Rule 14.1A**

If Resolution 11 is passed, the Company will be able to proceed with the issue of the Incentive Options to Mr L'herpinie under the Incentive Plan within three years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Incentive Options (because approval is being obtained under Listing Rule 10.14), the issue of the Incentive Options will not use up any of the Company's 15% annual placement capacity.

If Resolution 11 is not passed, the Company will not be able to proceed with the issue of the Incentive Options to Mr L'herpinie under the Incentive Plan and the Company may have to consider other ways to incentivise Mr L'herpinie, which may be less cost effective for the Company.

## 10.5 Technical information required by Listing Rule 10.15

Pursuant to and in accordance with the requirements of Listing Rule 10.15, the following information is provided in relation to Resolution 11:

- (a) the Incentive Options will be issued to Mr L'herpinie (or his nominee), who falls within the category set out in Listing Rule 10.14.1 by virtue of Mr L'herpinie being a Director;
- (b) the maximum number of Incentive Options to be issued is 10,000,000;
- (c) the current total remuneration package for Mr L'herpinie is \$40,000 (inclusive of GST), comprising of directors' fees. If the Incentive Options are issued, the total remuneration package of Mr L'herpinie will increase by \$34,128 to \$74,128, being the value of the Incentive Options (based on the Black Scholes methodology);
- (d) no Securities have previously been issued to Mr L'herpinie for nil cash consideration under the Incentive Plan;
- (e) a summary of the material terms and conditions of the Incentive Options is set out in Schedule 4;
- (f) the Incentive Options are unquoted Options. The Company has chosen to issue Incentive Options to Mr L'herpinie for the following reasons:
  - (i) the Incentive Options are unquoted, therefore, the issue of the Incentive Options has no immediate dilutionary impact on Shareholders;
  - (ii) the issue of Incentive Options to Mr L'herpinie will align the interests of Mr L'herpinie with those of Shareholders;
  - (iii) the issue of the Incentive Options is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to Mr L'herpinie;
  - (iv) because of the deferred taxation benefit which is available to Mr L'herpinie in respect of an issue of Options. This is also beneficial to the Company as it means Mr L'herpinie is not required to immediately sell the Incentive Options to fund a tax liability (as would be the case in an issue of Shares where the tax liability arises upon issue of the Shares) and will instead, continue to hold an interest in the Company; and
  - (v) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Incentive Options on the terms proposed;



- (g) the Company values the Incentive Options at \$34,128 (being \$0.003 per Incentive Option) based on the Black-Scholes methodology;
- (h) the Incentive Options will be issued to Mr L'herpinie (or his nominee) no later than 3 years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules) and it is anticipated the Incentive Options will be issued on one date;
- (i) the issue price of the Incentive Options will be nil, as such no funds will be raised from the issue of the Incentive Options (other than in respect of funds received on exercise of the Incentive Options );
- (j) a summary of the material terms and conditions of the Incentive Plan is set out in Schedule 5;
- (k) no loan is being made to Mr L'herpinie in connection with the acquisition of the Incentive Options;
- (l) details of any Securities issued under the Incentive Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14; and
- (m) any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of Options under the Incentive Plan after Resolution 11 is approved and who were not named in this Notice will not participate until approval is obtained under Listing Rule 10.14.

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## GLOSSARY

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**\$** means Australian dollars.

**Ashburton CGP** means the Ashburton Copper-Gold Project.

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

**ASX** means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

**Board** means the current board of directors of the Company.

**Business Day** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

**Canaccord** means Canaccord Genuity.

**Chair** means the chair of the Meeting.

**Company** means Austin Metals Limited (ACN 130 933 309).

**Completion** has the meaning given to it in Section 1.4.

**Conditions Precedent** has the meaning given to it in Section 1.4.

**Constitution** means the Company's constitution.

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

**Director Participation** has the meaning given to it in Section 7.1.

**Director Participation Securities** has the meaning given to it in Section 7.1.

**Directors** means the current directors of the Company.

**Earn-In Agreement** has the meaning given to it in Section 1.1.

**Earn-in Tenements** means exploration licences 08/2938 and 08/2994 and prospecting licence 08/699.

**Essential Resolutions** has the meaning given to it in Section 1.5.

**Exclusive Right** has the meaning given to it in Section 1.3.

**Expenditure Obligation** has the meaning given to it in Section 1.3.

**Explanatory Statement** means the explanatory statement accompanying the Notice.

**Exploration Licences** means E08/2997, E08/3104, E08/3120, E08/3121, E08/3222 and E08/3273. .

**Gardner Agreement** has the meaning given to it in Section 1.1.

**Gardner** means Gardner Mining Pty Ltd (ACN 130 634 785).

**General Meeting** or **Meeting** means the meeting convened by the Notice.

**Gold Equivalent** means, a gold equivalent JORC Compliant Mineral Resource of at least the 'Inferred' category, in respect of copper, silver and zinc (to the extent that they are economically recoverable at the Tenements).

**Independent Expert** means RSM Australia Pty Ltd.

**Investor Placement Options** has the meaning given to it in Section 6.1.

**Investor Placement Shares** has the meaning given to it in Section 5.1.

**Investors** has the meaning given to it in Section 4.1.

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

**Notice** or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

**Option** means an option to acquire a Share.

**Optionholder** means a holder of an Option.

**Owner** means Mr John Harvey Firth.

**Performance Rights** means the right to acquire a Share, on the terms set out in Schedule 2.

**Placement** has the meaning given to it in Section 4.1.

**Placement Options** has the meaning given to it in Section 4.1.

**Proxy Form** means the proxy form accompanying the Notice.

**Related Parties** has the meaning given to it in Section 7.1.

**Resolutions** means the resolutions set out in the Notice, or any one of them, as the context requires.

**Section** means a section of the Explanatory Statement.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a registered holder of a Share.

**Shortfall Offer** has the meaning given to it in Section 4.3.

**Shortfall Options** has the meaning given to it in Section 4.3.

**Shortfall Participants** has the meaning given to it in Section 1.1.1(a).

**Shortfall Shares** has the meaning given to it in Section 4.3.

**SPP** has the meaning given to it in Section 4.3.

**SPP Options** has the meaning given to it in Section 4.3.

**SPP Participants** has the meaning given to it in Section 1.1.1(a).

**Tenements** mean the Earn-In Tenements and the Exploration Licences.

**Transaction** has the meaning given to it in Section 1.1.

**WST** means Western Standard Time as observed in Perth, Western Australia.

## SCHEDULE 1 – ASHBURTON CGP INFORMATION

The Ashburton Project comprises eight granted exploration tenements and one granted prospecting license covering ~510 km<sup>2</sup> and is located on Ashburton Downs Station, ~75 km SW of Paraburdoo (Figure 1) in the Pilbara Region of Western Australia. It is easily accessed via a series of station tracks from the Ashburton Downs Station Road.

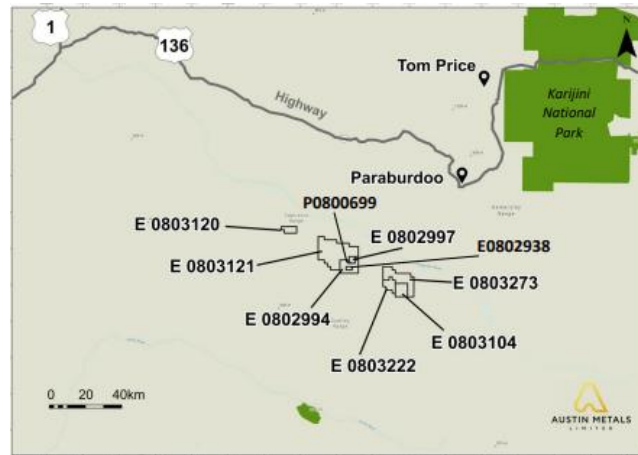


Figure 1: Location Map and Tenure of the Ashburton CGP

### Project Geology

The project area is underlain by Proterozoic sedimentary rocks of the Ashburton Basin, a WNW to ESE trending basin of folded sediments that includes siltstone, sandstone, shale and carbonate units within the project area. Throughout the Ashburton Basin, abundant Gold and Base Metal occurrences, including the Mt Olympus Gold Deposits located ~100kms to the west, are spatially associated with major WNW to ESE-trending fault and fold structures (Figure 2). Several of these regional mineralisation-controlling fault structures traverse the project area, with multiple faults converging in the south of the project near the major lithospheric domain boundary with the Edmund Basin to the south.

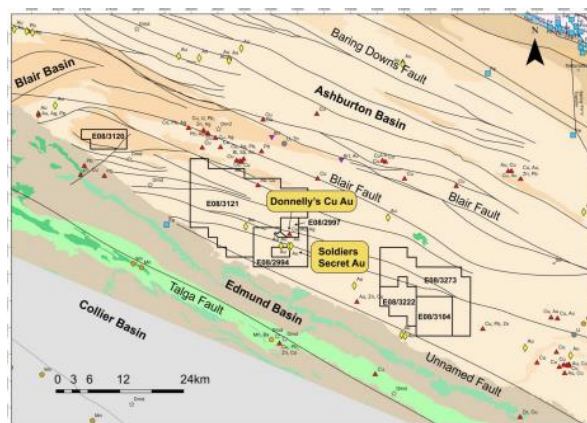


Figure 2: Geological Map of the Ashburton CGP

### Mineralisation

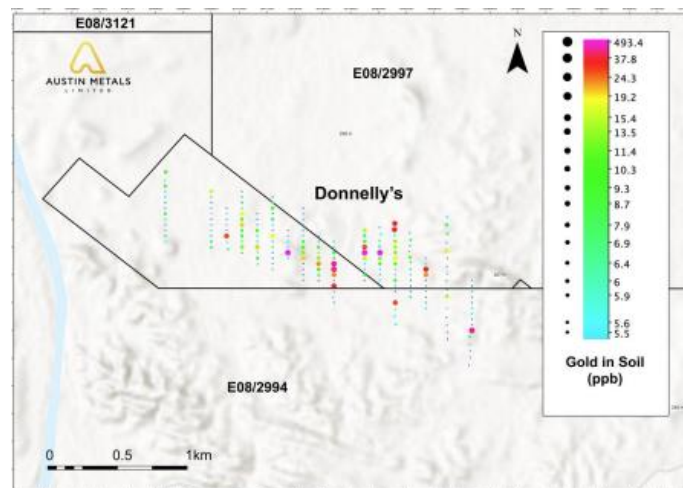
Recent geochemical (soil and rock-chip) sampling has identified extensive outcropping Copper-Gold mineralisation along ~1.2km of strike at the Donnelly's Prospect, located in the south of the project area (Figures 3 and 4).

Rock chip sampling, involving the collection of 19 samples from along the length of the prospect area, returned results of up to 14.7% Copper, with an average of 5.7% Copper and 1.9g/t Gold from the 19 samples (Figure 4).

Shallow costeans (trenches) were subsequently excavated across the identified ~1.2km long target area at Donnelly's to gain an understanding of the geometry, controls, and tenor of mineralisation. The costeans returned excellent results, including intersections of;

- (a) 12m @ 12.5g/t Au and 1.7% Cu in Costean 12 (costean ended in mineralisation)
- (b) 13m @ 4.1% Cu and 0.3g/t Au in Costean 13 (costean ended in mineralisation)
- (c) 10m @ 2.1g/t Au and 0.4% Cu in Costean 6.

The costeans revealed that the mineralisation is associated with steeply-dipping, NE and NW trending shear zones which cut across the folded metasedimentary host-rocks. The shear zones are characterised by strong sericite alteration with abundant ~0.1 to 10cm-wide orogenic quartz and quartz-carbonate stockwork veins. Copper oxide mineralisation, in the form of Malachite and Chrysocolla, is concentrated in lenses between veins in the shear zones and is also present as disseminated mineralisation in adjacent wall-rock.



**Figure 3: Soil Sampling Results at the Donnelly's Prospect**

**Table 2 Costean Collar Summary**

Costean ID	Datum	UTM	Easting (Start)	Northing (Start)	Azimuth	Length (m)
2	GDA94	50S	508365	7391829	002	3
3	GDA94	50S	508331	7391830	358	6
4	GDA94	50S	508149	7391917	036	1
5	GDA94	50S	508060	7391965	024	8
6	GDA94	50S	508045	7391972	017	11
7	GDA94	50S	507988	7391991	017	3
8	GDA94	50S	507940	7391994	033	4
9	GDA94	50S	507914	7391993	357	6
10	GDA94	50S	507827	7392012	070	4
11	GDA94	50S	507669	7392074	027	1
12	GDA94	50S	507444	7392094	343	54
13	GDA94	50S	507357	7392134	043	12
14	GDA94	50S	507283	7392169	055	9
15	GDA94	50S	507198	7392254	070	9
16	GDA94	50S	507176	7392272	035	3

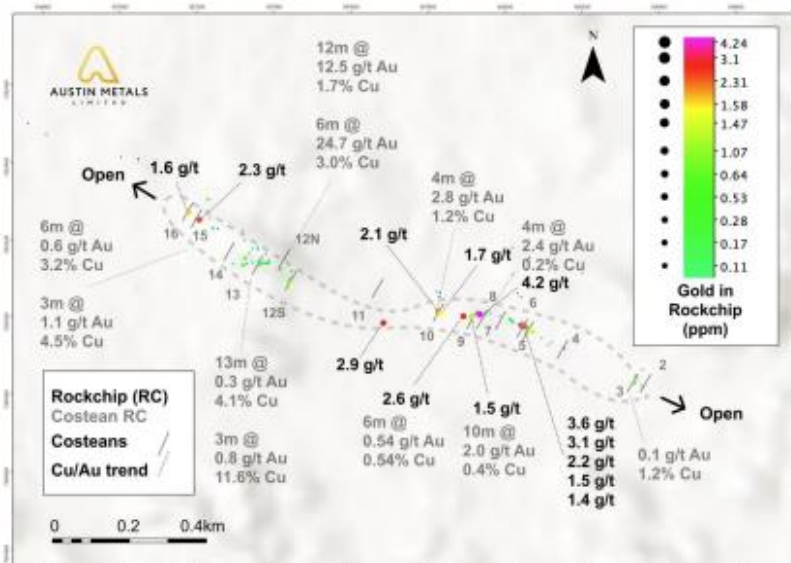
**Table 1 Rock Chip Sampling Results**

Sample Lithology	Sample ID	DATUM	UTM	Easting	Northing	Ag ppm	Au ppm	Bi ppm	Cu %	Sb ppm
Gossan	AR33	GDA94	50	507,684	7,391,985	0.77	2.85	6512.27	2.81	30.05
Siltstone	AR44	GDA94	50	507,826	7,392,015	X	2.05	8.65	8.55	12.37
Siltstone	AR46	GDA94	50	507,892	7,392,002	0.36	2.61	102.42	1.54	31.77
Siltstone	COP03	GDA94	50	508,049	7,391,977	0.14	3.10	55.03	4.20	8.52
Siltstone	DOCU003	GDA94	50	508,055	7,391,978	0.06	1.47	3.82	2.02	7.97
Siltstone	DOCU004	GDA94	50	507,914	7,392,002	0.10	1.53	8.32	1.49	27.30
Siltstone	DOCU009	GDA94	50	507,206	7,392,251	2.98	2.31	112.00	11.60	10.85
Siltstone	DOCU010	GDA94	50	507,178	7,392,270	1.08	1.58	4360.00	9.69	66.60
Siltstone	GCU01	GDA94	50	507,912	7,392,000	0.12	1.25	5.77	0.83	37.20
Siltstone	GCU02	GDA94	50	507,934	7,392,007	0.28	4.24	638.25	0.35	91.01
Siltstone	GCU09	GDA94	50	508,044	7,391,979	0.35	3.64	16.68	11.01	14.17
Siltstone	GCU11	GDA94	50	508,072	7,391,961	X	1.39	148.44	0.51	15.71
Siltstone	GCU14	GDA94	50	508,048	7,391,978	0.12	2.24	9.58	0.35	16.80
Malachite	DOCU005	GDA94	50	507,833	7,392,010	0.07	1.47	14.00	3.64	14.40
Siltstone	AR68	GDA94	50	507,320	7,392,134	1.43	0.18	230.94	5.03	248.47
Siltstone	AR44	GDA94	50	507,826	7,392,015	X	2.05	8.65	8.55	12.37
Malachite	DOCU007	GDA94	50	507,365	7,392,138	0.67	0.53	101.00	9.08	987.00
Malachite	DOCU001	GDA94	50	508,336	7,391,831	1.66	0.62	1570.00	11.80	247.00
Malachite	DOCU006	GDA94	50	507,438	7,392,090	1.52	0.64	2200.00	14.70	107.00

**Table 3 Summary of Costean Sampling Results**

Costean ID	From	To	Thickness	Au g/t	Cu %
2		No Significant Result			
3	3	4	1	0.1	1.2
4		No Significant Result			
5	3	7	4	0.3	0.1
6	1	11	10	2.1	0.4
7	1	3	2	0.5	0.1
8	0	4	4	2.4	0.2
9	0	6	6	0.5	0.5
10	0	4	4	2.8	1.2
11		No Significant Result			
12	42	54	12	12.5	1.7
13	0	13	13	0.3	4.1
14		No Significant Result			
15	3	9	6	0.6	3.2
16	0	2	2	0.1	0.6

**Figure 4: Costean and Rock Chip Sampling Results at the Donnelly's Prospect**



### **Next Steps of the Ashburton Project**

The following work programs are currently underway to assist with target generation and the planning of a maiden drilling program:

- Detailed mapping and geochemical sampling at the Donnelly's Prospect
- Reconnaissance mapping and geochemical sampling of the broader project area
- Review of geophysics and remote sensing datasets

Results of the above work programs are expected to be received over the next ~4 – 6 weeks.



## SCHEDULE 2 – TERMS OF PERFORMANCE RIGHTS

The terms and conditions of the Performance Rights are as follows:

(a) **Milestones**

The Performance Rights will vest in three tranches as follows:

Tranche	Performance Rights	Milestone
<b>Tranche 1</b>	\$250,000 worth of Performance Rights based on an issue price of \$0.005 per Performance Right (50,000,000 Shares)	The Performance Rights will vest and become exercisable upon the delineation of a JORC Compliant Mineral Resource at the Tenements of at least the 'Inferred' category containing a minimum of 250,000 ounces of gold (AU) or Gold Equivalent at greater than 1g/pt gold or Gold Equivalent.
<b>Tranche 2</b>	\$500,000 worth of Performance Rights, based on an issue price of \$0.005 per Performance Right (100,000,000 Shares)	The Performance Rights will vest and become exercisable upon the delineation of a JORC Compliant Mineral Resource at the Tenements of at least the 'Inferred' category containing a minimum of 500,000 ounces of gold (AU) or Gold Equivalent at greater than 1g/pt gold or Gold Equivalent.
<b>Tranche 3</b>	\$1,250,000 worth of Performance Rights, based on an issue price of \$0.005 per Performance Right (250,000,000 Shares)	The Performance Rights will vest and become exercisable upon the delineation of a JORC Compliant Mineral Resource at the Tenements of at least the 'Inferred' category containing a minimum of 1,000,000 ounces of gold (AU) or Gold Equivalent at greater than 1g/pt gold or Gold Equivalent.

**Gold Equivalent** means, a gold equivalent JORC Compliant Mineral Resource of at least the 'Inferred' category, in respect of copper, silver and zinc (to the extent that they are economically recoverable at the Tenements).

(b) **Notification to holder**

The Company shall notify the holder in writing when the relevant Milestone has been satisfied.

(c) **Conversion**

Subject to paragraph (o), upon vesting, each Performance Right will, at the election of the holder, convert into one Share.

(d) **Expiry Date**

Each Performance Right shall otherwise expire on or before the date that is 5 years from the date of issue ("**Expiry Date**"). If the relevant Milestone attached to the

Performance Right has been achieved by the Expiry Date, all unconverted Performance Rights of the relevant tranche will automatically lapse at that time.

(e) **Consideration**

The Performance Rights will be issued for nil consideration and no consideration will be payable upon the conversion of the Performance Rights into Shares.

(f) **Share ranking**

All Shares issued upon the vesting of Performance Rights will upon issue rank pari passu in all respects with other existing Shares.

(g) **Application to ASX**

The Performance Rights will not be quoted on ASX. The Company must apply for the official quotation of a Share issued on conversion of a Performance Right on ASX within the time period required by the ASX Listing Rules.

(h) **Timing of issue of Shares on conversion**

Within 5 business days after the date that the Performance Rights are converted, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Performance Rights converted;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the Official List of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the conversion of the Performance Rights.

If a notice delivered under paragraph (h)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 business days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(i) **Transfer of Performance Rights**

The Performance Rights are not transferable.

(j) **Participation in new issues**

A Performance Right does not entitle a holder (in their capacity as a holder of a Performance Right) to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues without exercising the Performance Right.

(k) **Reorganisation of capital**

If at any time the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a holder will be changed in a manner consistent with the applicable ASX Listing Rules and the Corporations Act at the time of reorganisation.

(l) **Adjustment for bonus issues of Shares**

If the Company makes a bonus issue of Shares or other securities to the Company's existing shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the number of Shares or other securities which must be issued on the conversion of a Performance Right will be increased by the number of Shares or other securities which the holder would have received if the holder had converted the Performance Right before the record date for the bonus issue.

(m) **Dividend and voting rights**

The Performance Rights do not confer on the holder an entitlement to vote (except as otherwise required by law) or receive dividends.

(n) **Change in control**

Subject to paragraph (o), upon:

- (i) a bona fide takeover bid under Chapter 6 of the Corporations Act having been made in respect of the Company and:
  - (A) having received acceptances for not less than 50.1% of the Company's Shares on issue; and
  - (B) having been declared unconditional by the bidder; or
- (ii) a Court granting orders approving a compromise or arrangement for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies; or
- (iii) in any other case, a person obtains Voting Power (as defined in the Corporations Act) in the Company that the Board (which for the avoidance of doubt will comprise those Directors immediately prior to the person acquiring that Voting Power) determines, acting in good faith and in accordance with their fiduciary duties, is sufficient to control the composition of the Board,

then, to the extent Performance Rights have not converted into Shares due to satisfaction of the relevant Milestone convert into Shares on a one-for-one basis.

(o) **Deferral of conversion if resulting in a prohibited acquisition of Shares**

If the conversion of a Performance Right under paragraphs (c) or (n) would result in any person being in contravention of section 606(1) of the *Corporations Act 2001 (Cth)* (**General Prohibition**) then the conversion of that Performance Right shall be deferred until such later time or times that the conversion would not result

in a contravention of the General Prohibition. In assessing whether a conversion of a Performance Right would result in a contravention of the General Prohibition:

- (i) holders may give written notification to the Company if they consider that the conversion of a Performance Right may result in the contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Performance Right will not result in any person being in contravention of the General Prohibition; and
- (ii) the Company may (but is not obliged to) by written notice to a holder request a holder to provide the written notice referred to in paragraph (o)(i) within 7 days if the Company considers that the conversion of a Performance Right may result in a contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Performance Right will not result in any person being in contravention of the General Prohibition.

(p) **No rights to return of capital**

A Performance Right does not entitle the holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

(q) **Rights on winding up**

A Performance Right does not entitle the holder to participate in the surplus profits or assets of the Company upon winding up.

(r) **ASX Listing Rule compliance**

The Board reserves the right to amend any term of the Performance Rights to ensure compliance with the ASX Listing Rules.

(s) **No other rights**

A Performance Right gives the holder no rights other than those expressly provided by these terms and conditions and those provided at law where such rights at law cannot be excluded by these terms.

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## SCHEDULE 3 – TERMS OF SPP AND PLACEMENT OPTIONS

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The terms and conditions of the SPP Options and Placement Options are as follows:

(a) **Entitlement**

Each Option entitles the holder to subscribe for Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.012 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00pm (WST) on or before 31 December 2026 (**Expiry Date**). An Option not exercised before the respective Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within five Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company

must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

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## SCHEDULE 4 – TERMS OF INCENTIVE OPTIONS

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The terms and conditions of the Incentive Options are as follows:

(a) **Entitlement**

Each Option entitles the holder to subscribe for Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.012 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00pm (WST) on the date that is three (3) years from the date of issue (**Expiry Date**). An Option not exercised before the respective Expiry Date will automatically lapse on the Expiry Date.

(d) **Vesting**

5,000,000 Options will vest after 12 months continuous service to the Company. A further 5,000,000 Options will vest after 24 months continuous service to the Company.

(e) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(f) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(g) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(h) **Timing of issue of Shares on exercise**

Within five Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(i) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(j) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(k) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(l) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(m) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.



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## SCHEDULE 5 – TERMS OF INCENTIVE PLAN

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A summary of the material terms of the Company's Employee Securities Incentive Plan (**Plan**) is set out below.

<b>Eligible Participant</b>	<b>Eligible Participant</b> means a person that is a 'primary participant' (as that term is defined in Division 1A of Part 7.12 of the Corporations Act) in relation to the Company or an Associated Body Corporate (as defined in the Corporations Act) and has been determined by the Board to be eligible to participate in the Plan from time to time.
<b>Purpose</b>	The purpose of the Plan is to: <ul style="list-style-type: none"><li>(a) assist in the reward, retention and motivation of Eligible Participants;</li><li>(b) link the reward of Eligible Participants to Shareholder value creation; and</li><li>(c) align the interests of Eligible Participants with shareholders of the Group (being the Company and each of its Associated Bodies Corporate), by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Options, Performance Rights and Shares (<b>Securities</b>).</li></ul>
<b>Plan administration</b>	The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its sole and absolute discretion (except to the extent that it prevents the Participant relying on the deferred tax concessions under Subdivision 83A-C of the <i>Income Tax Assessment Act 1997</i> (Cth)). The Board may delegate its powers and discretion.
<b>Eligibility, invitation and application</b>	<p>The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an invitation to that Eligible Participant to apply for any (or any combination of) the Securities provided under the Plan on such terms and conditions as the Board decides.</p> <p>On receipt of an invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part.</p> <p>If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.</p>
<b>Grant of Securities</b>	The Company will, to the extent that it has accepted a duly completed application, grant the Participant the relevant number and type of Securities, subject to the terms and conditions set out in the invitation, the Plan rules and any ancillary documentation required.
<b>Rights attaching to Convertible Securities</b>	<p>A <b>Convertible Security</b> represents a right to acquire one or more Plan Shares in accordance with the Plan (for example, an Option or a Performance Right).</p> <p>Prior to a Convertible Security being exercised, the holder:</p> <ul style="list-style-type: none"><li>(a) does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security other than as expressly set out in the Plan;</li></ul>

	<p>(b) is not entitled to receive notice of, vote at or attend a meeting of the shareholders of the Company;</p> <p>(c) is not entitled to receive any dividends declared by the Company; and</p> <p>(d) is not entitled to participate in any new issue of Shares (see Adjustment of Convertible Securities section below).</p>
<p><b>Vesting of Convertible Securities</b></p>	<p>Any vesting conditions which must be satisfied before Convertible Securities can be exercised and converted to Shares will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant Convertible Securities have vested. Unless and until the vesting notice is issued by the Company, the Convertible Securities will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to a Convertible Security are not satisfied and/or otherwise waived by the Board, that Convertible Security will lapse.</p>
<p><b>Exercise of Convertible Securities and cashless exercise</b></p>	<p>To exercise a Convertible Security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise of Convertible Securities (see next paragraph below), pay the exercise price (if any) to or as directed by the Company, at any time following vesting of the Convertible Security (if subject to vesting conditions) and prior to the expiry date as set out in the invitation or vesting notice.</p> <p>An invitation may specify that at the time of exercise of the Convertible Securities, the Participant may elect not to be required to provide payment of the exercise price for the number of Convertible Securities specified in a notice of exercise, but that on exercise of those Convertible Securities the Company will transfer or issue to the Participant that number of Shares equal in value to the positive difference between the Market Value of the Shares at the time of exercise and the exercise price that would otherwise be payable to exercise those Convertible Securities.</p> <p><b>Market Value</b> means, at any given date, the volume weighted average price per Share traded on the ASX over the 5 trading days immediately preceding that given date, unless otherwise specified in an invitation.</p> <p>A Convertible Security may not be exercised unless and until that Convertible Security has vested in accordance with the Plan rules, or such earlier date as set out in the Plan rules.</p>
<p><b>Timing of issue of Shares and quotation of Shares on exercise</b></p>	<p>As soon as practicable after the valid exercise of a Convertible Security by a Participant, the Company will issue or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under the Plan rules and issue a substitute certificate for any remaining unexercised Convertible Securities held by that Participant.</p>
<p><b>Restrictions on dealing with Convertible Securities</b></p>	<p>A holder may not sell, assign, transfer, grant a security interest over or otherwise deal with a Convertible Security that has been granted to them unless otherwise determined by the Board. A holder must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.</p> <p>However, in Special Circumstances as defined under the Plan (including in the case of death or total or permanent disability of the Participant) a Participant may deal with Convertible Securities granted to them under the Plan with the consent of the Board.</p>

<b>Listing of Convertible Securities</b>	A Convertible Security granted under the Plan will not be quoted on the ASX or any other recognised exchange. The Board reserves the right in its absolute discretion to apply for quotation of an Option granted under the Plan on the ASX or any other recognised exchange.
<b>Forfeiture of Convertible Securities</b>	<p>Convertible Securities will be forfeited in the following circumstances:</p> <ul style="list-style-type: none"> <li>(a) where a Participant who holds Convertible Securities ceases to be an Eligible Participant (e.g. is no longer employed or their office or engagement is discontinued with the Group), all unvested Convertible Securities will automatically be forfeited by the Participant;</li> <li>(b) where a Participant acts fraudulently or dishonestly, negligently, in contravention of any Group policy or wilfully breaches their duties to the Group;</li> <li>(c) where there is a failure to satisfy the vesting conditions in accordance with the Plan;</li> <li>(d) on the date the Participant becomes insolvent; or</li> <li>(e) on the Expiry Date.</li> </ul>
<b>Change of control</b>	If a change of control event occurs, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the holder's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the holder to participate in and/or benefit from any transaction arising from or in connection with the change of control event.
<b>Adjustment of Convertible Securities</b>	<p>If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.</p> <p>If Shares are issued by the Company by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Convertible Securities is entitled, upon exercise of the Convertible Securities, to receive an issue of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Convertible Securities are exercised.</p> <p>Unless otherwise determined by the Board, a holder of Convertible Securities does not have the right to participate in a pro rata issue of Shares made by the Company or sell renounceable rights.</p>
<b>Plan Shares</b>	<p>The Board may, from time to time, make an invitation to an Eligible Participant to acquire Plan Shares under the Plan. The Board will determine in its sole absolute discretion the acquisition price (if any) for each Plan Share which may be nil. The Plan Shares may be subject to performance hurdles and/or vesting conditions as determined by the Board.</p> <p>Where Plan Shares granted to a Participant are subject to performance hurdles and/or vesting conditions, the Participant's Plan Shares will be subject to certain restrictions until the applicable performance hurdles and/or vesting conditions (if any) have been satisfied, waived by the Board or are deemed to have been satisfied under the Rules.</p>

<b>Rights attaching to Plan Shares</b>	All Shares issued or transferred under the Plan or issued or transferred to a Participant upon the valid exercise of a Convertible Security, ( <b>Plan Shares</b> ) will rank equally in all respects with the Shares of the same class for the time being on issue except for any rights attaching to the Shares by reference to a record date prior to the date of the allotment or transfer of the Plan Shares. A Participant will be entitled to any dividends declared and distributed by the Company on the Plan Shares and may participate in any dividend reinvestment plan operated by the Company in respect of Plan Shares. A Participant may exercise any voting rights attaching to Plan Shares.
<b>Disposal restrictions on Plan Shares</b>	<p>If the invitation provides that any Plan Shares are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.</p> <p>For so long as a Plan Share is subject to any disposal restrictions under the Plan, the Participant will not:</p> <ul style="list-style-type: none"> <li>(a) transfer, encumber or otherwise dispose of, or have a security interest granted over that Plan Share; or</li> <li>(b) take any action or permit another person to take any action to remove or circumvent the disposal restrictions without the express written consent of the Company.</li> </ul>
<b>General Restrictions on Transfer of Plan Shares</b>	<p>If the Company is required but is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, Plan Shares issued under the Plan (including on exercise of Convertible Securities) may not be traded until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Act.</p> <p>Restrictions are imposed by Applicable Law on dealing in Shares by persons who possess material information likely to affect the value of the Shares and which is not generally available. These laws may restrict the acquisition or disposal of Shares by you during the time the holder has such information.</p> <p>Any Plan Shares issued to a holder under the Plan (including upon exercise of Convertible Securities) shall be subject to the terms of the Company's Securities Trading Policy.</p>
<b>Buy-Back</b>	Subject to applicable law, the Company may at any time buy-back Securities in accordance with the terms of the Plan.
<b>Employee Share Trust</b>	The Board may in its sole and absolute discretion use an employee share trust or other mechanism for the purposes of holding Convertible Securities for holders under the Plan and delivering Shares on behalf of holders upon exercise of Convertible Securities.
<b>Maximum number of Securities</b>	The Company will not make an invitation under the Plan which involves monetary consideration if the number of Plan Shares that may be issued, or acquired upon exercise of Convertible Securities offered under an invitation, when aggregated with the number of Shares issued or that may be issued as a result of all invitations under the Plan during the 3 year period ending on the day of the invitation, will exceed 5% of the total number of issued Shares at the date of the invitation (unless the Constitution specifies a different percentage and subject to any limits approved by Shareholders under Listing Rule 7.2 Exception 13(b))

<b>Amendment of Plan</b>	<p>Subject to the following paragraph, the Board may at any time amend any provisions of the Plan rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect.</p> <p>No amendment to any provision of the Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.</p>
<b>Plan duration</b>	<p>The Plan continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely and may end any suspension. If the Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.</p> <p>If a Participant and the Company (acting by the Board) agree in writing that some or all of the Securities granted to that Participant are to be cancelled on a specified date or on the occurrence of a particular event, then those Securities may be cancelled in the manner agreed between the Company and the Participant.</p>
<b>Income Tax Assessment Act</b>	<p>The Plan is a plan to which Subdivision 83A-C of the <i>Income Tax Assessment Act 1997</i> (Cth) applies (subject to the conditions in that Act) except to the extent an invitation provides otherwise.</p>

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**SCHEDULE 6 – VALUATION OF OPTIONS TO BE ISSUED TO DIRECTOR, PAUL L'HERPINIE**

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The Options to be issued to the Related Party pursuant to Resolution 11 have been valued by internal management.

Using the Black & Scholes option model and based on the assumptions set out below, the Options were ascribed the following value:

<b>Assumptions:</b>	
Valuation date	23/02/2024
Market price of Shares	\$0.0050
Exercise price	\$0.0120 cents
Expiry date (length of time from issue)	3 years from issue
Risk free interest rate	3.73%
Volatility (discount)	140.70%
<b>Indicative value per Related Party Option</b>	<b>\$0.0034</b>
<b>Total Value of Options</b>	<b>\$34,128</b>

**Note:** The valuation noted above is not necessarily the market price that the Options could be traded at and is not automatically the market price for taxation purposes

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**ANNEXURE A – INDEPENDENT EXPERT’S REPORT**

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*See attachment.*



# AUSTIN METALS LIMITED

Financial Services Guide and Independent Expert's Report

March 2024

We consider the Proposed Transaction to be Fair and Reasonable to Non-Associated Shareholders

THE POWER OF BEING UNDERSTOOD  
AUDIT | TAX | CONSULTING





# FINANCIAL SERVICES GUIDE

11 March 2024

RSM Corporate Australia Pty Ltd ABN 82 050 508 024 (“RSM” or “we” or “us” or “ours” as appropriate) has been engaged to issue general financial product advice in the form of a report to be provided to you.

In the above circumstances we are required to issue to you, as a retail client, a Financial Services Guide (“FSG”). This FSG is designed to help retail clients make a decision as to their use of the general financial product advice and to ensure that we comply with our obligations as financial services licensees.

This FSG includes information about:

- who we are and how we can be contacted;
- the financial services that we will be providing you under our Australian Financial Services Licence (“AFSL”), Licence No 255847;
- remuneration that we and/or our staff and any associates receive in connection with the financial services that we will be providing to you;
- any relevant associations or relationships we have; and
- our complaints handling procedures and how you may access them.

## Financial services we will provide

For the purposes of our report and this FSG, the financial service we will be providing to you is the provision of general financial product advice in relation to securities.

We provide financial product advice by virtue of an engagement to issue a report in connection with a financial product of another person. Our report will include a description of the circumstances of our engagement and identify the person who has engaged us. You will not have engaged us directly but will be provided with a copy of the report as a retail client because of your connection to the matters in respect of which we have been engaged to report.

Any report we produce is provided on our own behalf as a financial services licensee authorised to provide the financial product advice contained in the report.

## General financial product advice

In our report we provide general financial product advice, not personal financial product advice, because it has been prepared without taking into account your personal objectives, financial situation or needs.

You should consider the appropriateness of this general advice having regard to your own objectives, financial situation and needs before you act on the advice. Where the advice relates to the acquisition or possible acquisition of a financial product, you should also obtain a product disclosure statement relating to the product and consider that statement before making any decision about whether to acquire the product.

## Benefits that we may receive

We charge various fees for providing different financial services. However, in respect of the financial service being provided to you by us, fees will be agreed, and paid by, the person who engages us to provide the report and such fees will be agreed on either a fixed fee or time cost basis. You will not pay to us any fees for our services; Austin Metals Limited will pay our fees. These fees are disclosed in the Report.

Except for the fees referred to above, neither RSM Corporate Australia Pty Ltd, nor any of its directors, employees or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of the report.

## Remuneration or other benefits received by our employees

All our employees receive a salary.

## Referrals

We do not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licensed to provide.

## Associations and relationships

RSM Corporate Australia Pty Ltd is beneficially owned by the partners of RSM Australia, a large national firm of chartered accountants and business advisors. Our directors are partners of RSM Australia Partners.

From time to time, RSM Corporate Australia Pty Ltd, RSM Australia Partners, RSM Australia and/or RSM Australia related entities may provide professional services, including audit, tax and financial advisory services, to financial product issuers in the ordinary course of its business.

## Complaints resolution

### Internal complaints resolution process

As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial product advice. All complaints should be directed to The Complaints Officer, RSM Corporate Australia Pty Ltd, PO Box R1253, Perth, WA, 6844.

If we receive a written complaint, we will record the complaint, acknowledge receipt of the complaint within 15 days and investigate the issues raised. As soon as practical, and not more than 45 days after receiving the written complaint, we will advise the complainant in writing of our determination. If a complaint is received in advance of a shareholder meeting or other key date where shareholders or investors may be making decisions which are influenced by our report, we will make all reasonable efforts to respond to complaints prior to that date.

### Referral to external dispute resolution scheme

A complainant not satisfied with the outcome of the above process, or our determination, has the right to refer the matter to the Australian Financial Complaints Authority ("AFCA"). AFCA is an independent dispute resolution scheme that has been established to provide free advice and assistance to consumers to help in resolving complaints relating to the financial services industry.

Further details about AFCA are available at the AFCA website [www.afca.org.au](http://www.afca.org.au). You may contact AFCA directly by email, telephone or in writing at the address set out below.

Australian Financial Complaints Authority  
GPO Box 3  
Melbourne VIC 3001  
Toll Free: 1800 931 678  
Email: [info@afca.org.au](mailto:info@afca.org.au)

Time limits may apply to make a complaint to AFCA, so you should act promptly or consult the AFCA website to determine if or when the time limit relevant to your circumstances expires.

## Contact details

You may contact us using the details set out at the top of our letterhead on page 4 of this report.

# INDEPENDENT EXPERT'S REPORT

11 March 2024

The Directors  
Austin Metals Limited  
Suite 9, 330 Churchill Avenue  
Subiaco WA 6008

Dear Directors,

## Introduction

This Independent Expert's Report (the "Report" or "IER") has been prepared to accompany the Notice of General Meeting and Explanatory Statement ("Notice") to be provided to shareholders for a General Meeting of Austin Metals Limited ("Austin Metals" or "AYT" or "the Company") to be held on or around 5 April 2024, at which shareholder approval will be sought for (among other things) the acquisition of the Ashburton Copper-Gold Project ("Ashburton CGP") from Gardner Mining Pty Ltd ("Gardner") (the "Proposed Transaction").

On 11 December 2023, Austin Metals announced that it had signed a binding agreement with Gardner to acquire the Ashburton CGP in Western Australia comprising 8 exploration licences and 1 prospecting licence ("the Proposed Transaction") with a cash payment and performance rights issued as consideration ("Consideration").

Austin Metals and Gardner executed a binding heads of agreement ("HOA") on 19 February 2024 on materially the same terms to the agreement entered into on 11 December 2023, to correct a technical defect and properly document the Proposed Transaction.

The Company is seeking shareholder approval for the Proposed Transaction for the purposes of ASX Listing Rule 10.1 on the basis that Gardner is a substantial shareholder of Austin Metals and is controlled by Mr Darren White, a Director of Austin Metals, and the Ashburton CGP is considered to be a substantial asset.

The Directors of the Company have requested that RSM Corporate Australia Pty Ltd ("RSM"), being independent and qualified for the purpose, express an opinion as to whether the Proposed Transaction is fair and reasonable to shareholders not associated with the Proposed Transaction ("Non-Associated Shareholders").

The approval of the Proposed Transaction is included as Resolution 1 in the Notice and approval of the issue of the performance rights as partial consideration is included as Resolution 2. Resolutions 1 and 2 are Essential Resolutions, meaning they both need to be passed by shareholders for the Proposed Transaction to complete. The resolutions are summarised below:

## THE POWER OF BEING UNDERSTOOD AUDIT | TAX | CONSULTING

RSM Corporate Australia Pty Ltd is beneficially owned by the Directors of RSM Australia Pty Ltd. RSM Australia Pty Ltd is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

## Resolution 1

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

*“That, subject to and conditional upon the passing of the Essential Resolutions, for the purpose of ASX Listing Rule 10.1 and for all other purposes, approval is given for the Company to complete the Transaction, on the terms and conditions set out in the Explanatory Statement.”*

## Resolution 2

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

*“That, subject to and conditional upon the passing of the Essential Resolutions, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 400,000,000 Performance Rights to Gardner (or its nominee) on the terms and conditions set out in the Explanatory Statement.”*

When considering the Proposed Transaction, we have included any impact the Essential Resolutions will have on fairness and reasonableness. We have considered all Essential Resolutions, conditions and revised terms as part of the Proposed Transaction because, without them, the Proposed Transaction cannot complete.

The ultimate decision whether to approve the Proposed Transaction should be based on each Non-Associated Shareholder’s assessment of their circumstances, including their risk profile, liquidity preference, tax position and expectations as to value and future market conditions. If in doubt as to the action they should take with regard to the Proposed Transaction, or the matters dealt with in this Report, Non-Associated Shareholders should seek independent professional advice.

## Opinion

In our opinion, and for the reasons set out in Sections 7 and 8 of this Report, the Proposed Transaction is **fair and reasonable** to the Non-Associated Shareholders of Austin Metals.

## Approach

ASX Listing Rule 10.1 states that an entity must ensure that neither it, nor any of its child entities, acquires a substantial asset from, or disposes of a substantial asset to, a related party or relevant substantial shareholder or any of its associates without the approval of holders of the entity’s ordinary securities.

An asset is considered substantial “if its value; or the value of the consideration being paid or received by the entity for it is, or in the ASX’s opinion is, 5% or more of the equity interests of the entity as set out in the latest accounts given to the ASX”.

ASX Listing Rule 10.5.10 sets out the requirement for the inclusion of an independent expert’s report opining on whether the transaction is fair and reasonable.

RG 111.57 states that a proposed related party transaction is “fair” if the value of the financial benefit to be provided by the entity to the related party is equal to or less than the value of the consideration being provided to the entity. Accordingly, we have considered whether or not the Proposed Transaction is “fair” to the Non-Associated Shareholders by assessing and comparing:

- the value of the Ashburton CGP; with
- the value of the cash being paid and Performance Rights being issued by Austin Metals to Gardner as consideration (the “Consideration”).

We have also considered whether the Proposed Transaction is “reasonable” to the Non-Associated Shareholders by undertaking an analysis of the other factors relating to the Proposed Transaction which are likely to be relevant to the Non-Associated Shareholders in their decision as to whether or not to approve the Proposed Transaction.

Further information on the approach we have employed in assessing whether the Proposed Transaction is “fair” and “reasonable” is set out at Section 2 of this Report.

## Fairness opinion

Our assessed values of the Ashburton CGP and the Consideration are summarised in the table below.

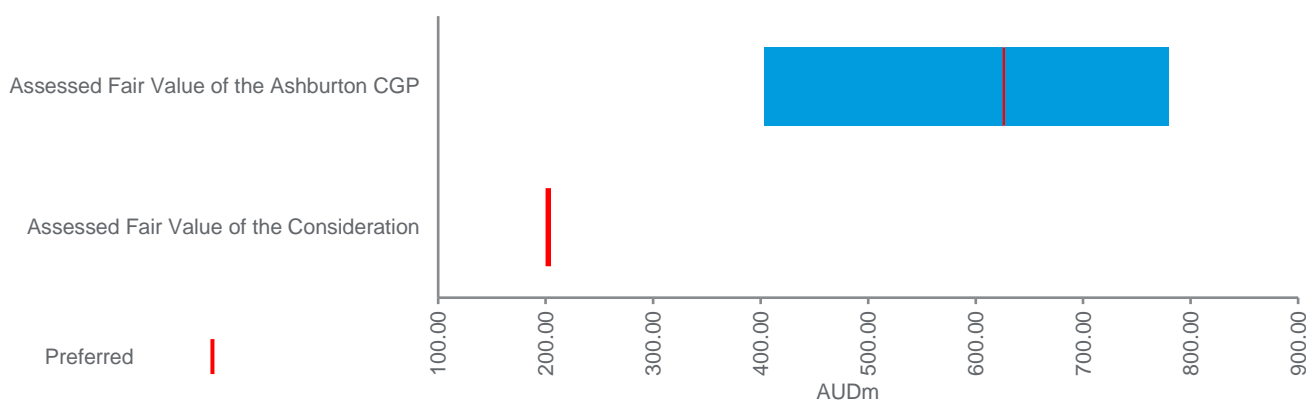
**Table 1 Assessment of fairness**

Assessment of fairness	Ref	Value per Share (\$'000)		
		Low	Preferred	High
Assessed Fair Value of the Ashburton CGP	Section 6	403	625	780
Assessed Fair Value of the Consideration	Section 7	200	200	200

Source: RSM analysis

We have summarised the values included in the table above in the chart below.

**Figure 1 Fairness graphical representation**



Source: RSM analysis

The chart above indicates that the value of the Consideration is below the range of assessed values of the Ashburton CGP. We note that the range of values for the Ashburton CGP is wide. RG 111 states that when a significant range of values exists, an expert should prominently explain in its expert report what factors create this uncertainty. Shareholders are advised to read the independent specialist report attached at Appendix G. It is not uncommon to have a wide range of values for early stage exploration assets due to the uncertainty around successful exploration. In order to reduce the uncertainty of a wide range of values, the independent specialist has included a preferred value in its report. We have placed greater reliance on the preferred value for the purposes of our assessment of fairness.

In our opinion, as the assessed fair value range of the Ashburton CGP is higher than the assessed fair value of the Consideration, we consider the Proposed Transaction to be **fair** to Non-Associated Shareholders.

In our assessment of fairness we have only considered the cash component of Consideration payable to Gardner. In addition to the cash component, Gardner will be issued with 400,000,000 Performance Rights. However these Rights will only vest and be convertible into ordinary shares in Austin Metals upon achievement of operational milestones at the Ashburton CGP, namely the declaration of a JORC Compliant Mineral Resource. As such circumstances are not possible to predict, and the associated value accretion of the Project is uncertain, we have not attributed a value to the Rights but have considered the terms in the context of comparable projects to assess the commercial fairness. Our approach and conclusions are set out in Sections 7 and 8 of this Report.

## Reasonableness opinion

RG11 establishes that an offer is reasonable if it is fair. It might also be reasonable if, despite not being fair, there are sufficient reasons for security holders to approve the Proposed Transaction. As such, we have also considered the following factors in relation to the reasonableness aspects of the Proposed Transaction:

- the future prospects of the Company if the Proposed Transaction does not proceed;
- Gardner's pre-existing shareholding in Austin Metals;
- Alternatives to the Proposed Transaction;
- Trading in Austin Metals' shares following announcement of the Proposed Transaction; and
- Any other commercial advantages and disadvantages to the Non-Associated Shareholders as a consequence of the Proposed Transaction proceeding.

## Future prospects of Austin Metals if the Proposed Transaction does not proceed

If the Proposed Transaction does not proceed the Company will continue to progress exploration on its existing projects in WA and NSW.

## Gardner's pre-existing shareholding in Austin Metals

Gardner has a relevant interest in 341,240,066 Austin Metals shares, representing an interest in the Company of 26.55%. If all of the Performance Rights to be issued to Gardner were to vest and be exercised, Gardner would hold a 42.81% interest in the Company and dilute the interests of Non-Associated Shareholders in the Company from 73.45% to 57.19%.

## Alternative proposals

We are not aware of any alternative proposals which may provide greater benefit to Non-Associated Shareholders at this time.

## Trading in Austin Metals shares following the announcement of the Proposed Transaction

The Proposed Transaction was announced on 11 December 2023, with the AYT share price closing at \$0.009. The share price dropped to \$0.007 the following trading day, and has continued to fall, reaching \$0.005 on 19 February 2024. This may indicate some negative market sentiment with respect to the Proposed Transaction although we note that the share price had spiked in early December 2023.

## Advantages and disadvantages

In assessing whether the Non-Associated Shareholders are likely to be better off if the Proposed Transaction proceeds, than if it does not, we have also considered various advantages and disadvantages that are likely to accrue to the Non-Associated Shareholders.

Advantage	Details
The Proposed Transaction is fair	The Proposed Transaction is fair to the Non-Associated Shareholders.
Strategic benefit	The Proposed Transaction involves the acquisition of exploration ground which the directors believe has the potential to generate value for shareholders. Non-Associated Shareholders will have an opportunity to participate in any potential upside of the Ashburton CGP.
Diversification of Company's portfolio	The Proposed Transaction will enable the Company to diversify its portfolio beyond its existing Austin Gold Project.
Performance Rights align interests of Gardner and Shareholders	The Performance Rights will align the interests of Gardner with other Shareholders. Should the project be successful, both Non-Associated Shareholders and Gardner will be able to participate in any value accretion. Non-Associated Shareholders would benefit from any uplift in the AYT share

	price resulting from gold resources being defined at the Tenements and the Performance Rights would vest. Should the project not be successful, Shareholder interests will not be diluted.
Deemed issue price of Performance Rights on commercial terms	As outlined in Section 7, we consider the deemed issue price of the Performance Rights to be reasonable to Non-Associated Shareholders, as it implies that the amount being paid by Austin Metals to Gardner for the delineation of gold resources is less than what would be paid on market.
Escrow on Performance Rights	The Performance Rights will be subject to a twelve-month ASX escrow period.
Cash reserves preserved to consider exploration activities in the short to medium term	The issue of Performance Rights as the only upfront consideration preserves cash for the Company to spend on exploration activities, including on its existing Austin Gold Project.
No change to investment profile	Acquisition of the Ashburton CGP furthers the Company's interests in gold and base metals, therefore investors would not see any change to their investment profile.

Disadvantage	Details
Dilutionary impact	Non-Associated Shareholders currently have an aggregate interest in 73.5% of the Company on an undiluted basis. The issue of performance rights could result in the potential dilution of the interests of Non-Associated Shareholders to 57.2% should they fully vest.
Significant influence of Gardner	Gardner currently holds a relevant interest in Austin Metals of 26.6% and is therefore a significant shareholder with the ability to block Special Resolutions. If all the Performance Rights vest, Gardner could hold an interest of 42.8% on a fully diluted basis which would increase its influence over the strategic direction and voting decisions of the Company; although not a majority position it could give Gardner effective control.

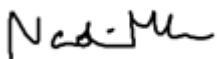
In our opinion, the position of the Non-Associated Shareholders if the Proposed Transaction is approved is more advantageous than if the Proposed Transaction is not approved. Therefore, in the absence of any other relevant information and/or a superior proposal, we consider that the Proposed Transaction is **reasonable** to Non-Associated Shareholders.

## General

This Report represents general financial product advice only and has been prepared without taking into consideration the individual circumstances of the Non-Associated Shareholders. The ultimate decision whether to approve the Proposed Transaction should be based on Non-Associated Shareholders' assessment of their circumstances, including their risk profile, liquidity preference, tax position and expectations as to value and future market conditions. Non-Associated Shareholders who are in doubt as to the action they should take with regard to the Proposed Transaction and/or the matters dealt with in this Report, should seek independent professional advice. This summary should be considered in conjunction with the detail contained in the following sections of this Report.

Yours faithfully,

**RSM CORPORATE AUSTRALIA PTY LTD**



**Nadine Marke**  
Director



**Justin Audcent**  
Director

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## 1. Summary of the Proposed Transaction

### Overview

On 11 December 2023, Austin Metals announced that it had signed a binding agreement with Gardner Mining to acquire the Ashburton CGP. On 19 February 2024, the Company and Gardner entered into a binding HOA on materially the same terms to the agreement entered into on 11 December 2023, to correct a technical defect and properly document the Proposed Transaction.

Under the terms of the Proposed Transaction, Austin Metals will:

- acquire a 100% interest in exploration licences E08/2997, E08/3104, E08/3120, E08/3121, E08/3222 and E08/3273 from Gardner (the “Exploration Tenements”); and
- be assigned Gardner’s exclusive right under an existing earn-in agreement (“Earn-In Agreement”) with John Harvey Firth to earn up to a 90% interest in exploration licences 08/2938 and 08/2994 and prospecting license 08/699 (the “Earn-In Tenements”)

(together, the “Tenements”). The Tenements comprise the Ashburton CGP.

In consideration for the Proposed Transaction, Austin Metals is proposing to:

- pay Gardner a cash payment of \$200,000 as reimbursement for expenditures incurred in developing the Tenements; and
- issue to Gardner (or its nominee) subject to shareholder approval:
  - \$250,000 worth of performance rights to acquire Austin Metals shares (being 50,000,000 performance rights), based on a deemed issue price of \$0.005 per performance right. The performance rights will vest and become exercisable upon the delineation of a JORC Compliant Mineral Resource at the Tenements of at least the ‘Inferred’ category containing a minimum of 250,000 ounces of gold or gold equivalent at greater than 1g/pt gold or gold equivalent;
  - \$500,000 worth of performance rights (being 100,000,000 performance rights), based on a deemed issue price of \$0.005 per performance right. The performance rights will vest and become exercisable upon the delineation of a JORC Compliant Mineral Resource at the Tenements of at least the ‘Inferred’ category containing a minimum of 500,000 ounces of gold or gold equivalent at greater than 1g/pt gold or gold equivalent;
  - \$1,250,000 worth of performance rights (being 250,000,000 performance rights), based on a deemed issue price of \$0.005 per performance right. The performance rights will vest and become exercisable upon the delineation of a JORC Compliant Mineral Resource at the Tenements of at least the ‘Inferred’ category containing a minimum of 1,000,000 ounces of gold or gold equivalent at greater than 1g/pt gold or gold equivalent,

together, the “Performance Rights” total 400,000,000 and all expire five years from issue date.

### Key Agreements

We summarise the key agreements underpinning the Proposed Transaction below.

#### Earn-In Agreement

On 29 July 2022, Gardner entered into a tribute and joint venture agreement (“Earn-In Agreement”) with John Harvey Firth under which Mr Firth granted Gardner the exclusive right to earn up to a 90% interest in the Earn-In Tenements (“Exclusive Right”).

The key terms of the Earn-In Agreement (as executed on 29 July 2022 and varied on 12 May 2023) are as follows:

- To earn the Exclusive Right, Gardner must satisfy certain work and expenditure obligations within a three-year period. In particular, it must incur exploration expenditure on the Earn-In Tenements to the value of \$100,000.
- Mr Firth will retain prospecting rights including access to the Tenements.
- If Gardner earns a 90% interest in the Earn-In Tenements, Gardner and Mr Firth will form an unincorporated joint venture for the exploration and development of mineral deposits on the Earn-In Tenements, and if warranted, production from the Earn-In Tenements (“Joint Venture”).
- The Joint Venture interests of the parties will be:
  - Gardner - 90%
  - John Harvey Firth - 10%

### Deed of Assignment

On 10 December 2023, Austin Metals and Gardner entered into a deed of assignment and assumption (“Deed of Assignment”) under which Gardner agreed to assign its exclusive right to earn up to a 90% interest in the Earn-In Tenements under the Earn-In Agreement to Austin Metals for the Consideration.

### Heads of Agreement

On 19 February 2024, Austin Metals entered into a binding HOA to fully document the Proposed Transaction. The HOA takes precedence over all prior correspondence, agreements, or understandings between Gardner and Austin Metals regarding the assignment of the Exclusive Right under the Earn-In Agreement and the acquisition of the Exploration Tenements, including the Deed of Assignment.

Under the HOA, Austin Metals (or its 100% owned nominee) and Gardner agree that:

- a) Gardner will sell, and Austin will acquire, 100% of Gardner’s rights, title and interest in:
  - i. the Exploration Tenements;
  - ii. all associated technical information in the possession or control of Gardner relating to the Exploration Tenements; and
  - iii. statutory licences, approvals, consents, authorisations, rights or permits relating to the Exploration Tenements issued by the Department of Mines, Industry Regulation and Safety in Western Australia or other similar government department or agency, insofar as they may be transferred by Gardner,(together, “the Sale Assets”); and
- b) Gardner will assign, and Austin Metals will assume, 100% of Gardner’s rights, title, interest and obligations under the Earn-In Agreement, including the right to acquire up to a 90% interest in the Earn-In Tenements, for the Consideration.

**Table 2 Tenements detailed in the Heads of Agreement**

Type	Grant Date	Expiry Date	Holder
<b>Exploration Tenements</b>			
E 08/2997	22 August 2019	21 August 2024	Mr John Harvey Firth
E 08/3104	11 March 2020	10 March 2025	Mr John Harvey Firth
E 08/3120	15 October 2021	14 October 2026	Mr John Harvey Firth
E 08/3121	15 October 2021	14 October 2026	Mr John Harvey Firth
E 08/3222	17 November 2021	16 November 2026	Mr John Harvey Firth
E 08/3273	18 November 2021	17 November 2026	Mr John Harvey Firth
<b>Earn-In Tenements</b>			
E 08/2938	5 July 2018	4 July 2028	Gardner
E 08/2994	18 October 2019	17 October 2028	Gardner
P 08/699	19 July 2018	18 July 2026	Gardner

Source: Heads of Agreement

The Consideration is a combination of cash and performance rights as outlined earlier in this section.

The Performance Rights will be subject to a twelve-month ASX escrow period from the date of issue.

### Key conditions of the Proposed Transaction

Settlement of the Proposed Transaction (Settlement) is subject to and conditional upon a number of conditions precedent, including:

- Completion of due diligence by Austin Metals on the Tenements and Gardner, to the absolute satisfaction of Austin Metals;
- All necessary consents and approvals from government agencies necessary for the transfer of Gardner's interest in the Tenements being obtained, including, if required, consent of the minister under Mining Act 1978 (WA); and
- Austin Metals and Gardner obtaining all necessary legal, shareholder and regulatory approvals, including shareholder approval for the Proposed Transaction for the purposes of Listing Rule 10.1.

### Rationale for the Proposed Transaction

The directors of Austin Metals would like to proceed with the Proposed Transaction to allow the Company to acquire an interest in the Ashburton CGP with the intention to integrate the Ashburton CGP into the Company's current portfolio. The directors believe this would have potential to generate value for shareholders.

### Impact of the Proposed Transaction on Austin Metals' capital structure

The table below sets out a summary of the capital structure of Austin Metals prior to and post the Proposed Transaction.

The number of Performance Rights to be issued to Gardner under the Proposed Transaction represents approximately 23.1% of Austin Metals' diluted issued capital. At the date of this Report, Gardner holds a 26.6% interest in the issued share capital of Austin Metals. If all the Performance Rights were to vest then Gardner would hold a 42.8% interest.

**Table 3 Share structure of Austin Metals prior to and post the Proposed Transaction**

	Prior to Proposed Transaction		Post Proposed Transaction	
<b>Shares on issue</b>				
Non-Associated Shareholders <sup>1</sup>	943,951,283	73.5%	943,951,283	73.5%
Gardner	341,240,066	26.6%	341,240,066	26.6%
<b>Total undiluted shares on issue</b>	<b>1,285,191,349</b>	<b>100.0%</b>	<b>1,285,191,349</b>	<b>100.0%</b>
<b>Options and Performance Shares:</b>				
Options on issue <sup>2</sup>	37,908,363	81.7%	37,908,363	8.5%
Performance Shares	8,500,000	18.3%	8,500,000	1.9%
Performance Rights	-	0.0%	400,000,000	89.6%
<b>Total Options, Performance Shares and Performance Rights</b>	<b>46,408,363</b>	<b>100.0%</b>	<b>446,408,363</b>	<b>100.0%</b>
<b>Fully Diluted Position:</b>				
Non-Associated Shareholders	990,359,646	74.4%	990,359,646	57.2%
Gardner ( <i>assuming all performance rights vest</i> )	341,240,066	25.6%	741,240,066	42.8%
<b>Total diluted shares on issue</b>	<b>1,331,599,712</b>	<b>100.0%</b>	<b>1,731,599,712</b>	<b>100.0%</b>

Source: Company Estimates

Notes:

1. Inclusive of 58,316,694 ordinary fully paid AYT shares issued as part of the share purchase plan completed on 29 January 2024.
2. Inclusive of 29,158,363 options issued as part of the share purchase plan completed on 29 January 2024.

## 2. Scope of the Report

### ASX Listing Rules

ASX Listing Rule 10.1 states that an entity must ensure that neither it, nor any of its child entities, acquires a substantial asset from, or disposes of a substantial asset to, a substantial shareholder, a related party or any of its associates without the approval of holders of the entity's ordinary securities.

An asset is considered substantial "if its value; or the value of the consideration being paid or received by the entity for it is, or in the ASX's opinion is 5% or more of the equity interest of the entity as set out in the latest financial statements given to the ASX".

In accordance with ASX Listing Rule 10.1.3, a substantial shareholder includes a person who holds a greater than 10% interest in an entity.

Gardner currently holds 26.55% of the undiluted issued share capital of the Company, and is therefore a substantial shareholder of Austin Metals. Gardner is controlled by Mr Darren White, a director of Austin Metals, and is therefore also a related party.

The equity interest of Austin Metals as provided in the most recent financial statements given to the ASX, being the financial statements for FY23, was \$14.8 million. Based on the deemed issue price of the performance rights to be issued, the value of the proposed consideration for the acquisition of the Ashburton CGP is \$2.2 million. As the value of the proposed consideration exceeds 5% of Austin Metals' equity interest, the Proposed Transaction constitutes the acquisition of a substantial asset from a substantial shareholder for the purposes of ASX Listing Rule 10.1.

ASX Listing Rule 10.5 states that the notice for the shareholders' meeting required under ASX Listing Rule 10.1 must include a report on the transaction from an independent expert. The report must state whether, in the expert's opinion, the transaction is fair and reasonable to the Non-Associated Shareholders.

Accordingly, Austin Metals is to hold a meeting of its shareholders where it will seek approval for the Proposed Transaction and the Company has engaged RSM to prepare a report which sets out our opinion as to whether the Proposed Transaction is fair and reasonable to Non-Associated Shareholders.

### Corporations Act

Section 208(1) of the Corporations Act provides that a public company must not, without the approval of the company's members, give a financial benefit to a related party unless an exception to the prohibition as set out in sections 210 to 216 of the Corporations Act applies to that issue.

Gardner is a related party for the purposes of section 228 of the Corporations Act as it is controlled by Mr Darren White, a director of Austin Metals. However, the Directors (other than Mr White), consider that shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Proposed Transaction as the Proposed Transaction is on the same or better terms as the Company would otherwise have entered into with non-related parties, and as such, the giving of the financial benefit is on arm's length terms.

### Basis of evaluation

In assessing whether the Proposed Transaction is "fair" and "reasonable", we have given regard to the views expressed by the Australian Securities and Investments Commission ("ASIC") in RG 111.

RG 111 provides ASIC's views on how an expert can help security holders make informed decisions about transactions. Specifically, it gives guidance to experts on how to evaluate whether or not a related party transaction is fair and reasonable.

RG 111 states that the expert's report should focus on:

- the issues facing the security holders for whom the report is being prepared; and
- the substance of the transaction rather than the legal mechanism used to achieve it.

RG 111 states that in relation to a related party transaction the expert's assessment of fair and reasonable should not be applied as a composite test – that is, there should be a separate assessment of whether the transaction is "fair" and "reasonable".

RG 111.57 states that a proposed related party transaction is 'fair' if the value of the financial benefit to be provided by the entity to the related party is equal to or less than the value of the consideration being provided to the entity.

Consistent with the guidelines in RG 111 as summarised above, we have considered whether the Proposed Transaction is "fair" to Non-Associated Shareholders by assessing and comparing:

- the value of the Ashburton CGP; with
- the value of the Consideration.

We have also considered whether the Proposed Transaction is "reasonable" to Non-Associated Shareholders by undertaking an analysis of the other factors relating to the Proposed Transaction which are likely to be relevant to Non-Associated Shareholders in their decision as to whether or not to approve the Proposed Transaction.

In particular, we have considered whether the Proposed Transaction is "reasonable" by undertaking an analysis of the following factors:

- the future prospects of the Company if the Proposed Transaction does not proceed;
- Gardner's pre-existing shareholding in Austin Metals;
- alternatives to the Proposed Transaction; and
- any other commercial advantages and disadvantages to the Non-Associated Shareholders as a consequence of the Proposed Transaction proceeding.

Our assessment of the Proposed Transaction is based on economic, market and other conditions prevailing at the date of this Report.

### 3. Profile of Austin Metals Limited

#### Background

Austin Metals Limited (ASX: AYT) is an Australian public company listed on the Australian Securities Exchange and based in Western Australia. As at 26 February 2024, Austin Metals had a market capitalisation of approximately \$6.4 million.

The Company is a base and precious metals explorer. Its flagship project is the Austin Gold Project located in the Murchison greenstone province of Western Australia. It also has a significant ground holding of the Tallering Greenstone belt in the Murchison gold mining region of Western Australia, and interests in projects in Broken Hill, the Cobar Basin and the Lachlan Fold Belt of New South Wales.

The tenement holdings of the Company are summarised below.

**Table 4 Austin Metals Tenement Schedule**

Project	Tenement	Tenement Holder	Grant Date	Expiry Date	Blocks	Area (km <sup>2</sup> )
Tindery	EL 8579	Austin Metals	26/05/2017	26/05/2029	47	141
Wellington	EL 8971	Austin Metals	23/04/2020	23/04/2026	71	213
Broken Hill	EL 7300	Austin Metals	23/02/2009	23/02/2026	18	54
	EL 8020	Austin Metals	23/11/2012	23/11/2023	6	18
	EL 8075	Austin Metals	15/04/2013	15/04/2025	40	120
	EL 8077	Austin Metals	15/04/2013	15/04/2025	23	69
	EL 8078	Austin Metals	15/04/2013	15/04/2025	36	108
	EL 8236	Austin Metals	11/02/2014	11/02/2026	4	12
	EL 8333	Austin Metals	17/12/2014	17/12/2023	5	15
	EL 8495	Austin Metals	22/12/2016	22/12/2024	5	15
	EL 8685	Austin Metals	23/01/2018	23/01/2024	2	6
	EL 8862	Austin Metals	17/06/2019	17/06/2025	8	24
	EL 8863	Austin Metals	17/06/2019	17/06/2025	29	87
Tallering	E 59/2455	Austin Metals	1/07/2021	30/06/2026	47	141
Austin	E 58/510	Austin Metals	31/05/2018	30/05/2028	26	78
	E 58/543	Austin Metals	1/07/2019	30/06/2024	3	9
	E 21/201	Austin Metals	13/08/2019	12/08/2024	31	93
	M 21/201	Austin Metals	20/01/2010	19/01/2031	488	5
	P 21/716	Austin Metals	8/04/2014	7/04/2022	8	0

Source: Austin Metals Annual Report for the year ended 30 June 2023

#### Austin Gold Project

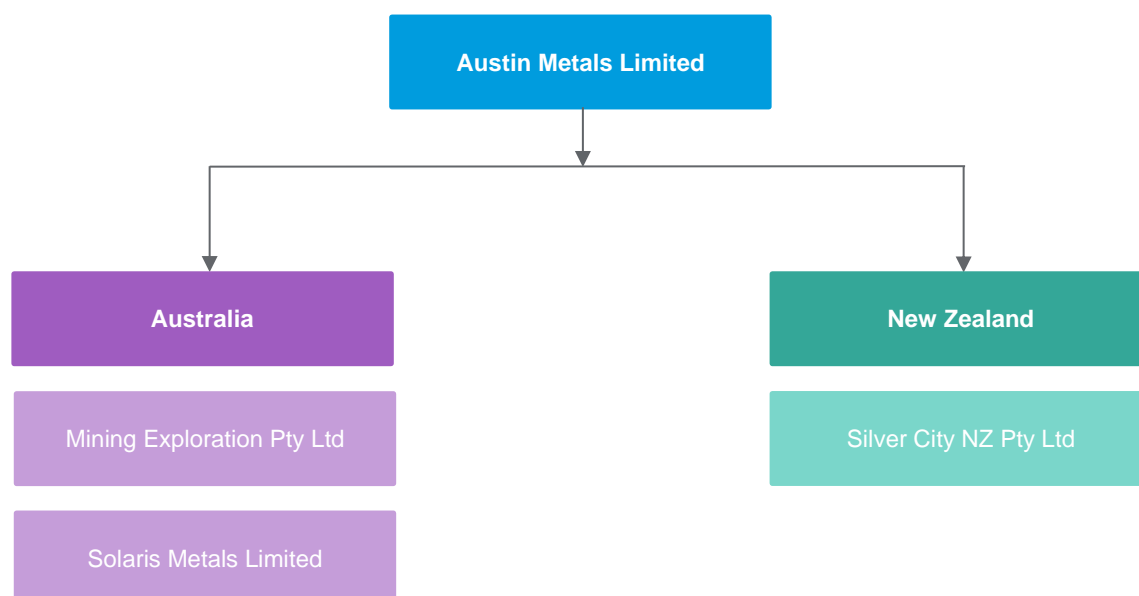
Austin Metals acquired an 80% interest the Austin Gold Project in April 2021. The Austin Gold Project is located 45km north of Mt Magnet and sits on 175 square kilometres of land. The project is strategically located within 50 kilometres of two operating mills held by Ramelius Resources Ltd and Westgold Ltd.

The project consists of a mining licence at Mt Sandy which is surrounded by three larger granted exploration licences and a small prospecting licence, of which there has been minimal modern exploration programs undertaken.

## Legal Structure

The corporate structure of Austin Metals is outlined in the figure below.

**Figure 2 Austin Metals Corporate Structure**



Source: Austin Metals Annual Report

## Directors

The directors of Austin Metals Limited are summarised in the table below.

**Table 5 Austin Metals Directors**

Name	Title	Experience
Mr Darren White	Non-executive Director	Mr White was appointed to the Board on 23 July 2021. Mr White has over 30 years' experience in mining operations, particularly in drilling and blasting.
Mr Paul L'Herpinere	Non-executive Director	Mr Paul L'Herpinere is an Exploration Geologist with over 20 years international experience, specialising in project generation and exploration management. He is a Founder and General Partner at Ibaera Capital, a resource-focused Private Equity firm. Prior to this, he was the Manager of Exploration at Fortescue Metals Group. Mr L'Herpinere has a Bachelor of Science (Hons) in Applied Geology from Curtin University and is a Member of the AusIMM.
Mr Sonu Cheema	Non-executive Director and Company Secretary	Mr Cheema has over 10 years' experience working with public and private companies in Australia and abroad. He currently serves as the Company Secretary of numerous ASX listed companies, such as eMetals Limited, Yojee Limited, Avira Resources Limited, Comet Resources Limited and Technology Metals Australia Limited. He has completed a Bachelor of Commerce majoring in accounting and is a CPA member.

Source: Austin Metals website



## Financial information of Austin Metals

The information in the following section provides a summary of the financial performance of Austin Metals for the years ended 30 June 2021, 30 June 2022 and 30 June 2023 extracted from the audited financial statements of the Company.

The auditor of Austin Metals, BDJ Partners, has issued an unqualified audit opinion on the financial statements for the year ended 30 June 2023.

BDJ Partners notes a material uncertainty in relation to the Company's ability to continue as a going concern, highlighting that the directors are investigating options to raise additional funds and should this be unsuccessful, this may affect the Group's ability to pay its debts as and when they fall due. As noted on page 21, the Company has subsequently completed a share placement and share purchase plan, raising proceeds of \$1.85 million (including \$234,000 subject to shareholder approval).

## Financial performance

The following table sets out a summary of the financial performance of Austin Metals for the years FY21, FY22 and FY23, extracted from the audited consolidated financial statements.

**Table 6 Austin Metals historical financial performance**

\$'000		FY21	FY22	FY23
	Ref	Audited	Audited	Audited
<b>Other Income</b>	a)			
Grants and joint venture income		25	-	-
Gain on disposal of asset		20	-	-
<b>Total Other Income</b>		<b>45</b>	<b>0</b>	<b>-</b>
Interest Revenue		7	1	13
<b>Overhead Expenses</b>				
ASX and ASIC fees		(50)	(95)	(49)
Audit fees		(31)	(49)	(42)
Contract administration services		(193)	(183)	(157)
Employee costs		(70)	(123)	(80)
Exploration expenditure written off	b)	(598)	(50)	(96)
Insurances		(23)	(28)	(30)
Rent		(2)	-	-
Depreciation		(3)	-	-
Share based payments	c)	-	(164)	(93)
Other expenses from ordinary activities		(78)	(83)	(54)
<b>Total Overhead Expenses</b>		<b>(1,049)</b>	<b>(775)</b>	<b>(601)</b>
<b>Loss Before Income Tax</b>		<b>(997)</b>	<b>(774)</b>	<b>(588)</b>
Income Tax (Expense) / Benefit		-	-	-
<b>Loss After Income Tax</b>	d)	<b>(997)</b>	<b>(774)</b>	<b>(588)</b>

Source: Austin Metals Annual Reports

We note the following in relation to Austin Metals' financial performance from FY21 to FY23:

- a) Austin Metals did not generate any revenue from its gold and base metal projects over the period of review as the Company is still in exploration phase. The Company derived other income from grants and joint venture income, interest revenue and the sale of assets (tenements and property, plant and equipment) in FY21.
- b) Exploration expenditure totalling \$598k was written off in FY21, reflecting the impairment of exploration assets.
- c) Share based payments relate to options and performance rights granted under the Austin Metals Employee Performance Rights and Option Plan.
- d) Austin Metals disclosed a net loss after income tax of \$997k, \$774k and \$588k in FY21, FY22 and FY23 respectively.

## Financial position

The following table sets out a summary of the financial position of Austin Metals as at 30 June 2021, 2022 and 2023 extracted from the audited consolidated financial statements.

**Table 7 Austin Metals historical financial position**

\$'000		30-Jun-21	30-Jun-22	30-Jun-23
Financial Position	Ref	Audited	Audited	Audited
<b>Current Assets</b>				
Cash Assets	b)	2,288	2,136	947
Receivables		57	61	20
<b>Total Current Assets</b>		<b>2,345</b>	<b>2,197</b>	<b>967</b>
<b>Non-Current Assets</b>				
Receivables	c)	1	1	1
Tenement security deposits	d)	176	176	176
Deferred exploration and evaluation expenditure	e)	5,911	13,016	13,855
<b>Total Non-Current Assets</b>		<b>6,088</b>	<b>13,192</b>	<b>14,032</b>
<b>Total Assets</b>		<b>8,433</b>	<b>15,389</b>	<b>14,998</b>
<b>Current Liabilities</b>				
Payables	f)	76	121	225
<b>Total Current Liabilities</b>		<b>76</b>	<b>121</b>	<b>225</b>
<b>Total Liabilities</b>		<b>76</b>	<b>121</b>	<b>225</b>
<b>Net Assets</b>	a)	<b>8,357</b>	<b>15,268</b>	<b>14,773</b>
<b>Equity</b>				
Contributed equity		22,018	29,547	29,547
Accumulated losses		(13,663)	(14,437)	(14,951)
Reserves		2	159	177
<b>Total Equity</b>		<b>8,357</b>	<b>15,268</b>	<b>14,773</b>

Source: Austin Metals Annual Reports

We note the following in relation to Austin Metals' financial position as at 30 June 2023:

- a) As at 30 June 2023, Austin Metals reported net assets of \$14.77m, a decrease from the audited 30 June 2022 position of \$15.27m.
- b) Austin Metals' cash assets declined from \$2.14m at 30 June 2022 to \$0.95m at 30 June 2023, due to the Company's continued investment in the exploration of its mining interests, which has not been offset by capital raising activities as in previous periods.

- c) Receivables comprise GST receivables, prepayments, trade and other debtors and rental bonds.
- d) Tenement security deposits are restricted for use on any rehabilitation that may be required on exploration tenements and are interest bearing.
- e) Deferred exploration and evaluation expenditure represents the carried forward capitalised expense of exploring areas of interest. The deferred exploration and evaluation asset balance increased from \$5.91m in FY21 to \$13.02m in FY22 mainly due to the reclassification of a \$4.50m investment and \$1.95m loan related to an existing joint venture arrangement with Gardner.
- f) Payables primarily consists of trade creditors and accrued expenses, which respectively amounted to \$106k and \$119k at 30 June 2023.

## Cash Flows

The following table sets out a summary of the statement of cash flows of Austin Metals for the years ended 30 June 2021 to 30 June 2023, as extracted from the Company's audited consolidated financial statements.

**Table 8 Austin Metals historical statement of cash flows**

\$'000	Ref	FY21 Audited	FY22 Audited	FY23 Audited
<b>Cash flows from operating activities</b>				
Payment to suppliers and employees		(559)	(602)	(456)
Grants received		14	0	-
Receipts from others		22	-	-
Interest received		7	1	13
<b>Net cash flows (used in) operating activities</b>	b)	<b>(517)</b>	<b>(600)</b>	<b>(443)</b>
<b>Cash flows from investing activities</b>				
Proceeds from sale of assets		20	-	-
Expenditure on mining interests (exploration)	c)	(410)	(2,581)	(747)
Tenement security deposits		(16)	-	-
<b>Net cash flows (used in) investing activities</b>		<b>(406)</b>	<b>(2,581)</b>	<b>(747)</b>
<b>Cash flows from financing activities</b>				
Proceeds from issue of shares	d)	2,573	3,028	-
Equity raising expenses		(13)	-	-
<b>Net cash flows from financing activities</b>		<b>2,560</b>	<b>3,028</b>	<b>-</b>
<b>Net increase/(decrease) in cash held</b>		<b>1,638</b>	<b>(152)</b>	<b>(1,190)</b>
Add opening cash brought forward		651	2,288	2,136
<b>Closing cash carried forward</b>	a)	<b>2,288</b>	<b>2,136</b>	<b>947</b>

Source: Austin Metals Annual Reports

We note the following in relation to Austin Metals' cash flows for FY21 to FY23:

- a) Austin Metals' cash and cash equivalents dropped from \$2.29m at 30 June 2021 to \$0.95m at 30 June 2023.
- b) Over the period FY21 to FY23, the Company incurred a net outflow of cash from operating activities, as it is yet to generate revenue from its mineral exploration activities.
- c) Expenditure on mining interests increased in FY22 following the Company's acquisition of an 80% interest in the Austin Gold Project on 26 July 2021 and subsequent investment in exploration and evaluation activities on the Project including drill programs, sampling, assays, metallurgical testwork and desktop studies.
- d) The Company's expenditure on mining interests has primarily been funded by proceeds from share issues.

## Events subsequent to 30 June 2023

We note the following events that have occurred since 30 June 2023:

- On 11 December 2023, Austin Metals and Gardner entered into the Deed of Assignment.
- On 15 December 2023, Austin Metals issued 211,000,000 shares at issue price of \$0.006 to raise \$1,266,000 under a share placement. A further 39,000,000 shares will be issued to Directors subject to shareholder approval, raising another \$234,000.
- On 21 December 2023, Austin Metals announced a share purchase plan to eligible shareholders of up to 83,333,333 fully paid ordinary shares, and 41,666,666 free-attaching options at an issue price of \$0.006 to raise \$500,000. On 29 January 2024, the share purchase plan was completed, with a total of 58,316,694 AYT shares and 29,158,363 options issued, raising an overall amount of \$349,900.

## Capital Structure

As at the date of this report, AYT has 1,285,191,349 ordinary shares on issue. The top 20 shareholders of the Company as at 28 February 2024 are set out in the table below:

**Table 9 AYT Top 20 shareholders**

Rank	Name	Shares	%
1	GARDNER MINING PTY LTD	341,240,066	26.55%
2	SMAC NOMINEES PTY LTD	60,954,285	4.74%
3	WINDELL HOLDINGS PTY LTD	47,959,493	3.73%
4	UPSKY EQUITY PTY LTD	35,847,827	2.79%
5	RECO HOLDINGS PTY LTD	30,333,334	2.36%
6	RUBI HOLDINGS PTY LTD	29,000,000	2.26%
7	MRS ELIZABETH RACHEL WILCOX	20,387,000	1.59%
8	LOKTOR HOLDINGS PTY LTD	16,333,334	1.27%
9	THREE ZEBRAS PTY LTD	15,804,349	1.23%
10	MR MICHAEL OWEN SHERRY	15,467,334	1.20%
11	MR ROBERT VELLETRI & MRS FRANCINE LEE VELLETRI	15,176,648	1.18%
12	ER WILCOX SUPER PTY LTD	14,066,666	1.09%
13	TROCA ENTERPRISES PTY LTD	13,500,000	1.05%
14	GEORDIE BAY HOLDINGS PTY LTD	12,404,947	0.97%
15	PEARSE STREET PTY LTD	12,250,000	0.95%
16	GAVIN WILSON SUPERFUND PTY LTD	11,279,242	0.88%
17	MR JOHN ANTHONY GAFFNEY	10,850,000	0.84%
18	MR THOMAS MARIO CENIVIVA	10,630,667	0.83%
19	MGL CORP PTY LTD	10,000,000	0.78%
19	SALMON BAY HOLDINGS PTY LTD	10,000,000	0.78%
20	SIXTY TWO CAPITAL PTY LTD	9,426,667	0.73%
	Other	542,279,490	42.19%
<b>Total</b>		<b>1,285,191,349</b>	<b>100.00%</b>

Source: Austin Metals Management

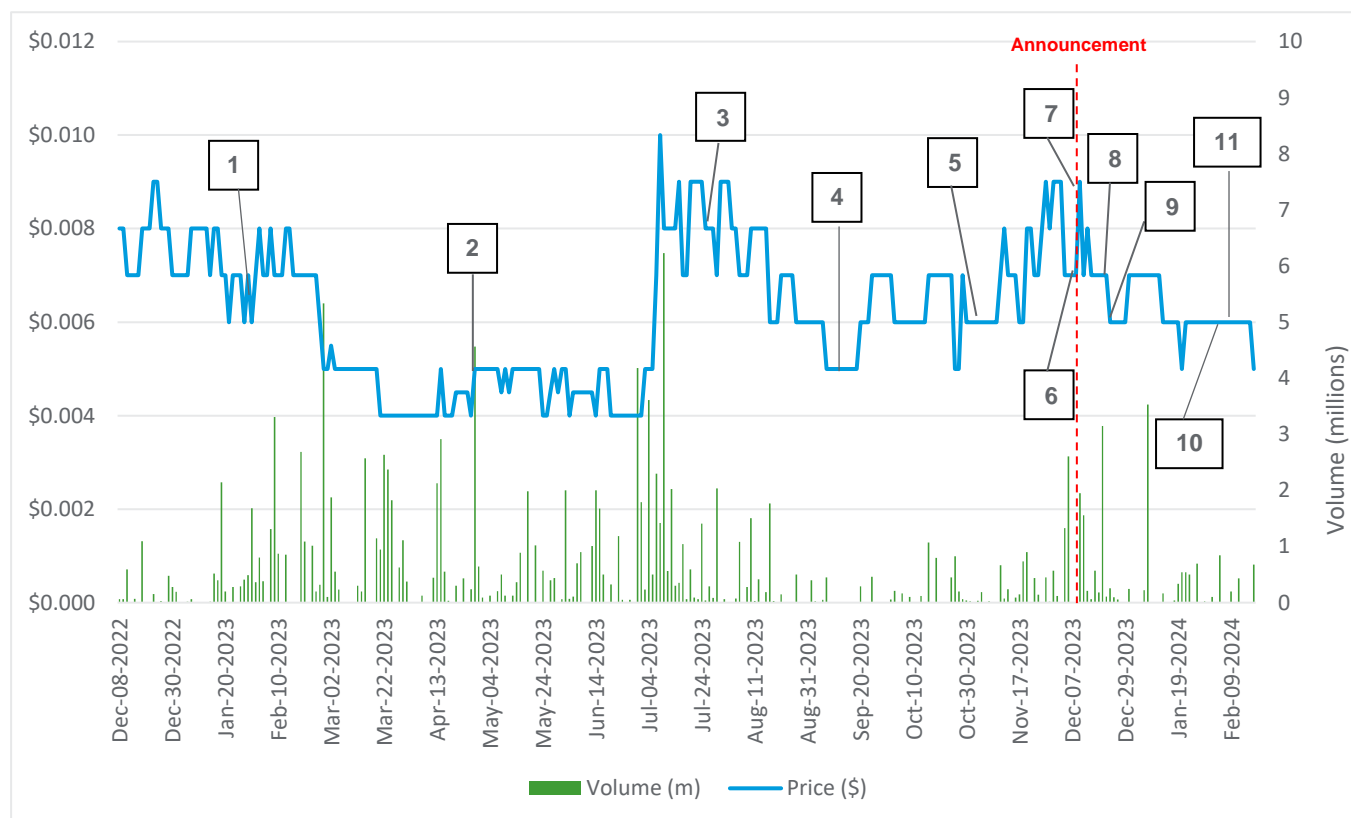
In addition, Austin Metals has the following securities on issue at the date of this Report:

- 4,000,000 Options expiring on various dates with various exercise prices;
- 4,750,000 Options expiring on 30 June 2024, exercisable at \$0.10 each;
- 29,158,363 Options expiring on 31 December 2026, exercisable at \$0.16 each; and
- 8,500,000 Performance Shares.

## Share Price Performance

The figure below sets out a summary of AYT's closing share price and trading volumes over the 12-month period to 8 December 2023, being the last trading day before the announcement of the binding agreement to acquire the Ashburton Copper-Gold Project ("Announcement"), and the subsequent period to 19 February 2024.

**Figure 3 AYT recent share trading history**



Source: S&P Capital IQ

Over the 12 months prior to the Announcement, the AYT share price traded at a low of \$0.004 on various dates from late March to early July 2023, and then increased to a peak of \$0.01 on 7 July 2023. On the day of the Announcement on 11 December 2023, the AYT share price closed at \$0.009, a 28.6% increase from \$0.007 the previous trading day. The trading share price has since decreased 29% from the day prior to the Announcement to 19 February 2024 when it had a closing price of \$0.005.

Key announcements made by the Company over the 12-month period to the Announcement and the subsequent period to 19 February 2024 are summarised in the table below:

**Table 10 AYT announcements**

Ref	Date	Commentary
1	31/01/2023	Quarterly Activities Report - Review of all aircore drilling and soil data completed at the Austin Gold Project (WA). Results support Austin Metals' view that the project is highly prospective for gold and provide indications of prospectivity for lithium pegmatites.
2	28/04/2023	Quarterly Activities Report - Review of all aircore drilling, soil geochemistry and geophysics data, with a focus on defining new targets at the Shadow Prospect.
3	25/07/2023	Quarterly Activities Report - Reconnaissance-style rotary air blast drill program completed at the Shadow Prospect.
4	28/09/2023	Austin Metals Limited Annual Report 30 June 2023.
5	31/10/2023	Quarterly Activities Report - Geological mapping and geochemical sampling completed at Brunswick Hill, Mount Sandy, Old Granites and Ted Prospects within the Austin Gold Project.
6	7/12/2023	Trading Halt

<b>7</b>	11/12/2023	Announcement of the Proposed Transaction (Acquisition of High-Grade Copper-Gold Project - Initial exploration of the Ashburton Copper-Gold Project returned 12m @ 12.5g/t Au and 1.7% Cu)
<b>8</b>	19/12/2023	Geophysics highlight an additional 16km of Copper Gold Strike at the Ashburton Copper-Gold Project
<b>9</b>	21/12/2023	Prospectus - Share purchase plan to eligible shareholders of up to 83,333,333 fully paid ordinary shares, and 41,666,666 free-attaching options at an issue price of \$0.006 to raise \$500,000.
<b>10</b>	29/01/2024	Completion of share purchase plan – A total of 58,316,694 Shares and 29,158,363 Options issued, raising an overall amount of \$349,900.
<b>11</b>	31/01/2024	Quarterly Activities Report – Review of Ashburton Copper-Gold Project, completion of share purchase plan, board appointment, geological mapping and geochemical sampling within the Austin Gold Project and metallurgical understanding of the Copper Blow deposit.

Source: ASX

## 4. Profile of Gardner Mining Pty Ltd

### Background

Gardner Mining Pty Ltd is an exploration and prospecting company controlled by Mr Darren White, who is a director of Austin Metals. The company was incorporated in 2008 and is headquartered in Port Hedland, Western Australia.

In April 2021, Silver City Minerals Limited, now Austin Metals Limited, entered into a binding share sale and joint venture agreement with Gardner to acquire an 80% stake in the Austin Gold Project, through the acquisition of Gardner Tenements Pty Ltd, for a consideration of 300 million fully paid ordinary shares in Silver City Minerals Limited at a deemed issue price of \$0.015. Gardner retained its 20% interest in the Austin Gold Project.

In July 2022, Gardner Mining entered into an Earn-In Agreement with John Harvey Firth. Under the Earn-In Agreement, Gardner has the exclusive right to earn a 90% interest in the Tenements, subject to fulfilling certain work and expenditure requirements amounting to \$100k within a 3-year period ending 12 May 2026. Following this period, an unincorporated joint venture would be formed for the exploration and, if warranted, development of mineral deposits on the Tenements.

### Ashburton Copper-Gold Project

The Ashburton CGP is located in the Pilbara region of Western Australia and is situated 75km southwest of Paraburdoo and 90km from Paulsen's Gold Mine. The project covers approximately 510 km<sup>2</sup> of relatively unexplored land and includes a 1.2km long zone of outcropping copper-gold mineralisation that has been identified at Donnelly's Prospect.

The Ashburton CGP comprises eight granted exploration tenements and one granted prospecting licence as follows:

**Table 11 Ashburton CGP**

Type	Grant Date	Tenement	Area (km <sup>2</sup> )
Exploration Licence	22 August 2019	E 08/2997	4
Exploration Licence	11 March 2020	E 08/3104	16
Exploration Licence	15 October 2021	E 08/3120	9
Exploration Licence	15 October 2021	E 08/3121	79
Exploration Licence	17 November 2021	E 08/3222	13
Exploration Licence	18 November 2021	E 08/3273	39
Exploration Licence	5 July 2018	E 08/2938	2
Exploration Licence	18 October 2019	E 08/2994	20
Prospecting Licence	19 July 2018	P 08/699	137.18

Source: Deed of Assignment and Assumption

An independent technical report prepared by GM Minerals Consultants Pty Ltd is included at Appendix G and provides more detail on the Ashburton CGP.

## 5. Valuation Approach

### Valuation methodologies

RG 111 proposes that it is generally appropriate for an expert to consider using the following methodologies:

- the discounted cash flow (“DCF”) method and the estimated realisable value of any surplus assets;
- the application of earnings multiples to the estimated future maintainable earnings added to the estimated realisable value of any surplus assets;
- the amount which would be available for distribution on an orderly realisation of assets;
- the quoted price for listed securities; and
- any recent genuine offers received.

We consider that the valuation methodologies proposed by RG 111 can be split into three valuation methodology categories, as follows.

#### *Market based methods*

Market based methods estimate the fair market value by considering the market value of a company’s securities or the market value of comparable companies. Market based methods include;

- the quoted price for listed securities; and
- industry specific methods.

The recent quoted price for listed securities method provides evidence of the fair market value of a company’s securities where they are publicly traded in an informed and liquid market.

Industry specific methods usually involve the use of industry rules of thumb to estimate the fair market value of a company and its securities. Generally, rules of thumb provide less persuasive evidence of the fair market value of a company than other market-based valuation methods because they may not account for company specific risks and factors.

#### *Income based methods*

Income based methods estimate value by calculating the present value of a company’s estimated future stream of earnings or cash flows. Income based methods include:

- discounted cash flow;
- capitalisation of future maintainable earnings.

The DCF technique has a strong theoretical basis, valuing a business on the net present value of its future cash flows. It requires an analysis of future cash flows, the capital structure and costs of capital and an assessment of the residual value or the terminal value of the company’s cash flows at the end of the forecast period. This method of valuation is appropriate when valuing companies where future cash flow projections can be made with a reasonable degree of confidence.

The capitalisation of future maintainable earnings is generally considered a short form DCF, where an estimation of the Future Maintainable Earnings (“FME”) of the business, rather than a stream of cash flows is capitalised based on an appropriate capitalisation multiple. Multiples are derived from the analysis of transactions involving comparable companies and the trading multiples of comparable listed companies.



### *Asset based methods*

Asset based methodologies estimate the fair market value of a company's securities based on the realisable value of its identifiable net assets. Asset based methods include:

- orderly realisation of assets method;
- liquidation of assets method; and
- net assets on a going concern basis.

The value achievable in an orderly realisation of assets is estimated by determining the net realisable value of the assets of a company which would be distributed to security holders after payment of all liabilities, including realisation costs and taxation charges that arise, assuming the company is wound up in an orderly manner. This technique is particularly appropriate for businesses with relatively high asset values compared to earnings and cash flows.

The liquidation of assets method is similar to the orderly realisation of assets method except the liquidation method assumes that the assets are sold in a shorter time frame. The liquidation of assets method will result in a value that is lower than the orderly realisation of assets method and is appropriate for companies in financial distress or where a company is not valued on a going concern basis.

The net assets on a going concern method estimates the market values of the net assets of a company but unlike the orderly realisation of assets method it does not take into account realisation costs.

Asset based methods are appropriate when companies are not profitable, a significant proportion of the company's assets are liquid, or for asset holding companies.

## **Selection of valuation methodologies**

### **Valuation of the Ashburton CGP**

In assessing the value of the Ashburton CGP, we have requested Jeff Randell of GM Minerals Consultants Pty Ltd ("GMMC") to independently value the Ashburton CGP in accordance with the VALMIN Code. Their report ("GMMC Report") is attached at Appendix G.

For the purposes of this Report, we have relied upon the valuation of the Ashburton CGP provided by GMMC in our assessment of the valuation of the project.

### **Valuation of the Consideration**

The Consideration comprises a cash component and performance rights.

We have valued the cash component based on face value.

We have not attributed a value to the Performance Rights, however, we have considered whether the deemed issue price of the Performance Rights appears reasonable in the context of comparable projects and transactions.

## 6. Valuation of the Ashburton CGP

As stated in Section 5 of this Report, we have relied on the valuation of the Ashburton CGP provided by GMMC in our assessment of the valuation of the Ashburton CGP.

### Assessment of the Fair Value of the Ashburton CGP

GMMC has assessed the Fair Value of the Ashburton CGP comprising the Exploration Tenements and the Earn-In Tenements to be in the range of \$520k and \$910k, with a preferred valuation of \$750k. We set out in the table below a summary of GMMC's valuation as extracted from the GMMC Report (attached at Appendix G).

**Table 12 Fair Value of Ashburton CGP**

\$'000	Low	High	Preferred
Value of Ashburton CGP	520	910	750

Source: GMMC Report

In assessing the Fair Value of the Ashburton CGP, GMMC has utilised the following methodologies:

- Technical Value (based on Comparable Transactions Method); and
- Modified Replacement Value.

The methodologies applied represent the value of a controlling shareholding. Accordingly, we consider the value range generated to already incorporate a premium for control and no further premium is considered necessary to assess the value of the Ashburton CGP.

GMMC has utilised both the Comparable Transactions method and Modified Replacement Value method in its assessment of the project value, however is of the opinion that the Comparable Transactions method is most applicable as it reflects current market conditions and therefore would dictate asset values to a greater extent than exploration expenditure. Accordingly, GMMC has applied a weighting of 70% to the Technical Value range and 30% to the Modified Replacement Value range.

GMMC's valuation of the Ashburton CGP based on the different methodologies is summarised below.

**Table 13 Fair Value of Ashburton CGP (100% Basis)**

\$'000	Low	High	Preferred	Weighting
<b>Ashburton CGP</b>				
Technical Value (Comparable Transactions)	475	957	739	70
Modified Replacement Value	630	870	779	30
<b>Weighted Summary</b>	<b>522</b>	<b>910</b>	<b>751</b>	
<b>Selected Value (Rounded)</b>	<b>520</b>	<b>910</b>	<b>750</b>	

Source: GMMC Report

The terms of the Proposed Transaction provide Austin Metals with a 100% interest in the six Exploration Tenements and the right to earn a 90% interest in the three Earn-In Tenements based on an expenditure commitment of \$100,000 by 12 May 2026.

As GMMC has valued the Ashburton CGP on a 100% interest basis, we have adjusted the concluded value to reflect a 90% interest in the Earn-In Tenements and the expenditure commitment required to achieve that 90% interest. The independent valuation does not provide values by individual tenement and therefore we have applied a pro rata value assumption based on the number of tenements in each category.

## Valuation Conclusion – Ashburton CGP

**Table 14 Assessed Fair Value of Ashburton CGP (Proposed Transaction basis)**

\$'000	Low	High	Preferred
<b>Assessed value of Ashburton CGP on 100% Basis</b>	<b>520.0</b>	<b>910.0</b>	<b>750.0</b>
- Pro rata value of Exploration Tenements (6/9)	346.7	606.7	500.0
- Pro rata value of Earn-In Tenements (3/9)	173.3	303.3	250.0
Adjusted value of Earn-In Tenements at 90% Interest	156.0	273.0	225.0
Less: Expenditure Commitment on Earn-In Tenements	(100.0)	(100.0)	(100.0)
<b>Net Interest in Earn-In Tenements</b>	<b>56.0</b>	<b>173.0</b>	<b>125.0</b>
<b>Total Assessed Fair Value (rounded)</b>	<b>403</b>	<b>780</b>	<b>625</b>

Source: GMMC Report

## 7. Valuation of the Consideration

We have assessed the value of the Consideration having regard to the cash to be paid and the assessed value of the Performance Rights.

### Cash

The Company proposes to pay Gardner \$200,000 in cash as reimbursement for expenditures incurred in developing the Tenements.

### Performance Rights

The Company also proposes to issue Gardner three tranches of performance rights as consideration for the acquisition of the Ashburton CGP as follows:

- a) Tranche 1: \$250,000 worth of performance rights to acquire Austin Metals shares, based on a deemed issue price of \$0.005 per performance right. The performance rights will vest and become exercisable upon the delineation of a JORC Compliant Mineral Resource at the Tenements of at least the 'Inferred' category containing a minimum of 250,000 ounces of gold or gold equivalent at greater than 1g/pt gold or gold equivalent;
- b) Tranche 2: \$500,000 worth of performance rights, based on a deemed issue price of \$0.005 per performance right. The performance rights will vest and become exercisable upon the delineation of a JORC Compliant Mineral Resource at the Tenements of at least the 'Inferred' category containing a minimum of 500,000 ounces of gold or gold equivalent at greater than 1g/pt gold or gold equivalent;
- c) Tranche 3: \$1,250,000 worth of performance rights, based on a deemed issue price of \$0.005 per performance right. The performance rights will vest and become exercisable upon the delineation of a JORC Compliant Mineral Resource at the Tenements of at least the 'Inferred' category containing a minimum of 1,000,000 ounces of gold or gold equivalent at greater than 1g/pt gold or gold equivalent.

In aggregate, the 400,000,000 Performance Rights proposed to be issued have a deemed issue price of \$2.0 million.

The deemed issue price of the Performance Rights, as set out in the NOM, represents the theoretical value of the Performance Rights as if the vesting conditions were met on the date of issue and the Performance Rights were immediately converted into Austin Metals Shares at a current share price of \$0.005. In practice, to the extent that the vesting conditions are not met, the Performance Rights for the relevant tranche will not vest and no Shares will be issued. To the extent that the vesting conditions are met, the Performance Rights for the relevant tranche will vest and will convert into Shares, the value of which will be dependent on the Austin Metals share price at that time. In view of the likely positive impact of an announcement of a JORC Compliant Mineral Resource, the actual value received by Gardner on vesting may be higher than the deemed issue price if the underlying share price of Austin Metals exceeds \$0.005 at the time of vesting.

As the ultimate value of the Performance Rights therefore depends both on future events which we are unable to predict at this time (being the success of exploration work at the Ashburton CGP) and movements in the share price of Austin Metals, we are unable to attribute a value to the Performance Rights.

### Reasonableness of Deemed Issue Price of Performance Rights

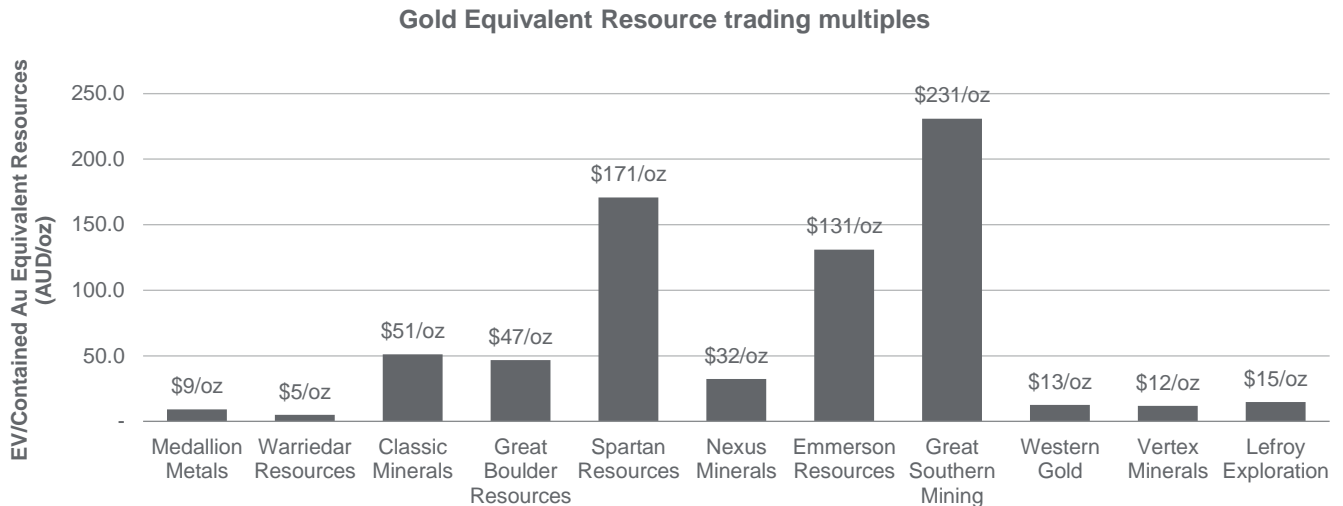
Whilst we have not attributed a value to the Performance Rights, we have assessed whether the deemed issue price of the Performance Rights is reasonable in the context of comparable companies and transactions.

#### *Comparable companies*

The deemed issue prices of the Tranche 1 and Tranche 2 performance rights imply a multiple of \$1.00 per ounce of gold or gold equivalent will be paid on the resources delineated at the Tenements upon vesting, while the deemed issue price of the Tranche 3 performance rights implies a multiple of \$1.25 per ounce of gold or gold equivalent will be paid.

We have considered these implied multiples against the trading resource multiples of comparable Western Australian gold and base metal exploration companies. Our analysis is summarised in the figure below.

**Figure 4 Gold equivalent resource trading multiples**



Source: ASX announcements and RSM analysis

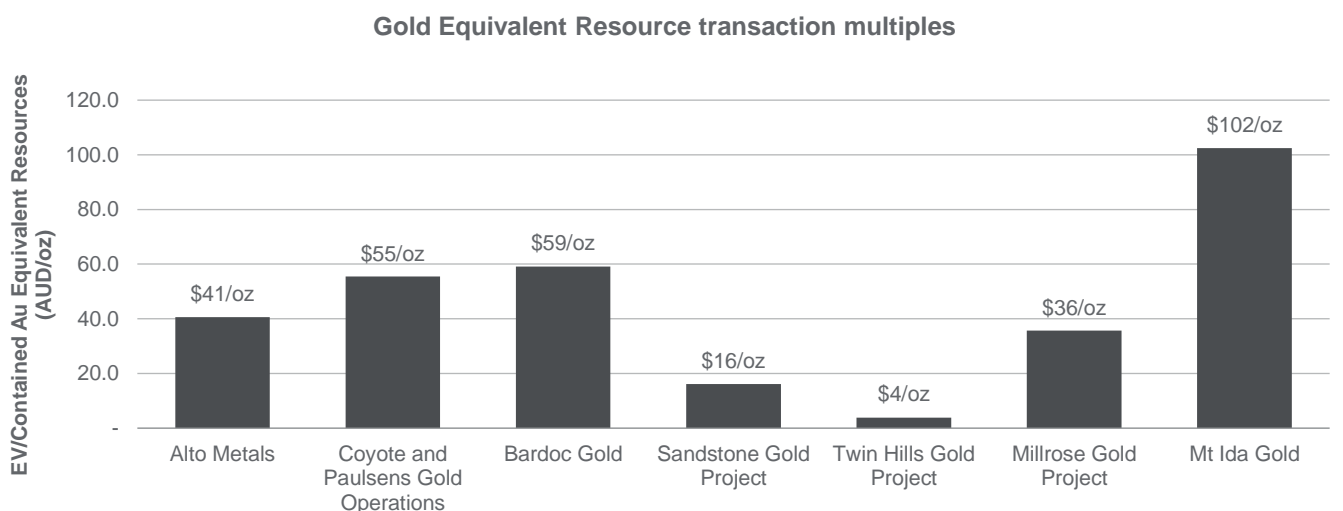
Note: Calculated as Enterprise Value at 28-Feb-24 divided by declared Au Equivalent Resources in moz

The implied multiple being paid on the resources delineated at the Tenements of \$1.00 to \$1.25 per ounce of gold or gold equivalent sits below the range of multiples for the comparable company set. This would imply that Austin Metals, through the issue of the Performance Rights, is paying a lower price on the gold equivalent resources defined at the Tenements than their current value in the market. We note that the Ashburton CGP has had relatively limited exploration work undertaken to date, so this could indicate a lower multiple would be appropriate.

#### Comparable transactions

We have also considered the implied multiples being paid on the gold equivalent resources delineated at the Tenements against those reported in recent Western Australian gold project transactions, where the targets are at a similar stage of development as the Ashburton CGP. Our analysis is summarised in the figure below.

**Figure 5 Gold equivalent resource transaction multiples**



Source: ASX announcements and RSM analysis

Note: Multiples have been normalised for the variation in gold price over time using the spot gold price as at 28 February 2024 as the base price.

The implied multiple being paid on the resources delineated at the Tenements of \$1.00 to \$1.25 per ounce of gold or gold equivalent sits below the range of comparable transaction multiples. This would indicate that Austin Metals, through the issue of the Performance Rights, is paying a lower price on the gold equivalent resources defined at the Tenements than what has been paid in recent acquisitions of comparable projects and companies.

Accounting for the payment of \$200,000 in cash consideration would increase the gold equivalent resource multiple on Tranche 1 to \$1.8/oz which still sits below the assessed range of comparable transactions.

On the basis of the above, we consider the deemed issue price of the Performance Rights to be reasonable to Non-Associated Shareholders, as it implies that the amount being paid by Austin Metals to Gardner for the delineation of gold resources is less than what would be paid on market.

### **Valuation Summary – Consideration**

Having regard to the above, we have assessed the Fair Value of the Consideration to be \$200,000 representing the upfront cash consideration.

We have not assessed any value for the Performance Rights on the basis that we are unable to predict the likely exploration success of the Ashburton CGP and the movement in Austin Metals share price. We note that the Performance Rights will only vest (and therefore result in a transfer of value to Gardner) on the achievement of significant exploration milestones which would be expected to be value accretive to Non-Associated Shareholders.

## 8. Is the Proposed Transaction Fair to Non-Associated Shareholders?

In assessing whether we consider the Proposed Transaction to be fair to Non-Associated Shareholders, we have compared:

- the value of the Ashburton CGP; with
- the value of the Consideration.

Our assessed values of the Ashburton CGP and the Consideration are summarised in the table below.

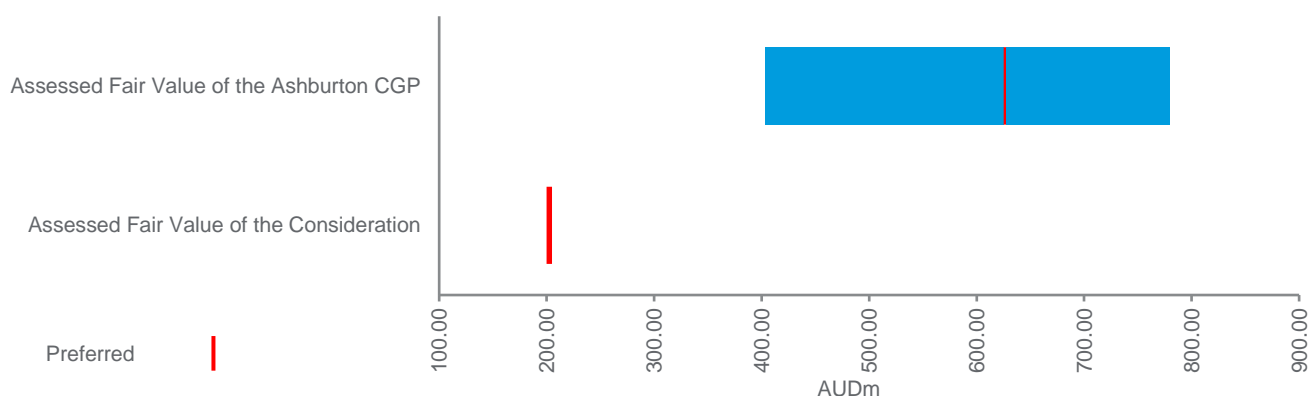
**Table 15 Assessment of fairness**

Assessment of fairness	Ref	Value per Share (\$'000)		
		Low	Preferred	High
Assessed Fair Value of the Ashburton CGP	Table 14	403	625	780
Assessed Fair Value of the Consideration	Section 7	200	200	200

Source: RSM analysis

We have summarised the values included in the table above in the chart below.

**Figure 6 Fairness graphical representation**



Source: RSM analysis

The chart above indicates that the value of the Consideration is below the range of values of the Ashburton CGP. We note that the range of values for the Ashburton CGP is wide. RG 111 states that when a significant range of values exists, an expert should prominently explain in its expert report what factors create this uncertainty. Shareholders are advised to read the independent specialist report attached at Appendix G. It is not uncommon to have a wide range of values for early-stage exploration assets due to the uncertainty around successful exploration. In order to reduce the uncertainty of a wide range of values, the independent specialist has included a preferred value in its report. We have placed greater reliance on the preferred value for the purposes of our assessment of fairness.

### Conclusion - Fairness

In our opinion, as the assessed fair value range of the Ashburton CGP is higher than the assessed fair value of the Consideration, we consider the Proposed Transaction to be **fair** to Non-Associated Shareholders.

In our assessment of fairness, we have only considered the cash component of Consideration payable to Gardner. In addition to the cash component, Gardner will be issued with 400,000,000 Performance Rights however these Rights will only vest into ordinary shares in Austin Metals upon achievement of operational milestones at the Ashburton CGP, namely the declaration of a JORC Compliant Mineral Resource. As such circumstances are not possible to predict, and the associated value accretion of the Project is uncertain, we have not attributed a value to the Rights but have considered the terms in the context of comparable projects to assess the commercial fairness.

## 9. Is the Proposed Transaction Reasonable to Non-Associated Shareholders?

RG11 establishes that an offer is reasonable if it is fair. It might also be reasonable if, despite not being fair, there are sufficient reasons for security holders to approve the Proposed Transaction. As such, we have also considered the following factors in relation to the reasonableness aspects of the Proposed Transaction:

- the future prospects of the Company if the Proposed Transaction does not proceed;
- Gardner's pre-existing shareholding in Austin Metals;
- Alternatives to the Proposed Transaction;
- Trading in Austin Metals' shares following announcement of the Proposed Transaction; and
- Any other commercial advantages and disadvantages to the Non-Associated Shareholders as a consequence of the Proposed Transaction proceeding.

### Future prospects of Austin Metals if the Proposed Transaction does not proceed

If the Proposed Transaction does not proceed, the Company will continue to progress exploration on its existing projects in WA and NSW.

We note that the auditor of Austin Metals, BDJ Partners, issued an unqualified audit opinion on the financial statements for the year ended 30 June 2023. BDJ Partners noted a material uncertainty in relation to the Company's ability to continue as a going concern, highlighting that the directors are investigating options to raise additional funds and should this be unsuccessful, this may affect the Group's ability to pay its debts as and when they fall due.

As at 30 June 2023, Austin Metals had cash at bank of \$947k. Over the past three years, the cash burn from operations has averaged approximately \$520k per annum. The Company recently completed a share placement and share purchase plan which raised over \$1.85 million (of which \$234,000 remains subject to shareholder approval) to provide working capital for ongoing exploration activity.

### Gardner's pre-existing shareholding in Austin Metals

Gardner has a relevant interest in 341,240,066 Austin Metals shares, representing an interest in the Company of 26.55%. If all of the Performance Rights to be issued to Gardner were to vest and be exercised, Gardner would hold a 42.81% interest in the Company and dilute the interests of Non-Associated Shareholders in the Company from 73.45% to 57.19%.

### Alternative proposals

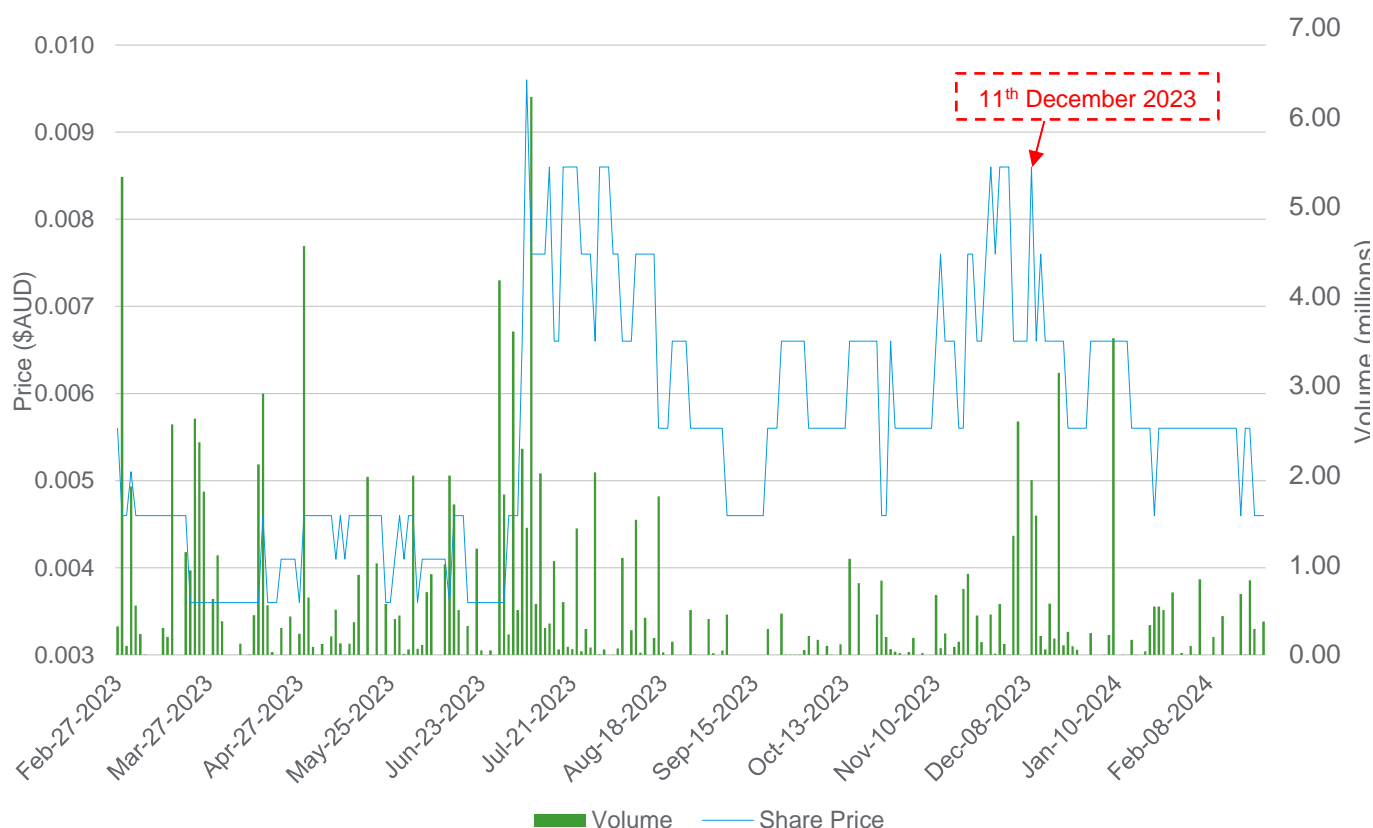
We are not aware of any alternative proposals which may provide greater benefit to Non-Associated Shareholders at this time.

### Trading in Austin Metals shares following the announcement of the Proposed Transaction

The Proposed Transaction was announced on 11 December 2023, with the AYT share price closing at \$0.009. The share price dropped to \$0.007 the following trading day, and has continued to fall, reaching \$0.005 on 19 February 2024. This may indicate some negative market sentiment with respect to the Proposed Transaction, although we note that the share price had peaked prior to the announcement.



**Figure 7 AYT share trading history**



Source: RSM estimates

### Advantages and disadvantages

In assessing whether the Non-Associated Shareholders are likely to be better off if the Proposed Transaction proceeds, than if it does not, we have also considered various advantages and disadvantages that are likely to accrue to the Non-Associated Shareholders.

Advantage	Details
The Proposed Transaction is fair	The Proposed Transaction is fair to the Non-Associated Shareholders.
Strategic benefit	The Proposed Transaction involves the acquisition of exploration ground which the directors believe has the potential to generate value for shareholders. Non-Associated Shareholders will have an opportunity to participate in any potential upside of the Ashburton CGP.
Diversification of Company's portfolio	The Proposed Transaction will enable the Company to diversify its portfolio beyond its existing Austin Gold Project.
Performance Rights align interests of Gardner and Shareholders	<p>The Performance Rights will align the interests of Gardner with other Shareholders. Should the project be successful, both Non-Associated Shareholders and Gardner will be able to participate in any value accretion. Non-Associated Shareholders would benefit from any uplift in the AYT share price resulting from gold resources being defined at the Tenements and the Performance Rights would vest.</p> <p>Should the project not be successful, Shareholder interests will not be diluted.</p>
Deemed issue price of Performance Rights on commercial terms	As outlined in Section 7, we consider the deemed issue price of the Performance Rights to be reasonable to Non-Associated Shareholders, as it implies that the amount being paid by Austin Metals to Gardner for the delineation of gold resources is less than what would be paid on market.

Escrow on Performance Rights	The Performance Rights will be subject to a twelve-month ASX escrow period.
Cash reserves preserved to consider exploration activities in the short to medium term	The issue of Performance Rights as the only upfront consideration preserves cash for the Company to spend on exploration activities, including on its existing Austin Gold Project.
No change to investment profile	Acquisition of the Ashburton CGP furthers the Company's interests in gold and base metals, therefore investors would not see any change to their investment profile.

Disadvantage	Details
Dilutionary impact	Non-Associated Shareholders currently have an aggregate interest in 73.5% of the Company. The issue of performance rights could result in the potential dilution of the interests of Non-Associated Shareholders to 57.2% should they vest.
Significant influence of Gardner	Gardner currently holds a relevant interest in Austin Metals of 26.6% and is therefore a significant shareholder with the ability to block Special Resolutions. If all the Performance Rights vest, Gardner could hold an interest of 42.8% on a fully diluted basis which would increase its influence over the strategic direction and voting decisions of the Company; although not a majority position it could give Gardner effective control.

## Conclusion - Reasonableness

In our opinion, the position of the Non-Associated Shareholders if the Proposed Transaction is approved is more advantageous than if the Proposed Transaction is not approved. Therefore, in the absence of any other relevant information and/or a superior proposal, we consider that the Proposed Transaction is reasonable to Non-Associated Shareholders.

## Overall opinion

In the absence of any other relevant information and/or a superior proposal, RSM considers the Proposed Transaction to be **fair and reasonable** to Non-Associated Shareholders.

An individual shareholder's decision in relation to the Proposed Transaction may be influenced by their individual circumstances. If in doubt, shareholders should consult an independent advisor.



## APPENDICES

## A. DECLARATIONS AND DISCLAIMERS

### **Declarations and Disclosures**

RSM Corporate Australia Pty Ltd holds Australian Financial Services Licence 255847 issued by ASIC pursuant to which they are licensed to prepare reports for the purpose of advising clients in relation to proposed or actual mergers, acquisitions, takeovers, corporate reconstructions or share issues.

### **Qualifications**

Our report has been prepared in accordance with professional standard APES 225 “Valuation Services” issued by the Accounting Professional & Ethical Standards Board.

RSM Corporate Australia Pty Ltd is beneficially owned by the partners of RSM Australia Pty Ltd (RSM) a large national firm of chartered accountants and business advisors.

Nadine Marke and Justin Audcent are directors of RSM Corporate Australia Pty Ltd. Both Nadine and Justin have extensive experience in the field of corporate valuations and the provision of independent expert’s reports for transactions involving publicly listed and unlisted companies in Australia.

### **Reliance on this Report**

This report has been prepared solely for the purpose of assisting Shareholders of Austin Metals in considering the Proposed Transaction. We do not assume any responsibility or liability to any party as a result of reliance on this report for any other purpose.

### **Reliance on Information**

Statements and opinions contained in this report are given in good faith. In the preparation of this report, we have relied upon information provided by the Directors and management of Austin Metals and we have no reason to believe that this information was inaccurate, misleading or incomplete. RSM Corporate Australia Pty Ltd does not imply, nor should it be construed that it has carried out any form of audit or verification on the information and records supplied to us.

The opinion of RSM Corporate Australia Pty Ltd is based on economic, market and other conditions prevailing at the date of this report. Such conditions can change significantly over relatively short periods of time.

In addition, we have considered publicly available information which we believe to be reliable. We have not, however, sought to independently verify any of the publicly available information which we have utilised for the purposes of this report.

We assume no responsibility or liability for any loss suffered by any party as a result of our reliance on information supplied to us.

### **Disclosure of Interest**

At the date of this report, none of RSM Corporate Australia Pty Ltd, RSM, Nadine Marke, Justin Audcent, nor any other member, director, partner or employee of RSM Corporate Australia Pty Ltd and RSM has any interest in the outcome of the Proposed Transaction, except that RSM Corporate Australia Pty Ltd are expected to receive a fee in the region of \$30,000 based on time occupied at normal professional rates for the preparation of this report. The fees are payable regardless of whether Austin Metals receives Shareholder approval for the Proposed Transaction, or otherwise.

### **Consents**

RSM Corporate Australia Pty Ltd consents to the inclusion of this report in the form and context in which it is included with the Notice of Meeting to be issued to Shareholders. Other than this report, none of RSM Corporate Australia Pty Ltd or RSM Australia Pty Ltd has been involved in the preparation of the Notice of Meeting. Accordingly, we take no responsibility for the content of the Notice of Meeting.

## B. SOURCES OF INFORMATION

In preparing this report we have relied upon the following principal sources of information:

- Draft Notice of General Meeting
- Audited financial statements for Austin Metals for the years ended 30 June 2021, 30 June 2022 and 30 June 2023
- Tribute and Joint Venture Agreement dated 29 July 2022
- Deed of Assignment and Assumption dated 10 December 2023
- Heads of Agreement dated 19 February 2024
- Austin Metals company website
- Comparable company websites
- Austin Metals top shareholder register as at 28 February 2024
- GM Mining Consultants Independent Technical Report dated 29 January 2024
- ASX announcements
- IBISWorld
- S&P Capital IQ

## C. GLOSSARY OF TERMS AND ABBREVIATIONS

Term or Abbreviation	Definition
\$ or AUD	Australian dollar
Act or Corporations Act	Corporations Act 2001 (Cth)
AFCA	Australian Financial Complaints Authority
AFSL	Australian Financial Services Licence
Announcement	Austin Metals announcement of the binding agreement to acquire the Ashburton Copper-Gold Project.
APES	Accounting Professional & Ethical Standards Board
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange
ASX Listing Rules	The listing rules of ASX as amended from time to time
Austin Metals	Austin Metals Limited
AYT	Austin Metals Limited
CEO	Chief Executive Officer
DCF	Discounted cash flow
Deed of Assignment	Agreement for Gardner to assign its Exclusive Right under the Earn-In Agreement to Austin Metals
Directors	Directors of Austin Metals Limited
Earn-In Agreement	Tribute and joint venture agreement between Gardner and John Harvey Firth
Earn-In Tenements	Exploration licences E08/2938 and E08/2994 and prospecting licence P08/699
EBIT	Earnings before interest and tax
Enterprise Value or EV	The market value of a business on a cash free and debt free basis
Equity Value	The owner's interest in a company after the addition of all non-operating or surplus assets and the deduction of all non-operating or excess liabilities from the enterprise value.
Escrow Period	Twelve-month ASX escrow period from the date of issue
Exclusive Right	A grant by John Harvey Firth to Gardner to earn up to a 90% interest in the Earn-In Tenements
Execution Date	The date the transaction completes
Exploration Tenements	Exploration licences E08/2997, E08/3104, E08/3120, E08/3121, E08/3222 and E08/3273
FME	Future Maintainable Earnings
FSG	Financial Services Guide
FY23	Financial year ended 30 June 2023
Gardner	Gardner Mining Pty Ltd
GMMC	Jeff Randell of GM Minerals Consultants Pty Ltd
GMMC Report	Independent valuation of the Ashburton CGP in accordance with the VALMIN code
Joint Venture	Unincorporated joint venture between Gardner and John Harvey Firth
LTM	Last twelve months
k	Thousands
m	Millions
Management	The management of Austin Metals
Non-Associated Shareholders	Shareholders who are not a party, or associated to a party, of the Proposed Transaction
NPAT	Net profit after tax
NTM	Next twelve month
Option or Options	Unlisted options to acquire shares with varying vesting conditions
Performance Rights	Performance rights to be issued by Austin Metals to Gardner
RBA	Reserve Bank of Australia
Report or IER	This Independent Expert's Report prepared by RSM Corporate Australia Pty Ltd
RG 111	ASIC Regulatory Guide 111 Content of expert reports

RG 112	ASIC Regulatory Guide 112 Independence of experts
RSM or We or Us or Ours	RSM Corporate Australia Pty Ltd
Settlement	Completion of the Proposed Transaction
Share or Austin Metals Share	Ordinary fully paid share in the capital of Austin Metals Limited
Shareholder	A holder of Austin Metals shares

## D. COMPARABLE COMPANY DESCRIPTIONS

Ticker	Company	Business Description
ASX:MM8	Medallion Metals Limited	Medallion Metals Limited engages in mineral exploration activities in Australia. The company primarily explores for gold, silver, copper, lead, and zinc deposits. Its flagship property is the 100% owned Ravensthorpe gold project covering an area of approximately 300 square kilometers located in Western Australia. Medallion Metals Limited was incorporated in 2015 and is based in West Perth, Australia.
ASX:WA8	Warriedar Resources Limited	Warriedar Resources Limited engages in the exploration and evaluation of mineral properties in Australia and the United States. It explores for gold and copper deposits. The company holds interests in the Golden Range and Fields Find Projects located in Western Australia; and Big Springs Gold Project located in Nevada, the United States. The company was formerly known as Anova Metals Limited. Warriedar Resources Limited was incorporated in 2010 and is based in West Perth, Australia.
ASX:CLZ	Classic Minerals Limited	Classic Minerals Limited engages in the exploration of mineral resource-based projects in Australia. It primarily explores for gold and nickel deposits. The company's flagship project is the Kat Gap gold project located in Western Australia. It also holds interest in the Forrestania gold project located to the south of Southern Cross, Western Australia; and the Fraser Range project. The company was formerly known as Broad Resources Limited and changed its name to Classic Minerals Limited in 2007. Classic Minerals Limited was incorporated in 2006 and is based in Landsdale, Australia.
ASX:GBR	Great Boulder Resources Limited	Great Boulder Resources Limited operates as a mineral exploration company in Australia. It primarily explores for gold and base metals. The company's flagship project includes the Side Well Gold project that covers an area of approximately 154 square kilometers located in the Meekatharra in Western Australia. Great Boulder Resources Limited was incorporated in 2016 and is based in West Perth, Australia.
ASX:SPR	Spartan Resources Limited	Spartan Resources Limited engages in the exploration, evaluation, and development of gold projects. Its flagship project is the Dalgaranga gold project, which covers an area of 500 square kilometers located to the north-west of Mt Magnet in Western Australia. The company was formerly known as Gascoyne Resources Limited and changed its name to Spartan Resources Limited in August 2023. Spartan Resources Limited was incorporated in 2009 and is headquartered in West Perth, Australia.
ASX:NXM	Nexus Minerals Limited	Nexus Minerals Limited engages in the exploration of mineral properties in Western Australia. It explores for gold, copper, caesium, tantalum, tin, and lithium deposits. The company was formerly known as Hemisphere Resources Limited. Nexus Minerals Limited was incorporated in 2006 and is based in West Perth, Australia.
ASX:ERM	Emmerson Resources Ltd	Emmerson Resources Limited, together with its subsidiaries, engages in the exploration and evaluation of mineral properties. The company primarily explores for gold, copper, and cobalt deposits. It holds interest in the Tennant Creek Mineral Field covering an area of 1,700 square kilometers located in the Northern Territory, Australia. The company also holds interests in five projects located in New South Wales, Australia. The company was incorporated in 2005 and is based in West Leederville, Australia.
ASX:GSN	Great Southern Mining Limited	Great Southern Mining Limited primarily engages in the exploration and evaluation of gold deposits in Australia. The company also explores for silver, nickel, copper, and other minerals. The company holds a 100% interest in the Mon Ami gold project, the Cox's Find project, and the Duketon gold project, Southern Star project, and East Laverton project located in Western Australia. It also holds a 100% interest in the Edinburgh Park project and Mosman project in North Queensland. The company was incorporated in 2011 and is based in Balcatta, Australia.
ASX:WGR	Western Gold Resources Limited	Western Gold Resources Limited engages in the exploration and evaluation of mineral resources in Western Australia. It holds interest in the Wiluna West Gold Project that includes 7 granted mining leases covering an area of approximately 85.8 square kilometers located in Wiluna, Western Australia; and the Gold Duke Project. The company was incorporated in 2009 and is based in West Perth, Australia.



ASX:VTX	Vertex Minerals Limited	Vertex Minerals Limited engages in evaluation and exploration of minerals in New South Wales and Western Australia. The company primarily explores for gold and nickel. Its flagship property is the 100% owned Hill End project comprising 7 exploration licenses, a gold lease, and 10 mining leases located in the eastern Lachlan Fold Belt in New South Wales. The company was incorporated in 2021 and is based in Peppermint Grove, Australia.
ASX:LEX	Lefroy Exploration Limited	Lefroy Exploration Limited engages in the exploration and evaluation of mineral properties in Western Australia. The company explores for gold, copper, and nickel deposits. Its flagship project is the 100% owned Lefroy Gold project that covers an area of approximately 635 square kilometers located to the southeast of Kalgoorlie. The company was formerly known as U.S. Masters Holdings Limited and changed its name to Lefroy Exploration Limited in September 2016. Lefroy Exploration Limited was incorporated in 1990 and is headquartered in Road Town, British Virgin Islands.

Source: S&P Capital IQ

## E. COMPARABLE TRANSACTION DESCRIPTIONS

Target	Target Business Description
Alto Metals Limited (ASX:AME)	Alto Metals Limited primarily explores for gold properties in Western Australia. It holds a 100% interest in Sandstone Gold project covering an area of approximately 740 square kilometres located in the East Murchison Mineral field in Western Australia. The company was formerly known as Enterprise Uranium Limited and changed its name to Alto Metals Limited in May 2016. Alto Metals Limited was incorporated in 2012 and is based in West Perth, Australia.
Coyote and Paulsens Gold Operations	Coyote and Paulsens Gold Operations comprise gold exploration properties. The assets are located in Australia.
Bardoc Gold Limited (ASX:BDC)	Bardoc Gold Limited engages in the exploration and development of mineral properties in Australia. The company primarily explores for gold and manganese deposits. Its flagship project is the Bardoc Gold project covering an area of 250 square kilometers located in the Eastern Goldfields region of Western Australia. The company was formerly known as Spitfire Materials Limited and changed its name to Bardoc Gold Limited in November 2018. Bardoc Gold Limited was incorporated in 2007 and is based in North Fremantle, Australia. As of April 4, 2022, Bardoc Gold Limited operates as a subsidiary of St Barbara Limited.
Sandstone Gold Project	Sandstone Gold Project comprises a gold project with two granted mining leases on which the processing plant is situated. The asset is located in Australia.
Twin Hills Gold Project	Twin Hills Gold Project comprises gold exploration properties. The asset is located in Australia.
Millrose Gold Project	Millrose Gold Project comprises 600 square kilometer size gold project. The asset is located in Australia.
Mt Ida Gold Pty Ltd	Mt Ida Gold Pty Ltd engages in the exploration and evaluation of gold mines. The company was incorporated in 2003 and is headquartered in Balcatta, Australia. Mt Ida Gold Pty Ltd operates as a subsidiary of Red Dirt Metals Limited.

Source: S&P Capital IQ

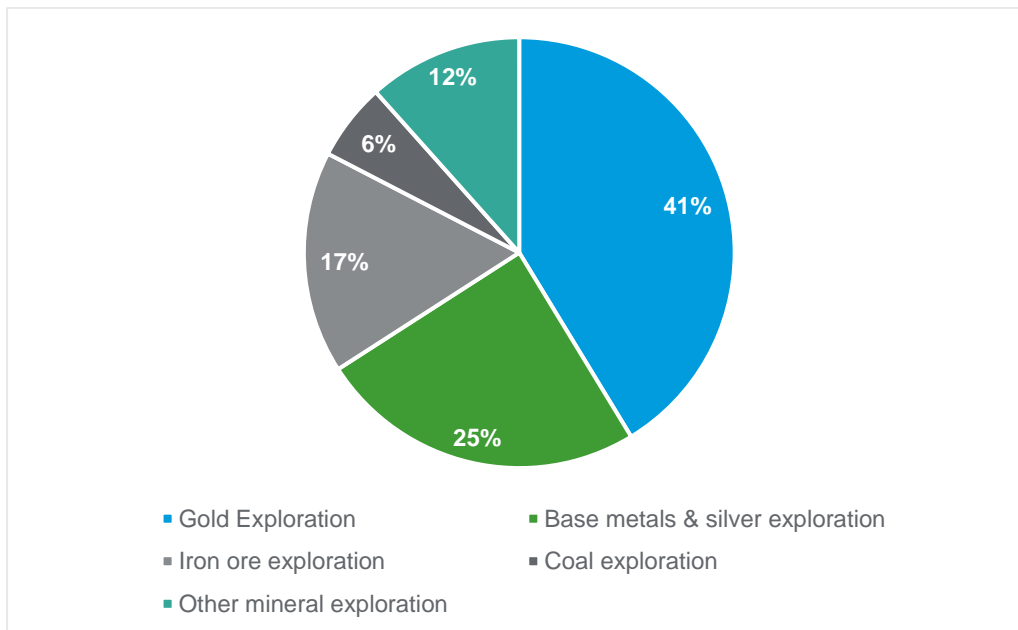
## F. INDUSTRY OVERVIEW

### Mineral Exploration in Australia

The demand for mineral exploration is driven by both greenfield and brownfield exploration activity, which is directly correlated to the increase in commodity prices. Higher gold prices have driven the growth in expenditure of brownfield exploration and the continued increase in demand for base metals have increased greenfield exploration activity.

The IBISWorld report B1012 “Mineral Exploration in Australia” released in December 2023 states that the mineral exploration expenditure is valued at \$4.3 billion with a compound annual growth rate in 2023 of 8.1%. The industry is forecasted to continue to grow in exploration expenditure at an annualised 2.3% over the five years through 2028.

The graph below summarises the service segmentation of the mineral exploration industry in Australia based on expenditure:



Gold exploration accounts for the largest share of exploration expenditure and is generally more costly compared to other types of mineral exploration due to more drilling being required to define a deposit. Gold exploration constituted 41.3% of mineral exploration industry expenditure in 2023, equating to \$1.8 billion. This was followed by base metals and silver exploration which made up 24.6%, or \$1.1 billion in industry expenditure, in 2023.

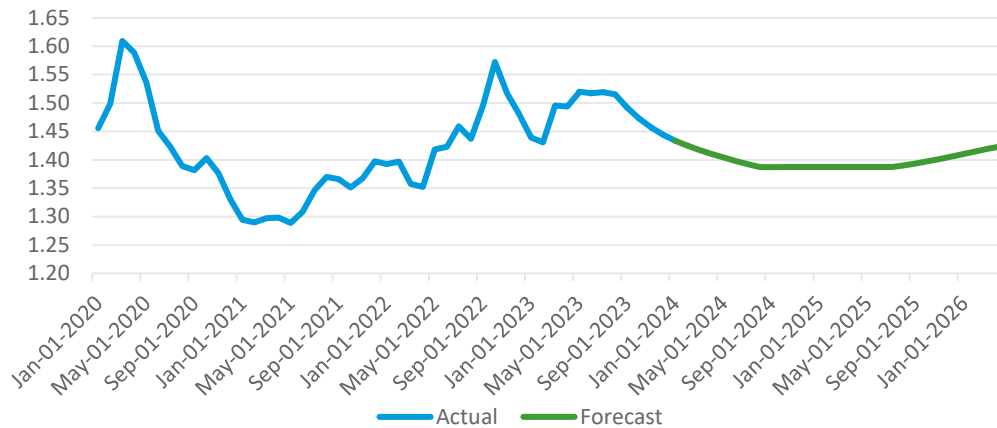
The demand for gold is inversely related to economic conditions as it is portrayed as a safe-haven asset during economic downturns. Domestic gold prices have increased in recent years due to the effects of the COVID-19 pandemic and more recently, high inflation rates which consequently incentivises the demand for gold exploration.

#### Key External Drivers:

- Actual capital expenditure on mining
- US dollars per Australian dollar
  - The exchange rate between the USD and AUD plays a pivotal role in influencing the Gold and Copper Ore mining sector. This is because the prices of many commodities are denoted in USD, implying that the exchange rate holds sway over the earnings earned by Australian producers and the cost faced by importers.
  - Looking ahead, the Australian dollar is predicted to weaken against the US dollar over the medium term. This projection is mainly attributed to the more aggressive interest rate hikes by the US Federal Reserve compared to the Reserve Bank of Australia (RBA). This potential depreciation could potentially bring about favourable outcomes for local copper exporters.
- Domestic price of black coal
- World price of iron ore

- World price of gold
- World price of copper

The graph below presents the historical and forecast AUD/USD exchange rates, acquired from S&P Capital IQ:



Source: S&P Capital IQ

## Gold Mining

Gold mining is a demanding process which requires high capital costs and has become increasingly difficult as the quality of the ore reserves decline. Beyond the direct costs, there are significant indirect expenses including exploration, marketing, royalties, and native title laws.

The precious metal is considered to be one of the least reactive metals with its noncorrosive and highly malleable properties. Gold is regarded as a luxury material as it is most used in jewellery.

The IBISWorld report B0804 "Gold Ore Mining in Australia" released in December 2023 states that the gold mining industry is valued at \$27.9 billion with a compound annual growth rate in 2024 of 4.4%. The industry however is forecast to drop in revenue at an annualised 2.7% over the five years through 2028-29.

The figure below represents the US dollar historical and forecast world price of gold, extracted from IBISWorld:

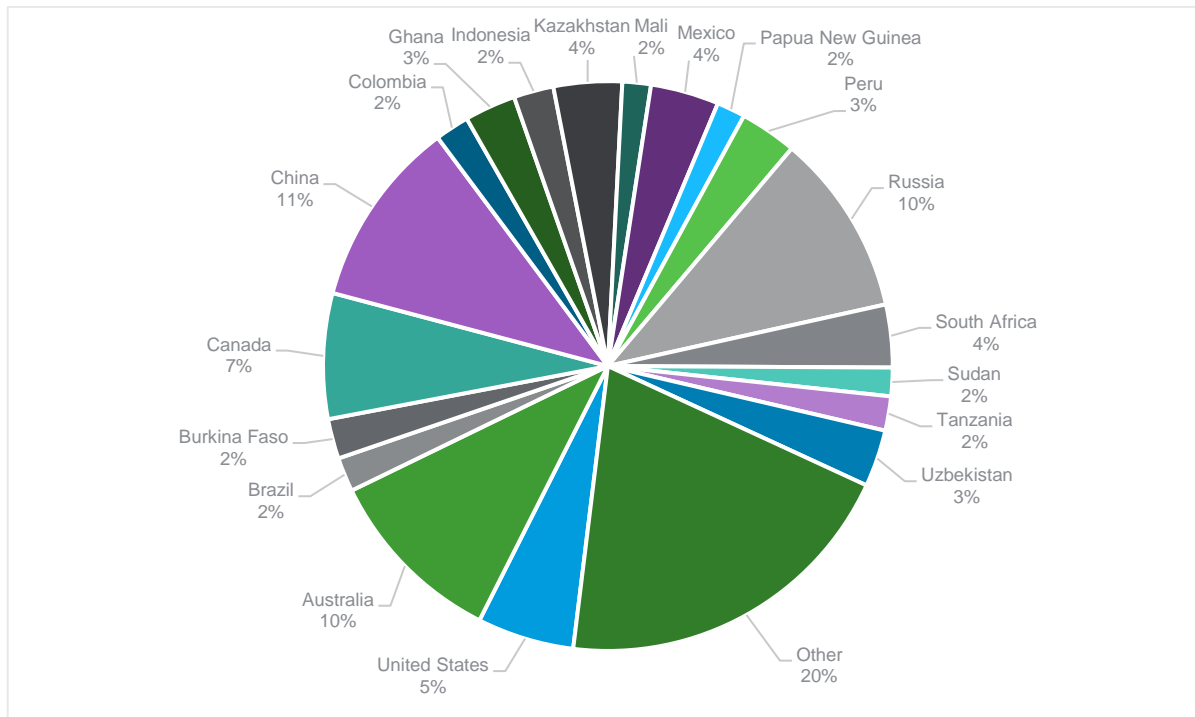


Source: IBISWorld

The historical rise in gold prices to all-time highs in excess of US\$2,000 per troy ounce in late 2023 / early 2024 was seen to be a counteraction to economic uncertainty. High inflation and interest rates had decreased investor confidence, and safe-haven assets were in demand. However, the price of gold is forecast to decline 4.5% in 2024 due to a shift in investor confidence in the market as the economy has started to prove its resilience against recessionary factors. The price of gold is expected to drop over the next five years but will remain elevated in relation to historic prices due to the ongoing fragility in the economy.

## U.S. Geological Survey – Mineral Commodities Survey 2024

The U.S. Geological Survey (USGS) publishes annual Mineral Commodities Summaries, with the latest report published in January 2024. The figure below summarises the mining production of gold in 2023, by country:



Source: USGS Mineral Commodities Summaries 2024

### Key External Drivers

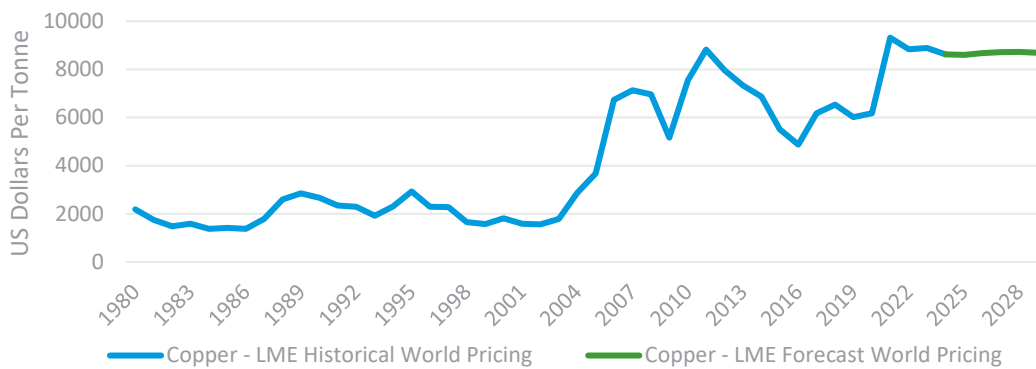
IBISWorld has presented the key external drivers that impact the gold ore mining industry as follows:

- Domestic price of gold
- Demand from gold and other non-ferrous metal processing
- US dollars per Australian dollar
- World GDP

### Copper Mining

Copper, also found in the transitional metal group, is a non-corrosive and easily recycled metal. Copper is used in electric generators, electrical wiring and heat conducting applications. Another vital application of copper is used in water pipes due to its non-corrosive nature.

The IBISWorld report B0803 “Copper Ore Mining in Australia” released in December 2023 states that copper mining revenue is currently estimated at \$9.8 billion and is forecast to grow in revenue at an annualised 0.9% over the five years through 2028-29, totalling to \$10.2 billion in revenue.



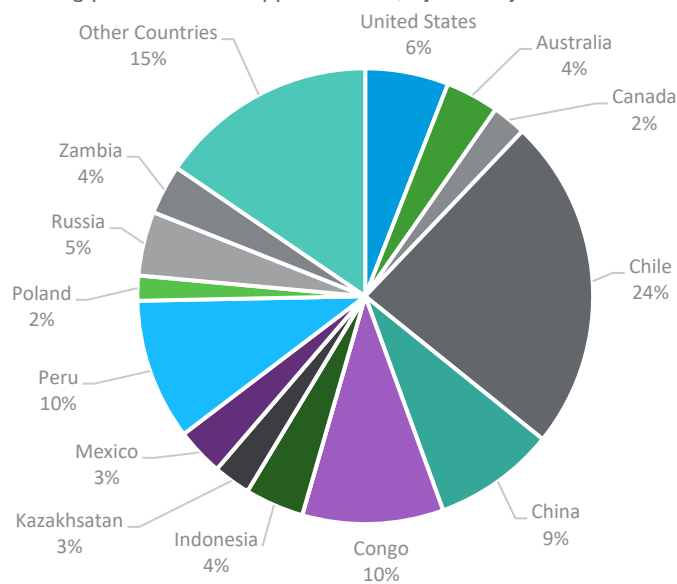
Source: IBISWorld

The rise in copper's importance is driven by climate initiatives and the demand for renewable technologies amidst the global shift from fossil fuels. Despite this, forecasts indicate a slight decrease in copper prices with an expected annual decline of 0.4% until 2028. Copper prices are volatile, influenced by factors such as financing costs and economic slowdowns, which could hinder short-term growth. Despite disruptions from the COVID-19 pandemic, increased US housing demand led to a 2.7% price lift, supported by a recovering economy. However, supply and demand have been impacted by events including a drop in Chilean copper output and geopolitical tensions such as the Russia-Ukraine conflict, adding complexities to the market.

### U.S. Geological Survey – Mineral Commodities Summary 2024

The U.S. Geological Survey (USGS) publishes annual Mineral Commodities Summaries, with the latest report published in January 2024.

The figure below highlights the mining production of copper in 2023, by country:



Source: USGS Mineral Commodities Summaries 2023

### Key External Drivers

IBISWorld has presented the key external drivers that impact the copper ore mining industry as follows:

- World price of copper
- US dollars per Australian dollar
- Demand from building construction
- Demand from copper tubes and wire manufacturing
- Demand from copper, silver, lead and zinc smelting and refining

## G. INDEPENDENT SPECIALIST'S REPORT



EXPLORATION MANAGEMENT | MINING DATA MANAGEMENT | MINING TENEMENT MANAGEMENT  
INDEPENDENT TECHNICAL REPORTS & VALUATIONS | RESOURCES ESTIMATION | DUE DILIGENCE

# Independent Valuation of Mineral Assets

## Ashburton Project, W.A. Austin Metals Limited

Job No. 2890-17

Report Date: 29 January 2024

Prepared for:

Paul L'herpinier

Non-Executive Director

Austin Metals Limited

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Non-Executive Director and  
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Austin Metals Limited

Prepared by:

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Principal Consultant



## Executive Summary

The Ashburton Project comprises eight granted Exploration Licences and one granted Prospecting Licence located 280kms west of Newman and 940kms north of Perth within the Pilbara Region of Western Australia.

Geos Mining considers that the most applicable methods for valuing the Ashburton Project are the Market Approach (Comparable Transactions) and Cost Approach (Modified Replacement Value).

We have utilised a modified version of Comparable Transactions, based on identifying projects with similar mineralisation styles in Western Australia for which there have been transactions announced and completed since 1 January 2022. A total of 42 project transactions have been identified as being comparable and include a variety of gold mineralisation styles with projects having no reported Mineral Resource Estimates.

Geos Mining has concluded that the Technical Value range, based on Comparable Transactions, varies from A\$475,000 to A\$957,000 with a Preferred Value of A\$739,000.

Geos Mining has concluded that the Technical Value range, based on the Modified Replacement Value, is A\$630,000 to A\$870,000, with a Preferred Value of \$779,000.

We have used both the Comparable Transactions (CT) method and Modified Replacement Value (MRV) method in the assessment of the Ashburton Project value but in our opinion, the CT method is the most applicable as it reflects current market conditions, whereas the MRV method should be assigned a lower weighting due to its inherent subjectivity. We have elected to weight the two methods by the ratio 70% CT: 30% MRV in recognition of market forces that dictate asset values to a far greater degree than exploration expenditure. We have elected to apply a nil discount to the Technical Value due to the balanced risks and opportunities and the unknown nature of the Modifying Factors in order to arrive at a Market Value.

**The Ashburton Project has a range of Market Values of between A\$520,000 and A\$910,000 with a Preferred Value of A\$750,000.**



Signature:

Name:	Jeff Randell	Position:	Senior Consultant
Qualifications:	BSc (Hons), MAIG	Date:	29 January 2024

## Disclaimer

Geos Mining has undertaken suitable checks, enquiries, analyses and verification procedures, considered as meeting the Reasonable Grounds Requirement for the soundness of the inputs that lead to the conclusions drawn in a Public Report (in accordance with the VALMIN Code 2015), and can accept no liability if, despite our checks, materially inaccurate, incomplete or misleading data has affected the conclusions of this report.

Geos Mining and the authors are independent of Austin Metals Limited and have no financial interests in Austin Metals Limited or any associated companies. Geos Mining is being remunerated for this report on a standard fee for time basis, with no success incentives.

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# 1. Introduction

## 1.1 COMMISSIONING ENTITY

This valuation was commissioned by Austin Metals Limited ('Austin'), to prepare an Independent Valuation Report ('IVR') for the purpose of providing an independent valuation of the Ashburton Project.

## 1.2 INDEMNITIES

In regard to this report, Sonu Cheema signed a written undertaking on behalf of Austin to:

- provide all material information in his possession to Geos Mining, including any previous project assessment reports and valuations
- ensure that necessary access will be assured for Geos Mining staff to the company's records
- inform Geos Mining if any information is to be regarded as confidential and not to be included in the final report
- respect the independence of Geos Mining Staff.

In accordance with Clause 11.4 of the VALMIN Code 2015, Austin also undertook to indemnify Geos Mining for any liability:

- resulting from their reliance on information provided by Austin that is Materially inaccurate or incomplete; and
- relating to any consequential extension of workload through queries, questions or public hearings arising from the Public Report.

## 1.3 BACKGROUND

The Ashburton Project comprises eight granted exploration licences and one granted prospecting licence covering ~510 km<sup>2</sup> and is located on Ashburton Downs Station, ~75 km SW of Paraburdoo in the Pilbara Region of Western Australia.

## 1.4 DATE OF VALUATION

The date of this valuation is 29 January 2024.

## 1.5 PURPOSE OF VALUATION

This valuation has been prepared for the purpose of providing Austin with an Independent Valuation Report on the Ashburton Project. The IVR will accompany an Independent Expert Report ('IER') regarding the fairness and reasonableness of the acquisition of the Company's other shareholders for any acquisition that triggers a shareholder approval requirement.

## 1.6 BASIS OF VALUATION

The valuation was primarily based on a Technical Value method. The Australasian Code for the Public Reporting of the Technical Assessments and Valuations of Mineral Assets 2015 Edition (the "VALMIN Code 2015") defines Technical Value as *"an assessment of a Mineral Asset's future net economic benefit at the Valuation Date under a set of assumptions deemed most appropriate by a Practitioner, excluding any premium or discount to account for market considerations."*

Assessment of Modifying Factors were applied to the Technical Value to arrive at a Market Value, which is defined by the VALMIN Code 2015 as *"the estimated amount of money (or the cash equivalent of some other consideration) for which the Mineral Asset should exchange on the date of Valuation between a willing buyer and a willing seller in an arm's length transaction after appropriate marketing wherein the parties each acted knowledgeably, prudently and without compulsion"*.

The valuation of the Ashburton Project relied on Comparable Transactions and Modified Replacement Value, as exploration on the Ashburton Project has not defined Ore Reserves as at the Valuation Date.

## 1.7 STANDARDS AND CODES

This valuation has been prepared in accordance with:

- The VALMIN Code 2015, prepared by the VALMIN Committee, a joint committee of The Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists, with the participation of the Minerals Council of Australia and other key stakeholder representatives,
- The JORC Code 2012 sets out minimum standards, recommendations and guidelines for Public Reporting in Australia of Exploration Results, Mineral Resources and Ore Reserves.

Currency used in this report is Australian dollars (A\$).

## 1.8 STATEMENT OF COMPETENCE

This report has been prepared by Geos Mining and has been compiled and edited by Senior Consultant Jeff Randell. Principal Consultant Murray Hutton has peer reviewed this document.

Jeff Randell has more than 45 years' experience in mineral exploration and mining in Australia and overseas. He has worked on a wide range of commodities and mineralisation styles including those known to occur within the Pilbara terrain of Western Australia. Jeff has authored and reviewed several Valuations for clients both within Australia and overseas through Geos Mining over the past 15 years.

## 1.9 STATEMENT OF INDEPENDENCE

Geos Mining is independent of all parties involved with the project activities described in this report. Geos Mining will receive a professional fee based on standard rates plus reimbursement of out-of-pocket expenses for the preparation of this report. The payment of these fees is not contingent upon the success or otherwise of any associated fundraising or transactions. There are no pecuniary or other interests that could be reasonably regarded as being capable of affecting the independence of Geos Mining or the authors of this report.

Geos Mining is not aware of any appointments over the past two years by any stakeholders or other relevant parties involved in the Ashburton Project that may be perceived as able to affect the independence of Geos Mining. Geos Mining, the authors and members of the authors' families, have no interest in, or entitlement to, any of the project areas the subject of this report or in the shares of Austin.

## 1.10 RELIANCE ON OTHER SPECIALISTS

Geos Mining has not relied on any other Specialists in compiling this valuation report. Any third-party material used in the report has been cited in the text and listed in the Bibliography section.

## 1.11 REASONABLENESS STATEMENT

In undertaking this valuation, Geos Mining has assessed the Technical and Financial inputs in an impartial, rational, realistic and logical manner. We believe that the overall Technical Assessment, Valuation Approach and Valuation Methods are in line with industry standards and meet the Reasonable Grounds Requirement of the VALMIN Code 2015.

## 1.12 COST

Geos Mining is to be remunerated on a fixed fee basis for undertaking this valuation, with no bonus payment to be made based on the derived valuation of the Subject or the success of the Transaction.

The fee agreed between Geos Mining and Austin is \$11,000 Australian Dollars.



### 1.13 LIMITATIONS AND CONSENT

With respect to this report and its use by Austin and its advisers, where false or inaccurate information has been provided, Austin agrees to indemnify and hold harmless Geos Mining, its shareholders, directors, officers and associates against any and all losses, claims, damages, liabilities or actions to which they or any of them may become subject under any securities act, statute or common law, except in respect to fraudulent conduct, negligence or wilful misconduct, and will reimburse them on a current basis for any legal or other expenses incurred by them in connection with investigating any claims or defending any actions, except where they or any of them are found liable for, or guilty of fraudulent conduct, negligence or wilful misconduct.

This report is provided to Austin solely for the purpose of assisting Austin directors and shareholders in assessing the geological and technical issues associated with the Ashburton Project. This report does not constitute a full technical audit, but rather it seeks to provide an independent technical appreciation and market valuation of the Ashburton Project for the purpose of assisting Austin as described in Section 1.5. This report may be reproduced only in its entirety and then only with Geos Mining's prior written consent.

## 2. Sources of Information

### 2.1 DATA PROVIDED BY CLIENT

Austin provided the following data to Geos Mining:

- Annual Technical Reports for each of the Gardner Mining Exploration Licences, as listed in Table 1.

Annual Technical Reports are not available for the Firth tenements (Table 1) as all expenditure is related to prospecting.

### 2.2 SITE INSPECTION

A site inspection was not carried on any tenements within the Ashburton Project.

In Geos Mining's opinion, completion of a site visit would not materially alter the Valuation of the Ashburton Project for the purpose of which it is intended.

## 3. Project Description

### 3.1 MINERAL TENEMENTS

The Ashburton Project comprises eight granted Exploration Licences and one granted Prospecting Licence located 280kms west of Newman and 940kms north of Perth (Table 1 and Figure 1) in the Pilbara Region of Western Australia. The project covers the Edmund (SF5014) and Turee Creek (SF5015) 1:250,000 map sheets and the Elliott Creek (2250), Capricorn (2251), Kenneth Range (2350) and Ashburton (2351) 1:100,000 map sheets.

Tenement	Name	Holder	Status	Grant Date	Expiry Date	Area (blocks)	Current Annual Expenditure Commitment
E08/2938	Secret Creek	John Harvey Firth	Current	05/07/2018	04/07/2028	2	\$30,000
E08/2994	Secret Creek	John Harvey Firth	Current	18/10/2019	17/10/2024	20	\$30,000
P08/699	Secret Creek 1	John Harvey Firth	Current	19/07/2018	18/07/2026	137.18ha	\$5,520
E08/2997	Donnellys	Gardner Mining Pty Ltd	Current	22/08/2019	21/08/2024	4	\$20,000
E08/3104	Ashburton Downs	Gardner Mining Pty Ltd	Current	11/03/2020	10/03/2025	16	\$30,000
E08/3120	Capricorn Range	Gardner Mining Pty Ltd	Current	15/10/2021	14/10/2026	9	\$20,000
E08/3121	Capricorn Range	Gardner Mining Pty Ltd	Current	15/10/2021	14/10/2026	79	\$79,000
E08/3222	Top Camp	Gardner Mining Pty Ltd	Current	17/11/2021	16/11/2026	13	\$20,000
E08/3273	Fords Creek	Gardner Mining Pty Ltd	Current	18/11/2021	17/11/2026	39	\$39,000

Table 1: Ashburton Project Tenements

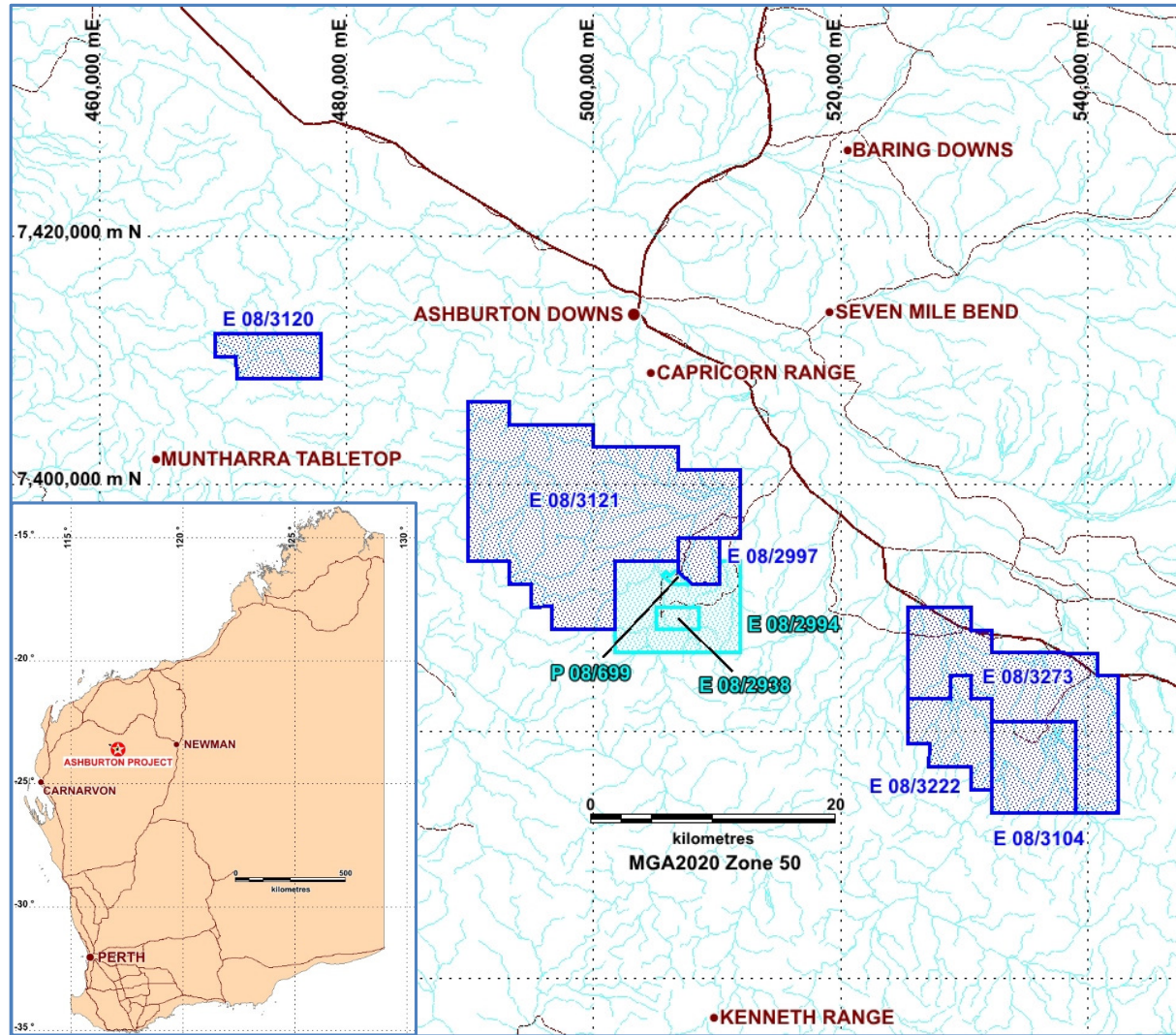


Figure 1: Ashburton Project Location

## 3.2 TENEMENT HOLDERS

There are two Registered Holders of the Ashburton Project tenements:

- John Harvey Firth – an individual and sole trader
- Gardner Mining Pty Ltd – an Australian private company controlled by Mr Darren White, a Director and the major shareholder of Austin. Gardner Mining is party to an earn-in agreement with John Harvey Firth in relation to three (Table 1) of the tenements (Austin Metals Limited, 2023). Gardner Mining acquired 100% of E08/2997 from Peter Gianni on 29/01/2021 (Orr, 2023a).

## 3.3 AUSTIN EQUITY AND CONDITIONS

On 11 December 2023, Austin announced that has entered into an Agreement with Gardner Mining to acquire a 100% interest in six Exploration Licences (E08/2997, E08/3104, E08/3120, E08/3121, E08/3222 and E08/3273), and to earn a 90% legal and beneficial interest in the Earn-in Tenements (E08/2938, E08/2994 and P08/699). At Completion, Austin will pay Gardner Mining \$200,000 cash and three tranches of performance rights, subject to ‘achieving<sup>1</sup>’ three levels of gold (or gold equivalent) ounces from the tenements.

## 3.4 INFRASTRUCTURE

Ashburton Downs Station (~3,000km<sup>2</sup>) is located ~11kms north of the Ashburton Project; 68 kilometres west of Paraburdoo and 109 kilometres south west of Tom Price. There are some pastoral tracks located within the Ashburton Project area; of note are tracks from the Ashburton Downs – Meekatharra Road to the historic Secret Creek and Top Camp deposits.

## 3.5 ENVIRONMENTAL AND LAND CONSTRAINTS

The Ashburton Project is located within the Ashburton IBRA SubRegion (GAS01), in which several fauna/flora species are listed as either vulnerable, endangered or critically endangered (Table 2).

---

<sup>1</sup> Geos Mining has not sighted the agreement in which this term is defined.

	Common Name	Status
Fauna	Grey Falcon	Vulnerable
	Pilbara Olive Python	Vulnerable
	Black-flanked Rock-wallaby	Vulnerable
	Night Parrot	Critically Endangered
	Orange Leafnosed-bat	Vulnerable
Flora	Aluta quadrata	Endangered

Table 2: Vulnerable/ Endangered Fauna/ Flora Species

It is also noted that the Department of Biodiversity, Conservation and Attractions (DCBA) is recognised as manager of certain Crown and Freehold land termed ‘Lands of Interest’. In 2019, the State Government announced a plan to create five million hectares of new national and marine parks and conservation reserves across Western Australia over the next five years, increasing the conservation estate by 20 per cent (Department of Biodiversity, Conservation and Attractions, 2023). A total of 29 opportunity areas were identified and, although none of these areas overlap the Ashburton Project, the DCBA has acquired Unallocated Crown Land (LR3131/29) that covers part of E08/2994 and most of E08/3121 (Figure 2).

Geos Mining has not investigated the impact that this may have on exploration or mining, but we note this fact as a risk factor for future development.

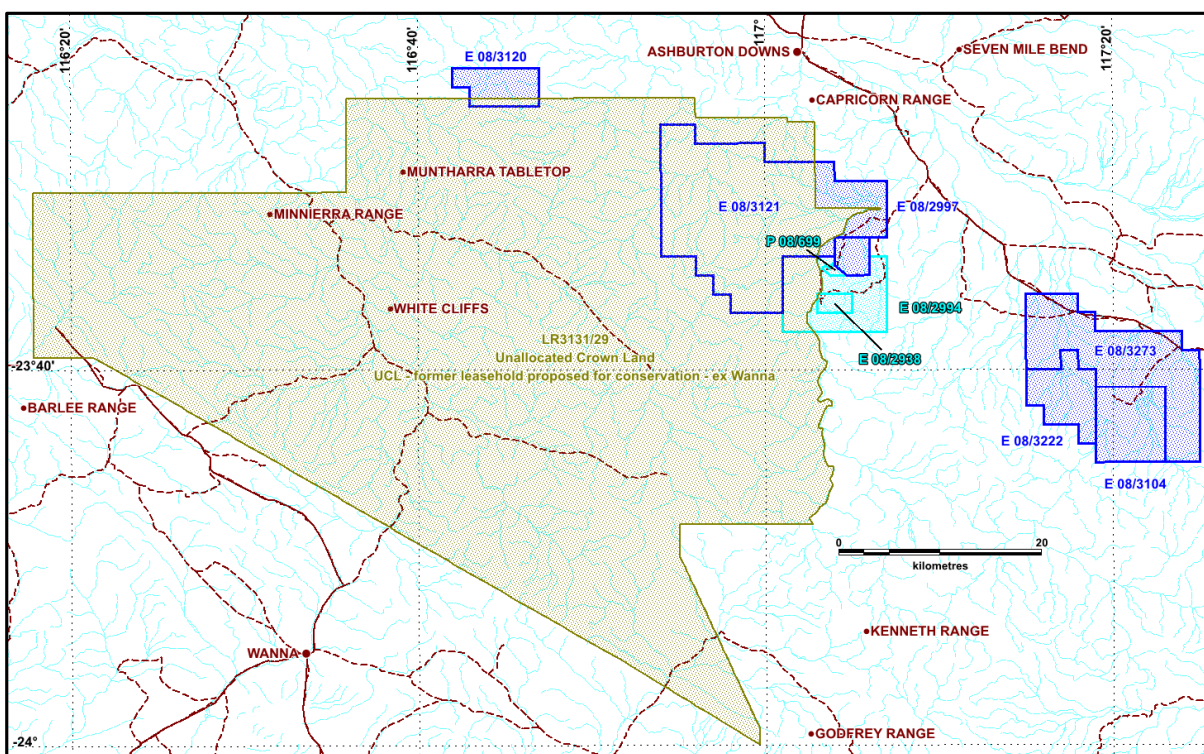


Figure 2: DCBA Managed Land within Ashburton Project Area

### 3.6 NATIVE TITLE AND CULTURAL HERITAGE ASPECTS

There are two Registered Native Title Claims that overlie the Ashburton Project (Figure 3):

- WCD2015/002 – Jurruru People Part A
- WCD2022/004 – Jurruru/ Yinhawangka Gobawarra

Geos Mining has not been advised if any Cultural Heritage Agreements are in place with the Native Title holders.

There are no listed heritage sites with the Ashburton Project area although several heritage sites are registered in the region.

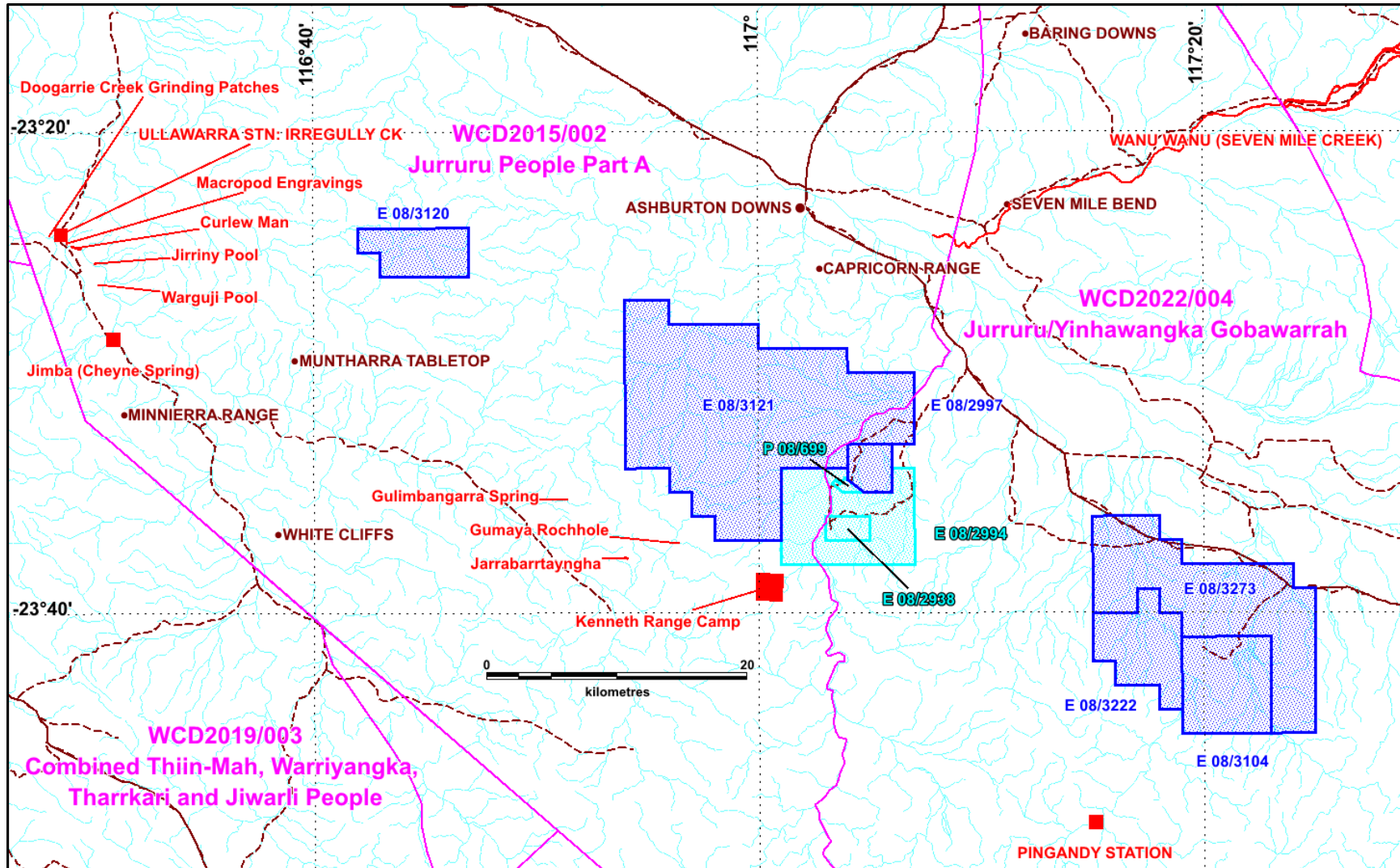


Figure 3: Ashburton Project Tenements with Native Title Determinations (magenta) and Heritage Sites (red)



### 3.7 REGIONAL GEOLOGY AND MINERALISATION

The following description is taken from Orr (2023).

The Ashburton Region is underlain by rocks of the Capricorn Orogen, a major tectonic zone between the Archaean Yilgarn and Pilbara Cratons. The Ashburton Basin is a northwest trending arcuate belt of Proterozoic sedimentary and volcanic rocks forming the northern margin of the Capricorn orogeny. The Capricorn Orogeny also deformed and metamorphosed rocks of the Ashburton and Blair Basins, giving them their characteristic NW-SE fold axis, shear and foliation trends and low-grade metamorphic mineral suite. The Ashburton Basin and the Gascoyne Complex joined along a NW-SE trending suture, now represented by the Talga Fault to the south and formed the basement for Edmund Basin sedimentation.

Gold deposits in the northern Capricorn Orogen are intimately associated with the major crustal-scale structures. In particular, the Nanjilgardy and Baring Downs Faults appear to be the most important as they both extend to the mantle and show a close association with gold mineralization. The largest gold deposits are associated with the Nanjilgardy Fault, and include orogenic gold mineralization at the Paulsens deposit, and Carlin-like gold mineralization at the Mount Olympus deposit, both with endowments of > 1 Moz. Numerous smaller orogenic gold deposits occur throughout the Ashburton Basin and Wyloo Inlier and include the Belvedere and the Star of the West gold deposits (Figure 4).

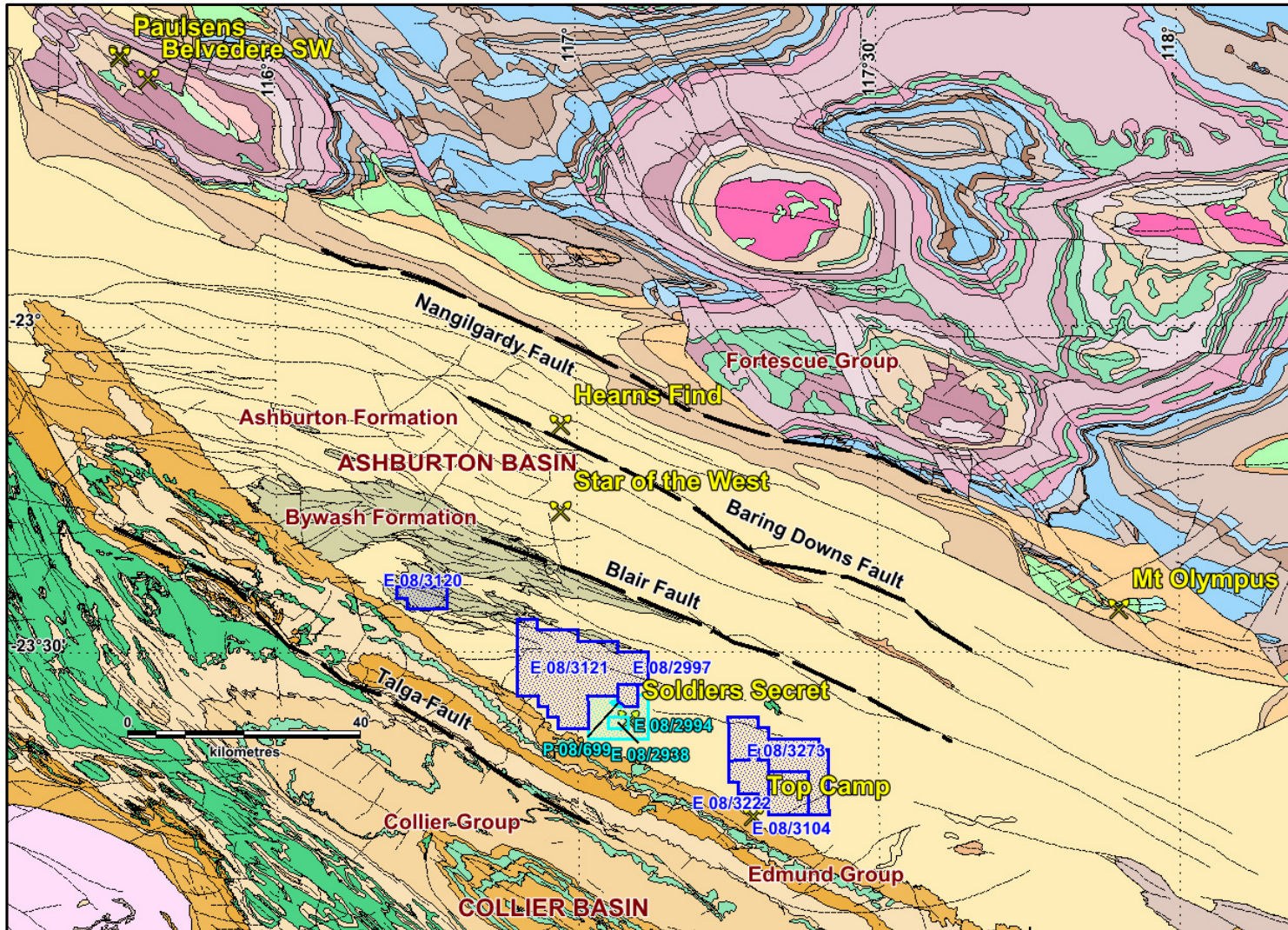


Figure 4: Ashburton Project Regional Geological Setting

The **Paulsens** gold deposit (located 130kms northwest of the Ashburton Project) is an orogenic gold deposit situated in the Wyloo Inlier adjacent to the Hardey Fault, which is a second order structure to the Nanjilgardy Fault. A mineralized quartz-carbonate-sulphide vein is hosted within the Paulsens Gabbro which is a 40 m-thick, folded and faulted gabbroic dyke emplaced into sedimentary and volcanic rocks at the base of the Fortescue Group. Gold mineralization occurs as two distinctive lodes at the margins of the auriferous quartz-carbonate sulphide vein: upper zone comprises brecciated massive pyrite, with gold inclusions within the pyrite or along fractures; lower zone characterized by laminated quartz-carbonate-sulphide veins, abundant carbonaceous stylolites with abundant free gold formed on the lower contact of the mineralized vein.

The **Mt Olympus** gold deposit (located 90kms east of the Ashburton Project) is a Carlin-like gold deposit with a remaining resource of ~ 1 Moz. The mine is situated along a second order structure (Zoe Fault) to the Nanjilgardy Fault. The Zoe Fault acted as a pathway for hydrothermal and mineralizing fluids (gold bearing) and has a strong control on the distribution of gold mineralization throughout the area. Most of the gold occurs in stratabound lodes of the Mount McGrath Formation.

The **Belvedere** deposit (located 125kms northwest of the Ashburton Project) is an orogenic, vein-hosted gold occurrence with a total endowment of 31 500 oz of Au. Mineralized quartz-carbonate-arsenopyrite veins occur in a dolerite dyke which intrudes vesicular basalt, polymictic conglomerate, sandstone and siltstone.

The **Star of the West** gold deposit (located 25kms north of the Ashburton Project) is hosted within the Ashburton Formation inter-bedded mudstone, siltstone and medium- to coarse-grained sandstone. The deposit is associated with a subsidiary structure to the Baring Downs Fault. Gold mineralization occurs within both alteration zones and quartz reefs.

The **Top Camp** deposit (located immediately southwest of the Ashburton Project) had a reported production of approximately 10,000oz from alluvial and hard-rock shaft mining from its discovery in 1889 until 1966. It is thought that official production figures do not reflect actual production and an estimate of approximately 21,000oz has been made to reflect true production from this locality. No production had been reported to the Mines Department before 1986. A single gold nugget weighing 76oz was found at Top Camp in 1893. Surface workings follow the margins of a north west-trending quartz dolerite dyke that cuts the Ashburton Formation and the overlying Bangemall Group.

Although much alluvial gold was apparently found at the **Soldiers Secret** Prospect (located within the Ashburton Project), most quartz veins are barren. There is no official record of production.

The **Mount Mortimer** diggings are located approximately 50 km northwest of the Ashburton Project and although most of the gold was recovered from alluvial deposits, auriferous-galena quartz veins have also been worked to shallow depth.

The **Bali Hi** Prospect (located 5km north of the Ashburton Project) produced an estimated 600 tonnes at 9 to 10% copper from shallow open pit workings in the 1950's and 60's on Casley's Lease. During the 1990's Barrack outlined two small, mineralized shoots within a shear with a tonnage/ grade of 90,000 tonnes at 1.3% Cu and 95,000 tonnes at 2.1% Pb and 0.2g/t Au.

Other small occurrences include:

- **Star of the East** - during 1984, mining of three quartz veins which cross-cut chloritic siltstone and mudstone returned small amounts of gold. However, the most extensive gold mineralization occurs in sheared country rock.
- **Hearns Find** (O'Grady's) - an unspecified amount of gold was recovered from a 0.3 m wide ferruginous quartz vein in siltstone and mudstone.
- **Dead Finish** - includes Star of the West (McKenzies Find), Star of the East (Greggs Find), and a number of alluvial workings. Mines Department records show that 34.8 kg of gold (excluding alluvial) was produced from this area before 1986.
- **The Gorge** - numerous auriferous quartz outcrops with traces of copper, silver, and lead
- **Cainozoic alluvial and colluvial deposits** - most gold recovered from the Ashburton Basin was from alluvial and colluvial deposits overlying the Ashburton Formation. Five localities have been worked intermittently since the 1890s:
  - **Top Camp** – reported production by the end of 1890 is 250 - 280 kg of alluvial gold, including a 2.36 kg nugget found in 1893
  - **Soldiers Secret** – approximate production 43 kg of gold during 1890. The largest nugget weighed ~280g. (Simpson, 1926).
  - **Dead Finish** - alluvial gold production was ~30 kg during the early 1890s with a further 20.5 kg reported between 1983 and 1986. The largest nugget (~800g) was discovered at Hearns Find.
  - **The Gorge** – no production records
  - **Mount Mortimer** – recorded production is 39kg gold up to 1987 but this does not include alluvial/ eluvial gold extracted in the late 1800s. Two large nuggets (1.87kg and 1.74kg) were discovered during the 1890s.

### 3.8 LOCAL GEOLOGY

The following description is taken from Orr (2023).

The Project area covers the north-western part of the Edmund Basin where it unconformably lies over the Ashburton Basin (Figure 5). The Ashburton Basin is represented by the Wyloo Group, a 12km thick SE trending sequence of low-grade meta-sediments and meta-volcanic rocks, the upper sequences of which are present in the Project area. Here, the Ashburton Formation comprises mudstone and siltstone with lesser quartz-sandstones. Sands, silts and muds of the Capricorn Group were deposited unconformably on deformed and metamorphosed Wyloo Group during the Capricorn Orogeny.

The Edmund Basin can be separated into a relatively stable shelf (Pingandy Shelf), separated by the Talga Fault from a deeper basin, horst and graben terrane floored by Gascoyne Complex rocks to the southwest. The Talga Fault strikes NW-SE for 160km to the south of the Project area. The main rock types within the Edmund Basin are fine-grained siliciclastic and carbonate sedimentary rocks dominated by stromatolitic and non-stromatolitic dolostones, dolomitic sandstone, siltstones and conglomerate.

Several large WNW-trending quartz veins dissect the area forming prominent quartz ridges.

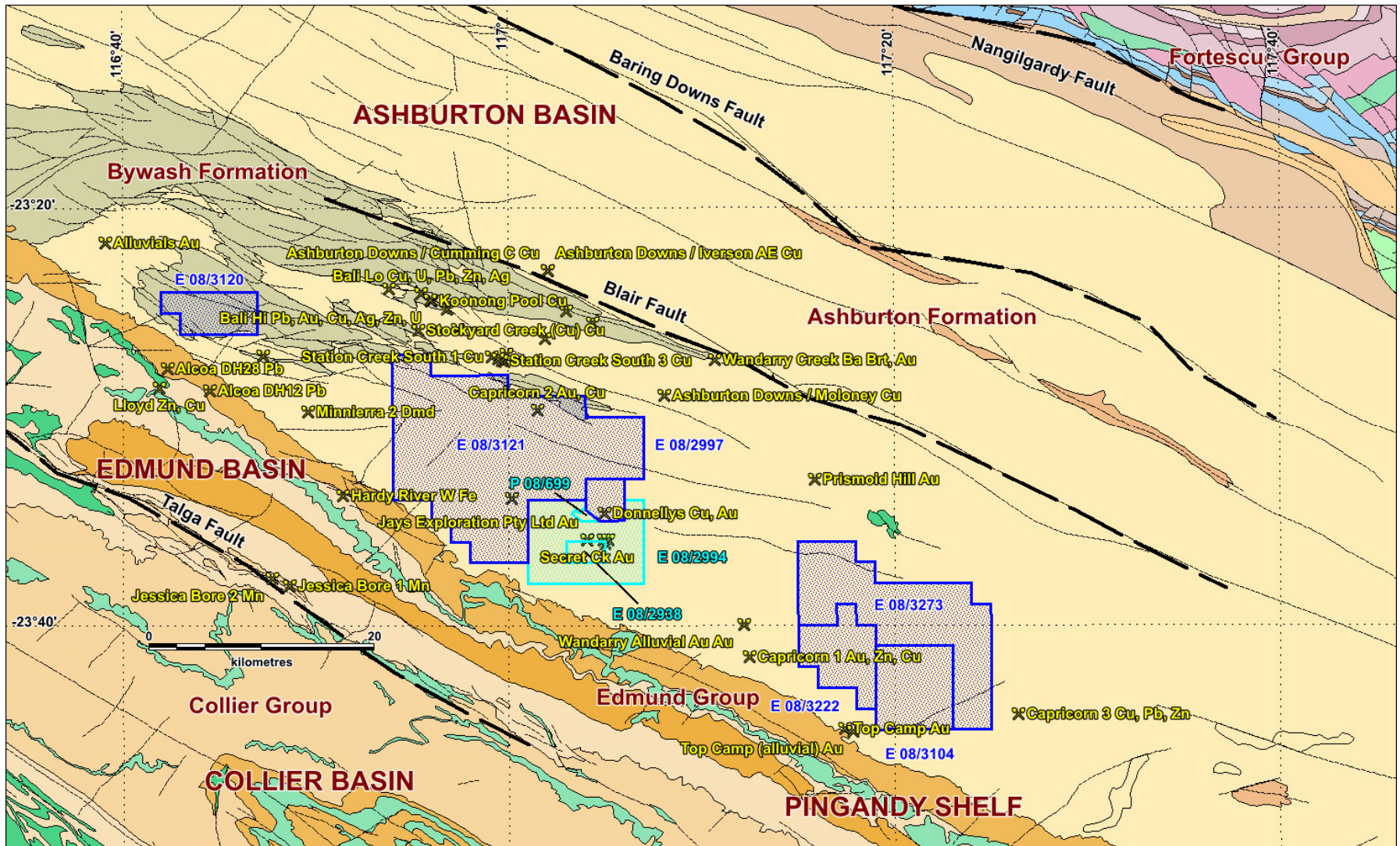


Figure 5: Ashburton Project Local Geological Setting

Mineralisation within the Ashburton Project tenements includes several copper-gold occurrences (Table 3).

Current EL	Mineral Occurrence	Commodities	Description
<b>E08/3121</b>	Capricorn 2	Au, Cu	
	Soldiers Secret West	Au	
	Maloney West	Au	1110ppb Au stream sediment anomaly (Northern Star Resources, 2016)
<b>E08/2997</b>	Donnellys	Cu, Au	Explored by Anglo American in the 1970's. Mapping and geochemical sampling completed.
<b>E08/2994</b>	Secret Creek (aka Jays Exploration Pty Ltd)	Au	
	Soldiers Secret	Au	Alluvial gold but no official records
	Soldiers Secret 2	Au	
	Soldiers Secret 3	Au	

Table 3: Known Mineralisation within the Ashburton Project

### 3.9 HISTORICAL EXPLORATION

The Ashburton Mineral Field has a long history of gold, copper, silver, lead and zinc exploration and is among the oldest in the state (Appendix 1 – Historical Exploration Licences). Several smaller prospects which were exploited for gold ±copper, silver and lead are located nearby, including the Soldiers Secret and Top Camp alluvial gold deposits. Small-scale production of copper, lead and silver has also been recorded in the Ashburton Basin, mainly from the Kooline (Pb, Ag) and Bali Hi (Cu-Pb-Ag) areas (Orr, 2023).

In the 1970s to 1980s BHP, Newmont, Metana and BP Minerals began to explore the Ashburton Basin, resulting in the discovery of Mt Clement (located ~116km to the northwest of E08/3121) and Mt Olympus.

In 1981 West Coast Holdings conducted a regional stream sediment survey in the Ashburton Trough for base metal mineralisation while in the early 1980s, Billiton Australia carried out substantial rock chip, soil sampling and drilling in and around the Soldiers Secret/ Secret Creek area. From 1985-1986, further drilling intersected chlorite - sericite altered sediments with low grade auriferous pyrite and magnetite.

Exploration from 1987 to 1988 comprised bulk sampling and mine production in areas further to the East of E08/1655. A total of 36,000 t @ 0.4 g/t Au was mined.

Ashburton Minerals Ltd completed auger and RAB drilling in 2004 within the area of E08/2997 and E08/3104 with only weak gold-copper mineralisation intersected. Resource Mining Corporation (Resource Exploration Ltd and Ashburton Minerals NL in JV) held the ground in 2011 and assessed several geochemical anomalies identified from BHPs stream sediment sampling. The company identified three target areas: Capricorn 1, 2 and 3.

Mutiny Gold conducted several rock chip sampling programs on the Donnelly's project (E08/2997) from 2007 onwards. The samples were taken from the Donnelly's copper prospect where malachite/ cuprite

occurrences have been recorded over a strike length of ~2500m and a width of up to 40m. Highest non-coincident sample assays are 25.7% Cu and 4.69g/t Au while the best sample assay was 8.37% Cu and 4.69g/t Au (Cooke, 2020).

Northern Star Resources held the ground between 2014 to 2019 and completed stream sediment and soil sampling programs. The Maloney West prospect was identified to follow up a 1,110ppb Au stream sediment anomaly but further exploration results were not encouraging.

### 3.10 EXPLORATION RATIONALE

#### 3.10.1 GOLD

Orr (2023) considered that the relationship between orogenic Au camps relates to flexure in orogen parallel fault zones. There is a major mineral camp along the Ninjilgardy fault zone as well as minor camps along the Cheela fault zone. The Soldiers Secret West prospect also occurs close to a fault flexure.

Within E08/3121 there are major fault bends of sufficient size to accommodate dilation and fluid flow.

In the northwest of the Ashburton Basin, prominent base metal and minor orogenic gold mineralisation appears to be related to orogen oblique faults to with a northeast- southwest trend. However, no orogen oblique faults occur within the Ashburton Project.

#### 3.10.2 BASE METALS

Orr (2023) notes that there is a relationship between the crustal-scale lithospheric faults and mineralisation in the Ashburton Basin. The Blair Fault area contains several base metal prospects, i.e., Bali Hi, Stockyard Creek, Station Creek.

#### 3.10.3 SEDEX

Orr (2023) commented that the SEDEX Metal Index (Large & McGoldrick, 1998) is an index used as a vector to ore based on the major metal components of the Lady Loretta SEDEX Zn and Pb deposit (in northwest Queensland) whereby  $SEDEX\ Metal\ Index = Zn + 1000Pb + 1000Tl$ . Thallium exhibits broad dispersion and can be used to develop a regional vector. A combination of Zn, Pb and Tl can be used to develop an index that increases towards ore. A ratio value greater than 10,000 can be used as thresholds for regional vectors to ore.

The highest SEDEX Metal Index is between costean 16 and 11 at Donnelly's prospect where several samples have a SEDEX Metal Index of greater than 1000. At Dervish Prospect there is also a strong SEDEX signature.

### 3.11 EXPLORATION BY GARDNER AND FIRTH

#### 3.11.1 GARDNER MINING PTY LTD

According to their annual reports, Gardner has completed a data compilation on all tenements and has entered relevant data into a database. Geos Mining has not sighted this database. Austin have since completed a comprehensive geochemical review that has defined several targets for follow up. Exploration completed is summarised below:

- E08/2997 – rock chip sampling (3 samples with best result 2.0% Cu and 1.5g/t Au), 5 costeans (27 samples with best result 2m @ 1.3% Cu and 1m @ 17.6g/t Au) and 5 x 0.5m<sup>3</sup> bulk samples with only low results <0.1g/m<sup>3</sup>.
- E08/3104 – no ground exploration, only gold prospecting by third parties.
- E08/3120 – no ground exploration, only gold prospecting by third parties.
- E08/3121 – no ground exploration, only gold prospecting by third parties.
- E08/3222 – no ground exploration, only gold prospecting by third parties.
- E08/3273 - rock chip sampling (8 samples, assays pending). A prospectivity and geochemical review was completed based on previous compilation of historical data.

References cited in annual reports are presented in Section 11.

#### 3.11.2 JOHN FIRTH

Whilst considerable expenditure has been reported, all work has been categorised as 'Prospecting' and no exploration data has been collected, compiled or reported.

### 3.12 COMPETITOR ACTIVITY

Ground surrounding the Ashburton Project is almost entirely taken up by competitor tenements, mainly Exploration Licences. A total of 22 separate holders have either applied for or been granted exploration/mining rights (Table 4 and Figure 6). A brief search of company websites has been carried out to identify reports of interest that may relate to the prospectivity of the Ashburton Project.

**Australian Copper Pty Ltd** is a subsidiary of Korab Resources Limited. Korab is beneficial holder of the Mt Elephant Project (E08/2756 et al), located ~20kms northeast of the Ashburton Project. Expressions of interest have been received in this gold-base metals-iron project.

**Cazaly Resources Limited** is exploring for Rare Earth Elements (REE's), gold and base metals at the company's Ashburton Project (E08/3265 et al) and has recognised a REE trend just south and sub-parallel to the Blair Fault (10kms northeast of the Austin Ashburton Project) (Cazaly Resources Limited, 2023).



**Miramar Resources Limited** has several projects in the Bangemall Basin, including the Dooley Downs Project (E08/3284 et al) immediately south of the Ashburton Project. Initial exploration for REE's has commenced (Miramar Resources Limited, 2023).

**Norwest Minerals Limited** (E08/2894) commenced drilling at its Bali Copper Project, located just north of the Ashburton Project. Several cupriferous shear structures have been recognised and small scale oxide copper mining has previously been carried out (Norwest Minerals, 2023).

**Techgen Metals Limited's** Station Creek Copper-Gold Project (E08/2946) abuts the Ashburton Project (E08/3121) and includes high grade Cu-Au values from rock chip sampling. The Mt Boggola REE Project (E08/3458 et al) is located just to the southeast of the Ashburton Project and Techgen has reported anomalous REE values from geochemical samples (Techgen Metals Limited, 2023).

### 3.13 MINERAL RESOURCES / EXPLORATION TARGET

There are no reported Mineral Resources reported within the Ashburton Project.

Tenement	Status	Holder(s)	Appln Date	Grant Date	Expiry Date	Area (bl/ ha)
E08/3509	PENDING	AMERY HOLDINGS PTY LTD	20220721			43
E08/3654	PENDING	AMERY HOLDINGS PTY LTD	20230901			12
E08/3635	PENDING	ARIELA NOMINEES PROPRIETARY LIMITED	20230714			38
E08/3572	PENDING	ASHCROFT RESOURCES PTY LTD	20221208			12
E08/2756	LIVE	AUSTRALIAN COPPER PTY LTD	20150810	20160909	20260908	10
E08/3113	LIVE	AUSTRALIAN EXPLORATION, MINING & CONSTRUCTION COMPANY PTY LTD	20190905	20200406	20250405	145
E08/3303	PENDING	BEAU RESOURCES PTY LTD	20201125			46
E08/3619	PENDING	BEAU RESOURCES PTY LTD	20230508			19
E08/3265	LIVE	CAZALY RESOURCES LIMITED	20200915	20211014	20261013	101
P 08/724	LIVE	CHANNING, GAVIN JAMES; CHANNING, RHYS JAMES	20180303	20181218	20261217	175.3
E08/3176	PENDING	DEBNAL PTY LTD	20200331			41
E08/3177	PENDING	DEBNAL PTY LTD	20200406			53
E08/2947	LIVE	DIVERSIFIED ASSET HOLDINGS PTY LTD	20170927	20190312	20240311	47
E08/2629	LIVE	EASTERN GOLDFIELDS MINING COMPANY PTY LTD	20140701	20150622	20250621	8
E08/3040	LIVE	EASTERN GOLDFIELDS MINING COMPANY PTY LTD	20181106	20190704	20240703	4
E08/3165	PENDING	EASTERN GOLDFIELDS MINING COMPANY PTY LTD	20200225			99
E08/3237	PENDING	EASTERN GOLDFIELDS MINING COMPANY PTY LTD	20200727			124
E08/3421	PENDING	EASTERN GOLDFIELDS MINING COMPANY PTY LTD	20210824			117
E08/2938	LIVE	FIRTH, JOHN HARVEY	20170801	20180705	20280704	2
E08/2994	LIVE	FIRTH, JOHN HARVEY	20180517	20191018	20241017	20
P 08/699	LIVE	FIRTH, JOHN HARVEY	20170808	20180719	20260718	137.18
E08/2997	LIVE	GARDNER MINING PTY LTD	20180517	20190822	20240821	4
E08/3104	LIVE	GARDNER MINING PTY LTD	20190816	20200311	20250310	16
E08/3120	LIVE	GARDNER MINING PTY LTD	20191101	20211015	20261014	9
E08/3121	LIVE	GARDNER MINING PTY LTD	20191101	20211015	20261014	79
E08/3222	LIVE	GARDNER MINING PTY LTD	20200609	20211117	20261116	13
E08/3273	LIVE	GARDNER MINING PTY LTD	20200925	20211118	20261117	39

Tenement	Status	Holder(s)	Appln Date	Grant Date	Expiry Date	Area (bl/ ha)
E08/3289	LIVE	HAWKER GEOLOGICAL SERVICES PTY LTD	20201103	20211122	20261121	6
E08/3567	PENDING	HAWKER GEOLOGICAL SERVICES PTY LTD	20221201			2
P 08/777	PENDING	HAWKER, ANDREW JAMES	20201030			9.94
E08/2992	LIVE	KEAN, STEVEN LIONEL	20180508	20190809	20240808	4
E08/3241	LIVE	LADYMAN, GEOFFREY ROSS	20200804	20220531	20270530	4
E08/3279	LIVE	LADYMAN, GEOFFREY ROSS	20201009	20211119	20261118	4
E08/3436	LIVE	LADYMAN, GEOFFREY ROSS	20210910	20230227	20280226	3
E08/3437	LIVE	LADYMAN, GEOFFREY ROSS	20210910	20230227	20280226	3
E08/3438	LIVE	LADYMAN, GEOFFREY ROSS	20210910	20230227	20280226	4
E08/3284	PENDING	MIRAMAR RESOURCES LIMITED	20201023			70
E08/3498	PENDING	MQ MINERALS PTY LTD	20220617			70
E08/3552	PENDING	MURCHISON GOLD MINES PTY LTD	20220930			26
E08/2894	LIVE	NORWEST MINERALS LIMITED	20161201	20171018	20271017	13
E08/3643	PENDING	ROCKY CROSSING CONTRACTING PTY LTD	20230821			16
M 08/105	LIVE	ROCKY CROSSING CONTRACTING PTY LTD	19901102	19910620	20330701	121.5
M 08/71	LIVE	ROCKY CROSSING CONTRACTING PTY LTD	19871128	19880614	20300616	124.45
E08/3493	LIVE	SKYE METALS PTY LTD	20220527	20230724	20280723	17
E08/2946	LIVE	TECHGEN METALS LTD	20170927	20181203	20231202	17
E08/3458	LIVE	TECHGEN METALS LTD	20211105	20221213	20271212	20
E08/3397	LIVE	THRONE INVESTMENTS PTY LTD	20210713	20221124	20271123	63

Table 4: Current Competitor Activity in Ashburton Project Area

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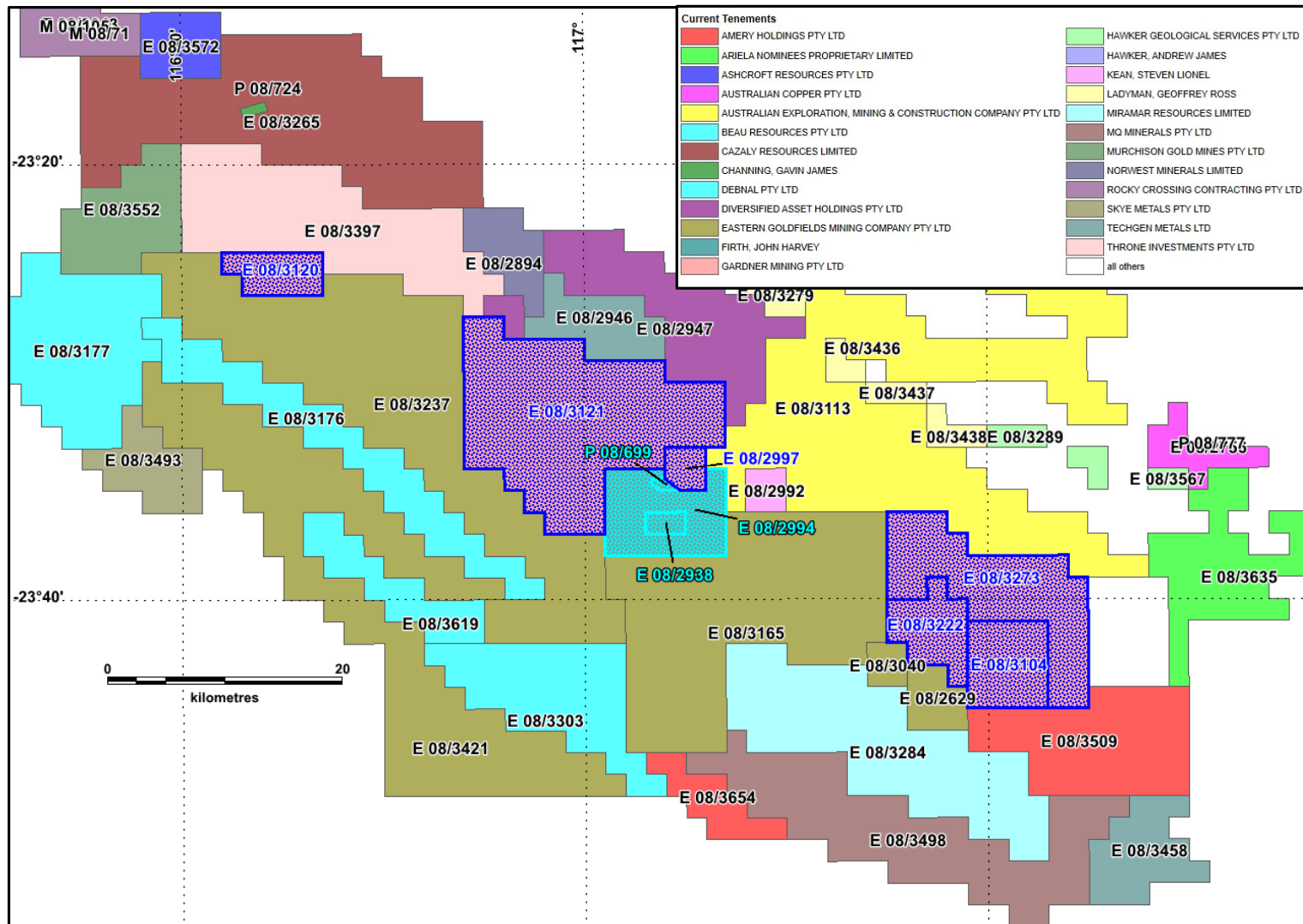


Figure 6: Current Tenements in Ashburton Project Area

## 4. Valuation Principles and Methodology

### 4.1 VALUATION APPROACHES

There is no single method of valuation that is appropriate for all situations. Rather, there are a variety of valuation methods, all of which have some merit and are more or less applicable, depending on the circumstances.

- Market Approach
- Income Approach
- Cost Approach

The VALMIN Code 2015 presents a general guide to the applicability of each valuation approach to projects at different stages of development (Table 5).

Valuation Approach	Exploration Projects	Pre-development Projects	Development Projects	Production Projects
<b>Market</b>	Yes	Yes	Yes	Yes
<b>Income</b>	No	In some cases	Yes	Yes
<b>Cost</b>	Yes	In some cases	No	No

Table 5: Applicability of Valuation Approaches to Projects at different stages of development

Each of these approaches has its own strengths and weaknesses and the selection of the most appropriate method depends upon the stage of development of the project and the information available to the Valuer.

#### 4.1.1 MARKET APPROACH

The Market Approach includes the Comparable Transactions method and the Market Capitalisation method.

The Comparable Transactions method utilises information on market transactions between unrelated parties involving projects of similar size, commodity and geopolitical jurisdiction during times of similar market conditions (especially with regards to commodity prices).

The Market Capitalisation method involves comparisons between similar sized companies holding similar sized projects.

#### 4.1.2 INCOME APPROACH

The Income Approach analyses the anticipated benefits of the potential income or cash flow of a Mineral Asset. The Income Capitalisation method, also known as the Discounted Cash Flow (“DCF”) method, is applicable if the project is in operation, under development, or at an advanced feasibility study stage (which includes detailed pre-feasibility studies). If ore reserves, mining and processing recoveries, and capital and operating costs are well defined, it is generally accepted that the DCF method is generally the most relevant and appropriate valuation method.

If a project is at the scoping study or pre-feasibility study stage, or if ore reserves have yet to be defined, additional weight has to be given to the risks, due to uncertainties in capital and operating costs, operational performance and a lower degree of confidence in the resources / reserves.

#### 4.1.3 COST APPROACH

This approach, also known as the Modified Replacement Value (MRV) method, examines the cost that would be incurred by an explorer in acquiring and exploring a similarly prospective tenement up to the same stage of development as the subject tenement. This method is usually restricted to projects at the early stages of exploration that have not had costs of production identified.

The MRV formula is:

$$\mathbf{MRV = (AC + EE) \times MF \times PF}$$

Where:

AC = Acquisition Cost

EE = attributable Exploration Expenditure that has usefully advanced the project

MF = Market Factor, usually between 1 and 2, depending upon the availability of similar ground

PF = Prospect Factor, between 0.5 (where exploration results have been disappointing) and 3. To eliminate some of the subjectivity with respect to this method, Geos Mining commonly utilises the PF ranges as detailed in Table 6, although values outside this range may be justified in particular situations.

Band	PF	Applicability
1	0.5 – 0.9	Previous exploration indicates the area has limited potential and its prospectivity may have been downgraded by the prior exploration.
2	1.0 – 1.4	The existing (historical and/or current) data consists of pre-drilling exploration and the results are sufficiently encouraging to warrant further exploration.
3	1.5 – 1.9	The prospect contains one or more defined significant targets warranting additional exploration.
4	2.0 – 2.4	The prospect has one or more targets with significant drillhole intersections; similar prospective ground is not commonly available for application in this area.
5	2.5 – 2.9	Exploration is well advanced and infill drilling is required to define or up-grade a resource such that a reserve can be estimated.
6	3.0	Resource has been defined but a pre-feasibility study has not been recently completed.

Table 6: Prospectivity Factor multipliers

## 4.2 RISKS AND SPECIAL CIRCUMSTANCES

Special circumstances of relevance to mining projects or properties can have a significant impact on value (both positive and negative) and need to be considered to modify valuations that might otherwise apply. Examples include:

- environmental risks that can result in a project being subject to extensive opposition, delays and possibly refusal of development approvals;
- indigenous peoples / land rights issues - projects in areas subject to claims from indigenous peoples can experience prolonged delays, extended negotiations or veto;
- country issues - the location of a project can significantly impact on the cost of development and operating costs and has a major impact on perceived risk and sovereign risk;
- technical issues peculiar to an area or deposit, such as geotechnical or hydrological conditions, or metallurgical difficulties could affect a project's economics.

## 4.3 SELECTION OF METHODOLOGY

This Valuation Report has been compiled in compliance with the VALMIN Code 2015. The fundamental objective of the VALMIN Code 2015 is the protection of investors. With this objective in mind, we have conducted the valuation in the following way:

- where there has been a choice of a simple and a complex method of estimating a financial factor and there is no material difference between the methods in the resulting accuracy of, or confidence about, the factor amount, the simple method has been used; and

- where there is a material uncertainty regarding the quantum of an amount or parameter, we have been as conservative as possible to be consistent with our intent to provide a reasonable estimate of the value of the Ashburton Project.

We have assumed that the Ashburton Project has an economic transaction value, for an “arms-length” transaction that is not under duress (i.e., negotiated over a suitable timeframe, not a fire sale requiring rapid closure).

The VALMIN Code 2015 recommends using at least two Valuation Approaches and to present a range of values, and a preferred value. The Ashburton Project comprises one gold -copper - base metal - REE<sup>2</sup> project but three tenement blocks within the same well mineralised tectonic province. In our opinion, the Ashburton Project can be described as having a long-lived exploration history in a moderately mineralised region of Western Australia.

Geos Mining that the most applicable methods for valuing the Ashburton Project are the Market (Comparable Transactions) and Cost Approach.

## 5. Assumptions

### 5.1 TENURE

Geos Mining has checked the WA government Tenement Register (<https://emits.dmp.wa.gov.au/emits/enquiry/home2.xhtml>) to ascertain that all tenements are valid and current.

### 5.2 JOINT VENTURE TERMS

Geos Mining has not sighted any JV Agreements between Austin/ Gardner Mining/ Firth but we have relied on public announcements on the ASX to verify terms/ conditions and equities. In particular, Austin reported on 11 December 2023 (Austin Metals Limited, 2023) that the Ashburton Project transaction includes acquisition of 100% beneficial interest in 6 Exploration Licences with a right to earn up to 90% beneficial interest in 2 Exploration Licences and 1 Prospecting Licence. An expenditure condition of \$100,000 to be expended by 12 May 2026 is a requirement of the right to earn component of the transaction.

The transaction consideration involves:

- Payment of \$200,000 cash

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<sup>2</sup> REE = Rare Earth Element



- Performance Rights totalling \$250,000 exercisable on “achieving 250,000 ounces of gold or Gold Equivalent at greater than 1gpt gold or Gold Equivalent”<sup>3</sup>
- Performance Rights totalling \$500,000 exercisable on “achieving 500,000 ounces of gold or Gold Equivalent at greater than 1gpt gold or Gold Equivalent”
- Performance Rights totalling \$1,250,000 exercisable on “achieving 1,000,000 ounces of gold or Gold Equivalent at greater than 1gpt gold or Gold Equivalent”

We note that Gardner Mining is a substantial holder of Austin with 27.8% of Austin’ issued share capital (Austin Metals Limited, 2023).

### 5.3 MINERAL RESOURCES & ORE RESERVES

There are no reported Mineral Resources within the Ashburton Project.

### 5.4 MINING AND PROCESSING

We have not made any assumptions in relation to possible mining or processing options for any prospect within the Ashburton Project.

### 5.5 CAPITAL AND OPERATING COSTS

We have not made any assumptions in relation to possible capital or operating cost options for any prospect within the Ashburton Project.

### 5.6 FINANCIAL ASSUMPTIONS

We have not made any assumptions in relation to revenue or possible discount rates in this valuation.

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<sup>3</sup> Geos Mining has assumed that the terminology ‘achieved’ refers to a Mineral Resource Estimate classified under the JORC Code (2012) as Indicated or better.

## 6. Valuation of the Subject

### 6.1 TECHNICAL VALUE

Clause 8.1 of the VALMIN Code 2015 states: “**Technical Value** is an assessment of a Mineral Asset’s future net economic benefit at the Valuation Date under a set of assumptions deemed most appropriate by a Practitioner, excluding any premium or discount to account for market considerations.”

We have chosen two methods on which to base a Technical Value for the Ashburton Project.

### 6.2 COMPARABLE TRANSACTIONS

We have utilised a modified version of Comparable Transactions, based on identifying projects with gold-dominant mineralisation styles in Western Australia for which there have been transactions announced and completed since 1 January 2022.

Transaction data has been obtained by searching the S&P Global Metals & Mining Database (<https://www.capitaliq.spglobal.com>), a subscription service that provides financial and industry data, research, news and analytics.

A total of 42 project transactions have been identified as being Comparable Transactions (Table 7). The transactions in Table 7 include projects in Western Australia only with a variety of gold dominant mineralisation styles but having no reported Mineral Resource Estimates<sup>4</sup>. There is a wide range of transaction values (Figure 7) with an average of A\$739,000 but a positive skewed population indicating the subjective nature of project value. Excluding the top/ bottom 10% of values (leaving 32 transactions) gives an average of A\$475,000, with 68% of the population <A\$957,000 and 95% of the population <A\$1,440,000.

The reported transactions include projects with a range of tenement types and numbers from numerous tectonic provinces and regions within the same province. Coupled with this is the subjective assessment of project values reflecting the buyer’s keenness to acquire a particular project. This may be a result of project scarcity in a particular region, the buyer’s current involvement in a region and potential acquisitions close by or the buyer’s perceived prospectivity of a particular region.

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<sup>4</sup> Mineral Resource Estimate (MRE) must be compliant with the JORC Code 2012 to be termed a MRE

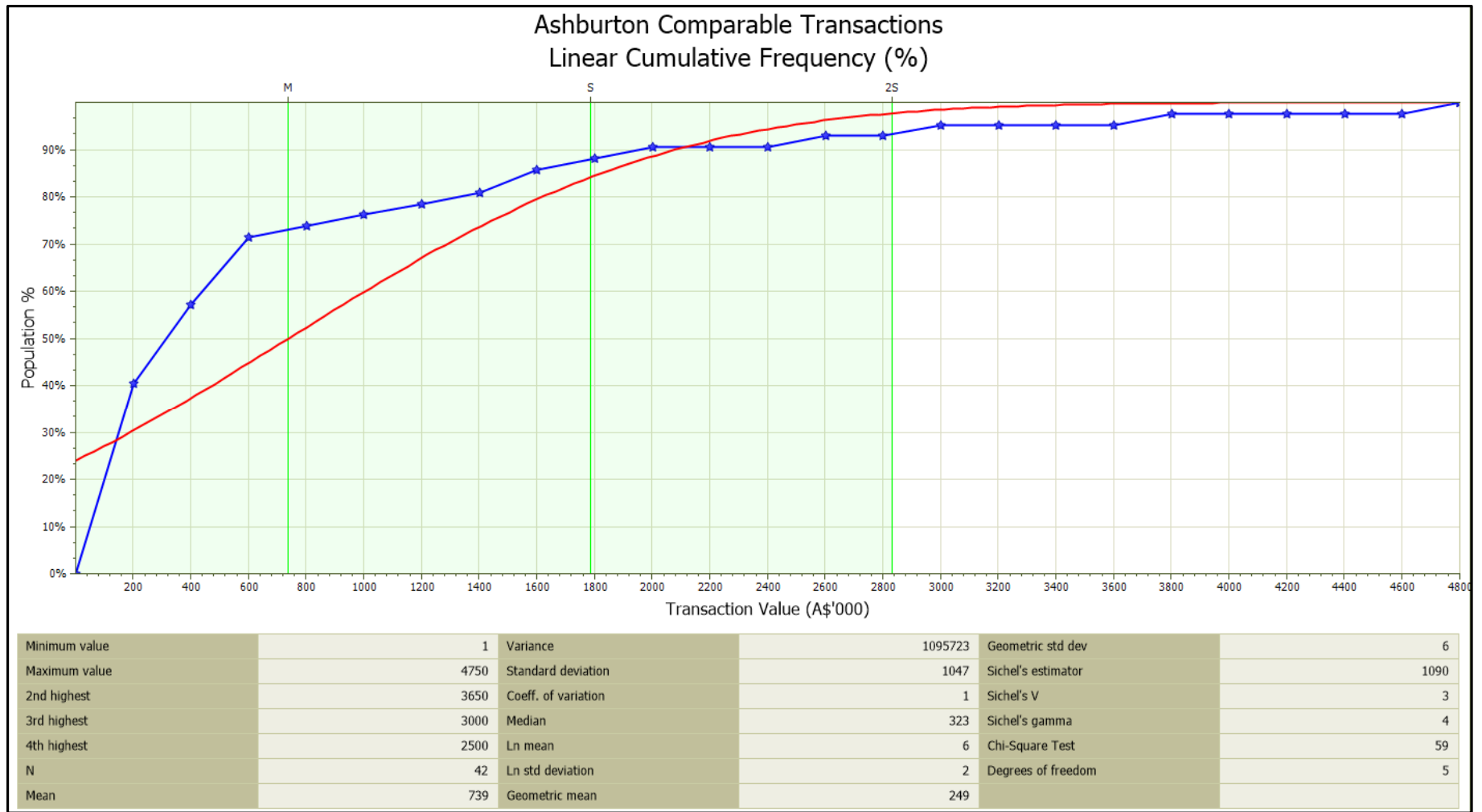


Figure 7: Comparable Transaction Values, Western Australia

There has been a steep rise in gold price since late 2022 from a low of A\$2,482 per ounce to the recent high of A\$3,144 per ounce (Figure 8) with the price forecast for the next 12 months expected to rise by a modest 2% (Consensus Economics Inc., 2023). Conversely, the copper price rose sharply from early 2021 for 12 months then dropped from a high of A\$14,400 per tonne to the current price of A\$12,590 per tonne (Trading Economics, 2023). However, a 6.5% increase is forecast over the next 12 months (Consensus Economics Inc., 2023). This data suggests that buyers can expect to pay a premium for Au-Cu projects, especially in Western Australia where ground is tightly held and competition for quality projects is high.



Figure 8: Gold price over last two years

(Source: [www.perthmint.com](http://www.perthmint.com))

Project	Regional Location	Commodities	Tenements	Buyer	Transaction Date	Equity Acquired (%)	Transaction Value (A\$'000) on 100% basis
Revere	Murchison	Cu, Au, Ag	2 PLs	Everest Metals Corporation Ltd	11/01/2023	100	1
Brightstar	Laverton	Au	1 EL	Brightstar Resources Limited	7/03/2022	100	10
Panorama	Pilbara	Cr, Cu, Au, Li, Ni	1 EL	Infinity Mining Limited	16/11/2023	100	21
Halls Creek	Kimberley	Cu, Au, Ag, Zn	1 EL	Hexagon Energy Materials Limited	7/02/2022	75	27
Fairy Well	Sandstone	Cu, Au, Ag, Zn	1 EL	Westar Resources Limited	17/10/2022	100	31
Dandaraga	Northern EGF	Au	1 EL	Aurumin Limited	12/07/2023	100	38
Warriedar	Yalgoo	Ce, Co, Cu, Au, REE, Pb, Ni, Sc, W, Zn, Zr	1 EL, 1 PLA, 3 ELAs	Tempest Minerals Limited	15/02/2023	100	42
Pinnacle Well	Eastern Goldfields	Cu, Au, Ni, Zn	2 ELs, 1 PL	United Mines Pty Ltd	8/09/2023	100	50
Edjudina	Eastern Goldfields	Au	1 PL	M3 Mining Limited	28/09/2022	100	56
Kookynie	Eastern Goldfields	Au	5 PLs applns	IRIS Metals Limited	28/07/2022	100	60
Sandstone	Sandstone	Cu, Au, Ag, Zn	1 ML	Aurumin Limited	24/11/2022	100	64
Jimblebar	Pilbara	Cu, Au, Pb, Ni, Ag, Zn	4 ELs	Rio Tinto Group	12/05/2023	80	94
Bullabulling	Eastern Goldfields	Au, Li	25 PLs	Belararox Limited	25/01/2022	100	113
Bullfinch North	Southern Cross	Co, Cu, Au, Fe, Li, Ni	1 EL	Enterprise Metals Limited	2/03/2022	100	117
Nickol River	West Pilbara	Au	1 PL	Cyclone Metals Limited	28/12/2022	100	120
Side Well	Meekatharra	Cu, Au, Ag	9 PLs	Great Boulder Resources Limited	7/08/2023	80	150
Laverton	Northern Goldfields	Au	6 ELs	Rincon Resources Limited	10/01/2023	100	157
Mt Davis	Eastern Goldfields	Au	2 ELs	Ozz Resources Limited	11/01/2022	100	218
Dodgers Well	Eastern Goldfields	Au	2 ELs, 2 PLs	Ozz Resources Limited	4/03/2022	100	257
Burbanks, Phoenix	Coolgardie	Au	2 MLs, 2 PLs	Greenstone Resources Limited	11/08/2022	100	300
Mafeking	Cue, Meekatharra	REE, Li, PGE	1 EL, 3 ELAs	Victory Goldfields Limited	31/08/2022	100	312
Polelle, Wanganui	Meekatharra	Au	2 ELs, 9 PLs	Great Boulder Resources Limited	30/11/2023	75	333
Smokebush	Geraldton	Au	4 PLs, 1 EL	Terrain Minerals Limited	2/12/2022	20	350

Project	Regional Location	Commodities	Tenements	Buyer	Transaction Date	Equity Acquired (%)	Transaction Value (A\$'000) on 100% basis
Gunga West	Coolgardie	Au, Ni, Ag	7 MLs, 1 PL, 1L	FMR Investments Pty Ltd	20/06/2022	100	400
Anketell	Paterson's Range	Cu, Au	??	Wishbone Gold Plc	23/08/2022	100	407
Mt Magnet	Cue/ Mt Magnet	Cu, Au, REE	4 ELs, 15 PLs	Musgrave Minerals Limited	30/03/2022	100	500
Moyagee	Cue/ Meekatharra	Cu, Au	3 PLs or MLs	Musgrave Minerals Limited	2/03/2023	100	525
Emu Lake, Fraser South, Kanowna East	Fraser Province	Au, Li, Ni	6 ELs	Metal Hawk Limited	4/05/2023	51	529
Newington	Southern Cross	Cu, Au, Li, Ni, Ta, Sn, W	5 ELs	Midas Minerals Ltd	1/07/2022	100	568
Bald Hill and Foghorn Prospects	Tanami	Au	2 ELs surrounding MRE 198Koz	Black Cat Syndicate Limited	16/11/2022	100	570
Bullfinch	Southern Cross	Bi, Au, Fe, REE, Te	1 EL	Altan Rio Minerals Limited	26/06/2023	100	750
Talga	Pilbara	Cu, Au, Fe, Li, Ta	7 ELs	Octava Minerals Limited	11/09/2023	30	927
Newman	Pilbara	Cr, Cu, Au, Fe, Ni, PGE, Ag	7 ELs	Peregrine Gold Limited	12/12/2023	100	1100
Murchison	Murchison	Au	14 ELs, 3 ELAs	Ora Gold Limited	7/08/2023	100	1400
Kookynie	Eastern Goldfields	Au	1 EL, 8 PLs - spin off from GTI	Regener8 Resources NL	3/02/2022	100	1450
Warriedar	Murchison	Co, Cu, Au, Ni	5 ELs, 1 ML, 1 PL	Anova Metals Limited	16/08/2022	100	1500
Strickland	Eastern Goldfields	Cu, Au, Fe, Mo, Ag, Zn	7 ELs	Dreadnought Resources Limited	11/07/2022	100	1750
Koolyanobbing	Koolyanobbing	Cu, Au, Li, Ni	3 ELs	Australian Silica Quartz Group Ltd.	11/08/2022	100	1840
Southern Cross North	Southern Cross	Au, Li, Ni, PGE	14 tenements	Altan Rio Minerals Limited	8/12/2022	20	2500
Southern Cross North	Southern Cross	Au, Li, Ni, PGE	1 EL	Golden Horse Minerals Limited	1/08/2023	10	3000
Brimstone	Eastern Goldfields	Au	3 ELs, 1 ML, 5 PLs Advanced Project but no MRE	Platina Resources Limited	10/08/2022	100	3650
Mumbakine Well	Pilbara	Au	1 EL	Capricorn Metals Ltd	30/05/2022	100	4750

Table 7: Table of Gold Dominant Mineral Asset Transactions (No reported Mineral Resource Estimates), Western Australia

### 6.2.1 COMPARABLE TRANSACTIONS DISCUSSION

With reference to Table 7 and the discussion in Section 6.2, we express the following opinions:

- For gold projects in Western Australia with no reported Mineral Resources, transaction values excluding the top and bottom 10% as outliers, are more likely to range from A\$475,000 to A\$957,000 with an average of A\$739,000.
- There is no consistent relationship between transaction value and subjective assessments of project prospectivity based on the geological setting, exploration success (mineralisation intersected), historical production either within the project or locally within the same regional setting and the buyer's likely benefit from the acquisition. The assessments are biased predominantly by the buyer's perception of value according to their current portfolio or desire to acquire tenure in a particular region i.e., what Buyer 1 is willing to pay may be totally different to Buyer 2.

### 6.2.2 ASHBURTON PROJECT TRANSACTION

The Ashburton Project transaction value as report by Austin (Austin Metals Limited, 2023) is difficult to quantify as it includes Performance Rights based on possible Mineral Resource Estimates (see Section 5.2). For the purpose of this valuation, we have assigned nominal probabilities of discovery in relation to the exercise of the three tranches of Performance Rights, viz.:

- 250,000 ounces of gold or Gold Equivalent – 50% probability
- 500,000 ounces of gold or Gold Equivalent – 25% probability
- 1,000,000 ounces of gold or Gold Equivalent – 10% probability

The probability assignment is made in the context of the ASX announcement that uses the word “achieving” to describe the resource ounce hurdles. We have interpreted this as meaning a Mineral Resource Estimate classified under the JORC Code (2012) as at least Indicated classification. A stricter meaning would reduce these probabilities accordingly.

Based on the assumptions above, the Ashburton Project transaction payment is valued at:

- $\$200,000 + (50\% \times \$250,000) + (25\% \times \$500,000) + (10\% \times \$1,250,000) = \$575,000$

While this transaction has not been used in the Comparable Transactions assessment, it does reinforce the Technical Value range, as shown in Section 6.2.3.

### 6.2.3 COMPARABLE TRANSACTION SUMMARY

The assessment shown in Table 7 indicates that the potential value of the Ashburton Project, based on 32 Comparable Transactions varies from A\$475,000 to A\$957,000 with an average of A\$739,000. This in line with the assumed transaction value derived from the transaction terms reported by Austin.

We have concluded that the **Technical Value range, based on Comparable Transactions, varies from A\$475,000 to A\$957,000 with a Preferred Value of A\$739,000.**

## 6.3 MODIFIED REPLACEMENT VALUE

### 6.3.1 ACQUISITION COST

We have assumed that the acquisition costs for each tenement are limited to Government application fees plus administration costs associated with lodging the applications, to give a total of ~\$27,000.

### 6.3.2 EXPLORATION EXPENDITURE

Exploration methods utilised by Gardner and Firth have been preliminary only over the course of their tenure:

- Gardner Mining - have made considerable effort in compiling historical exploration data, mainly geochemistry, and this has enabled a quantified target summary from which further exploration can be based. Geos Mining has not sighted this comprehensive database of all exploration, but it has been referred to extensively in annual reports.
- Firth - John Firth is a prospector and all expenditure incurred on the Firth licences has been classified as 'Prospecting'. Accordingly, an exploration report is not required and no details of this prospecting have been reported.

Project expenditure, as per the WA Government Tenement Register (<https://emits.dmp.wa.gov.au/emits/enquiry/home2.xhtml>) is summarised in Table 8. The reported expenditures are all in excess of the minimum requirements.



Tenement	Holder	Grant Date	Expend Commit 2019	Actual Expend 2019	Expend Commit 2020	Actual Expend 2020	Expend Commit 2021	Actual Expend 2021	Expend Commit 2022	Actual Expend 2022	Expend Commit 2023	Actual Expend 2023	Total Expend Commit	Total Actual Expend	Expend Commit 2024
E08/2938	John Harvey Firth	5/07/2018	\$15,000	\$17,225	\$15,000	\$36,696	\$15,000	\$44,275	\$20,000	\$99	\$20,000	\$136,392	\$85,000	\$234,687	\$30,000
E08/2994	John Harvey Firth	18/10/2019			\$20,000	\$86,726	\$20,000	\$108,016	\$20,000	\$185,700	\$30,000	\$143,305	\$90,000	\$523,747	\$30,000
P08/699	John Harvey Firth	19/07/2018	\$5,520	\$17,146	\$5,520	\$14,201	\$5,520	\$40,353	\$5,520	\$35,326	\$5,520	\$28,460	\$27,600	\$135,486	\$5,520
E08/2997	Gardner Mining Pty Ltd	22/08/2019			\$15,000	\$23,366	\$15,000	\$19,778	\$15,000	\$17,249	\$20,000	\$22,920	\$65,000	\$83,313	\$20,000
E08/3104	Gardner Mining Pty Ltd	11/03/2020					\$20,000	\$31,853	\$20,000	\$23,640	\$20,000	\$24,103	\$60,000	\$79,596	\$30,000
E08/3120	Gardner Mining Pty Ltd	15/10/2021							\$20,000	\$21,881	\$20,000	\$26,969	\$40,000	\$48,850	\$20,000
E08/3121	Gardner Mining Pty Ltd	15/10/2021							\$79,000	\$88,567	\$79,000	\$92,710	\$158,000	\$181,277	\$79,000
E08/3222	Gardner Mining Pty Ltd	17/11/2021							\$20,000	\$22,883	\$20,000	\$24,397	\$40,000	\$47,280	\$20,000
E08/3273	Gardner Mining Pty Ltd	18/11/2021							\$39,000	\$41,092	\$39,000	\$45,880	\$78,000	\$86,972	\$39,000

Table 8: Ashburton Project Required and Actual Expenditures

### 6.3.3 ASSESSMENT OF EFFECTIVENESS OF EXPLORATION

The Modified Replacement Value (MRV) formula (refer to Section 4.1.3) is:

**MRV = (AC + EE) x MF x PF** where:

- AC = Acquisition Cost
- EE = attributable Exploration Expenditure that has usefully advanced the project
- MF = Market Factor, usually between 1 and 2, depending upon the availability of similar ground
- PF = Prospect Factor, between 0.5 (where exploration results have been disappointing) and 3.

#### **Acquisition Cost (AC)**

As reported in Section 6.3.1, we have assigned a nominal cost of \$27,000 for the nine tenements.

#### **Attributable Exploration Expenditure (EE)**

The Ashburton Project has been explored since 2018 but has been preliminary only in the case of the Gardner tenements and non-existent in the case of the Firth tenements. While very limited ground exploration has been carried out on the Gardner tenements, the desktop work is a valuable contribution to the geological understanding of the project and we have assigned a moderate EE of 40%. In view of the lack of exploration carried out on the Firth tenements we have assigned an EE of 0% (Table 9).

#### **Market Factor (MF)**

Our assessment of Market Factor is based on the availability of similar ground for exploration within the greater Ashburton region. Mineral exploration expenditure in Western Australia has increased ~20% since 2019-2020 with gold exploration at a historically high level in 2023 (Department of Energy, Mines, Industry Regulation and Safety, 2023). The publicly available website 'Tengraph' (<https://tgw.dmp.wa.gov.au/tgw/>) confirms that all available ground within the Ashburton Project is either under application or currently held under mineral tenure.

For these reasons we have assigned a high MF (2.0) to the Ashburton Project.

#### **Prospect Factor (PF)**

The Ashburton Project has been assigned a moderate PF range (1.5-1.9) due to the occurrence of known mineralisation with encouragement from historical exploration results.

Tenement	Grant Date	Actual Expend 2019	EE (%)	Attrib Expend 2019	Actual Expend 2020	EE (%)	Attrib Expend 2020	Actual Expend 2021	EE (%)	Attrib Expend 2021	Actual Expend 2022	EE (%)	Attrib Expend 2022	Actual Expend 2023	EE (%)	Attrib Expend 2023	Total Attrib Expend
E08/2938	5/07/2018	\$17,225	0	\$0	\$36,696	0	\$0	\$44,275	0	\$0	\$99	0	\$0	\$136,392	0	\$0	\$0
E08/2994	18/10/2019				\$86,726	0	\$0	\$108,016	0	\$0	\$185,700	0	\$0	\$143,305	0	\$0	\$0
P08/699	19/07/2018	\$17,146	0	\$0	\$14,201	0	\$0	\$40,353	0	\$0	\$35,326	0	\$0	\$28,460	0	\$0	\$0
E08/2997	22/08/2019				\$23,366	40	\$9,346	\$19,778	40	\$7,911	\$17,249	40	\$6,900	\$22,920	40	\$9,168	\$33,525
E08/3104	11/03/2020							\$31,853	40	\$12,741	\$23,640	40	\$9,456	\$24,103	40	\$9,641	\$31,838
E08/3120	15/10/2021										\$21,881	40	\$8,752	\$26,969	40	\$10,788	\$19,540
E08/3121	15/10/2021										\$88,567	40	\$35,427	\$92,710	40	\$37,084	\$72,511
E08/3222	17/11/2021										\$22,883	40	\$9,153	\$24,397	40	\$9,759	\$18,912
E08/3273	18/11/2021										\$41,092	40	\$16,437	\$45,880	40	\$18,352	\$34,789
	<b>TOTAL</b>	\$34,371		\$0	\$160,989		\$9,346	\$244,275		\$20,652	\$436,437	40	\$86,125	\$545,136		\$94,792	<b>\$210,915</b>
														<b>TOTAL ACTUAL EXPENDITURE</b>			<b>\$1,421,208</b>

Table 9: Ashburton Project Effective Expenditure Assessment

Project	Austin Equity (%)	Attributable Exploration Expenditure (A\$'000)	Market Factor (1-2)	Prospect Factor Range	Modified Replacement Value Range (A\$'000 Austin Equity)	Preferred MRV (A\$'000 Austin Equity)
Ashburton (Gardner)	100	211	2	1.5-1.9	633-802	718
Ashburton (Firth)	90	0	2	1.0-1.4	0	0
<b>TOTAL</b>					633-802	718

Table 10: Modified Replacement Value for the Ashburton Project

6.3.4 SUMMARY OF MODIFIED REPLACEMENT VALUE

The assessment shown in Table 10 indicates that the potential value of the Ashburton Project, based on the final equity position and assuming the Attributable Exploration Expenditure, varies from A\$633,000 to A\$802,000 with an average of A\$718,000. While this assessment is quite subjective, we consider that the attributable Gardner expenditure is reasonable given the limited exploration completed. The Firth expenditure is considerable but as there has been no actual exploration completed apart from metal detecting this expenditure attributable to exploration is reasonably assigned a nil value. Accordingly, we have not discounted the Technical Value.

Using the formula of Section 4.1.3 ( $MRV = (AC + EE) \times MF \times PF$ ), we conclude that the **Modified Replacement Value range of Austin’s final equity in the Ashburton Project is A\$630,000 to A\$800,000, with a Preferred Value of \$720,000 (value range rounded).**

6.4 RISKS AND OPPORTUNITIES

Geos Mining has limited the scope of this risk assessment to major factors relevant to this valuation. There has been no consideration of political stability, or of the financial risk arising from any lack of liquidity. While we have based our assessment on foreseeable and quantifiable risks, we make no guarantee that all material risks have been included in this assessment.

Risk is based on the product of two factors: probability and consequence. For the purposes of this risk assessment Geos Mining has adopted the matrix below as a measure of project risk (Table 11).

		PROBABILITY					RISK	Probability		Consequence	
		A	B	C	D	E		A	Common	1	Catastrophic loss, over 40% of project value
CONSEQUENCE	1	1	2	4	7	11	HIGH 1-6	B	Has happened	2	Major disruption/impediment, 10% - 40% of project value
	2	3	5	8	12	16	MEDIUM 7-15	C	Could happen	3	Moderate disruption/impediment, over \$5m value
	3	6	9	13	17	20	LOW 16-25	D	Not likely	4	Minor disruption/impediment, less than \$5m
	4	10	14	18	21	23		E	Practically impossible	5	No lasting effect
	5	15	19	22	24	25					

Table 11: Risk rating table

#### 6.4.1 MAIN RISKS

- **Land Access risk** - the Department of Biodiversity, Conservation and Attractions (DCBA) has acquired Unallocated Crown Land (LR3131/29) that covers part of E08/2994 and most of E08/3121. Geos Mining has not investigated the impact that this may have on exploration or mining but we note this fact as a risk factor for future development.

**Risk Rating: B3 MODERATE**

- **Geology and Resources** – exploration has traditionally been known as a ‘high risk business’, especially in the conversion of lower category Mineral Resources to Ore Reserves. There are typically high attrition rates and it can be reasonably expected that this will be the case for the Ashburton Project, should the project advance to Mineral Resource and Ore Reserve status. This is reflected in Geos Mining’s assessment of the probability of the exercise of the performance Rights (see Section 6.2.1).

**Risk Rating: C2 MODERATE**

- **Native Title risk** – the presence of Native Title Determinations and Applications over several of the Ashburton Project provides another layer of vested interests and while the details of these claims have not been investigated, we consider that access to the affected land is a risk worth noting.

**Risk Rating: C3 MODERATE**

#### 6.4.2 OTHER RISKS

We have also considered the following risk factors and believe that, at the current stage of development of the Ashburton Project, they each constitute low risk:

- Reliance on third parties / contractors
- Limited operating history
- Mining methods and costs
- Technology / equipment / processing
- Infrastructure
- Commodity prices
- Exchange rates
- Financing risks

### 6.4.3 OPPORTUNITIES

We have also considered potential opportunities that could enhance the future value of the Ashburton Project:

- Definition of Mineral Resources – while the project as a whole is considered to be early stage, the long-lived prospects at Secret Creek and Donnelly's offer reasonable opportunity for the discovery of a coherent gold – copper – (base metals – REE) deposit.
- Farmout/Sale or Option – we note that the almost complete tenement coverage within the region coupled with active ongoing exploration by competitors does bring an opportunity to spread the risk in the event that Austin prefers to concentrate its exploration efforts on other projects.

### 6.4.4 SUMMARY OF RISKS AND OPPORTUNITIES

Geos Mining has concluded that while the identified risk associated with defining a Mineral Resource is common to all exploration projects, it is a moderate to high risk for the Ashburton Project given the early stage of exploration. However, the prospectivity of the area as determined by the market indicates that this risk could be mitigated by third party farm-in or purchase.

## 6.5 MARKET VALUE

### 6.5.1 ASSESSMENT OF MODIFYING FACTORS

Clause 12 of the JORC Code 2012 defines 'Modifying Factors' as "considerations used to convert Mineral Resources to Ore Reserves. These include, but are not restricted to, mining, processing, metallurgical, infrastructure, economic, marketing, legal, environmental, social and governmental factors."

We have elected to apply a nil discount to the Technical Value due to the balanced risks and opportunities as outlined in Section 6.4 and the unknown nature of the Modifying Factors.

## 7. Opinion of Value

In keeping with the requirements of the VALMIN Code 2015, a range of values, and a preferred value, have been estimated for the Ashburton Project.

We have used both the Comparable Transactions (CT) method and Modified Replacement Value (MRV) method in the assessment of the Project value but in our opinion, the CT method is the most applicable as it reflects current market conditions, whereas the MRV method should be assigned a lower weighting due

to its inherent subjectivity. We have elected to weight the two methods by the ratio 70% CT: 30% MRV in recognition of market forces that dictate asset values to a far greater degree than exploration expenditure.

The range of values using the CT method is A\$475,000 to A\$957,000 with a Preferred Value of A\$739,000. The MRV valuation range is A\$630,000 to A\$870,000, with a Preferred Value of \$779,000 (Table 12).

Valuation Method	Low Value	High Value	Preferred Value	Weighting
CT	475	957	739	70
MRV	630	870	779	30
<b>Weighted Summary</b>	<b>522</b>	<b>910</b>	<b>751</b>	

Table 12: Summary of Valuation Ranges in A\$'000

**The Ashburton Project has a range of values of between A\$520,000 and A\$910,000 with a Preferred Value of A\$750,000 (rounded).**

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## 9. Terms and Definitions

**Aeromagnetic Data:** Geophysical data indicating the variation in magnetic intensity captured from an aircraft.

**AC drilling:** A combination of reverse circulation and diamond drilling techniques in which a small diameter core is air-lifted up the inside of the drill string. Suited to sticky clays and unconsolidated rock.

**Alluvium/ Alluvial:** Sediment deposited by a stream or river.

**Base Metal:** Any metal at the lower end of the electrochemical series that oxidizes readily

**Basement:** the rocks below a sedimentary platform or cover, or more generally any rock below sedimentary rocks or sedimentary basins that are metamorphic or igneous in origin

**Basin:** A depressed segment of rock in which sediments accumulate and where hydrocarbons may be located.

**Beneficiation:** variety of process whereby extracted ore from mining is reduced to particles that can be separated into mineral and waste, the former suitable for further processing or direct use

**Bulk Density:** A measure of the relative weight of a geological material as it is found in the ground before excavation, expressed in tonnes per cubic metre (t/m<sup>3</sup>).

**Deposit:** A mineral occurrence of sufficient size and grade that it might, under favourable circumstances, be considered to have economic potential

**Diamond drilling:** a drilling technique using diamond encrusted drill bits to produce solid core pieces that are retrieved from the drill barrel.

**Disseminated:** Said of a mineral deposit in which the desired minerals occur as scattered particles in the rock.

**Epigenetic:** formed later than the surrounding or underlying rock formation

**Exploration Licence:** A granted title over an area of land entitling the holder to explore for one or more mineral commodities for a set period of time

**Exploration Target:** Information relating to exploration targets must be expressed so that it cannot be misrepresented or misconstrued as an estimate of Mineral Resources or Ore Reserves. The terms Resource(s) or Reserve(s) must not be used in this context. Any statement referring to potential quantity and grade of the target must be expressed as ranges and must include (1) a detailed explanation of the basis for the statement, and (2) a proximate statement that the potential quantity and grade is conceptual in nature, that there has been insufficient exploration to define a Mineral Resource and that it is uncertain if further exploration will result in the determination of a Mineral Resource.

**Fault:** A geological fracture along which rocks on one side of the fault are dislocated relative to those on the other side.

**Feasibility Study:** A study of the economic viability of the mining and production of base or precious metals or other minerals

**Grade:** Average quantity of ore or metal in a specified quantity of rock.

**Granite/Granitic:** Coarse-grained acid igneous rock containing quartz and feldspar.

**Granitoid:** A granitic rock.

**Gravity Separation:** Gravity separation is an industrial method of separating two components from a suspension or any other homogeneous mixture where separating the components with gravity is sufficiently practical

**Greisen:** A form of alteration restricted to the outer edges of some granite intrusions

**Head Grade:** the grade of the ore as delivered to the metallurgical plant

**In Situ:** In its original position, said of rock or soil when it has not moved from whence it was deposited and or lithified.

**Indicated Resource:** that part of a Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a reasonable level of confidence. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are too widely or inappropriately spaced to confirm geological and/or grade continuity but are spaced closely enough for continuity to be assumed.

**Inferred Resource:** that part of a Mineral Resource for which tonnage, grade and mineral content can be estimated with a low level of confidence. It is inferred from geological evidence and assumed but not

verified geological and/or grade continuity. It is based on information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes which may be limited or of uncertain quality and reliability.

JORC Code: A code prepared by the Joint Ore Reserves Committee which sets out minimum standards, recommendations and guidelines for public reporting in Australasia of exploration results, mineral resources and ore reserves.

JV: Joint venture

Laterite: Highly weathered material rich in secondary oxides of iron, aluminium or both.

Lode: a deposit of valuable ore occurring within definite boundaries separating it from surrounding rocks

Magnetic Susceptibility: the degree of magnetization of a material in response to an applied magnetic field

Mineralisation: Term describing the hydrothermal deposition of economically important minerals in the formation of ore bodies.

Ordovician: The second earliest period of the Paleozoic Era between 500 and 440 million years ago.

Paleochannels: Deposits of unconsolidated or semi-consolidated sediments deposited in ancient, presently inactive river and stream channel systems.

PEM: Prospectivity enhancement multiplier. It commonly ranges from 0.5-3.0 and is applied to the effective expenditure. The selection of the appropriate multiplier is a matter of experience and judgement but is highly subjective.

Polymetallic: refers to a substance composed of a combination of different metals

Porphyry/Porphyrific: An igneous rock in which larger crystals (“phenocrysts”) are scattered through a matrix of smaller crystals (“groundmass”)/descriptive of rocks displaying such textures.

Quartz: second most abundant mineral in the Earth's continental crust, after feldspar. It is made up of a continuous framework of SiO<sub>4</sub> silicon–oxygen tetrahedra, with each oxygen being shared between two tetrahedra, giving an overall formula SiO<sub>2</sub>.

RC drilling: a drilling technique whereby a pneumatic hammer at the end of the drill rods fragments the rock. The drill chips are lifted to the surface using compressed air.

Resource: The part of a deposit for which there is a reasonable prospect for eventual economic extraction, as defined in the JORC Code 2012. Resources are usually expressed as the contained tonnes of material and the average grades.

Sediment: Material such as mud and sand that has been moved and deposited by water, ice or wind.

Shear: A deformation resulting from stresses that cause parts of a body to slide relative to each other in a direction parallel to their plane of contact.

**Smelting:** Smelting is a form of extractive metallurgy; its main use is to produce a metal from its ore. This includes iron extraction (for the production of steel) from iron ore

**Silicates:** A silicate is a compound containing an ion in which one or more central silicon atoms are surrounded by electronegative ligands

**Siliceous:** Name used to describe silicon dioxide compounds.

**Silurian:** A period within the Paleozoic era between 440 and 400 million years ago

**Source Rocks:** rocks reflecting high productivity; most common source rocks: shales and mudstones; basalts; and quartz sandstones and limestones.

**Stockwork Veins:** three dimensional network of irregular veinlets

**Strata:** Layers of sedimentary rock, visually separable from other layers above and below.

**Stratigraphy:** The science of rock strata, concerned with all characteristics and attributes of rocks as strata, and their interpretation in terms of mode of origin and geologic history.

**Surficial:** pertaining to or occurring on or near the earth's surface

**Tenement:** An area granted for exploration or mining purposes.

**Tertiary:** Thought to have covered the time between 65 and 2 million years ago.

**Turbidite:** Sediments which are transported and deposited by density flows

**Valmin Code:** Code for the Assessment and Valuation of Mineral and Petroleum Assets and Securities for Independent Expert Reports. A code prepared to assist those involved in the preparation of public Independent Expert Reports that are required for the assessment and/or valuation of mineral and petroleum assets and securities so that the resulting reports will be reliable, thorough, understandable and include all the material information required by investors and their advisers when making investment decisions.

**Variogram:** A graph of the function of the spatial dependence of variance

**Vein:** A fracture in rock which has been filled with mineral, often quartz.

**Workings:** The entire system of openings in a mine for the purpose of operation

**XRF:** X-ray fluorescence. X-rays are diffracted when directed at a crystalline material according to its lattice structure. The generation of an x-ray diffraction pattern that is characteristic for the crystalline phases contained within the sample is the result of the data collection process.

## 10. Appendix 1 – Historical Exploration Licences

Tenement	Status	Grant Date	Expiry Date	Holder(s)
PA08/122	Lapsed	19370706	19370823	NAME NOT PROVIDED
TR70/2509	Cancelled	19620509	19640805	NAME NOT PROVIDED
TR70/2682	Surrendered	19630724	19631129	NAME NOT PROVIDED
PA08/350	Expired	19640520	19650519	NAME NOT PROVIDED
TR70/3727	Cancelled	19660921	19670405	NAME NOT PROVIDED
PA08/358	Expired	19661117	19680517	NAME NOT PROVIDED
PA08/360	Expired	19661117	19680517	NAME NOT PROVIDED
PA08/361	Expired	19661117	19680517	NAME NOT PROVIDED
TR70/4180	Cancelled	19670524	19680509	NAME NOT PROVIDED
TR70/4180	Cancelled	19670524	19680509	NAME NOT PROVIDED
TR70/4496	Cancelled	19671122	19700113	NAME NOT PROVIDED
PA08/369	Expired	19671213	19681212	NAME NOT PROVIDED
PA08/370	Expired	19671213	19681212	NAME NOT PROVIDED
PA08/371	Expired	19671213	19681212	NAME NOT PROVIDED
TR70/4352	Cancelled	19671220	19681105	NAME NOT PROVIDED
MC08/1476	Surrendered	19721227	19740612	NAME NOT PROVIDED
MC08/1477	Surrendered	19721227	19740612	NAME NOT PROVIDED
MC08/1475	Surrendered	19730122	19740604	NAME NOT PROVIDED
TR70/5720	Cancelled	19730308	19731023	NAME NOT PROVIDED
MC08/1956	Surrendered	19730510	19750808	NAME NOT PROVIDED
MC08/1957	Surrendered	19730510	19750808	NAME NOT PROVIDED
MC08/1958	Surrendered	19730510	19750808	NAME NOT PROVIDED
MC08/2593	Cancelled	19771031	19780811	NAME NOT PROVIDED
MC08/2902	Surrendered	19801115	19810827	NAME NOT PROVIDED
PA08/419	Expired	19810130	19820129	NAME NOT PROVIDED
MC08/3298	Expired	19810410	19831231	NAME NOT PROVIDED
TR70/8389	Cancelled	19810520	19830323	NAME NOT PROVIDED
DC08/119	Surrendered	19810607	19820106	NAME NOT PROVIDED
DC08/123	Surrendered	19810607	19820106	NAME NOT PROVIDED
DC08/124	Surrendered	19810607	19820106	NAME NOT PROVIDED
DC08/125	Surrendered	19810607	19840726	NAME NOT PROVIDED
DC08/129	Surrendered	19810607	19820819	NAME NOT PROVIDED
DC08/111	Surrendered	19810623	19821208	NAME NOT PROVIDED
DC08/112	Surrendered	19810623	19821208	NAME NOT PROVIDED
DC08/113	Surrendered	19810623	19821208	NAME NOT PROVIDED
DC08/114	Surrendered	19810623	19821208	NAME NOT PROVIDED
DC08/117	Surrendered	19810623	19820402	NAME NOT PROVIDED
DC08/51	Cancelled	19810727	19820930	NAME NOT PROVIDED
DC08/52	Cancelled	19810727	19820924	NAME NOT PROVIDED
DC08/53	Cancelled	19810727	19820924	NAME NOT PROVIDED
DC08/245	Surrendered	19811103	19820402	NAME NOT PROVIDED

Tenement	Status	Grant Date	Expiry Date	Holder(s)
DC08/246	Surrendered	19811103	19820402	NAME NOT PROVIDED
TR70/8773	Cancelled	19811209	19821112	NAME NOT PROVIDED
TR70/8774	Cancelled	19811209	19821112	NAME NOT PROVIDED
TR70/8775	Cancelled	19811209	19821112	NAME NOT PROVIDED
TR70/8776	Cancelled	19811209	19821112	NAME NOT PROVIDED
TR70/8777	Cancelled	19811209	19821112	NAME NOT PROVIDED
TR70/8778	Cancelled	19811209	19821112	NAME NOT PROVIDED
DC08/121	Surrendered	19811210	19820819	NAME NOT PROVIDED
DC08/49	Expired	19820212	19831231	NAME NOT PROVIDED
DC08/50	Expired	19820212	19831231	NAME NOT PROVIDED
DC08/239	Surrendered	19820221	19840726	NAME NOT PROVIDED
DC08/240	Surrendered	19820221	19840726	NAME NOT PROVIDED
DC08/241	Surrendered	19820221	19840726	NAME NOT PROVIDED
DC08/242	Surrendered	19820221	19840726	NAME NOT PROVIDED
DC08/243	Surrendered	19820221	19840726	NAME NOT PROVIDED
DC08/244	Surrendered	19820221	19840726	NAME NOT PROVIDED
DC08/56	Surrendered	19820221	19820819	NAME NOT PROVIDED
DC08/57	Surrendered	19820221	19820814	NAME NOT PROVIDED
DC08/61	Surrendered	19820221	19840726	NAME NOT PROVIDED
DC08/65	Surrendered	19820221	19840726	NAME NOT PROVIDED
DC08/67	Surrendered	19820221	19840726	NAME NOT PROVIDED
DC08/68	Surrendered	19820221	19840726	NAME NOT PROVIDED
DC08/71	Surrendered	19820221	19840726	NAME NOT PROVIDED
DC08/72	Surrendered	19820221	19840726	NAME NOT PROVIDED
DC08/73	Surrendered	19820221	19840726	NAME NOT PROVIDED
DC08/74	Surrendered	19820221	19840726	NAME NOT PROVIDED
DC08/75	Surrendered	19820221	19840726	NAME NOT PROVIDED
DC08/130	Surrendered	19820520	19840726	NAME NOT PROVIDED
DC08/131	Surrendered	19820520	19840726	NAME NOT PROVIDED
DC08/143	Surrendered	19820615	19821208	NAME NOT PROVIDED
DC08/58	Surrendered	19820615	19840726	NAME NOT PROVIDED
DC08/60	Surrendered	19820615	19840726	NAME NOT PROVIDED
DC08/62	Surrendered	19820615	19840726	NAME NOT PROVIDED
DC08/69	Expired	19820615	19841028	NAME NOT PROVIDED
DC08/261	Surrendered	19820723	19840726	NAME NOT PROVIDED
DC08/262	Surrendered	19820723	19840726	NAME NOT PROVIDED
DC08/63	Surrendered	19820906	19840726	NAME NOT PROVIDED
DC08/149	Surrendered	19830107	19840726	NAME NOT PROVIDED
DC08/150	Surrendered	19830107	19840726	NAME NOT PROVIDED
DC08/151	Surrendered	19830107	19840726	NAME NOT PROVIDED
DC08/152	Surrendered	19830107	19840726	NAME NOT PROVIDED
DC08/66	Surrendered	19830107	19840726	NAME NOT PROVIDED
DC08/126	Surrendered	19830509	19840726	NAME NOT PROVIDED
P08/62	Expired	19830729	19880506	ASHBURTON MINING CORPORATION NL

Tenement	Status	Grant Date	Expiry Date	Holder(s)
E08/49	Expired	19830821	19880820	JAYS EXPLORATION PTY LTD
P08/183	Expired	19840427	19860426	LAMB DEMOLITION CO. PTY LTD
M08/10	Surrendered	19840726	19880527	JAYS EXPLORATION PTY LTD
M08/11	Surrendered	19840726	20170721	SGMC PTY LTD
M08/12	Surrendered	19840726	20170721	SGMC PTY LTD
M08/24	Forfeited	19841218	19860725	JAYS EXPLORATION PTY LTD
M08/27	Surrendered	19850402	20170721	SGMC PTY LTD
E08/80	Surrendered	19850526	19870801	AUSTRALIAN ANGLO AMERICAN SEARCHES PROPRIETARY LIMITED
E08/81	Surrendered	19850526	19870801	AUSTRALIAN ANGLO AMERICAN SEARCHES PROPRIETARY LIMITED
E08/82	Surrendered	19850701	19860522	AUSTRALIAN ANGLO AMERICAN SEARCHES PROPRIETARY LIMITED
E08/83	Surrendered	19850701	19860522	AUSTRALIAN ANGLO AMERICAN SEARCHES PROPRIETARY LIMITED
E08/84	Surrendered	19850701	19860522	AUSTRALIAN ANGLO AMERICAN SEARCHES PROPRIETARY LIMITED
P08/237	Forfeited	19860718	19880203	DEAN, NEIL
P08/238	Forfeited	19860718	19880203	DEAN, NEIL
E08/135	Surrendered	19861218	19870320	GOLD MINES OF AUSTRALIA (WA) NL
E08/137	Surrendered	19861218	19870320	GOLD MINES OF AUSTRALIA (WA) NL
E08/139	Surrendered	19861218	19871019	GOLD MINES OF AUSTRALIA (WA) NL
E08/140	Surrendered	19861218	19871019	GOLD MINES OF AUSTRALIA (WA) NL
E08/141	Surrendered	19861218	19890127	GOLD MINES OF AUSTRALIA (WA) NL
E08/143	Surrendered	19861218	19871019	GOLD MINES OF AUSTRALIA (WA) NL
E08/144	Surrendered	19861218	19871019	GOLD MINES OF AUSTRALIA (WA) NL
E08/145	Surrendered	19861218	19871019	GOLD MINES OF AUSTRALIA (WA) NL
M08/48	Surrendered	19870519	19880527	ACCLAIM EXPLORATION NL
M08/53	Forfeited	19880506	19900323	ASHBURTON MINING CORPORATION NL
E08/188	Surrendered	19880801	19900126	RIOMIN AUSTRALIA GOLD PTY LIMITED
E08/245	Surrendered	19880817	19910925	CODNER, COLIN CAMPBELL
E08/246	Surrendered	19880817	19890127	GOLD MINES OF AUSTRALIA (WA) NL
E08/277	Surrendered	19880817	19900213	HOMESTAKE AUSTRALIA LTD
P47/726	Expired	19880923	19900922	ZYMRON PTY LTD
E08/292	Surrendered	19881221	19900302	HOMESTAKE AUSTRALIA LTD
E08/350	Surrendered	19890727	19901029	AUSTRALIAN ORES AND MINERALS LTD
E08/351	Surrendered	19890727	19900810	AUSTRALIAN ORES AND MINERALS LTD
E08/352	Surrendered	19890727	19900810	AUSTRALIAN ORES AND MINERALS LTD
E08/349	Surrendered	19891025	19921024	RAMIREZ, ARNOLD JAMES
E08/445	Surrendered	19910502	19920309	NEWCREST MINING LIMITED
E08/464	Surrendered	19910605	19911114	MACDONALD, STANLEY ALLAN
E08/481	Surrendered	19920217	19960130	DE BEERS AUSTRALIA EXPLORATION LTD
E08/488	Surrendered	19920217	19960130	DE BEERS AUSTRALIA EXPLORATION LTD
E08/491	Surrendered	19920217	19960130	DE BEERS AUSTRALIA EXPLORATION LTD
E08/595	Surrendered	19920809	19950407	ACCESS 1 LTD
E08/849	Surrendered	19960604	19990603	SANDERSON, ALAN

Tenement	Status	Grant Date	Expiry Date	Holder(s)
E08/875	Surrendered	19960701	19970807	RENISON LIMITED
E08/855	Forfeited	19960716	19991217	JOHNSTON, LIONEL GORDON
E08/913	Surrendered	19970129	19980217	RENISON LIMITED
E08/915	Surrendered	19970130	20010129	CRAWFORD, BRIAN DAVID
E08/922	Surrendered	19970408	20050215	ASHBURTON GOLD MINES NL
E08/924	Surrendered	19970408	20060329	ASHBURTON GOLD MINES NL
E08/939	Surrendered	19970708	20020704	ASHBURTON GOLD MINES NL
E08/978	Forfeited	19970918	20000303	SLAYED PTY LTD
E08/998	Surrendered	19971007	20020923	SANDERSON, ALAN
E08/998	Surrendered	19971007	20020923	PAYNE, COLIN WESLEY
E08/996	Forfeited	19971106	19990618	SLAYED PTY LTD
E08/1037	Forfeited	19971216	20000512	SLAYED PTY LTD
E08/1038	Forfeited	19971216	20000512	SLAYED PTY LTD
E08/1123	Surrendered	20000111	20041122	DUZEVICH, NEVILLE STEVE
E08/1154	Surrendered	20000731	20020403	AIRBORNE GEOSCIENCE EXPLORATION NL
E08/1144	Surrendered	20020416	20060529	HARMAN, RODNEY NEAL
E08/1206	Surrendered	20020430	20030813	ASHBURTON GOLD MINES NL
E08/1237	Surrendered	20030221	20100129	CARLISLE, JASON ANDREW
E08/1304	Surrendered	20030411	20080222	ASHBURTON GOLD MINES NL
E08/1305	Surrendered	20030411	20050218	ASHBURTON GOLD MINES NL
E08/1265	Surrendered	20051209	20120330	MUTINY GOLD LIMITED
P08/485	Expired	20060127	20100126	FLETCHER NOMINEES PTY LTD
E08/1562	Surrendered	20060728	20090709	BARACUS PTY LTD
E08/1563	Surrendered	20070228	20090709	BARACUS PTY LTD
E08/1666	Surrendered	20070313	20081211	AURORA RESOURCES PTY LTD
E08/1668	Surrendered	20070313	20081211	AURORA RESOURCES PTY LTD
E08/1669	Surrendered	20070313	20111003	AURORA RESOURCES PTY LTD
E08/1670	Surrendered	20070313	20081211	AURORA RESOURCES PTY LTD
E08/1671	Surrendered	20070313	20081211	AURORA RESOURCES PTY LTD
E08/1681	Surrendered	20070516	20110520	AUSTRALIAN OUTBACK MINING PTY LTD
E08/1682	Surrendered	20070516	20110520	AUSTRALIAN OUTBACK MINING PTY LTD
E08/1655	Expired	20080304	20130303	MYG TENEMENT HOLDINGS PTY LTD
E08/1884	Surrendered	20090909	20111108	GOLDEN ZEN PTY LTD
E08/1885	Surrendered	20090909	20111108	GOLDEN ZEN PTY LTD
E08/1887	Surrendered	20090914	20111108	GOLDEN ZEN PTY LTD
E08/1975	Surrendered	20100504	20110520	AUSTRALIAN OUTBACK MINING PTY LTD
P08/593	Expired	20100908	20180907	CUSACK, JAMES ANTHONY
E08/2047	Forfeited	20101014	20130412	GREYWOLF RESOURCES NL
E08/2077	Surrendered	20110311	20130411	SHAW RIVER MANGANESE LIMITED
P08/614	Expired	20110328	20150327	CUSACK, KATHLEEN MARY
E08/2102	Surrendered	20110329	20130207	ASHBURTON GOLD MINES NL
E08/2103	Surrendered	20110329	20130207	ASHBURTON GOLD MINES NL
E08/2234	Surrendered	20111220	20150511	LIGHTHOUSE RIDGE PTY LTD
E08/2280-I	Surrendered	20120319	20170516	FMG RESOURCES PTY LTD



Tenement	Status	Grant Date	Expiry Date	Holder(s)
E08/2355	Forfeited	20121228	20150703	SANDERSON, ALAN
E08/2357	Forfeited	20121228	20150703	INOSITE LIMITED
E08/2338-l	Surrendered	20130625	20150121	BARACUS PTY LTD
E08/2038-l	Surrendered	20130705	20170516	FMG PILBARA PTY LTD
E08/2356	Forfeited	20140226	20150821	SANDERSON, ALAN
E08/2474	Surrendered	20141112	20171205	NORTHERN STAR RESOURCES LTD
E08/2475	Surrendered	20141112	20180516	NORTHERN STAR RESOURCES LTD
E08/2487	Surrendered	20141112	20160718	NORTHERN STAR RESOURCES LTD
E08/2472	Surrendered	20150522	20180516	NORTHERN STAR RESOURCES LTD
E08/2749	Surrendered	20160411	20180516	NORTHERN STAR RESOURCES LTD
E08/2723	Surrendered	20160718	20210713	DIVERSIFIED ASSET HOLDINGS PTY LTD
E08/2727	Surrendered	20160826	20170807	COSMOPOLITAN MINERALS LIMITED
E08/2839	Surrendered	20161116	20171205	NORTHERN STAR RESOURCES LTD
P08/705	Surrendered	20180704	20200630	JAMIESON, PHILIP RICHARD
P08/706	Surrendered	20180704	20200630	JAMIESON, PHILIP RICHARD
P08/700	Surrendered	20180719	20200630	JAMIESON, PHILIP RICHARD
P08/701	Surrendered	20180719	20200630	JAMIESON, PHILIP RICHARD
P08/702	Surrendered	20180719	20200630	JAMIESON, PHILIP RICHARD
P08/703	Surrendered	20180719	20200630	JAMIESON, PHILIP RICHARD
P08/704	Surrendered	20180719	20200630	JAMIESON, PHILIP RICHARD
E08/3019	Surrendered	20190306	20191024	ZACATECAS MINERALS PTY LTD
E08/3161	Surrendered	20201105	20211104	MOORE RIVER METALS PTY LTD
E08/1115	Withdrawn		19990120	DUZEVICH, NEVILLE STEVE
E08/1143	Withdrawn		20000904	MILTONBURY PTY LTD
E08/1179	Withdrawn		20050310	STROTHER MINING PTY LTD
E08/1277	Withdrawn		20050114	DUZEVICH, NEVILLE STEVE
E08/1298	Withdrawn		20020404	PALADIN RESOURCES LTD
E08/1299	Withdrawn		20020404	PALADIN RESOURCES LTD
E08/1322	Withdrawn		20050526	MARENGO MINING LTD
E08/1323	Withdrawn		20050526	MARENGO MINING LTD
E08/1363	Withdrawn		20050114	JONES, REGINALD GEORGE
E08/1385	Withdrawn		20050114	JONES, REGINALD GEORGE
E08/1429	Withdrawn		20050114	JONES, REGINALD GEORGE
E08/1469	Withdrawn		20050418	AVOCA RESOURCES LTD
E08/1478	Withdrawn		20050114	DUZEVICH, NEVILLE STEVE
E08/1482	Withdrawn		20041116	MARTIN, PAUL RICHARD
E08/1483	Withdrawn		20050114	DUZEVICH, NEVILLE STEVE
E08/1488	Withdrawn		20060403	HEYDON, PETER SUTHERLAND
E08/1572	Withdrawn		20080616	KORAB RESOURCES LIMITED
E08/1573	Withdrawn		20080616	KORAB RESOURCES LIMITED
E08/1654	Withdrawn		20060721	SMITH, BRETT SIDNEY
E08/1659	Withdrawn		20080306	FLETCHER NOMINEES PTY LTD
E08/1783	Withdrawn		20080225	ASHBURTON GOLD MINES NL
E08/1793	Withdrawn		20071205	GTI RESOURCES LTD

Tenement	Status	Grant Date	Expiry Date	Holder(s)
E08/1798	Withdrawn		20080512	GTI RESOURCES LTD
E08/1857	Withdrawn		20081114	GTI RESOURCES LTD
E08/2027	Withdrawn		20100125	STATE RESOURCES PTY LTD
E08/2101	Withdrawn		20100915	ASHBURTON GOLD MINES NL
E08/2125	Withdrawn		20101112	ASHBURTON GOLD MINES NL
E08/2289	Withdrawn		20120402	LEGENDRE, BRUCE ROBERT
E08/2384	Withdrawn		20121231	LEGENDRE, BRUCE ROBERT
E08/2440	Withdrawn		20130318	NORTHERN STAR RESOURCES LTD
E08/2444	Withdrawn		20131031	LEGENDRE, BRUCE ROBERT
E08/2467	Withdrawn		20130614	NORTHERN STAR RESOURCES LTD
E08/2468	Withdrawn		20130614	NORTHERN STAR RESOURCES LTD
E08/2469	Withdrawn		20130409	FMG PILBARA PTY LTD
E08/2473	Withdrawn		20140821	NEAROLOGY PTY LTD
E08/2538	Withdrawn		20140528	AUSTRALIAN OUTBACK MINING PTY LTD
E08/2623	Withdrawn		20150114	VAUGHAN, DAVID EDWARD
E08/2931	Withdrawn		20180830	FLEAY, JOHN GEOFFREY
E08/2981	Withdrawn		20180709	FIRTH, JOHN HARVEY
E08/3028	Withdrawn		20191106	GARDNER MINING PTY LTD
E08/3029	Withdrawn		20191106	GARDNER MINING PTY LTD
E08/3108	Null and Void		20190820	AEMCC PTY LTD
E08/3432	Withdrawn		20220111	ATRIPLEX PTY LIMITED
E08/3433	Withdrawn		20220111	ATRIPLEX PTY LIMITED
E08/3459	Withdrawn		20220111	ATRIPLEX PTY LIMITED
E08/3496	Withdrawn		20231010	MINERAL FIELDS PTY LTD
E08/823	Withdrawn		19951128	BACOME PTY LTD
E08/824	Withdrawn		19951128	BACOME PTY LTD
E08/839	Withdrawn		19951128	BACOME PTY LTD
M08/13	Surrendered		19850402	JAYS EXPLORATION PTY LTD
M08/321	Withdrawn		20080225	ASHBURTON GOLD MINES NL
M08/322	Withdrawn		20080225	ASHBURTON GOLD MINES NL
P08/489	Withdrawn		20050114	DUZEVICH, NEVILLE STEVE
P08/592	Withdrawn		20090904	CUSACK, KATHLEEN MARY
P08/696	Withdrawn		20170904	SANDER, THOMAS PETER
P08/697	Withdrawn		20170904	SANDER, THOMAS PETER
P08/698	Withdrawn		20170904	SANDER, THOMAS PETER
P08/707	Withdrawn		20180710	JAMIESON, PHILIP RICHARD
P08/708	Withdrawn		20180710	JAMIESON, PHILIP RICHARD
P08/709	Withdrawn		20180710	JAMIESON, PHILIP RICHARD
P08/71	Expired		19850901	BARRETT, THOMAS LESLIE
P08/710	Withdrawn		20180710	JAMIESON, PHILIP RICHARD
P08/711	Withdrawn		20180710	JAMIESON, PHILIP RICHARD
P08/712	Withdrawn		20180710	JAMIESON, PHILIP RICHARD
P08/726	Withdrawn		20190123	WORRELL, KELLY ANNE
P08/745	Withdrawn		20191209	SANDER, THOMAS PETER

Tenement	Status	Grant Date	Expiry Date	Holder(s)
P08/746	Withdrawn		20191209	SANDER, THOMAS PETER
PA08/221	Expired		19510115	NAME NOT PROVIDED

Date format = yyyymmdd

## 11. Appendix 2 – References Cited in Gardner Annual Reports

- Abello, J. 2018. Final technical report for E08/2472. North Star Resources Ltd. Wamex A117123.
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Your proxy voting instruction must be received by **10.00am (AWST) on Saturday, 13 April 2024**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

## SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

### YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

### STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

### DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

### STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

### APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

### SIGNING INSTRUCTIONS

**Individual:** Where the holding is in one name, the Shareholder must sign.

**Joint holding:** Where the holding is in more than one name, all Shareholders should sign.

**Power of attorney:** If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

**Companies:** To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

**Email Address:** Please provide your email address in the space provided.

**By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.**

### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

### Lodging your Proxy Voting Form:

#### Online

Use your computer or smartphone to appoint a proxy at <https://investor.automic.com.au/#/loginsah> or scan the QR code below using your smartphone

**Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.**



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