

NAE Executes Sale of Lochinvar Metallurgical Coal Project

HIGHLIGHTS

- **Sale of the Lochinvar Project will enable NAE to focus exploration efforts at its highly prospective core gold and lithium assets in the Central Pilbara, Western Australia and New Zealand**

New Age Exploration (ASX: NAE) (NAE or the Company) is pleased to announce that it has signed a binding share sale agreement (**SSA**) with Paladar Trading Ltd (**Paladar**) for the sale of 100% of the issued capital of its wholly owned subsidiary, Lochinvar Coal Limited (**Lochinvar**) (incorporated in the UK) (**Transaction**), which holds the following licences comprising the Lochinvar Coal Project located in the UK:

- (a) CA11/EXP/0515/N;
- (b) CA11/UND/0176/N;
- (c) CA11/EXP/0573/N; and
- (d) CA11/UND/0191/N,

(together, the **Lochinvar Project**).

Key terms of the SSA are as follows:

- (a) Nominal cash consideration of A\$1.00 payable on execution of the SSA.
- (b) Settlement is subject to the satisfaction or waiver of the conditions precedent, which include:
 - (i) Paladar providing the Company and/or Lochinvar with all information necessary for the Company and/or Lochinvar to provide the Coal Authority (UK) (**Authority**) written notice of the Transaction and resulting change of control, and the Authority:
 - A. confirming it will not impose any conditions on the Transaction; or
 - B. providing conditional approval of the Transaction, on terms satisfactory to the parties (acting reasonably); and
 - (ii) the parties obtaining all necessary third-party, board of directors, shareholder and regulatory approvals, consents and waivers to allow the parties to lawfully complete the Transaction and any other matters set out in the SSA.
- (c) On and from completion of the SSA, Lochinvar grants the Company and its successors, and permitted assigns forever, a A\$1.00 per tonne royalty, payable on the first 15,000,000 tonnes of any minerals, ores or concentrates extracted from the licences comprising the Lochinvar Project which are sold or otherwise disposed of (**Royalty**).

Subject to satisfaction or waiver of the conditions precedent, the parties to the SSA intend to enter into a definitive royalty agreement in respect of the Royalty at completion of the SSA.

The sale of the Lochinvar Project allows NAE to focus resources on its core gold and lithium assets located in Central Pilbara, Western Australia and New Zealand.

NAE Executive Director Joshua Wellisch commented:

"We are pleased to announce the sale of Lochinvar Coal Limited, a strategic move that positions NAE to potentially earn up to A\$15 million in royalties from future coal production at the project, subject to the successful development of the project by Paladar. This transaction enables us to focus on advancing our promising gold and lithium projects in Central Pilbara, Western Australia, and New Zealand. This is where we see significant growth opportunities and value creation potential."

The Company has received confirmation from ASX that Chapter 11 of the Listing Rules does not apply to the Transaction.

-ENDS-

Authorised for release by the Board.

For further information on the Company, please visit: nae.net.au

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