

## ASX RELEASE

28<sup>th</sup> February 2022

ASX:PEC

### CORPORATE DIRECTORY

#### Executive Chairman

Julian Babarczy

#### Managing Director

Robert Benussi

#### Non-Executive Director

Brett Grosvenor

#### Company Secretary

Nicholas Katris

### PROJECTS

Beharra Silica Sands

Arrowsmith West

Sargon Hub

Eneabba Hub

### CONTACT

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**We wish to acknowledge the Traditional Custodians of the land (Yamatji Southern Regional) on which we are developing the Beharra Project, and pay our respects to their Elders past, present and emerging.**

## Geraldton Port Joint Cooperation Agreement Signed

### HIGHLIGHTS:

- Joint Cooperation Agreement signed with Mid West Ports Authority.
- Mid West Ports Authority and Perpetual will cooperate to investigate the potential for 1.5 million tonnes per annum of capacity for Beharra high grade silica sand exports.
- Cooperation agreement covers an initial 12 months period, extendable by mutual agreement.

**Perpetual Resources Limited (ASX: PEC, “PEC”, “Perpetual” or “the Company”)** is pleased to announce the signing of a Joint Collaboration Agreement (Agreement) with Mid West Ports Authority (MWPA), the operator of Geraldton Port.

Subject to the terms and conditions of the Agreement, MWPA and Perpetual have agreed to cooperate and work together to investigate how 1.5 million tonnes per annum of silica sand product may be received, handled, loaded and shipped for export from Geraldton Port for the purposes of the Beharra high grade silica sand project.

Perpetual notes that this is an interim agreement and does not guarantee Perpetual access to port capacity but provides a framework for constructive discussions which will now take place over an initial 12-month period (extendable by mutual consent). Any capacity that is allocated to Perpetual remains subject to agreement by MWPA’s and Perpetual’s respective Boards.

Commenting on the agreement, Acting CEO of MWPA, Damian Tully stated, “We look forward to working with Perpetual to explore the potential capacity required to facilitate the Beharra high grade silica sand project. This project is one of many which identifies significant export growth potential of planned projects in the Mid West region”.

Mr. Julian Babarczy, Executive Chairman of Perpetual, commented, “We thank Mid West Ports for their professionalism and commitment to exploring ways to facilitate additional export tonnes from Geraldton Port. We see Beharra as ideally positioned to play a pivotal role in an exciting new potential export industry for Western Australia and the Mid West Region”.

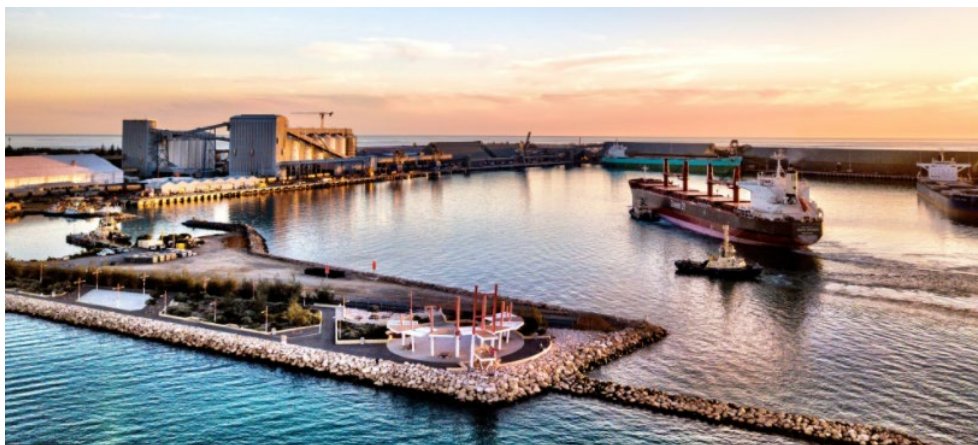
## About Perpetual Resources Limited

Perpetual Resources Limited (**Perpetual**) is a focused explorer of silica sands, aiming to produce high purity silica for export to the high growth Asian markets.

Perpetual's flagship asset, the Beharra Project (**Beharra**) is located 300km north of Perth and is 96km south of the port town of Geraldton in Western Australia. Access to the Project from Geraldton (to the north) and Perth (to the South) is via the sealed Brand Highway, thence approximately 8.5km east on the Mt Adams unsealed road providing access to the center of the tenure.



The Port of Geraldton is an established bulk material handling facility and is currently utilised for the export of bulk materials, minerals, grain and concentrates. Commodities currently exported via Geraldton Port include grains, copper concentrates, zinc concentrates, nickel concentrates, mineral sands, talc, and iron ore.



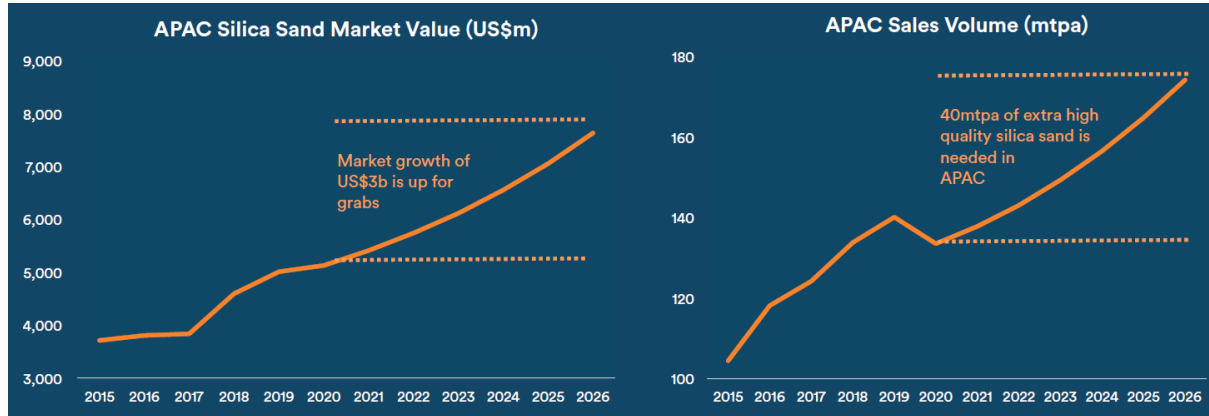
**Geraldton Port – Operated by Mid-West Port Authority**

Beharra comprises a granted mining lease, M70/1406, covering an effective area of 10.4km<sup>2</sup>, and a granted exploration license, E70/5221, covering an effective land area of 56.8km<sup>2</sup>. Extensive heavy mineral sands mining occurs to the south of Beharra, lime sands mining to the west and natural gas production to the south of the project area.

Auger and air core drilling has confirmed the presence of extensive, high purity silica sands, with a maiden Mineral Resource Estimate completed in July 2020. A detailed Pre-Feasibility Study demonstrating compelling project economics for Beharra was released to the ASX in March 2021, along with a Maiden Ore Reserve. Subsequent rounds of bulk metallurgical testing have further improved the potential final product specifications at Beharra.

## Silica Sands Market

Silica sands have an extensive range of uses, with lower purity (<99.5% SiO<sub>2</sub>) and lower priced applications including construction sand, proppant sand used in well fracturing, and foundry sand. With increasing purity (>99.5% SiO<sub>2</sub>) and price, uses include glass making including ultra-clear glass, with a main determinant of the sand's suitability for specific applications and pricing being the level of the key impurity iron oxide (Fe<sub>2</sub>O<sub>3</sub>). Significant expansion of solar PV cell manufacturing capacity globally is driving demand for silica sand with Fe<sub>2</sub>O<sub>3</sub> content of <200ppm and lower, which is a key focus market for Beharra.



Source: IMARC Group, Report Title: "Asia Pacific Silica Sand Market: Industry Trends, Share, Size, Growth, Opportunity and Forecast 2021-2026", Report Date: February 2021

Perpetual is targeting the high growth Asia Pacific silica sand markets, where independent market assessments have calculated a 40mtpa incremental market growth opportunity through to 2026.

This announcement has been approved for release by the Board of Perpetual.

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### For enquiries regarding this release please contact:

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**Forward-looking statements**

Certain statements contained in this document may be 'forward-looking' and may include, amongst other things, statements regarding production targets, economic analysis, resource trends, pricing, recovery costs, and capital expenditure. These 'forward-looking' statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Perpetual, 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.

Forward-looking statements are often, but not always, identified by the use of words such as 'believe', 'expect', 'anticipate', 'indicate', 'target', 'plan', 'intends', 'budget', 'estimate', 'may', 'will', 'schedule' and others of similar nature.

Perpetual does not undertake any obligation to update forward-looking statements even if circumstances or management's estimates or opinions should change. Investors should not place undue reliance on forward-looking statements as they are not a guarantee of future performance.

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