



Podium Minerals Limited

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ASX Ord Shares: POD

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ASX Announcement

18 December 2020

Podium to receive \$2.4m under Agreement to rationalise Mining Leases

Podium Minerals Limited ('Podium' or the 'Company') is pleased to advise that it has entered into an agreement with EV Metals Australia Pty Ltd (EV Metals) to align the tenement ownership with the ownership of the mineral rights by each of the parties within the Company's mining leases in the Mid-West region of Western Australia (Agreement).

Highlights:

- **Agreement signed** with EV Metals for alignment of the tenement ownership with the projects and resources already owned by Podium and EV Metals respectively.
- **Podium to apply for a new mining lease over the Parks Reef PGM Project** and transfer the remaining mining leases (which host resources already owned by EV Metals) to EV Metals.
- **Simplified and strengthened tenure** with termination of the Mining Rights Deed which currently governs the split mining rights between the two companies.
- EV Metals will retain rights to mine the minor areas of the nickel resources and chromium resources (owned by EV Metals) which lie within the proposed Parks Reef Mining Lease, but which rights specifically excludes Parks Reef.
- **Podium to receive a cash payment of \$2.4m** in two installments as compensation for any interference caused by EV Metals in exercising its rights to mine the nickel and chromium resources within the proposed Parks Reef Mining Lease.
- Completion of the transaction will further strengthen Podium's finances as it accelerates its growth strategy at the Parks Reef PGM Project with current **Mineral Resources of 1,390,000oz 3E PGE plus 53,900t copper** and a **6,000m drill programme to extend resources along the full 15km strike length in progress.**

Podium's Executive Chairman Mr Clayton Dodd commented:

"I am very pleased with the outcome of discussions that has resulted in the signing of the Agreement.

It allows full and clear autonomy for each party to pursue their respective project developments, while recognising residual common interests".

The revised structure will greatly simplify and strengthen the ownership of mineral rights for both companies by aligning the tenement ownership with the respective projects and resources already owned by each company.

As part of the transaction Podium will receive a two-tranche cash payment totaling \$2.4m which provides further strengthening of the Company's finances as it accelerates its growth strategy at Parks Reef.

The Agreement has, in effect, brought forward what was already contemplated in the Mining Rights Deed which currently governs the tenement relationship between the two companies."

Background

EV Metals Australia Pty Ltd (formerly Ausinox Pty Ltd) currently owns 100% of the rights to all Oxide Minerals within Podium's Western Australian mining leases which includes all minerals in the oxide zone (from surface to the greater of 50m or the base of oxidation) and all minerals in an oxide form excluding all platinum group metals plus all gold, silver and base metals contained in or associated with platinum group metals. For clarity, Podium owns 100% of the Parks Reef Mineral Resources.

EV Metals' main projects are for the development of the large nickel and chromium laterite resources which lie in the northern portion of Podium's mining leases and which are classified as Oxide Minerals under the Mining Rights Deed.

Podium's primary focus is to advance its growth strategy at the Parks Reef PGM Project which lies in the southern portion of the mining leases where Podium is undertaking systematic drilling along the full 15km strike length of Parks Reef with the aim of delineating

a materially significant resource base which currently stands (Inferred Minerals Resource) at 1,390,000 ounces of combined platinum, palladium and gold (3E PGE) plus 53,900 tonnes of copper, to a depth of 100m.

Agreement

Podium and EV Metals have entered into an Agreement to facilitate the development of the Parks Reef PGM Project by Podium and the nickel resources and chromium resources by EV Metals.

The Agreement describes the process for granting and ownership of the tenement structure whereby:

1. Podium will apply for a new mining lease (Parks Reef Mining Lease) to be constituted by areas conditionally surrendered from the existing mining leases subject to the new mining lease being granted to Podium, to establish Podium as the sole registered holder and owner of 100% of the Parks Reef Mining Lease containing Parks Reef and the Parks Reef Mineral Resources;
2. Podium will then transfer all of the rights, title and interest of Podium in the mining leases (excluding the Parks Reef Mining Lease) to EV Metals to establish EV Metals as the sole registered holder and owner of 100% of those mining leases, which host deposits of Oxide Minerals already owned by EV Metals; and
3. The Mining Rights Deed, which currently governs the shared mining rights within Podium's tenements, will be terminated including the obligation for EV Metals to pay Podium the sum of \$5m if it proceeded with development of any project on a commercial scale within the tenements.

A map of the existing mining leases showing the location of Parks Reef and the nickel resources and chromium resources with the proposed new Parks Reef Mining Lease is shown in Figure 1.

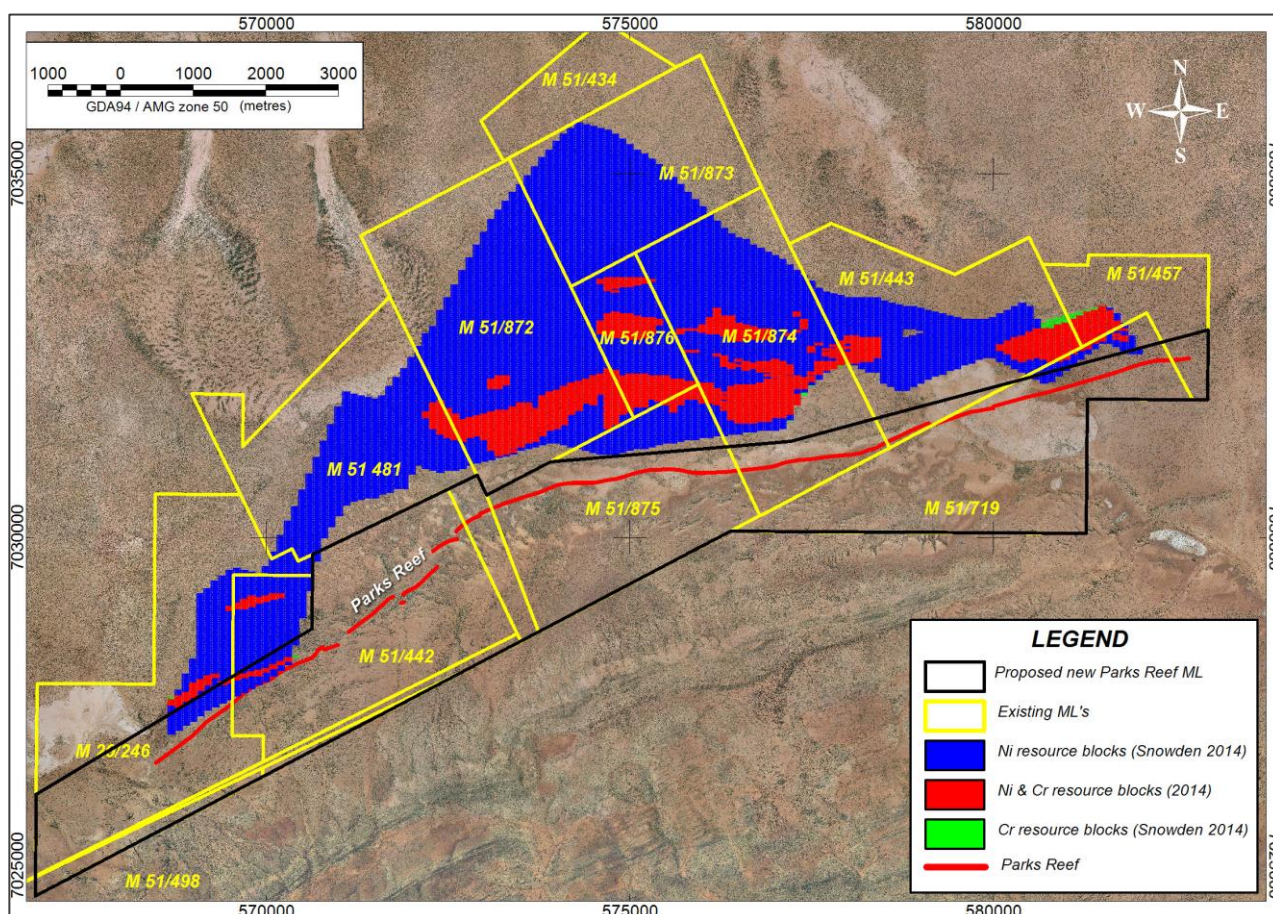


Figure 1 - Map of Mining Leases showing Parks Reef and Nickel and Chromium Resources

Work by Podium has not identified any occurrences of significant mineralisation outside of the proposed Parks Reef Mining Lease other than the nickel and chromium resources already owned by EV Metals. Podium has accordingly agreed to transfer the balance of the mining leases (excluding the proposed new Parks Reef Mining Lease) to EV Metals for nil consideration.

In addition to the above, EV Metals will retain mineral rights to the minor areas of the nickel resources and chromium resources which overlap the proposed Parks Reef Mining Lease, but which rights specifically excludes Parks Reef. The right to exploit these resources will be governed by a new simplified agreement to be finalised between Podium and EV Metals. The \$2.4 million compensation payment is without limitation to any additional liability EV Metals may incur to Podium under this new agreement.

As part of the Agreement, the mineral rights and ownership of exploration license E20/928 will also be rationalised. The mineral rights will be split by area such that Podium will hold all mineral rights to the eastern portion of the tenement and EV Metals will hold all mineral rights to the western portion. The parties will each be registered as joint (50:50) owners of the tenement. These changes simplify the mineral rights and importantly Podium will hold all the mineral rights to the eastern portion of this tenement which adjoins the proposed Parks Reef Mining Lease and encompasses the recently identified 1.2km western extension of Parks Reef¹. The changes to the mineral rights and ownership structure for E20/928 will be implemented immediately.

Compensation:

EV Metals shall pay \$2,400,000 for any interference caused to the operations of Podium by the conduct by EV Metals of development and mining operations in respect of the nickel resources and chromium resources within the Parks Reef Mining Lease. The compensation shall be paid by EV Metals to Podium in two instalments comprising:

1. \$950,000 on the later of 31 March 2021 and the date on which all of the conditions set out below are satisfied in full; and
2. \$1,450,000 on the later of 30 September 2021 and the date on which all of the conditions set out below are satisfied in full.

Conditions Precedent:

Completion of the transaction is subject to the satisfaction of all of the following conditions precedent:

1. the Parks Reef Mining Lease having been granted to Podium;
2. receipt by EV Metals of FIRB approval in respect of the proposed transfer of the mining leases (excluding the Parks Reef Mining Lease) to EV Metals;
3. ministerial consent having been obtained in respect of the proposed transfer of the mining leases (excluding the Parks Reef Mining Lease) to EV Metals; and
4. execution of agreements between the two parties related to the rights and obligations of each party under the revised tenement structure.

If a condition precedent is not satisfied within 9 months from the date of the Agreement, or 12 months in relation to FIRB approval then, unless those time frames are extended by mutual agreement, either Party may terminate the Agreement subject to that party complying with its obligations under the Agreement to satisfy the conditions precedent.

This announcement has been authorised and approved by the Board in accordance with the Company's published continuous disclosure policy.

– ENDS –

For further information, please contact:

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¹ Refer to Podium's ASX announcement dated 4 September 2020

About Podium Minerals

Podium Minerals Limited is an ASX listed exploration and resources development company focused on platinum group metals, gold and nickel-copper sulphides.

Our 100% owned extensive Parks Reef PGM Project comprises a 15km strike of identified near surface PGM-Au-base metal mineralisation which is located within our mining leases over the Weld Range Complex in the Mid West Region Western Australia.

We are targeting high value metals with strong market fundamentals and growth prospects with a strategy to rapidly develop an alternative supply of PGMs to the world market.



Location of Weld Range Complex / Parks Reef Project

Inferred Mineral Resource for Parks Reef PGM Horizon

Horizon		Tonnes Mt	Pt g/t	Pd g/t	Au g/t	3E PGM g/t	Cu %	Ni %
PGM - Upper	Oxide	2.4	1.18	0.65	0.23	2.07	0.21	0.11
	Fresh	3.4	1.09	0.66	0.23	1.97	0.19	0.11
	Sub-total	5.8	1.13	0.66	0.23	2.01	0.19	0.11
PGM - Lower	Oxide	7.1	0.66	0.66	0.05	1.36	0.05	0.09
	Fresh	12.2	0.67	0.67	0.04	1.38	0.03	0.09
	Sub-total	19.2	0.67	0.67	0.04	1.37	0.04	0.09
PGM - Total	Oxide	9.5	0.79	0.66	0.10	1.54	0.09	0.09
	Fresh	15.5	0.76	0.67	0.08	1.51	0.07	0.09
	Total	25.0	0.77	0.66	0.09	1.52	0.08	0.09

(i) Note small discrepancies may occur due to rounding

(ii) Cut-off grade of 1g/t 3E PGM; 3E PGM refers to platinum (Pt) plus palladium (Pd) plus gold (Au) expressed in units of g/t

Inferred Mineral Resource for Parks Reef Base Metal - Gold Horizon

Horizon		Tonnes Mt	Pt g/t	Pd g/t	Au g/t	3E PGM g/t	Cu %	Ni %
Base Metal - Au	Oxide	6.0	0.13	0.10	0.11	0.33	0.24	0.09
	Fresh	8.8	0.12	0.08	0.13	0.33	0.23	0.09
	Total	14.9	0.12	0.08	0.12	0.33	0.24	0.09

(i) Note small discrepancies may occur due to rounding

(ii) Cut-off grade of 0.1% Cu and excluding base-metal and gold mineralisation included within the Parks Reef PGM Horizon Mineral Resource

Competent Persons Statement

The information in this announcement which relates to Mineral Resources was first released to ASX on 30 November 2020. The Company confirms it is not aware of any new information or data that materially affects the information included in the original announcement and that all material assumptions and technical parameters underpinning the Mineral Resource estimate continue to apply and have not materially changed.

Podium's ASX announcements are available on the Company's website at: www.podiumminerals.com.au.