

ASX ANNOUNCEMENT

Monday, 22 April 2024

OFFTAKE FINANCE AND INSURANCE CLAIM UPDATE

29Metals Limited ('**29Metals**' or, the '**Company**') today announced significant milestones to support the Company's liquidity in advance of the Company's quarterly report for the March 2024 quarter which will be published on 23 April 2024.

Summary**Offtake finance**

- Binding terms sheet for a US\$50 million offtake finance facility with Glencore
- Draw down subject to completion of full form documentation and customary conditions precedent
- Maturity in October 2028, with no repayments before April 2028
- Subordinated security package, supported by 29Metals' senior lenders
- Offtake finance package includes long-term concentrate offtake on market terms

Capricorn Copper insurance claim

- Insurers have committed to a further interim progress payment of \$16 million for the surface component of the insurance claim
- Upon receipt, increases aggregate insurance proceeds to-date to \$40 million for the surface component of the insurance claim

Offtake finance

29Metals and Glencore International AG ('**Glencore**') have agreed a binding terms sheet for a US\$50m offtake finance facility (the '**Proposed Offtake Facility**'). Establishing an offtake finance facility was flagged as part of 29Metals' plans for additional liquidity in the capital raising in the September quarter last year.

The key terms of the Proposed Offtake Facility are summarised below.

Key terms

Facility size	US\$50m
Maturity	1 October 2028 (available for draw down until April 2028)
Interest	SOFR plus margin Only to be cash paid on the satisfaction of DSCR and minimum liquidity tests
Amortisation	Repayment in equal monthly instalments commencing April 2028
Security	Secured facility, fully subordinated to the Company's senior lenders
Conditions Precedent	Customary, including completion of full form documentation
Offtake	Long term offtake for copper and zinc concentrates on market-based terms
Other	Interest rate increased by 2.0% when not cash paid Other terms in line with market

29Metals is pleased to have agreed the Proposed Offtake Facility on competitive terms with Glencore, one of the largest globally diversified natural resource companies and traders of zinc and copper concentrates, and a high quality and supportive counterparty with long-term strategic alignment.

The Proposed Offtake Facility has received credit approvals from the Company's senior lenders, subject to completion of full form documentation which expected to be executed during the June quarter.

Funds from the Proposed Offtake Facility will be available for draw down from financial close and will provide additional liquidity as Capricorn Copper moves into suspension and we prepare for its successful and sustainable restart of operations¹.

Capricorn Copper insurance claim

29Metals has continued to progress the insurance claim relating to loss and damage suffered as a result of the extreme weather event at Capricorn Copper in March 2023². As previously reported, 29Metals' insurers have confirmed indemnity for damage to surface property and associated business interruption, with an initial unallocated interim progress payment of \$24 million received in the second half of 2023.

Following further engagement with insurers and the customary claim adjustment process, undertaken in parallel to Capricorn Copper recovery plan activities, 29Metals' insurers have committed to a further unallocated interim progress payment of \$16 million in relation to the surface component of the claim.

Work on the underground component of loss and damage suffered at Capricorn Copper is ongoing and is expected to accelerate following the significant progress on the surface component of the claim.

Authorised for release by the Managing Director & CEO, Peter Albert

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¹ The key drivers for a successful and sustainable restart of Capricorn Copper were outlined in 29Metals' ASX release entitled 'Capricorn Copper – Suspension of Operations' released to the ASX announcement platform on 26 March 2024.

² Information regarding the impact of extreme weather event at Capricorn Copper in March 2023 is included in 29Metals releases to the ASX announcements platform on 9 March, 15 March, 20 April and 23 May 2023.