KUNIKO
ZERO CARBON BATTERY METALS™

KUNIKO ZERO CARBON BATTERY METALS

PROSPECTUS

KUNIKO LIMITED

ACN 619 314 055

For offers of 39,431,064 Shares at an issue price of $0.20 per Share to raise $7,886,213.

This Prospectus has been issued to provide information on the offer of:

(a) 12,500,000 Shares to be issued at a price of $0.20 per Share to raise $2,500,000 (**Public Offer**); and

(b) 26,931,064 Shares to be issued at a price of $0.20 per Share through a 1:4 pro rata priority offer to eligible shareholders of Vulcan Energy Resources Limited on a record date of 5:00pm (WST) on 16 June 2021 (**Priority Offer**),

(together, the **Offers**).

The Offers are conditional upon satisfaction of the Conditions, which are detailed further in Section 4.6. No Shares will be issued pursuant to this Prospectus until those Conditions are met.

Joint Lead Managers:

cg Canaccord Genuity Capital Markets

VERT CAPITAL

IMPORTANT NOTICE

This document is important and should be read in its entirety. If, after reading this Prospectus you have any questions about the Shares being offered under this Prospectus or any other matter, then you should consult your professional advisers without delay.

The Shares offered by this Prospectus should be considered as highly speculative.

IMPORTANT NOTICES

This Prospectus is dated 11 June 2021 and was lodged with the ASIC on that date. The ASIC, the ASX and their officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Shares may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

It is important that you read this Prospectus in its entirety and seek professional advice where necessary. The Shares the subject of this Prospectus should be considered as highly speculative.

Exposure Period

This Prospectus will be circulated during the Exposure Period. The purpose of the Exposure Period is to enable this Prospectus to be examined by market participants prior to the raising of funds. You should be aware that this examination may result in the identification of deficiencies in this Prospectus and, in those circumstances, any application that has been received may need to be dealt with in accordance with section 724 of the Corporations Act. Applications for Shares under this Prospectus will not be accepted by the Company until after the expiry of the Exposure Period. No preference will be conferred on applications lodged prior to the expiry of the Exposure Period.

No offering where offering would be illegal

The distribution of this Prospectus in jurisdictions outside Australia or New Zealand may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities laws. Applicants who are resident in countries other than Australia or New Zealand should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed.

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer. It is important that investors read this Prospectus in its entirety and seek professional advice where necessary.

No action has been taken to register or qualify the Shares or the offer, or to otherwise permit a public offering of the Shares in any jurisdiction outside Australia or New Zealand. This Prospectus has been prepared for publication in Australia and New Zealand and may not be released or distributed in the United States of America.

Information for New Zealand Residents

The Offers to New Zealand investors are regulated offers made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 (Cth) and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.

The Offers and the content of this Prospectus are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act Corporations Act 2001 (Cth) and the regulations made under that Act set out how the Offers must be made.

There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.

The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.

Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to the Offers. If you need to make a complaint about the Offers, please contact the Financial Markets Authority, New Zealand (http://www.fma.govt.nz). The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian financial products is not the same as for New Zealand financial products. If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

The Offers may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

If the financial products are able to be traded on a financial product market and you wish to trade the financial products through that market, you will have to make arrangements for a participant in that market to sell the financial products on your behalf. If the financial product market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the financial products and trading may differ from financial product markets that operate in New Zealand.

Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at www.Kuniko.eu. If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian or New Zealand resident and must only access this Prospectus from within Australia or New Zealand.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard

copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. You may obtain a hard copy of this Prospectus free of charge by contacting the Company by phone on +61 6364 5095 during office hours or by emailing the Company at info@kuniko.com.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

Company Website

No document or other information available on the Company's website is incorporated into this Prospectus by reference.

No cooling-off rights

Cooling-off rights do not apply to an investment in Shares issued under the Prospectus. This means that, in most circumstances, you cannot withdraw your application once it has been accepted.

No Investment Advice

The information contained in this Prospectus is not financial product advice or investment advice and does not take into account your financial or investment objectives, financial situation or particular needs (including financial or taxation issues). You should seek professional advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding to subscribe for Shares under this Prospectus to determine whether it meets your objectives, financial situation and needs.

Risks

You should read this document in its entirety and, if in any doubt, consult your professional advisers before deciding whether to apply for Shares. There are risks associated with an investment in the Company. The Shares offered under this Prospectus carry no guarantee with respect to return on capital investment, payment of dividends or the future value of the Shares. Refer to Section D of the Investment Overview as well as Section 7 for details relating to some of the key risk factors that should be considered by prospective investors. There may be risk factors in addition to these that should be considered in light of your personal circumstances.

Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the Company's management.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

These forward looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 7.

Financial Forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

Competent Person's statement

The information in the Investment Overview Section of the Prospectus, included at Section 3, the Company and Projects Overview, included at Section 5, and the Independent Geologist's Report, included at Annexure A to the Prospectus, which relate to exploration targets, exploration results, and mineral resources is based on information co-compiled by Mr Graham Banks of Route to Reserves and co-compiled and supervised by Mr Matt Jackson of Fjordvangen Geoscience. Mr Jackson has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the JORC Code. Mr Banks is principal geologist of Route to Reserves. Each of Messrs Banks and Jackson and Route to Reserves and Fjordvangen Geoscience consent to the inclusion of the information in these Sections of the Prospectus in the form and context in which it appears.

Continuous disclosure obligations

Following admission of the Company to the Official List, the Company will be a "disclosing entity" (as defined in section 111AC of the Corporations Act) and, as such, will be subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company will be required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Shares.

Price sensitive information will be publicly released through ASX before it is disclosed to Shareholders and market participants. Distribution of other information to Shareholders and market participants will also be managed through disclosure to the ASX. In addition, the Company will post this information on its website after the ASX confirms an

announcement has been made, with the aim of making the information readily accessible to the widest audience.

Clearing House Electronic Sub-Register System (CHESS) and Issuer Sponsorship

The Company will apply to participate in CHESS, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company.

Electronic sub-registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with statements (similar to a bank account statement) that set out the number of Shares issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

Electronic sub-registers also mean ownership of securities can be transferred without having to rely upon paper documentation. Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

Photographs and Diagrams

Photographs used in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown endorses the Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale.

Definitions and Time

Unless the contrary intention appears or the context otherwise requires, words and phrases contained in this Prospectus have the same meaning and interpretation as given in the Corporations Act and capitalised terms have the meaning given in the Glossary in Section 12.

All references to time in this Prospectus are references to Australian Western Standard Time.

Privacy statement

If you complete an Application Form, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder and to facilitate distribution payments and corporate communications to you as a Shareholder.

The information may also be used from time to time and disclosed to persons inspecting the register, including bidders for your Shares in the context of takeovers, regulatory bodies including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the share registry.

You can access, correct and update the personal information that we hold about you. If you wish to do so, please contact the share registry at the relevant contact number set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Shares, the Company may not be able to accept or process your application.

Enquiries

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult with your broker or legal, financial or other professional adviser without delay. Should you have any questions about the Offers or how to accept the Offers please call the Company Secretary on +61 8 6364 5095.

CORPORATE DIRECTORY

Directors and Key Management

Gavin Rezos
Executive Chairman

Antony Beckmand
Proposed Chief Executive Officer

Brendan Borg
Non-Executive Director

Maja McGuire
Non-Executive Director

Birgit Liodden
Non-Executive Director

Company Secretary

Joel Ives

Proposed ASX Code

KNI

Registered Office

Level 11, Brookfield Place
125 St Georges Terrace
PERTH WA 6000

Telephone: + 61 8 6364 5095
Email: info@kuniko.com
Website: www.kuniko.eu

Joint Lead Managers

Canaccord Genuity (Australia) Limited
Level 23, Exchange Tower
2, The Esplanade
PERTH WA 6000

Vert Capital Pty Ltd
Level 2, 681 Murray Street
WEST PERTH WA 6005

Australian Legal Advisers

Steinepreis Paganin
Level 4, The Read Buildings
16 Milligan Street
PERTH WA 6000

Investigating Accountant

RSM Corporate Australia Pty Ltd
Level 32, Exchange Tower
2 The Esplanade
PERTH WA 6000

Auditor*

RSM Australia Partners
Level 32, Exchange Tower
2 The Esplanade
PERTH WA 6000

Independent Geologists

Report co-compiled by Mr Graham Banks,
Route to Reserves
Esplanaden 26, 4,
1263, Copenhagen K, Denmark

Report co-compiled and supervised by
Mr Matt Jackson,
Fjordvangen Geoscience
Fjordvangveien 93
Nesoddtangen, 1459 Norway

Norwegian Legal Advisers

Advokatfirmaet Schjødt AS
Ruseløkkveien 14
P.O. Box 2444, Solli
NO-0201 Oslo

Share Registry*

Automic Registry Services
Level 2 267 St Georges Terrace
PERTH WA 6000

* This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus.

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1. CHAIRMAN'S LETTER

Dear Investor

On behalf of the Directors, it gives me great pleasure to invite you to become a Shareholder in Kuniko Limited (**Kuniko** or **Company**). Kuniko is a junior exploration company which holds mineral exploration projects located in Norway.

Kuniko is focused on the development of copper, nickel and cobalt projects in Scandinavia, with a strict mandate to maintain net zero carbon footprint throughout exploration, development and production.

Focus will be on Kuniko's 262km^2 Ni-Co-Cu licence portfolio:

(a) South-west Norway tenements: Ni-Cu-Co projects in the historically important Feøy and Romsås mining districts located in south-western Norway.

(b) South-central Norway cobalt tenements: Co-Cu-Au project, part of the historically important Skuterud mining district of central-southern Norway, previously the largest cobalt mining area in the world.

(c) South-central Norway copper tenements: Undal Cu-Zn-Co project and Vangrøfta Cu-Co-Au projects located in the Trondheim region of central Norway.

(together, the **Projects**).

The primary purpose of the Offer is to provide funds to undertake a systematic exploration program at the Projects aimed at the discovery of an economic mineral deposit. Exploration programs have been developed to provide the Company with the opportunity to unlock value from the Projects.

This Prospectus has been issued to provide information on the offer of:

(a) 12,500,000 Shares to be issued at a price of $0.20 per Share to raise $2,500,000 (**Public Offer**); and

(b) 26,931,064 Shares to be issued at a price of $0.20 per Share through a 1:4 pro rata priority offer to eligible shareholders of Vulcan Energy Resources Limited on a record date of 5:00pm (WST) on 16 June 2021 (**Priority Offer**),

(together, the **Offers**).

Kuniko has assembled an experienced management team which is well qualified to exploit the potential of the Company's mineral assets. The Board has significant expertise and experience in mineral exploration, project development and corporate finance and aims to ensure that funds raised through the Offers will be utilised in a cost-effective manner to advance the Company's Projects.

I look forward to you joining us as a Shareholder and sharing in what we believe are exciting and prospective times ahead for the Company. Before you make your investment decision, I urge you to read this Prospectus in its entirety and seek professional advice if required.

Yours sincerely

Gavin Rezos
Executive Chairman

2. KEY OFFER INFORMATION

INDICATIVE TIMETABLE[1]

Lodgement of Prospectus with the ASIC	11 June 2021
Exposure Period begins	11 June 2021
Priority Offer Record Date	5:00pm on 16 June 2021
Opening Date of the Offers	21 June 2021
Priority Offer Closing Date	12 July 2021
Public Offer Closing Date	26 July 2021
Issue of Shares under the Offers	16 August 2021
Despatch of holding statements	16 August 2021
Expected date for quotation on ASX	23 August 2021

1. *The above dates are indicative only and may change without notice. Unless otherwise indicated, all time given are WST. The Exposure Period may be extended by the ASIC by not more than 7 days pursuant to section 727(3) of the Corporations Act. The Company reserves the right to extend the Closing Dates or close the Offer early without prior notice. The Company also reserves the right not to proceed with the Offers at any time before the issue of Shares to applicants.*
2. *If the Offers are cancelled or withdrawn before completion of the Offers, then all application monies will be refunded in full (without interest) as soon as possible in accordance with the requirements of the Corporations Act. Investors are encouraged to submit their applications as soon as possible after the Offers open.*

KEY STATISTICS OF THE OFFER

	Minimum Subscription ($7,886,213)[1]
Offer Price per Share	$0.20
Shares currently on issue	13,749,435
Options currently on issue	Nil
Performance Rights currently on issue	Nil
Shares to be issued under the Offers	39,431,064
Gross Proceeds of the Offers	**$7,886,213**
Shares on issue Post-Listing (undiluted)[2]	**53,180,499**
Market Capitalisation Post-Listing (undiluted)[3]	**$10,636,100**
Options on issue Post-Listing[4]	1,125,000
Performance Rights on issue Post-Listing[5]	5,100,000
Shares on issue Post-Listing (fully diluted)[2]	**59,405,499**
Market Capitalisation Post-Listing (fully diluted)[3]	**$11,881,100**

Notes:

1. Assuming the Minimum Subscription of $7,886,213 is achieved under the Offers.
2. Certain Shares on issue post-listing will be subject to ASX-imposed escrow. Refer to Section 5.8 for an overview of the likely escrow position.
3. Assuming a Share price of $0.20, however, the Company notes that the Shares may trade above or below this price.

4. Refer to Section 10.3 for the terms of these Options.
5. Refer to Section 10.4 for the terms of the Performance Rights.

3. INVESTMENT OVERVIEW

This Section is a summary only and is not intended to provide full information for investors intending to apply for Shares offered pursuant to this Prospectus. This Prospectus should be read and considered in its entirety.

Item	Summary	Further information
A. Company		
Who is the issuer of this Prospectus?	Kuniko Limited (ACN 619 314 055) (**Company** or **Kuniko**).	Section 5.1
Who is the Company?	The Company (formerly Koppar Resources Europe Pty Ltd) is an Australian unlisted public company, incorporated on 24 May 2017 by its current parent company, Vulcan Energy Resources Limited (**Vulcan**). Following a strategic review by Vulcan of its assets, Vulcan decided to demerge its base metals exploration projects located in Norway. Vulcan holds 13,749,435 Shares in the Company, being 100% of the Company's issued Shares. The Company's corporate structure upon Official Quotation will be as set out in Section 5.6.	Section 5.1
What is the Company's interest in the Projects?	As at the date of this Prospectus, the Company has no subsidiaries and holds a 100% legal and beneficial interest in the exploration licences comprising the Projects, as further detailed in Section 5.2. The Company is in the procress of incorporating a wholly owned Norwegian subsidiary. Once incorporated, the Company intends to transfer all of the exploration licences comprising the Projects to the subsidiary.	Sections 5.2 and Annexure A
B. Business Model		
What is the Company's business model?	Following completion of the Offers, the Company's proposed business model will be to further explore and develop the Projects as per the Company's intended exploration programs. The Company proposes to fund its exploration activities over the first two years following listing as outlined in the table at Section 5.5. A detailed explanation of the Company's business model is provided at Section 5.3 and	Sections 5.3, 5.4 and 5.5

Item	Summary	Further information
	a summary of the Company's proposed exploration programs is set out at Section 5.4.	
What are the key business objectives of the Company?	The Company's main objectives on completion of the Offers and ASX listing are: (a) the development of non-lithium battery metal projects in Scandinavia, for the European Market, with a strict net zero carbon footprint throughout development; (b) focus on mineral exploration and other resource opportunities that have the potential to deliver resource growth for Shareholders; (c) pursue acquisitions that have a strategic fit for the Company; and (d) provide working capital for the Company.	Section 5.3
What are the key dependencies of the Company's business model?	The key dependencies of the Company's business model include: (a) continued exploration success by the Company on the Projects and completion of positive feasibility studies; (b) retaining and recruiting key personnel skilled in the mining and resources sector; (c) sufficient worldwide demand for copper, nickel and cobalt; (d) the Company being able to deliver copper, nickel and/or cobalt products sought by the end users; and (e) the market price of copper, nickel and/or cobalt remaining higher than the Company's costs of any future production (assuming successful exploration and development by the Company).	Section 5.3
C. Key Advantages		
What are the key advantages of an investment in the Company?	The Directors are of the view that an investment in the Company provides the following non-exhaustive list of advantages: (a) subject to raising the Minimum Subscription, the Company will have sufficient funds to implement its copper, nickel and cobalt strategy as a standalone ASX listed entity; (b) the Company has a portfolio of quality assets in Norway considered	Section 5

Item	Summary	Further information
	by the Board to be highly prospective for high quality copper, nickel and/or cobalt ore; (c) in recent years there has been an increasing demand for battery metals including copper, nickel and cobalt, specifically in the EU as a result of change in policy by EU governments seeking to dramatically reduce carbon emissions; and (d) the Company has a highly credible and experienced team to progress exploration and accelerate potential development of the Projects.	
D. Key Risks		
Conditional Prospectus	This Prospectus is conditional upon the Conditions being satisfied or waived. The Conditions are set out in Section 4.6. There is no certainty that the Conditions will be satisfied. In the event that these conditions are not met then the listing of the Company on ASX will not proceed and all Application Monies reveived will be returned to applicants without interest.	Section 7.2
Limited History	While the Company has been incorporated for over 4 years, during that time it has operated as a wholly owned subsidiary of Vulcan. No assurance can be given that the Company will achieve commercial viability through the successful exploration of the Projects. Until the Company is able to realise value from its Projects, it is likely to incur ongoing operating losses.	Section 7.2
Exploration and operating	The mineral exploration licences comprising the Projects are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings. There can be no assurance that future exploration of these licences, or any other mineral licences that may be acquired in the future, will result in the discovery of an economic resource. Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited.	Section 7.2
Tenure	Mining and exploration tenements are subject to periodic renewal. There is no	Section 7.2

Item	Summary	Further information
	guarantee that current or future tenements and/or applications for tenements will be approved. The renewal of the term of a granted tenement is also subject to the applicable mining acts and regulation in Norway. The renewal of the term of a granted tenement is also subject to the discretion of the Directorate of Mining in Norway (**Directorate**). Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements comprising the Company's Projects. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company. The Company requires consent from the Directorate for a change in control of the Company to occur as a result of the Offers, which is a condition precedent to completion of the Offers. The Company's Norwegian solicitors have sought such consent on behalf of the Company, which currently remains outstanding. The Company currently holds only exploration rights in Norway, which permit limited operations on the Projects. In order to undertake more pervasive exploration activities the Company will need to progress to more senior forms of rights (pilot extraction, extraction permits and operating licenses), the grant of which are subject to the consent of the Directorate. Please refer to the Solicitor's Report on Tenements in Annexure B for further details.	
Access	The tenements overlap certain third party interests that may limit the Company's ability to conduct exploration and mining activities including selected habitat types, old mines, reindeer grazing areas, cultural heritage monuments and or sites and protected areas. In addition to the above, landowners of the land overlapping the Projects will also have various rights that the Company will need to comply with. The Company will be required to seek consent from the relevant landowners to access a right of way to the tenements and/or consent if exploration activities will cause considerable damage to the landowners' land.	Section 7.2

Item	Summary	Further information
	Please refer to the Solicitor's Report on Tenements in Annexure B for further details.	
Additional requirements for capital	The Company's capital requirements depend on numerous factors. The Company may require further financing in addition to amounts raised under the Offer. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.	Section 7.2
Other risks	For additional specific risks please refer to Section 7.2. For other risks with respect to the industry in which the Company operates and general investment risks, many of which are largely beyond the control of the Company and its Directors, please refer to Sections 7.3 and 7.4.	Sections 7.2, 7.3 and 7.4
E. Directors and Key Management Personnel		
Who are the Directors?	Upon listing, the Company's board of directors will comprise: (a) Gavin Rezos – Executive Chairman; (b) Brendan Borg –Non-Executive Director; (c) Maja McGuire – Non-Executive Director; and (d) Birgit Liodden – Non-Executive Director The profiles of each of the Directors are set out in Section 8.1. The Company has also agreed to appoint Antony Beckmand as Chief Executive Officer. Mr Beckmand is expected to commence as Chief Executive Officer on or before 15 September 2021, following completion of the notice period which applies following his resignation from his previous executive role.	Section 8.1
What are the significant interests of Directors and Key Management	At the date of this Prospectus, no Director or member of key management holds any Securities in the Company. On Completion of the Offers, the Directors and key	Section 8.2

<table>
<tr><th>Item</th><th>Summary</th><th>Further information</th></tr>
<tr><td>Personnel in the Company?</td><td>management will have the following interests in the securities of the Company:
<table>
<tr><th>Director/Key management</th><th>Shares</th><th>Performance Rights</th></tr>
<tr><td>Gavin Rezos</td><td>1,507,552[1]</td><td>2,400,000</td></tr>
<tr><td>Antony Beckmand</td><td>-[2]</td><td>1,200,000</td></tr>
<tr><td>Brendan Borg</td><td>-[2]</td><td>900,000</td></tr>
<tr><td>Maja McGuire</td><td>-[2]</td><td>300,000</td></tr>
<tr><td>Birgit Liodden</td><td>-[2]</td><td>300,000</td></tr>
</table>
Notes:
1. This is the number of Shares that will be held if Mr Rezos and his related entities take up their full entitlement under the Priority Offer only. Mr Rezos has also indicated that his related entities will apply for up to an additional 2,500,000 Shares under the Priority Offer, subject to availability and demand for shortfall.
2. Mr Beckmand, Mr Borg, Ms McGuire and Ms Liodden are not Eligible Vulcan Shareholders, so they do not have any entitlement to participate in the Priority Offer. However, Mr Borg, Ms Mcguire and Ms Liodden have indicated that they may apply (either personally or through a related entity) for Shares under the Priority Offer and/or the Public Offer, subject to availability and demand.

For each of the Directors and key management, their annual remuneration upon completion of the Offers is as follows:
<table>
<tr><th>Director/Key management</th><th>Remuneration for financial year ending 30 June 2022</th></tr>
<tr><td>Gavin Rezos</td><td>$160,200 per annum</td></tr>
<tr><td>Antony Beckmand</td><td>$300,000 per annum</td></tr>
<tr><td>Brendan Borg</td><td>$35,000 per annum[1]</td></tr>
<tr><td>Maja McGuire</td><td>$35,000 per annum</td></tr>
<tr><td>Birgit Liodden</td><td>$35,000 per annum</td></tr>
</table>
Notes:
1. In addition, the Company has entered into a consultancy agreement with Mr Borg for the provision of consultancy services on an as-required basis for a fee of $1,200 per day.</td><td></td></tr>
<tr><td>What benefits are being paid to advisers in connection with the Offer?</td><td>The Company will pay the following fees and benefits to advisors to the Company in connection with the Offer:
(a) a fee of 6% on all funds raised under the Public Offer and a total of 1,125,000</td><td>Section 8.2</td></tr>
</table>

Item	Summary	Further information
	Options will be issued to the Joint Lead Managers with an exercise price of $0.40 and expiry date that is 36 months from the date the Company lists on ASX; and (b) a fee of $375,000 (ex GST) to be paid to S3 Consortium Pty Ltd for marketing services to be provided to the Company post-listing, to be paid in Shares at a deemed issue price of $0.20 per Share, so that a maximum of 1,875,000 Shares will be issued during the term of the mandate.	
Has the Company adopted an employee incentive scheme?	The Company has adopted an employee incentive scheme titled "Employee Securities Incentive Plan" (**Plan**). The objective of the Plan is to: (a) assist in the reward, retention and motivation of eligible participants, which includes employees (including executive directors), non-executive directors and key contractors of the Company; (b) link the reward of eligible participants to Shareholder value creation; and (c) align the interests of eligible participants with Shareholders by providing an opportunity to eligible participants to receive an equity interest in the Company in the form of securities. A summary of the key terms and conditions of the Plan is set out in Section 10.5.	Section 10.4
What related party agreements are the Company party to?	The Company has entered into the following agreements with related parties: (a) a consultancy services agreement with Viaticus Capital (a company controlled by Executive Chairman, Mr Gavin Rezos) in relation to Mr Rezos's appointment as Executive Chairman and other consultancy services to be provided by Viaticus; (b) an executive services agreement with Antony Beckmand in relation to Mr Becknamd's appointment as the Company's Chief Executive Officer; (c) a consultancy agreement with Mr Borg for the provision of consultancy services on an as-required basis; (d) letters of appointment with each of the Non-Executive Directors; and	Section 9.2

Item	Summary	Further information
	(e) Deeds of Indemnity, Insurance and Access with each of the Directors and officers. These agreements are summarised in Section 9.2.	
F. Financial Information		
How has the Company been performing?	The audited historical financial information of the Company for the years ended 30 June 2020 and 30 June 2019, together with the audit reviewed financial information of the Company for the six months ended 31 December 2020, is set out in Section 6 and has been reported on by the Investigating Accountant in the Independent Limited Assurance Report in Annexure C.	Section 6 and Annexure C
What is the financial outlook for the Company?	Given the current status of the Projects and the speculative nature of its business, the Directors do not consider it appropriate to forecast future earnings. Any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection on a reasonable basis.	Section 5 and Annexure C
G. Offers		
What is being offered pursuant to the Offers?	The Public Offer is an offer of 12,500,000 Shares to be issued at a price of $0.20 per Share to raise $2,500,000 (before costs). The Priority Offer is an offer of 26,931,064 Shares to be issued at a price of $0.20 per Share through a 1:4 pro rata priority offer to Eligible Vulcan Shareholders on a record date of 5:00pm (WST) on 16 June 2021. The Offers are conditional upon satisfaction (or waiver) of the Conditions, which are described in the Investment Overview and set out in Section 4.6 of this Prospectus. No Shares will be issued under this Prospectus until such time as the Conditions are satisfied.	Section 4.1
Is there a minimum subscription under the Offers?	The minimum amount to be raised under the Offers is $7,886,213 (before costs).	Section 4.2
What are the purposes of the Offers?	The purposes of the Offers are to facilitate an application by the Company for admission to the Official List and to position the Company to seek to achieve the objectives stated at Section B of this Investment Overview Section A.	Section 4

Item	Summary	Further information
Are the Offers underwritten?	No, the Offers are not underwritten.	Section 4.4
Who is the lead manager to the Offers?	The Company has appointed Canaccord Genuity (Australia) Limited and Vert Capital Pty Ltd as joint lead managers to the Public Offer (**Joint Lead Managers**). The Joint Lead Managers will receive the following consideration for their services: (a) 1,125,000 Options (on the terms and conditions set out in Section 10.3); and (b) a fee of 6% on all funds raised under the Public Offer. The Company, together with Vulcan, is responsible for managing the Priority Offer.	Section 4.5
Who is eligible to participate in the Offers?	The Public Offer is open to all investors resident in Australia and New Zealand and to eligible investors resident in certain other jurisdictions. The Priority Offer is open to all Eligible Vulcan Shareholders registered at 5:00pm (WST) on the Priority Offer Record Date. This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.	Section 4.12
How do I apply for Shares under the Offers?	Applications for Shares under the Offers must be made Applications for Shares under the Offers must be made by using the relevant Application Form through an online Application as follows: • https://investor.automic.com.au/#/ipo/kuniko; or • https://investor.automic.com.au/#/ipo/kunikopriority Priority Offer Application Forms will be made available online to Eligible Vulcan Shareholders who are registered as a Vulcan Shareholder at 5:00pm (WST) on the Priority Offer Record Date. Application Forms must be completed in accordance with the instructions set out on the Application Form, and the accompanying payment must be received, by no later than 5:00pm (WST) on the applicable Closing Date, as set out in the timetable in Section 2.	See Section 4.8

Item	Summary	Further information
What is the allocation policy?	The Company retains an absolute discretion to allocate Shares under the Offers, and will be influenced by the factors set out in Section 4.9. Eligible Vulcan Shareholders who take up their pro rata entitlement under the Priority Offer will be given priority to take up shortfall under the Priority Offer. In this regard, preference may be given to Eligible Vulcan Shareholders whose holdings will be closest to $2,000 worth of Shares, to ensure that the Company is able to meet the ASX minimum spread requirements. The Company intends to give some priority to Eligible Vulcan Shareholders who participate in the Priority Offer in the allocation of Shares under the Public Offer. However, the final allocation of Shares under the Public Offer remains at the sole discretion of the Directors, in consultation with the Joint Lead Managers, to ensure the Company has an appropriate Shareholder base on admission to the Official List. There is no assurance that any applicant will be allocated any Shares, or the number of Shares for which it has applied.	Section 4.9
What will the Company's capital structure look like on completion of the Offers?	The Company's capital structure on completion of the Offers is set out at Section 5.6.	Section 5.6
What are the terms of the Shares offered under the Offers?	A summary of the material rights and liabilities attaching to the Shares offered under the Offers is set out in Section 10.2.	Section 10.2
Will any Shares be subject to escrow?	None of the Shares issued under the Offers will be subject to escrow. However, subject to the Company complying with Chapters 1 and 2 of the ASX Listing Rules and completing the Offers, it is anticipated that certain securities of the Company will be classified by ASX as restricted securities and will be required to be held in escrow for up to 24 months from the date of Official Quotation. During the period in which these securities are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of his or her Shares in a timely manner.	Section 5.8

Item	Summary	Further information
	The Company will announce to the ASX full details (quantity and duration) of the securities required to be held in escrow prior to its Shares commencing trading on ASX (which admission is subject to ASX's discretion and approval). The Company confirms its 'free float' (the percentage of the Shares that are not restricted and are held by shareholders who are not related parties (or their associates) of the Company) at the time of admission to the Official List of ASX will be not less than 20% in compliance with ASX Listing Rule 1.1 Condition 7.	
Who are the current Shareholders of the Company and on what terms were their Shares issued?	Vulcan currently holds all 13,749,435 Shares in the Company.	Section 5.6
Will the Shares be quoted on ASX?	Application for quotation of all Shares to be issued under the Offers will be made to ASX no later than 7 days after the date of this Prospectus.	Section 4.10
What are the key dates of the Offers?	The key dates of the Offers are set out in the indicative timetable in the Key Offer Information Section.	Key Offer Information
What is the minimum investment size under the Offers?	Applications for Shares under the Offers must be for a minimum of $2,000 worth of Shares (10,000 Shares) and thereafter, in multiples of $500 worth of Shares (2,500 Shares). For Eligible Vulcan Shareholder whose entitlement under the Priority Offer is for less than 10,000 Shares, they must apply for at least enough additional Shares under the Priority Offer to bring the amount applied for up to $2,000 worth of Shares. However, there is no guarantee and the Company gives no assurance that all Eligible Vulcan Shareholders will be allocated the Shares applied for over their 1:4 entitlement. Eligible Vulcan Shareholders are encouraged to submit a Priority Offer Application Form as soon as possible. Preference may be given to Eligible Vulcan Shareholders whose holding will be closest to $2,000 worth of Shares, to ensure that the Company is able to meet the ASX minimum spread requirements.	Section 4.8

Item	Summary	Further information
Are there any conditions to the Offers?	The Offers are conditional on: (a) the Minimum Subscription to the Offers being reached; (b) ASX granting conditional approval for the Company to be admitted to the Official List; and (c) the Company receiving consent from the Directorate of Mining in Norway for a change in control of the Company to occur as a result of the Offers (the Company's Norwegian solicitors have sought such consent on behalf of the Company), (together, the **Conditions**). The Offers will only proceed if all Conditions are satisfied. Further details are set out in Section 4.6.	Section 4.6
H. Use of funds		
How will the proceeds of the Offers be used?	The proceeds of the Offers and the Company's existing cash reserves will be used for: (a) implementing the Company's business objectives and exploration programs as set out in Part C of Investment Overview; (b) administration costs; and (c) working capital, further details of which are set out in Section 5.5.	Section 5.5
Will the Company be adequately funded after completion of the Offers?	The Directors are satisfied that on completion of the Offers, the Company will have sufficient working capital to carry out its objectives as stated in this Prospectus.	Section 5.5
I. Additional information		
Is there any brokerage, commission or duty payable by applicants?	No brokerage, commission or duty is payable by applicants on the acquisition of Shares under the Offers. However, the Company will pay to the Joint Lead Managers (in aggregate) 6% (ex GST) of the total amount raised under the Public Offer.	Section 9.1
Can the Offers be withdrawn?	The Company reserves the right not to proceed with the Offers at any time before the issue or transfer of Shares to successful applicants.	Section 4.15

Item	Summary	Further information
	If the Offers do not proceed, application monies will be refunded (without interest).	
What are the tax implications of investing in Shares?	Holders of Shares may be subject to Australian tax on dividends and possibly capital gains tax on a future disposal of Shares subscribed for under this Prospectus. The tax consequences of any investment in Shares will depend upon an investor's particular circumstances. Applicants should obtain their own tax advice prior to deciding whether to subscribe for Shares offered under this Prospectus.	Section 4.14
What is the Company's Dividend Policy?	The Company anticipates that significant expenditure will be incurred in the evaluation and development of the Projects. These activities, together with the possible acquisition of interests in other Projects, are expected to dominate at least, the first two-year period following the date of this Prospectus. Accordingly, the Company does not expect to declare any dividends during that period. Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the availability of distributable earnings and operating results and financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.	Section 5.10
What are the corporate governance principles and policies of the Company?	To the extent applicable, in light of the Company's size and nature, the Company has adopted *The Corporate Governance Principles and Recommendations (4th Edition)* as published by ASX Corporate Governance Council (**Recommendations**). Prior to listing on the ASX, the Company will announce its main corporate governance policies and practices and the Company's compliance and departures from the Recommendations.	Section 8.4
Where can I find more information?	(a) By speaking to your sharebroker, solicitor, accountant or other independent professional adviser; (b) By contacting the Company Secretary, on +61 8 6364 5095 or	

Item	Summary	Further information
	(c) By contacting the Share Registry on 1300 288 664 (within Australia) or +61 2 9698 5415 (outside Australia) from 9:00am to 5:00pm (AWST), Monday to Friday (excluding public holidays).	

This Section is a summary only and is not intended to provide full information for investors intending to apply for Shares offered pursuant to this Prospectus. This Prospectus should be read and considered in its entirety.

4. DETAILS OF THE OFFERS

4.1 The Public Offer and the Priority Offer

Pursuant to this Prospectus, the Company invites applications for 39,431,064 Shares at an issue price of $0.20 per Share to raise $7,886,213.

The Offers comprise:

(a) the Public Offer; and

(b) the Priority Offer to Eligible Vulcan Shareholders.

Under the Priority Offer, the Company is offering Vulcan Shareholders one Share for every four Vulcan Shares held at 5:00pm (WST) on the Priority Offer Record Date. Eligible Vulcan Shareholders will be eligible to apply for additional Shares over their 1:4 entitlement.

The Company is also offering Eligible Vulcan Shareholders who participate in the Priority Offer some priority to subscribe for Shares through the Public Offer.

While it is intended that as many Eligible Vulcan Shareholders as possible receive an allocation under the Priority Offer so that their holding at the time of listing is at least 10,000 Shares ($2,000), there is no guarantee and the Company gives no assurance that all Eligible Vulcan Shareholders will be allocated the Shares applied for over their 1:4 entitlement. Eligible Vulcan Shareholders are encouraged to submit a Priority Offer Application Form as soon as possible. Preference may be given to Eligible Vulcan Shareholders whose holding will be closest to $2,000 worth of Shares, to ensure that the Company is able to meet the ASX minimum spread requirements.

Otherwise, the Directors will allocate Shares under the Offers at their sole discretion, in consultation with the Joint Lead Managers, having regard to the allocation policy set out in Section 4.9.

Applications for Shares under the Public Offer must be made on the Public Offer Application Form accompanying this Prospectus and applications for Shares under the Priority Offer must be made on the Priority Offer Application Form accompanying this Prospectus. Please refer to Section 4.8 for further details and instructions on how to apply for Shares under the Offers.

The Shares issued under the Offers will be fully paid and will rank equally with all other existing Shares currently on issue. A summary of the material rights and liabilities attaching to the Shares is set out in Section 10.2.

4.2 Minimum subscription

The minimum subscription for the Offers is $7,886,213 (39,431,064 Shares) (**Minimum Subscription**).

If the Minimum Subscription has not been raised within four (4) months after the date of this Prospectus or such period as varied by the ASIC, the Company will not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

4.3 Oversubscriptions

No oversubscriptions above the Minimum Subscription will be accepted by the Company under the Offers.

4.4 Underwriter

The Offers are not underwritten.

4.5 Joint Lead Managers

The Company has appointed the Joint Lead Managers for the Public Offer. In consideration for their services, the Company has agreed to pay the following fees to the Joint Lead Managers:

(a) a fee of 6% on all funds raised under the Public Offer (to be split equally between the Joint Lead Managers); and

(b) 1,125,000 Options to be issued to the Joint Lead Managers (750,000 to Vert Capital Pty Ltd and 375,000 to Canaccord Genuity (Australia) Limited or their nominees) on the terms and conditions set out in Section 10.3 – valued at $74,250, based on the Black – Scholes model.

In the event that the abovementioned Options are exercised, an additional $450,000 will be raised by the Company.

Should the Minimum Subscription be raised, the abovementioned Options are exercised and no other Shares are issued, the Lead/Co-Managers would hold 2.07% of the total Shares on issue (being the maximum potential voting power). It should be noted that a portion of the Lead/Co-manager Options may be allocated to other parties that assist with raising funds under the Offers.

4.6 Conditions of the Offers

The Offers are conditional upon the following events occurring:

(a) the Minimum Subscription to the Offer being reached;

(b) ASX granting conditional approval for the Company to be admitted to the Official List; and

(c) the Company receiving consent from the Directorate of Mining in Norway for a change in control of the Company to occur as a result of the Offers (the Company's Norwegian solicitors have sought such consent on behalf of the Company),

(together the **Conditions**).

If these Conditions are not satisfied then the Offers will not proceed and the Company will repay all application monies received under the Offers within the time prescribed under the Corporations Act, without interest.

4.7 Purpose of the Offers

The primary purposes of the Offers are to:

(a) assist the Company to meet the admission requirements of ASX under Chapters 1 and 2 of the ASX Listing Rules;

(b) provide the Company with additional funding for:

(i) the proposed exploration programs at the Projects (as further detailed in Section 5.4):

(ii) considering acquisition opportunities that may be presented to the Board from time to time; and

(iii) the Company's general administration and working capital requirements while it is implementing the above; and

(c) remove the need for an additional disclosure document to be issued upon the sale of any Shares that are to be issued under the Offers.

The Company intends on applying the funds raised under the Offers together with its existing cash reserves in the manner detailed in Section 5.5.

4.8 Applications

Applications for Shares under the Offers must be made by using the relevant Application Form through an online Application as follows:

(a) https://investor.automic.com.au/#/ipo/kuniko; or

(b) https://investor.automic.com.au/#/ipo/kunikopriority.

Priority Offer Application Forms will be made available online to Eligible Vulcan Shareholders who are registered as a Vulcan Shareholder at 5:00pm (WST) on the Priority Offer Record Date.

By completing the Public Offer Application Form or Priority Offer Application Form, each applicant will be taken to have declared that all details and statements made are complete and accurate and that the applicant has personally received the relevant Application Form together with a complete and unaltered copy of the Prospectus.

Applications for Shares under the Offers must be for a minimum of $2,000 worth of Shares (10,000) Shares and thereafter in multiples of 2,500 Shares and payment for the Shares must be made in full at the issue price of $0.20 per Share.

Application Forms must be completed in accordance with the instructions set out on the Application Form, and the accompanying payment must be received, by no later than 5:00pm (WST) on the applicable Closing Date, as set out in the timetable in Section 2 .

To pay by BPAY® or EFT, please follow the instructions on the Application Form. A unique reference number will be quoted upon completion of the online application. Your BPAY or unique EFT payment reference number will process your payment to your application electronically and you will be deemed to have applied for such Shares for which you have paid. Applicants using BPAY or EFT should be aware of their financial institution's cut-off time (the time payment must be made to be processed overnight) and ensure payment is process by their financial institution on or before the day prior to the Public Offer Closing Date of the Public Offer or the Priority Offer Closing Date of the Priority Offer. You do not need to return any documents if you have made payment via BPAY or EFT.

If an Application Form is not completed correctly or if the accompanying payment is the wrong amount, the Company may, in its discretion, still treat the

Application Form to be valid. The Company's decision to treat an application as valid, or how to construe, amend or complete it, will be final.

The Company reserves the right to close the Offers early.

4.9 Allocation policy under the Offers

The Company retains an absolute discretion to allocate Shares under the Offers and reserves the right, in its absolute discretion, to allot to an applicant a lesser number of Shares than the number for which the applicant applies or to reject an Application Form. If the number of Shares allotted is fewer than the number applied for, surplus application money will be refunded without interest as soon as practicable.

Eligible Vulcan Shareholders who take up their pro rata entitlement under the Priority Offer will be given priority to take up shortfall under the Priority Offer. In this regard, preference may be given to Eligible Vulcan Shareholders whose holding will be closest to $2,000 worth of Shares, to ensure that the Company is able to meet the ASX minimum spread requirements.

The Company intends to give some priority to Eligible Vulcan Shareholders who participate in the Priority Offer in the allocation of Shares under the Public Offer. However, the final allocation of Shares under the Public Offer remains at the sole discretion of the Directors, in consultation with the Joint Lead Managers, to ensure the Company has an appropriate Shareholder base on admission to the Official List.

No applicant under the Offers has any assurance of being allocated all or any Shares applied for. The allocation of Shares by Directors (in conjunction with the Joint Lead Managers for the Public Offer) will be influenced by the following factors:

(a) the number of Shares applied for;

(b) the overall level of demand for the Offers;

(c) the desire for a spread of investors, including institutional investors; and

(d) the desire for an informed and active market for trading Shares following completion of the Offers.

The Company will not be liable to any person not allocated Shares or not allocated the full amount applied for.

4.10 ASX listing

Application for Official Quotation by ASX of the Shares offered pursuant to this Prospectus will be made within 7 days after the date of this Prospectus. However, applicants should be aware that ASX will not commence Official Quotation of any Shares until the Company has complied with Chapters 1 and 2 of the ASX Listing Rules and has received the approval of ASX to be admitted to the Official List. As such, the Shares may not be able to be traded for some time after the close of the Offers.

If the Shares are not admitted to Official Quotation by ASX before the expiration of three 3 months after the date of this Prospectus, or such period as varied by the ASIC, the Company will not issue any Shares and will repay all application monies

for the Shares within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Securities now offered for subscription.

4.11 Issue

Subject to the to the Conditions set out in Section 4.6 being met, the issue of Shares offered by this Prospectus will take place as soon as practicable after the Public Offer Closing Date.

Pending the issue of the Shares or payment of refunds pursuant to this Prospectus, all application monies will be held by the Company in trust for the applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each applicant waives the right to claim interest.

The Directors (in conjunction with the Joint Lead Managers for the Public Offer) will determine the recipients of the issued Shares in their sole discretion in accordance with the allocation policy detailed in Section 4.9. The Directors reserve the right to reject any application or to allocate any applicant fewer Shares than the number applied for. Where the number of Shares issued is less than the number applied for, or where no issue is made, surplus application monies will be refunded without any interest to the applicant as soon as practicable after the Public Offer Closing Date.

Holding statements for Shares issued to the issuer sponsored subregister and confirmation of issue for Clearing House Electronic Subregister System (CHESS) holders will be mailed to applicants being issued Shares pursuant to the Offers as soon as practicable after their issue.

4.12 Applicants outside Australia and New Zealand

This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. The distribution of this Prospectus in jurisdictions outside Australia or New Zealand may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

No action has been taken to register or qualify the Shares or otherwise permit a public offering of the Shares the subject of this Prospectus in any jurisdiction outside Australia or New Zealand. Applicants who are resident in countries other than Australia or New Zealand should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed.

If you are outside Australia or New Zealand it is your responsibility to obtain all necessary approvals for the issue of the Shares pursuant to this Prospectus. The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by you that all relevant approvals have been obtained.

4.12.1 New Zealand

The Offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014. Refer to the Important Notices Section.

4.13 Commissions payable

The Company reserves the right to pay a commission of up to 6% (exclusive of goods and services tax) of amounts subscribed through any licensed securities dealers or Australian financial services licensee in respect of any valid applications lodged and accepted by the Company and bearing the stamp of the licensed securities dealer or Australian financial services licensee. Payments will be subject to the receipt of a proper tax invoice from the licensed securities dealer or Australian financial services licensee.

4.14 Taxation

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor.

It is not possible to provide a comprehensive summary of the possible taxation positions of all potential applicants. As such, all potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus or the reliance of any applicant on any part of the summary contained in this Section.

No brokerage, commission or duty is payable by applicants on the acquisition of Shares under the Offers.

4.15 Withdrawal of Offers

The Offers may be withdrawn at any time. In this event, the Company will return all application monies (without interest) in accordance with applicable laws.

5. COMPANY AND PROJECTS OVERVIEW

5.1 Background

The Company was incorporated on 24 May 2017 as "Koppar Resources Europe Pty Ltd", a wholly owned subsidiary of Vulcan Energy Resources Limited (**Vulcan**). At the date of this Prospectus, the Company remains a wholly owned subsidiary of Vulcan.

On 21 April 2021, Vulcan announced that, following a strategic review, it would spin out its mineral exploration portfolio located in Norway (**Projects**). The spin-out proposed to comprise a debt for equity conversion of historical loans from Vulcan through the issue of 3,749,435 Shares to Vulcan at a deemed issue price of $0.20 per Share, which occurred on 12 May 2021.

The Offers are conditional upon the admission of the Company to the Official List and are proposed to complete in accordance with the timetable set out in Section 2. Refer to Section 4.6 for further details of this and the other conditions of the Offers.

As at the date of this Prospectus, the Company has no subsidiaries and holds a 100% legal and beneficial interest in the exploration licences comprising the Projects, as further detailed in Section 5.2 below.

The Company is in the progress of incorporating a wholly owned Norwegian subsidiary. Once incorporated, the Company intends to transfer all of the exploration licences comprising the Projects to the subsidiary.

5.2 Overview of the Projects

Figure 1: Simplified location map of Norway and the location of the Projects.

5.2.1 Nickel: Ni-Cu-Co projects Southwest Norway licences

The Southwest Norway tenements comprise the eight, Feøy 101-108 tenements that encompass c.71km2 of the islands of Feøy and Karmøy in the Karmøy local government area of south-western Norway. **Feøy**

The Southwest Norway tenements are located in and around the Karmøy Cu-Zn (Cu-Zn) volcanic metallogenic area, in the Norwegian Caledonides geological province. The eight, adjoining tenements are named Feøy 101-108 and comprise the Feøy Project. They encompass a c.71 km2 area across most of the Feøy islands group and the northern part of Karmøy Island. This part of Norway is known for its historically important Copper (**Cu**) and Nickel (**Ni**) production. Kuniko has held these mineral exploration licences since October 2020.

From Karmøy Island's Haugesund international airport there are air connections to Oslo and Bergen in Norway, and flights to various European cities. There is a helicopter service based at the airport. The nearest major port is the Port of Karmsund. Access to most tenements is by asphalt ('sealed') roads, with some gravel ('unsealed') roads also on the tenements. The tenements include the historically mined, Karmøy Cu-Zn volcanic-hosted massive sulphide (**VMS**) deposits and the Feøy Ni-Cu-PGE deposits. There are no royalty agreements on the concessions.

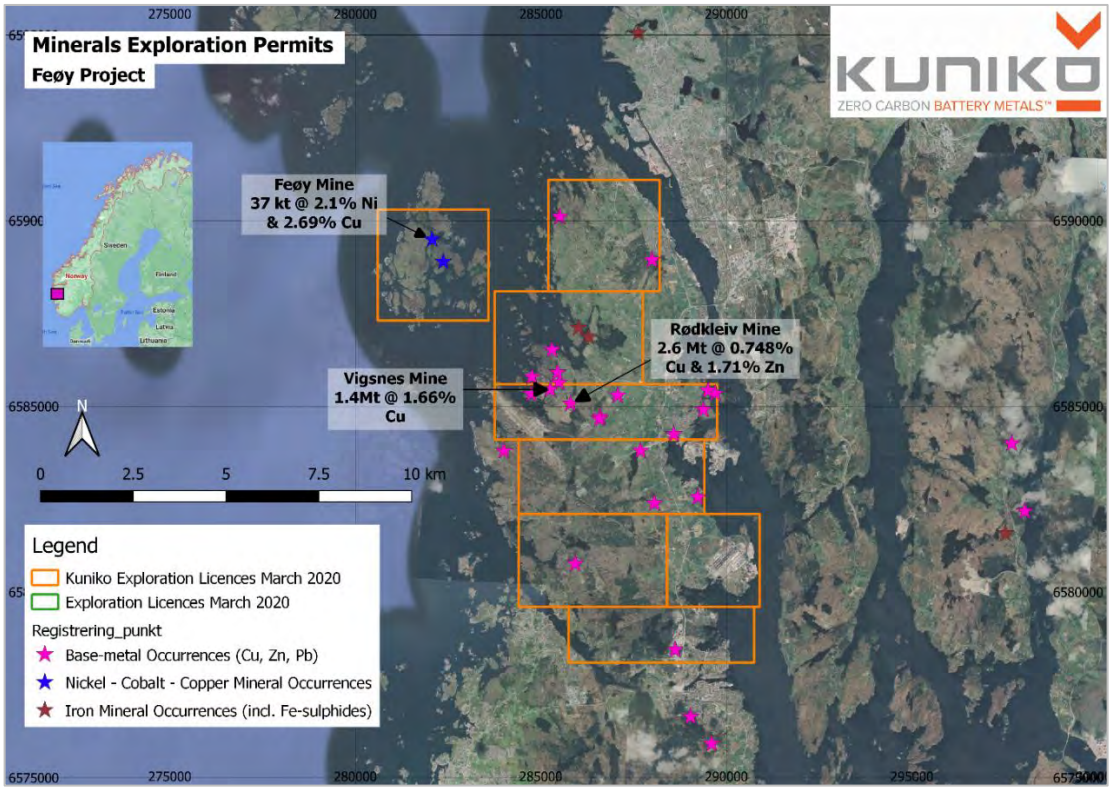

Figure 2: Map of the Feøy Project area illustrating location of Kuniko mineral exploration licences and known mineral occurrences/mines (stars).

The Karmøy, Cu-Zn deposit is hosted by Karmøy ophiolitic rocks at Visnes on Karmøy Island. In its day (c.1880), the Visnes group of 45 historic (now disused) mines was important for Norway's Cu and Zn production. Mining ceased in 1972. The Visnes Cu Mine was the largest and most modern in Northern Europe, via open-pit and underground mining. It produced 1.44 million tonnes of ore, with grades of average 1.66 % Cu and 1.4 % Zn, from steeply dipping ore bodies that were mined to 732 m depth. Visnes Mine is now protected by Norwegian law as an historic site. The Rødkleiv deposit was mined during 1910-1920 and 1924-1971, and yielded 2.65 million tons of ore with grades of 0.78 % Cu and 1.71 % Zn. The mining company A/S Sydvaranger bought the mining rights in 1972, did some prospecting in the area and investigated whether any ore of economic importance remains in the Old Visnes mine. The company did not conduct any mining.

The orthomagmatic Feøy Ni-Cu-PGE (platinum group elements) deposits are hosted by Karmøy ophiolitic rocks on Ulvøya Island. The disused, Feøy Ni mine had regular production between 1895-1901 and 1910-1922 via open-pit and underground mining. A total of 37,000 tons with grades of 2.6 % Cu and 2.1 % Ni was mined. It originally operated as a Cu mine until Ni production commenced in 1899. The ore had PGE concentrations of 4.4 ppm Pd, 1.6 ppm Pt and 0.2 ppm Rh. Ore production never exceeded 5000 tons per year, with total production (to the end of 1920) being 650 tons of Ni and 820 tons of Cu.

The Company considers that Feøy 101-108 tenements could be prospective for:

(a) VMS-related Cu and Zn mineralisation;

(b) orthomagmatic Ni-Cu-PGE mineralisation, although the absence of modern exploration data does not provide any positive evidence for that opinion. Kuniko is considering reconnaissance exploration in the following areas: komatiite lithologies in the southern tenements (as priority); and

(c) peridotite bodies in the southern tenements (second priority).

5.2.2 Cobalt: Co-Cu- Au projects - Southeastern Norway licences

The Southeast Norway Licenses consists of:

(a) the 10, adjoining, Skuterud 101 110 tenements that encompass c.52 km2 of Buskerud county and the Modum Co-As-Au-Ag (Co, arsenic, Au and silver) metallogenic area; and

(b) the nine, adjoining Romsås 101-109 tenements that encompass c.90 km2 of Østfold county and the Indre Østfold Ni-Cu metallogenic area.

Skuterud

The Skuterud tenements are in part of Norway known for its historically important Co, Cu and Ni production

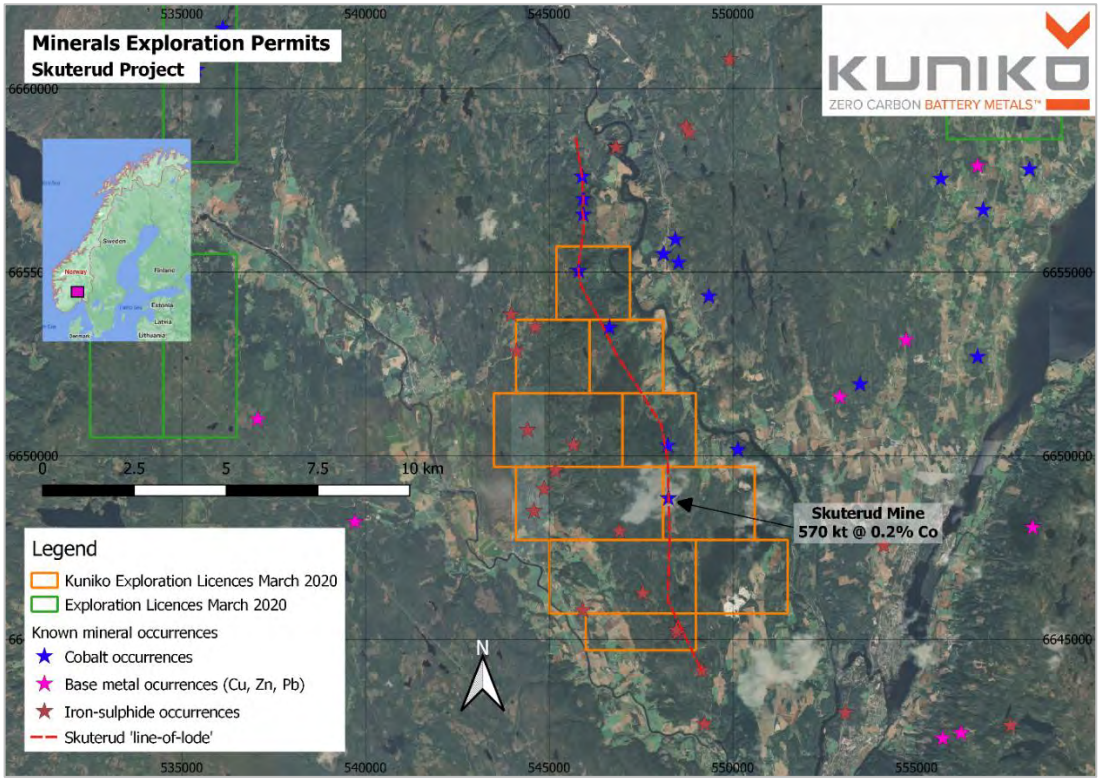

Figure 4: Map of the Skuterud Project area illustrating location of newly established minerals exploration licences (orange boxes) and known mineral occurrences/mines (stars).

The nearest airport is Oslo Gardermoen Airport. It provides non-stop air connections in Norway, Europe and other continents. There are also several helicopter services in the Oslo area. The nearest major ports are the Port of Oslo and the Port of Drammen, both within 60 km of the tenements. Access to some parts of the Skuterud tenements is on secondary asphalt roads, with some gravel roads also on the tenements.

There are no royalty agreements on the concessions.

The Skuterud deposits are metasomatic-hydrothermal, Cu-Co deposits in Modum municipality. The main part of the disused Skuterud mines are located in the southernmost 3 km of a 12 km long, 100–200 m wide, mineralised zone called a fahlband. There were five mined areas and three other deposits. Mining occurred from 1773 to 1898, until ore reserves rapidly decreased. Total production is estimated as 1 million tons with 0.1–0.3 % Co, up to 2.0 % Cu and Au up to several parts per million locally. Pre-1973 investigations concluded that the mines give no encouragement for further economic possibilities.

The first modern exploration, and first ever mineral exploration drilling, of the Skuterud area was conducted by Berkut Minerals Ltd (Berkut) during its 2017-2018 Skuterud Co Project: within the Company's current tenements. Berkut's maiden 7-hole drilling program, core logging, sample assaying, outcrop rock chip sampling, soil sampling and ground magnetics program:

(a) confirmed significant Co mineralisation presenting near surface at the historic Middagshville and Dovikollen mine workings;

(b) revealed areas up to 0.5 km2 each that contain anomalous Co and Cu concentrations; and

(c) revealed 35m wide (true thickness) Co/Cu haloes that could be used as targeting vectors for potential higher-grade zones. Most sampling

techniques and data descriptions followed the JORC code. Samples from near-surface rock outcrops contain indicated grades of up to 0.2% Co and 0.4% Cu, but those results have only approximate locations. Berkut ceased activity in the tenements in August 2018.

The Company considers that the Skuterud tenements are likely prospective for metasomatic-hydrothermal, Cu-Co deposits. A review of the previous exploration programs in the Skuterud tenements will be conducted before any new reconnaissance exploration.

Romsås

The Romsås deposit is an orthomagmatic Ni-Cu-Co deposit located in Askim municipality, whilst the tenements set spans the Indre Østfold Municipality. The Romsås deposit was mined from 1866 to 1876 via open-pit and underground mining methods. When Ni prices dropped, the Romsås mines closed and never re-entered production. Total ore production from all the mines was 16,465 tons, with a Ni content of about 150 tons. The average ore grade at Romsås mine was 1.07 % Ni (+ Co) and 0.4 % Cu. Romsås mine is in a protected environment area.

Access to the Romsås tenements is generally on asphalt roads, although the western half of the tenements area has few roads.

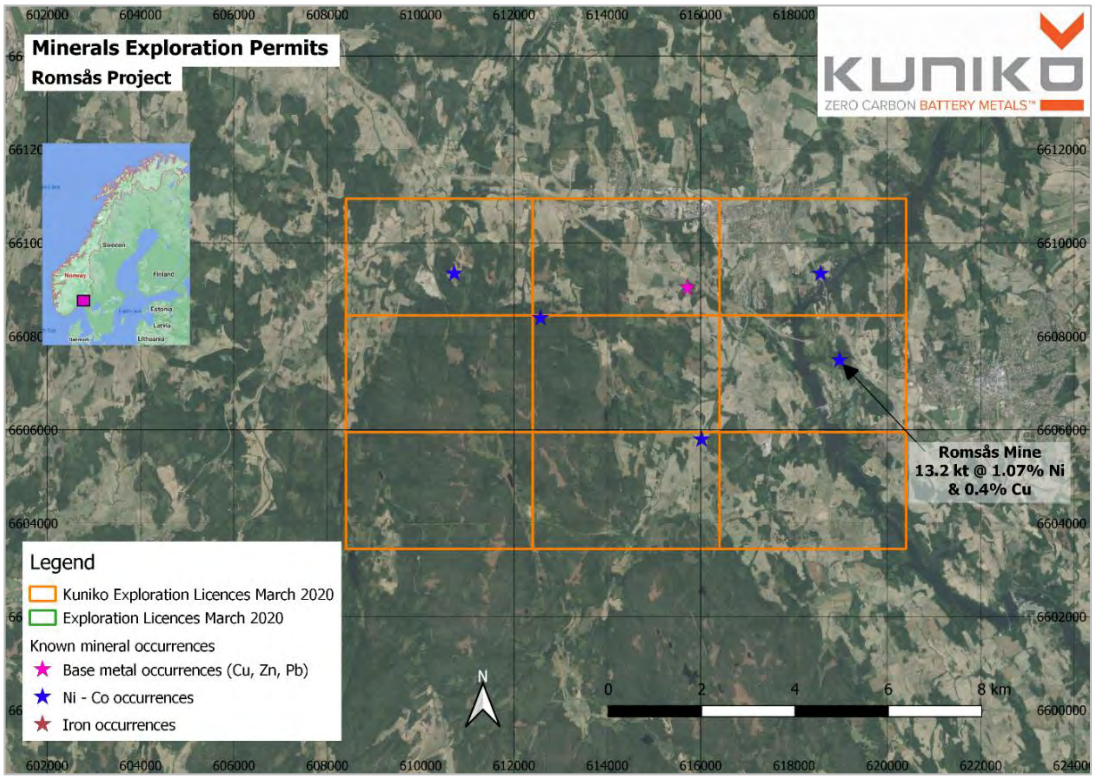

Figure 3: Map of the Romsås Project area illustrating location of Kuniko mineral exploration licences (orange boxes) and known mineral occurrences/mines (stars).

The Company considers that the Romsås tenements are prospective for orthomagmatic Ni-Cu sulphide mineralisation. The Company is considering conducting a non-invasive orientation study at the Romsås mine to drive reconnaissance exploration, that will support identification of any new Ni-Cu-Co targets in the Romsås tenements.

There have been no modern exploration programs or studies of the Romsås mineralisations in the Romsås tenements. However, government documents note

22 small occurrences of Ni-Cu sulphide mineralisation within a roughly circular area of 30 km diameter.

5.2.3 Copper: South-entral Norway licences

The Southcentral Norway tenements comprise:

(a) the four, adjoining Undal 101-102 and Nyberget 101-102 tenements, that encompass c 40km2 in the Rennebu local government area, south of Trondheim; and

(b) the Vangrøfta 102 tenement that encompass c.10km2 in the Os local government area, south-east of Trondheim.

Undal

The project area is prospective for VMS-style copper-cobalt-zinc mineralisation. The historically significant Undal Cu-Zn mine is located in the northern portion of the project area which was sporadically mined for several centuries, beginning in 1668 and finally ending in 1997 for a cumulative ~30 years of production. Historical production during this period is documented at approximately 289 kt at average mined grades of 1.15% Cu and 1.86% Zn of copper-zinc-bearing sulphide ores. The ore body is imbedded in phyllitic schists, comfortable with the foliation of the rock and has the form of a stock with lens-shaped cross-cut and axial direction down along the dip, which is inclined ~45 degrees to the east. The ore-system a dominated by pyrite and pyrrhotite containing chalcopyrite and sphalerite and other gangue material.

There are no royalty agreements on the concessions.

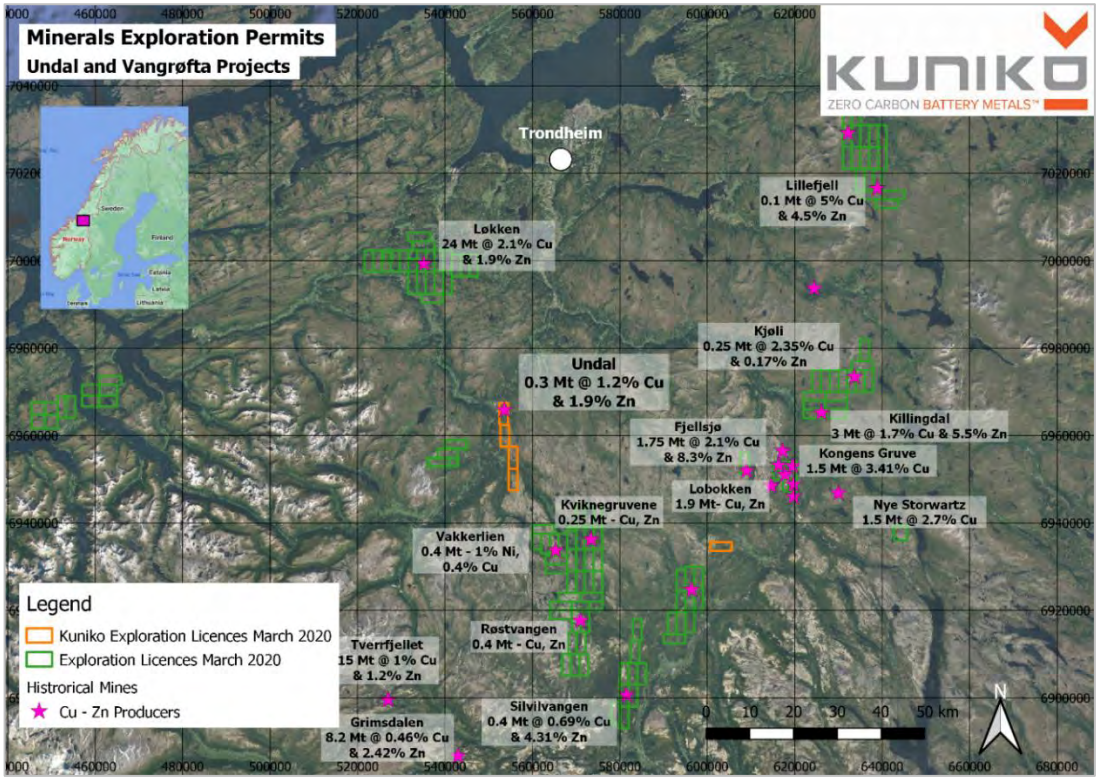

Figure 5: Map of the Undal and Vangrøfta project areas illustrating location of newly established minerals exploration licences (orange boxes) and known base-metal mines (stars). All tonnages reported are solely documented historic production figures sourced from the NGU database.

Vangrøfta

The Vangrøfta Project is located within the Trodnheim region of the Paleozic-aged, Norwegian Caledonides Province. The Company considers the project is prospective for VMS-style copper-cobalt-gold mineralisation. Previous reconnaissance field studies and geochemical analysis by Vulcan/Kuniko on multiple rock-chip samples found up to 16% Cu and 3.3 g/t Au. These results require follow up exploration and demonstrate the potential of the area.

There are no royalty agreements on the concessions.

5.3 Business model

The Company's main objectives will be to:

(a) systematically explore and seek to develop the Projects;

(b) focus on mineral exploration or resource opportunities that have the potential to deliver growth for Shareholders;

(c) continue to pursue other acquisitions that have a strategic fit for the Company;

(d) implement a growth strategy to seek out further exploration and acquisition opportunities; and

(e) provide working capital for the Company,

with a strict mandate to maintain net zero carbon footprint throughout exploration, development and production.

To achieve these objectives, following Official Quotation, the Company proposes to undertake the exploration programs set out below. These programs are designed to test the economic viability of the Company's Projects, and results will determine the commercial viability and possible timing for the commencement of further work programs, including pre-feasibility studies and commencement of other mining operations on the Projects if warranted.

In order to manage these programs and subject to the results of each stage of work, the Company expects to supplement its existing personnel with additional technical expertise as and when needed with a mixture of both permanent and contractor positions.

The funds from the Offer together with existing cash reserves will allow the Company to further progress its business model.

5.4 Proposed Exploration Program and Development Plan

It is currently proposed that the initial exploration program for the Projects will include a total of approximately $4.15 million budgeted for the first two financial years as set out in the table below:

Based on subscription of $7,636,213			
	Year 1	Year 2	Total
Southeast Norway Tenements - Skuterud - Cobalt-Copper-Gold			
Review of historic mining and exploration	10,000		**10,000**
Data Integration, mineralisation models, target generation	10,000		**10,000**
Field studies - mapping/sampling	25,000	20,000	**45,000**
Geophysics	370,000		**370,000**
Geochemical Surveys	240,000		**240,000**
Drill Targeting	10,000	10,000	**20,000**
Exploration Drilling	250,000	250,000	**500,000**
Total	**915,000**	**280,000**	**1,195,000**
Southeast Norway Tenements - Romsås - Nickel-Copper			
Review of historic mining and exploration	10,000		**10,000**
Data Integration, mineralisation models, target generation	10,000		**10,000**
Field studies - mapping/sampling	25,000	10,000	**35,000**
Geophysics	100,000	200,000	**300,000**
Geochemical Surveys		100,000	**100,000**
Drill Targeting		10,000	**10,000**
Exploration Drilling		150,000	**150,000**
Total	**145,000**	**470,000**	**615,000**
Southwest Norway Tenements - Feøy - Nickel-Copper			
Review of historic mining and exploration	10,000		**10,000**
Data Integration, mineralisation models, target generation	10,000		**10,000**
Field studies - mapping/sampling	25,000	10,000	**35,000**
Geophysics	370,000		**370,000**
Geochemical Surveys	250,000		**250,000**
Drill Targeting		10,000	**10,000**
Exploration Drilling		250,000	**250,000**
Total	**665,000**	**270,000**	**935,000**
South-central Norway Tenements - Undal - Copper-Zinc-Cobalt			
Review of historic mining and exploration	10,000		**10,000**

Data Integration, mineralisation models, target generation	10,000		**10,000**
Field studies - mapping/sampling	25,000	10,000	**35,000**
Geophysics	120,000	250,000	**370,000**
Geochemical Surveys		250,000	**250,000**
Drill Targeting		10,000	**10,000**
Exploration Drilling		250,000	**250,000**
Total	**165,000**	**770,000**	**935,000**
South-central Norway Tenements - Vangrøfta - Copper-Cobalt			
Review of historic mining and exploration	5,000		**5,000**
Data Integration, mineralisation models, target generation	5,000		**5,000**
Field studies - mapping/sampling	10,000	5,000	**15,000**
Geophysics	40,000	150,000	**190,000**
Geochemical Surveys		100,000	**100,000**
Drill Targeting		10,000	**10,000**
Exploration Drilling		150,000	**150,000**
Total	**60,000**	**415,000**	**475,000**

The above tables are statements of the Company's intentions as of the date of this Prospectus and assumes completion of the Offers. As with any budget, intervening events including, but not limited to, exploration success or failure and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Company reserves the right to alter the way funds are applied on this basis.

Refer to the Independent Geologist's Report in Annexure A for further information.

5.5 Use of funds

The Company intends to apply funds raised from the Offers over the first two years following admission of the Company to the Official List of ASX as follows:

Funds available	Minimum Subscription ($) ($7,886,213)	Percentage of Funds (%)
Existing cash reserves	$1,691	0.02%
Funds raised from the Offers	$7,886,213	99.98%
Total	**$7,887,904**	**100.0%**

Allocation of funds		
Review of historic mining and exploration[1]	$45,000	0.57%
Data Integration, mineralisation models, target generation[1]	$45,000	0.57%
Field studies - mapping/sampling[1]	$165,000	2.09%
Geophysics[1]	$1,600,000	20.28%
Geochemical Surveys[1]	$940,000	11.92%
Drill Targeting[1]	$60,000	0.76%

Exploration Drilling[1]	$1,300,000	16.48%
Costs of the Offers[2]	$440,475	5.58%
Corporate administration costs and unallocated working capital[3]	$3,292,429	41.74%
Total	**$7,887,904**	**100.0%**

Notes:

1. Refer to Section 5.4 and the Independent Geologist's Report in Annexure A for further details with respect to the Company's proposed exploration programs at the Projects.
2. Refer to Section 10.9 for further details.
3. To the extent that:

   (a) the Company's exploration activities warrant further exploration activities; or

   (b) the Company is presented with potential acquisition opportunities,

   the Company's working capital will fund such further exploration and acquisition costs (including due diligence investigations and expert's fees in relation to such acquisitions). Any amounts not so expended will be applied toward administration costs for the period following the initial 2-year period following the Company's quotation on ASX.

It is anticipated that the funds raised under the Offer will enable 2 years of full operations (if the Minimum Subscription is raised). It should be noted that the Company may not be fully self-funding through its own operational cash flow at the end of this period. Accordingly, the Company may require additional capital beyond this point, which will likely involve the use of additional debt or equity funding. Future capital needs will also depend on the success or failure of the Projects. The use of further debt or equity funding will be considered by the Board where it is appropriate to fund additional exploration on the Projects or to capitalise on acquisition opportunities in the resources sector.

The above table is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events (including exploration success or failure) and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

The Directors consider that following completion of the Offers, the Company will have sufficient working capital to carry out its stated objectives. It should however be noted that an investment in the Company is speculative and investors are encouraged to read the risk factors outlined in Section 7.

5.6 Capital structure

The capital structure of the Company following completion of the Offers is summarised below:

Shares[1]

	Minimum Subscription
Shares currently on issue	13,749,435
Shares to be issued pursuant to the Offers	39,431,064[1]
Total Shares on completion of the Offers	**53,180,499**

Notes:

1. Pursuant to a marketing mandate between the Company and S3 Consortium Pty Ltd, it is proposed that the Company will issue a further 1,875,000 Shares to S3 Consortium Pty Ltd at a deemed issue price of $0.20 per Share for the provision of marketing services to the Company post-listing. Refer to Section 9.4 for the material terms and conditions of the mandate.
2. The rights attaching to the Shares are summarised in Section 10.2.

Options

	Minimum Subscription
Options currently on issue	Nil
Options to be issued to the Joint Lead Managers as part consideration for their services[1],	1,125,000
Total Options on completion of the Offers	**1,125,000**

Notes:

1. Exercisable at $0.40 with a three-year term. Refer to Section 10.3 for a summary of the full terms and conditions of these Options.

Performance Rights

	Minimum Subscription
Performance Rights currently on issue	Nil
Class A to C Performance Rights[1]	4,500,000
Class D to F Performance Rights[2]	600,000
Total Performance Rights on issue after completion of the Offers	**5,100,000**

Notes:

1. Comprising:
   (a) 1,500,000 Class A Performance Rights which will convert into Shares on a one for one basis on achievement of a volume weighted average price (**VWAP**) for Shares of $0.30 or more over 20 consecutive trading days, each expiring 4 years from issue;
   (b) 1,500,000 Class B Performance Rights which will convert into Shares on a one for one basis on achievement of a VWAP for Shares of $0.40 or more over 20 consecutive trading days, each expiring 4 years from issue; and
   (c) 1,500,000 Class C Performance Rights which will convert into Shares on a one for one basis on achievement of a VWAP for Shares of $0.50 or more over 20 consecutive trading days, each expiring 4 years from issue.
2. Comprising:
   (a) 200,000 Class D Performance Rights which will convert into Shares to be issued on a one for one basis 12 months from listing (subject to continuous service by the holder with the Company up until that point);
   (b) 200,000 Class E Performance Rights which will convert into Shares to be issued on a one for one basis 24 months from listing (subject to continuous service by the holder with the Company up until that point); and
   (c) 200,000 Class F Performance Rights which will convert into Shares to be issued on a one for one basis 36 months from listing (subject to continuous service by the holder with the Company up until that point).

5.7 Substantial Shareholders

Those Shareholders holding 5% or more of the Shares on issue both as at the date of this Prospectus and on completion of the Offers are set out in the respective tables below.

As at the date of the Prospectus

Shareholder	Shares	Options	Percentage (%) (undiluted)	Percentage (%) (fully diluted)
Vulcan Energy Resources Limited	13,749,435	Nil	100%	100%

On completion of the spin-out and the issue of the Shares under the Offers

Shareholder	Shares	Performance rights	Percentage (%) (undiluted)	Percentage (%) (fully diluted)
Vulcan Energy Resources Limited	13,749,435	Nil	25.85%	23.15%
Dr Francis Wedin and his related entities	3,251,459[2]	Nil	6.11%	5.47%

Notes:

1. This is the number of Shares that will be held if Mr Rezos and his related entities take up their full entitlement under the Priority Offer only. Mr Rezos has also indicated that his related entities will apply for up to an additional 2,500,000 Shares under the Priority Offer, subject to availability and demand for shortfall.

2. This is the number of Shares that will be held if Dr Wedin and his related entities take up their full entitlement under the Priority Offer only. This assumes that Dr Wedin does not take up any additional shares in the Shortfall or the Public Offer.

The Company will announce to the ASX details of its top-20 Shareholders following completion of the Offers prior to the Shares commencing trading on ASX.

5.8 Restricted Securities

None of the Shares issued under the Offers will be subject to escrow.

However, subject to the Company being admitted to the Official List and completing the Offers, certain securities will be classified by ASX as restricted securities and will be required to be held in escrow for up to 24 months from the date of Official Quotation. During the period in which these Shares are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of his or her Shares in a timely manner.

The Company notes that:

(a) 10,000,000 Shares held by Vulcan as a result of a 1:100,000 share split conducted by the Company will be escrowed for 24 months from the date of Official Quotation;

(b) it will provide evidence to ASX that cash was advanced from Vulcan to the Company so that cash formula relief may be applied to the 3,749,435 Shares that were issued to Vulcan at a deemed issue price of $0.20 per Share on conversion of previous debt owing by the Company;

(c) the 1,125,000 Options proposed to be issued to the Joint Lead Managers will be escrowed for 24 months from the date of Official Quotation; and

(d) the 3,900,000 Performance Rights proposed to be issued to the Directors will be escrowed for 24 months from the date of Official Quotation.

The Company will announce to the ASX full details (quantity and duration) of the Shares required to be held in escrow prior to the Shares commencing trading on ASX (which admission is subject to ASX's discretion and approval).

The Company confirms its 'free float' (the percentage of the Shares that are not restricted and are held by shareholders who are not related parties (or their associates) of the Company) at the time of admission to the Official List of ASX will be not less than 20% in compliance with ASX Listing Rule 1.1 Condition 7.

5.9 Additional Information

Prospective investors are referred to and encouraged to read in its entirety both the:

(a) the Independent Geologist's Report in Annexure A for further details about the geology, location and mineral potential of the Company's Projects;

(b) the Solicitor's Report on Tenements in Annexure B for further details in respect to the Company's interests in the Tenements; and

(c) the Independent Limited Assurance Report in Annexure C for further details on the Company's financials.

5.10 Dividend policy

The Company anticipates that significant expenditure will be incurred in the evaluation and development of the Company's existing Projects. These activities, together with the possible acquisition of interests in other projects, are expected to dominate at least, the first two-year period following the date of this Prospectus. Accordingly, the Company does not expect to declare any dividends during that period.

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the availability of distributable earnings and the operating results and financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

6. FINANCIAL INFORMATION

6.1 Introduction

Section 6 contains the following financial information in relation to the Company:

(a) the historical statements of profit or loss and statements of cash flows for the years ended 30 June 2019 and 30 June 2020, and for the six months ended 31 December 2020; and

(b) the historical statement of financial position as at 31 December 2020;

(together, the **Historical Financial Information**); and

(c) the pro forma statement of financial position as at 31 December 2020 and the associated details of the pro forma adjustments (the **Pro Forma Statement of Financial Position**),

(collectively referred to as the **Financial Information**).

The Financial information should be read together with the other information contained in this Prospectus, including:

(a) the risk factors described in Section 7;

(b) the description of the use of the proceeds of the Offer described in Section 5.5; and

(c) the Independent Limited Assurance Report, set out in Annexure C.

Please note that past performance is not an indication of future performance.

6.2 Basis of preparation and presentation of the Financial Information

The Historical Financial Information has been extracted from the Company's special purpose financial statements for the financial years ended 30 June 2019 and 30 June 2020, which were audited by RSM Australia Partners in accordance with Australian Auditing Standards, and its general purpose interim financial statements for the six months ended 31 December 2020, which were reviewed by RSM Australia Partners in accordance with Australian Auditing Standards applicable to review engagements. These audited and reviewed financial statements of the Company are available free of charge by request to the Company on +61 8 6364 5095.

RSM Australia Partners issued unqualified audit opinions on the financial statements for the years ended 30 June 2019 and 30 June 2020 and an unqualified review conclusion on the financial statements for the six months ended 31 December 2020.

The Pro Forma Statement of Financial Position has been derived from the historical statement of financial position and includes pro forma adjustments for certain subsequent events and transactions associated with the Offers (as detailed in Section 6.6.2 below), as if those events and transactions had occurred as at 31 December 2020.

The Financial Information has been prepared in accordance with the recognition and measurement principles of Australian Accounting Standards and the significant accounting policies set out in Section 6.6.3 below.

The Financial Information is presented in an abbreviated form insofar as it does not include all the disclosures and notes required in an annual financial report prepared in accordance with Australian Accounting Standards and other mandatory reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act.

The Directors are responsible for the preparation and inclusion of the Financial Information in the Prospectus. RSM Corporate Australia Pty Ltd has prepared an Independent Limited Assurance Report in respect of the Financial Information. A copy of this report, which includes an explanation of the scope and limitations of the Investigating Accountant's work, is attached to this Prospectus as Annexure C.

6.3 Historical Statement of Profit or Loss

The table below sets out the Company's statement of profit or loss for the years ended 30 June 2019 and 30 June 2020 and for the half-year ended 31 December 2020.

	Year ended	Year ended	Six months ended
	30-Jun-19	30-Jun-20	31-Dec-20
	Audited	Audited	Reviewed
	$	$	$
Revenue			
Other income	1	-	-
Expenses			
Administrative expenses	-	(15,993)	(15,004)
Compliance and regulatory expenses	(671)	-	(607)
Consulting and legal fees	-	(518)	(8,601)
Employee benefit expense	(165)	-	-
Impairment expense[1]	(109,044)	(185,241)	(228,663)
Other expenses	(43)	(257)	(9)
Foreign exchange loss	(3,042)	(498)	(66)
Loss before income tax expense	**(112,964)**	**(202,507)**	**(252,950)**
Income tax expense	-	-	-
Loss after income tax expense	**(112,964)**	**(202,507)**	**(252,950)**
Total comprehensive loss for the period	**(112,964)**	**(202,507)**	**(252,950)**

Notes:

1. The impairment expenses recorded by the Company relate to the write-off of previously capitalised exploration and evaluation expenditure which relates to tenements which were not renewed, following internal and third party reviews as to their prospectivity.

6.4 Historical Statement of Cash Flows

The table below sets out the Company's statement of cash flows for the years ended 30 June 2019 and 30 June 2020 and for the half-year ended 31 December 2020.

	Year ended	Year ended	Six months ended
	30-Jun-19	30-Jun-20	31-Dec-20
	Audited	Audited	Reviewed
	$	$	$
Cash flows from operating activities			
Payments to suppliers and employees (inclusive of GST)	(15,631)	(16,342)	(216)
Interest received	1	-	-
Net cash used in operating activities	**(15,630)**	**(16,342)**	**(216)**
Cash flows from investing activities			
Payments for exploration and evaluation costs	(334,128)	(160,238)	(128,945)
Net cash used in investing activities	**(334,128)**	**(160,238)**	**(128,945)**
Cash flows from financing activities			
Advance from parent entity	347,932	176,606	129,123
Net cash from financing activities	**347,932**	**176,606**	**129,123**
Net increase/(decrease) in cash and cash equivalents	(1,826)	26	(38)
Cash and cash equivalents at the beginning of the period	3,529	1,703	1,729
Cash and cash equivalents at the end of the period	**1,703**	**1,729**	**1,691**

6.5 Historical and Pro Forma Statement of Financial Position

The table below details the Historical Statement of Financial Position of the Company as at 31 December 2020, extracted from the reviewed financial statements, and the Pro Forma Statement of Financial Position of the Company as at that date.

The unaudited pro forma statement of financial position represents the reviewed statement of financial position of the Company as at 31 December 2020 adjusted for the subsequent events and pro forma transactions outlined below. It should be read in conjunction with the notes to the Financial Information.

		Kuniko	Subsequent events	Pro forma adjustments	Pro forma
		Reviewed	Unaudited	Unaudited	Unaudited
	Note	31-Dec-20	31-Dec-20	31-Dec-20	31-Dec-20
		$	$	$	$
Assets					
Current assets					
Cash and cash equivalents	6.6.4	1,691	-	7,445,738	7,447,429
Trade and other receivables		1,489	-	-	1,489
Total current assets		**3,180**	**-**	**7,445,738**	**7,448,918**
Non-current assets					
Exploration and evaluation expenditure		201,097	-	-	201,097
Total non-current assets		**201,097**	**-**	**-**	**201,097**
Total assets		**204,277**	**-**	**7,445,738**	**7,650,015**
Liabilities					
Current liabilities					
Trade and other payables		24,735	-	-	24,735
Total current liabilities		**24,735**	**-**	**-**	**24,735**
Non-current liabilities					
Borrowings	6.6.5	749,887	(749,887)	-	-
Total non-current liabilities		**749,887**	**(749,887)**	**-**	**-**
Total liabilities		**774,622**	**(749,887)**	**-**	**24,735**
Net assets/(liabilities)		**(570,345)**	**749,887**	**7,445,738**	**7,625,280**
Equity					
Issued capital	6.6.6	100	749,887	7,602,194	8,352,181
Reserves	6.6.7	-	-	884,250	884,250
Accumulated losses	6.6.8	(570,445)	-	(1,040,706)	(1,611,151)
Total equity		**(570,345)**	**749,887**	**7,445,738**	**7,625,280**

6.6 Notes to the Financial Information

6.6.1 Historical Statement of Financial Position

The Historical Statement of Financial Position of the Company detailed above has been extracted without adjustment from the reviewed financial statements of the Company for the six months ended 31 December 2020.

6.6.2 Pro Forma Historical Statement of Financial Position

The Pro Forma Statement of Financial Position has been compiled by extracting the Historical Statement of Financial Position of the Company as at 31 December 2020 and reflecting the Directors' pro forma adjustments for the impact of the following subsequent events and other transactions which are proposed to occur immediately before or following completion of the Offers.

The following pro forma adjustments have been made in relation to events subsequent to 31 December 2020:

(a) the completion of a 1:100,000 share split of the existing fully paid ordinary shares in the Company (**Share Split**);

(b) the conversion of a $749,887 loan payable to Vulcan Energy Resources Limited (**Vulcan Energy Loan**) into 3,749,435 fully paid ordinary shares in the Company at a conversion price of $0.20 per Share;

The following pro forma adjustments have been made in relation to events which are expected to occur immediately before or following completion of the Offers:

(c) the issue of 12,500,000 fully paid ordinary shares in the Company at $0.20 each (**Public Offer**), to raise $2,500,000 before costs pursuant to the Offers.

(d) the issue of 26,931,064 fully paid ordinary shares in the Company at $0.20 each through a 1:4 pro rata priority offer to existing Vulcan shareholders (**Priority Offer**) to raise $5,386,213 before costs pursuant to the Offers.

(e) the payment of cash costs related to the Offers estimated to be $440,475;

(f) the issue of 1,125,000 unlisted options (**Lead Manager Options**) to the Joint Lead Managers (and/or their nominees). Lead Manager Options have a $0.40 exercise price and expire 3 years from the date of issue; and

(g) the issue of 4,500,000 Class A to C unlisted performance rights (**KMP Rights**) to certain Kuniko directors and key management personnel. KMP Rights vest upon the Company's share price equalling or exceeding 20-day volume weighted average share price targets between $0.30 and $0.50 per share, have a nil exercise price and expire 4 years from the date of issue.

6.6.3 Significant accounting policies

The principal accounting policies adopted in the preparation of the Financial Information are detailed below. These policies have been consistently applied to all the periods presented.

(a) New or amended Accounting standards and interpretations adopted

The company has adopted all the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory in each reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

(b) Basis of preparation

The Financial Information has been prepared under the historical cost convention and on the going concern basis, which assumes continuity of normal business activities and the realisation of assets and the discharge of liabilities in the ordinary course of business.

(c) Revenue recognition

The company recognises revenue as follows:

(i) Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

(ii) Interest

Interest revenue is recognised as interest accrues**.**

(iii) Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

(d) Foreign currency translation

The Financial Information is presented in Australian dollars, which is the Company's functional currency.

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

(e) Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

(i) When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or

(ii) When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

(f) Current and non-current classifications

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

(g) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(h) Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

(i) Exploration and evaluation expenditure

Acquisition, exploration and evaluation costs associated with mining tenements are accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that the rights of tenure to that area of interest are current and that the costs are expected to be recouped through the successful commercial development or sale of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Costs in relation to an abandoned area are written off in full against profit in the period in which the decision to abandon the area is made.

Each area of interest is also reviewed annually, and acquisition costs written off to the extent that they will not be recoverable in the future.

(j) Trade and other payables

These amounts represent liabilities for goods and services provided to the entity prior to the end of the accounting period and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

(k) Use of estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Exploration and evaluation expenditure

Exploration and evaluation costs have been capitalised on the basis that activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the company based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the company operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the company unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

(l) Issued Capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(m) Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the

price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

(n) Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

6.6.4 Cash and cash equivalents

		Kuniko Reviewed	Pro forma Unaudited
	Note	31-Dec-20	31-Dec-20
		$	$
Cash and cash equivalents		1,691	7,447,429
Kuniko cash and cash equivalents as at 31 December 2020			1,691
Subsequent events are summarised as follows:			
Nil			-
			-
Adjustments arising in the preparation of the pro forma statement of financial position are summarised as follows:			
Proceeds from the Public Offer pursuant to the Prospectus	6.6.2(c)		2,500,000
Proceeds from the Priority Offer pursuant to the Prospectus	6.6.2(d)		5,386,213

Capital raising costs	6.6.2(e)		(440,475)
			7,445,738
Pro forma cash and cash equivalents			**7,447,429**

6.6.5 Borrowings

		Kuniko Reviewed	Pro forma Unaudited
	Note	31-Dec-20	31-Dec-20
		$	$
Borrowings		749,887	-
Kuniko borrowings as at 31 December 2020			749,887
Subsequent events are summarised as follows:			
Conversion of Vulcan Energy Loan	6.6.2(b)		(749,887)
			(749,887)
Adjustments arising in the preparation of the pro forma statement of financial position are summarised as follows:			
Nil			-
			-
Pro forma borrowings			-

6.6.6 Issued Capital

	Note	Pro forma Unaudited	Pro forma Unaudited
		31-Dec-20	31-Dec-20
		No. of Shares	$
Kuniko issued capital as at 31 December 2020		100	100
Share Split	6.6.2(a)	9,999,900	-
		10,000,000	100
Subsequent events are summarised as follows:			
Conversion of Vulcan Energy Loan	6.6.2(b)	3,749,435	749,887
		3,749,435	749,887
Adjustments arising in the preparation of the pro forma statement of financial position are summarised as follows:			
Proceeds from the Public Offer	6.6.2(c)	12,500,000	2,500,000
Proceeds from the Priority Offer	6.6.2(d)	26,931,064	5,386,213

Cash costs associated with the Offers	6.6.2(e)	-	(284,019)
		39,431,064	7,602,194
Pro forma issued share capital		**53,180,499**	**8,352,181**

6.6.7 Reserves

	Note	Kuniko Reviewed	Pro forma Unaudited
		31-Dec-20	31-Dec-20
		$	$
Reserves		-	884,250
Kuniko reserves as at 31 December 2020			-
Subsequent events are summarised as follows:			
Nil			-
			-
Adjustments arising in the preparation of the pro forma statement of financial position are summarised as follows:			
Issue of Lead Manager Options	7.6.2(vi)		74,250
Issue of KMP Performance rights	7.6.2(vii)		810,000
			884,250
Pro forma reserves			**884,250**

(a) Unlisted Options and Rights

Pursuant to the Offer, the Company will issue 1,125,000 Options to the Joint Lead Managers (and/or their respective nominees). The Options will each be convertible into one ordinary share in the Company. Furthermore, the Company will issue 4,500,000 Class A to C Performance Rights to certain directors and key management personnel, which are not subject to a service condition.

The Lead Manager Options have been valued using a standard binomial pricing model and the KMP Rights have been valued using a trinomial share price barrier pricing model on the assumption that the Offer price represents the fair value of a Share at the grant date, using the following assumptions:

Assumptions	Lead Manager Options	KMP Rights		
		Class A	Class B	Class C
Stock price	$0.20	$0.20	$0.20	$0.20
Exercise price	$0.40	Nil	Nil	Nil

Vesting hurdle (30-day VWAP)	N/A	$0.30	$0.40	$0.50
Expiry	3 years	4 years	4 years	4 years
Expected future volatility	100%	100%	100%	100%
Risk free rate	0.10%	0.67%	0.67%	0.67%

6.6.8 Accumulated losses

	Note	Kuniko Reviewed	Pro forma Unaudited
		31-Dec-20	31-Dec-20
		$	$
Accumulated losses		(570,445)	(1,611,151)
Kuniko accumulated losses as at 31 December 2020			(570,445)
Adjustments arising in the preparation of the pro forma statement of financial position are summarised as follows:			
Listing costs expensed	6.6.2(e)		(156,456)
Issue of Lead Manager Options	6.6.2(f)		(74,250)
Issue of KMP Rights	6.6.2(g)		(810,000)
			(1,040,706)
Pro forma accumulated losses			**(1,611,151)**

6.6.9 Contingent Liabilities and Commitments

As at 31 December 2020, Kuniko had no material contingent liabilities or financial commitments.

7. RISK FACTORS

7.1 Introduction

The Shares offered under this Prospectus should be considered as highly speculative and an investment in the Company is not risk free.

The future performance of the Company and the value of the Shares may be influenced by a range of factors, many of which are largely beyond the control of the Company and the Directors. The key risks that have a direct influence on the Company, its Projects and activities are set out in Section 3. Those key risks as well as other risks associated with the Company's business, the industry in which it operates and general risks applicable to all investments in listed securities and financial markets generally are described below.

The risks factors set out in this Section 7, or other risk factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Shares. This Section 7 is not intended to provide an exhaustive list of the risk factors to which the Company is exposed.

The Directors strongly recommend that prospective investors consider the risk factors set out in this Section 7, together with all other information contained in this Prospectus.

Before determining whether to invest in the Company you should ensure that you have a sufficient understanding of the risks described in this Section 7 and all of the other information set out in this Prospectus and consider whether an investment in the Company is suitable for you, taking into account your objectives, financial situation and needs.

If you do not understand any matters contained in this Prospectus or have any queries about whether to invest in the Company, you should consult your accountant, financial adviser, stockbroker, lawyer or other professional adviser.

7.2 Company specific risks

Risk Category	Risk
Conditional Prospectus	This Prospectus is conditional upon the Conditions being satisfied or waived. The Conditions are set out in Section 4.6. There is no certainty that the Conditions will be satisfied. In the event that these conditions are not met then the listing of the Company on ASX will not proceed and all Application Monies reveived will be returned to applicants without interest.
Limited History	While the Company has been incorporated for over 4 years, during that time it has operated as a wholly owned subsidiary of Vulcan. No assurance can be given that the Company will achieve commercial viability through the successful exploration of the Projects. Until the Company is able to realise value from its Projects, it is likely to incur ongoing operating losses.
Exploration and operating	The mineral exploration licences comprising the Projects are at various stages of exploration, and potential

Risk Category	Risk
	investors should understand that mineral exploration and development are high-risk undertakings. There can be no assurance that future exploration of these licences, or any other mineral licences that may be acquired in the future, will result in the discovery of an economic resource. Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited. The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns or adverse weather conditions, unanticipated operational and technical difficulties, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, industrial and environmental accidents, industrial disputes, unexpected shortages and increases in the costs of consumables, spare parts, plant, equipment and staff, native title process, changing government regulations and many other factors beyond the control of the Company. The success of the Company will also depend upon the Company being able to maintain title to the mineral exploration licences comprising the Projects and obtaining all required approvals for their contemplated activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the Projects, a reduction in the cash reserves of the Company and possible relinquishment of one or more of the mineral exploration licences comprising the Projects.
Tenure	Mining and exploration tenements are subject to periodic renewal. There is no guarantee that current or future tenements and/or applications for tenements will be approved. The renewal of the term of a granted tenement is also subject to the applicable mining acts and regulation in Norway. The renewal of the term of a granted tenement is also subject to the discretion of the Directorate of Mining in Norway (**Directorate**). Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements comprising the Company's Projects. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company. The Company requires consent from the Directorate for a change in control of the Company to occur as a result of the Offers, which is a condition precedent to completion of the Offers. The Company's Norwegian solicitors have sought such consent on behalf of the Company, which currently remains outstanding. The Company currently holds only exploration rights in

Risk Category	Risk
	Norway, which permit limited operations on the Projects. In order to undertake more pervasive exploration activities the Company will need to progress to more senior forms of rights (pilot extraction, extraction permits and operating licenses), the grant of which are subject to the consent of the Directorate. Please refer to the Solicitor's Report on Tenements in Annexure B for further details.
Access	The tenements overlap certain third party interests that may limit the Company's ability to conduct exploration and mining activities including selected habitat types, old mines, reindeer grazing areas, cultural heritage monuments and or sites and protected areas. In addition to the above, landowners of the land overlapping the Projects will also have various rights that the Company will need to comply with. The Company will be required to seek consent from the relevant landowners to access a right of way to the tenements and/or consent if exploration activities will cause considerable damage to the landowners' land. Please refer to the Solicitor's Report on Tenements in Annexure B for further details.
Climate risk	There are a number of climate-related factors that may affect the operations and proposed activities of the Company. The climate change risks particularly attributable to the Company include: (a) the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and (b) climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.

Risk Category	Risk
Land rights of indigenous peoples	Land rights of indigenous peoples in are currently under review in Norway, including the indigenous people of Norway, the Sámi people. If indigenous land rights are found to exist in relation to lands the subject of any of the Company's material exploration licences, the ability of the Company to gain access to tenements, or to progress from the exploration stage to the development and mining stages of operations may be adversely affected in the absence of an agreement in respect of such potential indigenous rights. The Directors will closely monitor the potential effect of native interests and/or claims involving tenements in which the Company has or may have an interest. Please refer to the Solicitor's Report on Tenements in Annexure B for further details.
International operations and foreign jurisdiction risk	The Company's Projects are located overseas, namely in Norway, and in that respect those key assets are subject to risks particular to their extraterritoriality such as changes in laws, practices and policies in the relevant jurisdictions, including laws that deal with overseas investors. In particular, logistical difficulties may arise due to the assets being located overseas including the incurring of additional costs with respect to overseeing and managing the Projects, including costs associated with taking advice in relation to the application of local laws as well as the cost of maintaining a local presence in Norway. Fluctuations in the currency of Norway may also affect the dealings and operations of the Company. While Norway is generally considered to be politically stable and a prosperous nation, Norway's risk profile is different to that of Western Australia's. Accordingly, investors in the Company may be exposed to an increased risk compared to other mineral companies with activities in Western Australia. Furthermore, the Company is subject to the risks associated in operating in Norway. Such risks could potentially include economic, social or political instability or change, hyperinflation, currency non-convertibility or instability and changes of law affecting foreign ownership, government participation, taxation, working conditions, rates of exchange, exchange control, exploration licensing, export duties, repatriation of income or return of capital, environmental protection, mine safety, labour relations as well as government control over mineral properties or government regulations that require the employment of local residents or contractors or require other benefits to be provided to local residents. Changes to Norway's mining or investment policies and legislation or a shift in political attitude may adversely affect the Company's operations and profitability. In particular, while there are currently no restrictions on the foreign ownership of mining companies in Norway, there

Risk Category	Risk
	can be no assurance that the requirements of the various governments in respect of foreign ownership and control of mining companies will not change. It is not possible for the Company to accurately predict such developments or changes in laws or policy or to what extent any such developments or changes may have a material adverse effect on the Company's operations.

7.3 Industry specific risks

Risk Category	Risk
Exploration success	The Projects are at various stages of exploration, and potential investors should understand that mineral exploration and development are speculative and high-risk undertakings that may be impeded by circumstances and factors beyond the control of the Company. Success in this process involves, among other things: (a) discovery and proving-up, or acquiring, an economically recoverable resource or reserve; (b) access to adequate capital throughout the acquisition/discovery and project development phases; (c) securing and maintaining title to mineral exploration projects; (d) obtaining required development consents and approvals necessary for the acquisition, mineral exploration, development and production phases; and (e) accessing the necessary experienced operational staff, the applicable financial management and recruiting skilled contractors, consultants and employees. There can be no assurance that exploration of the Projects, or any other exploration properties that may be acquired in the future, will result in the discovery of an economic mineral resource. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited. There is no assurance that exploration or project studies by the Company will result in the definition of an economically viable mineral deposit or that the exploration tonnage estimates and conceptual project developments discussed in this Prospectus are able to be achieved. The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, changing government regulations and many other factors beyond the control of the Company.

Risk Category	Risk
Exploration costs	The exploration costs of the Company as summarised in Section 5.5 are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainty, and accordingly, the actual costs may materially differ from the estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely impact the Company's viability.
Resource and reserves and exploration targets	The Company has identified a number of exploration targets based on geological interpretations and limited geophysical data, geochemical sampling and historical drilling. Insufficient data however, exists to provide certainty over the extent of the mineralisation. Whilst the Company intends to undertake additional exploratory work with the aim of defining a resource, no assurances can be given that additional exploration will result in the determination of a resource on any of the exploration targets identified. Even if a resource is identified no assurance can be provided that this can be economically extracted. Reserve and resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when initially calculated may alter significantly when new information or techniques become available. In addition, by their very nature resource and reserve estimates are imprecise and depend to some extent on interpretations which may prove to be inaccurate.
Grant of future authorisations to explore and mine	If the Company discovers an economically viable mineral deposit that is then intends to develop, it will, among other things, require various approvals, licence and permits before it will be able to mine the deposit. There is no guarantee that the Company will be able to obtain all required approvals, licenses and permits. To the extent that required authorisations are not obtained or are delayed, the Company's operational and financial performance may be materially adversely affected.
Mine development	Possible future development of mining operations at the Projects is dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk from third parties providing essential services.

Risk Category	Risk
	If the Company commences production on one of the Projects, its operations may be disrupted by a variety of risks and hazards which are beyond the control of the Company. No assurance can be given that the Company will achieve commercial viability through the development of the Projects. The risks associated with the development of a mine will be considered in full should the Projects reach that stage and will be managed with ongoing consideration of stakeholder interests.
Environmental	The operations and proposed activities of the Company are subject to State and Federal laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws. Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or bushfires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations. The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous making the Company's operations more expensive. Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programmes or mining activities.
Regulatory Compliance	The Company's operating activities are subject to extensive laws and regulations relating to numerous matters including resource licence consent, environmental compliance and rehabilitation, taxation, employee relations, health and worker safety, waste disposal, protection of the environment, native title and heritage matters, protection of endangered and protected species and other matters. The Company requires permits from regulatory authorities to authorise the Company's operations. These permits relate to

Risk Category	Risk
	exploration, development, production and rehabilitation activities. While the Company believes that it is in substantial compliance with all material current laws and regulations, agreements or changes in their enforcement or regulatory interpretation could result in changes in legal requirements or in the terms of existing permits and agreements applicable to the Company or its properties, which could have a material adverse impact on the Company's current operations or planned development projects. Obtaining necessary permits can be a time-consuming process and there is a risk that Company will not obtain these permits on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could materially delay or restrict the Company from proceeding with the development of a project or the operation or development of a mine. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in material fines, penalties or other liabilities. In extreme cases, failure could result in suspension of the Company's activities or forfeiture of one or more of the Tenements.

7.4 General risks

Risk Category	Risk
Additional requirements for capital	The Company's capital requirements depend on numerous factors. The Company may require further financing in addition to amounts raised under the Offer. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.
Reliance on key personnel	The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment. The Company may not be able to replace its senior management or key personnel with persons of equivalent expertise and experience within a reasonable period of time or at all and the Company may incur additional expenses to recruit, train and retain personnel. Loss of such

Risk Category	Risk
	personnel may also have an adverse effect on the performance of the Company.
COVID-19 risk	The outbreak of the coronavirus disease (**COVID-19**) is impacting global economic markets. The nature and extent of the effect of the outbreak on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19. Further, any governmental or industry measures taken in response to COVID-19 may adversely impact the Company's operations and are likely to be beyond the control of the Company. The COVID-19 pandemic may also give rise to issues, delays or restrictions in relation to land access and the Company's ability to freely move people and equipment to and from exploration projects and may cause delays or cost increases. The effects of COVID -19 on the Company's Share price and global financial markets generally may also affect the Company's ability to raise equity or debt or require the Company to issue capital at a discount, which may in turn cause dilution to Shareholders.
Economic	General economic conditions, introduction of tax reform, new legislation, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities. If activities cannot be funded, there is a risk that the Assets may have to be surrendered or not renewed. General economic conditions may also affect the value of the Company and its valuation regardless of its actual performance.
Competition risk	The industry in which the Company will be involved is subject to domestic and global competition. Although the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company's projects and business.
Currently no market	There is currently no public market for the Company's Shares, the price of its Shares is subject to uncertainty and there can be no assurance that an active market for the Company's Shares will develop or continue after the Offer. The price at which the Company's Shares trade on ASX after listing may be higher or lower than the issue price of Shares offered under this Prospectus and could be subject to fluctuations in response to variations in operating performance and general operations and business risk, as well as external operating factors over which the Directors and the Company have no control, such as movements in mineral prices and exchange rates, changes to

Risk Category	Risk
	government policy, legislation or regulation and other events or factors. There can be no guarantee that an active market in the Company's Shares will develop or that the price of the Shares will increase. There may be relatively few or many potential buyers or sellers of the Shares on ASX at any given time. This may increase the volatility of the market price of the Shares. It may also affect the prevailing market price at which Shareholders are able to sell their Shares. This may result in Shareholders receiving a market price for their Shares that is above or below the price that Shareholders paid.
Market conditions	Share market conditions may affect the value of the Company's Shares regardless of the Company's operating performance. Share market conditions are affected by many factors such as: (a) general economic outlook; (b) introduction of tax reform or other new legislation; (c) interest rates and inflation rates; (d) changes in investor sentiment toward particular market sectors; (e) the demand for, and supply of, capital; and (f) terrorism or other hostilities. The market price of Shares can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company. Applicants should be aware that there are risks associated with any securities investment. Securities listed on the stock market, and in particular securities of exploration companies experience extreme price and volume fluctuations that have often been unrelated to the operating performance of such companies. These factors may materially affect the market price of the shares regardless of the Company's performance. Further, after the end of the relevant escrow periods affecting Shares in the Company, a significant sale of then tradeable Shares (or the market perception that such a sale might occur) could have an adverse effect on the Company's Share price. Please refer to Section 5.8 for further details on the Shares likely to be classified by the ASX as restricted securities.
Commodity price volatility and exchange rate risks	If the Company achieves success leading to mineral production, the revenue it will derive through the sale of product exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for base and precious

Risk Category	Risk
	metals, technological advancements, forward selling activities and other macro-economic factors. Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.
Government policy changes	Adverse changes in government policies or legislation may affect ownership of mineral interests, taxation, royalties, land access, labour relations, and mining and exploration activities of the Company. It is possible that the current system of exploration and mine permitting in Western Australia may change, resulting in impairment of rights and possibly expropriation of the Company's properties without adequate compensation.
Insurance	The Company intends to insure its operations in accordance with industry practice. However, in certain circumstances the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company. Insurance of all risks associated with mineral exploration and production is not always available and where available the costs can be prohibitive.
Force Majeure	The Company's projects now or in the future may be adversely affected by risks outside the control of the Company including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.
Taxation	The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally. To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus.
Litigation Risks	The Company is exposed to possible litigation risks including native title claims, tenure disputes, environmental claims, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if

Risk Category	Risk
	proven, may impact adversely on the Company's operations, reputation, financial performance and financial position. The Company is not currently engaged in any litigation.

7.5 Investment speculative

The risk factors described above, and other risks factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Shares.

Prospective investors should consider that an investment in the Company is highly speculative.

There is no guarantee that the Shares offered under this Prospectus will provide a return on capital, payment of dividends or increases in the market value of those Shares.

Before deciding whether to subscribe for Shares under this Prospectus you should read this Prospectus in its entirety and consider all factors, taking into account your objectives, financial situation and needs.

8. BOARD, MANAGEMENT AND CORPORATE GOVERNANCE

8.1 Directors and key personnel

The Company's board of directors and key management personnel will comprise:

(a) **Gavin Rezos – Executive Chairman**

Mr Rezos has extensive Australian and international investment banking experience and is a former investment banking Director of HSBC Group with regional roles during his career in London, Sydney and Dubai. Gavin has held Chairman, Board and CEO positions of companies in the materials, technology and resources sector in Australia, the United Kingdom, the United States and Singapore and was formerly a non-executive director of Iluka Resources and of Rowing Australia, the peak Olympics sports body for rowing in Australia. He is a principal of Viaticus Capital.

During the past three years, Mr Rezos held the following directorships in other ASX listed companies:

(i) Non-Executive Chairman of Vulcan Energy Resources Ltd (current); and

(ii) Non-Executive Chairman of Resource and Energy Group (current).

The Board considers that Mr Rezos will not be an independent Director.

(b) **Antony Beckmand – Proposed Chief Executive Officer**

Antony Heitmann Beckmand is a qualified CPA with a Bachelor of Commerce from the University of Western Australia and also holds a Graduate Diploma in Applied Finance and Investment from the Securities Institute of Australia. Mr Beckmand has over 25 years' experience in financial and executive roles within the mining industry, including 12 years with the Norway's Sydvaranger iron ore project in CEO and CFO roles, and 2 years as a director of Nordic Mining ASA. Previous experience within the mining industry has been with Kalium Lakes Ltd, Exxaro Resources, Perilya Ltd and Robe River Iron Associates across a range of commodities including iron ore, sulphate of potash, minerals sands, base metals and gold. Beckmand is an Australian citizen and resides in Norway.

(c) During the past three years, Mr Beckmand has been and continues to be a director of Nordic Mining ASA.**Brendan Borg – Non-Executive Director**

Mr Borg is a consultant geologist who has specialised in the "battery materials" sector including lithium, graphite, cobalt and copper mineralisation, participating in numerous successful projects, in an investment and/or operational capacity.

Mr Borg has 25 years' experience gained working in management, operational and project development roles in the mineral exploration and mining industries, with companies including Rio Tinto Iron Ore, Magnis Resources Limited, IronClad Mining Limited, Lithex Resources Limited and Sibelco Australia Limited. More recently he was a co-founder and Managing Director of ASX and TSXV listed gold explorer, Tempus Resources Limited (ASX/TSXV:TMR/TMRR). Mr Borg is currently a Non-

Executive Director of gold producer and lithium developer Firefinch Limited (ASX:FFX) and copper-cobalt-gold developer Celsius Resources Limited (ASX:CLA). He is also a Director of geological consultancy Borg Geoscience Pty Ltd.

Mr Borg holds a Master of Science in Hydrogeology and Groundwater Management (University of Technology Sydney), a Bachelor of Science in Geology/Environmental Science (Monash University) and is a member of the AusIMM and the IAH.

During the past three years, Mr Borg held the following directorships:

(i) Non-Executive Director of Firefinch Limited (ASX:FFX) (current);

(ii) Non-Executive Director of Celsius Resources Limited (ASX:CLA);

(iii) Managing Director of Tempus Resources Limited (ASX:TMR); and

(iv) Director and Principal Consultant of Borg Geoscience Pty Ltd (current).

The Board considers that Mr Borg will be an independent Director.

(d) **Maja McGuire – Non-Executive Director**

Ms McGuire is a lawyer and brings more than 10 years' experience in the provision of corporate and compliance advice to ASX listed public companies. This includes working with listed companies as a general counsel, company secretary and in top tier private practice.

Ms McGuire commenced her career at Clayton Utz, Perth, where she gained experience in a broad range of corporate, commercial, and banking & finance matters. Ms McGuire advised companies and executives within Australia and internationally who operate in a variety of sectors, including energy and resources. In 2014 Ms McGuire joined the Canadian Bankers Association, Toronto, where she advocated on behalf of Canadian banks on issues pertaining to developments in domestic and international banking regulation related primarily to capital adequacy and funding.

Ms McGuire has spent the last seven years' operating within the listed board environment in her capacity as both Company Secretary and Legal Counsel (Anteris Technologies Ltd (previously Admedus) (ASX:AVR) and Alexium International Group Limited (ASX: AJX)) where she oversaw the legal aspects of the business and was responsible for statutory reporting and business administration. Ms McGuire brings extensive experience in ASX Listing Rule and Corporations Act compliance, capital raisings, corporate governance, general commercial contracts and dispute resolution. She continues her career as a corporate consultant.

During the past three years, Ms McGuire held the following directorships:

(i) Non-Executive Chair of TechGen Metals Limited (ASX:TG1) (current); and

(ii) Director and Secretary of Nakuru Hope Inc (current).

Ms McGuire holds BComm and LLB qualifications from The University of Western Australia.

The Board considers that Ms McGuire will be an independent Director.

(e) **Birgit Liodden – Non-Executive Director**

Ms Liodden is a self-made entrepreneur and business activist who has worked to push sustainability, entrepreneurship, next generation & diversity across the maritime industry through 15 years. One of the most visible young female leaders within the global maritime industry, and the first leader fronting MeToo in global shipping.

Ms Liodden is a former Director of Sustainability, Ocean Industries & Communication at Oslo Business Region, Project Manager Oslo European Green Capital/Business program. Director of Nor-Shipping, Founder & SG of YoungShip International, Project Manager Global Systems & Processes at Wilh.Wilhelmsen. School dropout at 16, with 20+ year's business background.

Ms Liodden has pioneered several «global first» initiatives; built up the first global organization for young maritime professionals, developed the first award targeting ocean entrepreneurs, the first female maritime mentor program, and the first global expo initiative that fully integrated corporates & startups. Started her first company at 28, and became the first female Director of a global leading shipping expo at the age of 32. Now setting up the first global ecosystem for entrepreneurs & innovators across ocean & renewable energy industries.

During the past three years, Ms Liodden held the following directorships:

(i) Working Chair of the Norwegian Organization for Environmental Boats.

(ii) Founder & CEO of the Ocean Opportunity Lab (TOOL).

(iii) Board member of TECO2030 ASA, The Factory, GreenStat, Bellona Foundation and The Norwegian Society for Sea Rescue.

(iv) Serving on the Executive Committee of Polytechnic Association, the Sustainability Board of Beyonder, and the advisory boards of FutureTalks, SHE Community, Generation Mobility and Southern Africa Norway Association.

In 2018, Ms Liodden interviewed President Barack Obama in front of 3000 executives. In 2020 she was named a Top100 global maritime female profile, chaired NASDAQ's ESG Summit, UN Environmental Assembly #ActForNature, and spoke at the official IMO World Maritime Day global panel. Has received a number of awards & rankings for her leadership in Norway and internationally.

Among the 150 top finalists for the World Economic Forum's Young Global Leaders 2018. Alumn of U.S. State Dept. IVLP, and H.R.H Crown Prince Haakon of Norway ìs national young leader network (SIKT). Shipping Name of the Year in Norway 2012, and global top 5 shortlist of WISTA Leadership Award 2012 and 2019.

8.2 Disclosure of interests

None of the Directors or Proposed Directors hold any securities in the Company as at the date of this Prospectus.

No Director or Proposed Director has received any remuneration from the Company in the two years prior to the date of this prospectus.

For each of the Directors, the proposed annual remuneration (excluding superannuation) for the financial year following the Company being admitted to the Official List together with the relevant interest in the securities of the Company each Director will hold on listing is set out in the table below.

Director/Kay management personnel	Remuneration for financial year ending 30 June 2022	Shares	Performance Rights	Percentage (%) (Undiluted)
Gavin Rezos	$160,200 per annum	1,507,552[1]	2,400,000	2.83%
Antony Beckmand	$300,000 per annum[2]	-[3]	1,200,000	-
Brendan Borg	$35,000 per annum	-[2]	900,000	-
Maja McGuire	$35,000 per annum	-[2]	300,000	-
Birgit Liodden	$35,000 per annum	-[2]	300,000	-

Notes:

1. This is the number of Shares that will be held if Mr Rezos and his related entities take up their full entitlement under the Priority Offer only. Mr Rezos has also indicated that his related entities will apply for up to an additional 2,500,000 Shares under the Priority Offer, subject to availability and demand for shortfall.

2. Inclusive of superannuation.

3. Mr Beckmand, Mr Borg, Ms McGuire and Ms Liodden are not Eligible Vulcan Shareholders, so they do not have any entitlement to participate in the Priority Offer. However, Mr Borg, Ms Mcguire and Ms Liodden have indicated that they may apply for (either personally or through a related entity) for Shares under the Priority Offer and/or the Public Offer, subject to availability and demand.The Company's constitution provides that the remuneration of non-executive Directors will be not more than the aggregate fixed sum determined by a general meeting. The aggregate remuneration for non-executive Directors is limited to $375,000 per annum under the Constitution, although may be varied by ordinary resolution of the Shareholders in general meeting.

The remuneration of any executive director that may be appointed to the Board will be fixed by the Board and may be paid by way of fixed salary or consultancy fee.

8.3 Agreements with Directors and related parties

The Company's policy in respect of related party arrangements is:

(a) a Director with a material personal interest in a matter is required to give notice to the other Directors before such a matter is considered by the Board; and

(b) for the Board to consider such a matter, the Director who has a material personal interest is not present while the matter is being considered at the meeting and does not vote on the matter.

The agreements between the Company and related parties are summarised in Section 9.2.

8.4 Corporate governance

(a) **ASX Corporate Governance Council Principles and Recommendations**

The Company has adopted comprehensive systems of control and accountability as the basis for the administration of corporate governance. The Board is committed to administering the policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs.

To the extent applicable, the Company has adopted *The Corporate Governance Principles and Recommendations (4th Edition)* as published by ASX Corporate Governance Council (**Recommendations**).

In light of the Company's size and nature, the Board considers that the current board is a cost effective and practical method of directing and managing the Company. As the Company's activities develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

The Company's main corporate governance policies and practices as at the date of this Prospectus are outlined below and the Company's full Corporate Governance Plan is available in a dedicated corporate governance information section of the Company's website www.kuniko.eu.

(b) **Board of Directors**

The Board is responsible for corporate governance of the Company. The Board develops strategies for the Company, reviews strategic objectives and monitors performance against those objectives. The goals of the corporate governance processes are to:

(i) maintain and increase Shareholder value;

(ii) ensure a prudential and ethical basis for the Company's conduct and activities consistent with the Company's stated values; and

(iii) ensure compliance with the Company's legal and regulatory objectives.

Consistent with these goals, the Board assumes the following responsibilities:

(i) leading and setting the strategic direction, values and objectives of the Company;

(ii) appointing the Chairman of the Board, Managing Director or Chief Executive Officer and approving the appointment of senior executives and the Company Secretary;

(iii) overseeing the implementation of the Company's strategic objectives, values, code of conduct and performance generally;

(iv) approving operating budgets, major capital expenditure and significant acquisitions and divestitures;

(v) overseeing the integrity of the Company's accounting and corporate reporting systems, including any external audit (satisfying itself financial statements released to the market fairly and accurately reflect the Company's financial position and performance);

(vi) establishing procedures for verifying the integrity of those periodic reports which are not audited or reviewed by an external auditor, to ensure that each periodic report is materially accurate, balanced and provides investors with appropriate information to make informed investment decisions;

(vii) overseeing the Company's procedures and processes for making timely and balanced disclosure of all material information that a reasonable person would expect to have a material effect on the price or value of the Company's securities;

(viii) reviewing, ratifying and monitoring the effectiveness of the Company's risk management framework, corporate governance policies and systems designed to ensure legal compliance; and

(ix) approving the Company's remuneration framework.

The Company is committed to the circulation of relevant materials to Directors in a timely manner to facilitate Directors' participation in the Board discussions on a fully-informed basis.

(c) **Composition of the Board**

Election of Board members is substantially the province of the Shareholders in general meeting, subject to the following:

(i) membership of the Board of Directors will be reviewed regularly to ensure the mix of skills and expertise is appropriate; and

(ii) the composition of the Board has been structured so as to provide the Company with an adequate mix of directors with industry knowledge, technical, commercial and financial skills together with integrity and judgment considered necessary to represent Shareholders and fulfil the business objectives and

values of the Company as well as to deal with new and emerging business and governance issues.

The Board currently consists of Four Directors (three non-executive Directors and one executive Director) of whom three are considered independent. The Board considers the current balance of skills and expertise to be appropriate given the Company for its currently planned level of activity.

To assist in evaluating the appropriateness of the Board's mix of qualifications, experience and expertise, the Board intends to maintain a Board Skills Matrix to ensure that the Board has the skills to discharge its obligations effectively and to add value.

The Board undertakes appropriate checks before appointing a person as a Director or putting forward to Shareholders a candidate for election as a Director or senior executive.

The Board ensures that Shareholders are provided with all material information in the Board's possession relevant to a decision on whether or not to elect or re-elect a Director.

The Company shall develop and implement a formal induction program for Directors, which is tailored to their existing skills, knowledge and experience. The purpose of this program is to allow new directors to participate fully and actively in Board decision-making at the earliest opportunity, and to enable new directors to gain an understanding of the Company's policies and procedures.

The Board maintains oversight and responsibility for the Company's continual monitoring of its diversity practices. The Company's Diversity Policy provides a framework for the Company to achieve enhanced recruitment practices whereby the best person for the job is employed, which requires the consideration of a broad and diverse pool of talent.

(d) **Identification and management of risk**

The Board's collective experience will enable accurate identification of the principal risks that may affect the Company's business. Key operational risks and their management will be recurring items for deliberation at Board meetings.

(e) **Ethical standards**

The Board is committed to the establishment and maintenance of appropriate ethical standards and to conducting all of the Company's business activities fairly, honestly with integrity, and in compliance with all applicable laws, rules and regulations. In particular, the Company and the Board are committed to preventing any form of bribery or corruption and to upholding all laws relevant to these issues as set out in the Company's Anti-Bribery and Anti-Corruption Policy. In addition, the Company encourages reporting of actual and suspected violations of the Company's Code of Conduct or other instances of illegal, unethical or improper conduct. The Company and the Board provide effective protection from victimisation or dismissal to those reporting such conduct as set out in its Whistleblower Protection Policy.

(f) **Independent professional advice**

Subject to the Chairman's approval (not to be unreasonably withheld), the Directors, at the Company's expense, may obtain independent professional advice on issues arising in the course of their duties.

(g) **Remuneration arrangements**

The remuneration of an executive Director will be decided by the Board, without the affected executive Director participating in that decision-making process.

In accordance with the Constitution, the total maximum remuneration of non-executive Directors is initially set by the Board and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed $375,000 per annum.

In addition, a Director may be paid fees or other amounts for example, and subject to any necessary Shareholder approval, non-cash performance incentives (such as Options) as the Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director.

Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in the performance of their duties as Directors.

The Board reviews and approves the remuneration policy to enable the Company to attract and retain executives and Directors who will create value for Shareholders having regard to the amount considered to be commensurate for a company of its size and level of activity as well as the relevant Directors' time, commitment and responsibility. The Board is also responsible for reviewing any employee incentive and equity-based plans including the appropriateness of performance hurdles and total payments proposed.

(h) **Trading policy**

The Board has adopted a policy that sets out the guidelines on the sale and purchase of securities in the Company by its key management personnel (i.e. Directors and, if applicable, any employees reporting directly to the managing director). The policy generally provides that, the written acknowledgement of the Chair (or the Board in the case of the Chairman) must be obtained prior to trading.

(i) **External audit**

The Company in general meetings is responsible for the appointment of the external auditors of the Company. From time to time, the Board will review the scope, performance and fees of those external auditors.

(j) **Risk committee**

The Company will not have a separate risk committee until such time as the Board is of a sufficient size and structure, and the Company's operations are of a sufficient magnitude for a separate committee to be of benefit to the Company. In the meantime, the full Board will carry out the duties that would ordinarily be assigned to that committee under the written terms of reference for that committee, including but not limited to:

(i) monitoring and reviewing any matters of significance affecting financial reporting and compliance;

(ii) verifying the integrity of those periodic reports which are not audited or reviewed by an external auditor;

(iii) monitoring and reviewing the Company's internal audit and financial control system, risk management systems; and

(iv) management of the Company's relationships with external auditors.

(k) **Diversity policy**

The Company is committed to workplace diversity. The Company is committed to inclusion at all levels of the organisation, regardless of gender, marital or family status, sexual orientation, gender identity, age, disabilities, ethnicity, religious beliefs, cultural background, socio-economic background, perspective and experience.

The Board has adopted a diversity policy which provides a framework for the Company to achieve, amongst other things, a diverse and skilled workforce, a workplace culture characterised by inclusive practices and behaviours for the benefit of all staff, improved employment and career development opportunities for women and a work environment that values and utilises the contributions of employees with diverse backgrounds, experiences and perspectives.

(l) **Departures from Recommendations**

Under the ASX Listing Rules the Company will be required to provide a statement in its annual financial report or on its website disclosing the extent to which it has followed the Recommendations during each reporting period. Where the Company has not followed a Recommendation, it must identify the Recommendation that has not been followed and give reasons for not following it.

The Company's compliance and departures from the Recommendations will also be announced prior to admission to the Official List of the ASX.

9. MATERIAL CONTRACTS

Set out below is a brief summary of certain contracts to which the Company is a party and which the Directors have identified as material to the Company or are of such a nature that an investor may wish to have details of particulars of them when making an assessment of whether to apply for Shares.

To fully understand all rights and obligations of a material contract, it would be necessary to review it in full and these summaries should be read in this light.

9.1 Joint Lead Manager Mandate

The Company has signed a mandate letter to engage Canaccord Genuity (Australia) Limited and Vert Capital Pty Ltd (together, the **Joint Lead Managers**) to act as joint lead managers to the Public Offer (**JLM Mandate**), the material terms and conditions of which are summarised below:

Fees	Under the terms of the JLM Mandate the Company will pay the Joint Lead Managers: (a) a 6% capital raising fee on funds raised under the Public Offer; (b) the issue of 1,125,000 Options exercisable at $0.40 on or before the date which is three years from their date of issue and otherwise on the terms and conditions set out in Section 10.3; and (c) all reasonable out-of-pocket expenses incurred by the Joint Lead Managers in connection with the JLM Mandate and the Public Offer, with individual items (excluding legal fees) in excess of $2,000 to be approved prior to being incurred.
Termination Events	No specific termination events exist and either party may terminate the mandate by providing written notice to the other party.

The JLM Mandate otherwise contains terms and conditions considered standard for an agreement of this nature.

9.2 Agreements with Directors

9.2.1 Mr Gavin Rezos

The Company has entered into a consultancy services agreement with Viaticus Capital Pty Ltd (**Viaticus Capital**), under which Viaticus Capital will provide executive management services to the Company, and procure Mr Rezos to act as Chairman of the Company. The material terms and conditions of which are summarised below:

Service Fees	The Company will pay Viaticus Capital a retainer of $13,350 (plus GST) per month. Upon the Chief Executive Officer successfully passing the initial three-month probation, the retainer will be adjusted to the higher of $75,000 per annum (plus GST) or 2.5 times the fees paid to the Non-Executive Directors of the Company.

Performance Rights	In addition to the retainer payment mentioned above, the Company will also offer to Viaticus Capital (or its nominee), 2,400,000 Performance Rights as follows: (a) 800,000 Class A Performance Rights; (b) 800,000 Class B Performance Rights; and (c) 800,000 Class C Performance Rights, on the terms and conditions set out in Section 10.4 of this Prospectus.
Termination by the Company	The Company may terminate the agreement by giving written notice to Viaticus Capital if Viaticus Capital has committed a material and substantial breach of any of the provisions of the agreement. The Company does not need to provide notice of termination if it has first given to Viaticus Capital: (a) written notice of the grounds upon which the Company proposes to rely on to terminate the agreement; and (b) where grounds relate to circumstances which are capable of being rectified, 30 days from the date of receipt of the notice mentioned in paragraph (a) above.
Termination by either party	Either party may terminate the agreement at any time by providing no less than 3 months written notice to the other party.

The consultancy services agreement otherwise contains provisions considered standard for an agreement of this nature.

9.3 Mr Antony Beckmand

The Company has entered into an executive services agreement with Mr Beckmand, under which Mr Beckmand will be appointed as the Company's Chief Executive Officer on the material terms and conditions which are summarised below:

Commence-ment	Mr Beckmand is expected to commence as Chief Executive Officer on or before 15 September 2021, following completion of the notice period which applies following his resignation from his previous executive role.
Probation	Upon commencing as CEO, Mr Beckmand will serve a three month probationary period, during which time the Company may terminate his employment without reason on two weeks' written notice.
Remuneration	The Company will pay Mr Beckmand a salary of $300,000 per annum.
Performance Rights	In addition to the remuneration mentioned above, the Company will also offer Mr Beckmand (or his nominee), 1,200,000 Performance Rights, comprising: (a) 400,000 Class A Performance Rights; (b) 400,000 Class B Performance Rights; and

	(c) 400,000 Class C Performance Rights, on the terms and conditions set out in Section 10.4 of this Prospectus.
Termination	The termination provisions in the executive services agreement are on standard commercial terms and generally require a minimum period of notice prior to termination. In the event that the Company elects to terminate the executive services agreement without reason, it must pay Mr Beckmand the salary payable over a six month period.

The executive services agreement otherwise contains terms and conditions considered standard for an agreement of this nature.

9.3.2 Non-executive Director appointments

Mr Borg, Ms McGuire and Ms Liodden have each entered into appointment letters with the Company to act in the capacity as Non-Executive Directors of the Company respectively.

Mr Borg will be paid $35,000 per annum plus GST for his role as Non-Executive Director. In addition, Mr Borg will receive 900,000 Performance Rights (comprising 300,000 Class A Performance Rights, 300,000 Class B Performance Rights and 300,000 Class C Performance Rights) on the terms and conditions set out in Section 10.4. In addition, the Company has entered into a consultancy agreement with Mr Borg for the provision of consultancy services on an as-required basis for a fee of $1,200 per day.

Each of Ms McGuire and Ms Liodden will be paid $35,000 per annum plus GST for her role as Non-Executive Director. In addition, each of Ms McGuire and Ms Liodden will receive 300,000 Performance Rights (comprising 100,000 Class D Performance Rights, 100,000 Class E Performance Rights and 100,000 Class F Performance Rights) on the terms and conditions set out in Section 10.4.

9.3.3 Deeds of indemnity, insurance and access

The Company will enter into a deed of indemnity, insurance and access with each of its Directors and key personnel. Under these deeds, the Company will agree to indemnify each officer to the extent permitted by the Corporations Act against any liability arising as a result of the officer acting as an officer of the Company. The Company will also be required to maintain insurance policies for the benefit of the relevant officer and allow the officers to inspect board papers in certain circumstances.

9.4 Other

The Company has entered into a mandate with S3 Consortium Pty Ltd under which S3 Consortium Pty Ltd will provide various marketing services to the Company post-listing. The material terms and conditions of the mandate are summarised below:

Fees	Under the terms of the mandate, the Company will pay S3 Consortium Pty Ltd a fee of $375,000 (excluding GST) to be paid in Shares at a deemed issue price of $0.20 per Share, so that a maximum of 1,875,000 Shares will be issued during the term of the mandate.

Termination Events	The mandate will terminate three months from the date of the mandate, irrespective of whether all services provided by S3 Consortium Pty Ltd under the mandate have been completed. The Company has the option to extend the mandate by a further three months to ensure that the services can be completed. The mandate may also be terminated by either party: (a) in the event that the other party is in default of a term of the mandate and that party fails to remedy the default within 14 days of being given notice of the alleged default; (b) immediately if the other party is declared bankrupt, suffers an insolvency event or enters intoa deed of arrangement with its creditors; or (c) by giving not less than 45 days written notice of termination to the other party.

The mandate otherwise contains provisions considered standard for an agreement of this nature.

10. ADDITIONAL INFORMATION

10.1 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

10.2 Rights attaching to Shares

The following is a summary of the more significant rights attaching to Shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

(a) **General meetings**

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution.

(b) **Voting rights**

Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at general meetings of Shareholders or classes of Shareholders:

(i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;

(ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and

(iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the Share, but in respect of partly paid Shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited). Amounts paid in advance of a call are ignored when calculation the proportion.

(c) **Dividend rights**

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid or credited as paid is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they believe to be justified subject to the requirements of the Corporations Act. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement on such terms and conditions as the Directors think fit, (a) a dividend reinvestment plan which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares and (b) a dividend election plan permitting holders of Shares to the extent that the Shares are fully paid, to have the option to elect to forego the right to share in any dividends (whether interim or otherwise) payable in respect of such Shares and to receive instead an issue of Shares credited as fully paid up to the extent as determined by the Directors.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution of the Company, divide among the shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution of the Company, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any Shares or other securities in respect of which there is any liability.

(e) **Shareholder liability**

As the Shares under the Prospectus are fully paid shares, they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of Shares**

Generally, Shares are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act or the ASX Listing Rules.

(g) **Variation of rights**

Pursuant to section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three-quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(h) **Alteration of Constitution**

The Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

10.3 Options – to be issued to the Joint Lead Managers

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) Exercise Price

Subject to paragraph (i), the amount payable upon exercise of each Option will be $0.40 (Exercise Price)

(c) Expiry Date

Each Option will expire at 5:00 pm (WST) on the date that is three years from the date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) Exercise Period

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) Notice of Exercise

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (Notice of Exercise) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) Exercise Date

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) Timing of issue of Shares on exercise

Within five Business Days after the Exercise Date, the Company will:

(i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;

(ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

(iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) Shares issued on exercise

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) Reconstruction of capital

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the

Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) Participation in new issues

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) Change in exercise price

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) Transferability

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

10.4 Performance Rights

(a) **Vesting Conditions and Expiry Dates**

The Performance Rights shall be subject to the following **Vesting Conditions** and shall have the following **Expiry Dates**:

	Vesting Condition	Expiry Date
Class A	Upon Kuniko achieving a volume weighted average price (**VWAP**) for Shares of $0.30 or more over 20 consecutive trading days	4 years from the date of issue
Class B	Upon Kuniko achieving a VWAP for Shares of $0.40 or more over 20 consecutive trading days	4 years from the date of issue
Class C	Upon Kuniko achieving a VWAP for Shares of $0.50 or more over 20 consecutive trading days	4 years from the date of issue
Class D	12 months from listing on ASX (subject to continuous service by the holder with Kuniko up until that point)	4 years from the date of issue
Class E	24 months from listing on ASX (subject to continuous service by the holder with Kuniko up until that point)	4 years from the date of issue
Class F	36 months from listing on ASX (subject to continuous service by the holder with Kuniko up until that point)	4 years from the date of issue

(b) **Notification to holder**

Kuniko shall notify the holder in writing when the relevant Vesting Condition has been satisfied.

(c) **Conversion**

Subject to paragraph (o), upon satisfaction of the applicable Vesting Condition, each Performance Right will, at the election of the holder, convert into one Share.

(d) **Lapse of a Performance Rights**

Any Performance Right that has not been converted into a Share prior to the Expiry Date specified in paragraph (a) will automatically lapse.

(e) **Fraudulent or dishonest action**

If a holder ceases to be an employee or Director of Kuniko in circumstances where the cessation or termination is specifically referenced to the holder having been found to have acted fraudulently or dishonestly in the performance of his or her duties, then:

(i) the Board must deem any Performance Rights of the holder to have immediately lapsed and be forfeited; and

(ii) any Performance Rights that have vested will continue in existence in accordance with their terms of issue only if the relevant Vesting Conditions have previously been met, and any Shares issued on satisfaction of the applicable Vesting Conditions will remain the property of the holder.

(f) **Ceasing to be an employee or Director**

If a holder ceases to be an employee or Director of Kuniko in circumstances where the cessation or termination arises because the holder:

(i) voluntarily resigns his or her position (other than to take up employment with a subsidiary of Kuniko);

(ii) wilfully breaches the terms of the engagement of the holder or any policy of Kuniko's published policies regulating the behaviour of holder;

(iii) is convicted of a criminal offence which, in the reasonable opinion of Kuniko, might tend to injure the reputation or the business of Kuniko; or

(iv) is found guilty of a breach of the Corporations Act and the Board considers that it brings the holder or Kuniko into disrepute,

then:

(v) unless the Board decides otherwise in its absolute discretion, will deem any Performance Rights of the holder to have immediately lapsed and be forfeited; and

(vi) any Performance Rights that have vested will continue in existence in accordance with their terms of issue only if the relevant Vesting Conditions have previously been met and any Shares issued on satisfaction of the applicable Vesting Conditions will remain the property of the holder.

(g) Other circumstances

The Performance Rights will not lapse and be forfeited where the holder ceases to be an employee or Director of Kuniko for one of the following reasons:

(i) death or total permanent disability (in respect of total permanent disability being that because of a sickness or injury, the holder is unable to work in his or her own or any occupation for which they are suited by training, education, or experience for a period beyond one year);

(ii) redundancy (being where the holder ceases to be an employee or Director due to Kuniko no longer requiring the holder's position to be performed by any person); or

(iii) any other reason, other than a reason listed in rules (f) and (g) (not including (g)(i), in which case the Board may exercise its absolute discretion to allow the resigned to retain their Performance Right), that the Board determines is reasonable to permit the holder to retain his or her Performance Rights,

and in those circumstances the Performance Rights will continue to be subject to the applicable Vesting Conditions (excluding Class D, E and F Performance Rights).

(h) Share ranking

All Shares issued upon the conversion of Performance Rights on satisfaction of the applicable Vesting Condition will upon issue rank pari passu in all respects with other Shares.

(i) Application to ASX

The Performance Rights will not be quoted on ASX. Kuniko must apply for the official quotation of a Share issued on conversion of a Performance Right on ASX within the time period required by the ASX Listing Rules.

(j) Timing of issue of Shares on Conversion

Within 10 business days after date that Performance Rights are converted, Kuniko will:

(i) issue the number of Shares required under these terms and conditions in respect of the number of Performance Rights converted;

(ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if Kuniko is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

(iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the conversion of the Performance Rights.

If a notice delivered under 10.4(j)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, Kuniko must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(k) Transfer of Performance Rights

Upon issue the Performance Rights are not transferable.

(l) Participation in new issues

A Performance Right does not entitle a holder (in their capacity as a holder of a Performance Right) to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.

(m) Reorganisation of capital

If at any time the issued capital of Kuniko is reconstructed, all rights of a holder will be changed in a manner consistent with the applicable ASX Listing Rules and the Corporations Act at the time of reorganisation (including any relevant share price milestone where applicable).

(n) Dividend and voting rights

The Performance Rights do not confer on the holder an entitlement to vote (except as otherwise required by law) or receive dividends.

(o) Deferral of conversion if resulting in a prohibited acquisition of Shares

If the conversion of a Performance Right would result in any person being in contravention of section 606(1) of the *Corporations Act 2001* (Cth) (**General Prohibition**) then the conversion of that Performance Right shall be deferred until such later time or times that the conversion would not result in a contravention of the General Prohibition. In assessing whether a conversion of a Performance Right would result in a contravention of the General Prohibition:

(i) holders may give written notification to Kuniko if they consider that the conversion of a Performance Right may result in the contravention of the General Prohibition. The absence of such written notification from the holder will entitle Kuniko to assume the conversion of a Performance Right will not result in any person being in contravention of the General Prohibition;

(ii) Kuniko may (but is not obliged to) by written notice to a holder request a holder to provide the written notice referred to in paragraph (o)(i) within seven days if Kuniko considers that the conversion of a Performance Right may result in a contravention of the General Prohibition. The absence of such written notification from the holder will entitle Kuniko to assume the conversion of a Performance Right will not result in any person being in contravention of the General Prohibition.

(p) No rights to return of capital

A Performance Right does not entitle the holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

(q) Rights on winding up

A Performance Right does not entitle the holder to participate in the surplus profits or assets of Kuniko upon winding up.

(r) No other rights

A Performance Right gives the holder no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

10.5 Employee Incentive Plan

A summary of the terms of the Company's Employee Securities Incentive Plan (**Plan**) is set out below.

(a) Eligible Participant

Eligible Participant means a person who is a full-time or part-time employee, a non-executive Director, a contractor or a casual employee of the Company, or an Associated Body Corporate (as defined in ASIC Class Order 14/1000), or such other person who has been determined by the Board to be eligible to participate in the Plan from time to time.

The Company will seek Shareholder approval for Director and related party participation in accordance with Listing Rule 10.14.

(b) Purpose

The purpose of the Plan is to:

(i) assist in the reward, retention and motivation of Eligible Participants;

(ii) link the reward of Eligible Participants to Shareholder value creation; and

(iii) align the interests of Eligible Participants with shareholders of the Group (being the Company and each of its Associated Bodies Corporate), by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Securities.

(c) Plan administration

The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its sole and absolute discretion. The Board may delegate its powers and discretion.

(d) Eligibility, invitation and application

The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an invitation to that Eligible

Participant to apply for Securities on such terms and conditions as the Board decides.

On receipt of an invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part.

If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.

(e) Grant of Securities

The Company will, to the extent that it has accepted a duly completed application, grant the Participant the relevant number of Securities, subject to the terms and conditions set out in the invitation, the Plan rules and any ancillary documentation required.

(f) Terms of Convertible Securities

Each 'Convertible Security' represents a right to acquire one or more Shares (for example, under an option or performance right), subject to the terms and conditions of the Plan. Prior to a Convertible Security being exercised a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security by virtue of holding the Convertible Security. A Participant may not sell, assign, transfer, grant a security interest over or otherwise deal with a Convertible Security that has been granted to them unless otherwise determined by the Board. A Participant must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.

(g) Vesting of Convertible Securities

Any vesting conditions applicable to the grant of Convertible Securities will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant Convertible Securities have vested. Unless and until the vesting notice is issued by the Company, the Convertible Securities will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to a Convertible Security are not satisfied and/or otherwise waived by the Board, that Convertible Security will lapse.

(h) Exercise of Convertible Securities and cashless exercise

To exercise a Convertible Security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise of Convertible Securities (see below), pay the exercise price (if any) to or as directed by the Company, at any time following vesting of the Convertible Security (if subject to vesting conditions) and prior to the expiry date as set out in the invitation or vesting notice.

An invitation may specify that at the time of exercise of the Convertible Securities, the Participant may elect not to be required to provide payment of the exercise price for the number of Convertible Securities specified in a notice of exercise, but that on exercise of those Convertible

Securities the Company will transfer or issue to the Participant that number of Shares equal in value to the positive difference between the Market Value of the Shares at the time of exercise and the exercise price that would otherwise be payable to exercise those Convertible Securities.

Market Value means, at any given date, the volume weighted average price per Share traded on the ASX over the 5 trading days immediately preceding that given date, unless otherwise specified in an invitation.

A Convertible Security may not be exercised unless and until that Convertible Security has vested in accordance with the Plan rules, or such earlier date as set out in the Plan rules.

(i) Delivery of Shares on exercise of Convertible Securities

As soon as practicable after the valid exercise of a Convertible Security by a Participant, the Company will issue or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under the Plan rules and issue a substitute certificate for any remaining unexercised Convertible Securities held by that Participant.

(j) Forfeiture of Convertible Securities

Where a Participant who holds Convertible Securities ceases to be an Eligible Participant or becomes insolvent, all unvested Convertible Securities will automatically be forfeited by the Participant, unless the Board otherwise determines in its discretion to permit some or all of the Convertible Securities to vest.

Where the Board determines that a Participant has acted fraudulently or dishonestly; committed an act which has brought the Company, the Group or any entity within the Group into disrepute, or wilfully breached his or her duties to the Group or where a Participant is convicted of an offence in connection with the affairs of the Group; or has a judgment entered against him or her in any civil proceedings in respect of the contravention by the Participant of his or her duties at law, in equity or under statute, in his or her capacity as an employee, consultant or officer of the Group, the Board may in its discretion deem all unvested Convertible Securities held by that Participant to have been forfeited.

Unless the Board otherwise determines, or as otherwise set out in the Plan rules:

(i) any Convertible Securities which have not yet vested will be forfeited immediately on the date that the Board determines (acting reasonably and in good faith) that any applicable vesting conditions have not been met or cannot be met by the relevant date; and

(ii) any Convertible Securities which have not yet vested will be automatically forfeited on the expiry date specified in the invitation or vesting notice.

(k) Change of control

If a change of control event occurs in relation to the Company, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Participant's

Convertible Securities will be dealt with, including, without limitation, in a manner that allows the Participant to participate in and/or benefit from any transaction arising from or in connection with the change of control event provided that, in respect of Convertible Securities, the maximum number of Convertible Securities (that have not yet been exercised) that the Board may determine will vest and be exercisable into Shares under this Rule is that number of Convertible Securities that is equal to 10% of the Shares on issue immediately following vesting under this Rule, which as far as practicable will be allocated between holders on a pro-rata basis on the basis of their holdings of Convertible Securities on the date of determination of vesting.

(l) Rights attaching to Plan Shares

All Shares issued or transferred under the Plan or issued or transferred to a Participant upon the valid exercise of a Convertible Security, (Plan Shares) will rank pari passu in all respects with the Shares of the same class. A Participant will be entitled to any dividends declared and distributed by the Company on the Plan Shares and may participate in any dividend reinvestment plan operated by the Company in respect of Plan Shares. A Participant may exercise any voting rights attaching to Plan Shares.

(m) Disposal restrictions on Plan Shares

If the invitation provides that any Plan Shares are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.

For so long as a Plan Share is subject to any disposal restrictions under the Plan, the Participant will not:

(i) transfer, encumber or otherwise dispose of, or have a security interest granted over that Plan Share; or

(ii) take any action or permit another person to take any action to remove or circumvent the disposal restrictions without the express written consent of the Company.

(n) Adjustment of Convertible Securities

If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.

If Shares are issued by the Company by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Convertible Securities is entitled, upon exercise of the Convertible Securities, to receive an issue of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Convertible Securities are exercised.

Unless otherwise determined by the Board, a holder of Convertible Securities does not have the right to participate in a pro rata issue of Shares made by the Company or sell renounceable rights.

(o) Participation in new issues

There are no participation rights or entitlements inherent in the Convertible Securities and holders are not entitled to participate in any new issue of Shares of the Company during the currency of the Convertible Securities without exercising the Convertible Securities.

(p) Compliance with applicable law

No Security may be offered, grated, vested or exercised if to do so would contravene any applicable law. In particular, the Company must have reasonable grounds to believe, when making an invitation, that the total number of Plan Shares that may be issued upon exercise of Convertible Securities offer when aggregated with the number of Shares issued or that may be issued as a result of offers made at any time during the previous three year period under:

(i) an employee incentive scheme of the Company covered by ASIC Class Order 14/1000 (**Class Order**); or

(ii) an ASIC exempt arrangement of a similar kind to an employee incentive scheme, but disregarding any offer made or securities issued in the capital of the Company by way of or as a result of:

(A) an offer to a person situated at the time of receipt of the offer outside Australia;

(B) an offer that did not need disclosure to investors because of section 708 of the Corporations Act (exempts the requirement for a disclosure document for the issue of securities in certain circumstances to investors who are deemed to have sufficient investment knowledge to make informed decisions, including professional investors, sophisticated investors and senior managers of the Company); or

(C) an offer made under a disclosure document, which would exceed 5% (or such other maximum permitted under any applicable law) of the total number of Shares on issue at the date of the invitation.

(q) Maximum number of Securities

When relying on the Class Order relief, the Company will not make an invitation under the Plan if the number of Plan Shares that may be issued, or acquired upon exercise of Convertible Securities offered under an invitation, when aggregated with the number of Shares issued or that may be issued as a result of all invitations under the Plan, will exceed 5% of the total number of issued Shares at the date of the invitation.

(r) Amendment of Plan

Subject to the following paragraph, the Board may at any time amend any provisions of the Plan rules, including (without limitation) the terms

and conditions upon which any Securities have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect.

No amendment to any provision of the Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.

(s) Plan duration

The Plan continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely and may end any suspension. If the Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.

If a Participant and the Company (acting by the Board) agree in writing that some or all of the Securities granted to that Participant are to be cancelled on a specified date or on the occurrence of a particular event, then those Securities may be cancelled in the manner agreed between the Company and the Participant.

(t) Income Tax Assessment Act

The Plan is a plan to which Subdivision 83A-C of *the Income Tax Assessment Act 1997* (Cth) applies (subject to the conditions in that Act).

(u) Maximum number of equity securities proposed to be issued under the Plan

For the purposes of Listing Rule 7.2 (Exception 13(a)), the maximum number of securities proposed to be issued under the Plan is 2,659,024 , being approximately 5% of the Company's issued Share capital on listing. This is in addition to the Performance Rights which will be on issue at listing (refer to Section 5.6 for further details of those Performance Rights). Also, this number does not include any incentive securities which may be offered or issued to persons to whom the disclosure requirements under Chapter 6D of the Corporations Act do not apply, utilising the Company's placement capacity under Listing Rule 7.1 or subject to shareholder approval under Listing Rules 7.1, 10.11 or 10.14 (as applicable).

10.6 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed Director holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

(a) the formation or promotion of the Company;

(b) any property acquired or proposed to be acquired by the Company in connection with:

(i) its formation or promotion; or

(ii) the Offer; or

(c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed Director:

(d) as an inducement to become, or to qualify as, a Director; or

(e) for services provided in connection with:

(i) the formation or promotion of the Company; or

(ii) the Offer.

10.7 Interests of Experts and Advisers

Other than as set out below or elsewhere in this Prospectus, no:

(a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;

(b) promoter of the Company; or

(c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

(d) the formation or promotion of the Company;

(e) any property acquired or proposed to be acquired by the Company in connection with:

(i) its formation or promotion; or

(ii) the Offers; or

(f) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

(g) the formation or promotion of the Company; or

(h) the Offers.

Route to Reserves and Fjordvangen Geoscience have prepared the Independent Geologist's Report which is included in Annexure A. The Company estimates it will pay Route to Reserves and Fjordvangen Geoscience a total of $45,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Route to Reserves and Fjordvangen Geoscience have not received any fees from the Company for any other services.

Advokatfirmaet Schjødt AS have prepared the Solicitors Title Report which is included in Annexure B. The Company estimates it will pay Advokatfirmaet Schjødt AS $30,000 (excluding GST) for these services. During the 24 months

preceding lodgement of this Prospectus with the ASIC, Advokatfirmaet Schjødt AS has not received any fees from the Company for any other services.

RSM Corporate Australia Pty Ltd has acted as Investigating Accountant and has prepared the Independent Limited Assurance Report which is included in Annexure C. The Company estimates it will pay RSM Corporate Australia Pty Ltd a total of $15,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, RSM Corporate Australia Pty Ltd has not received no fees from the Company for any other services.

Canaccord Genuity (Australia) Limited and Vert Capital Pty Ltd have acted as Joint Lead Managers to the Public Offer and will receive those fees set out in Section 4.5. Further details in respect to the Lead Manager Mandate are summarised in Section 9.1. During the 24 months preceding lodgement of this Prospectus with the ASIC, the Joint Lead Managers have not received fees from the Company for any other services.

Steinepreis Paganin has acted as the Australian legal advisers to the Company in relation to the Offers. The Company estimates it will pay Steinepreis Paganin $100,000 (excluding GST) for these services. Subsequently, fees will be charged in accordance with normal charge out rates. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has received $417,457.86 in fees from Vulcan and the Company for other services.

10.8 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the Shares), the Directors, any persons named in the Prospectus with their consent as proposed Directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

(a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section;

(b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section; and

(c) has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Mr Graham Banks and Mr Matt Jackson have given their written consent to being named as Independent Geologists in this Prospectus, the inclusion of the Independent Geologist's Report in Annexure A in the form and context in which the report is included.

Advokatfirmaet Schjødt AS has given its written consent to being named as the Norwegian legal advisors to the Company in relation to the Offers in this Prospectus and the inclusion of the Solicitor's Report on Tenements included in Annexure B to this Prospectus in the form and context in which it appears.

RSM Corporate Australia Pty Ltd has given its written consent to being named as Investigating Accountant in this Prospectus and to the inclusion of the Independent Limited Assurance Report in Annexure C in the form and context in which the information and report is included.

RSM Australia Partners has given its written consent to being named as auditor of the Company in this Prospectus.

Steinepreis Paganin has given its written consent to being named as the Australian legal advisers to the Company in relation to the Offers in this Prospectus.

Canaccord Genuity (Australia) Limited and Vert Capital Pty Ltd have given their written consents to being named as the Joint Lead Managers to the Public Offer in this Prospectus.

10.9 Expenses of the Offers

The total expenses of the Offers (excluding GST) are estimated to be approximately $440,475 for the Offers and are expected to be applied towards the items set out in the table below:

Item of Expenditure	Amount ($)
ASIC fees	4,169
ASX fees	77,269
Joint Lead Manager Fees[1]	150,000
Legal Fees	90,000
Solicitors Title Report Fees	30,000
Independent Geologist's Fees	45,000
Investigating Accountant's Fees	15,000
Printing and distribution	25,000
Miscellaneous	4,037
TOTAL	**440,475**

Notes:

1. Excludes the value of Options to be issued to the Joint Lead Managers.

11. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director and Proposed Director has consented to the lodgement of this Prospectus with the ASIC.

Gavin Rezos
Executive Chairman
For and on behalf of
Kuniko Limited

12. GLOSSARY

Where the following terms are used in this Prospectus they have the following meanings:

$ means an Australian dollar.

Application Form means the Public Offer Application Form and/or the Priority Offer Application Form (as the context requires) accompanying this Prospectus.

ASIC means Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

ASX Listing Rules means the official listing rules of ASX.

Board means the board of Directors as constituted from time to time.

Business Days means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

CHESS means the Clearing House Electronic Subregister System operated by ASX Settlement.

Closing Date means the Public Offer Closing Date and/or the Priority Offer Closing Date (as the context requires).

Company or **Kuniko** means Kuniko Limited (ACN 619 314 055).

Conditions has the meaning set out in Section 4.6.

Constitution means the constitution of the Company.

Corporations Act means *the Corporations Act 2001* (Cth).

Directors means the directors of the Company at the date of this Prospectus.

Eligible Vulcan Shareholders means Vulcan Shareholders who are registered at 5:00pm (WST) on the Priority Offer Record Date with a registered address in Australia or New Zealand or such other jurisdiction where the Directors consider reasonable to make the Priority Offer and issue Shares.

EFT means electronic fund transfer.

Exercise Period has the meaning given in Section 10.3.

Exercise Price has the meaning given in Section 10.3.

Expiry Date has the meaning given in Section 10.3.

Exposure Period means the period of 7 days after the date of lodgement of this Prospectus, which period may be extended by the ASIC by not more than 7 days pursuant to section 727(3) of the Corporations Act.

Joint Lead Managers means Canaccord Genuity (Australia) Limited and Vert Capital Pty Ltd.

Joint Lead Manager Mandate means the agreement with the Lead Manager summarised in Section 9.1.

JORC Code means the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

Minimum Subscription means the minimum amount to be raised under the Offers, being $7,886,213.

Offers means the Public Offer and the Priority Offer.

Official List means the official list of ASX.

Official Quotation means official quotation by ASX in accordance with the ASX Listing Rules.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Performance Right means a performance right convertible into a Share.

Plan has the meaning set out in Section 10.4.

Projects has the meaning set out in Section 5.1.

Prospectus means this prospectus.

Priority Offer means a priority offer of Shares to Eligible Vulcan Shareholders, as described in Section 4.1

Priority Offer Application Form means the Application Form in respect of the Priority Offer.

Priority Offer Closing Date means the closing date of the Priority Offer as set out in the indicative timetable in Section 2.

Priority Offer Record Date the record date for the Priority Offer as set out in the indicative timetable in Section 2.

Public Offer means the offer of Shares pursuant to this Prospectus as set out in Section 4.1.

Public Offer Application Form means the Application Form in respect of the Public Offer.

Public Offer Closing Date means the closing date of the Public Offer as set out in the indicative timetable in Section 2.

Recommendations has the meaning set out in Section 8.4.

Section means a Section of this Prospectus.

Securities means securities in the capital of the Company including Shares, Options, Performance Rights and other convertible securities.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of Shares.

Vulcan means Vulcan Energy Resources Limited (ACN 624 223 132).

Vulcan Share means a fully paid ordinary share in the capital of Vulcan Energy Resources Ltd (ACN 624 223 132).

Vulcan Shareholder means a holder of Vulcan Shares.

WST means Western Standard Time as observed in Perth, Western Australia.

ANNEXURE A – INDEPENDENT GEOLOGIST'S REPORT

Dr Matt Jackson
Fjordvangen Geoscience, Nesoddtangen 1459, Norway
Org nr 913 773 772

Independent Geologist's Report

Kuniko Ltd
Level 11, Brookfield Place, 125, St Georges Terrace,
Perth, WA, 6000, Australia.

8 June 2021

Co-compiled by
Graham Banks, Ph.D.,
Consultant, senior exploration geoscientist,
Route To Reserves.

Co-compiled and supervised by Competent Person:
Matt Jackson Ph.D., MAusIMM(CP),
Fjordvangen Geoscience.

The Directors
Kuniko Limited
Level 11, Brookfield Place, 125, St Georges Terrace,
Perth, WA, 6000, Australia.

Dear Directors

KUNIKO LIMITED – INDEPENDENT GEOLOGIST'S REPORT

Matt Jackson (Fjordvangen Geoscience) and Graham Banks (Route To Reserves) have prepared an Independent Geologist's Report ("Report") on behalf of Kuniko Limited ("KNI" or the "Company" or "Kuniko"), that was formerly Koppar Resources Europe Pty Ltd. Matt Jackson is the Competent Person as defined in the 2012 Edition of the JORC Code. This Report concerns exploration Tenements in Norway that are listed in Table 1 and referred to as, "Tenements" throughout this Report. The 32 Tenements were acquired by Kuniko between 2018 and 2020 (Undal, Vangrøfta and Nyberget Tenements were granted in 2018; Feøy, Skuterud and Romsås Tenements were granted in 2020) and currently 100% held by Kuniko. They make up five exploration Projects in three regions of Norway, namely the Undal-Nyberget and Vangrøfta Projects (South-central Norway Tenements; Chapter 4), Romsås and Skuterud Projects (Southeast Norway Tenements; Chapter 5) and Feøy Project (Southwest Norway Tenements; Chapter 6). The primary commodities of interest are copper, cobalt and nickel. This Report is dated 8 June 2021.

This Report is to be included in a Prospectus to be lodged with the Australian Securities and Investment Commission ("ASIC") on or about the 9 June 2021, offering for subscription 39,431,064 ordinary shares in the capital of KNI ("Shares"), at an issue price of 20 cents per Share, to raise up to AUD$7,886,213 (before costs). The funds raised will be used primarily for the purpose of exploration and evaluation of the Tenements.

This Report has been prepared in accordance with the rules and guidelines issued by ASIC, the JORC Code (2012) and the Australian Securities Exchange (ASX). More details are in Section 1.3.

The information in this Report relates to historic exploration and mining activities of the Tenements. It is based upon, and honours, information and supporting documents compiled within the limited timeframe by the Authors, namely Graham Banks, PhD and Matt Jackson, PhD (see Section 1.2 for more details). Matt Jackson has sufficient experience to the styles of mineralization and types of deposit under consideration, and to the activity which he is undertaking, to qualify as a Competent Person as defined in the JORC Code (2012).

The legal status of the Tenements is subject to a separate Independent Solicitor's Report which is set out in the Prospectus and these matters have not been independently verified by the Authors. The present status of tenements listed this Report is based on information provided by Kuniko and the Report has been prepared on the assumption that the Tenements will prove lawfully accessible for evaluation and development. In addition, the Authors have not been requested to provide an Independent Valuation, nor have they been asked to comment on the Fairness or Reasonableness of any vendor or promoter considerations, and therefore it has not offered any opinion on these matters. During the preparation of this Report, the Authors assumed that Kuniko made available all relevant information held by the Company in its data folder. Other information used in this Report was sourced from readily available documents listed in the References section of this Report. See Section 1.5 for

more details. The Authors could not assess the accuracy of the contents of referenced reports nor conduct a complete audit of those documents, so made the assumption that they were accurate at the time they were written. The authors and competent persons of the reports referred to the References section have not consented to the references made to their reports by this Report. None of those documents were prepared in connection with an offer of shares by Kuniko.

This Report has been prepared by the Authors strictly in the role of independent experts. Professional fees payable for the preparation of this Report constitute the Authors' only commercial interest in Kuniko. Payment of fees is in no way contingent upon the conclusions of this Report. The Authors have given, and not withdrawn, their written consent for this Report to be included in the Prospectus, based on this Report's information in the form and context in which it appears.

The Tenements are considered to be sufficiently prospective, subject to varying degrees of uncertainty and risk, to warrant further exploration of their economic potential, consistent with the programs and budgets proposed by Kuniko. No Mineral Resources compliant with the JORC Code have been previously reported within the Tenements.

Matt Jackson is of the opinion that Kuniko has satisfactory and clearly defined the exploration and expenditure programs, and that they are reasonable and appropriate to the nature of the mineralization and the stated objectives of the Company. Kuniko's exploration program summary is included in the Report. It is noted that it may be refined, or its priorities revised, in view of exploration results as they are acquired.

Yours faithfully

Matt Jackson Ph.D, MAusIMM(CP)

Graham Banks Ph.D.

Disclaimer

The opinions expressed in this Report are derived from the information provided to the Authors by Kuniko and additional information gathered from the public domain. The Authors have endeavored, by making reasonable enquiry of Kuniko, to ensure that all material information in the possession of Kuniko has been fully disclosed. However, the Authors have not carried out any type of audit of the records of Kuniko to verify that all material documentation has been provided. A final draft version of this Report was provided to the Directors of Kuniko, along with a request to confirm that there are no material errors or omissions in the Report and that the technical information and interpretations provided by them and reflected in the Report are factually accurate. Confirmation of these terms has been provided in writing and has been relied upon by the Authors. The Authors have based their findings upon information supplied up until 12 December 2020. The Authors do not accept responsibility for any errors or omissions in the source information and do not accept any consequential liability arising from commercial decisions or actions resulting from them. Opinions presented in this Report apply to the Tenement's conditions and features as they existed at the time of Report preparation. These opinions do not necessarily apply to conditions and features that may arise after the date of this Report, about which the Authors had no prior knowledge nor had the opportunity to evaluate.

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Executive summary

This Report concerns Kuniko's exploration Tenements in Norway that are listed in Table 1 and referred to as, "Tenements" throughout this Report. The 32 Tenements were acquired by Kuniko between 2018 and 2020 (Undal, Vangrøfta and Nyberget Tenements were granted in 2018; Feøy, Skuterud and Romsås Tenements were granted in 2020) and currently 100% held by Kuniko. They make up five exploration Projects in three regions of Norway, namely the Undal-Nyberget and Vangrøfta Projects (South-central Norway Tenements; Chapter 4), Romsås and Skuterud Projects (Southeast Norway Tenements; Chapter 5) and Feøy Project (Southwest Norway Tenements; Chapter 6). The primary commodities of interest are copper, cobalt and nickel.

The Tenements are all at an early stage of exploration. No JORC 2012 Mineral Resources have been delineated at any of the Projects. Based on prevailing market sentiment and commodity prices exploration for these commodities is warranted and the Tenements are considered sufficiently prospective to justify the exploration expenditure and work programmes outlined in the Prospectus. None of the Tenements contain any modern Exploration Targets, Mineral Resources nor Ore Reserves prepared and reported in accordance with JORC (2012) guidelines. Therefore, this document contains a JORC (2012) Table 1 and Table 2 only: for Sampling Techniques and Data, and Reporting of Exploration Results (Appendix 2).

For the historically reported resource categories of mineralization, no information was identified to explain: their reliability, relevance and materiality: the work programs on which the historical estimates are based; nor the key assumptions, mining and processing parameters and methods used to prepare the historical estimates. A competent person has not done sufficient work to classify the historical estimates or foreign estimates as mineral resources or ore reserves in accordance with the JORC (2012) Code. It is uncertain that following evaluation and/or further exploration work that the historical estimates or foreign estimates will be able to be reported as mineral resources or ore reserves in accordance with the JORC (2012) Code.

<u>The South-central Norway Tenements</u>

The South-central Norway Tenements comprise the Undal 101-102, Nyberget 101-102 and Vangrøfta 102 Tenements. Undal 101-102 and Nyberget 101-102 Tenements (c.40 km^2) are in the Norwegian Caledonides geological province, in Trøndelag county. Vangrøfta 102 tenement (9.78 km^2) is in Hedmark county. This part of Norway is known for its historically important copper, zinc and lead production. There has been minimal, modern exploration of the Undal, Nyberget and Vangrøfta mineralizations since the 1980s.

Trondheim international airport, Værnes, is c. 90km^2 away. There is also a local helicopter service based at the airport. The nearest port is the Port of Trondheim. Access to the Tenements is generally on asphalt roads, with some gravel roads also on the Tenements.

Kuniko was granted Undal 101-102 Tenements as new exploration project areas in 2018. The Tenements were chosen based on the location of the historic copper-zinc workings. The Undal deposit is a stratabound, volcanic-associated massive sulphide, copper, zinc, lead and iron deposit. The Undal deposit area had an intermittent exploration and production history with five periods of mining between 1668 and 1997. About 289 thousand tons of [assumed total] ore with grades of 1.15 % copper, 1.86 % zinc and 43.2 % iron were produced from the now disused, underground Undal Mine, until 1971.

Kuniko was granted the Nyberget 101-102 Tenements as a new exploration project area in 2018 (part of the Undal Project). Nyberget 102 tenement is entirely within wild reindeer territory. The Nyberget deposit is a stratabound, volcanic-associated massive sulphide, copper, zinc, lead and iron deposit. The historic, now disused, Nyberget copper-zinc mine (open-pit and underground mining) was active sometime between 1650 and 1750. There are nine other metals occurrences in the area on public Geological Survey of Norway ("NGU") maps: two iron, one zinc, one copper and five iron-sulphides. No details about Nyberget exploration and production history, produced tons of ore, nor metal grades were found during the preparation of this Report. The representativeness of rock dump samples containing 0.6-2.0 % copper is uncertain. "10 prospects were found within the Nyberget grid area", by Falldal Verk-Amoco (1983).

In the opinion of this Report's Authors, these Tenements are prospective for volcanic-associated massive sulphide-type, copper, zinc, cobalt, lead and iron deposits.

Vangrøfta 102 tenement contains an uncertain number of either volcanic-associated massive sulphide- or epigenetic- and hydrothermal-type, copper, gold and cobalt deposits. Kuniko was granted Vangrøfta 102 tenement in 2018 (Vangrøfta Project) and conducted a field reconnaissance trip and geochemical analysis on 13 rock-chip samples from a rock dump. Copper grades up to 16.75%, gold grades up to 3.33 grams per ton and anomalous concentrations of cobalt were reported. There are three, documented, copper occurrences in the tenement.

- Fredrik IV Mine is an abandoned, underground mine. Total production was 2000 tons of ore with 6% copper grade and a subsequent 575 tons of unknown grade.
- Vangrøften Skjerp is a disused, open-pit and underground test mine for base metal sulphide minerals. Ore production tons and years, and metal grades, are unknown. Subsequent exploration in the 1980s included geophysical surveys and three boreholes that were all "negative" [presumably for base metals mineralization].
- Flatskarvåsen occurrence consists of three shallow pits near Fredrik IV Mine. Ore production tons and years, and metal grades, are unknown.

<u>The Southeast Norway Tenements</u>

The Southeast Norway Tenements comprise: (a) nine, adjoining Romsås 101-109 Tenements that encompass c.90 km^2 of Østfold county and (b) 10, adjoining, Skuterud 101-110 Tenements that encompass c.52 km^2 of Buskerud county. This part of Norway is known for its historically important cobalt, copper and nickel production.

The nearest airport is Oslo Gardermoen Airport. There are also several helicopter services in the area. The nearest major ports are the Port of Oslo and the Port of Drammen. Access to the Romsås Tenements is generally on asphalt roads, although the western half of the Tenements area has few roads. Access to some parts of the Skuterud Tenements is on secondary asphalt roads, with some gravel roads also on the Tenements. Kuniko currently holds mineral exploration concessions in the 18 Tenements, that include the historically mined Romsås nickel, copper and cobalt deposit but not the historically mined, Skuterud, copper-cobalt deposits.

The Romsås deposit is an orthomagmatic, nickel, copper and cobalt deposit located in Askim municipality, whilst the Tenements set spans the Indre Østfold Municipality. The Romsås deposit was mined from 1866 to 1876. Total ore production from all the mines was 16,465 tons, with a nickel content of about 150 tons. The average ore grade at Romsås mine was 1.07 % nickel (+ cobalt) and 0.4 % copper. Romsås mine is in a protected environment area.

The Skuterud deposits are metasomatic-hydrothermal, copper-cobalt deposits in Modum municipality. The disused Skuterud mines are located in the southernmost 3 km of a 12 km long, 100-200 metres wide, mineralized zone called a fahlband. There were five mined areas and three other deposits. Mining occurred from 1773 to 1898, until ore reserves rapidly decreased. Total production is estimated as 1 million tons with 0.1–0.3 % cobalt, up to 2.0 % copper and gold up to several parts per million locally.

There have been no modern exploration programs or studies of the mineralizations in the Romsås Tenements. However, government documents note 22, small occurrences of nickel and copper sulphide mineralization.

The first modern exploration, and first ever mineral exploration drilling, of the Skuterud area was conducted by Berkut Minerals Ltd (Berkut) during its 2017-2018 Skuterud Cobalt Project: within Kuniko's current Tenements. Berkut "confirmed significant cobalt mineralization presenting near surface" at the historic Middagshville and Dovikollen mine workings; (b) revealed areas up to 0.5 km^2 each that contain anomalous cobalt and copper concentrations; and (c) revealed, "35 m wide copper and cobalt haloes that could be used as targeting vectors for potential higher-grade zones". Most sampling techniques and data descriptions followed the JORC (2012) reporting code. Samples from near-surface rock outcrops contain indicated grades of up to 0.2% cobalt and 0.4% copper. Berkut Minerals ceased activity in the Tenements in August 2018.

In the opinion of this Report's Authors, the Romsås Tenements may be prospective for orthomagmatic, nickel-copper sulphide mineralization and the Skuterud Tenements for metasomatic-hydrothermal, copper-cobalt deposits. A non-invasive, orientation study should be completed at the Romsås mine to drive reconnaissance exploration, that will serve as an analogue for any new nickel-copper-cobalt targets. A review of the previous exploration programs in the Skuterud Tenements should be conducted before any new reconnaissance exploration.

The Southwest Norway Tenements

The Southwest Norway Tenements are in and around the Norwegian Caledonides geological province. The eight, adjoining Tenements are named Feøy 101-108 and comprise the Feøy Project. They encompass a c.71 km^2 area across most of the Feøy islands group and the northern part of Karmøy Island. This part of Norway is known for its historically important copper and nickel production.

From Karmøy Island's Haugesund international airport. There is a helicopter service based at the airport. The nearest major port is the Port of Karmsund. Access to most Tenements is by asphalt ('sealed') roads, with some gravel ('unsealed') roads also on the Tenements. The Tenements include the historically mined, Karmøy copper-zinc volcanic-associated massive sulphide deposits and the Feøy nickel-copper-platinum group elements deposits.

The Karmøy, copper-zinc deposit is hosted by Karmøy ophiolitic rocks at Visnes on Karmøy Island. In its day (c.1880), the Visnes group of 45 now disused mines was important for Norway's copper and zinc production. Mining ceased in 1972. The Visnes Copper Mine was the largest and most modern in Northern Europe, via open-pit and underground mining. It produced 1.44 million tonnes of ore, with grades of [average] 1.66 % copper and 1.4 % zinc, from steeply dipping ore bodies. Visnes Mine is now protected by Norwegian law as an historic site. The Rødkleiv deposit was mined until 1971. It yielded 2.65 million tons of ore with grades of 0.78 % copper and 1.71 % zinc.

The orthomagmatic, Feøy, nickel-copper-platinum group elements deposits are hosted by Karmøy

ophiolitic rocks on Ulvøya Island. The disused, Feøy nickel mine had regular production between 1895-1901 and 1910-1922 via open-pit and underground mining. Thirty-seven thousand tons of ore with grades of 2.6 % copper and 2.1 % nickel was mined. It originally operated as a copper mine until nickel production commenced in 1899. The ore had concentrations of 4.4 parts per million palladium, 1.6 parts per million platinum and 0.2 parts per million rhenium. Total production (to the end of 1920) was 650 tons of nickel and 820 tons of copper.

In our opinion, Feøy 101-108 Tenements could be prospective for: (a) volcanic-associated massive sulphide-related copper and zinc mineralization, and (b) orthomagmatic, nickel-copper-platinum group elements mineralization. The following areas in the merit reconnaissance exploration: komatiite lithologies in the southern Tenements (as priority), and peridotite bodies in the southern Tenements (second priority).

Preliminary exploration program

A preliminary exploration program is proposed in Table ES-1, with the same objectives for each Tenement set. The Competent Person believes that this proposed exploration program is reasonable and appropriate for the styles of mineralization and the stage of exploration of each project. This Report's Authors caution that the suggested program is contingent upon the early results achieved, and therefore could deviate from the list presented above or cease after stage 2.

Due to COVID-19 restrictions, the Competent Person has only been able to visit the Romsås Tenements for preparation of this Report. The South-Central Tenements have been visited by a geologist contracted as a part of the preparation of this Report. The Feøy Tenements have not been visited.

Preliminary exploration budget

In the Competent Person's opinion, the preliminary budgeting estimate for exploration expenditure (Table ES-1) is reasonable and appropriate for the objectives of the preliminary exploration work program.

Based on subscription of $7,636,213			
	Year 1	Year 2	Total
Southeast Norway Tenements - Skuterud - Cobalt-Copper-Gold			
Review of historic mining and exploration	10,000		**10,000**
Data Integration, mineralisation models, target generation	10,000		**10,000**
Field studies - mapping/sampling	25,000	20,000	**45,000**
Geophysics	370,000		**370,000**
Geochemical Surveys	240,000		**240,000**
Drill Targeting	10,000	10,000	**20,000**
Exploration Drilling	250,000	250,000	**500,000**
Total	**915,000**	**280,000**	**1,195,000**
Southeast Norway Tenements - Romsås - Nickel-Copper			
Review of historic mining and exploration	10,000		**10,000**
Data Integration, mineralisation models, target generation	10,000		**10,000**
Field studies - mapping/sampling	25,000	10,000	**35,000**
Geophysics	100,000	200,000	**300,000**
Geochemical Surveys		100,000	**100,000**
Drill Targeting		10,000	**10,000**
Exploration Drilling		150,000	**150,000**
Total	**145,000**	**470,000**	**615,000**
Southwest Norway Tenements - Feøy - Nickel-Copper			
Review of historic mining and exploration	10,000		**10,000**
Data Integration, mineralisation models, target generation	10,000		**10,000**
Field studies - mapping/sampling	25,000	10,000	**35,000**
Geophysics	370,000		**370,000**
Geochemical Surveys	250,000		**250,000**
Drill Targeting		10,000	**10,000**
Exploration Drilling		250,000	**250,000**
Total	**665,000**	**270,000**	**935,000**
South-central Norway Tenements - Undal - Copper-Zinc-Cobalt			
Review of historic mining and exploration	10,000		**10,000**
Data Integration, mineralisation models, target generation	10,000		**10,000**
Field studies - mapping/sampling	25,000	10,000	**35,000**
Geophysics	120,000	250,000	**370,000**
Geochemical Surveys		250,000	**250,000**
Drill Targeting		10,000	**10,000**
Exploration Drilling		250,000	**250,000**
Total	**165,000**	**770,000**	**935,000**
South-central Norway Tenements - Vangrøfta - Copper-Cobalt			
Review of historic mining and exploration	5,000		**5,000**
Data Integration, mineralisation models, target generation	5,000		**5,000**
Field studies - mapping/sampling	10,000	5,000	**15,000**
Geophysics	40,000	150,000	**190,000**
Geochemical Surveys		100,000	**100,000**
Drill Targeting		10,000	**10,000**
Exploration Drilling		150,000	**150,000**
Total	**60,000**	**415,000**	**475,000**

Table ES-1. Preliminary, budgeting estimate for proposed exploration expenditure.

1. Introduction

1.1. This Report's objectives

The objectives of this Report are, for each Tenement cluster, to: (1) Summarize the geographic and geological settings; (2) Present a geological and socio-environmental summary; (3) Outline the historic exploration and mining work undertaken and any mineral resources; and (4) Comment upon the reasonableness of Kuniko's proposed exploration program and budget to implement to achieve the company's objectives.

1.2. This Report's Authors

This Report was compiled by Graham Banks and Matt Jackson, collectively named, "the Authors" throughout this Report. Graham Banks gained a BSc (Hons.) and a PhD in structural, ore and hard rock geology. He is principal geologist of Route To Reserves and has sufficient industry experience in early stage exploration, these mineralization styles and asset evaluations to co-write this Report. Matt Jackson has a BSc and PhD in geochemistry and hard rock geology. He has sufficient experience in the styles of mineralization and type of deposits under consideration to qualify as Competent Person as defined in the 2012 Edition of the JORC Code. Matt Jackson is a Chartered Professional member of the Australasian Institute of Mining and Metallurgy.

1.3. Purpose of this Report, rules followed and reporting codes

This Report is to be included in a Prospectus to be lodged with the Australian Securities and Investment Commission ("ASIC") on, or about, 9 June 2021, offering for subscription a total of 39,431,064 ordinary shares in the capital of KNI ("Shares"), at an issue price of 20 cents per Share, to raise up to AUD$7,886,213 (before costs). The funds raised will be used primarily for the exploration and evaluation of the Tenements. This Report has been prepared in accordance with the rules and guidelines issued by the ASX. Under these rules, this Report must comply with ASIC and the guidelines of the Australasian Code for Reporting of Exploration Results, Exploration Targets, Mineral Resources and Ore Reserves (prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, the Australian Institute of Geoscientists and the Minerals Council of Australia, effective December 2012, i.e., the JORC Code (2012) reporting codes, herein "JORC (2012)".

1.4. The Tenements, commodities, prospectivity and justification of evaluation programs

The Tenements are geographically grouped into three sets, namely the Southwest Norway Tenements, the Southeast Norway Tenements and the South-central Norway Tenements. The South-central Norway Tenements incorporate the Undal, Nyberget and Vangrøfta Tenements. The commodities of primary interest are copper, cobalt and zinc. The southeast Norway Tenements incorporate the Skuterud, and Romsås Tenements. The commodities of interest primary are nickel, copper and cobalt. The Southwest Norway Tenements are the Feøy Tenements. The commodities of primary interest are nickel, copper, cobalt and the Platinum Group Elements. The Tenements are considered to be sufficiently prospective, subject to varying degrees of risk and uncertainty, to warrant further exploration, consistent with the programs proposed by Kuniko.

1.5. Sources of information for this Report

During the preparation of this Report, the Authors assumed that Kuniko made available all relevant information held by the Company and stated to the Authors all the locations of pertinent information known by Kuniko but not held by Kuniko. The Authors added to this information, where necessary, with readily obtainable, public domain information, e.g., from: online geological survey databases, documents prepared by previous Tenement holders and their consultants, and scientific research publications. These information sources are listed in the References section at the end of this Report.

The Authors cannot assess the accuracy of the contents of referenced reports and could not carry out a complete audit of those reports, so assumed that they were accurate at the time of their writing. The Authors and competent persons of the documents listed in the References have not been asked for consent for their documents to be cited in this Report. None of those reports were prepared in connection with an offer of shares by Kuniko.

This Report includes information available up to the date of this Report. Kuniko has stated that all information that it provided can be presented in the Report and that none of that information is regarded as being confidential.

1.6. Reliance upon information for this Report

The Authors have relied upon the accuracy and completeness of technical, financial and legal information and data furnished by Kuniko. The Authors have endeavoured, by making reasonable enquiry of Kuniko, to ensure that all material information in the possession of Kuniko has been fully disclosed. However, the Authors have not carried out any type of audit of the records of Kuniko to verify that all material documentation has been provided. A final draft version of this Report was provided to the Directors of Kuniko, along with a request to confirm that there are no material errors or omissions in the Report and that the technical information and interpretations provided by them and reflected in the Report are factually accurate. Confirmation of these terms has been provided in writing and has been relied upon by the Authors. The Authors have based their findings upon information supplied up until 12 December 2020. The Authors do not accept responsibility for any errors or omissions in the source information and disclaim liability for any consequences of such errors or omissions. It is not the role of the Authors acting as independent technical experts to perform any due diligence procedures on behalf of the Company. The Directors of Kuniko are responsible for conducting appropriate due diligence in relation to mineral projects.

Where aspects of legal issues, marketing, commercial and financing matters, insurance, land titles and usage agreements, and any other agreements and/or contracts Kuniko may have entered into are covered in this report, the Authors have relied on information provided by Kuniko. The Authors have not researched property title or mineral rights for the concession area and express no opinion as to the ownership status of the property. In this Report, the Authors referred to, and relied upon news releases to the ASX by Koppar Resources Limited and Berkut Minerals Ltd, that include information in a JORC Code Table 1 in support of their exploration results; most of which were reported in accordance with the JORC Code.

It is uncertain whether further exploration work would enable the results to be reportable as Exploration Results or a Mineral Resource estimate in accordance with JORC (2012) guidelines.

1.7. Limitations

The scope of this Report is limited to an overview of the technical information and database. This Report should not be regarded as a comprehensive overview of the exploration and mining activities completed. Due to the size of the database and the limited extent to which it has been reviewed, the conclusions are only valid for understanding the required next steps for exploration.

1.8. Legal matters

The Authors clarify that they are not qualified to make legal representations regarding the ownership and legal standing of the Tenements described in this Report. The Authors have not attempted to confirm the legal status of the Tenements with respect to acquisition or joint venture agreements, land ownership, cultural heritage, potential land access restrictions, nor potential environmental restrictions. The Authors have relied upon information provided by Kuniko. This Report has been prepared upon the assumption that there is no cause to doubt that these Tenements will be accessible for near-term evaluation, exploration and development within the local and national laws.

1.9. Statement of Authors' independence

This Report has been prepared by the Authors strictly in the roles as independent experts. The Authors do not have any current nor contingent material interest in the outcome of this Report. Nor do they have any other interest that could be reasonably regarded as being capable of affecting their independence. The Competent Person is qualified to provide such reports for the purposes of inclusion in public company documents. The Authors have not been requested to provide an Independent Valuation, nor have they been asked to comment upon the Fairness or Reasonableness of any service provider's or promoter's considerations and have not offered any opinion on these matters. The Competent Person is not an employee of Kuniko and has no beneficial interest or shareholding in the company.

1.10. Consulting fees

The fees for researching and completing this Report are within the typical range of professional daily rates of Graham Banks and Matt Jackson. The fees were set based upon the complexity of the assignment and database; Graham Banks's experience conducting objective technical evaluation of, rating then prioritizing exploration assets/Tenements with sparse data; Matt Jackson's knowledge of the Tenements, the deposit types and the business of conducting exploration and tenement evaluations in Norway; availability of information. The fees paid to Graham Banks are USD$19,370 (AUD$24,880) and to Matt Jackson are NOK 135,975 (AUD$21,175). The fees payable for preparing this Report constitute Matt Jackson's and Graham Banks's only commercial interest in Kuniko. The payment of fees is not contingent upon the conclusions of this Report, nor the outcome of the offers of Kuniko shares under the Prospectus.

1.11. Consent

The Authors have given, and not withdrawn, their written consent for this Report to be included in the Prospectus, based on this Report's information in the form and context in which it appears. This includes publication on Kuniko's website, the inclusion of statements written by the Authors, and use of their names in other documents pertinent to the Prospectus and the offers of Kuniko shares in the Prospectus. The Authors provide this consent upon the understanding that the technical assessments expressed in the Summary and in the individual sections of this Report are considered with, and not independently of, the information set out in the complete Report and the Cover Letter. The Authors

confirm that to their knowledge and belief (having taken much effort to ensure so) the information contained within this Report is in accordance with the information provided by Kuniko and gathered from other sources, and it does not intentionally omit details that could cause deviation from the conclusions of the overall information.

2. Nation-scale political, geographic and geological settings

2.1. Present-day geography of Norway

Norway is one of Europe's largest countries in land area (304,282 km^2; including Svalbard and Jan Mayen Islands), although with a small population (5.4 million people; Worldometers, online). It is located on the Scandinavian Peninsula in northwestern Europe. Norway is bounded on the west by the North Atlantic Ocean and the North Sea, and bounded on the east by Sweden, Finland and Russia. Around two-thirds of the land is mountainous, and there are around 50,000 islands off its much-indented coastline. The terrain is classed as glaciated, i.e., mostly high plateaus and rugged mountains broken by: fertile valleys; small, scattered plains; coastline deeply indented by fjords; arctic tundra in the north. The landscapes ranges through farm fields, forests, lakes, mountains, plateaus and glaciers. Norway's natural resources include petroleum, natural gas, iron, copper, lead, zinc, titanium, pyrites, nickel, fish, timber and hydropower. From Country reports (online).

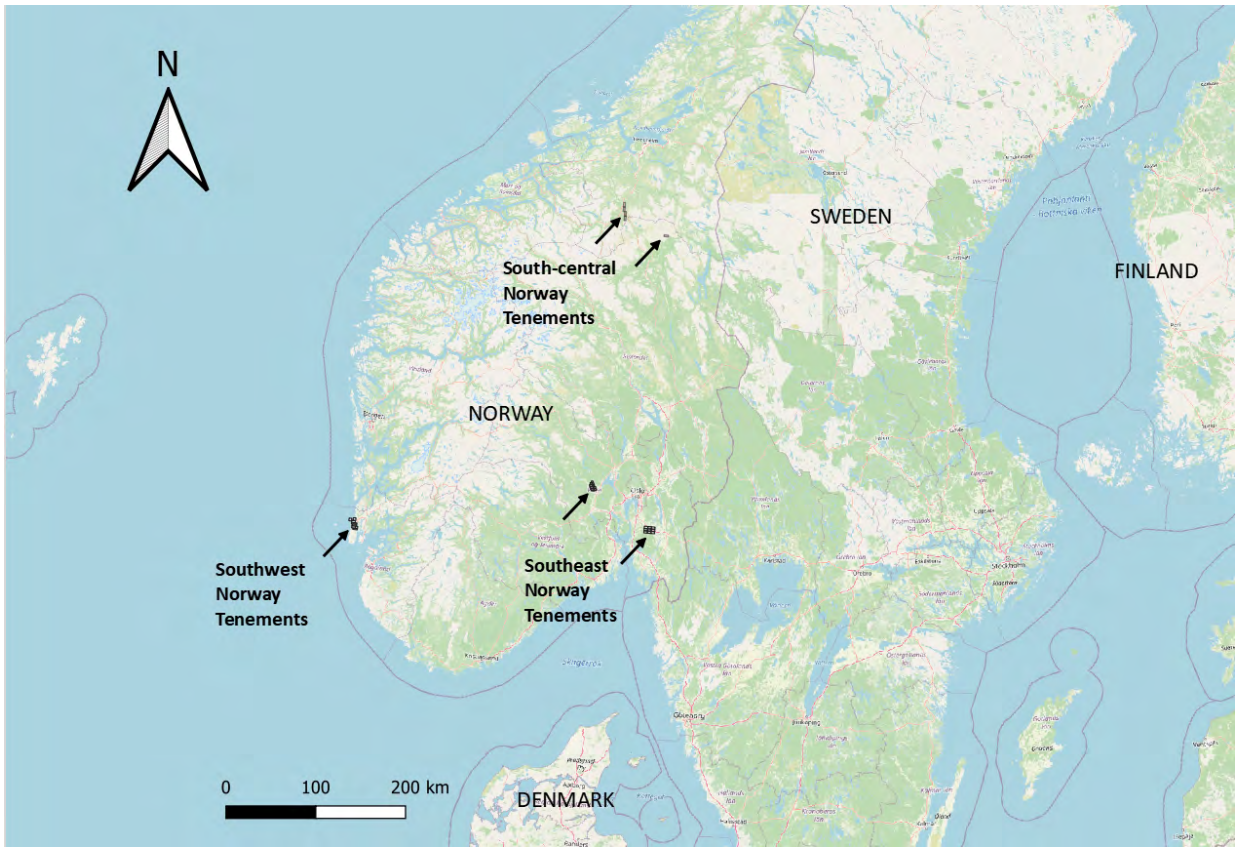

Figure 1. A simplified location map of the Nordic region and the three tenement sets.

2.2. Present-day geological and tectonic setting of Norway

Norway is on the European continent, and on the Baltic (Fennoscandian) Shield part of the Eurasian tectonic plate. It is on the eastern part of the greater North Atlantic tectonic region and on the eastern Atlantic Ocean conjugate margin. The geological history of the greater North Atlantic region is dominated by the amalgamation and subsequent breakup of the Pangaea supercontinent (Ziegler et

al., 1988). Norway is part of the Scandinavian, North Atlantic, passive, continental margin. The passive margin includes the offshore basin domain and large portions of the onshore Scandinavian Caledonides (Mosar, 2003). The Norwegian landscape is a function of geological processes working over very long time spans: first order structures might be traced back to ancient denudation processes, the Caledonian Orogeny or break-up of the North Atlantic. Meanwhile, large, intermediate-, and small-scale landforms are a result of Quaternary glaciations or periglacial processes (Fredin et al., 2013).
Significant neotectonic movements in Norway show that the Baltic Shield is not a uniformly quiescent and stable continental-crustal area. However, the seismicity of Norway is low to intermediate on a global scale (Olesen et al., 2013). None of the 1980–2011 earthquake epicentres shown on Figure 2 of Olesen et al. (2013) are in the areas of Kuniko's Tenements.

3. Tenure of the three groups of exploration Tenements

The Tenements included in the Southwest Norway Tenements, the Southeast Norway Tenements and the South-central Norway Tenements are summarized in Table 1.

TENEMENTS	REGISTRATION NUMBER	STATUS	DATE GRANTED	AREA (KM^2)
UNDAL 101	1059/2018	Granted	05/07/2018	10.00
UNDAL 102	1058/2018	Granted	05/07/2018	10.00
NYBERGET 101	1056/2018	Granted	05/07/2018	10.00
NYBERGET 102	1057/2018	Granted	05/07/2018	10.00
VANGROFTA 102	1161/2018	Granted	27/08/2018	10.00
SKUTERUD 101	0285/2020	Granted	19/10/2020	4.01
SKUTERUD 102	0286/2020	Granted	19/10/2020	4.01
SKUTERUD 103	0287/2020	Granted	19/10/2020	4.01
SKUTERUD 104	0288/2020	Granted	19/10/2020	7.01
SKUTERUD 105	0289/2020	Granted	19/10/2020	4.01
SKUTERUD 106	0290/2020	Granted	19/10/2020	8.02
SKUTERUD 107	0291/2020	Granted	19/10/2020	5.01
SKUTERUD 108	0292/2020	Granted	19/10/2020	8.02
SKUTERUD 109	0293/2020	Granted	19/10/2020	5.01
SKUTERUD 110	0294/2020	Granted	19/10/2020	3.01
ROMSÅS 101	0298/2020	Granted	26/10/2020	10.00
ROMSÅS 102	0299/2020	Granted	26/10/2020	10.00
ROMSÅS 103	0300/2020	Granted	26/10/2020	10.00
ROMSÅS 104	0301/2020	Granted	26/10/2020	10.00
ROMSÅS 105	0302/2020	Granted	26/10/2020	10.00
ROMSÅS 106	0303/2020	Granted	26/10/2020	10.00
ROMSÅS 107	0304/2020	Granted	26/10/2020	10.00
ROMSÅS 108	0305/2020	Granted	26/10/2020	10.00
ROMSÅS 109	0306/2020	Granted	26/10/2020	10.00
FEØY 101	0307/2020	Granted	27/10/2020	9.00
FEØY 102	0308/2020	Granted	27/10/2020	9.00
FEØY 103	0309/2020	Granted	27/10/2020	10.00
FEØY 104	0310/2020	Granted	27/10/2020	9.00
FEØY 105	0311/2020	Granted	27/10/2020	10.00
FEØY 106	0312/2020	Granted	27/10/2020	10.00
FEØY 107	0313/2020	Granted	27/10/2020	6.25
FEØY 108	0314/2020	Granted	27/10/2020	7.50
			Total	262.87

Table 1. Overview of the exploration concessions (undersøkelsesrett) of the South-central Norway Tenements, the Southeast Norway Tenements and the Southwest Norway Tenements.

4. The South-central Norway Tenements

The South-central Norway Tenements incorporate Kuniko's Undal, Nyberget and Vangrøfta Tenements (Figures 4 and 5) that form the Undal-Nyberget and Vangrøfta Projects. The commodities of interest are nickel, copper and cobalt.

4.1. Province-scale geological and metallogenic evolution

The Undal, Nyberget and Vangrøfta Tenements are located within the Trondheim region of the Paleozoic-aged, Norwegian Caledonides Province (NGU, 2019c). At district scale, they are within the Trondheim Nappe Complex geotectonic unit and the Gula Nappe tectonic complex (NGU, 2019c). The Undal and Nyberget Tenements are located within the Kvikne-Singsås copper-zinc-nickel metallogenic area, and the Vangrøfta tenement is located in the Folldal-Meråker copper-zinc metallogenic area of south-central Norway (Sandstad et al., 2012; NGU, 2019c).
The Caledonian orogenic-metallogenic belt in Scandinavia constitutes the northernmost sector of the composite Caledonian-Appalachian belt, which stretches from northern Norway to Alabama, USA. This 7000 km long belt could constitute one Earth's major metallogenic features. The Norwegian Caledonides is a stack of nappes that were thrust eastwards onto the Baltica tectonic plate during the Silurian-aged collision of the Laurentia and Baltica continents. Continental margin and oceanic rock successions, that probably developed along the edge of a microcontinent within the Iapetus ocean, are now represented in the Gula, Støren and equivalent sequences in the Upper Allochthon (UA) thrust sheet. One of these is the Stekenjokk-Fundsjø arc sequence (about 490 Ma) that comprises immature arc-type volcanites and high-level felsic intrusions. The sequence formed in a primary oceanic setting outboard of the Baltica plate and was amalgamated with the Gula Complex in Ordovician times. Abundant volcanic-associated massive sulphide deposits are associated with thick, often graphitic tuffites, and are of the zinc-copper type with generally high zinc:copper ratios. Paragraph from Grenne et al. (1999).

4.2. District-scale geographic setting

4.2.1. Location and infrastructure

The Tenements are encompassed within a c.1750 km^2 area of south-central Norway, within c.110 km of Trondheim city (Figure 3). Trondheim is Norway's fourth biggest city with a population of 200,000 people. There are non-stop air connections from Trondheim international airport, Værnes, to Oslo, London, Amsterdam, Copenhagen, and Stockholm amongst other cities. There is also a local helicopter service, Helitrans, based at Trondheim Airport, Værnes (https://en.wikipedia.org/wiki/Trondheim). The nearest major port is the Port of Trondheim. Basic goods and services for the early stages of exploration and mining can be sourced from Trondheim, that has full provision for all accommodation and subsistence needs for the exploration Projects.

The Undal and Nyberget Tenements are located in Trøndelag county and the Vangrøfta tenement in. Hedmark county. This part of south-central Norway is known for its historically important base metals (copper, zinc and lead) production which has previously been a significant contributor to the provincial economy. For example, Trøndelag has long traditions in mining with turnover from the mineral industry dominated by stone construction materials, industrial minerals and natural stone (trondelagfylke.no, online). Access to the Tenements is generally on asphalt roads from Trondheim, (e.g., Undal and Nyberget Tenements within 2 km of E6 trunk road), with some gravel roads on the Tenements.

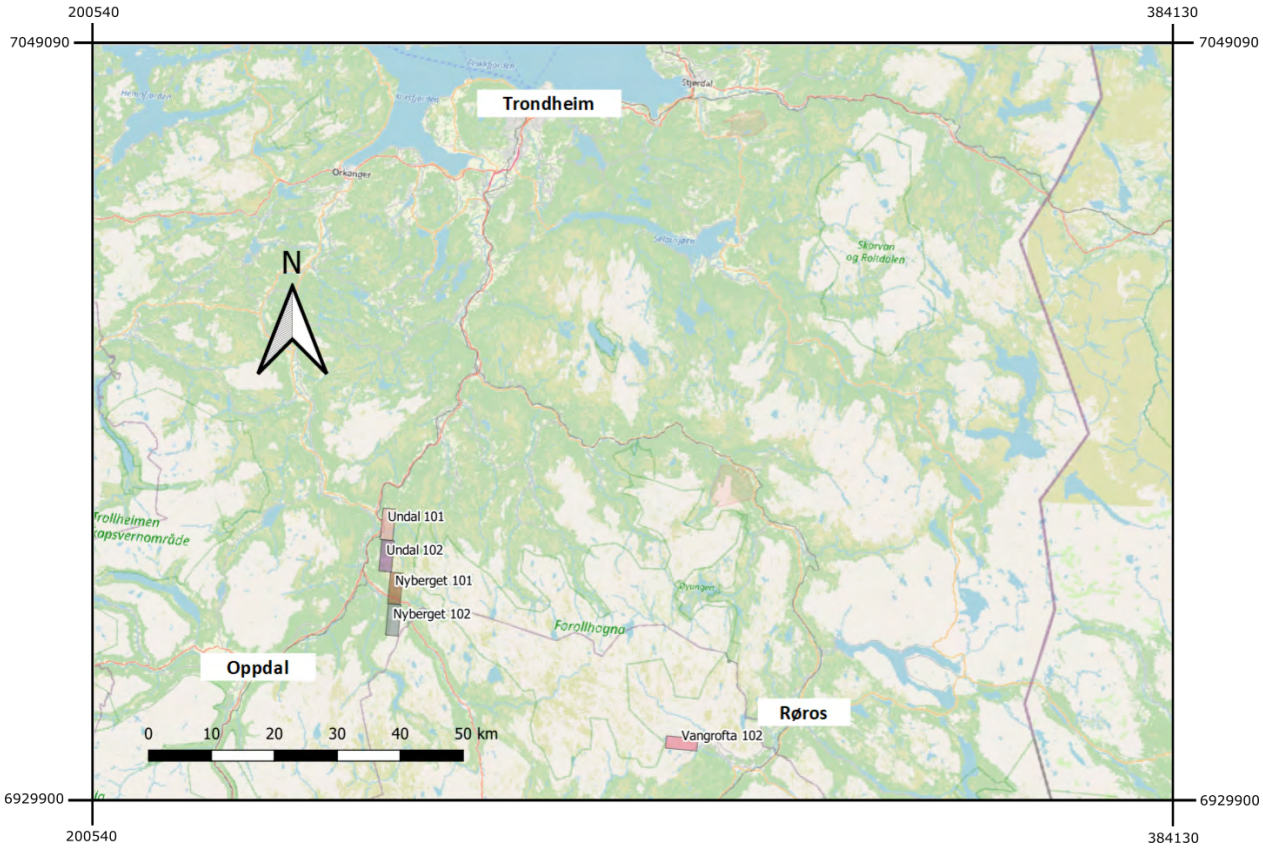

Figure 2. Location of South-central Norway Tenements, south of Trondheim city. (EU89 UTM Zone 33N)

4.2.2. Topography, elevation and vegetation

The Tenements are located within mountainous terrain comprised of rounded mountains up to c.980 metres above sea-level in elevation, and V-shaped to U-shaped valleys that have valley floor altitudes down to c.200 metres above sea-level. Generally, the land is steep and level ground is found only on mountain tops and on valley floors. The vegetation is characterized by forest on mountain slopes, and agriculture and villages on the valley floors. The mountain tops are generally exposed bedrock.

4.2.3. Climate and length of mineral exploration and mining operating season

The Tenements are in a continental, subarctic climate zone of Köppen climate classification dfc (https://www.mindat.org/feature-9432359.html) which means continental, without a dry season, regular subarctic, only 1–3 months above 10 °C and coldest month below −3 °C (https://en.wikipedia.org/wiki/Subarctic_climate). The snowy period of the year lasts for 8 months, from late September to late May, at Berkak village (https://weatherspark.com/y/68734/Average-Weather-in-Berk%C3%A5k-Norway-Year-Round). During the peak of the wet/snowy season, travel on four-wheel drive tracks and on walking tracks may be difficult, although it is expected that exploration, development and mining can occur through all seasons.

4.3. Geology and mineralization

4.3.1. Data sources

Kuniko's internal Undal database consists of public domain and private information. Beyond that, a few, public domain publications were gathered and referenced in this chapter. The Geological Survey of Norway (NGU) Ore Database fact sheet for Deposit Area 1635 - 017 (Undal) contains summaries of exploration-production history, mineral deposits and disused mines in Undal 101 (NGU, 2019c). There is no information about mineralization for the Undal Tenements on Mindat (online). NGU online maps offer geospatial information about one copper occurrence and one iron sulphides occurrence and one "deposit" of "little or no importance" of unnamed commodity in Undal 101, and one iron sulphides metals occurrence in Undal 102 (http://geo.ngu.no/kart/mineralressurser_mobil/?lang=eng). There are some contradictions and insufficient symbology legends in the latter, i.e., whether the mineral occurrences are deposits, prospects or mineralizations. It is also unclear whether these NGU online occurrences are separate from, or the same as, the deposits and mines described by other publications cited in this Report.

An NGU fact sheet (NGU, 2006a) has sparse information about the now disused, historical, Nyberget copper and Zinc mine in Nyberget 101, and there was no data on Mindat (online). The NGU online map displays 10 occurrences of metals: two iron (ferrous metals), one zinc, two copper, five iron sulphides in the Nyberget Tenements (http://geo.ngu.no/kart/mineralressurser_mobil/?lang=eng).

The online NGU and Mindat maps contain no useful information for Vangrøfta 102 tenement. NGU (online) displays three base metals occurrences of iron sulphides (with Frederick IV copper mine labelled as one of the iron sulphides occurrences) and one drill core location ("metal") (http://geo.ngu.no/kart/mineralressurser_mobil/?lang=eng) Three NGU Ore Database factsheets for Vangrøfta 102 tenement contain basic information about the abandoned Frederick IV Copper mine (NGU, 2006b), the disused Vangrøften Skjerp test mine (NGU, 2006c) and the Flatskarvåsen mineralization occurrence (NGU, 2006d).

The NGU Ore Database fact sheets cited throughout this Report do not disclose any material assumptions, criteria, mining methods, recovery factors, processing methods, modifying factors, estimation methodology, cut-off grade(s) or quality parameters as required for JORC (2012) compliant Ore Reserves guidelines.

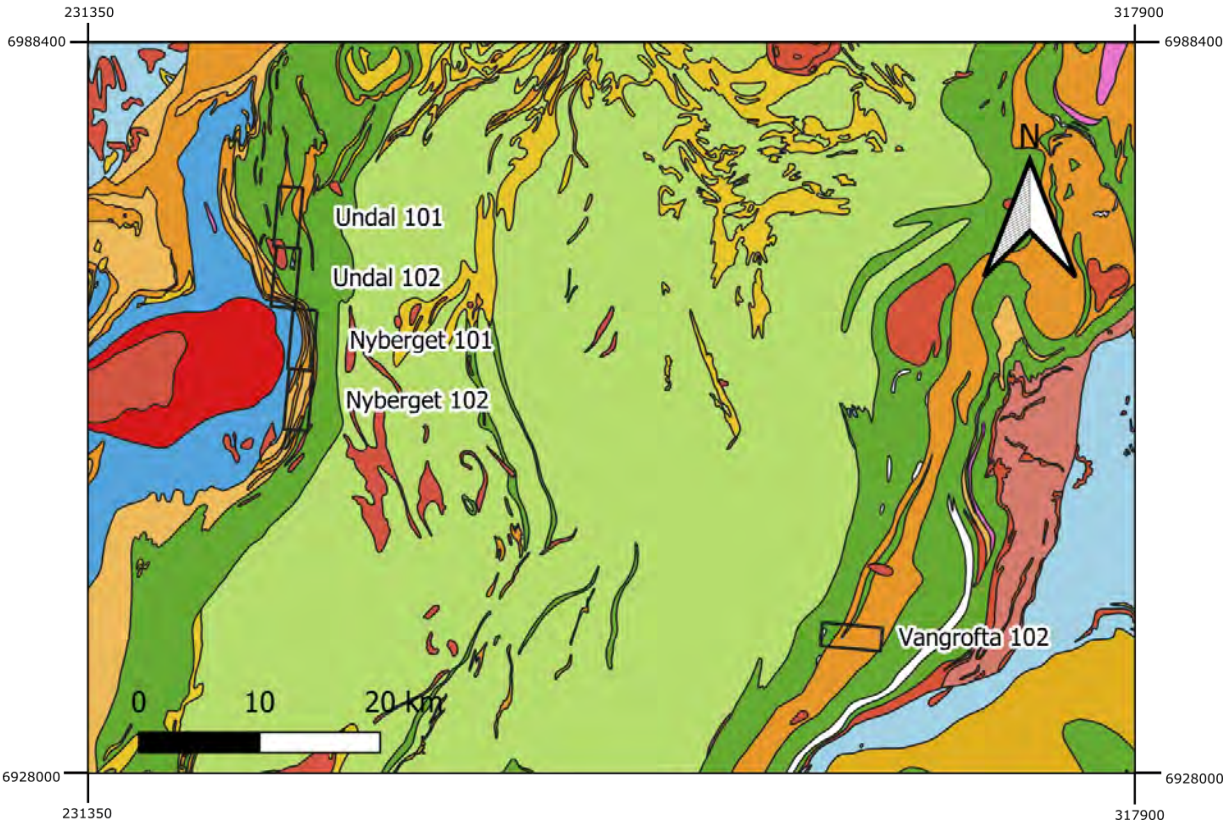

Figure 3: Outcrop geology (NGU) of the Undal, Nyberget and Vangrofta Tenements.

4.3.2. Structure and tectonics

No detailed information was found during the research for this Report.

4.3.3. Lithostratigraphy

Undal, Nyberget and Vangrøfta deposits are a few of a great number of small, stratabound, cupriferous, pyrite deposits within the mafic metavolcanics of the Gula, Støren and Fundsjø groups of Norway's Lower Palaeozoic succession. The Undal deposits occur within, or in close contact with, metavolcanic rocks that are characterized by their association with minor manganiferous oxide/silicate iron formations - better known as "vasskis" ore type - within low-grade metamorphosed areas. The iron formations are extensively developed within the Gula Group, and mostly of pyrrhotitic sulphide/silicate type and sulphurization processes. The pyrite deposits occur adjacent to the metavolcanics and are embedded in pelitic, often carbonaceous assemblages (Gula Group) or within tuffitic members of the volcanogene Støren Group. They are thought to represent re-sedimented (reworked) deposits. The pyrite deposits display varying degree of metamorphic reconstitution and a tectonic control has apparently determined their disc- or ruler-shaped morphology. (NGU, 2019c).
The Nyberget deposit and mineral occurrences are in a NNE-SSW belt of same lithostratigraphic group (MORB-type metavolcanics of the Støren Group; Grenne et al., 1999) as the mined Tverrfjellet ore deposit, Heimtjønnhø test mined ore deposit and Leksdal ore deposit (Grenne et al., 1999) and a different rock unit from the Undal deposit.

The Authors found no information about the Vangrøfta deposits beyond them being hosted in metamorphosed, basic, igneous rocks of the Fundsjø Group (NGU, 2006b).

4.3.4. Mineralization (mined deposits, mineral deposits and mineralized showings)

The Undal deposit contains the now disused Undal copper-zinc-lead-iron mine. The Undal deposit is situated in a graphitic phyllite with minor greenstone in the Undal Formation, that is interpreted as a tectonic mélange, situated between the Gula and Støren groups in the Trondheim Nappe Complex. Grenne et al. (1999) place the Undal deposit within metasediments and minor rift-related metavolcanites of the Gula Complex. The Undal deposit is a volcanic-associated massive sulphide, copper and zinc deposit located in Rennebu municipality (EU89-UTM Zone 32: X- coordinate 553598, Y-coordinate 6965837 m; 1:50000 Geological map sheet 1520-1 (Rennebu); NGU, 2019c). It is about 600 metres long, c.70 metres wide and 3.5 metres thick (NGU, 2019c). The major ore minerals were pyrite and pyrrhotite with subordinate sphalerite and chalcopyrite (NGU, 2019c). The mineralization texture is massive and the [deposit] form is thin ruler [shaped] (NGU, 2019c).

There is scant information about the mineralization in the Nyberget Tenements. The ore body at Nyberget mine appears as a composite sheet, 0.5-3.0 metres in thickness, conformably emplaced between two greenstone units, and has been followed for about 300 m along its strike. Massive, medium-grained pyrite ore is close to the greenstone and is chiefly composed of granoblastic pyrite with interstitial minor sphalerite and magnetite (Falldal Verk and Amoco, 1984).

There is little information about mineralization in the Vangrøfta 102 tenement. It contains an uncertain number of either volcanic-associated massive sulphide- or epigenetic- and hydrothermal-type, copper, gold and cobalt deposits. There are three, documented, copper occurrences in the tenement. The ore body mined at Frederick IV Mine is an irregular form, hydrothermal vein network, and that ore occurred in stocks with steep plunges in a shear zone in gabbro (NGU, 2006c).

4.3.5. Exploration and production history

The Undal deposit area had a protracted exploration and production history between 1668 and 1997 (NGU, 2019c). Regular production of copper, zinc, lead and iron [commodities and grades not specified for each mining period] occurred (NGU, 2019c) during underground mining by various companies in 1668 – 1677, 1863 – 1876, 1915 – 1922, 1952 – 1959 and 1966 – 1971 (NGU, 2019c), with (NGU, 2019c). Analysis of ore production yielded 1.15 % copper, 1.86 % zinc and 43.2 % iron (NGU, 2019c). About 289,000 tons [assumed total] production was produced from the deposit, mainly between 1952 and 1971. The total tonnage [assume produced and not produced] of the deposit is estimated to about one million tons (NGU, 2019c). NGU (2019c) deemed the Undal deposit as of minor economic interest and of little importance to the public. It is unclear from these cited documents whether these production numbers are from a single Undal mine or several mined deposits.

Production, tonnage and grade data in the NGU documents cited above may have been derived from a mining engineer's summary for Undal Mine (Brodtkorb, 1924). According to Brodtkorb (1924), the deposit was worked as a copper mine, then as a small-scale pyrite ore mine during 1863-76 and 1915-22, with a total production of about 40,000 [tons] of pyrite concentrate. The ore is imbedded in phyllitic schists, conformable with the foliation of the rock and with rather sharp boundaries against it. It has the form of a stock with lens-shaped cross-cut and axial direction down along the dip, which is inclined 45° to the east. The workable striking length of the stock is about 80 metres; further on it thins out. The thickness reaches 10 m, but generally varies between 3 and 6 metres. The ore area is about 480 meters^2, perpendicular to the axial direction (Brodtkorb, 1924).
In Brodtkorb (1924), the ore had been worked out to a vertical depth of 44 metres, developed by

mining operations to the 84 metres [depth] level and constant ore area proven by drilling to 110 metres vertical depth (150 metres along the dip).

The ore is hard and fine-grained, consisting of pyrite with small quantities of chalcopyrite, zincblende and pyrrhotite. The pyrrhotite mainly occurs in its southern, outpitching end. The average copper content is about 1.0 % and the zinc content in the export ores may rise to about 1.75%. The sulphur content varies considerably and may rise to 48-49% near the hanging-wall, although generally it is considerably lower, mainly in the thickest part of the ore lens (Brodtkorb, 1924).
Exploration work in 1968-1969 by Undals Verk yielded one drill hole that contained two, 20 cm thin, pyrrhotite-dominated horizons with up to 0.56% copper and 2.2% zinc, and one drill hole from mine level 360 that did not prove ore below a thrust (Smemo, 1969; Ulseth, 1970). The Undal Tenements are inside Falldal Verk-Amoco's (1983) Oppdal Project: a 500 km^2, multi-tool, airborne geophysics survey area. Kuniko was granted Undal 101-102 Tenements as new exploration project areas in 2018; chosen based on the location of the historic copper-zinc workings (Koppar (now named Vulcan Energy Resources Limited), 2018a). In January 2019, Kuniko planned airborne geophysical surveys and ground geophysical surveys to define exploration targets for drilling. No results were located by the Authors.

Sparse Nyberget 102 information was identified whilst researching for this Report. Nyberget Mine (disused, open-pit and underground operations) operated some time between 1650 and 1750 (Falldal Verk and Amoco, 1983). The Nyberget Tenements are inside Falldal Verk-Amoco's (1983) Oppdal Project: a 500 km^2, multi-tool, airborne geophysics survey area. Rock dump samples analyzed by the NGU in 1997 (NGU, 2006a) contain 0.6 to 2.0 % copper, but no location data or way to discern how representative they are. Kuniko was granted Nyberget 101-102 Tenements in 2018.

Sparse information about Vangrøfta 102 tenement was identified whilst researching for this Report. The abandoned Fredrik IV Mine had four periods of 'regular production' spanning 30 years, between 1707 and 1908. Total production was 2000 tons of ore with 6% copper grade and a subsequent 575 tons of unknown grade. Depths of mineralization were not discerned during this Report research. NGU conducted TURAM EM geophysical surveys and geochemical analysis of rock dump samples between 1966 and 1998. Vangrøften Skjerp is a disused, open-pit and underground test mine for base metal sulphide minerals. Ore production tons and years, and metal grades, are unknown. Subsequent exploration by Folldal Verk AS and Amoco in 1981-1984 included TURAM EM geophysical surveys and three boreholes that were all "negative" [presumably for base metals mineralization]. Flatskarvåsen occurrence consists of three shallow pits 1.3 km west of Fredrik IV Mine, each being several square metres in area. NGU conducted geochemical analysis of rock dump samples in 1998.

Kuniko was granted Vangrøfta 102 tenement in 2018 (Vangrøfta Project) and conducted a field reconnaissance trip and geochemical analysis on 13 rock-chip samples from a rock dump. Copper grades up to 16.75%, gold grades up to 3.33 grams per ton and anomalous concentrations of cobalt were reported.

4.3.6. Geophysics information

The sparse and non-georeferenced geophysics information identified in Kuniko's database relate to: A 1956 report and sketch images about geophysical activities at Undal (in Norwegian); A 1943 report on geoelectric surveys in Undal district (in German); A mention that NGU conducted geophysics in at Frederick IV Mine (Vangrøfta tenement) in 1966; Falldal Verk-Amoco's (1983) airborne VLF, magnetometric and radiometric surveys across Undal and Nyberget Tenements; Folldal Verk AS conducted geophysics at Vangrøften Skjerp between 1981-1984; The NGU conducted TURAM EM geophysical surveys between 1966 and 1998.

4.3.7. Geochemistry information

Sparse geochemistry information has been identified in the Kuniko database or public literature. Element concentrations of several, analyzed, rock dump samples are available: At Undal Deposit Area (lacking location data) and can be viewed at NGU (2019c); At Nyberget Deposit Area (lacking location data) and can be viewed at NGU (2006a); At Fredrik IV Mine (lacking location data) and can be viewed at NGU (2006b); At Vangrøften Skjerp Deposit Area (lacking location data) can be viewed at NGU (2006c); At Flatskarvåsen Deposit Area (lacking location data) can be viewed at NGU (2006d). Kuniko's 2018 geochemical analysis on 13 rock-chip samples from a rock dump—containing copper grades up to 16.75%, gold grades up to 3.33 grams per ton and anomalous concentrations of cobalt—can be viewed at Kuniko (2018).

4.3.8. Recent metallurgic test work

No recent metallurgic test work information for this tenement set has been identified in the Kuniko database or public literature.

4.3.9. Historic, remaining, resource estimates and mineral prospects

The following, historic Ore Resources (as export ore) and prospects at Undal mine were defined by (Brodtkorb, 1924):

- "Actual Ore: Mainly developed by mining (to 84 m level) 30,000 tons. Proved by boreholes to 110 m level (150 m down along the axis) 50000 "80 000 t.
- Probable Ore. Further 150 m down along the axis 170 000 ".
- Possible Ore. About 1900 tons of crude ore or 1 150 tons of export ore per meter further down along the axis".
- In the "neighbourhood of the [Undal] mine are several prospects with similar ores [that are] not yet developed".

It is unlikely that these Ore resources cited by Brodtkorb (1924) and NGU (2019c) were prepared and reported in accordance with JORC (2012) guidelines. There are some, Norwegian language references to historic ore deposits, ore exploration and assay tables in Kuniko's Undal database. They will need detailed review and are also unlikely to currently comply with JORC (2012) Ore Reserves guidelines.

Regarding the Nyberget Tenements, "10 prospects are found within the Nyberget grid area" (Falldal Verk-Amoco 1983; No certainty where their Nyberget grid area was) without any other information, plus the statement that graphite bodies may affect electromagnetic techniques signals, means those prospects do not currently comply with JORC (2012) guidelines.
There are no historic resource estimates or mineral prospects for Vangrøfta 102 tenement.

4.3.10. Recent resource estimates and mineral prospects

Historic Reserves of 720 thousand tons in Undal Mine [assumed remaining in-place; commodities and grades not specified], as stated by NGU (2019c), but without any other details about the source of that information, means that it was unlikely they were prepared and reported in accordance with JORC (2012) guidelines. There are no recent resource estimates and mineral prospects for Nyberget or Vangrøfta Tenements.

4.3.11. Environmental information

A small region of Undal Tenement 101 (around 3000 m^2) near Børset village is a Norwegian Environment Agency protected area. Nyberget 102 tenement is entirely in a wild reindeer territory that could prevent exploration drilling operations. 1 km^2 of Vangrøfta 102 tenement is Norwegian Environment Agency protected area. No other protected areas were identified in the Tenements. All Tenements will need exploration activity permission from landowners, and a permit to drive off-road.

4.3.12. Cultural information

The Norwegian Directorate for Cultural Heritage has no registered protected sites within any of the South-central Norway Tenements.

5. The Southeast Norway Tenements

The Southeast Norway Tenements incorporate the Skuterud and Romsås Tenements (Figures 4 and 5) and Projects. The commodities of interest are nickel, copper and cobalt.

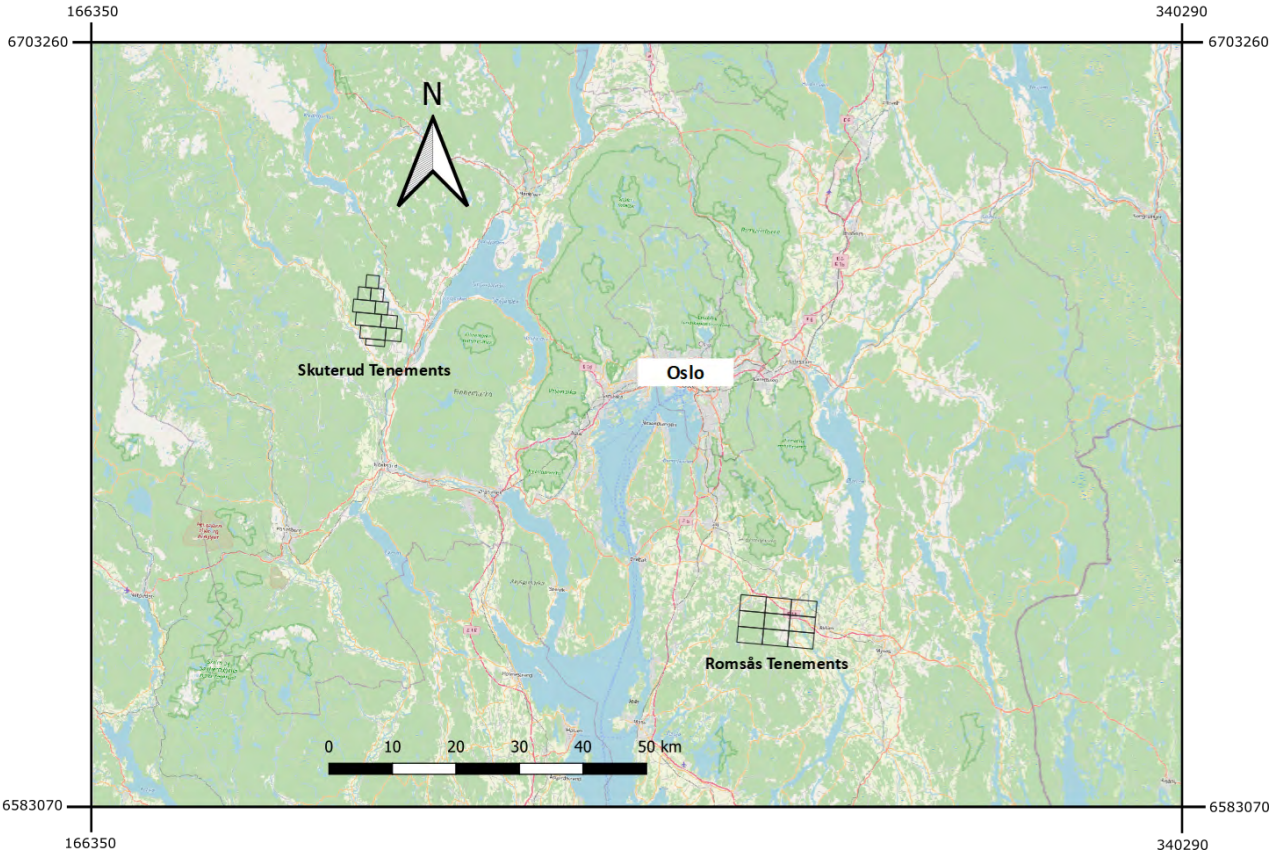

Figure 4. Location of Romsås and Skuterud Tenements in southeast Norway, east of Oslo city (EU89, UTM Zone 33).

5.1 Province-scale geological and metallogenic location

The deposits in both the Romsås and Skuterud tenement areas are classified as sediment-hosted, mafic-ultramafic intrusion deposit type (Sandstad et al., 2012). However, the Skuterud cobalt deposits are also stated as being hosted by metasomatic and hydrothermal rocks (Grorud, 1997). These deposits formed during Norway's Meso- to Neo-Proterozoic (1.6–1.14 Ga) metallogenic event (alternatively Paleoproterozoic age; NGU, 2019), in a cratonic, continental margin geotectonic setting (Sandstad et al., 2012).

The Romsås Tenements are located within the Indre Østfold nickel-Cu metallogenic area of southeast Norway. The Skuterud Tenements are located within the Modum cobalt-As-Au-Ag metallogenic area of southeast Norway (Sandstad et al., 2012). The Tenements are located within the Iddefjorden terrane, which is part of the Sveconorwegian Orogen [terrane] of southwest Scandinavia (Bingen et al. 2001; 2005). At district scale, the Skuterud and Romsås Tenements are within the Kongsberg-

Bamble-Østfold segment of the Sveconorwegian province, which is bounded by the Kristiansand-Bang shear zone and the Dalsland Boundary Thrust (Hageskov, 1980). NGU (2019a) defines the Romsås host rock province as the East Norwegian Basement Province and the geotectonic unit as the Østfold Complex. NGU (2020c) defines the Skuterud host rock province as the South Norwegian Basement Province and the geotectonic unit as the Kongsberg Complex.

The Sveconorwegian Orogen [terrane] is divided into a reworked Fennoscandian 1.80-1.64 Ga parautochtonous segment and two allochthonous terranes. The Idefjorden terrane is interpreted as a composite 1.66-1.52 Ga arc formed at the margin or near the margin of Fennoscandia. The western terrane, Telemarkia, includes the Telemark, Hardangervidda, Suldal and Rogaland-Vest Agder sectors. It was created during a short magmatic event between 1.52 and 1.48 Ga when located at the margin of a Palaeoproterozoic craton, possibly Fennoscandia. In the early stage of the Sveconorwegian orogeny, Telemarkia collided with the Idefjorden terrane. The Bamble-Kongsberg sector, characterized by a mixed lithology and 1.13-1.10 Ga early-Sveconorwegian high-grade metamorphism, is interpreted as the original collision zone between these terranes. Paragraph from Bingen et al. (2005).

5.2 District-scale geographic setting

5.2.1. Location and infrastructure

The Romsås Tenements are located in Østfold county in southeast Norway, c.50 km southeast of Oslo and c.35 km west of the Norway-Sweden border (Figure 4). The nine, adjoining Tenements total 90 km^2. They are centred upon c. 614354, c. 6607208 (coordinate reference system ETRS89 / UTM zone 32N), and straddle Askim, Spydeberg and Hobøl municipalities. Askim is the nearest big town (population of 12,500). The nearest airport is Oslo Gardermoen Airport. It provides non-stop air connections to numerous cities in Norway, Europe and other continents. There are also several helicopter services in the Oslo area. The nearest major port is the Port of Oslo that is located at Oslo city, c.55 km northwest of the Tenements (https://www.oslohavn.no/). The port has the potential to facilitate the export of concentrate and import of large equipment for the Romsås Project. Basic goods and services for the early stages of exploration and mining can be sourced from Askim town (population 15,000) located adjacent to the license area. Askim has enough capacity to provide all accommodation and subsistence needs for an exploration program. Access to the Romsås Tenements is generally on asphalt roads (e.g., the E18 trunk road to Oslo passes through three Tenements), although the western half of the Tenements area has few roads. All tenement areas are within 10 km of the public railway system; The railway that connects Askim and Oslo runs through Romsås 103 tenement.

The Skuterud Tenements are located in Buskerud county in southeast Norway, c.50 km southwest of Oslo. The 10, adjoining Tenements total 52 km^2 and straddle Modum and Sigdal municipalities. This part of south Norway is known for its historically important base metals (cobalt and copper) production: from the Modum mine deposits that are contained within the Tenements. The nearest airport is Oslo Gardermoen Airport. It provides non-stop air connections to numerous cities in Norway, Europe and other continents. There are also several helicopter services in the Oslo area. The nearest major port is the Port of Drammen that is located at Drammen city, c.55 km southeast of the Tenements (https://drammenhavn.no/). The port has the potential to facilitate the export of concentrate and import of large equipment for the Skuterud Project. Trunk road highway 35 passes through the nearest town, Vikersund. Vikersund also has a railway station. Access to only some parts of the Tenements is on secondary asphalt roads, with some gravel roads on the Tenements. Skuterud historic cobalt region is [relatively] close to cobalt refineries (Kristiansand refinery in Norway and

Kokkola cobalt refinery in Finland) (Berkut Minerals, 2018d).

5.2.2. Topography, elevation and vegetation

The Romsås Tenements are located on hilly, stream-cut plateau terrain comprised of rounded mountains of around 120 metres altitude, with a few peaks up to c.270 metres and valley floors down to c.50 metres ASL. Generally, valley sides are steep and level ground is found only on hill tops and on valley floors. The vegetation is characterized by forest and grass on the hills, and agriculture and villages on the valley floors.

The Skuterud Tenements are located on hilly, stream-cut plateau terrain comprised of rounded hills with a few peaks up to c.480 metres and valley floors down to c.100 m ABOVE SEA-LEVEL . Generally, valley sides are steep and level ground is found only on hill tops and on valley floors. The vegetation is characterized by forest and grass on the hills, and agriculture and villages on the valley floors.

5.2.3. Climate and length of mineral exploration and mining operating season

The Romsås Tenements are in a warm-summer, humid, continental climate zone with Köppen climate classification dfb (https://www.mindat.org/loc-246398.html) which means it is cold (continental), without a dry season, has a warm summer, the coldest month averages below 0 °C, all months have average temperatures below 22 °C, at least four months average above 10 °C and there is no significant precipitation difference between seasons. Annual precipitation is typically 450 millimetres at Askim town (https://www.timeanddate.com/weather/norway/askim/climate). The snowy period of the year lasts for six months, from October to April (https://weatherspark.com/y/71597/Average-Weather-in-Askim-Norway-Year-Round). During heavy snowfall, travel on four-wheel drive tracks and on walking tracks may be difficult, although it is expected that exploration, development and mining can occur through all seasons.

The Skuterud Tenements are in a continental, subarctic climate zone of Köppen climate classification dfc (https://www.mindat.org/loc-2497.html) which means continental, without a dry season, regular subarctic, only 1–3 months above 10 °C and the coldest month is below −3 °C. Annual precipitation is typically 750 millimetres at Vikersund town, with slightly heavier rainfall from June to August (https://weather-and-climate.com/average-monthly-precipitation-Rainfall,vikersund-buskerud-no,Norway). The snowy period of the year lasts for 6 months at Vikersund town, from late October to late April (https://weatherspark.com/y/65486/Average-Weather-in-Vikersund-Norway-Year-Round). During the peak of the wet season, travel on four-wheel drive tracks and on walking tracks may be difficult, although it is expected that exploration, development and mining can occur through all seasons.

5.3 Geology and mineralization of Romsås and Skuterud Tenements

5.3.1 Data sources

Kuniko's internal Romsås database consists of public domain information. Beyond that, a few, public domain publications were gathered and cited in this chapter. The Geological Survey of Norway (NGU) Ore Database fact sheet for Deposit Area 124 - 002 contains summaries of deposits and mines (NGU, 2019a); A summary of the Romsås Nickel Mines area is available at https://www.mindat.org/loc-246399.html; NGU online maps offer a little geospatial information about four nickel occurrences, one lead occurrence and one (disused) nickel mine in the tenement areas (http://geo.ngu.no/kart/mineralressurser_mobil/?lang=eng). However, there are some

contradictions and insufficient symbology legends in the latter, i.e., whether the mineral occurrences are actually deposits, prospects or occurrences. It is also unclear whether these NGU online occurrences are separate from, or the same as, the deposits and mines described by other publications cited in this Report.

Kuniko's internal Skuterud database consists of public domain information. Beyond that, a few, public domain publications gathered and cited in this chapter: Several announcements about Berkut Minerals's 2017-2018 data acquisition programs in the Skuterud area on mining news websites; The Geological Survey of Norway (NGU) has several Ore Database fact sheets for Modum municipality that contain summaries of deposits and mines (e.g. NGU, 2020); Basic summaries and a few photos of the Skuterud cobalt mines area are available at https://www.mindat.org/loc-2497.html; NGU online maps offer only a little geospatial information about known "ferroalloy" occurrences and a mineral province in the tenement areas (http://geo.ngu.no/kart/mineralressurser_mobil/?lang=eng). However, there are some contradictions and insufficient symbology legends in the latter, i.e. whether the mineral occurrences are actually deposits, prospects or occurrences. It is also unclear whether these NGU online occurrences are separate from, or the same as, the deposits and mines described by other publications cited in this Report.

5.3.2 Structure and tectonics

No structure and tectonics information was found for the Romsås Tenements during the writing of this Report.

The Mesoproterozoic-aged Modum tectonic complex (NGU, 2020c), that contains the Skuterud cobalt Mines (Figure 5), underwent ore-forming processes before the Sveconorwegian (1.2-0.9 Ga) tectono-metamorphic events. The cobalt was partly remobilized during that event. The country rocks are metasedimentary, with steeply dipping, isoclinally folded rocks striking north-south, that were intruded by metagabbro-amphibolite bodies during the Sveconorwegian event (c.1224 Ma). After emplacement of these intrusions, the Modum Complex went through high-grade metamorphism and partial recrystallization of the gabbro to amphibolite bodies, at 600-800°C and 7-10 kbar. Paragraph reworded after Grorud (1997).

5.3.3 Lithostratigraphy

The Romsås nickel deposit is within a minor, quartz norite body of assumed Mesoproterozoic age that is surrounded by migmatitic gneisses of presumed greywacke-dominated sedimentary protolith (regional map of Berthelsen et al., 1996 and Bingen et al., 2005). Neither the Romsås mineral body, nor any of the other nickel sulphide mineralized mafic bodies in Østfold, have been dated to the knowledge of Sandstad et al. (2012). This paragraph is from Sandstad et al. (2012).
The Skuterud area's country rocks are metasedimentary with intruded metagabbro-amphibolite bodies. The metasedimentary rocks contain concordant, sulphide-rich zones that are commonly referred to as 'fahlbands'. Two of these fahlbands contain cobalt-bearing minerals. These minerals precipitated from an oxidizing fluid simultaneously to some minerals in the uraninite-thorianite series. The 'fahlband' silicates and the cobalt minerals were recrystallized during the Sveconorwegian deformation and thermal maximum. Paragraph reworded after Grorud (1997).

The Modum Complex contains the following lithological suites (after Grorud, 1997).

(a) Metasedimentary rocks: quartzofeldspathic micagneisses and schists with sillimanite, quartzites and marbles.
(b) Granitic and dioritic gneisses of various origins.

(c) Metagabbros and amphibolites.
(d) Metasomatic and hydrothermal rocks: orthoamphibole-cordierite rocks, white-schists and albitites, scapolite and calcite veins, cobalt mineralization.
(e) Pegmatites.
(f) Ultramafic bodies consisting mainly of magnesite-serpentine.
(g) Dykes and veins of various ages.

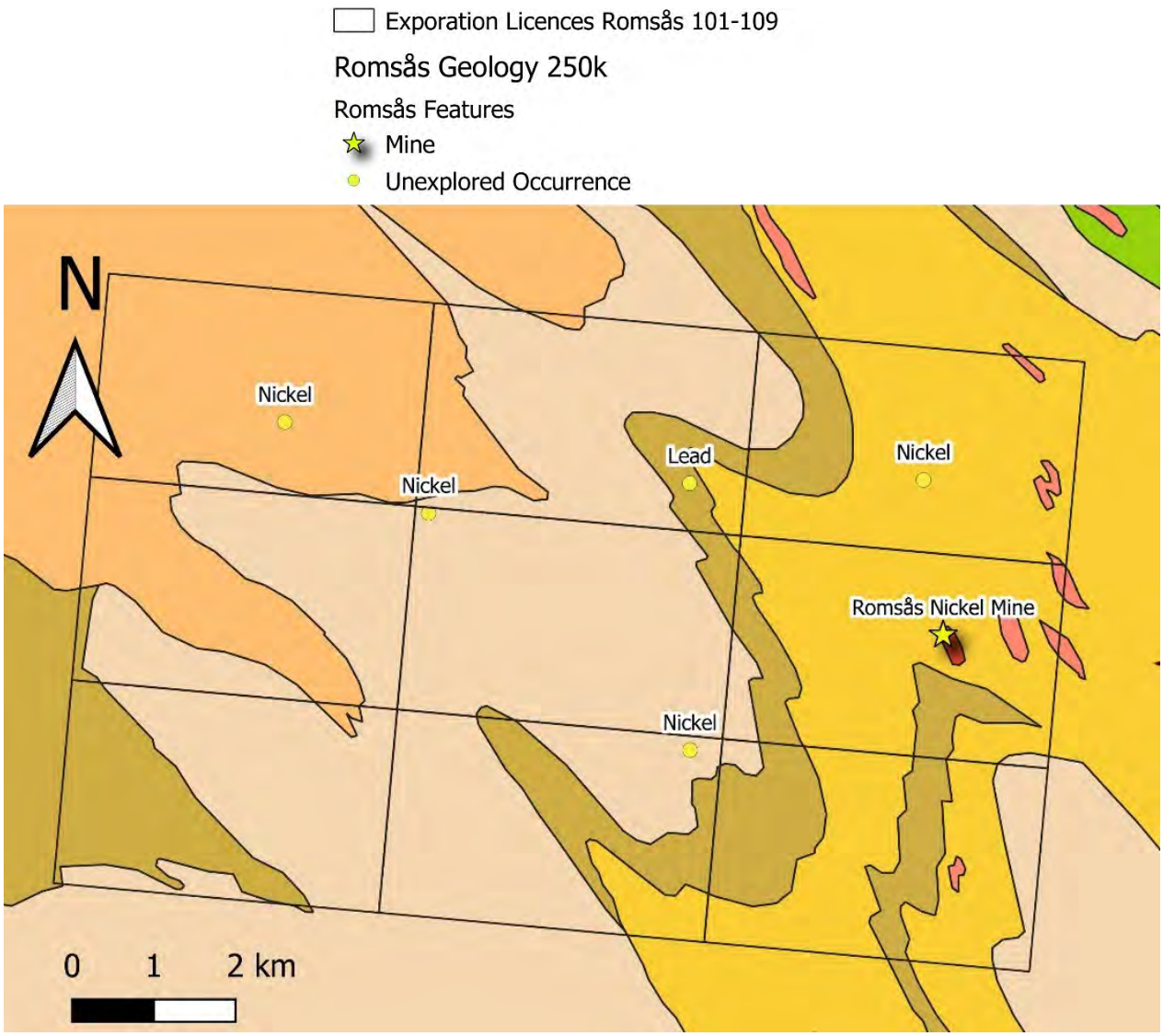

Figure 5. Outcrop geology of the Romsås Tenements with location of the Romsås Mine and unexplored occurrences (NGU). For key to lithologies, see Appendix 1.

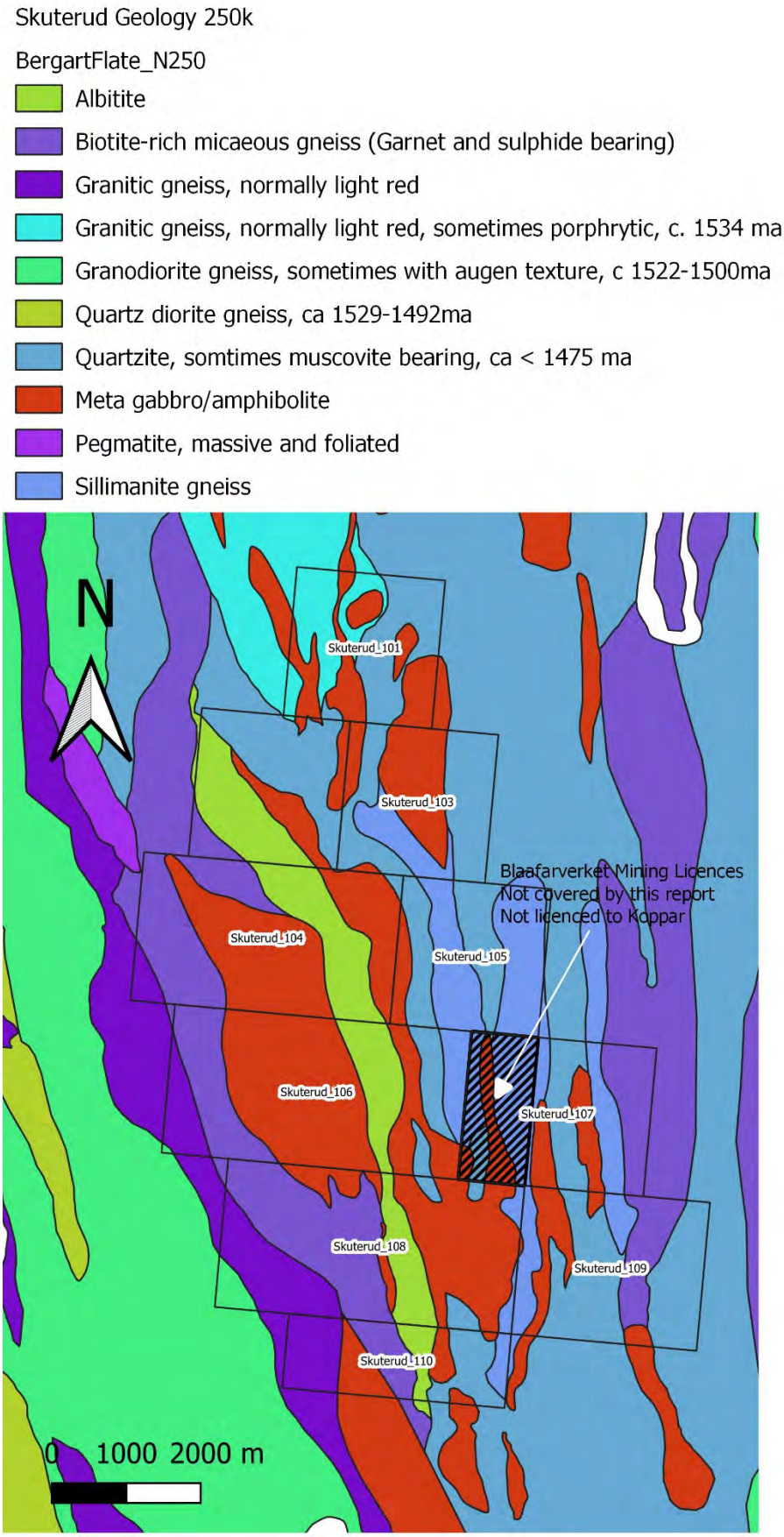

Figure 6: Outcrop geology (NGU) of the Skuterud Tenements and Blaafarverket Mine location.

5.3.4 Mineralization (mined deposits, mineral deposits and mineralized showings)

The Indre Østfold nickel-Cu metallogenic area and its Romsås deposit area contain the now disused Romsås Ni mine and 22 registered occurrences of nickel-Cu sulphide mineralization, within a roughly circular area of 30 km diameter. The occurrences are not included into the Fennoscandian Ore Deposit Database (FODD) because most of them are very small (Sandstad et al. (2012). They are all situated in the Stora Le–Marstrand Formation that is dominated by migmatised supracrustal rocks that were intruded by several generations of Pre-Sveconorwegian intrusive rocks (e.g., Lundquist 1979; Åhäll & Daly, 1985). Most of the nickel-Cu occurrences are hosted by minor mafic bodies with slightly varying composition (diorite, gabbro, norite, quartz norite, dolerite, etc.). The intrusions are mostly deformed and metamorphosed to relatively fine-grained, foliated amphibolites. The Romsås nickel deposit, although itself not impressive in size, is by far the largest of the nickel sulphide occurrences in Indre Østfold. This paragraph is from Sandstad et al. (2012).

The Romsås deposit is an orthomagmatic, nickel-Cu-Co deposit located in Askim municipality (EU89-UTM Zone 32: X-coordinate 618975, Y-coordinate 6607489 m; 1:50000 Geological map sheet 1914-2 (Askim); NGU, 2019a). The mineralization was fine grained and dominated by pyrrhotite, with subordinate chalcopyrite, cobalt-pentlandite, pyrite and pentlandite (Meinich, 1879; NGU, 2019a). The mineralization texture is structureless and the [ore body] form is irregular (NGU, 2019a). The Romsås deposit is famous for its orbicular norite crystals, mostly developed along the western margin of the intrusion, but also in the inner parts of the body. The orbicular norite is partly cut by the sulphide ore zones and partly cuts them (Støren, 1909). No modern studies have been undertaken on the Romsås body or its sulphide mineralization, but a wealth of classic works, mainly descriptive, exist from Professor Vogt and other pioneering Norwegian geologists. The most recent description of Romsås [area] is in a review article by Boyd and Nixon (1985) that was not accessible for the writing of this Report. This paragraph is from Sandstad et al. (2012).

The cobalt deposits and occurrences in Modum municipality (centred around Skuterud Mellomgruver at EU89-UTM Zone 32: X-coordinate 548248 m, Y-coordinate 6648836 m; 1:50000 Geological map sheet 1714-1 (Hokksund); NGU, 2019b) are related to sulphide-rich, altered schist zones, or 'fahlbands' (Gammon, 1966) of the Modum Complex, in Modum Vest [metallogenic?] Province (NGU, 2019b). They are metasomatic and hydrothermal cobalt deposits (Grorud, 1997). The most extensive, sulphide-rich 'fahlband' is the most westerly 'fahlband' (Figure 6). It has a strike length of 12 km, and ranges between 100–200 m wide. The main cobalt occurrences are associated with this zone (Sandstad et al., 2012). The disused Skuterud mines are located in the southernmost 3 km of this 'fahlband', where the mineralized zone was richest in cobalt (Figure 6). This fahlband occurs in sillimanite-bearing micaschist. It is partly subdivided by concordant, narrow lenses and hands of amphibolite, and it is generally in contact with a band of quartzite along it eastern edge. The second 'fahlband', trending in an easterly direction [this may mean the eastern fahlband?], was left unexploited because it contained only minor amounts of cobalt minerals. This paragraph is from Grorud (1997).

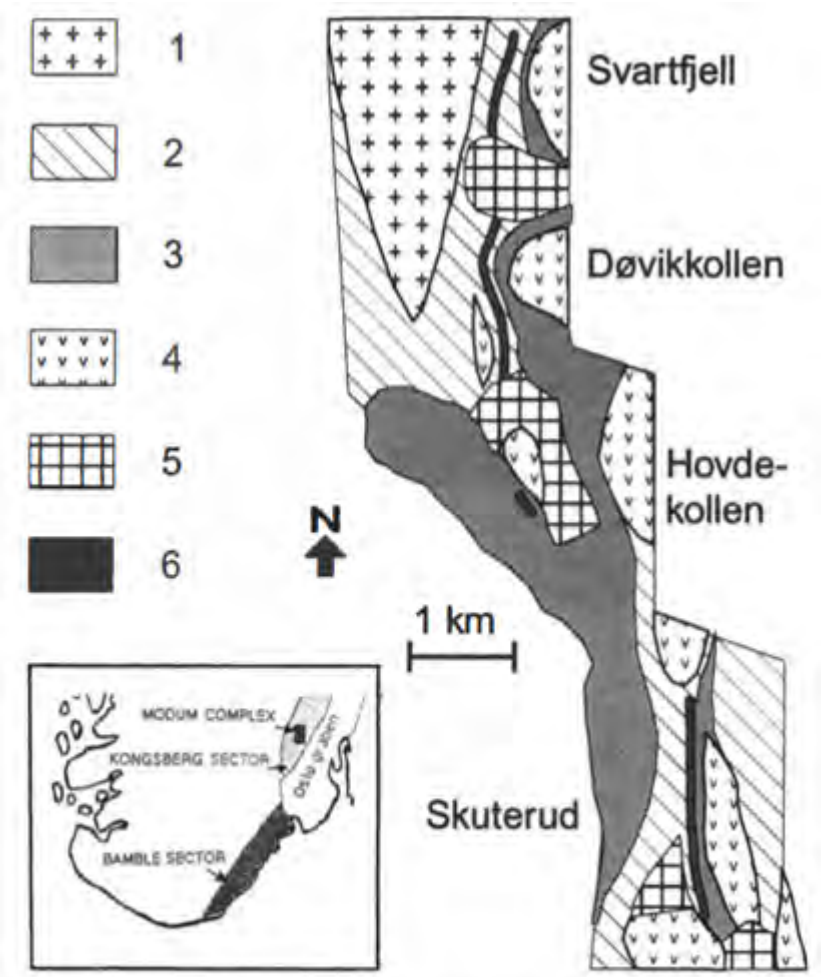

Fig. 1. Map showing the approximate extent of the western cobalt-mineralized fahlband within the Modum Complex. Modified after Munz (1990). (1) Granitic and dioritic gneisses. (2) Sillimanite-bearing quartzofeldspathic micaschist. (3) Quartzite. (4) Metagabbro/amphibolite. (5) Albitites. (6) Fahlband with cobalt mineralization. There were open-cast mines at Skuterud, Døvikkollen and Svartfjell, but only trial workings at Hovdekollen.

Figure 7. A map showing the approximate extent of the western cobalt-mineralized fahlband within the Modum Complex. From Grorud (1997). Co-ordinate system and grid not provided by Grorud (1997).

The Modum Vest [metallogenic?] Province consists of five mined areas and three deposits, each with an NGU Ore Database fact sheet and an economic evaluation by the NGU (2019b), namely: Skuterud Sørgruver ("Could be significant"), Skuterud Mellomgruver ("Could be significant"), Skuterud Nordgruver ("Could be significant"), Såstad gruver ("Minor interest"), Heggebekk gruve ("Minor interest"), Døvikkollen deposit ("Minor interest"), Svartfjell deposit ("Not classified/evaluated") and Jupedal deposit ("Not classified/evaluated"). The Muggerud prospect is named at https://www.mindat.org/loc-337381.html, but no other information is provided, so does not comply with JORC (2012) guidelines. Pyrrhotite is the most common iron sulphide in the southern part of the [unspecified west or east] 'fahlband', whereas pyrite is more common in the north[ern part] (Gammon, 1966). Chalcopyrite is also quite common in parts of the zone. The rock type hosting the sulphides may be characterized as a quartz-plagioclase-tourmaline-phlogopite-sulphide gneiss or schist. Graphite is locally common and its content may attain more than 5 % of the rock. The cobalt

mineralization probably is part of the 'fahlbands'. It is, to a large degree, characterized by impregnation of cobalt-containing minerals (glaucodote, safflorite and skutterudite) in quartz-rich zones and lenses (Josang, 1966). The cobalt-rich lenses are structurally controlled, following fold axes and lineations in the area. This paragraph is from Sandstad et al. (2012).

The genesis of the cobalt deposits is not known, but several theories have been advanced. Bugge (1978a) suggested a syngenetic sedimentary-exhalative to volcanogenic-exhalative formation. A number of other workers, including Gammon (1966), have suggested that the cobalt minerals were products from fluids released from the many gabbro bodies in the area. A third hypothesis is that the ore minerals were produced by metasomatic processes related to regional albitization (Munz et al. 1995). This paragraph is from Sandstad et al. (2012).

5.3.5 Exploration and production history

The Romsås group of disused nickel mines are located at Kykkelsrud (Figure 4), 4 km west of Askim town and c. 55 km from Oslo. Roms Nikkelverk [company] commenced mining on the Romsås deposit in 1866 and maintained continuous activity until 1876. Test mining was carried out for the first seven of those years. Full-scale mining started in 1873 and the company also built its own smelter (Meinich, 1879). By 1875, 122 men were employed at the company: 74 at the mines (the main mine at Romsås and a much smaller mine at Frøland) and 48 at the smelter (Helland, 1900). When nickel prices dropped in 1876, the Romsås deposit closed down and never re-entered production. Total ore production from Romsås Mine was 13,205 tons with a nickel mass of about 125–130 tons. Total [ore] production from all the mines during the period 1866–1876 was 16,465 tons with a nickel mass of about 150 tons, according to official statistics. The average ore grade at Romsås was 1.07 % nickel (+ cobalt) and 0.4 % copper (Vogt, 1902; Meinich and Vogt, 1903). This paragraph is from Sandstad et al. (2012). Tons and grades reported in public domain literature were written earlier than JORC (2012) guidelines, and do not seem specific to, nor comply with, any JORC (2012) compliant Exploration Target, Mineral Resources or Ore Reserves.

The production method was open-pit and underground mining (NGU, 2019). In terms of economic importance, the Romsås deposit area is deemed by NGU (2019a) as, "Minor interest". Ownership of the Romsås deposit area's concessionary mining rights, at 1998, was Indre Østfold municipality and GEXCO A.S. (NGU, 2019a). No contemporary surveys of Romsås drill hole, drill core, assay, outcrop sampling, geophysics surveys, geological mapping, hyperspectral, soil and rock chip geochemical sampling, geochemical anomalies, environmental, social license to operate, governance information have been conducted.

Kuniko does not possess any recent, reconnaissance, exploration information for these Tenements.

The cobalt ores at Skuterud in Modum (Figure 5) were discovered in 1772. Test mining commenced in 1773 and regular production started in 1776. There was limited open-pit mining until 1827, when underground mining began and the operation became more extensive. Although demand for Co fell in the 1840s, mining at Skuterud flourished again when rich cobalt ore was discovered in the 1870s. In the 1890s, "ore reserves" rapidly decreased, leading to the final shutdown of mining operation in 1898. This paragraph is from Sandstad et al. (2012). There were open-pit and underground mining [years not published] occurred at Skuterud Mellomgruver (NGU, 2020a), Skuterud Nordgruver (NGU, 2020b), Døvikkollen (NGU, 2020c) and Skuterud Sørgruver (NGU, 2020e) and Svartfjell, but only trial workings at Hovdekollen (Grorud, 1997).

Due to the mines being closed in the 19th century, very little is known about how much ore was

extracted from them, the cobalt grades of the ore or the distribution of ore minerals. On the basis of old mining reports, the total production is estimated as 1 million tons with 0.1–0.3 % cobalt, that was upgraded to 3 % cobalt by simple hand separation (Horneman, 1936). In addition to cobalt, the ores contained significant grades of copper (up to 1–2 %) and locally of gold (several ppm) [at unstated locations]. This paragraph is from Sandstad et al. (2012). Tons and grades reported in public domain literature were written earlier than JORC (2012) guidelines, and do not seem specific to, nor comply with, any JORC (2012) compliant Exploration Target, Mineral Resources or Ore Reserves.

The old mines at Skuterud have been the subject of investigations by geologists since they ceased production in 1899. The investigations have been both from academic and economic viewpoints. All the investigations up to, and including 1971, about the mines; economic possibilities concluded that the mines give no encouragement for further development (Kvaal Hygen and Gammon, 1971).

The first modern exploration and first ever mineral exploration drilling of the Skuterud mines area was conducted by Berkut Minerals Ltd during its 2017-2018 Skuterud Cobalt Project (Figures 7 and 8; Berkut Minerals, 2018b) within Kuniko's current Tenements. Berkut Minerals's maiden 7-hole drilling program, core logging and sample assaying in 2017, "Confirmed significant cobalt mineralization presenting near surface within broad cobalt/Cu haloes" at the historic "Middagshville Prospect" and at the "Dovikollen Prospect" [historic mine workings], with "35 metre wide (true thickness) cobalt/Cu haloes that could be used as targeting vectors for potential higher-grade zones" (Berkut Minerals Ltd, 2018a). Most sampling techniques and data descriptions followed the JORC (2012) guidelines.

A soil sampling program (>1,000 samples) with a 100 m x 50/25 m spacing pattern, and infill field mapping and sampling, was conducted in 2018 across the historic, cobalt-producing, Skuterud trend (Figures 9 and 10) by Berkut Minerals (2018c). Several contoured areas up to 0.5 km^2 each and containing anomalous copper and cobalt concentrations were interpreted by Berkut Minerals (2018e): associated with quartz-mica schists, in the south, central and northern areas of the Skuterud Cobalt Project.

Rock chip samples from near-surface outcrops contain indicated grades of up to 0.2% cobalt and 0.4% copper. However, damage to the sample bags meant that some rock chips and their analytical results could not be reconciled with sample numbers (Berkut Minerals, 2018e) and the results have approximate locations only. Therefore, the publicly available information about these rock chip analyses does not meet JORC (2012) guidelines.

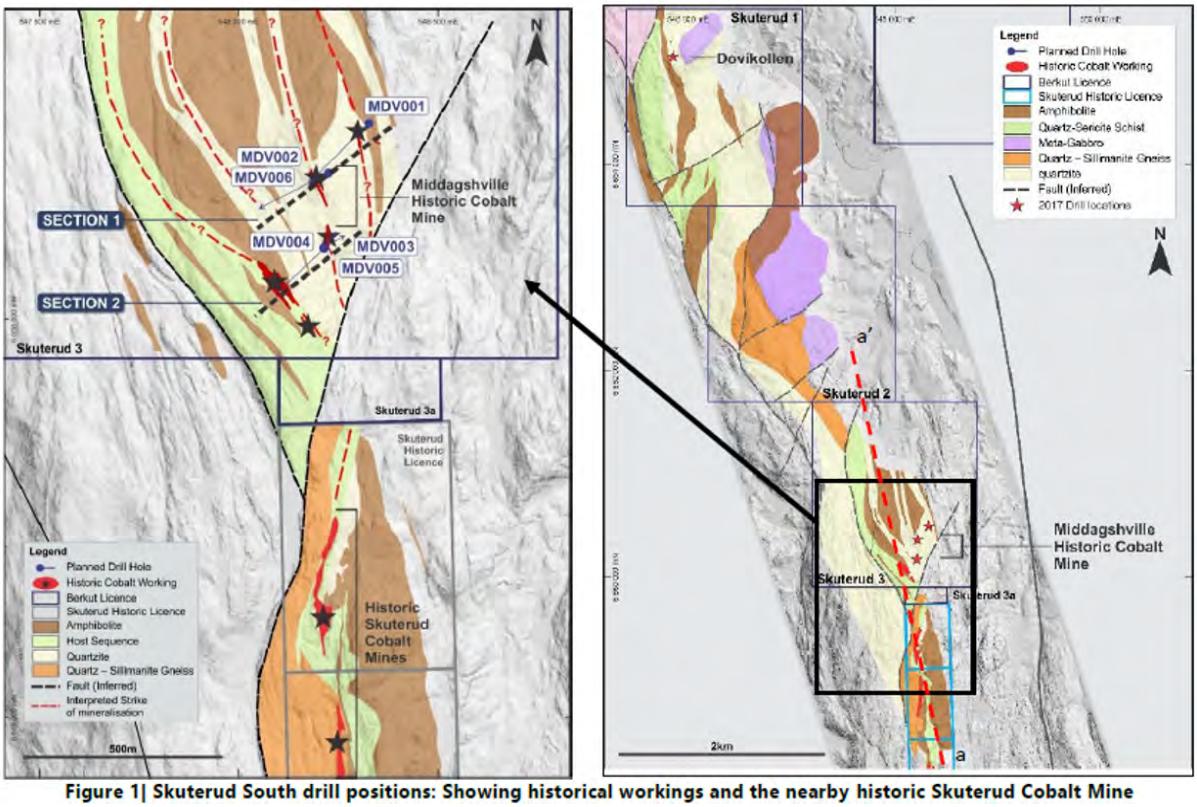

Figure 1| Skuterud South drill positions: Showing historical workings and the nearby historic Skuterud Cobalt Mine

Figure 8. Map of Berkut Minerals (2018b) Skuterud South drill positions, showing historical workings and the historic Skuterud cobalt mines. Please note that drill collar locations are not clear enough on this schematic diagram to meet JORC (2012) guidelines, however their eastings and northings are listed in Tables 2 and 3.

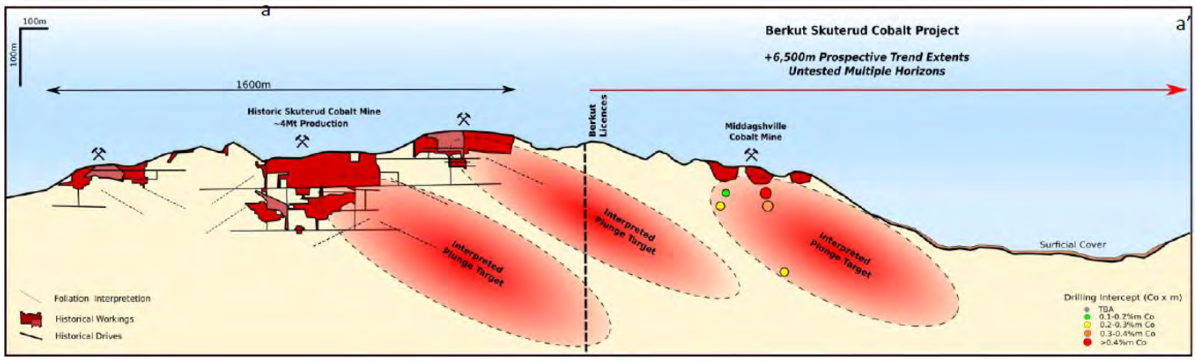

Figure 2| Skuterud drilling relative to historical workings (section line a-a' Figure 2)

Figure 9. Cross section of Berkut Minerals (2018b) Skuterud South drill positions, showing historical workings and the historic Skuterud cobalt mines. Please note that drill collar locations are not present on this schematic diagram, as would be required to meet JORC (2012) guidelines. However, their eastings and northings are listed in Tables 2 and 3.

Table 1: Skuterud Cobalt project – Anomalous Intersections (above a nominal 0.02% Co cut-off) Coordinates in (ETRS89 Z32)										
Hole	East	North	RL	Depth	Dip	Az	From (m)	Length (m)	Co %	Cu %
MDV001	548330	6650497	288	301.1	-45	240	76	2	0.04	0.07
							150	6	0.02	0.08
							161.6	2	0.03	0.09
							176	4.6	0.04	0.12
MDV002	548226	6650369	342	291	-45	240	18.9	2.1	0.04	0.09
							35	17.6	0.04	0.15
						including	***35***	***3.7***	***0.06***	***0.11***
						and	***42***	***0.5***	***0.10***	***0.46***
						and	***49.5***	***1.5***	***0.09***	***0.02***
MDV003	548214	6650180	354	119.5	-60	60	19	7	0.02	0.20
							28	3	0.02	0.14
							67	2	0.04	0.10
							74	**3**	**0.09**	**0.08**
						including	***75***	***2***	***0.12***	***0.11***
MDV004	548207	6650183	354	248.5	-45	225	68	1.9	0.02	0.03
MDV005	548214	6650185	354	100.2	-60	40	51	2.11	0.06	0.17
						including	***52.29***	***0.8***	***0.12***	***0.20***
							72	1.5	0.04	0.03
							89	9	0.02	0.10
MDV006	548226	6650370	342	131.5	-70	240	51.57	6.43	0.06	0.18
						including	***52.8***	***1.5***	***0.10***	***0.47***
						and	***56***	***1***	***0.16***	***0.01***
							93	1.5	0.03	0.02
DVK001	545829	6655040	102	102.07	-60	195	Not Sampled Yet			

Table 2. Material drill holes information by Berkut Minerals (2018a). Please note the "Length (m)" may be referring to drilling widths. True width of mineralization is difficult to constrain for exploratory drill cores/holes. "Depth" may refer to end hole depth, but it is uncertain whether this represents true vertical depth or driller's depth.

Table 1 | Skuterud Cobalt project - Anomalous Intersections (above a nominal 0.02% Co cut-off) Coordinates in (ETRS89 Z32)										
Hole	East	North	RL	Depth	Dip	Az	From (m)	Length (m)	Co %	Cu %
MDV001	548330	6650497	288	301.1	-45	240	207.5	2.5	0.03	0.08
MDV002	548226	6650369	342	291	-45	240	21	3	0.02	0.05
MDV003	548214	6650180	354	119.5	-60	60	46	9	0.03	0.11
MDV006	548226	6650370	342	131.5	-70	240	71.4	7.6	0.04	0.10
						including	***72***	***2***	***0.08***	***0.09***
							82	4	0.02	0.03
DVK001	545829	6655040	102	102.07	-60	195	No Significant Assays			

Table 3. Material drill holes information by Berkut Minerals (2018b). Please note the absence of drilling widths, true widths of mineralization and end of hole data information that is required by JORC (2012) guidelines.

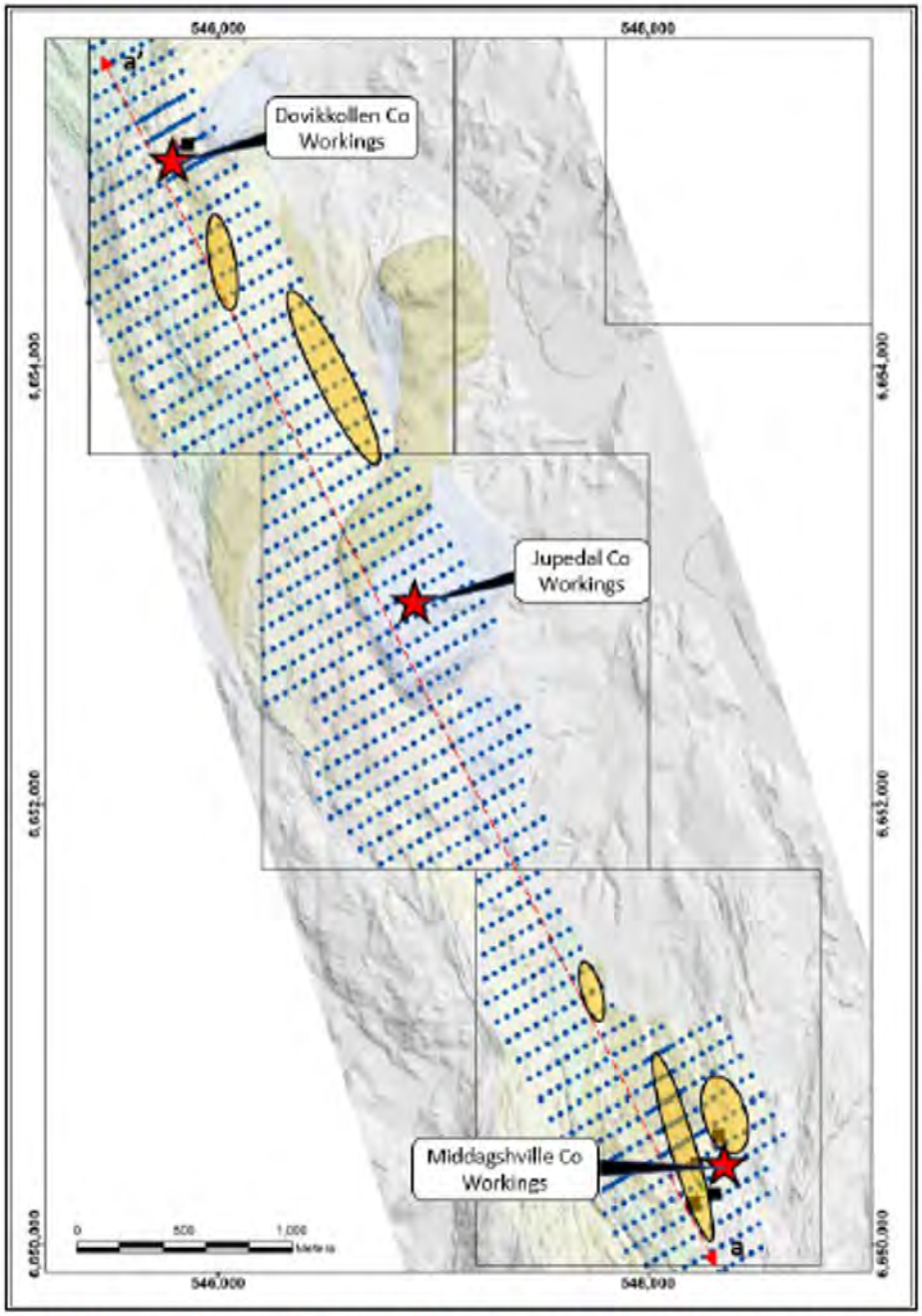

Figure 1| Soil Sampling Lines over the Skuterud Cobalt Project with airborne EM anomalies shown (orange)

(2017 drill collars – black squares)

Figure 10. Soil sampling lines over the Skuterud Cobalt Project with airborne-derived EM anomalies (orange).

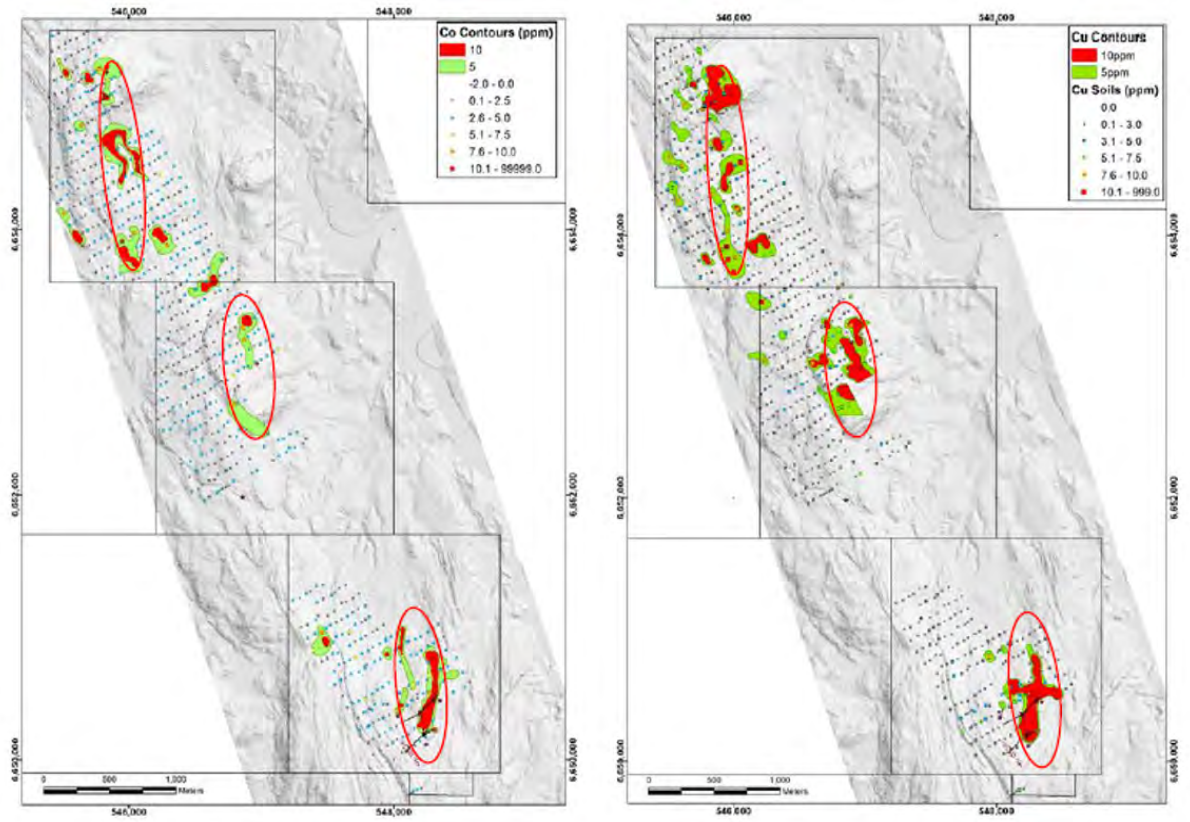

Figure 1 | Skuterud Soil Program: cobalt results (LHS) and copper results (RHS)

Figure 11. Berkut Minerals (2018e) Skuterud Soil Program and several contoured areas of anomalous copper and cobalt concentrations.

Berkut Minerals ceased activity in the Tenements in August 2018 (changed its name to Carnaby Resources Limited in 2019 and is currently focused on Australian gold assets).

Figure 12. Old mine workings at Skuterud cobalt mine. Photo: J. S. Sandstad, NGU. Image taken from Sandstad et al. (2012). Exact location not stated.

5.3.6 Geophysics information

In 2018, Berkut Minerals reprocessed airborne EM data [unclear if Berkut Minerals acquired the data] with a nominal 200m line spacing (Figure 9) over an area for 6.5 km immediately north of the old Skuterud mines (Berkut Minerals, 2018b). No other information about this EM data was found in public literature.

5.3.7 Geochemistry information

In its internal Romsås database, Kuniko has soil [and possibly stream sediment?] assay data for copper, lead, zinc and tungsten concentrations, that were analyzed for Folldal Verk A/S in 1977 and 1982. These files seem to contain handwritten sample localities in Norwegian and German but were not translated into English during the writing of this Report. Sample location data was not placed in sufficient perspective to meet JORC (2012) guidelines.

In its internal Skuterud database, Kuniko has a publication by Grorud (1997) that contains mineral chemistry and textural analysis (electron microprobe analysis) of cobalt minerals in ore samples collected from the Skuterud Mines. An assay report written about an underground sampling program at the Skuterud Mines (Kvaal Hygen and Gammon, 1971) concluded that: high molybdenum assays in 1951 seem to have resulted from poor assaying procedures, and that measured copper and cobalt

values were too low to be of economic interest [at that time]. Rock sample analyses for base metals concentrations are displayed for Heggebekk gruve by (NGU, 2009), Skuterud Mellomgruver (NGU, 2020a), Døvikkollen (NGU, 2020c) and Såstad gruver (NGU, 2020d). Sample location data was not placed in sufficient perspective to meet JORC (2012) reporting standards in any of those documents.

Geochemical assays of soils, core rock and rock chips were tabulated by Berkut (2018 a-e) and used to contour soil copper and cobalt anomalies (Figure 10).

5.3.8 Recent metallurgic test work

Kuniko does not possess any recent metallurgic test work information for the Romsås Tenements in its internal Romsås database.

5.3.9 Historic, remaining resource estimates

No historic, remaining resource estimates or mineral prospects have been identified for the Romsås or Skuterud deposit areas during a public domain, literature search and the review of information held by Kuniko. Also, no historical or foreign estimates for a material mining project were identified.

5.3.10 Recent, remaining resource estimates and mineral prospects

No information about recent, JORC (2012) compliant Mineral Resources or Ore Reserves was found for the Romsås deposit area or the Skuterud deposit area during a public domain literature search and review of information held by Kuniko. This Report's Authors did not see sufficient information for the historic Romsås mines and occurrences to be categorized as Exploration Results or Exploration Targets, following JORC (2012) guidelines.

For the Skuterud Tenements, tabulated information about Berkut Minerals's Sampling Techniques and Data, and Reporting of Exploration Results is available in Berkut Minerals (2018e). There were no Exploration Targets documented by Berkut Minerals. The Skuterud Tenements do not currently have assets up to Exploration Results category (following JORC (2012) guidelines) because the 2017-2018 data collection programs were conducted by a company (Berkut Minerals, 2018a-e) that no longer seems to have land tenure. No Exploration Targets have been named by Kuniko.

5.3.11 Environmental information

Stenerudmyra nature reserve is in the central part of the Romsås tenement set. All Tenements will need exploration activity permission from landowners, and a permit to drive off-road.

5.3.12 Cultural information

In terms of importance, the Romsås deposit area was deemed by NGU (2019) of, "Little Importance" to the public, although of historic importance. The old Romsås nickel mines are now a tourist attraction and are open to the public for guided history walks tours, and a range of activities including indoor climbing and abseiling (visitoestfold.com, online; visitnorway.com). Close to the Romsåsen nickel mines orebody is a rock [type?] locally named "potetstein" (potato stone). The rock [type?] is now protected by law and collecting this rock [type?] is strictly forbidden. The rock [type?] is a norite ("kulenoritt" is the technical term used in Norwegian literature) and consists mainly of nut- to potato-sized spheres of radiating aggregates of bronzite crystals (https://www.mindat.org/loc-246399.html).

In Skuterud area, the Blaafarvevaerket, i.e., the Royal Cobalt Works of Modum, is now a museum measuring eight kilometres in length that offers historical insight into the extraction and production of cobalt, and guided tours of the Skuterud mines and the surrounding area (Tripadvisor, online).

5.3.13 Strength of information

Kuniko has hundreds of pages of historic geological information. This information is currently of low usability for most stakeholders due to issues independent of Kuniko: Much text is in Norwegian and German; The maps are mostly hand-drawn sketches and may be difficult to geographically locate; The information is mostly in low quality photographs of book pages in .pdf and .png format. A recommended next step is the translation, georeferencing then evaluation of this information. A few, English language, academic papers about the tenement areas are available in the public domain and were used to write this Report. Most are >20 years old, with figures as hand-drawn, schematic sketches.

6. The Southwest Norway Tenements

The Southwest Norway Tenements incorporate Feøy 101-108 Tenements (Figure 12) and Feøy Project. The commodities of interest are nickel, copper and Platinum Group Elements.

6.1 Province-scale geological and metallogenic location

The Tenements cover the Karmøy, copper-zinc deposits area and the Feøy nickel-copper deposits area in southwest Norway. The Tenements are located within the southwestern part of the Norwegian Caledonides geological province, that accumulated during the tectonic plate convergence and ocean closure stage of the Caledonian Orogeny (Grenne et al., 1999). The Karmøy copper-zinc volcanic metallogenic area (Eilu, 2012). formed in the 500–475 Ma island arc and ophiolitic metallogenic event and geotectonic setting (Sandstad et al., 2012). It constitutes part of an immature, supra-subduction zone arc, ophiolite sequence of Laurentian affinity that spans the Karmøy–Bomlo–Hardanger area (Grenne et al. 1999). It is located on the Hardangerfjord Nappe Complex (NGU, 2013). The Feøy nickel-copper "occurrence" (a disused mine) is located just outside the Karmøy metallogenic area (Sandstad et al., 2012).

6.2 District-scale geographic setting

6.2.1. Location and infrastructure

The eight, adjoining Feøy Tenements (Figure 12) encompass a c.71 km^2 area across most of the Feøy islands group (called Føyno by the Geological Survey of Norway) and the northern part of Karmøy Island (locally called Karmøyne or Karmøynå).

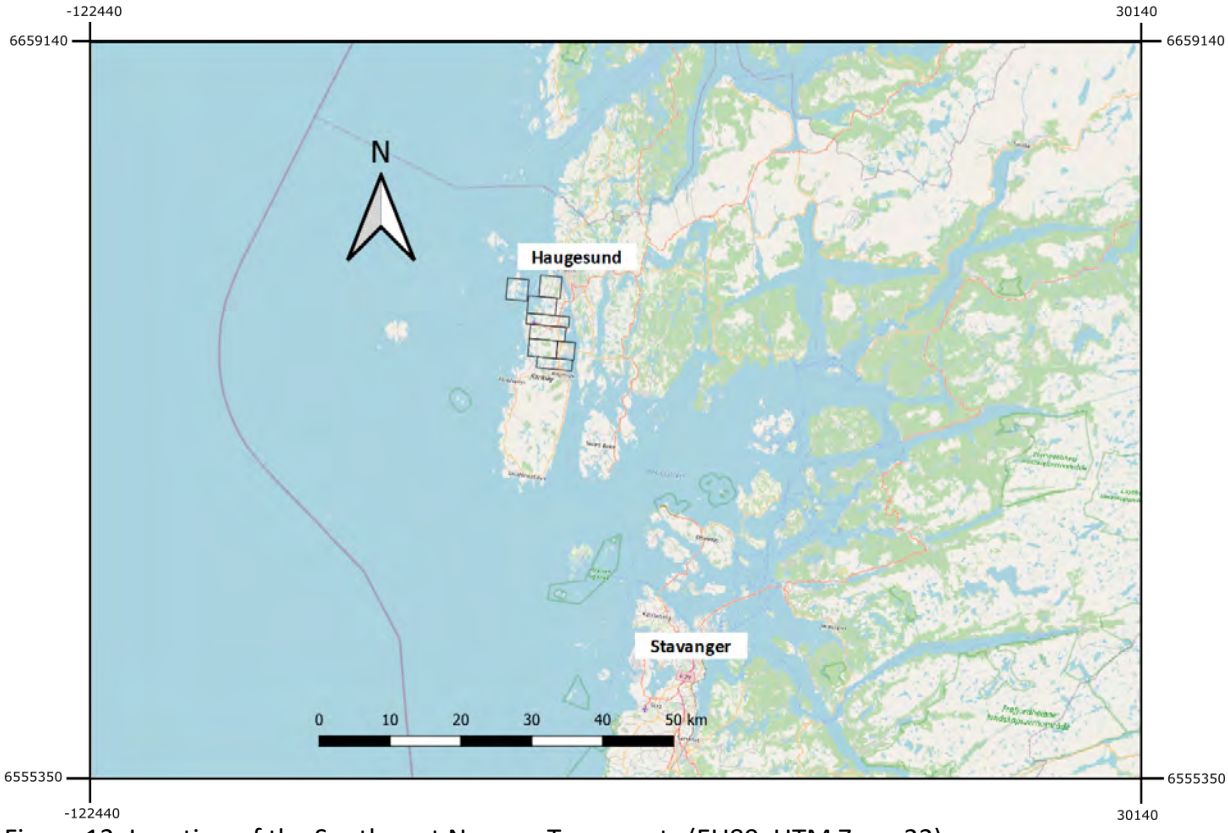

Figure 13. Location of the Southwest Norway Tenements (EU89, UTM Zone 33).

Karmøy island, the islands of Feøy and part of the mainland south of the municipality of Haugesund together make up the majority of the municipality of Karmøy, in the northwestern part of Rogaland county (https://en.wikipedia.org/wiki/Karm%C3%B8y_(island)).

The Tenements are between 1 and 13 km south of Haugesund town on mainland Norway (population 40,152) and are centred upon c.286844, 6584172 (coordinate reference system ETRS89 / UTM zone 32N) (Figure 12). From Karmøy Island's Haugesund international airport there are non-stop air connections to Oslo and Bergen (Norway) and Gdansk (Poland), with seasonal flights to various European cities. There is also a helicopter service based at Haugesund Airport. Long-distance buses run to Oslo, Stavanger and Bergen (https://en.wikipedia.org/wiki/Haugesund_Airport,_Karm%C3%B8y; https://en.wikipedia.org/wiki/Haugesund).

Feøy is a small (1.3 km^2) island group west of Haugesund town and Karmøy Island. There are 49 permanent residents, plus a number of seasonal residents. The permanent residents who are not retired conduct either sheep farming or fishing, or commute to jobs on the mainland. There is a regular ferry service between Feøy and Haugesund. The only roads are in the vicinity of the harbour. Feøy Brygge is a small meeting house and restaurant that caters meetings (https://en.wikipedia.org/wiki/Fe%C3%B8y).

On Karmøy Island, the towns of Visnes, Torvastad and Avaldsnes, and Haugesund Airport are within the Tenements areas. The 177 km^2 island has a population of 33,101 people (2014), making it the 4th most populated island in Norway. The Island is connected to the mainland by Karmsund Bridge in the north and Karmøy Tunnel in the central part. Haugesund Airport is located at the western terminus of the European route E134 highway (https://en.wikipedia.org/wiki/Karm%C3%B8y_(island)).

Access to the Tenements on Karmøy Island is by asphalt roads, with some gravel roads also on the Tenements. The nearest major port is the Port of Karmsund. It is located at Haugesund town and a few kilometres from Feøy-102 tenement. The port has the potential to facilitate the export of concentrate and import of large equipment for the Feøy Project. Basic goods and services for the early stages of exploration and mining can be sourced from the town of Haugesund (population 36,000), that has full provision for all accommodation and subsistence needs for the exploration project.

The area around Visnes historic mining town on Karmøy Island was historically important for base metals (copper and zinc) production. In its day, Visnes Copper Mine was the largest and most modern in Northern Europe. Operating in two periods between 1865 and 1972, the mines produced 4.2 million tons of unrefined copper, zinc and sulphur. In 1882 Visnes was Norway's largest workplace, with almost 1000 workers at its peak (https://visitkarmoy.no/en/vigsnes-grubemuseum).

6.2.2. Topography, elevation and vegetation

The Southwest Norway Tenements are located within low-lying island terrain comprised of gently undulating topography, that ranges from 0-85 m ASL (Figure 12). The vegetation is characterized by forest and wild grass on the hills, and agriculture and villages on the valley floors. There is not much exposed bedrock, except at the shoreline and on the Feøy island group.

6.2.3. Climate and length of mineral exploration and mining operating season

The Southwest Norway Tenements are in a temperate, oceanic, climate zone with Köppen climate

classification cfb (https://www.mindat.org/loc-268554.html). This means a temperate climate, without a dry season, with a warm summer, the coldest month averaging above 0 °C, all months having average temperatures below 22 °C, at least four months on average are above 10 °C and there is no significant precipitation difference between seasons. Annual precipitation is typically 1505 millimetres at Haugesund Airport (https://en.climate-data.org/europe/norway/rogaland/haugesund-6831/). The snowy period of the year lasts for 4 months, from late November to late March (https://weatherspark.com/y/148034/Average-Weather-at-Haugesund-Karmoy-Norway-Year-Round). During heavy snowfall, travel on four-wheel drive tracks and on walking tracks may be difficult, although it is expected that exploration, development and mining can occur through all seasons.

6.3 Geology and mineralization of Feøy Tenements

6.3.1 Data sources

Kuniko's internal Feøy database consists of public domain information. Beyond that, a few, public domain publications were gathered and cited in this chapter: the Geological Survey of Norway (NGU) Ore Database fact sheets contain summaries of deposits (NGU, 2013a; b); A summary of the Visnes Copper Mines area is available at https://www.mindat.org/loc-268575.html; A little geospatial information about known mineralizations across these 8 tenement areas is displayed at https://www.mindat.org/loc-268575.html and on NGU online maps at (http://geo.ngu.no/kart/mineralressurser_mobil/?lang=eng). Unfortunately, there are some contradictions and insufficient symbology legends in the latter, i.e., whether the mineral occurrences are actually deposits, prospects or occurrences. There are numerous drill cores containing "metal mineralization" around Visnes and Ytraland villages. Of the numerous "mineral occurrences" on Karmøy Island, the majority are copper and iron sulphide (base metals), with two occurrences of iron (ferrous metals). From Visnes village to Våge village there is an approximately NW-SE striking, elongate area of c.4.5 km length labelled on NGU maps as a "Metals province", that contains near Visnes village a c.1 km long, hachured area labelled as both an "occurrence" and a "Deposit area" (Figure 13). It is unclear whether these NGU occurrences are separate from, or the same as, the deposits and mines described by other publications cited in this Report.

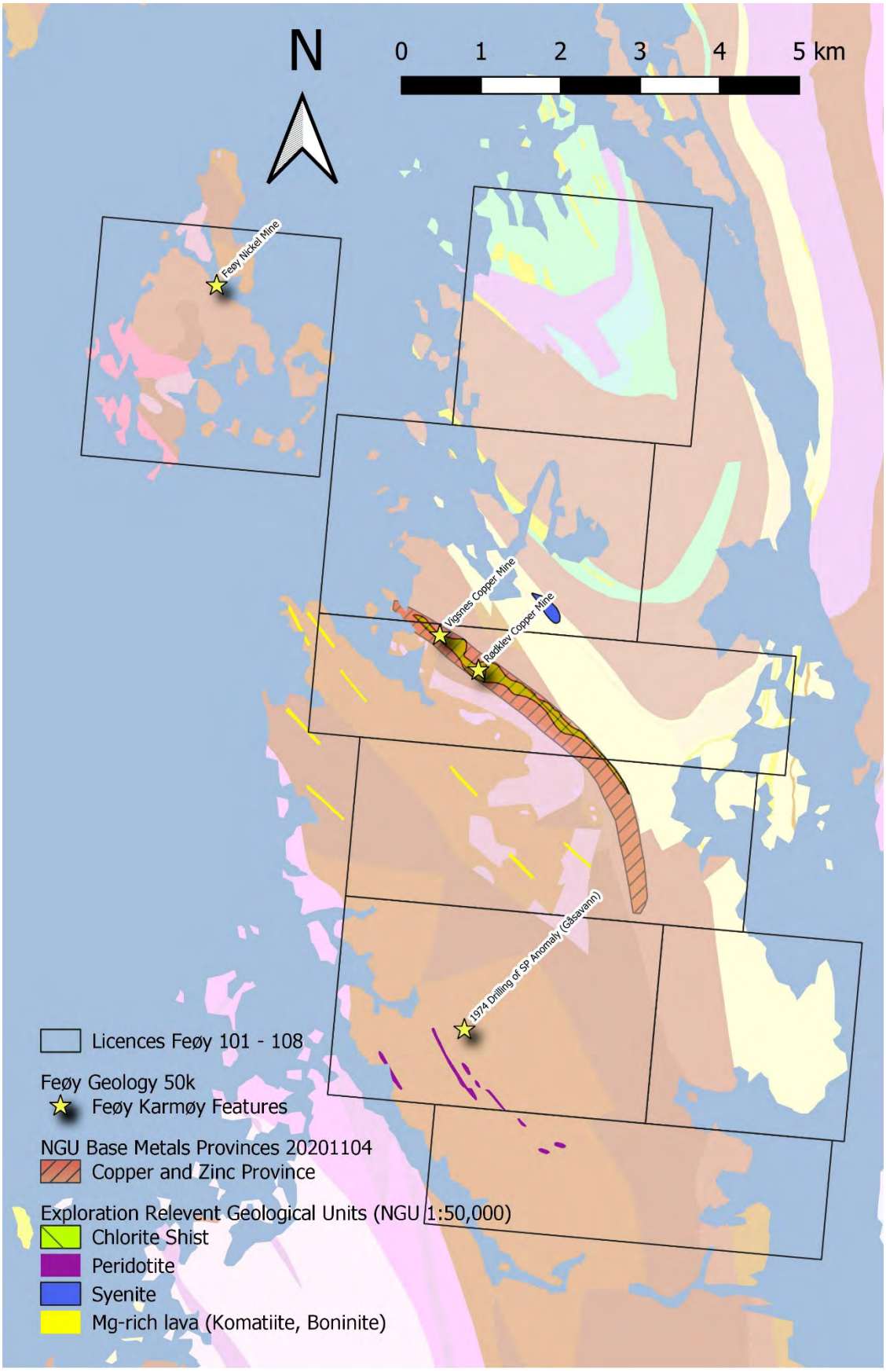

Figure 14. Location of the Visnes Metals Province (NGU, online), Feøy, Vigsnes and Rødkleiv Mines and exploration relevant units.

6.3.2 Structure and tectonics

The Karmøy area comprises the Karmøy Ophiolite Complex: a Caledonian/Appalachian ophiolite complex. It represents fragments of an extensive, Early Ordovician system of island arcs/arc basins (Pedersen and Hertogen, 1990). The geology and geochemistry of the Karmøy Ophiolite Complex suggests growth of an island-arc on top of newly formed oceanic crust, followed by arc-splitting and the development of a new basin (Pedersen and Hertogen, 1990). For details about the polyphase igneous evolution of the Karmøy Ophiolite Complex, the petrogenesis of the various mafic suites and ophiolite geochemical analysis, refer to Pedersen and Hertogen (1990) and references therein.

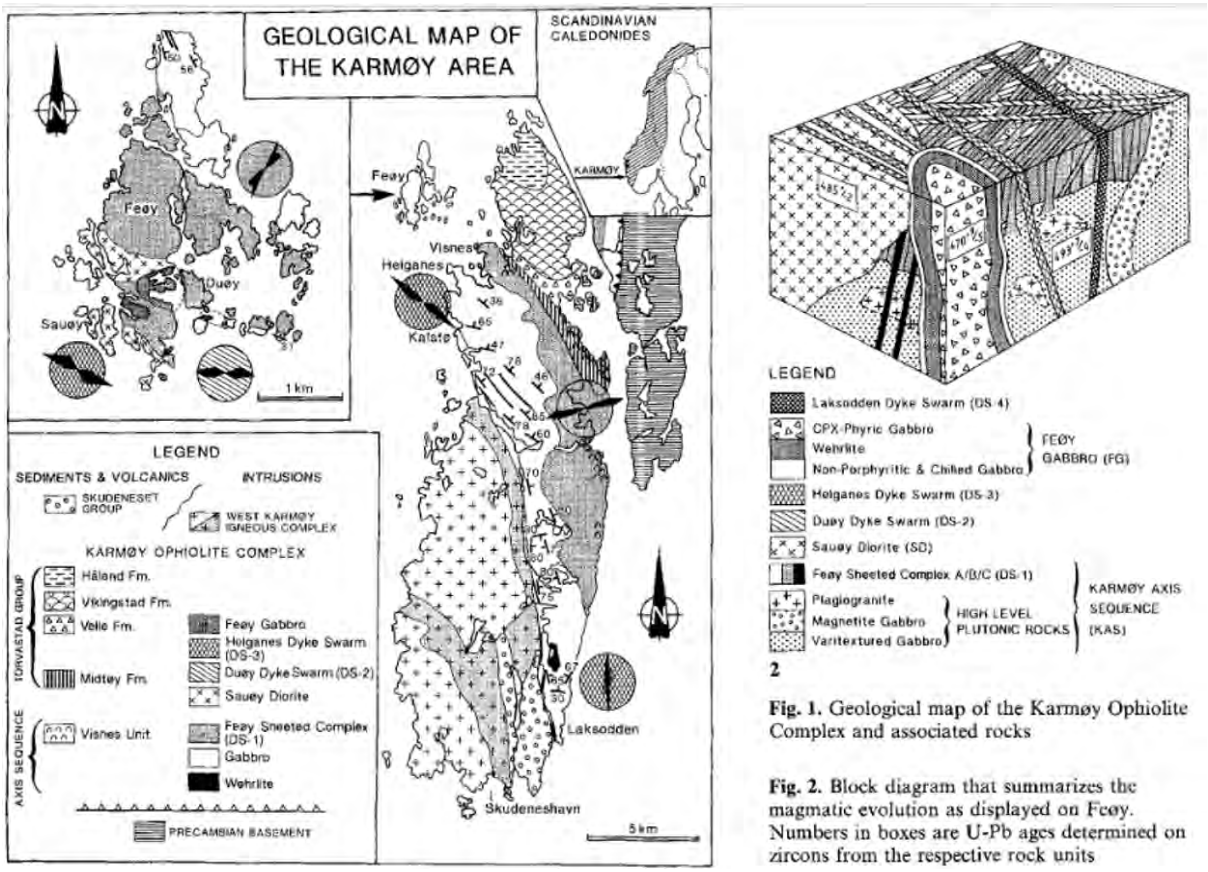

Fig. 1. Geological map of the Karmøy Ophiolite Complex and associated rocks

Fig. 2. Block diagram that summarizes the magmatic evolution as displayed on Feøy. Numbers in boxes are U-Pb ages determined on zircons from the respective rock units

Figure 15. Geological sketch map of the Karmøy Ophiolite Complex and a sketch block diagram of the magmatic evolution on Feøy. Taken from Pedersen and Hertogen (1990).

6.3.3 Lithostratigraphy

The Early Ordovician-aged Karmøy Ophiolite Complex (Figure 14) outcrops on the islands of Karmøy and Feøy. The geology of these islands comprises four major rock units, listed here from oldest to youngest units (Figure 14). The ophiolite complex *sensu stricto* comprises varying types of plutonic, hypabyssal and volcanic rocks, and is tectonically dismembered. The Torvastad Group is a volcano-sedimentary sequence that contains extrusive equivalents to many of the plutonic rocks on the islands. The West Karmøy Igneous Complex is a granitic complex that ranges from quartz-diorites to granites that intruded the older units. The Upper Ordovician (Ashgillian) rocks of the Skudeneset Group were deposited unconformably upon the older rock units after a period of uplift and erosion (Pedersen and Hertogen, 1990).

6.3.4 Mineralization (mined deposits, mineral deposits and mineralized showings)

The Feøy deposit is an orthomagmatic, nickel-copper-Platinum Group Elements deposit located on Ulvøya Island within the Feøy island group (EU89-UTM Zone 32: X-coordinate 282068, Y-coordinate 6589490 m; 1:50000 Geological map sheet ('kartblad') 1113-1 (Haugesund). The deposit is geologically located within the sheeted-dyke complex (Foslie and Høst, 1932) and gabbroic unit of the Karmøy Ophiolite Complex. The ore (NGU, 2013a) was medium-grained and dominated by pyrrhotite, whilst chalcopyrite, pyrite and pentlandite were subordinate. Its economic importance was not classified/evaluated by the NGU (2013a). The Feøy deposit hosted the now abandoned Feøy nickel mine.

Karmøy copper-zinc, volcanic-associated massive sulphide deposit is in the Karmøy Ophiolite Complex at Visnes (sometimes 'Vigsnes') on the western side of Karmøy Island group (EU89-UTM Zone 32: X-coordinate 285249, Y-coordinate 6585449 m; 1:50000 Geological map sheet ('kartblad') 1113-1 (Haugesund) NGU (2013b). It is one of several, ophiolite-hosted, massive sulphide ores in Norway (Grenne et al., 1999). It comprises several copper-zinc deposits, mostly of volcanic-associated massive sulphide category, and a few vein deposits, that are mainly confined to the lower pillow lavas and the sheeted-dyke complex (Visnes Group). A series of mineralized zones with pyrite, pyrrhotite, chalcopyrite, sphalerite, and magnetite are found in certain bands within the greenstone schist and amphibolite series. One of them is the Visnes schist zone containing the "largest known mines" (Gronlie and Logn, 1978). The most significant volcanic-associated massive sulphide deposits are Visnes and Rødkleiv deposits, which are located c. 650 m apart. These ore bodies at both Visnes and Rodkleiv are in a 50–60 m wide zone dominated by chlorite-rich greenschist that represents sheared dykes and lava of the Visnes Group (Sandstad et al., 2012). The shearing is assumed to post-date the formation of the massive sulphide bodies (Scott, 1992). The strike of the sequence is NW–SE across the island, with a steep dip [down] towards the NE. The stratigraphy of the host sequence from footwall to hanging wall is: greenstone, chlorite schist, ore, chlorite schist in the greenstone formation, with minor intercalations of felsic metavolcanic rocks, magnetite and chert (Geis, 1957).

The Visnes mineralization seems to be [inferring from Pedersen and Hertogen (1990)] at the tectonized contact boundary between the Visnes Unit and the overlying Torvastad Group. In the Visnes deposit, chalcopyrite and sphalerite are enriched in the upper parts of the sulphide bodies, and chalcopyrite is also enriched in the thinner part of these. Minor stringers or veinlets and dissemination of chalcopyrite also occur in the hanging wall (Sandstad et al., 2012). The first discovery of economic importance was the Old Visnes mine [deposit] (Figure 15). The ore occurred in five steeply dipping, elongated bodies that have been mined to 732 m depth. The ore bodies have widths of 20-40 m and thicknesses of 2-10 m (Gronlie and Logn, 1978); These widths are not stated as true widths, and thus do not meet JORC (2012) guidelines. Lithological data and gangue minerals are listed on NGU (2013). The Rodkleiv ore is dominated by pyrite with thin bands of sphalerite with more irregular enrichments of chalcopyrite, especially on the hanging-wall side (Sandstad et al., 2012).

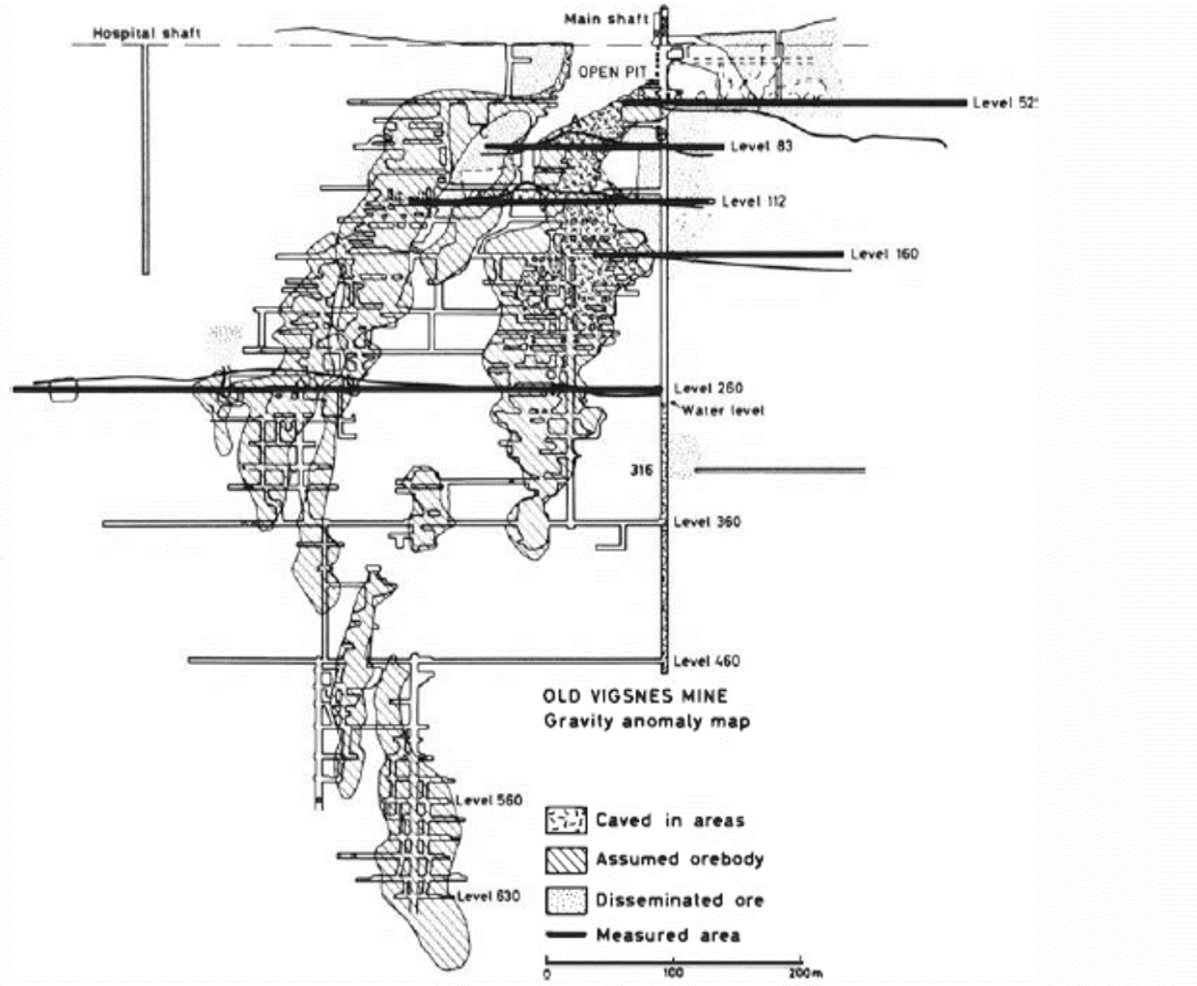

Fig. 13. Depth section showing the gravity anomaly at different levels. The anomalies are reduced to the different levels in which they were measured. In order to get Bouguer anomalies one should add a depth dependent constant for each level.

Figure 16. A sketch cross section of the Old Visnes Mine and gravity anomalies (Gronlie and Logn, 1978).

There are several other, minor, massive sulphide deposits in the Visnes Copper Mines area, along strike to the SE of Visnes and Rodkleiv deposits, e.g., Hinderaker, Sletthei, Knoff/Huelva and Jordan mines. A few pits and mineralization occurrences are also listed at https://www.mindat.org/loc-268575.html. Massive and disseminated pyrite-chalcopyrite occurrences are in doleritic greenstone in the lower part of the ophiolite complex (Sandstad et al., 2012). The Sorstokke deposit is located at the SE side of Karmøy (total production of 7300 tonnes mined with 0.5–0.6 % copper; Geis, 1957). Stratigraphically above the Visnes Group are several, minor, banded occurrences of massive pyrite and/or magnetite (banded iron formation) within metalliferous sediments (Sandstad et al., 2012). A few, minor, iron occurrences are present within the upper lava and overlying sediments of the Torvastad Group (Sandstad et al., 2012).

6.3.5 Exploration and production history

There are no contemporary Exploration Results or Exploration Targets for these Tenements in English language, public domain literature. Contemporary surveys of drill hole, drill core, assay, outcrop sampling, geophysics surveys, geological mapping, hyperspectral, soil and rock chip geochemical sampling, geochemical anomalies, environmental, social license to operate, governance information

are yet to be conducted by Kuniko or any other contemporary exploration stakeholders.

The Feøy nickel mine (Figure 15) is a disused mine that had regular production to [a total of] 37,000 tons and grades of 2.6 % copper and 2.1 % nickel, from 1895 to 1901 and between 1910 and 1922. It originally operated as a copper mine until nickel production also commenced from 1899. The ore was also known for Platinum Group Elements, containing 4.4 ppm palladium, 1.6 ppm platinum and 0.2 ppm rhenium (Boyd and Nixon, 1985; NGU, 2013a). Ore production has never exceeded 5000 tons per year, with total production (to the end of 1920) being 650 tons of nickel and 820 tons of copper. The maximum thickness of the orebody was 7.5 metres (Rosenlund, year unknown). 473 metres of drill core data was acquired in 1971 from "Deposits within the drilling area Feøy" (drilling organization not specified). It is stored by the NGU and summarized at https://aps.ngu.no/pls/oradb/minres_BH_fakta.Kjerne?p_id=10267&p_spraak=E.

Table 3. Deposits and occurrences in the Karmøy metallogenic area included in the FODD database.

Deposit	Ore tonnage (Mt)	Cu %	Zn %	Ni %	S %	When mined	Genetic type	Reference
Vigsnes	1.44*	1.66	1.4		35	1865–1894, 1971–1972	VMS	Geis (1957)
Rødkleiv**	2.646*	0.78	1.71			1910–1920, 1924–1971	VMS	Gvein (1977)
Feøy	0.037*	2.6		2.1		1896–1922	Magmatic Ni-Cu-PGE	Boyd & Nixon (1985)

* Mined ore
** Variable ore grade recorded, average grade in the years 1961–69 listed.

Table 4. Deposits and occurrences in the Karmøy metallogenic area included in the FODD database. Taken from Table 3 of Sandstad et al. (2012).

The Visnes deposit was discovered in 1865. In the Visnes Copper Mines area about nine mines, some adits and about 18 drifts are registered (https://www.mindat.org/loc-32790.html). A Belgian company commenced production [commodity unstated] from the now disused, underground, Old Vigsnes mine in 1866. By 1880, it was the largest mining company in Norway, with 3000 people directly or indirectly employed (Sandstad et al., 2012). From 1866 were 25 years of "booming production", followed by five meagre years (Gronlie and Logn, 1978). The mining method used was to stope out the ore, leaving props for safety and as 'reserves'. Early mining was close to the surface but the ore body was eventually followed [mined?] to a depth of about 700 m. The copper content of the ore was about 2 % in the beginning, but this decreased gradually at depth, and mining stopped in 1894 due to the declining copper content of the ore: the copper content was 0.4% when production ceased (Gronlie and Logn, 1978). 1.44 million tonnes of ore was produced, grading at 1.7 % copper and 1.4 % zinc, (Mindat, online). Six cigar- or plate-shaped ore bodies were exploited to a depth of 732 m below sea level (Mindat, online). The two largest of these were 400–450 m long, up to 175 m wide and 5–30 m thick (Sandstad et al., 2012). Tons and grades reported in public domain literature were written earlier than JORC (2012) guidelines and do not comply with, nor seem specific to, any JORC (2012) compliant Exploration Target, Mineral Resources or Ore Reserves.

The mining company A/S Sydvaranger bought the mining rights in 1972 and did some prospecting in the area (Mindat, online). It seems that the company did not conduct mining. The company started to empty the water filled Old Vigsnes mine to see if any ore of economic importance had been left at depth, and with the hope of locating new ore bodies with modern [at that time] geological and geophysical methods. Underground geophysical measurements were carried out in 1974, to map several geophysical field variations around the deposit: to get a better understanding of the ore complex and search for new ore. The geophysical methods used were the self-potential method (SP), the charged potential method (CP), the Very Low Frequency-EM method (VLF), and the gravimetric

method. The results from these measurements, and sketches of the mine, can be viewed in Gronlie and Logn (1978). Those authors stated that the combination of methods proved to be useful and gave information about the boundaries of the worked ore bodies and where to look for a continuation of the ore. A short description of 45 historic mines and workings at North-Karmøy by Sydvaranger A/S pre-1973 yielded "low grades"–up to 2.35% copper and 1.2% zinc–and negative boulder and helicopter survey results (Stenmark and Pantdalsli, 1973).

Small-scale test mining was carried out on the Rodkleiv deposit before regular production of copper and zinc from the now closed Rødklev Mine. 2.646 million tons of ore with 0.78 % copper and 1.71 % zinc was produced during 1910-1920 and 1924-1971 (Table 4). Tons and grades reported in public domain literature were written early than JORC (2012) guidelines, and do not seem specific to any Exploration Target, Mineral Resources or Ore Reserves.

At Rodkleiv, two ore bodies separated by a fault were mined, namely the West and East ore bodies. The western ore body was ruler shaped and exploited from the surface to a depth of 400 m, whereas the eastern ore body was more irregular and was discovered at a depth of 210 m. The mine closed in 1971 or 1972. The possible easterly extension of the East ore body was exploited from the minor Hinderaker mine (Sandstad et al., 2012); The two mines are connected via a shaft from the Rødkleiv 150m level. The Hinderåker mine was 70 m deep and excavated a pencil shaped ore body. The mine is covered by large (20-25m^2) concrete slabs and 1200m^3 of partly reclaimed dump. Ore samples are not common on the dump https://www.mindat.org/loc-268290.html.

Kuniko does not possess any recently acquired, reconnaissance, exploration information for this tenement.

6.3.6 Geophysics information

Sketches of geophysics interpretations inside the Old Vigsnes mine are displayed in Gronlie and Logn (1978) and Figure 15. Kuniko does not possess any geophysics information for this tenement set beyond that cited in this document from public domain literature.

6.3.7 Geochemistry information

Ophiolite host rock geochemical analyses are available in Pedersen and Hertogen (1990). Element concentrations of dump material at Vigsnes Deposit Area can be viewed at the NGU (2013b).

6.3.8 Recent metallurgic test work

Kuniko does not possess any recent metallurgic test work information for this tenement set.

6.3.9 Historic, remaining resource estimates

No historic, remaining resource estimates or mineral prospects have been identified for the Visnes or Feøy deposit areas during an English language, public domain, literature search and review of information held by Kuniko. Also, no historical or foreign estimates for a material mining project were identified.

6.3.10 Recent, remaining resource estimates and mineral prospects

No recent resource estimates or mineral prospects were found in English language information in the

public domain for the Visnes or Feøy deposit areas. Johannessens Prospect and Knoff 2 Prospect are named on https://www.mindat.org/search.php?search=Vigsnes, but with no accompanying information. No English language information was found during the review of Kuniko's information. This Report's Authors do not yet see sufficient information for these historic mines and occurrences to be in Exploration Results or Exploration Targets categories, following JORC (2012) guidelines.

6.3.11 Environmental information

All of Feøy island and five areas on Karmøy are protected 'kystlynghei': a landscape defined by grazing in areas that are subjected to periodic burning. Whilst these areas are not designated national parks, the grazing and vegetation burning activities are likely to be protected. Some forms of reconnaissance exploration may be permitted. The exploration areas that may be prospective for komatiite-hosted mineralization and peridotite-hosted mineralization are not designated as kystlynghei. All Tenements will need exploration activity permission from landowners, and a permit to drive off-road.

6.3.12 Cultural information

Karmøy Island and Feøy island group are known their history and peaceful, seaside tourism. Feøy islands and the populated areas of Karmøy Island contain a large number of protected buildings and important archaeological sites. The exploration areas that may be prospective for komatiite-hosted mineralization and peridotite-hosted mineralization do not contain any protected monuments. The Visnes mine is a historical site protected by Norwegian law.

7. Proposed exploration program and budget

These exploration programs should be staged and at each project KNI should only advance to the next stage of exploration upon satisfactory completion of the previous steps. Each step should increase the confidence of making a discovery of economic mineralization; where confidence decreases at an exploration stage, exploration should pause for review.

7.1. South-central Norway Tenements

The Undal, Nyberget and Vangrøfta Tenements are in an area known to be important for copper, zinc and lead historic production. It is recommended that reports, maps and sections from mines within and adjacent to the Tenements be georeferenced and registered into 3D modelling software. This digitization phase will facilitate the identification of possible in-situ resources or reserves which may be verified by later drilling. Furthermore, digitization will allow a more detailed understanding of the mineralization types and controlling structures and hence later drilling and fieldwork can be planned to identify new targets in the old mine areas or along strike.

Such massive base-metal sulphide deposits are well suited to target generation using ground and airborne gravity and electromagnetic methods (depending on topography). Any new targets can be assessed initially with geological mapping and sampling, and exploration drilling can be considered subsequently.

	Year 1 ($)	Year 2 ($)	Total ($)
South-central Norway Tenements - Undal - Copper-Zinc-Cobalt			
Review of historic mining and exploration	10,000		**10,000**
Data Integration, mineralisation models, target generation	10,000		**10,000**
Field studies - mapping/sampling	25,000	10,000	**35,000**
Geophysics	120,000	250,000	**370,000**
Geochemical Surveys		250,000	**250,000**
Drill Targeting		10,000	**10,000**
Exploration Drilling		250,000	**250,000**
Total	**165,000**	**770,000**	**935,000**
South-central Norway Tenements - Vangrøfta - Copper-Cobalt			
Review of historic mining and exploration	5,000		**5,000**
Data Integration, mineralisation models, target generation	5,000		**5,000**
Field studies - mapping/sampling	10,000	5,000	**15,000**
Geophysics	40,000	150,000	**190,000**
Geochemical Surveys		100,000	**100,000**
Drill Targeting		10,000	**10,000**
Exploration Drilling		150,000	**150,000**
Total	**60,000**	**415,000**	**475,000**

Table 5: Proposed tasks and budget for exploration at the South-central Norway Tenements. The budget provided is approximate and not based on fixed quotes.

7.2. Southeast Norway Tenements

At Skuterud and Romsås, the concessions contain historic mines, but studies related to the restart of production are not possible in both cases. Although the mineralization styles present are likely to be different, similar exploration methods are likely to be value. An understanding of the mineralization styles and structures at both mines is highly valuable in targeting further mineralization. It is recommended that reports, maps and sections from the mines be georeferenced and registered into the 3D modelling software. This digitization will allow a more detailed understanding of the mineralization types and controlling structures and hence later drilling and fieldwork can be planned to identify new targets in the old mine areas or along strike.

It is possible that soil geochemistry would be of value at the Romsås concessions and has already proven to be suitable during Berkut's previous work at Skuterud. Before undertaking a soil sampling starts at Romsås a brief study of soil formation should be completed in order to plan the survey specifications.

Given the poor exposure at the Romsås Tenements, it is likely that a ground or airborne magnetic survey will be of value to geological mapping. Such mapping can be ground-truthed against observations of lithology and structures observed in exposure uncovered in recent road building. Upon satisfactory identification of drill-ready targets, KNI could consider exploration drilling.

	Year 1 ($)	Year 2 ($)	Total ($)
Southeast Norway Tenements - Skuterud - Cobalt-Copper-Gold			
Review of historic mining and exploration	10,000		**10,000**
Data Integration, mineralisation models, target generation	10,000		**10,000**
Field studies - mapping/sampling	25,000	20,000	**45,000**
Geophysics	370,000		**370,000**
Geochemical Surveys	240,000		**240,000**
Drill Targeting	10,000	10,000	**20,000**
Exploration Drilling	250,000	250,000	**500,000**
Total	**915,000**	**280,000**	**1,195,000**
Southeast Norway Tenements - Romsås - Nickel-Copper			
Review of historic mining and exploration	10,000		**10,000**
Data Integration, mineralisation models, target generation	10,000		**10,000**
Field studies - mapping/sampling	25,000	10,000	**35,000**
Geophysics	100,000	200,000	**300,000**
Geochemical Surveys		100,000	**100,000**
Drill Targeting		10,000	**10,000**
Exploration Drilling		150,000	**150,000**
Total	**145,000**	**470,000**	**615,000**

Table 6: Proposed tasks and budget for exploration at the Southeast Norway Tenements. The budget provided is approximate and not based on fixed quotes.

7.3. Southwest Norway Tenements

On the island of Karmøy there is potential for massive base-metal sulphides and also nickel-copper-Platinum Group Elements mineralization of a similar style to that found at Feøy. Although the historic mine at Feøy has high grade mineralization, its environmental status means that detailed exploration

would be unwise. A study of the Feøy Mine mineralization should be undertaken. It is recommended that reports, maps and sections from all mines on the tenement be georeferenced and registered into the 3D modelling software. This digitization will allow a more detailed understanding of the mineralization types and controlling structures and hence later drilling and fieldwork can be planned to identify new targets in the old mine areas or along strike.

There is potential to identify in-situ historic resources-reserves at the Vigsnes and Rødkleiv mines but additionally it is also possible to use reinterpretation of the Feøy mine to explore for new high-grade nickel-copper-Platinum Group Elements mineralization on the island of Karmøy.

Such massive base-metal sulphide deposits are well suited to target generation using ground and airborne electromagnetic methods. Any new targets can be assessed initially with geological mapping and sampling and later exploration drilling can be considered.

	Year 1 ($)	Year 2 ($)	Total ($)
Southwest Norway Tenements - Feøy - Nickel-Copper			
Review of historic mining and exploration	10,000		**10,000**
Data Integration, mineralisation models, target generation	10,000		**10,000**
Field studies - mapping/sampling	25,000	10,000	**35,000**
Geophysics	370,000		**370,000**
Geochemical Surveys	250,000		**250,000**
Drill Targeting		10,000	**10,000**
Exploration Drilling		250,000	**250,000**
Total	**665,000**	**270,000**	**935,000**

Table 7: Proposed tasks and budget for exploration at the Southwest Norway Tenements. The budget provided is approximate and not based on fixed quotes.

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Appendix 1. Rock Type Legend for NGU Geological Maps (1:250,000)

Appendix 2. JORC Code, 2012 Edition – Table 1

The following tables and statements are provided to ensure compliance with the JORC Code (2012) requirements. References of cited reports are listed in Chapter 8 of this Report. None of the Tenements described in this Report contain verifiable Exploration Targets, Mineral Resources nor Ore Reserves prepared and reported in accordance with JORC (2012) guidelines. The tables below summarises modern, English-language information that could be researched during the scope of this report writing. It is not exhaustive of all historic documentation written over several centuries in English, Norwegian and German.

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralization that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralization types (e.g. submarine nodules) may warrant disclosure of detailed information.*	Undal-Nyberget and Vangrøfta Project. • Kuniko completed a sampling programme of historic dumps and mine workings (Koppar Resources Limited, 2018b). 13 rock chip samples were collected from the Fredrik IV mine and Flatskarvåsen localities. Historic grab samples were also collected by the Geological Survey of Norway and reported in its 'Ore Database'. Skuterud Project. • Rock chip sampling, soil sampling and a seven-hole maiden drilling by Berkut Minerals (2018a-e) in the Skuterud region (before Berkut exited the Tenements) yielded anomalous intersections and concentrations of copper and cobalt. "Rock chip hand samples collected as composites based on consistent mineralogy. Soils samples were dug using a shovel targeting the B soil horizon. Samples were pre-sieved to -5mm in the field" (Berkut Minerals, 2018e). • Historically, rock samples taken from historic mine dumps in several Tenements were analysed by the Norwegian Geological Survey (NGU), e.g. https://aps.ngu.no/pls/oradb/minres_deposit_fakta.Main?p_objid=5902&p_spraak=E There is insufficient information about historic sampling techniques. See main report text.
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond*	• The only modern drilling results available are reported in Berkut Minerals Ltd (2018b) in the Skuterud Project Tenements: "2017 drilling was by diamond core with a nominal NQ diameter. The core was orientated using

Criteria	JORC Code explanation	Commentary
	tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	the DeviCore orientation system. and downhole surveys were completed using a DeviFlex survey tool." • Mentions of historic drilling in other Tenements by the NGU and historic mining companies do not have drilling techniques information. See main Report text.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• The only modern drill sampling results available are reported in Berkut Minerals Ltd (2018b) in the Skuterud Project Tenements: "For the 2017 program, drill recovery was consistently high with close to 100% recovery recorded for all holes. Drill run length and recovered lengths were recorded at core retrieval and checked during the core orientation process." • Mentions of historic drilling in other Tenements by the NGU and historic mining companies do not have drilling sample recovery information. See main Report text.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• The only modern drill sampling results available are reported in Berkut Minerals Ltd (2018b) in the Skuterud Project Tenements: "All core was logged geologically and, with the exception of MDV001, has been photographed. With the exception of hole MDV001 all core has been geotechnically logged. Representative density samples were taken from half core (water immersion method). • Rock chip sampling (Koppar Resources Limited, 2018b) at Vangrøfta Project: "Samples were geologically described and these are presented in tables in the body of this announcement." • Mentions of historic logging in other Tenements by the NGU and historic mining companies do not have sufficient logging information. See main Report text.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the*	• The only modern drill sampling results available are reported in Berkut Minerals Ltd (2018b) in the Skuterud Project Tenements: "As the faces of the historical workings were not accessible, selected hand samples of nearby spoil material were selected to highlight mineralization styles in the area. Core was cut in half using a 14" diamond saw. Sample intervals ranged from 0.4 to 2.0 m. Standards were inserted at approximately 1:20 ratio. No field duplicates have been taken at this stage. The sampling protocol is considered

Criteria	JORC Code explanation	Commentary
	sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	appropriate for the style of mineralization." • Rock chip sampling (Koppar Resources Limited, 2018b) at Vangrøfta Project: "Each rockchip sample collected weighed between 1 and 1.5kg. Given the nature of rock chip sampling and drill core sampling, it is likely that such samples may not be representative, and instead are only indicative of anomalous elemental concentrations."
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	Rock chip sampling (Koppar Resources Limited, 2018b) at Vangrøfta Project: "Samples were sent to ALS in Sweden for analysis. Sample prep and analysis included the following: • Fine crushing 70% < 2mm. • Sample splitting (Boyd Rotary Splitter). • Pulverize split to 85% <75um. • Crushing QC test. • Pulverizing QC test. • Analysis for gold using method Au-ICP21 – au 30g FA ICP-AES Finish • Analysis for base metals using method ME-ICPORE –oxidising digestion w/ICP-AES Finish. No standards, blanks, duplicates, or external laboratory checks were submitted. Internal laboratory QAQC procedures were followed by ALS." Drill core analysis reported in Berkut Minerals Ltd (2018b) in the Skuterud Project Tenements: • "The Niton XL3t hand held XRF was used to obtain field samples and was tested against calibration standards for cobalt and copper, iron and nickel prior to the commencement of field work. These calibrations indicated that cobalt readings often exhibited a step change, but that high-grade readings (>0.1% cobalt) were reproducible. Copper, nickel and iron readings performed closely to the calibration standards. It is noted that further matrix matched cobalt calibration may be required for the deposits in question. The XL3t was used to aid in the identification of cobalt bearing intervals to guide sampling and field results have not

Criteria	JORC Code explanation	Commentary
		been reported • Approximately 60 second readings were taken with 20s per filter pass. • Drill core was assayed by MS Analytical. Preparation was undertaken at their facility in Storuman in Sweden. • Pulp samples were then sent to the MS Analytical facility in Vancouver Canada. Samples were digested using an industry standard mixed four acid digest with an ICP-MS finish. Gold is determined via fire assay." (Berkut Minerals Ltd, 2018b). Mentions of historic assay data and laboratory tests in other Tenements by the NGU and historic mining companies do not have sufficient information. See main Report text.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	Rock chip sampling (Koppar Resources Limited, 2018b) at Vangrøfta Project: • "No drilling results are being presented. • No significant intersections are being reported. • Assay results were sent by the lab in excel spreadsheet. • No adjustment to assay data has been made." Soil sampling by Berkut Minerals Ltd (2018e) in the Skuterud Project Tenements: • "No company QC samples were included for this sort of program and the company relies on internal lab duplicates and SRM material. • Sample locations were saved as waypoints on hand held GPS devices • Samples were located using a hand held GPS from indiscriminate sample points generated in GIS software. Actual sample locations were selected based on ground conditions at the site. Sample locations could be moved to suit the conditions to a maximum of half the spacing." Drill core sampling by Berkut Minerals Ltd (2018b) in the Skuterud Project Tenements: • "There has been no twinning of drill holes or umpire assays yet include in the current drill program. • Pulverised and homogenised reference samples have been included in the routine

Criteria	JORC Code explanation	Commentary
		sampling at the rate of approximately 1:20. • No duplicate or blank samples have included. • Selected samples have been assayed using an aqua regia digest with ICP-MS finish for comparison." Mentions of historic sampling and assay data in other Tenements by the NGU and historic mining companies do not have sufficient information. See main Report text.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	Rock chip sampling (Koppar Resources Limited, 2018b) at Vangrøfta Project: • "Coordinates of the rock chip sample locations were recorded by handheld GPS in WGS1984 UTM Zone 32N. • The location of data points using a handheld GPS is considered adequate for this stage of work." Analyses of historic sampling of mine dump rocks, collected by NGU, do not have location data. Soil sampling by Berkut Minerals Ltd (2018e) and drill core sampling by Berkut Minerals Ltd (2018b) in the Skuterud Project Tenements: • "Samples were recorded against the ETRS1989 UTM Z32 grid system. • Only national based topographic control (~5m accuracy) has been used to date. • Collar location have been collected using a Garmin Oregon 700 hand-held GPS." Insufficient information about historic activities. See main Report text.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	Rock chip sampling (Koppar Resources Limited, 2018b) at Vangrøfta Project: • "Rock chip samples have been collected from dumps, which occur at irregular spacings. No sample compositing has been applied." Drill core and rock chip sampling by Berkut Minerals Ltd (2018b) in the Skuterud Project Tenements: • Spoil samples were taken from the base of historical workings. They indicate the style of mineralization present but are not indicative of mineralization thickness or continuity. • Drill spacing is broad at a nominal 50 to

Criteria	JORC Code explanation	Commentary
		300m spacing. Soil sampling by Berkut Minerals Ltd (2018e) in the Skuterud Project Tenements: • "Soil sampling spacing is normally 100m x 50m with localised 100m x 25m infill. • This sample density is considered appropriate as a first pass for the mineralization style being targeted. Further detail can be obtained as required by infill sampling." Insufficient information about historic activities. See main Report text.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	Rock chip sampling (Koppar Resources Limited, 2018b) at Vangrøfta Project: • "Rockchip samples were collected from dumps and is therefore biased sampling." Drill core and rock chip sampling by Berkut Minerals Ltd (2018b) in the Skuterud Project Tenements: • "Drill spacing is broad at a nominal 50 to 300m spacing based upon access limitations and is appropriate for a proof of concept, first pass program." Soil sampling by Berkut Minerals Ltd (2018e) in the Tenements: • "Soils lines are perpendicular to the main Skuterud Project geological trends." Insufficient information about historic geological structure definition. See main Report text.
Sample security	• *The measures taken to ensure sample security.*	Rock chip sampling (Koppar Resources Limited, 2018b) at Vangrøfta Project: • "Samples were sent by air freight from Norway to Sweden." Drill core and rock chip sampling by Berkut Minerals Ltd (2018b) in the Skuterud Project Tenements: • "Diamond samples were stored on site in a shed then transported by DB Schenker courier to the MS Analytical facility in Storuman Sweden." Soil sampling by Berkut Minerals Ltd (2018e) in the Skuterud Project Tenements: • "Samples were stored in a locked facility near site then transported by courier to

Criteria	JORC Code explanation	Commentary
		Gardermoen airport for transit to Perth." Insufficient information about historic sample security activities.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	Rock chip sampling (Koppar Resources Limited, 2018b) at Vangrøfta Project: • "No audits or reviews have taken place." Soil sampling by Berkut Minerals Ltd (2018e) and drill core sampling by Berkut Minerals Ltd (2018b) in the Skuterud Project Tenements: • "Senior management has audited the site sampling protocols. All sampling was performed under the supervision of an experienced geologist." Insufficient information for historic activity audits.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

There are no modern exploration results and little information beyond that summarized in the table below and stated in the Report main text. Berkut Minerals exited the Skuterud Tenements in 2018.

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The following mineral exploration Tenements are all are currently 100% held by Kuniko. Kuniko has not published any material agreements with third parties. • The South-central Norway Tenements comprise the Undal 101-102, Nyberget 101-102 and Vangrøfta 102 Tenements. Undal 101-102 and Nyberget 101-102 Tenements (c.50 km^2). • The Southeast Norway Tenements comprise Romsås 101-109 Tenements (c.90 km^2) and Skuterud 101-110 Tenements that encompass (c.52 km^2). • The Southwest Norway Tenements comprise Feøy 101-108 Tenements (c.71 km^2). • There are no impediments known to this Report's authors about operating in these areas, although further discussions could be required in parts of Tenements concerning Norway's standard land access, historical sites, national park and environmental policies.

Criteria	JORC Code explanation	Commentary
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The Projects have previously been explored for copper and zinc, cobalt and nickel by a number of companies over several centuries. • The first modern exploration, and first ever mineral exploration drilling, of the Skuterud area was conducted by Berkut Minerals Ltd (Berkut) during its 2017-2018 Skuterud Cobalt Project: within Kuniko's current Tenements. • NGU conducted geophysics in at Frederick IV Mine (Vangrøfta tenement) in 1966; Falldal Verk-Amoco's (1983) airborne VLF, magnetometric and radiometric surveys across Undal and Nyberget Tenements; Folldal Verk AS conducted geophysics at Vangrøften Skjerp between 1981-1984; The NGU conducted TURAM EM geophysical surveys between 1966 and 1998. • Drill core data was acquired in 1971 from "Deposits within the drilling area Feøy" (drilling organization not specified). • Also see main Report text.
Geology	• *Deposit type, geological setting and style of mineralization.*	• The Undal and Nyberget Tenements are located within the Kvikne-Singsås copper-zinc-nickel metallogenic area, and the Vangrøfta tenement is located in the Folldal-Meråker Cu, zinc metallogenic area of south-central Norway. Undal deposit is a volcanic-associated massive sulphide, copper and zinc deposit situated in a graphitic phyllite with minor greenstone. Vangrøfta 102 tenement contains an uncertain number of either volcanic-associated massive sulphide - or epigenetic- and hydrothermal-type, copper-gold-cobalt deposits: massive sulphides containing pyrite, chalcopyrite, and sphalerite. • Feøy Project area contains volcanic-associated massive sulphide-related copper and zinc mineralization and orthomagmatic, nickel-copper-Platinum Group Elements mineralization: in and around the Karmøy copper-zinc volcanic metallogenic area. • The Skuterud deposits are metasomatic-hydrothermal, copper-cobalt deposits in a mineralized, sulphide-rich, altered schist zones or 'fahlbands': of the Modum Complex, in Modum Vest [metallogenic?] Province. • The Romsås deposit is an orthomagmatic, nickel-copper-cobalt deposit in the Indre Østfold nickel-copper metallogenic area.

Criteria	JORC Code explanation	Commentary
		• See main Report text for details. • Data collection and subsequent exploration will aid in confirming these models.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• No drilling is being reported by Kuniko. • 2018 drilling results of Berkut Minerals are in Section 1 table, Report text section 5.3.5, figure 8, tables 2 and 3 and references Berkut Minerals Ltd (2018b) and (2018e).
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• No drilling is being reported by Kuniko. No averaging techniques were applied to the reporting of rock chips exploration results (Koppar Resources Limited, 2018b). • No metal equivalent values are being used. • 2018 drilling results of Berkut Minerals are in Section 1 table, Report text section 5.3.5, figure 8, tables 2 and 3 and references Berkut Minerals Ltd (2018b) and (2018e). Length weighted averages have been used in reporting of results. A nominal grade of 0.02% cobalt over 1m has been used to report anomalous intersections; with anomalous intercepts over approximately 0.05% cobalt over 1m also used. • Berkut Minerals soils results were reported for the -0.5mm fraction.
Relationship between mineralization widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralization with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').*	• No drilling is being reported by Kuniko. Rock chip sample results represent point values only (i.e., no widths are being reported or assumed) (Koppar Resources Limited, 2018b). • Berkut Minerals drill holes were sited to be approximately parallel to the mapped stratigraphy. The dip of target horizons is inferred from historic workings to be sub-vertical, however the exact orientation of mineralization is not well understood. Holes

Criteria	JORC Code explanation	Commentary
		were angled to maximise drill coverage and to target down dip projections of mineralization.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Refer to Figures in the main Report. • Included in body of report as deemed appropriate by the competent person for the stage of exploration, and review of exploration data acquired by other parties, that the company is currently at.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• Significant geochemical anomaly results in exploration data acquired by Berkut Minerals are included in the Report text. • All rock chip assay results conducted by Kuniko have been reported (Koppar Resources Limited, 2018b).
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• Relevant exploration data is shown on Report figures, in Report text and in cited reference documents.
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Further work will be designed once ongoing historical data review has been completed. See Chapter 7 of main Report.

ANNEXURE B – SOLICITOR'S REPORT ON TENEMENTS

SCHJØDT

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Oslo, 9 June 2021
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TITLE REPORT – EXPLORATION RIGHTS HELD BY KUNIKO LIMITED

1. INTRODUCTION

1.1 Scope of report

1.1.1 This report dated 9 June 2021 has been prepared by Advokatfirmaet Schjødt AS ("**Schjødt**") for inclusion in a prospectus to be issued by Kuniko Limited ("**Kuniko**") for an initial public offering of Kuniko shares in connection with an application for admission of Kuniko shares to official quotation on the Australian Securities Exchange ("**ASX**").

1.1.2 This report relates to the tenements owned by Kuniko (formerly named Koppar Resources Europe Pty Ltd) relating to exploration of minerals onshore in Norway.[1]

1.1.3 For the purpose of this report, Schjødt has conducted title searches of, and described, the mineral rights conferred to Kuniko, hereinafter referred to as the ("**Tenements**"). The Tenements include a right to explore for certain specified minerals owned by the Norwegian State.

1.2 Qualifications

1.2.1 Schjødt is internationally recognized and respected as one of Scandinavia's top tier law firms, with approximately 250 lawyers in Norway, Sweden and England. We have vast experience in assisting companies in acquisition of property and adjacent rights. The undersigned lawyers have assisted in similar projects and has in-depth knowledge of the regulatory system related to mining in Norway.

1.3 Independence

1.3.1 Schjødt has no interests in Kuniko or its parent company Vulcan Energy Resources Limited. Schjødt's cost of preparing this report has been calculated based on time spent on an hourly rate. The payment of fees is not in any way dependent of the result of this report or the success of the underlying project.

[1] For the sake of good order, we note that this Title Report will sometimes refer to the former name Koppar Resources Pty Ltd and sometimes to the company's current name Kuniko Limited. Both refer to the same legal entity incorporated in Australia with Australian Company Number 619 314 055.

1.4 Sources and reliance

1.4.1 This report is based on information obtained from Kuniko, and official administrative decisions and receipts issued by the Norwegian Directorate of Mining with the Commissioner of Mines at Svalbard ("**the Directorate of Mining**").

1.4.2 The report is based solely on the following documents ("**the Documents**"):

- Administrative decisions from the Directorate of Mining granting Koppar Resources Europe Pty Ltd (now Kuniko Limited) with exploration rights as set out in *Schedule 1*;
- Letter from the Directorate of Mining of 6 May 2021 confirming that Koppar Resources Europe Pty Ltd (now Kuniko Limited) holds the exploration permits as set out in *Schedule 1* as per the date of said letter;
- Official receipts from the Directorate of Mining confirming that Koppar Resources Europe Pty Ltd (now Kuniko Limited) has paid the annual fees for 2021 for all licenses as summarized in *Schedule 1*; and
- Letter from the Directorate of Mining of 10 May 2021 confirming that the name change from Koppar Resources Europe Pty Ltd to Kuniko Limited has been registered in the Directorate's registers from 7 May 2021.

1.4.3 The scope of this report includes a verification of the exploration rights granted by the Directorate of Mining. This report does not include any verification of whether Kuniko has mortgaged, leveraged, sold or otherwise disposed of the rights in contracts to any third parties. Nor does the report include any verification regarding Kuniko's legal standing in relation to further relevant legal framework outside the scope of the Norwegian Act of 19 June 2009 No. 101 relating to the acquisition and extraction of mineral resources ("**the Minerals Act**") and the Directorate of Mining's authority, or any further rights that may be acquired pursuant to the Minerals Act.[2]

1.5 Introduction to exploration rights pursuant to the Minerals Act

1.5.1 The Minerals Act differentiates between minerals owned by a landowner and minerals owned by the Norwegian state. Section 7 describes the categories of minerals used in the Minerals Act. Minerals considered owned by the state are defined in the first paragraph, which reads as follows:

> *"In this Act, "minerals owned by the State" means:*
> *a) metals with a specific gravity of 5 grammes/cm3 or greater, including chromium, manganese, molybdenum, niobium, vanadium, iron, nickel, copper, zinc, silver, gold, cobalt, lead, platinum, tin, zinc, zirconium, tungsten, uranium, cadmium and thorium, and ores of such metals. Alluvial gold, however, shall not fall within the definition;*
> *b) the metals titanium and arsenic, and ores of these;*
> *c) pyrrhotite and pyrite."*

[2] All quotes from the Minerals Act in this Title Report are based on an unofficial translation made available through the websites of the Faculty of Law at the University of Oslo: https://app.uio.no/ub/ujur/oversatte-lover/data/lov-20090619-0101-eng.pdf

Minerals considered owned by a landowner are defined in the second paragraph, which reads as follows:

> *"In this Act, "minerals owned by a landowner" means all minerals that are not minerals owned by the State pursuant to the first paragraph. However, this shall not apply to petroleum pursuant to the Act of 4 May 1973 No. 21 relating to exploration and extraction of petroleum located in the ground on Norwegian onshore territory."*

1.5.2 The Minerals Act further differentiates between different types of mining activity, where the three main categories are searching for mineral deposits, exploration of mineral deposits and extraction and operations of mineral deposits. This report is based on the assumption that all of Kuniko's Tenements are exploration permits for certain specified minerals owned by the State.

1.5.3 The Directorate of Mining is the responsible authority supervising and enforcing the Minerals Act and related regulations and administrative decisions.

2. TENEMENTS

In this section we will describe Kuniko's Tenements based on the information we have gathered from the Documents issued by the Directorate of Mining.

Please note that this report only speaks of the Tenements as confirmed by the Directorate of Mining's letter of 6 May 2021 confirming that Koppar Resources Europe Pty Ltd (now Kuniko Limited) holds the exploration permits as set out in *Schedule 1* as per the date of said letter.

2.1 Verification of rights

2.1.1 Kuniko is the legal and beneficial owner of the Tenements specified in *Schedule 1*. All Tenements as specified in *Schedule 1* are verified by review of administrative decisions as true, existing and valid rights belonging to Kuniko, see section 3 below for further legislative descriptions.

2.1.2 The Directorate of Mining has confirmed that the annual fees for the Tenements as set out in *Schedule 1* have been paid for 2021, see section 3.2.10 below for further legislative details.

2.2 Maintaining the permits

2.2.1 In order to maintain the Tenements, Kuniko will have to continue to pay the annual fees as described in section 3.2.10 below.

2.2.2 The Tenements will expire seven years from the date of issuance as described in *Schedule 1*. Kuniko may be granted extensions if the strict conditions set forth in the Minerals Act Section 23 are present, see 3.2.9 below.

2.2.3 As we will describe in detail in section 3 below, an exploring party may apply to the Directorate of Mining for an extraction permit. Kuniko will be in position to apply for an extraction permit as long as Kuniko holds an exploration permit with first priority, cf. the Minerals Act Section 29.

2.2.4 We have been informed that within the Tenements areas or in close proximity to these are located, inter alia, selected habitat types, old mines, reindeer grazing areas, cultural heritage monuments and or sites and protected areas, which will impose restrictions on mining activity where relevant. It falls outside the scope of this report to investigate Kuniko's legal standing with regard to relevant legal framework outside of the Minerals Act. Each individual case will have to be assessed with regard to such relevant legislation and further necessary permits, licenses and authorizations and any restrictions affecting Kuniko's legal standing, and we will not opine any further on this. We have however for informational purposes included a non-exhaustive description of some core relevant legal framework that may have relevance when conducting onshore mining in Norway, depending upon the scope of operations.

3. OVERVIEW OF LEGAL LANDSCAPE RELATING TO EXPLORATION PERMITS

3.1.1 This section will address applicable legislation as to exploration rights of minerals owned by the Norwegian State pursuant to the Minerals Act. We will describe the core rules relating to exploration activities, however not aiming to give any exhaustive description.

3.2 Exploration permits

3.2.1 The Minerals Act, Chapter 4 regulates exploration of minerals owned by the Norwegian State. Exploration of minerals owned by the State requires a permit granted from the Directorate of Mining, cf. the Minerals Act, Section 13. The Directorate of Mining may only refuse an application if the applicant has previously breached material provisions imposed by or pursuant to the Minerals Act. This is to say that an application will in general be approved.

3.2.2 An application will not be granted if the applicant already holds an extraction permit relating to the same area. The same party may only be given one exploration permit for each area at a time.

3.2.3 Section 19 of the Minerals Act sets forth rules of the content of an exploration permit:

> *"An exploring party may undertake the exploration needed to assess whether there is a deposit of minerals of such an abundance, size and nature that the deposit may be assumed to be commercially viable, or to become commercially viable within a reasonable period of time. The exploration permit grants such access to the land (including temporary storage space) as is necessary to undertake the exploration. The exploration permit does not grant a right of way.*
>
> *Measures in the ground that may cause considerable damage may only be implemented with the consent of the landowner and the user of the land."*

3.2.4 An exploration permit contains a right to undertake measures needed to assess whether there is a deposit of minerals that is assumed to be, or to become, within a reasonably period of time, commercially viable. The exploration permit grants such access needed in order to conduct explorations (such as temporary storage space), but does not grant the right of way. The right of way must be sought by agreement with the landowner(s) and, if necessary, pursuant to further legal framework, cf. section 4 below. If the exploration measures will cause considerable damage to the ground, the exploring party will have to seek consent from the landowner and the user of the land. Exploration work may include both large and small interventions in the ground. Major interventions will often fall under the category of pilot extraction. An exploration permit does not grant the holder a right to perform pilot extraction. Pilot extraction requires a separate permit from the Directorate of Mining, cf. section 3.2.7 below.

3.2.5 It is the exploring party's responsibility to ensure that its activities do not contravene with the rights of other parties and public regulations. An exploring party shall give written notice to the Directorate of Mining, the landowner and the user of the land at least three weeks before any work commences, cf. Section 18 of the Minerals Act. Such notice shall contain a plan of the work to be carried out and of access available to and within the exploration area. Furthermore, the notice shall account for any damage that may be caused and the measures that are to be implemented to prevent such damage, cf. the Minerals Act Section 18.

3.2.6 The exploring party has a duty to prepare and submit exploration reports, measurement data and sample materials, cf. Section 25 of the Minerals Act and Section 1-4 of The Norwegian Regulation of 23 December 2009 No. 1842 relating to the Minerals Act ("**The Minerals Regulation**"). Such data shall be submitted to the Directorate of Mining when the exploration project is finished and at the latest within six months after the exploration permit ceases.

3.2.7 Pilot extraction requires a special permit from the Directorate of Mining, cf. Section 20 of the Minerals Act. Pilot extraction means extraction that is necessary to assess the commercial viability of the deposit. As for extraction of minerals owned by a landowner, the permit shall, except in special cases, not be granted for the extraction of more than 2,000 m^3 of matter. The Directorate of Mining may also make the permit subject to conditions. Before a permit is granted, the Directorate of Mining shall give the parties concerned a chance to comment.

When a pilot extraction permit is granted, the exploring party shall give written notice to the Directorate of Mining at least three weeks before any work is begun, cf. the Minerals Act Section 20 and Section 12. Accordingly, the Directorate of Mining will give notice to the parties concerned.

3.2.8 Several parties may have exploration rights relating to the same exploration area. Pursuant to the Minerals Act, Section 16, the exploring party holding the oldest dated permit shall have priority. The priority is calculated from the day on which the Directorate of Mining received the exploration permit application. Furthermore, a party that has previously held an expired exploration permit with best priority will be subject to a one-year quarantine relating to the same exploration area, cf. Section 24 of the Minerals Act. The quarantine period shall be calculated from the day the respective exploration permit expired. An exploring party may not undertake exploration in the area of another exploring party with better priority, nor in the area of a party extracting deposits of minerals owned by the State, without consent from said parties, cf. the Minerals Act, Section 14, second paragraph.

In rare cases, exploration permits may hold the same priority. Under such circumstances the exploring parties shall have an equal right to undertake exploration, cf. Section 14 first paragraph of the Minerals Act.

3.2.9 An exploration permit automatically expires once seven years have passed since the date on which the permit was issued or upon the expiry of an extended deadline, cf. Section 22 of the Minerals Act. The Directorate of Mining may extend the deadline by up to three years if the applicant substantiates that exploration cannot be completed before the deadline due to extraordinary circumstances that are not the fault of the applicant, cf. Section 23 of the Minerals Act. An extension may also be granted if a dispute has arisen about the exploration permit or about the right to undertake exploration. An extension on such basis will be given for a period corresponding to the period for which work has been prevented due to the dispute, cf. Section 23 of the Minerals Act.

An extension due to extraordinary circumstances that are not the fault of the applicant, normally requires that the occurred circumstances are beyond what could reasonably be foreseen by the applicant and that they are beyond the applicant's control. Failure in planning or implementation of the exploration work will most likely not be satisfying in order to get an extension. Local circumstances shall, inter alia, be taken into consideration when planning, and will therefore normally not be cause for any extension. Unexpected natural phenomenon(s) might, however, be sufficient cause. Other examples are extension based on delays caused by time-consuming mapping or viability research due to special geological conditions.

Pursuant to the legislative preparatory work to the Minerals Act, extensions shall commonly not be granted, cf. Ot.prp. nr. 43 (2008–2009) page 139. The Directorate of Mining has a strict administrative practice on extensions.

3.2.10 In order to uphold exploration permits for minerals owned by the State, an annual fee to the State in accordance with Section 56 of the Minerals Act has to be paid. The fee shall be paid in advance to the Directorate of Mining by 15 January of each year starting the first calendar year after such permit has been granted. If the fee is not paid in time, an additional fee of 50 percent applies and shall be paid by 30 April of the same year. The permit lapses if the original fee and the additional fee are not paid before the final deadline on 30 April. Hence, it is strongly recommended that all fees are paid on time.

The fee is calculated based on the scope of the exploration area and the permit's age pursuant to the Minerals Regulation, Section 5-2. According to Section 5-2 of the Minerals Regulation, each commenced 10,000 m² shall be paid by NOK 10 the second and third calendar year, NOK 30 the fourth and fifth calendar year, and NOK 50 the sixth and seventh calendar year. If the exploring party has been granted extension(s), the fee will be NOK 50 for each commenced 10,000 m². The exploring party may give notice to the Directorate of Mining on any downsizing of the scope of the area. The fee will subsequently be calculated based on the updated area scope.

3.2.11 Transfer of exploration permits are regulated in Section 26 of the Minerals Act, which reads as follows:

> *"An exploration permit may be transferred. The transfer requires the approval of the Directorate of Mining. Sections 13 and 27 apply correspondingly in the event of a transfer. An application for approval shall be sent to the Directorate of Mining without undue delay once a transfer agreement has been concluded.*
>
> *If a party acquires more than 50 per cent of the total number of shares or voting shares in a company that holds an exploration permit, and the acquirer or another person or company as mentioned in section 27, first paragraph, already holds an exploration permit for the same or an overlapping area, the party shall either dispose of one of the permits or apply for its cancellation.*
>
> *The Directorate of Mining shall set a deadline for disposal or an application for cancellation. If the deadline has passed, the Directorate of Mining shall cancel one of the permits."*

A transfer of an exploration permit shall be approved by the Directorate of Mining, and Sections 13 and 27 of the Minerals Act apply correspondingly. The application shall be submitted to the Directorate of Mining without undue delay once the transfer agreement has been concluded, cf. Section 26 of the Minerals Act. The Directorate of Mining may only refuse an application if the applicant has previously breached material provisions imposed by or pursuant to the Minerals Act. Furthermore, a party may only be granted one exploration permit relating to each area. This is to say that a permit holder may not be given an exploration permit for any part of the same area to which the existing permit already applies, cf. the Minerals Act Section 13, second and third paragraphs.

Based on permanent practice from the Directorate of Mining, a transfer of more than 50% of the shares in a company holding an exploration permit of minerals owned by the State equals a transfer of the exploration permit. Based on the upcoming IPO, we have on a confidential basis asked the Directorate of mining to give a binding preliminary statement as to whether the necessary consent will be granted. As of today we have not received any feedback from the directorate.

3.2.12 Section 27 of the Minerals Act regulates which persons and companies are to be identified with an applicant in the following manner:

> *"The following persons and companies shall be identified with the applicant in cases in which section 13, second and third paragraphs, and section 24 apply:*
>
> *a) spouse or a person with whom the applicant is living in a marriage-like relationship;*
> *b) relatives in the direct line of ascent or descent, and siblings, of the applicant;*
> *c) relatives in the direct line of ascent or descent, and siblings, of a person mentioned in sub-paragraph a);*
> *d) companies in the same group as the applicant;*
> *e) companies in which the applicant either directly or jointly with a party mentioned in sub-paragraphs a) to d) owns more than 50 per cent of the total number of shares or voting shares; and*
> *f) a party who either directly or jointly with a party mentioned in subparagraphs a) to e) owns more than 50 per cent of the total number of shares or voting shares in the applicant.*
>
> *The Directorate of Mining may make exceptions from the first paragraph by way of individual decision."*

The applicability of the identification rules will first and foremost arise when a permit or transfer application is submitted.

3.2.13 In certain areas it is either prohibited or restricted by law to carry out exploration projects. Section 47 of the Minerals Act reads as follows:

> *"Searching and exploration is prohibited in areas covered by the Act of 5 June 2009 No. 35 relating to natural amenities in Oslo and surrounding municipalities (the Natural Amenities Act).*
>
> *A searching party or an exploring party may not, without the consent of the landowner, the user of the land and the relevant authority, search or explore:*
>
> *a) cultivated land;*
> *b) industrial areas, including soil extraction sites, quarries and mines in operation;*
> *c) areas lying less than 100 metres from buildings used as permanent or temporary residences, including holiday cabins;*
> *d) areas belonging to facilities that are of public utility, and locations lying less than 20 metres from such facilities;*
> *e) areas belonging to military facilities or used for military exercises;*
> *f) abandoned mining areas, including waste rock tips and tailing dams or landfills.*

The Ministry may issue regulations specifying that the second paragraph shall apply correspondingly to areas other than those mentioned in the second paragraph.

The Directorate of Mining may, upon application, decide that deposits of minerals owned by the State and located in the areas mentioned in the second paragraph may be explored if the advantages associated with exploration are greater than the damage and inconvenience that will be inflicted on the landowner and the user of the land."

3.2.14 All operations carried out pursuant to the Minerals Act shall be performed with caution, cf. Section 48 of the Minerals Act. The duty shall be exercised with caution as to potential damages not being greater than necessary, and so that the operations do not result in unnecessary pollution or unnecessary damage to the environment. The rule is applicable throughout all phases of mining activities. This is primarily an objective standard.

This is to say that it will not be sufficient to try ones best. If the exploring party has insufficient knowledge itself, such knowledge has to be sought elsewhere.

3.2.15 An exploring party has a duty to implement safety measures, cf. Section 49 of the Minerals Act, which reads as follows:

"The exploring party, the extracting party and the working party in respect of a mineral deposit shall implement and maintain safety measures for the entire area, so that the operations do not pose a danger to humans, farm animals or domesticated reindeer. The extracting party and the working party shall have a corresponding duty to implement safety measures in connection with mine openings, tips and extracted deposits of waste rock that are located outside the permit area but are linked to it.

The duty of the extracting party and the working party pursuant to the first paragraph to implement safety measures shall also apply to operations carried out earlier by other parties.

The area shall be permanently secured once operations are completed.

The Ministry may issue regulations concerning how openings in the ground and other interventions in the terrain are to be secured, and about the maintenance of safety measures."

The duty to secure the entire area applies throughout the duration of exploration activities. The duty also applies after such activities have ceased. This is to say that the safety measures implemented have to be permanently secured also after the exploring party has left the area. The duty to implement safety measures also entail implementing safety measures of previous work conducted by third parties.

3.2.16 An exploring party shall, at the request of the owner or the user of the land, provide security for the costs of safety measures, cf. Section 21 of the Minerals Act. All disputes over such costs shall be settled through valuation proceedings pursuant to Section 53 of the Minerals Act, cf. Section 21, second paragraph of the Minerals Act.

3.2.17 An exploring party has a duty to clean up the area, cf. The Minerals Act, Section 50. The party shall ensure that the area is properly cleaned up, both while activities are in progress and after they have been completed. The Directorate of Mining may set a deadline for the completion of clean-up works, cf. Section 50 of the Minerals Act.

3.2.18 The Directorate of Mining may order a party that wishes to undertake, or has initiated, exploration (including pilot extraction) on mineral deposits to provide financial security for the implementation of safety measures and clean-up measures, cf. Section 51 of the Minerals Act. This is further regulated in the Minerals Regulation, Chapter 2. The permit holder shall make a proposal on how the security is to be performed, but the Directorate of Mining will make the administrative decision, cf. Section 2-1, second paragraph of the Minerals Regulation.

3.2.19 An exploring party shall, without regard to guilt, pay compensation for damages caused by works to land, buildings or facilities pursuant to Section 52 of the Minerals Act. This also applies to inconvenience caused to the landowner or the user of the land.

3.2.20 Business enterprises may create non-possessory liens on machinery and equipment – including exploration rights – that are used in, or are designed for, their business operations, cf. Section 3-4 of the Norwegian Act of 8 February 1980 No. 2 on mortgage ("**the Mortgage Act**"). A pledge will include the business enterprise's total machinery and equipment and not any of the individualized machinery and equipment or part of machinery and equipment. Legal protection requires registration in the Norwegian Register of Mortgaged Movable Property, cf. Section 3-6 of the Mortgage Act. Neither the Minerals Act nor the Mortgage Act provide a legal basis for a separate pledge of exploration rights, i.e. independent of machinery and equipment.

3.3 Extraction permit

In order to extract mineral deposits owned by the State, an extraction permit is required. The Minerals Act Chapter 6 regulates such activity. Extraction permits may be granted upon an application to the Directorate of Mining pursuant to the Minerals Act Section 29. The applicant must substantiate that the deposit in question is commercially viable or may become commercially viable within a reasonable time. The deposits size and quality shall be documented thoroughly. The exploring party with best priority will have an exclusive right to apply for an extraction permit.

3.4 Operating license

Extraction of more than 500 m^3 of matter requires notification to the Directorate of Mining, cf. Section 42 of the Minerals Act. Any extraction over 10,000 m^3 requires an operating licence from the Directorate of Mining, cf. Section 43 of the Minerals Act. An operating license may only be granted to parties holding an extraction permit. The Directorate of Mining may consider a number of factors when deciding whether to award operating licences, thus obtaining such a licence may take some time. The Directorate of Mining specifically considers whether the applicant is fit to operate and the applicant will be required to provide and plan of operations compromising detailed information regarding the deposits and commercial value and potential. The Directorate of Mining will decide the duration of the license and whether any additional requirements shall apply.

3.5 Proposed amendments to the Minerals Act

The Minerals Act is at the moment being revised. Suggested amendments by the Ministry of Trade, Industry and Fisheries to the Minerals Act have been subject to a public hearing, and the Ministry has proposed amendments to the Minerals Act to the Storting ("**Parliament**"). The Parliament has adopted a bill, but any estimated date for new legislation to be enacted and in force has not been formally set. The amended legislation is however expected to entry into force this summer.

The Parliament has i.e. adopted amendments regarding; qualification requirements for participants in all types of mining activity, access to in certain cases to transfer operating licenses and an extended possibility of extensions for exploration permits. In addition, the period for which an exploring party is obliged to give notice before work is begun is prolonged to two months. Furthermore, pursuant to the new legislation the applicant for an exploration permit will have to be registered in the Norwegian Register of Business Enterprises.

Furthermore, a public committee is reviewing some of the larger and more principal parts of the legislation, such as issues related to Sami interests (indigenous people) and international law. The committee is scheduled to give their report to the Ministry of Trade, Industry and Fisheries within 1 December 2021.

Please note that this report only speak to the legislation in force as of the date of this report.

4. FURTHER RELEVANT LEGAL FRAMEWORK

4.1.1 Permits issued pursuant to the Minerals Act do not replace requirements given in other legislation for permits, approvals, land-use plans or licenses, cf. Section 5 of the Minerals Act.

The Minerals Act Section 5 reads as follows:

> *"Permits issued pursuant to this Act do not replace requirements in other legislation for permits, approvals, land-use plans or licences. Searches for, exploration of, extraction of and operations on, mineral deposits may only take place subject to the limitations imposed by this Act and other legislation."*

For informational purposes, we will in this section describe some core legislation that might be applicable, however not aiming to give an exhaustive description, nor aiming to opine on Kuniko's legal standing with regard to such legal framework. We note that when applicable in the individual cases, the following provisions will impose restrictions on mining activity.

4.2 The Planning and Building Act

4.2.1 The Norwegian Act of 27 June 2008 No. 71 relating to planning and processing of building applications ("**the Planning and Building Act**") is the main Act regarding planning and building on Norwegian soil. Permits pursuant to the Minerals Act do not replace requirements according to the Planning and Building Act and relating regulations. The Planning and Building Act consists of two main parts – one *planning part* and one *building part*.

Projects falling within the scope of the Planning and Building Act may only be implemented if they are not contrary to the provisions of the act and appurtenant regulations, the land-use element of the municipal master plan, the zoning plan, and the duty of application and permits. Section 1-6 defines "projects" as follows (our office translation):

> *"For the purposes of this Act, 'project' means the erection, demolition, alteration, including alteration of the exterior of a building, alterations in use and other projects related to buildings, structures and installations, as well as physical alteration of the land and the establishment and alteration of property, see Section 20-1, first paragraph (a) to (m). Other activities and alterations in land-use that will be contrary to land-use objectives, planning provisions and zones requiring special consideration are also considered to be projects.*
>
> *Projects falling within the scope of this Act may only be implemented if they are not contrary to the provisions of the Act and appurtenant regulations, the land-use element of the municipal master plan and the zoning plan, see Chapter 20 regarding the duty of application and permits. This also applies to projects which are exempt from the obligation to apply pursuant to Sections 20-5 and 20-6 […]"*

4.2.2 The planning part of the Planning and Building Act sets forth that raw material extraction must be part of the *municipal master plan* for the area, cf. Section 11-7 of the Planning and Building Act. Exploration will most often not fall under the category of raw material extraction, but this shall be assessed in each individual case dependent, inter alia, on the size of the intervention in the ground. Furthermore, the Planning and Building Act, Sections 12-1 and 12-5 requires a *zoning plan* for the implementation for major building and construction projects and other projects which may have substantial effects on the environment and society. Extraction rights according to the Minerals Act will normally be such projects, cf. Section 12-5. With regard to exploration projects and the possible need for a zoning plan, each case shall be assessed individually.

4.2.3 Most projects as defined in Section 1-6 of the Planning and Building Act, require an application to the municipality and/or dispensation if the project is in violation with the municipal area plan and the zoning plan. *Significant terrain interventions* will, inter alia, be subject to a mandatory application, cf. Section 20-1 of the Planning and Building Act. Whether a project is a significant intervention shall be assessed in each individual case. The size of the intervention, the vulnerability of the area, etc. will form part of the assessment. Larger mineral extraction projects will typically fall under the category. An exploration project that presupposes the building of roads and other facilities will often be subject to mandatory application to the local municipality. Larger extraction projects will often also require an *impact assessment* pursuant to Chapter 14 of the Planning and Building Act. Pilot extraction will normally be subject to application pursuant to Section 20-1 of the Planning and Building Act.

4.2.4 However, the Regulation of 26 March 2010 No. 488 relating to building cases ("**the Building Case Regulation**"), Section 4-3 exempts quarries, mines and mass roofs with associated crushing plants and sorting facilities which are in accordance with the current zoning plan and which have been granted a license in accordance with provisions given in or pursuant to the Minerals Act, from mandatory applications.

Smaller exploration projects will normally fall outside of this exception. Other types of projects relating to the exploration or extraction projects, for example necessary infrastructure, bedding plant, permanent or temporary office buildings will not be exempted pursuant to Section 4-3 of the Regulation.

4.2.5 The local municipality has a discretionary right to grant dispensation from rules and decisions pursuant to the Planning and Building Act, cf. Chapter 19 of the Building Case Regulation.

4.3 The Nature Diversity Act

4.3.1 Pursuant to the Norwegian Act of 19 June 2009 No. 100 relating to the management of biological, geological and landscape diversity ("**the Nature Diversity Act**"), Section 6, everyone shall act with care and do what is reasonable to avoid damage to the nature diversity. This means that all activities shall be carried out with regard to a "duty of care".

4.3.2 Sections 8 to 12 of the Nature Diversity Act prescribes that all decisions made by public authorities shall be based on certain principles. These are: *being knowledge based, be governed by the precautionary principle, based on an ecosystem approach, assessed on the basis of cumulative environmental effects, applying the user-pays principle and securing environmentally sound techniques and methods of operation*.

This is to say that when decisions are made by public authorities, these principles shall serve as guidelines, cf. Section 7 of the Nature Diversity Act. Any activity carried out in accordance with a permit from a public authority will normally be considered to fulfill the duty of care if the conditions for the permit are still present.

4.3.3 The Nature Diversity Act gives the Ministry of Climate and Environment authority to preserve and protect specific species and areas trough regulations. One form of protection is through regulation of selected habitats types, which are listed in the regulation of 13 May 2011 No. 512 relating to selected habitat types pursuant to the Nature Diversity Act ("t**he Selected Habitat Regulation**"), cf. the Nature Diversity Act Chapter VI.

Furthermore, the Ministry of Climate and Environment may also preserve and protect areas as national parks, nature reserves, protected landscapes, habitat management areas and marine protected areas. The different categories have different levels of protection with regard to the strictness of prohibitions, etc. By example, in nature reserves it is generally prohibited to do anything that impairs the conservation values stated in the conservation objective, cf. the Nature Diversity Act, Section 37. A nature reserve can also be completely protected against all activities, measures and traffic. In national parks it is generally prohibited to perform any activity that has a lasting impact on the natural environment or cultural heritage, cf. Section 35 of the Nature Diversity Act.

4.3.4 Pursuant to the Minerals Act, Section 15, the Ministry of Trade, Industry and Fisheries may issue regulations concerning the exploration area, including as to its shape and size. According to Section 1-2 of the Minerals Regulation, the exploration area shall, inter alia, be a right-angled square with a maximum size of ten square kilometers, but never be smaller than one square kilometer. Accordingly, the squared shape of the area leads to exploration permits being granted for areas that may be protected and preserved pursuant to the Nature Diversity Act.

4.4 The Reindeer Husbandry Act

4.4.1 The Norwegian Act of 15 June 2007 No. 40 relating to reindeer husbandry ("**the Reindeer Husbandry Act**") is the general Act regulating the Sami reindeer grazing area in Norway. The Sami reindeer grazing area is divided into several different districts. A landowner and the user of the land must not utilize property in reindeer grazing areas in such a way that there is significant damage or inconvenience to reindeer husbandry, cf. the Reindeer Husbandry Act, Section 63. Furthermore, traffic in areas where reindeer graze shall be carried out with caution so that the reindeer is not unnecessarily disturbed or frightened during grazing, moving etc. Special consideration shall be made in connection with the reindeer's heat, calving, marking, skilling and slaughtering. In the Sami reindeer grazing area, the reindeer husbandry is also to be understood as "user of the land" and shall therefor also be given notice pursuant to the Minerals Act, Section 18. Outside of the region of Finnmark (the northernmost part of the northern county in Norway), a notice may be given either in writing or orally.

4.4.2 Outside the Sami reindeer grazing area districts there are some scattered legislation applicable to other smaller areas where reindeer husbandry is held. Most relevant in this case is the Act of 21 December 1984 No. 101 relating to Reindeer husbandry in the municipalities of Meldal, Midtre Gauldal, Oppdal Rennebu, Rindal, Sunndal and Surnadal ("**the Trollheimen Act**").[3] Pursuant to Section 4 of the Trollheimen Act, the Reindeer Husbandry Act applies correspondingly, except from Sections 25, 26 and 63.

4.5 The Motor Traffic on Uncultivated Land and in Watercourses Act

4.5.1 Exploration projects may require use of motor vehicles in order to transport materials, drilling equipment etc. Motor traffic on uncultivated land and in watercourses is generally prohibited, cf. Section 3 of Act of 10 June 1977 No. 82 relating to motor traffic on uncultivated land and in watercourses ("**the Motor Traffic on Uncultivated Land and in Watercourses Act**"). An exploring party may nevertheless apply to the local municipality for permits to use motor vehicles in such areas, pursuant to Section 6 of the Act. Such permission do not, however, grant the exploring party the right of way. Permission from the landowner(s) shall also be obtained.

4.6 The Cultural Heritage Act

4.6.1 The Norwegian Act of 9 June 1978 No. 6 concerning the cultural heritage ("**the Cultural Heritage Ac**t") sets forth rules to protect archeological and architectural monuments and sites, and cultural environments. Some monuments and sites are automatically protected, cf. the Cultural Heritage Act, Section 4. The Act prohibits initiation of any measures which is liable to damaging, destroying, digging up, changing core, concealing or in any other way unduly disfiguring any such automatically protected sites and monuments, cf. Section 3 of the Act.

4.6.2 Anyone intending to initiate measures which may affect an automatically protected monument or site in a manner described in Section 3, must notify the competent authority or the nearest police authority as early as possible before measures are put into effect, cf. Section 8 of the Cultural Heritage Act. The competent authority will then decide whether and in what way the measures may be carried out. If it only becomes apparent after work has begun that the work may affect an automatically protected monument or site, the work shall be stopped and notification sent to the relevant authorities.

If a large private project is planned, the person in charge has a duty to find out whether it will affect an automatically protected monument, cf. the act Section 9. Whether a project is large in the sense prescribed in the Cultural Heritage Act will have to be assessed in each individual case.

[3] Please note that the municipality and county structure in Norway has been going through structural changes in which municipalities and counties have merged. Some acts and regulations with names and references to specific municipalities and counties have not been updated accordingly. They are nevertheless meant to have application for the same areas within the new structures.

4.7 The Pollution Control Act

4.7.1 The Norwegian Act of 13 March 1981 No. 6 concerning protection against pollution and concerning waste ("**the Pollution Control Act**") sets forth rules on anti-pollution and waste. Mineral extraction will often create pollution of some sort. The general rule is that there is a duty to avoid pollution, cf. Section 7 of the Pollution Control Act. Pursuant to the Pollution Control Act, Chapter 3, the pollution control authority may issue a permit for any activity that may lead to pollution. Whether a mineral exploration project will pollute has to be assessed in each individual case. Section 6 of the Pollution Control Act reads that pollution means the introduction of solids, liquids or gases to air, water or ground, noise and vibrations, light and other radiation to the extent decided by the pollution control authority, and effects on temperature, which cause or may cause damage or nuisance to the environment.

4.8 The Water Resources Act

4.8.1 No one may implement measures in a river system that may be of appreciable harm or nuisance to any public interest in the river system or the sea, cf. Section 8 of the Act of 24 November 2000 No. 82 relating to river systems and groundwater ("**the Water Resources Act**"). Nevertheless, upon application, an applicant may be granted pollution permits. Each case will have to be assessed individually, but this might, inter alia, become applicable when mineral extraction effects groundwater conditions.

4.9 The Neighbouring Act

4.9.1 It shall also be noted that the Act of 16 June 1961 No. 15 relating to the legal relationship between neighbours ("**the Neighbouring Act**") may be applicable. This will for example be the case if activities relating to mining either damages or is of serious inconvenience to neighbours and their property, cf. Section 2 of the Act.

5. RESERVATIONS

The report set forth above are subject to certain reservations, namely:

5.1.1 We do not opine on the legal validity, binding effect or enforceability of the Documents nor the observance of any legal formalities with respect thereto, and our opinions do not purport to express or imply any opinion with regard to such matters.

5.1.2 We have not examined any documents other than the Documents and we have not performed any searches of public registers other than for informational purposes only or announcements or made other investigations other than those explicitly referred to in this Title report.

5.1.3 Other than as specified in this Title Report, we express no opinion as to any matter, agreement or instrument. We have not been responsible for investigation or verification of statements of fact or the reasonableness of any statements of opinion contained in the Documents.

5.1.4 This Title Report speaks as of its date and is given solely in connection with the Documents and the presentation of the Title Report to Kuniko and is for the purpose mentioned in section 1.1 above only.

Yours sincerely

ADVOKATFIRMAET SCHJØDT AS

Ole G. Klevan
Lawyer/Partner

Siv Sandvik
Lawyer/Partner

Schedule 1
TENEMENTS

Exploration permits granted by the Norwegian Directorate of Mining with the Commissioner of Mines at Svalbard

Tenement name	Tenement ID	Date of issuance
Undal 101	1059/2018	5 July 2018
Undal 102	1058/2018	5 July 2018
Nyberget 1	1056/2018	5 July 2018
Nyberget 2	1057/2018	5 July 2018
Vangrøfta 102	1161/2018	27 August 2018
Skuterud 101	0285/2020	19 October 2020
Skuterud 102	0286/2020	19 October 2020
Skuterud 103	0287/2020	19 October 2020
Skuterud 104	0288/2020	19 October 2020
Skuterud 105	0289/2020	19 October 2020
Skuterud 106	0290/2020	19 October 2020
Skuterud 107	0291/2020	19 October 2020
Skuterud 108	0292/2020	19 October 2020
Skuterud 109	0293/2020	19 October 2020
Skuterud 110	0294/2020	19 October 2020
Romsås 101	0298/2020	26 October 2020
Romsås 102	0299/2020	26 October 2020
Romsås 103	0300/2020	26 October 2020
Romsås 104	0301/2020	26 October 2020
Romsås 105	0302/2020	26 October 2020
Romsås 106	0303/2020	26 October 2020
Romsås 107	0304/2020	26 October 2020
Romsås 108	0305/2020	26 October 2020
Romsås 109	0306/2020	26 October 2020
Feøy 101	0307/2020	27 October 2020
Feøy 102	0308/2020	27 October 2020
Feøy 103	0309/2020	27 October 2020
Feøy 104	0310/2020	27 October 2020
Feøy 105	0311/2020	27 October 2020
Feøy 106	0312/2020	27 October 2020
Feøy 107	0313/2020	27 October 2020
Feøy 108	0314/2020	27 October 2020

ANNEXURE C – INDEPENDENT LIMITED ASSURANCE REPORT

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10 June 2021

The Directors
Kuniko Limited
Level 11, Brookfield Place
125 St Georges Terrace
PERTH WA 6000

Dear Directors

INVESTIGATING ACCOUNTANT'S REPORT

Independent Limited Assurance Report ("Report") on Kuniko Limited Historical and Pro Forma Historical Financial Information

Introduction

We have been engaged by Kuniko Limited ("Kuniko" or the "Company") to report on the historical and pro forma historical financial information of the Company for the years ended 30 June 2019 and 30 June 2020 and the six months ended 31 December 2020 for inclusion in a prospectus ("Prospectus") of Kuniko to be dated on or about 10 June 2021. The Prospectus is in connection with Kuniko's initial public offering and listing on the Australian Securities Exchange ("ASX"), pursuant to which the Company is offering:

- 26,931,064 ordinary Kuniko shares at an issue price of $0.20 per share to raise $5,373,212 through a 1:4 pro rata priority offer to existing shareholders of Vulcan Energy Resources Limited ("Priority Offer"); and
- 12,500,000 ordinary Kuniko shares at an issue price of $0.20 per share to raise a further $2,500,000 before costs ("Public Offer");

  (together "the Offers").

Expressions and terms defined in the Prospectus have the same meaning in this Report.

The future prospects of the Company, other than the preparation of Pro Forma Historical Financial Information, assuming completion of the pro forma transactions summarised in Section 6.6.2 of the Prospectus, are not addressed in this Report. This Report also does not address the rights attaching to shares to be issued pursuant to the Prospectus, or the risks associated with an investment in shares in the Company.

Background

Kuniko Limited (formerly Koppar Resources Europe Pty Ltd) was incorporated on 24 May 2017 for the primary purpose of acquiring a portfolio of high-grade base metal projects in Norway, and is a wholly owned subsidiary of Vulcan Energy Resources Limited ("Vulcan").

Following a strategic review, Vulcan is seeking to spin out its mineral exploration portfolio in Norway through a capital raising by the Company and listing on the ASX. The funds raised will be used to undertake further exploration and evaluation activities and to provide working capital for the Company.

Scope

Historical Financial Information

You have requested RSM Corporate Australia Pty Ltd ("RSM") to review the historical financial information included in Section 6 of the Prospectus, and comprising:

- the statement of profit or loss and statement of cash flows of the Company for the years ended 30 June 2019 and 30 June 2020, and for the six months ended 31 December 2020; and
- the statement of financial position of the Company as at 31 December 2020;

(together the "Historical Financial Information").

The Historical Financial Information has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principles of Australian Accounting Standards and the Company's adopted accounting policies.

The Historical Financial Information has been extracted from:

- the general purpose financial statements of the Company for the six months ended 31 December 2020, which were reviewed by RSM Australia Partners in accordance with Australian Auditing Standards applicable to review engagements, and on which RSM Australia Partners issued an unmodified review conclusion; and
- the special purpose financial statements of the Company for the years ended 30 June 2019 and 30 June 2020, which were audited by RSM Australia Partners in accordance with Australian Auditing Standards and the *Corporations Act 2001*. The audit reports issued for each of the years ended 30 June 2019 and 30 June 2020 included an unmodified audit opinion.

The Historical Financial Information is presented in the Prospectus in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the *Corporations Act 2001*.

Pro Forma Historical Financial Information

You have requested RSM to review the pro forma historical statement of financial position of the Company as at 31 December 2020 ("the Pro Forma Historical Financial Information").

The Pro Forma Historical Financial Information has been derived from the Historical Financial Information of the Company after adjusting for the effects of the subsequent events and the pro forma adjustments described in Section 6.6.2 of the Prospectus. The stated basis of preparation is the recognition and measurement principles of Australian Accounting Standards applied to the Historical Financial Information and the events or transactions to which the subsequent events and pro forma adjustments relate, as described in Section 6.6.2 of the Prospectus, as if those events or transactions had occurred as at the date of the Historical Financial Information. Due to its nature, the Pro Forma Historical Financial Information does not represent the Company's actual or prospective financial position.

Directors' responsibility

The Directors of the Company are responsible for the preparation of the Historical Financial Information and the Pro Forma Historical Financial Information, including the selection and determination of pro forma adjustments made to the Historical Financial Information and included in the Pro Forma Historical Financial Information. This includes responsibility for such internal controls as the Directors determine are necessary to enable the preparation of Historical Financial Information and Pro Forma Historical Financial Information that are free from material misstatement, whether due to fraud or error.

Our responsibility

Our responsibility is to express a limited assurance conclusion on the Historical Financial Information and the Pro Forma Historical Financial Information based on the procedures performed and the evidence we have obtained. We have conducted our engagement in accordance with the Standard on Assurance Engagements ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information.*

A review consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. Our procedures included:

- A consistency check of the application of the stated basis of preparation to the Historical Financial Information and the Pro Forma Historical Financial Information;
- A review of the Company's work papers, accounting records and other documents;
- A review of the auditor's workpapers relating to the audited/reviewed financial statements of the Company;
- Enquiry of directors, management personnel and advisors;
- Consideration of the pro forma adjustments described in Section 6.6.2 of the Prospectus; and
- Performance of analytical procedures applied to the Historical Financial Information and the Pro Forma Historical Financial Information.

A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusions

Historical Financial Information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Historical Financial Information, as set out in the Section 6 of the Prospectus, and comprising:

- the statement of profit or loss and statement of cash flows of the Company for the years ended 30 June 2019 and 30 June 2020, and for the six months ended 31 December 2020; and
- the statement of financial position of the Company as at 31 December 2020;

is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Section 6 of the Prospectus.

Pro Forma Historical Financial Information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Pro Forma Historical Financial Information, as set out in Section 6.5 of the Prospectus, and comprising the pro forma statement of financial position of the Company as at 31 December 2020, is not presented fairly in all material respects, in accordance with the stated basis of preparation, as described in Section 6 of the Prospectus.

Restriction on Use

Without modifying our conclusions, we draw attention to the purpose of the financial information, being for inclusion in the Prospectus. As a result, the financial information may not be suitable for use for another purpose.

Responsibility

RSM has consented to the inclusion of this assurance report in the Prospectus in the form and context in which it is included. RSM has not authorised the issue of the Prospectus. Accordingly, RSM makes no representation regarding, and takes no responsibility for, any other documents or material in, or omissions from, the Prospectus.

Disclosure of Interest

RSM does not have any pecuniary interest that could reasonably be regarded as being capable of affecting its ability to give an unbiased conclusion in this matter. RSM will receive a professional fee for the preparation of this Report.

Yours faithfully

JUSTIN AUDCENT

Director