

## Chairman's Address & Presentation Slides – 2025 EGM

11 April 2025

ASX Markets Announcement Office  
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Exchange Centre  
20 Bridge Street  
Sydney NSW 200

### BY ELECTRONIC LODGEMENT

### Chairman's Address and Presentation Slides 2025 Extraordinary General Meeting

Please find attached for release to the market, the *Chairman's Address and Presentation Slides* to be presented to Xanadu Mines Ltd's (ASX:XAM) Extraordinary General Meeting commencing at 11:00am AEST today.

-ENDS-

### For further information, please contact:

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### **About Xanadu Mines Ltd:**

Xanadu is an ASX and TSX listed Exploration company operating in Mongolia. We give investors exposure to globally significant, large-scale copper-gold discoveries and low-cost inventory growth. Xanadu maintains a portfolio of exploration projects and remains one of the few junior explorers on the ASX or TSX who jointly control a globally significant copper-gold deposit in our flagship Kharmagtai project.

For information on Xanadu visit: [www.xanadumines.com](http://www.xanadumines.com).

This Announcement was authorised for release by Xanadu's Board of Directors.

## **CHAIRMAN'S ADDRESS**

### **Slide 4 – Update from the Chairman and Managing Director**

I will begin the meeting with a quick update on Xanadu and Kharmagtai before we get into the formal part of the meeting and the one resolution proposed.

### **Slide 5 - Disclaimer Slide**

These disclaimers are important. They are published along with these slides, and I will leave them to you to read in your own time.

### **Slide 6 – Mongolia is Our Competitive Advantage**

Xanadu has three projects located in Mongolia, which we still believe has a competitive advantage versus other jurisdictions, for the reasons that we all know and understand.

### **Slide 7 – Kharmagtai - a Flagship Asset at PFS Stage**

Our flagship Kharmagtai project is well situated in the South Gobi Desert, a great location relative to infrastructure and our customer. It's a copper-gold project of truly significant scale with a completed PFS and Ore Reserve.

### **Slide 8 – Significant Resource and Reserve**

Kharmagtai has a very large resource, at the right scale for a global mining major, at 2.2Bt, 4.7Mt of Cu and 11Moz of Au, and it's only going to grow.

Now that we are at the PFS stage, our mining shapes and marginal cut-off grades constrained the Open Pit Resource and the Reserve.

You'll see from these images, there is a fair amount of grade outside of the pits, and those sit in underground Resources that we believe could turn into a future block cave.

### **Slide 9 – PFS Highlights**

The PFS shows a conventional open pit with sulphide flotation plant, augmented by gravity and CIL to increase gold recovery. It produces producing 75ktpa of copper and 165kozpa of gold over 29 years.

Economics show 21% IRR, 4-year payback, and \$930M NPV on \$890M initial investment. Costs operate at first quartile for its first 9-year stage and second quartile over the life of mine. Following PFS, the project is ready to commence its Bankable Feasibility Study.

### **Slide 10 – Kharmagtai Joint Venture**

The strategic partnership with Zijin commenced in 2023, with Xanadu as operator to deliver the PFS in Q4 2024.

The JV is structured around named operatorship under shared control, so the Board has 50-50 equal voting. Xanadu was operator during the PFS, and Zijin is now the operator for the upcoming FS and Construction stages.

We expect total project cost for FS and Construction to be US\$900-950M, but Zijin could very well achieve a lower cost through its preferred sourcing in China and deep construction experience.

### **Slide 11 – Put Option Deferral & Exclusivity to Zijin**

At Xanadu we are very focused on maximising value for our shareholders. Over the past two years, since the start of the JV with Zijin, we have been working on a three-level strategy, considering a corporate transaction, the put option and self funding. We have engaged with parties, prepared term sheets, and evaluated relative value internally, with

our advisers, and via an independent expert report. The result was the put option as a resolution for this EGM, in the absence of a superior transaction.

Since the notice of meeting, and following discussion with multiple parties including Zijin, we've agreed to an extension of the put option terms, which were previously 14 October, and to an exclusivity agreement with Zijin. This gives us the time and ability to discuss a range of corporate transaction options with Zijin.

As a result, the resolution for the put option is withdrawn from this shareholder meeting.

You will appreciate that at this time I cannot give more details around the discussion with Zijin. We will keep the market informed when possible and appropriate.

## **Slide 12 – Completing the Development Journey**

We are working hard to put the finishing touches on a long journey for Kharmagtai and many of our shareholders.

It's important if you invest in exploration that you understand the Lasso Curve and the fact that there is no way to go backwards, only forwards.

We've done the hard work to bring this project from the bottom to its current market value, and I look forward to having a drink with many of you when we crystallise the next step for Kharmagtai.

## **Slide 13 – Copper Focused Exploration Portfolio**

And don't forget our other two projects. Red Mountain is highly prospective for gold and copper, and Sant Tolgoi is early stage with four exciting targets ready to drill.

These could potentially form the core of a spin out or of Xanadu ongoing non-Kharmagtai exploration.

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# Mongolia's Next Major Copper Mine

**Extraordinary General Meeting**

11 April 2025 | ASX:XAM TSX:XAM



**KHARMAGTAI**

# Opening of the Meeting

## **Colin Moorhead**

Executive Chairman & Managing Director



# Opening of Meeting

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**Due notice of Meeting has been given.**

**Quorum of three shareholders present.**

**I formally declare open, this Extraordinary General Meeting of the shareholders of Xanadu Mines Ltd**

# Update from the Chairman & Managing Director





# Disclaimers

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## Disclaimer

The information contained in this presentation has been prepared by Xanadu Mines Limited (**Xanadu** or the **Company**). This presentation is not an offer, invitation, solicitation or other recommendation with respect to the subscription for, purchase or sale of any securities in Xanadu. This presentation has been made available for information purposes only and does not constitute a prospectus, short form prospectus, profile statement or offer information statement. This presentation is not subject to the disclosure requirements affecting disclosure documents under Chapter 6D of the Corporations Act 2001 (Cth) (**Corporations Act**). This presentation may contain certain forward-looking statements and projections regarding estimated, resources and reserves; planned production and operating costs profiles; planned capital requirements; and planned strategies and corporate objectives. Such forward looking statements/projections are estimates for discussion purposes only and should not be relied upon. They are not guarantee of future performance and involve known and unknown risks, uncertainties and other factors many of which are beyond the control of Xanadu. The forward-looking statements/projections are inherently uncertain and may therefore differ materially from results ultimately achieved. Xanadu does not make any representations and provides no warranties concerning the accuracy of the projections and disclaims any obligation to update or revise any forward-looking statements/projects based on new information, future events or otherwise except to the extent required by applicable laws. While the information contained in this presentation has been prepared in good faith, neither Xanadu or any of its directors, officers, agents, employees or advisors give any representation or warranty, express or implied, as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this presentation. Accordingly, to the maximum extent permitted by law, none of Xanadu, its directors, employees or agents, advisers, nor any other person accepts any liability whether direct or indirect, express or limited, contractual, tortious, statutory or otherwise, in respect of, the accuracy or completeness of the information or for any of the opinions contained in this presentation or for any errors, omissions or misstatements or for any loss, howsoever arising, from the use of this presentation.

## Cautionary Statements

This Presentation includes information extracted from the Company's ASX announcement dated 14 October 2024 titled Kharmagtai Pre-Feasibility Study and 14 October 2024 titled Kharmagtai Resource & Reserve. For the production targets and forecast financial information for the Project comprise Indicated Mineral Resources (approximately 73%) and Inferred Mineral Resources (approximately 27%). The Company has concluded that it has reasonable grounds for disclosing a production target which includes the foregoing amount of Inferred Mineral Resources, including on the basis that the Inferred material has been scheduled such that less than 11% of the ore mined in the first 8 years is in the Inferred category, with the remainder mined through the life of mine. The Inferred Mineral Resource does not have a material effect on the technical and economic viability of the Kharmagtai Project. Accordingly, Xanadu has concluded that it is satisfied that the financial viability of the development case modelled in the PFS is not dependent on the inclusion of Inferred Mineral Resources early in the production schedule given an estimated payment period (from commencement of production) of less than 4 years. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the production target itself will be realised. Further drilling is planned with the aim of converting Inferred Mineral Resources to Indicated Mineral Resources as well as continued exploration where the deposits are open at depth and along strike. The views expressed in this Presentation contain information that has been derived from third party sources that have not been independently verified. No representation or warranty is made as to the accuracy, completeness or reliability of the information.

## Mineral Resource Reporting Requirements

As an Australian company with securities quoted on the Australian Securities Exchange (ASX), the Company is subject to Australian disclosure requirements and standards, including the requirements of the Corporations Act and the ASX. Investors should note that it is a requirement of the ASX Listing Rules that the reporting of mineral resources in Australia is in accordance with the JORC Code and that the Company's mineral resource estimates comply with the JORC Code. The requirements of the JORC Code differ in certain material respect from the disclosure requirements or other countries. The terms used in this announcement are as defined in the JORC Code. The definitions of these terms may differ from the definitions of such terms for the purposes of the disclosure requirements in other countries.

## Forward Looking Statements

Certain statements contained in this presentation, including information as to the future financial or operating performance of Xanadu and its projects may also include statements which are 'forward-looking statements' that may include, amongst other things, statements regarding targets, estimates and assumptions in respect of mineral reserves and mineral resources and anticipated grades and recovery rates, production and prices, recovery costs and results, capital expenditures and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions. These 'forward-looking statements' are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Xanadu, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies and involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements. Xanadu disclaims any intent or obligation to update publicly or release any revisions to any forward-looking statements, whether as a result of new information, future events, circumstances or results or otherwise after the date of this presentation or to reflect the occurrence of unanticipated events, other than required by the Corporations Act 2001 (Cth) and the Listing Rules of the Australian Securities Exchange (ASX) and Toronto Stock Exchange (TSX). The words 'believe', 'expect', 'anticipate', 'indicate', 'contemplate', 'target', 'plan', 'intends', 'continue', 'budget', 'estimate', 'may', 'will', 'schedule' and similar expressions identify forward-looking statements. All 'forward-looking statements' made in this Study are qualified by the foregoing cautionary statements. Investors are cautioned that 'forward-looking statements' are not a guarantee of future performance and accordingly investors are cautioned not to put undue reliance on 'forward-looking statements' due to the inherent uncertainty therein. Xanadu has concluded that it has a reasonable basis for providing these forward-looking statements and the forecast financial information included in this presentation. To achieve the range of outcomes indicated in the Pre-Feasibility Study, funding of in the order of an approximately US\$400 million will likely be required by the Company. Based on current market conditions and the results of studies undertaken, there are reasonable grounds to believe the Project can be financed via a combination of equity and debt, as has been done for numerous comparable projects in Mongolia and other jurisdictions in Asia in recent years. Debt may be secured from several sources including Australian banks, international banks, the high yield bond market, resource credit funds, and in conjunction with product sales of offtake agreements. It is also possible the Company may pursue alternative funding options, including undertaking a corporate transaction, seeking a joint venture partner or partial asset sale. There is, however, no certainty that Xanadu will be able to source funding as and when required. Whilst no formal funding discussions have concluded, the Company has engaged with several potential financiers of Kharmagtai, and these financial institutions and corporations have expressed an interest in being involved in funding of the Project. The Kharmagtai Pre-Feasibility Study, and Resource and Reserve statements were prepared in compliance with the current JORC Code (2012) and the ASX Listing Rules. All material assumptions, including sufficient progression of all JORC modifying factors, on which the production target and forecast financial information are based have been included.



# Mongolia is Our Competitive Advantage

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## Emerging mining jurisdiction with an extensive infrastructure network

### Prospectivity

The right rocks with some globally significant discoveries, yet remains largely underexplored

### Develop-ability

Sparse population and wide-open spaces with excellent infrastructure (especially in South Gobi)

### Mining Culture

Stable democracy with high education and training standards with mining representing 25% of GDP and 90% of exports

### Location

On China's doorstep (#1 global copper consumer) with excellent infrastructure existing and planned

### Local Expertise

Xanadu has deep knowledge, understanding and experience of the geology and demonstrated ability to operate to high ESG standards in Mongolia

### KHARMAGTAI

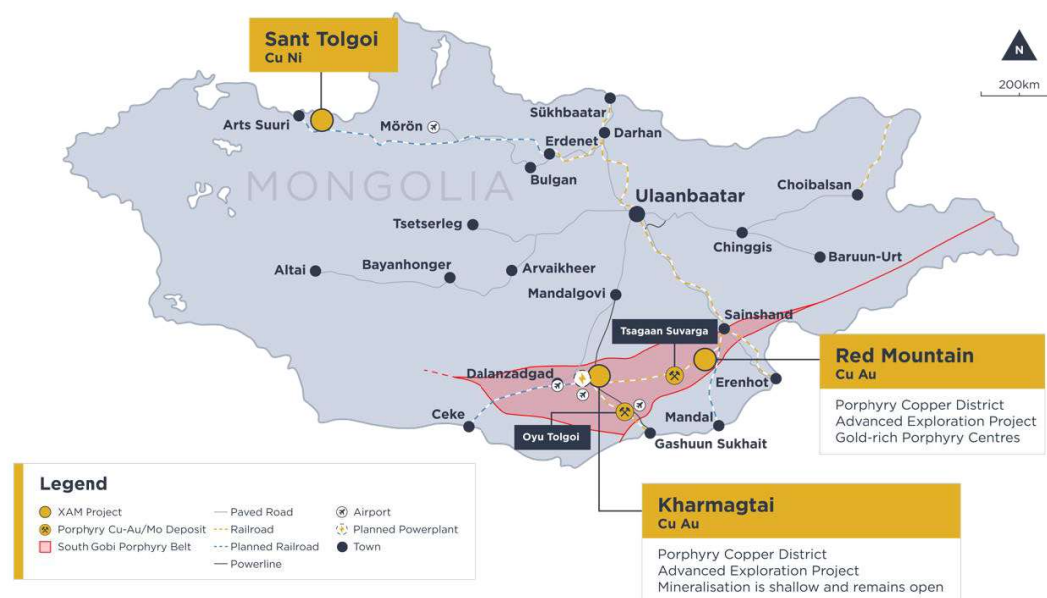
Advancing towards **extraction** through Material Liquidity Event or Feasibility Funding. PFS and Maiden Ore Reserve published in October 2024.

### RED MOUNTAIN

Near surface, high-grade gold & copper exploration akin to Northparkes porphyry (Australia).

### SANT TOLGOI

District-scale magmatic copper-nickel sulphide prospectivity. First pass exploration recently completed.



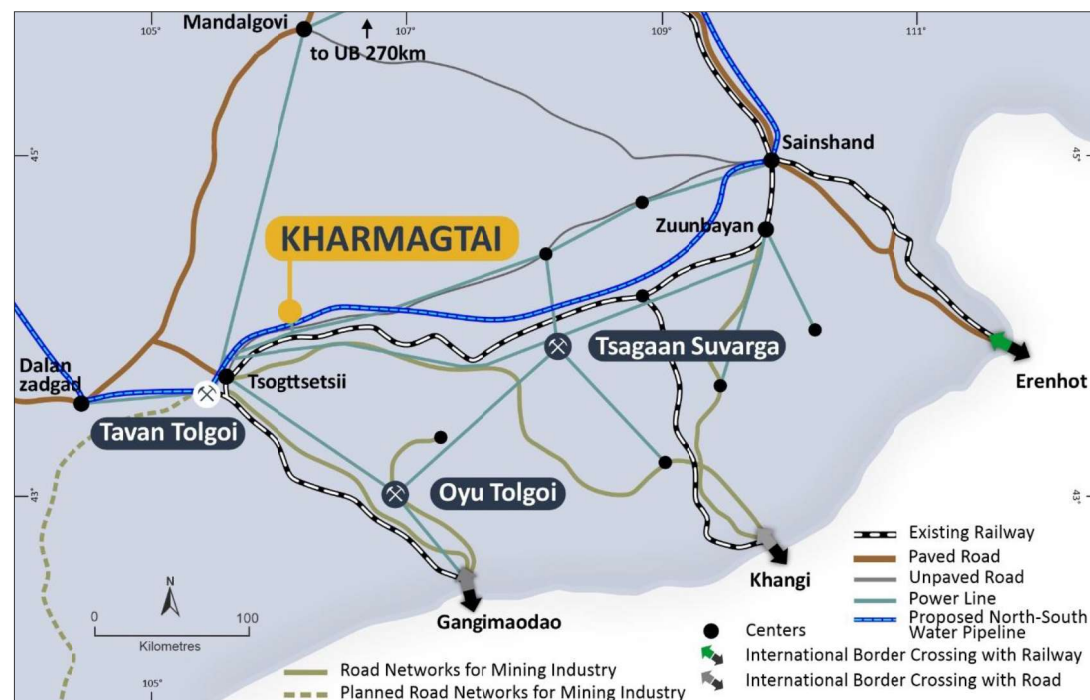
# Kharmagtai - a Flagship Asset at PFS Stage

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## Large Scale Copper-Gold Porphyry System

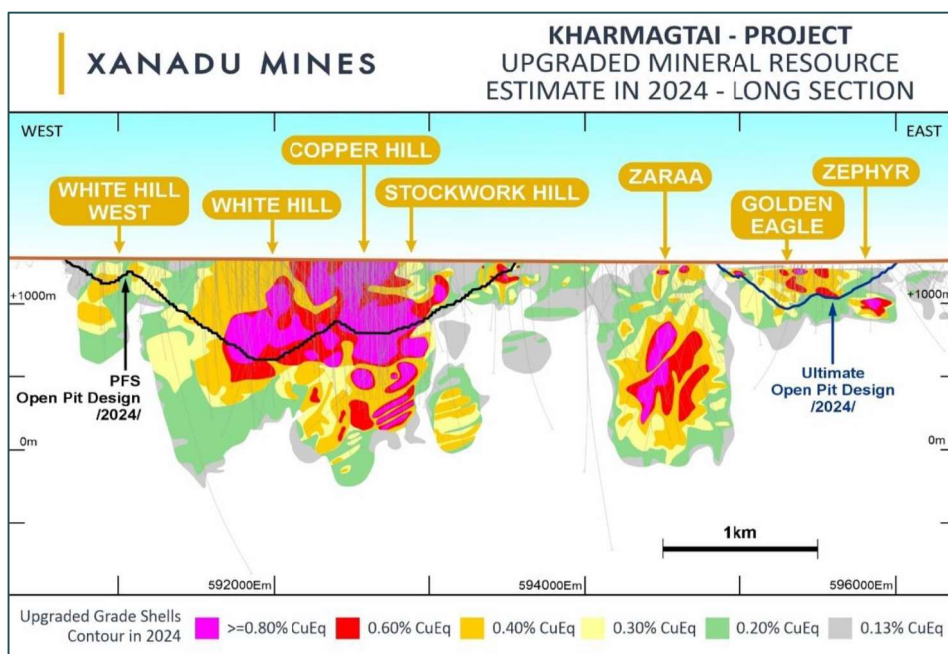
- Located in the South Gobi Desert of Mongolia
  - 120km north-west of Rio Tinto's Oyu Tolgoi mine (moving to 500ktpa copper production)
  - Near supporting infrastructure, water resources, a skilled workforce and end markets
- Granted mining licence with 30-year tenure with an option to extend another 40 years
- Significant 2.2 billion tonne Mineral Resource
- PFS and Maiden Ore Reserve Completed October 2014



ASX/TSX Announcement 14 October 2024 - Kharmagtai Resource & Reserve  
ASX/TSX Announcement 14 October 2024 - Kharmagtai Pre-Feasibility Study

# Significant Resource and Reserve

## Strong potential for growth at depth and along strike



## Mineral Resource Estimate

Mineral Resource Classification	Tonnes (Mt)	Copper Grade (%)	Gold Grade (g/t)	Insitu Copper (kt)	Insitu Gold (koz)
Indicated	1,300	0.22	0.17	2,900	7,100
Inferred	900	0.21	0.13	1,900	4,000
Total	2,200	0.21	0.15	4,700	11,000

## Ore Reserve

Ore Reserve Classification	Dry Tonnes (Mt)	Copper Grade (%)	Gold Grade (g/t)	Insitu Copper ('000 t)	Insitu Gold ('000 oz)
Proved	0	0	0	0	0
Probable	730	0.21	0.17	1,600	4,000

ASX/TSX Announcement 14 October 2024 - Kharmagtai Resource & Reserve  
 ASX/TSX Announcement 14 October 2024 - Kharmagtai Pre-Feasibility Study  
 See Appendix for copper equivalent calculations and assumptions  
 The JORC Code, 2012 sets out minimum standards, recommendations and guidelines for Public Reporting in Australasia of Exploration Results, Mineral Resources and Ore Reserves. The Information contained in this Announcement has been presented in accordance with the JORC Code, 2012.

# PFS Highlights

Maximises value from a **globally significant** project

## Large Scale Production Profile

Average annual production of 75kt copper and 165koz gold over a 29-year LOM

## Strong Investment Returns

Post-Tax NPV of US\$930M  
Post-Tax IRR of 21%  
Payback Period of 4 years  
Pre-Production Capex US\$890M

## Funding De-risked

Zijin JV affords Xanadu multiple paths to realise value from its 38.25% stake in Kharmagtai

## Low-Cost Operation

First quartile C1 cash cost of \$0.70/lb copper for Stage 1

## Simple, Proven Approach

Open pit, low strip ratio mine. Conventional sulphide flotation plant, augmented by gravity and CIL to increase gold recovery

## Next Steps

Mongolian Feasibility Study & DEIA on track, BFS to commence in early CY25. Construction targeted during CY26 subject to FID & approvals



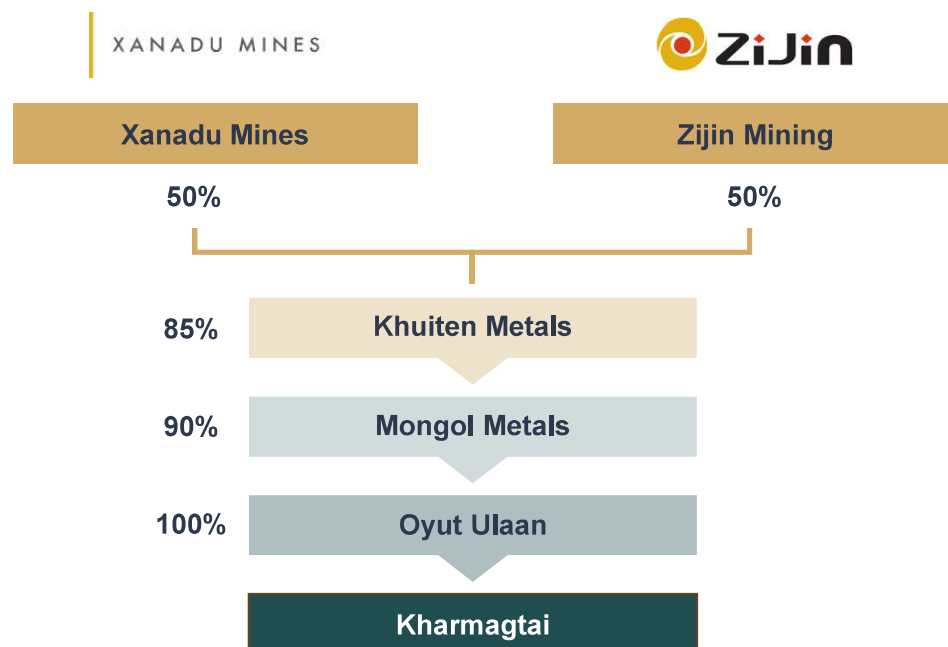
# Kharmagtai Joint Venture

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## Optionality to progress Kharmagtai

### Partnership Structure



Zijin is one of the largest metals mining company in the world and is targeting production of over 1.5Mt of copper by 2028, a 50% increase from 2023 production levels

## Progress to Date (2022-2024)

- 1. April 2022:** Placement to raise ~A\$5.6 million and providing Zijin with a 9.9% shareholding in Xanadu
- 2. March 2023:** Placement to raise ~A\$7.2 million and providing Zijin with a 19.4% shareholding in Xanadu
- 3. March 2023:** Creation of a 50/50 JV, Khuiten Metals, that holds a 76.5% effective interest in Kharmagtai. Zijin has invested US\$35.0 million in the JV to fund the Kharmagtai PFS and exploration until September 2024
- 4. October 2024:** Delivered PFS, transitioned operatorship to Zijin, commenced planning for Feasibility Study

## Next Steps (2025 forward)

- 1. Feasibility Study and Approvals:** Expected cost to FID approximately US\$50-60M. Budget planning underway with Zijin.
- 2. Construction and Commissioning:** Expected cost to commercial operations approximately US\$850-900M.



# Put Option Deferral & Exclusivity to Zijin

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- **Put Option Expiry**

- Scheduled to expire on 14 April 2025
- Scheduled for shareholder vote on 11 April 2025

- **Exclusivity to Zijin**

- Will continue discussion of a range of potential corporate transactions during this period
- Standard no shop, no talk, no due diligence restrictions

- **Extension of Put Option**

- JV agreement varied
- Shareholder vote deferred
- Enables further discussions with Zijin

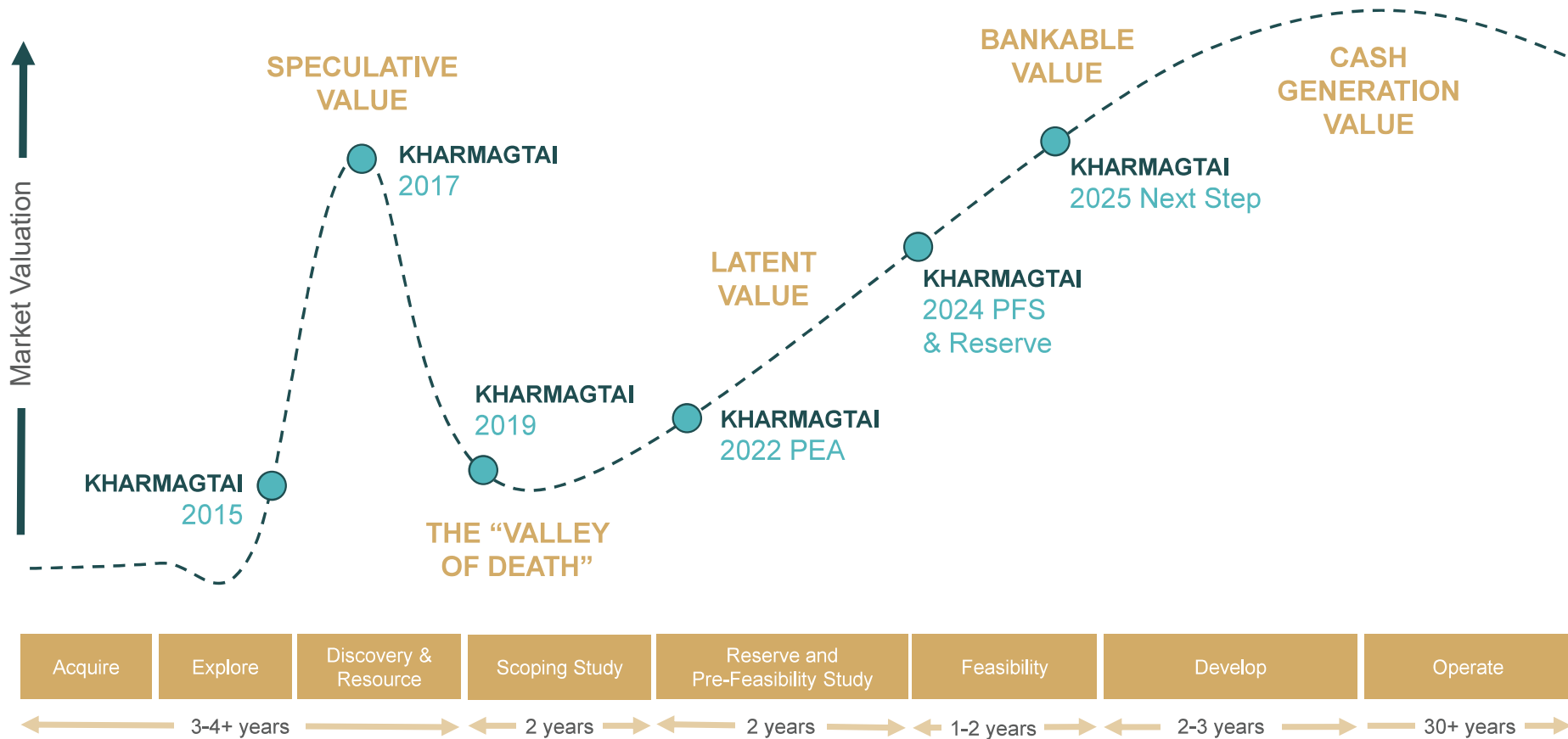


# Completing the Development Journey

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## Tracing the Lassonde Curve





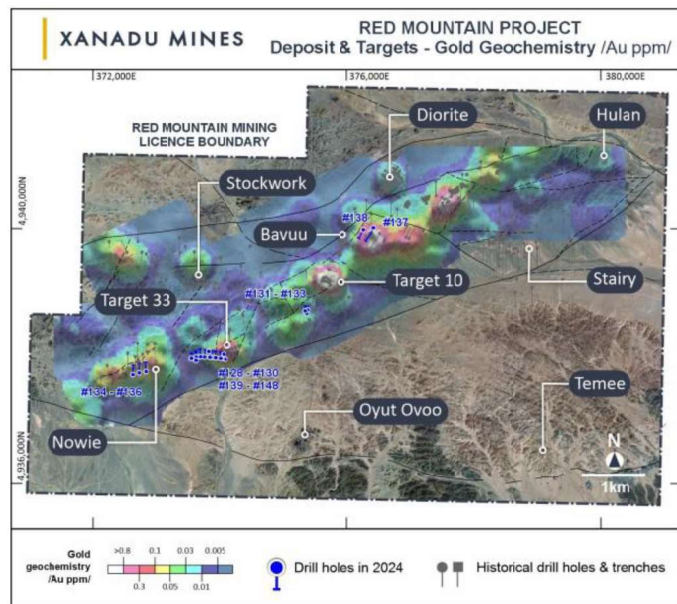
# Copper Focused Exploration Portfolio

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## Highly prospective projects in Mongolia – potential for future spin out

### Red Mountain (Cu-Au) – South Gobi Region

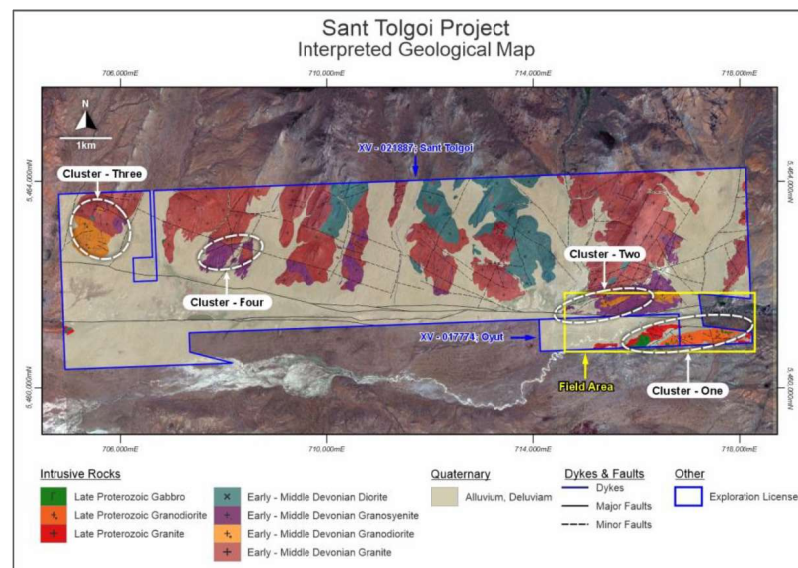
- 100%-owned, 57km<sup>2</sup> license featuring near-surface gold and copper-gold targets, akin to the Northparkes porphyry deposit
- 4,800m diamond drill program completed in 2024, encountering significant shallow mineralisation across four prospects
- Next stage exploration plan in development



ASX/TSX Announcement 21 June 2024 – Near Surface Copper & Gold Results at Red Mountain

### Sant Tolgoi (Cu-Ni) – Western Mongolia

- Earning into 80% of two exploration licenses, targeting magmatic intrusion-related copper-nickel systems in the Khangai Fault System
- 2024 field operations identified high priority copper drill targets
  - Reconnaissance rock-chip sample results up to 2.1% Cu from multiple gossan outcrops
  - Detailed mapping, geophysics and geochemistry defined at least 4 high-priority drill targets over a 4-kilometre-long splay
- 2025 field program under review considers diamond drilling at 4 targets, with potential delayed start to address newly imposed environmental conditions.



- ASX/TSX Announcement 22 January 2024 – Xanadu enters new Copper Nickel Sulphide exploration project.
- ASX/TSX Announcement 10 September 2024 – Copper-Nickel Exploration Advancing at Sant Tolgoi project
- ASX/TSX Announcement 20 November 2024 – Sant Tolgoi Exploration Update

# Appendix



# Competent Persons Statements

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The information in this Study that relates to **Mineral Resources** is based on information compiled by Mr Robert Spiers, who is responsible for the Mineral Resource estimate. Mr Spiers is a full time Principal Geologist employed by Spiers Geological Consultants (SGC) and is a Member of the Australasian Institute of Geoscientists. He has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as the Qualified Person as defined in the CIM Guidelines and National Instrument 43-101 and as a Competent Person under JORC Code 2012. Mr Spiers consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

The information in this Study that relates to **Ore Reserves** is based on information compiled by Mr Colin McVie and Mr Simon Grimbeek, who are responsible for the Ore Reserve. Both Mr McVie and Mr Grimbeek are full time Managers and Mining Engineers employed by Mining Plus and are both Fellows of the Australasian Institute of Mining and Metallurgy. They both have sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as the Qualified Person as defined in the CIM Guidelines and National Instrument 43-101 and as a Competent Person under JORC Code 2012. Mr McVie and Mr Grimbeek consent to the inclusion in the report of the matters based on this information in the form and context in which it appears.

The information in this Study that relates to open pit **geotechnical analysis** for the project has been reviewed by Dr John Player, BEng (Mining) (Hons) MEngSc (Mining Geomechanics) PhD MAusIMM(CP) RPEQ (Geotech). Dr Player is not an employee of the Company but is Director and Principal Engineer with MineGeoTech. Dr Player is a Member and Chartered Professional of the Australasian Institute of Mining and Metallurgy; has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity undertaken to qualify as the Qualified Person as defined in the CIM Guidelines and National Instrument 43-101 and as a Competent Person under JORC Code 2012. Dr Player consents to the inclusion in this report of the contained technical information in the form and context as it appears.

The information in this Study that relates to **exploration results** is based on information compiled by Dr Andrew Stewart, who is responsible for the exploration data, comments on exploration target sizes, QA/QC and geological interpretation and information. Dr Stewart, who is an employee of Xanadu and is a Member of the Australasian Institute of Geoscientists, has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as the Qualified Person as defined in the CIM Guidelines and National Instrument 43-101 and as a Competent Person under JORC Code 2012. Dr Stewart consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

The information in this Study that relates to **processing, metallurgy and metallurgical testwork** has been reviewed by Graham Brock, BSc (Eng), ARSM. Mr Brock is not an employee of the Company but is employed as a contract consultant. Mr Brock is a Fellow of the Australasian Institute of Mining and Metallurgy; he has sufficient experience with the style of processing response and type of deposit under consideration, and to the activities undertaken, to qualify as the Qualified Person as defined in the CIM Guidelines and National Instrument 43-101 and as a Competent Person under JORC Code 2012. Mr Brock consents to the inclusion in this report of the contained technical information in the form and context as it appears.

The information in this Study that relates to **marketing and concentrate logistics** was reviewed by Albert de Sousa, MAusIMM, BA, Graduate Diploma International Business. Mr de Sousa is not an employee of the Company but is employed as a contract consultant. Mr de Sousa is a member of the Australasian Institute of Mining and Metallurgy. He has sufficient experience the style of mineralisation, type of deposit, and concentrate production and logistics, and to related activities undertaken, to qualify as the Qualified Person as defined in the CIM Guidelines and National Instrument 43-101 and as a Competent Person under JORC Code 2012. Mr de Sousa consents to the inclusion in this report of the contained technical and commercial information in the form and context as it appears.

The technical and scientific information contained in this document related to **Kharmagtai PFS** was reviewed by Julien Lawrence, MEngSc (PM), FAusIMM, B Eng Mining (Hons). Mr Lawrence is not an employee of the Company but is employed as a contract consultant. Mr Lawrence is a Fellow of the Australasian Institute of Mining and Metallurgy. He has sufficient experience the style of mineralisation and type of deposit, and to the activities undertaken, to qualify as the Qualified Person as defined in the CIM Guidelines and National Instrument 43-101 and as a Competent Person under JORC Code 2012. Mr Lawrence consents to the inclusion in this report of the contained technical information in the form and context as it appears.

# Designated Foreign Issuer (TSX)



Xanadu Mines Ltd is listed on the Australian Securities Exchange and Toronto Stock Exchange. It is a “designated foreign issuer” as defined in National Instrument 71-102–Continuous Disclosure and Other Exemptions Relating to Foreign Issuers and is subject to the regulatory requirements of the Australian Securities & Investments Commission and the Australian Securities Exchange.

# Copper Equivalence

## Calculation consistent with 2024 MRE

The copper equivalent (CuEq) calculation represents the total metal value for each metal, multiplied by the conversion factor, summed and expressed in equivalent copper percentage with a metallurgical recovery factor applied.

Copper equivalent (CuEq) grade values were calculated using the formula:

$$\text{CuEq} = \text{Cu} + \text{Au} * 0.60049 * 0.86667$$

Where:

- Cu = copper grade (%);
- Au = gold grade (g/t);
- 0.60049 = conversion factor (gold to copper);
- 0.86667 = relative recovery of gold to copper (78% / 90% = 86.67%);
- Copper price = US\$3.40/lb
- Gold price = US\$1,400/oz

It is the company's opinion that all the elements included in the metal equivalents calculation have a reasonable potential to be recovered and sold.



# Kharmagtai Funding Options Trade-Off

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As presented to 12 March 2025 Investor Webinar

Path	Description	Advantages	Disadvantages
<b>Corporate Transaction</b>	Buy-Out at XAM ListCo, with potential spin-out.	Returns cash directly to shareholders. Tax effective. Spin out optionality for exploration and potential contingent deals.	Not all potential buyers want exposure to ASX.
<b>25% Put Option</b>	US\$25M cash + loan carry at SOFR + 5% in exchange for half of Xanadu's share of the Khuiten JV	Retains 25% of JV with no future cash outlay. Creates a long-term annuity for the company. Potential remains for future transaction after construction. US\$25M available now to generate value through exploration, new project acquisition, and/or M&A	XAM no longer has shared control of project decisions. Zijin controls budget and timeline. Risk due to uncertainty with respect to Zijin's intentions and timeline.
<b>Fund XAM share of BFS</b>	Combination of Equity, Debt, Offtake and Royalty to deliver US\$15-25M for BFS	Retains current exposure to the project and shared control of decision making. Derisks project further before exit.	Expensive and potentially highly dilutionary capital given uncertainty of Zijin's intentions and timelines. Also potentially weakens Xanadu's ability to fund eventual construction.
<b>Asset Level Transaction</b>	Sell Xanadu share of the Khuiten JV to a third party	Simpler transaction, provided there is a buyer at the right price. Full exit from the project.	Tax to be paid by Xanadu will reduce dividends to shareholders + limits exit options.
<b>50% Put Option</b>	US\$50M cash in exchange for all of Xanadu's share in Khiten JV	Same as asset level transaction to third party.	Undervalues project and shareholder value realisation. Not recommended.