



# PROSPECTUS

This prospectus is issued:

- a. for an offer of 25,000,000 Shares at an issue price of \$0.20 per Share to raise \$5,000,000 (before costs);
- b. in connection with the Company's application for admission to the official list of, and the quotation of its Shares on ASX; and
- c. to facilitate the on-sale and secondary trading of Shares and Options previously issued by the Company without a disclosure document and offered under this prospectus.

**Joint Lead Managers:**



This is an important document that should be read in its entirety. If you do not understand it or have any question on its contents, you should consult your professional adviser immediately. An investment in the shares of Ozz Resources Limited should be considered speculative.

## IMPORTANT NOTICE

### Information

This prospectus is dated 7 May 2021 (**Lodgement Date**) and was lodged with ASIC on that date. No securities will be issued on the basis of this prospectus later than 13 months after the Lodgement Date.

Application will be made for listing of the Company's securities to ASX within seven days after the Lodgement Date. The fact that ASX may list the Shares of the Company is not to be taken in any way as an indication of the merits of the Company or its Shares.

ASX takes no responsibility for the contents of this prospectus, makes no representations as to its accuracy or completeness and expressly disclaims any liabilities whatsoever for any loss howsoever arising from or in reliance upon any part of the contents of this prospectus. ASIC takes no responsibility for the contents of this prospectus.

### Investment decisions

This prospectus does not provide investment advice and has been prepared without taking account of your financial objectives, financial situation or particular needs (including financial or taxation issues). You should seek professional investment advice before subscribing for Shares under this prospectus.

### Exposure Period

Pursuant to the Corporations Act, this prospectus is subject to an exposure period of seven days from the Lodgement Date, which may be extended by ASIC for a further period of seven days. This period (and extension, if any) is referred to in this prospectus as the "Exposure Period".

The Exposure Period enables this prospectus to be examined by market participants prior to the raising of funds. The examination may result in the identification of deficiencies in this prospectus.

### No cooling-off rights

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

### Supplementary disclosure

The Company will issue a supplementary or replacement prospectus if it becomes aware of any of the following between the Lodgement Date and the date on which the Company's securities are officially quoted on ASX:

- a material statement in this prospectus is misleading or deceptive;
- there is a material omission from this prospectus;
- there has been a significant change affecting a matter included in this prospectus; or
- a significant new circumstance has arisen and it would have been required to be included in this prospectus.

### Restriction on distribution

No person may offer, sell or deliver Shares or distribute any documents (including this prospectus) to any person outside Australia, except in accordance with the legal requirements of the relevant jurisdiction.

### Forward looking statements

This prospectus contains certain forward-looking statements concerning the Company's business operations, financial performance and condition as well the Company's plans, objectives and expectations for its business, operations, financial performance and condition. Any statements contained in this prospectus that are not of historical facts may be deemed to be forward-looking statements.

These forward-looking statements are based on management's current beliefs, assumptions and expectations about the Company's business and the industry in which the Company operates. These forward-looking statements are not guarantees of future performance or development and involve known and unknown risks, uncertainties and other factors that are in some cases beyond the Company's control. As a result, any or all of the Company's forward-looking statements in this prospectus may not be relied on and may turn out to be inaccurate. Factors that may cause such differences or make such statements inaccurate include, but are not limited to, the risk factors described in section 6.

Potential investors and other readers are urged to consider these factors carefully in evaluating the forward-looking statements and are cautioned not to rely on the forward-looking statements.

These forward-looking statements speak only as at the Lodgement Date. Unless required by law, the Company does not intend to publicly update or revise any forward-looking statements to reflect new information or future events or otherwise. Potential investors should, however, review the factors and risks the Company describes in the reports to be filed from time to time with ASX after the Lodgement Date.

### Competent Person Statement

The information contained in this prospectus that relates to or is based on technical assessment of the mineral assets, exploration targets and exploration results is based on the Independent Geologist's Report in Annexure A and fairly represents, information compiled by Mr Jeremy Peters, in his capacity as an independent geologist. Mr Peters, FAusIMM CP (Mining, Geology), is a Competent Person as defined in the JORC Code having sufficient experience which is relevant to the style of mineralisation considered in this prospectus to qualify as a Practitioner as defined in the 2015 edition of the 'Australasian Code for the Public Reporting of Technical Assessments and Valuations of Mineral Assets' and as a Competent Person as defined in the JORC Code.

Mr Peters consents to this statement and to references in this prospectus to the Independent Geologist's Report in the form and context in which they appear. Mr Peters has not withdrawn his consent before lodgement of this prospectus with ASIC.

### Photos and diagrams

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

### Electronic prospectus

This prospectus may be viewed online at [www.ozzresources.com.au](http://www.ozzresources.com.au). The information on the Company's website does not form part of this prospectus. The

Company is entitled to refuse an application for Shares under this prospectus if it believes the Applicant did not receive the Public Offer in Australia.

Any person accessing the electronic version of this prospectus for the purpose of making an investment in the Company must only access this prospectus from within Australia.

### Definitions

Capitalised terms used in this prospectus have the specific meaning given to them in the Glossary in section 12. Unless otherwise indicated, all references to dates and time are to dates and time in Australia.

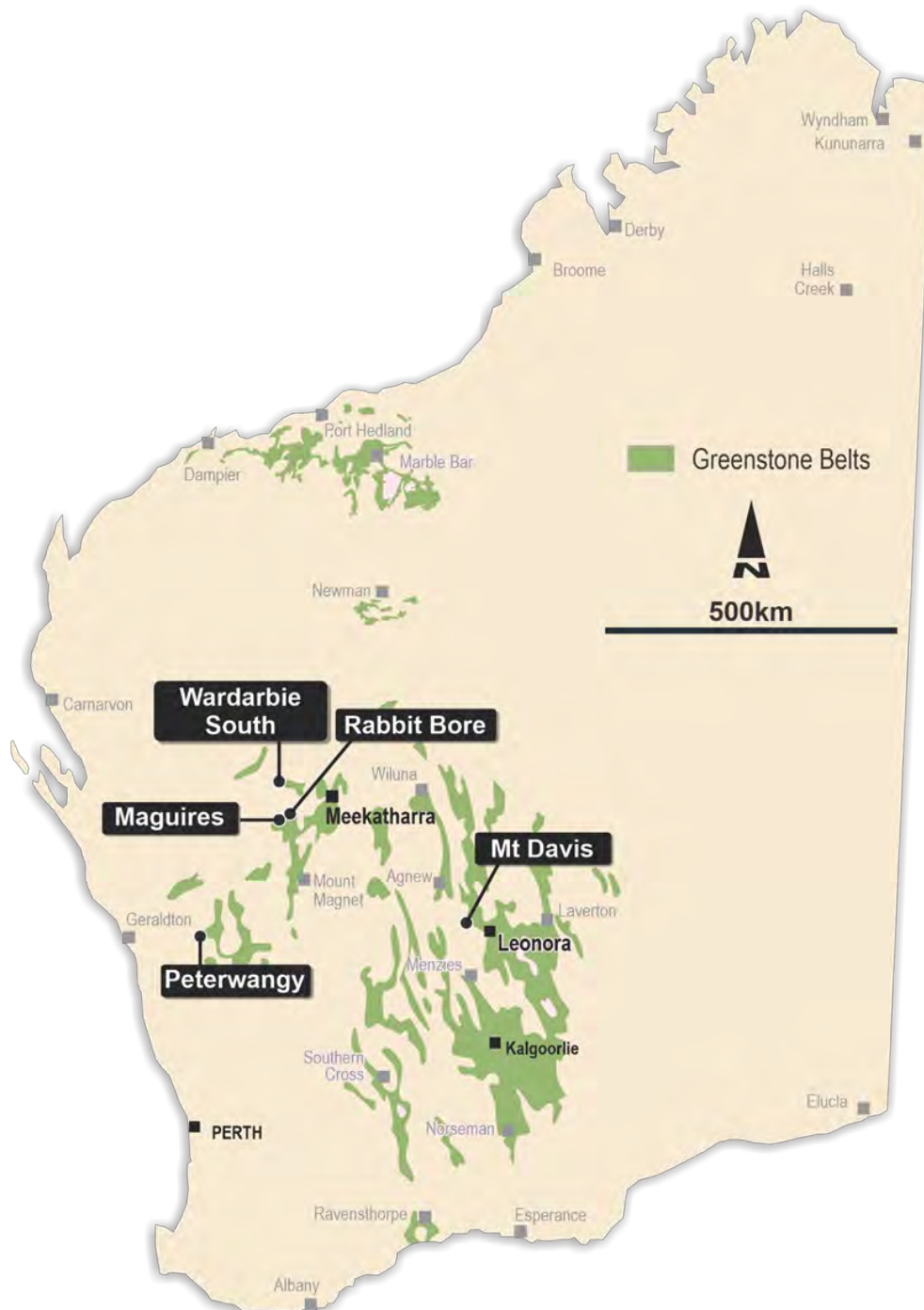


Figure 1 Ozz Resources Project Location



## TABLE OF CONTENTS

1	INDICATIVE TIMETABLE .....	1
2	KEY OFFER TERMS AND INDICATIVE CAPITAL STRUCTURE.....	1
3	CHAIRMAN’S LETTER .....	2
4	INVESTMENT OVERVIEW.....	3
5	THE COMPANY AND AN OVERVIEW OF OUR PROJECTS .....	14
6	RISK FACTORS.....	38
7	FINANCIAL INFORMATION.....	44
8	DIRECTORS, KEY MANAGEMENT AND CORPORATE GOVERNANCE .....	56
9	DETAILS OF THE OFFERS .....	61
10	ADDITIONAL INFORMATION.....	71
11	DIRECTORS’ STATEMENT .....	73
12	GLOSSARY .....	74
13	CORPORATE DIRECTORY.....	76
14	ANNEXURE A – INDEPENDENT GEOLOGIST REPORT .....	77
15	ANNEXURE B – SOLICITOR’S REPORT ON TENEMENTS.....	148
16	ANNEXURE C – INDEPENDENT LIMITED ASSURANCE REPORT .....	168
17	ANNEXURE D – CORPORATE GOVERNANCE STATEMENT.....	174

## 1 INDICATIVE TIMETABLE

Prospectus lodged with ASIC ( <b>Lodgement Date</b> )	Friday, 7 May 2021
Last day of the Exposure Period	Friday, 14 May 2021
Opening date of the Public Offer	Monday, 17 May 2021
Closing date of the Public Offer ( <b>Closing Date</b> )	Friday, 28 May 2021
Issue of Shares under this prospectus	Tuesday, 8 June 2021
Despatch of holding statements	Wednesday, 9 June 2021
Expected date for quotation of Shares on ASX	Tuesday, 15 June 2021

The above dates are indicative only and may change without notice. The Exposure Period may be extended by ASIC by not more than seven days. The Company reserves the right to extend the Closing Date or close the Offers early without prior notice. The quotation of Shares is subject to confirmation from ASX.

## 2 KEY OFFER TERMS AND INDICATIVE CAPITAL STRUCTURE

	<b>Minimum Subscription (\$5,000,000)</b>
Shares on issue on the Lodgement Date	12,036,875
Shares offered under the Public Offer	25,000,000
Vendor Shares to be issued	7,600,000
<b>Total Shares upon listing</b>	<b>44,636,875</b>
Offer price	\$0.20
Amount to be raised under the Public Offer	\$5,000,000
<b>Initial market capitalisation</b>	<b>\$8,927,375</b>
Options on issue on the Lodgement Date	10,536,875
Vendor Options to be issued	2,600,000
Lead Manager Options to be issued	2,800,000
Directors Options to be issued	5,500,000
<b>Total Options upon listing<sup>1</sup></b>	<b>21,436,875</b>
<b>Fully diluted share capital</b>	<b>66,073,750</b>
<b>Enterprise value upon listing<sup>2</sup></b>	<b>\$3,927,375</b>

1. See section 9.15 for a summary of the terms of the Options.
2. Enterprise value is calculated as the initial market capitalisation less funds raised.

### 3 CHAIRMAN'S LETTER

Dear Investor,

On behalf of the Directors of Ozz Resources Limited (**We** or **Company**), it gives me great pleasure to introduce the Company to you and invite you to join us as a shareholder of the Company.

The Company was incorporated on 27 August 2020 to acquire an interest in its 5 Western Australia based gold projects:

- (a) the Mt Davis Project, where the Company has a signed farm-in agreement to earn up to 51% project interest by sole funding \$650,000 expenditure in 2 years and up to 80% project interest by completing a feasibility study;
- (b) the Maguires Reward Project, where the Company has a signed tenement purchase agreement to acquire 100% interest in the project;
- (c) the Peterwangy Project, where the Company has a signed farm-in agreement to earn up to 51% project interest by sole funding \$400,000 expenditure in 2 years and up to 76% project interest by completing a feasibility study;
- (d) the Rabbit Bore Project, where the Company has a signed purchase and joint venture agreement to acquire 80% interest, form a joint venture with the vendor and sole fund until a decision to mine is made; and
- (e) the Wardarbie South Project, where the Company has a signed purchase and joint venture agreement to acquire 80% interest, form a joint venture with the vendor and sole fund until a decision to mine is made.

Based on historical exploration and an evaluation of available data, the Company considers that all five Projects are prospective for gold mineralisation. The proposed work programs will see the Company become very active in exploring and developing its Projects with work to commence soon after completion of the Offers.

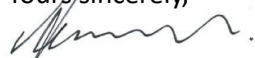
The Company seeks to raise \$5,000,000 before costs through the issue of 25,000,000 Shares at an issue price of \$0.20 under this prospectus (**Public Offer**). The purpose of the Public Offer is to provide funds to implement the Company's business strategies (see section 5.2 for details).

The Board has significant expertise and experience in the resources industry and will aim to ensure that funds raised through the Public Offer will be utilised in a cost-effective manner to advance the Company's business.

An investment in us is not without risks. Key risks include exploration risks, risks with respect to access, native title and environmental consents, tenure to mining tenements and commodity price and demand risks (See section 6 for details of these and other risks relevant to our business). This prospectus contains detailed information on our business. Please read it carefully and in its entirety prior to making your investment decision.

We look forward to welcoming you as a shareholder of the Company.

Yours sincerely,



**Alan Lockett**  
**Non-Executive Chair**

## 4 INVESTMENT OVERVIEW

We have prepared this investment overview to help you make an informed investment decision by highlighting key information in this prospectus. Please note that the information in this section is only a selective overview to help you navigate this prospectus. It is not intended to replace this prospectus. You should read this prospectus in full before deciding whether to invest in the Shares.

### 4.1 Introduction

Question	Response	Section
Who is issuing this prospectus?	This prospectus is issued by Ozz Resources Limited (ACN 643 844 544) (proposed ASX code: Ozz) ( <b>Company</b> or <b>We</b> ), a company incorporated in Australia on 27 August 2020.	5
What is the nature of our business?	<p>The Company is a mining exploration company with a focus on gold in Australia. Since incorporation, the Company has entered into:</p> <ul style="list-style-type: none"> <li>• a farm-in agreement to acquire up to 80% interest in the Mt Davis Project;</li> <li>• a tenement sale and purchase agreement to acquire 100% interest in the Maguires Reward Project;</li> <li>• a farm-in agreement to acquire up to 76% interest in the Peterwangy Project;</li> <li>• a tenement purchase and joint venture agreement to acquire 80% interest in the Rabbit Bore; and</li> <li>• a tenement purchase and joint venture agreement to acquire 80% interest in the Wardarbie South Project.</li> </ul> <p>See sections 4.2 and 5 for details of the five Projects.</p>	5
What is the purpose of this prospectus?	<p>This prospectus is issued:</p> <ul style="list-style-type: none"> <li>• for the offers of: <ul style="list-style-type: none"> <li>○ 25,000,000 Shares at an issue price of \$0.20 per Share to raise \$5,000,000 before costs (<b>Public Offer</b>);</li> <li>○ 5,500,000 Director Options to the Directors (<b>Director Offer</b>);</li> <li>○ 2,800,000 Lead Manager Options to the Joint Lead Managers (<b>Lead Manager Offer</b>); and</li> <li>○ 7,600,000 Vendor Shares and 2,600,000 Vendor Options to the Vendors (<b>Vendor Offer</b>);</li> </ul> </li> <li>• to facilitate secondary trading of Shares previously issued by the Company and offered under this prospectus; and</li> <li>• in connection with the Company's application for admission to the official list of, and the quotation of its Shares on, ASX.</li> </ul>	9

What is the Company's capital structure prior to the Offer and upon listing?

Shares	Minimum Subscription
Existing Shares	12,036,875
Vendor Shares	7,600,000
Shares to be issued under the Public Offer	25,000,000
<b>Total</b>	<b>44,636,875</b>

Options	Minimum Subscription
Existing Options	10,536,875
Vendor Options	2,600,000
Director Options	5,500,000
Lead Manager Options	2,800,000
<b>Total</b>	<b>21,436,875</b>

See section 9.15 for a summary of the terms of the Options.

## 4.2 Overview of our projects

Question	Response	Section																
What are our Projects?	<p>Upon listing, the Company will have interests in the following five gold exploration projects.</p> <p><b>Mt Davis Project</b></p> <table><tr><td>Agreement</td><td>The Company has entered into a farm-in agreement to earn up to 80% in the Project.</td></tr><tr><td>Tenements</td><td>Prospecting licences: 37/8634, 37/8635, 37/8636, 37/8637, 37/8638 and 37/9349  Prospecting licence application: 37/9350</td></tr><tr><td>Total area</td><td>1216Ha</td></tr><tr><td>Location</td><td>Approximately 20km north of Leonora adjacent to the Goldfields Highway.</td></tr></table> <p><b>Peterwangy Project</b></p> <table><tr><td>Agreement</td><td>The Company has entered into a farm-in agreement to earn up to 76% interest in E70/5124. The other tenement in the Project, E70/5691, is 100% owned by the Company.</td></tr><tr><td>Tenements</td><td>Exploration licences: 70/5124 and 70/5691</td></tr><tr><td>Total area</td><td>4440Ha</td></tr><tr><td>Location</td><td>Approximately 100km east of the port of Geraldton and 40km south east of the town of Mullewa, 350km north of Perth, Western Australia.</td></tr></table>	Agreement	The Company has entered into a farm-in agreement to earn up to 80% in the Project.	Tenements	Prospecting licences: 37/8634, 37/8635, 37/8636, 37/8637, 37/8638 and 37/9349  Prospecting licence application: 37/9350	Total area	1216Ha	Location	Approximately 20km north of Leonora adjacent to the Goldfields Highway.	Agreement	The Company has entered into a farm-in agreement to earn up to 76% interest in E70/5124. The other tenement in the Project, E70/5691, is 100% owned by the Company.	Tenements	Exploration licences: 70/5124 and 70/5691	Total area	4440Ha	Location	Approximately 100km east of the port of Geraldton and 40km south east of the town of Mullewa, 350km north of Perth, Western Australia.	5
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Total area	4440Ha																	
Location	Approximately 100km east of the port of Geraldton and 40km south east of the town of Mullewa, 350km north of Perth, Western Australia.																	



**Maguires Reward Project**

Agreement	The Company has entered into a tenement sale agreement to acquire 100% of the Project.
Tenements	Prospecting licence: 20/2318
Total area	200Ha
Location	Located in the Central Murchison area, approximately 50km north of the major mining centre of Cue. Access is via the Great Northern Highway and well-developed secondary roads.

**Wardarbie South Project**

Agreement	The Company has entered into a tenement purchase and joint venture agreement to acquire 80% interest in the Project and form an exploration joint venture.
Tenements	Prospecting licences: 51/3025, 51/3026 and 51/3027
Total area	600Ha
Location	Located in the Central Murchison area, approximately 75km northwest of the major mining centre of Meekatharra. Access is via the Gascoyne Junction Road and station tracks.

**Rabbit Bore Project**

Agreement	The Company has entered into a tenement purchase and joint venture agreement to acquire 80% interest in the Project and form an exploration joint venture.
Tenements	Exploration licence: 51/1671
Total area	2390Ha
Location	Located in the Central Murchison area, approximately 55km north of the major mining centre at Cue. The Great Northern Highway is located 25km to the east linked by station tracks.

None of the Projects contains a Mineral Resource or Ore Reserve. The Rabbit Bore Project also has the potential to host nickel, copper cobalt and platinum group metals.

What are our business objectives and strategies?	<p>The Company's proposed business objectives and strategies include:</p> <ul style="list-style-type: none"> <li>conducting exploration on the Company's projects to identify economic gold deposits for development;</li> <li>focusing on areas with existing infrastructure that provide the opportunity for toll treatment of ores; and</li> <li>identifying and acquiring new gold exploration projects with a focus in Western Australia if the Directors consider that they</li> </ul>	5.2
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	will add additional value to the Company at the time.																					
What are our key dependencies?	<p>Our business depends on the following key factors:</p> <ul style="list-style-type: none"> <li>• successful completion of the Offers and the proposed listing on the ASX;</li> <li>• the ability to raise additional funds in the future when required;</li> <li>• completion of the acquisition of the Projects;</li> <li>• successful completion of the Company’s proposed exploration with satisfactory results;</li> <li>• market price for gold remains higher than the Company’s any future cost of production; and</li> <li>• retaining key personnel with skills in the exploration and mining sector to achieve the Company’s objectives.</li> </ul>	5.3																				
What is the use of the funds to be raised under the Offer?	<p>Details of the proposed use of funds for the two years following listing are as follows:</p> <table> <tr> <th>Item</th> <th>Minimum Subscription \$5,000,000</th> </tr> <tr> <td>Exploration costs – Mt Davis Project</td> <td>660,000</td> </tr> <tr> <td>Exploration costs – Maguires Reward Project</td> <td>830,000</td> </tr> <tr> <td>Exploration costs – Peterwangy Project</td> <td>365,000</td> </tr> <tr> <td>Exploration costs – Rabbit Bore Project</td> <td>335,000</td> </tr> <tr> <td>Exploration costs – Wardarbie South</td> <td>260,000</td> </tr> <tr> <td>Exploration administration</td> <td>550,000</td> </tr> <tr> <td>Project acquisition costs</td> <td>210,000</td> </tr> <tr> <td>Costs of the Offers<sup>1</sup></td> <td>540,000</td> </tr> <tr> <td>Working capital and administration costs<sup>2</sup></td> <td>1,400,000</td> </tr> </table> <p>1. These include ASIC, ASX, Joint Lead Managers, legal, independent geologist, auditor and investigating accountant fees.</p> <p>2. These include general administration expenses, management salaries, directors’ fees, rent and other associated costs. Funds may also be allocated to exploration activities where the board determines.</p>	Item	Minimum Subscription \$5,000,000	Exploration costs – Mt Davis Project	660,000	Exploration costs – Maguires Reward Project	830,000	Exploration costs – Peterwangy Project	365,000	Exploration costs – Rabbit Bore Project	335,000	Exploration costs – Wardarbie South	260,000	Exploration administration	550,000	Project acquisition costs	210,000	Costs of the Offers <sup>1</sup>	540,000	Working capital and administration costs <sup>2</sup>	1,400,000	5.13
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### 4.3 Key risk factors

Prospective investors should be aware that investing in us involves a number of risks and uncertainties. The risk factors summarised here and more fully explained in section 6 may affect the value of the Shares in the future. This section summarises only some of the risks which would apply to an investment in us. This summary does not include the risk management approaches we currently have in addressing some of the key risks. Please refer to section 6 for more detail on our risks and risk management approaches.

Factor	Response	Section
<b><i>Specific risks to our business</i></b>		
Contractual risks	<p>The Company has entered into agreements to acquire interests in tenements for the Maguires Reward, Rabbit Bore and Wardarbie South Projects. Completion of each agreement is subject to the Company receiving conditional admission letter from the ASX (<b>Condition</b>). The ownership interests in the Projects that the Company is acquiring under these agreements will not be transferred until completion occurs. There is a risk that the transactions may not complete due to factors including the default of the other party and issues associated with the Tenements.</p> <p>The Company's agreement for the Maguires Reward Project is conditional upon the Company receiving a letter granting it conditional approval to be admitted to the Official List by 31 May 2021 or such other date as the parties may agree. As at the Lodgement Date, the Directors are not aware of any issue to seek an extension of this condition with the vendor in the event the condition is not met by 31 May 2021.</p> <p>The Company has entered into farm-in agreements to earn up to 80% and 76% interests in the Mt Davis and Peterwangy Projects, respectively. The Company may be deemed to have withdrawn from the agreement if it fails to meet the minimum expenditure requirement during the farm-in period. There is a risk that such a withdrawal may occur, in which case the Company must under the agreement forfeit and assign its project interest to the continuing party and thus will no longer have any interest in the Projects.</p> <p>The farm-in agreement for the Peterwangy Project is subject to a condition precedent that the parties executing a deed poll in favour of the counterparty to the Heritage Agreement between the current tenement holder and the relevant Aboriginal group. In the event that the condition precedent is not satisfied and the condition is not waived by the parties, the agreement may be terminated.</p>	6.1(a)
Grant of tenement applications	<p>The projects the Company has contracted to acquire include tenement applications which may or may not be granted. The Company's Mt Davis Project has one prospecting licence application P37/9350. There is a risk that this tenement is not granted which may impact the Company proposed expenditure on the Project. Without the grant, there would be a smaller strike length to be explored of the Mt George Shear Zone hence reducing the potential for the definition of extensions of the Trig deposit.</p>	6.1(b)
Exploration risk	<p>The Tenements to be acquired by the Company have been subject to limited exploration and presently do not have any JORC compliant mineral resource estimates.</p> <p>Mineral exploration is a high-risk undertaking. There is no assurance that exploration of the Tenements will successfully locate or identify mineral deposits or that any mineral deposits will be discovered. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.</p> <p>The Company's proposed exploration activities may be affected by</p>	6.1(c)

	<p>various factors, including geological conditions, limitations on activities due to permitting requirements, availability of appropriate exploration equipment, exploration costs, adverse weather conditions and incidents and accidents.</p> <p>It is difficult to assess the extent to which the Company may be affected by these factors. The Directors will have in place an appropriate risk management process to monitor, mitigate and/or control these factors and their effects on the Company.</p>	
Resource estimate	Resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates, which were valid when originally calculated, may alter significantly when new information or techniques become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate and may result in alterations to development and mining plans. This may adversely affect the Company's operations.	6.1(i)
Title and tenure	The Company's Projects only currently permit exploration on the Tenements. If the Company successfully delineates an economic resource on any of these exploration licences, it will need to apply for a mining permit to undertake development and mining. There is no guarantee that the Company will be granted a mining permit if one is applied for, as such grants are discretionary. The exploration licence (E51/1671) for the Rabbit Bore Project expired on 6 April 2021. An extension of the term has been applied. While the Directors believe that this should be approved, this will not be confirmed prior to the Closing Date.	6.1(d)
Failure to satisfy expenditure commitments	<p>Each exploration licence and prospecting licence carries with its annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose the title to or its interest in a tenement if the licence conditions are not met or if insufficient funds are available to meet expenditure commitments.</p> <p>As at the Lodgement Date, each of the granted Tenements is in good standing. Tenement details are set out in the Solicitor's Report on Tenement in Annexure B.</p>	6.1(e)
Rehabilitation of tenements	In relation to the Company's proposed operations, issues may arise with respect to rehabilitation levies and associated costs which may materially affect the Company's financial position and business operations.	6.1(f)
Environmental risk	The Company's operations and proposed activities are expected to have an impact on the environment and will be subject to regulatory monitoring and requirements concerning the environment. The Company intends to conduct its activities in compliance with all applicable environmental laws. However, there is a risk that the Company may fail to comply with a regulatory requirement which may result in fines or interruption to the Company's operations which may adversely affect the Company's financial performance and proposed activities.	6.1(g)
Authorised to explore the mine	If the Company in the future intends to develop a mine, the proposed development will be subject to the Company obtaining various approvals, licences and permits and there is a risk that they	6.1(h)

	may not be successfully obtained.	
Metallurgy	<p>Metal and/or mineral recoveries are dependent upon the metallurgical process that is required to liberate economic minerals and produce a saleable product and by nature contain elements of significant risk, such as:</p> <ul style="list-style-type: none"> <li>identifying a metallurgical process through testwork to produce a saleable metal and/or concentrate;</li> <li>developing an economical process route to produce metal and/or concentrate; and</li> <li>changes in mineralogy in the ore deposit that can result in inconsistent metal recovery, affecting the economic viability of the project.</li> </ul>	6.1(j)
Native title and aboriginal heritage	There may be areas where the Company's tenements are located that are subject to native title and aboriginal heritage rights. This may impact the Company's ability to access or develop those areas and/or extend the time period for exploration or mining to commence. A lodgement for an "Other Heritage Place" is located on part of the two tenements in the Mt Davis Project. It has not been assessed, but the normal Western Australian practices will be necessary for obtaining permission to explore part of the Mt George Shear. Any delays in this process may adversely impact the Company's planned exploration activities.	6.1(j)
Land access	The Company will require access to land to undertake its proposed activities. Negotiations with native title groups or owners/occupiers are generally required for the Company to be granted access to land. Any issues or delays with the negotiation to access the land may cause delay or adversely impact the Company's planned exploration activities.	6.1(l)
Limited history	The Company has limited operating history and limited historical financial performance. The Company is not generating profit. To date, only limited exploration has previously been conducted on the Tenements. As such no assurance can be given that the Company will achieve commercial viability through the successful exploration or subsequent mining on its Projects. Until the Company is able to realise value from its Projects, it is likely to incur ongoing operating losses.	6.1(m)
Future capital requirements	<p>The funds to be raised under the Public Offer are considered sufficient to meet the exploration and evaluation objectives of the Company over the first two years. Additional funding may be required if exploration costs exceed the Company's estimates and will be required once those funds are depleted.</p> <p>Any additional equity financing will dilute existing shareholdings, and debt financing if available, may involve restrictions on the Company's financing and operational activities. The ability to raise capital may be affected by many factors such as economic factors outlined below. If we are unable to obtain additional financing when required, we may need to reduce and/or scale back our operations.</p>	6.1(m)



New project and acquisitions	<p>The Company intends to actively pursue and access new business opportunities in the resources sector. These new business opportunities may take the form of direct project acquisitions, joint ventures, farm-ins, acquisition of tenements/permits, and/or direct equity participation.</p> <p>Such opportunities may require the payment of monies and there can be no guarantee that any proposed acquisition will be completed or be successful. If the proposed acquisition is not completed, monies advanced may not be recoverable, which may have a material adverse effect on the Company.</p> <p>If an acquisition is completed, the Directors will need to reassess, at that time, the funding allocated to current Projects and any new project, which may result in the Company reallocating funds from the current Projects and/or raising additional capital.</p>	6.1(o)
Safety	<p>Safety is a fundamental risk for any mineral exploration and production company in regard to personal injury, damage to property and equipment and other losses. The occurrence of any of these risks could result in legal proceedings against the Company and substantial losses to the Company due to injury or loss of life, damage or destruction of property, regulatory investigation and penalties or suspension of operations. Damage occurring to third parties as a result of such risks may give rise to claims against the Company.</p>	6.1(p)
<b>General risks to our business</b>		
Apart from the specific risks to our business, we are also faced with the following general risks:	<ul style="list-style-type: none"> <li>• <b>Investment speculative:</b> an investment in the Company is speculative and high risk;</li> <li>• <b>COVID 19 risk:</b> the outbreak of the current COVID-19 pandemic may adversely impact the Company's proposed operations, relevant economic environment and/or its Share price post-listing;</li> <li>• <b>Competition risk:</b> the industry we operate in is subject to competition;</li> <li>• <b>Economic risk:</b> changes in the general economic condition we operate in may adversely affect our business and financial performance; and</li> <li>• <b>Changes in legislation and government regulation:</b> amendments to legislation or regulations that are applicable to our business may adversely affect our operations.</li> </ul>	6.2

#### 4.4 Key financial information

Question	Response	Section
How has the Company performed financially?	The Company was only incorporated in August 2020 with limited operating history. As a result, the Company does not have financial ratios or historical financial information available other than the profit and loss statement, cash flow statement and pro-forma balance sheet for the period between the incorporation date and 31 December 2020.	7

## 4.5 Key people, interests, benefits and contracts

Question	Response	Section																						
Who are the Directors?	<p>The Directors of the Company are as follows:</p> <table><thead><tr><th>Director</th><th>Designation</th></tr></thead><tbody><tr><td>Alan Lockett</td><td>Non-Executive Chair</td></tr><tr><td>Jonathan Lea</td><td>Managing Director</td></tr><tr><td>Brian McNab</td><td>Non-Executive Director</td></tr></tbody></table> <p>See section 8.1 for their qualifications, work experience and shareholding in the Company.</p>	Director	Designation	Alan Lockett	Non-Executive Chair	Jonathan Lea	Managing Director	Brian McNab	Non-Executive Director	8.1														
Director	Designation																							
Alan Lockett	Non-Executive Chair																							
Jonathan Lea	Managing Director																							
Brian McNab	Non-Executive Director																							
What are the significant interests of the Directors in the Company?	<p>Assuming the Minimum Subscription is achieved, the Directors’ interests in the Company’s securities upon listing are as follows:</p> <table><thead><tr><th rowspan="2">Director</th><th rowspan="2">Shares</th><th rowspan="2">Options</th><th colspan="2">Voting power</th></tr><tr><th>Undiluted</th><th>Fully diluted</th></tr></thead><tbody><tr><td>Alan Lockett</td><td>5,031,250</td><td>5,074,375</td><td>11.27%</td><td>15.29%</td></tr><tr><td>Jonathan Lea</td><td>517,500</td><td>4,017,500</td><td>1.16%</td><td>6.86%</td></tr><tr><td>Brian McNab</td><td>Nil</td><td>2,000,000</td><td>Nil</td><td>3.03%</td></tr></tbody></table> <p>See section 8.3 for a breakdown of the Directors’ direct and indirect interests.</p>	Director	Shares	Options	Voting power		Undiluted	Fully diluted	Alan Lockett	5,031,250	5,074,375	11.27%	15.29%	Jonathan Lea	517,500	4,017,500	1.16%	6.86%	Brian McNab	Nil	2,000,000	Nil	3.03%	8.3
Director	Shares				Options	Voting power																		
		Undiluted	Fully diluted																					
Alan Lockett	5,031,250	5,074,375	11.27%	15.29%																				
Jonathan Lea	517,500	4,017,500	1.16%	6.86%																				
Brian McNab	Nil	2,000,000	Nil	3.03%																				
What are the material benefits the Directors are receiving from the Company?	<p>Upon listing, the Directors will be paid the following remuneration:</p> <table><thead><tr><th>Director</th><th>Director’s fee per annum</th><th>Wages, salaries and/or bonuses</th></tr></thead><tbody><tr><td>Alan Lockett</td><td>\$60,000</td><td>Nil</td></tr><tr><td>Jonathan Lea</td><td>Nil</td><td>\$240,000<sup>1</sup></td></tr><tr><td>Brian McNab</td><td>\$36,000</td><td>Nil</td></tr></tbody></table> <p>1. This excludes superannuation.</p>	Director	Director’s fee per annum	Wages, salaries and/or bonuses	Alan Lockett	\$60,000	Nil	Jonathan Lea	Nil	\$240,000 <sup>1</sup>	Brian McNab	\$36,000	Nil	8.4										
Director	Director’s fee per annum	Wages, salaries and/or bonuses																						
Alan Lockett	\$60,000	Nil																						
Jonathan Lea	Nil	\$240,000 <sup>1</sup>																						
Brian McNab	\$36,000	Nil																						
Who are the significant existing shareholders of the Company and what will their interests be upon listing?	<p>Assuming the Minimum Subscription is achieved, substantial shareholders of the Company and their interests upon listing are set out as follows:</p> <table><thead><tr><th>Holder</th><th>Number of Shares</th><th>Voting power (undiluted)</th><th>Voting power (fully diluted)</th></tr></thead><tbody><tr><td>Alan Lockett</td><td>5,031,250</td><td>11.27%</td><td>15.29%</td></tr><tr><td>Diane Kaye Finlay</td><td>5,000,000</td><td>11.20%</td><td>7.57%</td></tr></tbody></table>	Holder	Number of Shares	Voting power (undiluted)	Voting power (fully diluted)	Alan Lockett	5,031,250	11.27%	15.29%	Diane Kaye Finlay	5,000,000	11.20%	7.57%	5.16										
Holder	Number of Shares	Voting power (undiluted)	Voting power (fully diluted)																					
Alan Lockett	5,031,250	11.27%	15.29%																					
Diane Kaye Finlay	5,000,000	11.20%	7.57%																					
What material contracts do we have?	<p>The Company is a party to a number of material contracts which include the following:</p> <ul style="list-style-type: none"><li>Farm-In Agreement under which the Company has a right to</li></ul>	5.12																						

Question	Response	Section
	<p>earn up to 80% interest in the Mt Davis Project;</p> <ul style="list-style-type: none"> <li>• Tenement Sale Agreement to acquire 100% interest in the Maguires Reward Project;</li> <li>• Farm-in Agreement under which the Company has a right to earn up to 76% interest in the Peterwangy Project;</li> <li>• Purchase and Joint Venture Agreement under which the Company will have an 80% interest in the Rabbit Bore Project and management rights and fully fund all expenditures until a decision to mine is made;</li> <li>• Purchase and Joint Venture Agreement under which the Company will have an 80% interest in the Wardarbie South Project and management rights and fully fund all expenditures until a decision to mine is made;</li> <li>• Lead Manager Mandate with Cadmon Advisory Pty Ltd;</li> <li>• Lead Manager Mandate with CPS Capital Group Pty Ltd; and</li> <li>• CFO, Accounting and Company Secretarial Service Agreements with Geneva Partners Pty Ltd.</li> </ul> <p>See section 5.12 for a summary of these contracts.</p>	

#### 4.6 Additional information about the Offers

Question	Response	Section
Are there any conditions to the completion of the Public Offer?	<p>Yes, the issue of Shares under the Public Offer will be subject to:</p> <ul style="list-style-type: none"> <li>• the Company completing the acquisitions of the various Projects that it does not own as of the Lodgement Date; and</li> <li>• achieving the Minimum Subscription.</li> </ul>	9.12
What are the terms of the Shares offered under this prospectus?	A summary of the material rights and liabilities attaching to the Shares offered under this prospectus is set out in section 9.14.	9.14
Will any of the Shares offered under this prospectus be subject to escrow?	<p>No. None of the Shares issued under the Public Offer will be subject to escrow.</p> <p>However, certain Shares and Options currently on issue and being offered under the other Offers may be required to be held in escrow for up to 24 months from the date of issue or date of official quotation on the ASX.</p> <p>The Company will announce to the ASX full details of the Shares and Options to be held in escrow prior to the Shares commencing trading on the ASX.</p>	5.17
Will the Shares issued under this prospectus be quoted?	The Company will make an application to ASX for quotation of all Shares offered under this prospectus.	9.7
How do I apply	Application for Shares under the Public Offer can be made by	8.1

<b>Question</b>	<b>Response</b>	<b>Section</b>
for Shares?	completing the Application Form accompanying this prospectus in accordance with the instructions relating to it.	
What are the costs of the Offers and who is paying for them?	The total cost of the Offer (including expert's fees, legal and accounting costs, ASIC and ASX fees but excluding non-cash payments) is estimated to be approximately \$540,000 and will be paid by the Company.	5.13
How can I obtain further advice?	By speaking to your accountant, stockbroker or other professional advisers.  Please contact the Company on +61 499 900 044 for questions about this prospectus, and the Share Registry on 08 9389 8033 for questions about the Application Form.	9.18

## **5 THE COMPANY AND AN OVERVIEW OF OUR PROJECTS**

### **5.1 The Company**

The Company was incorporated on 27 August 2020 and is an early-stage mining exploration company with a focus on mining tenements in Western Australia prospective for gold.

As at the Lodgement Date, the Company has entered into agreements to:

- (a) acquire 100% interest in the Maguires Reward Project and 80% interest in the Rabbit Bore Project and the Wardarbie South Project; and
- (b) earn-up to 80% and 76% interests in the Mt Davis Project and the Peterwangy Project, respectively.

### **5.2 Business objectives and strategies**

Being an early-stage exploration company, the Company does not expect to make money or generate income in the short term. Our proposed business objectives and strategies include:

- (a) conducting exploration on the Company's Projects to identify economic gold deposits for development by:
  - (i) conducting initial rapid drill testing of the Maguires and Mt Davis Projects to potentially define JORC compliant Mineral Resources and test for extensions to the mineralisation,and for the other Projects,
  - (ii) accessing and compiling all existing drilling and other geological information, including structural, geochemical and geophysical data;
  - (iii) conducting further geological reconnaissance, geochemical and geophysical programmes to identify the location of favourable structures and associated indicators of mineralisation in order to create a pipeline of potential drill targets;
  - (iv) progressively collecting additional information such as metallurgical or geotechnical data to assist further Ore Reserve estimation; and
  - (v) conducting optimisation studies including financial models to assess potential mineable ore reserves;
- (b) focusing on areas with existing infrastructure that provide the opportunity for toll treatment of ores; and
- (c) identifying and acquiring new gold exploration tenements with a focus in Western Australia if the Directors consider that they will add additional value to the Company at the time.

### **5.3 Significant dependencies of our business**

The success of our business has a number of dependencies, including:

- (a) successful completion of the Offers and the proposed listing on the ASX;
- (b) the ability to raise additional funds in the future when required;
- (c) completion of the acquisition of the Projects;
- (d) successful completion of the Company's proposed exploration with satisfactory results;



- (e) the market price for gold remains higher than the Company's any future cost of production; and
- (f) retaining key personnel with skills in the exploration and mining sector to achieve the Company's objectives.

## 5.4 Project overview – Mt Davis Project

### Tenements

The Mt Davis Project is comprised of six granted prospecting licences (P37/8634, P37/8635, P37/8636, P37/8637, P37/8638 and P37/9349) and one prospecting licence application P37/9350). The total area covered by the tenure is 1216Ha and the project is located approximately 20km north of Leonora adjacent to the Goldfields Highway.

### Geological Setting

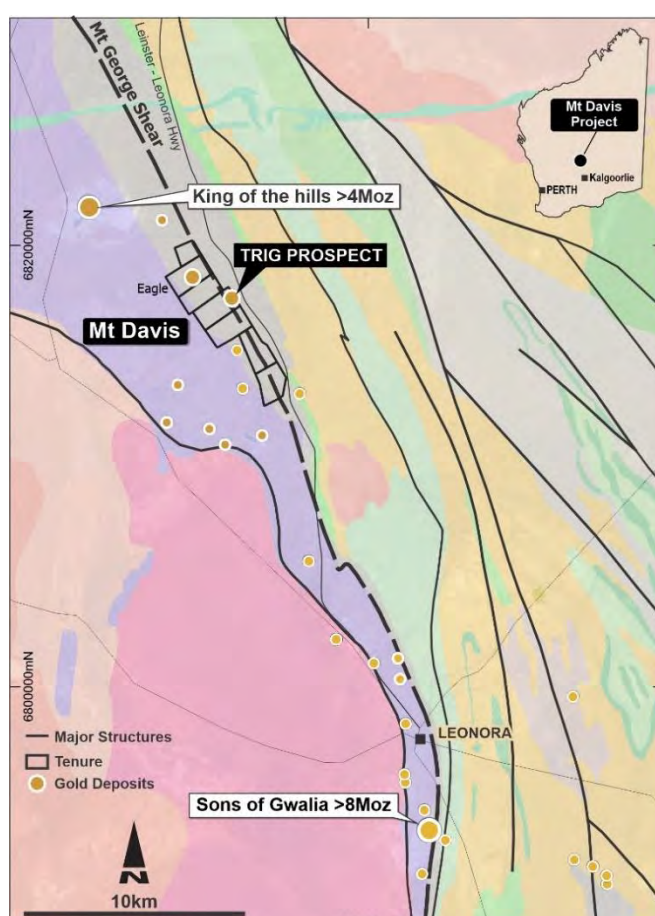


Figure 2 Mt Davis Tenure and Geology Plan

Mt Davis Project lies adjacent to the highly prospective Kalgoorlie-Kurnalpi terrane boundary in the Eastern Goldfields Superterrane of the Yilgarn Craton. A major shear zone known as the Mt George Shear Zone separates the Mount Clifford Greenstone Belt and the Malcolm Greenstones in the eastern part of the tenements. Late stage proterozoic dykes cut east-west across the regional north-westerly striking and easterly dipping sequences.

On the west side of the Mount George Shear Zone rocks of the Mount Clifford Greenstone Belt are mostly mafic sequences including basalts and ultramafic rocks together with siliciclastic rocks, felsic volcanics, dolerite and conglomerate. Rocks of the Malcolm Greenstones, east of the Mount George Shear Zone, comprising predominantly felsic volcanic rocks, basalt, shale, and dolerite sills with conglomerate in

the south.

Two giant (+4M oz) gold deposits situated respectively 5km to the northwest (King of the Hills) and 25km to the south-southeast (Sons of Gwalia) which are within the regional structures that pass through the Mt Davis Project tenements.

In the western part of the lease holding, lithologies are transected by a second north-south shear structure (the Clifford Fault). Historic workings lie on this sheared contact north and south of the leases and local prospecting has produced gold nuggets along the trend. With only limited exploration to date, the 5km long stretch of the Clifford Fault on the Company's

holding is considered to have significant prospectivity.

The Mt George Shear is located towards the east of the leasehold area. This is characterised by quartz-sulphide veining associated brittle shearing that forms the Trig deposit. RC drilling by Sons of Gwalia in the 1990's identified the mineralisation as forming south plunging lenses of gold in the shear. A non-JORC compliant resource estimate was completed for Trig at that time. Only the area immediately surrounding the Trig deposit was drill tested and with greater than 4km of strike length to the south contained in the tenements, there is considerable scope to increase the resource base.

### Previous Exploration

Several phases of exploration have been completed since the 1980's. Most were focused on finding large standalone or bodies and wide spaced spoil sampling and RAB drilling were completed following mapping and geophysical surveys.

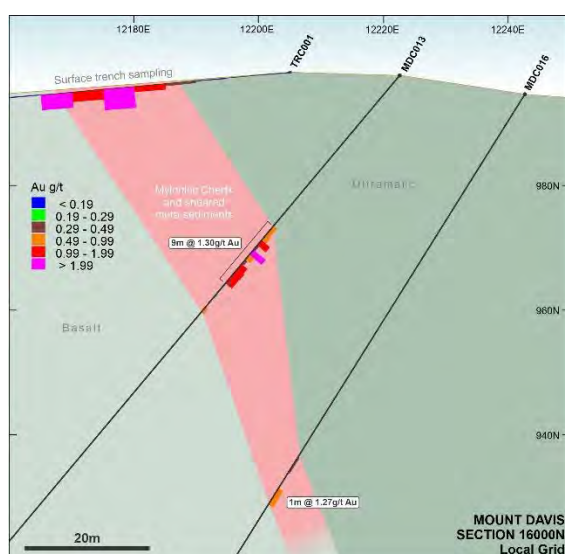


Figure 3 Trig Deposit - Cross Section

RC drilling at the Trig deposit in the 1990's by Sons of Gwalia comprised 28 holes with significant intercepts greater than 1.0g/t Au being obtained from 18 of the 28 RC holes, e.g. 10m at 3.37g/t, 6m at 2.91g/t and 9m at 1.3g/t. A non-JORC compliant inferred resource was estimated of 140kt at 2.3g/t (also reported as 200kt at 1.8g/t using a lower cut-off grade). Following this, the only significant exploration was by Jupiter Mines (2006-2010) which drilled 29 RAB holes at four localised remote sensing defined alteration targets with no significant results. No further work was recorded at the Trig prospect or along strike to the south.

The information in this section that relates to Exploration Targets is based on information compiled by Mr Jeremy Peters, BSc BEng FAusIMM CP (Min, Geo) AWASM, a Competent Person who is a Fellow of the Australasian Institute of Mining and Metallurgy.

These results are historical in nature and may not have been reported in accordance with the JORC Code or its predecessors and are to be treated with appropriate caution. The Competent Person considers that these results have been gathered in accordance with appropriate practice at the time and provide a reasonable but not absolute indication of the prospectivity of the relevant project geology.

### Exploration Programme

With two significant mineralised faults covered by the tenements, the Company's exploration strategy for the Mount Davis Project has two main objectives.

- (a) Firstly, an early drilling campaign to convert the resource at Mt Davis to JORC compliancy and to test the Mt George shear aimed at defining repetitions of the mineralisation to the south. Concurrently, initial mining studies will commence to enable a feasibility study to be completed so a mining reserve can be calculated.
- (b) Secondly, the Clifford Fault and remaining areas of the tenements need to be

evaluated and subsequently drill tested as warranted. Following the assessment of existing data, mapping, geophysical and geochemical programmes will be implemented as necessary to identify targets for drill testing.

## 5.5 Project overview – Maguires Reward Project

### Tenement

The Maguires Reward Project is comprised of a single prospecting licence (P20/2318) covering an area of 200Ha. The project is located in the Central Murchison area, approximately 50km north west of the major mining centre of Cue. Access is via the Great Northern Highway and well-developed secondary roads.

### Geological Setting

The Maguires Reward Project is situated within the Archaean Murchison Province, a granite-greenstone terrane in the northwest of the Yilgarn Craton. NNE-trending greenstone belts are separated by granite-gneiss domes, with smaller granite plutons also present within or on the margins of the greenstone belts. The greenstone belts contain basalts, ultramafic and felsic volcanics, metasediments including banded iron formations and intrusive rocks. Outcrop is limited with transported cover over much of the area.

A major structural feature through the Maguires Reward Project area is a NE-trending regional shear zone and is an extension of the Big Bell Fault, which splays into several discrete faults to the southwest of the project area and represent prospective gold bearing fluid pathways and trap sites for gold mineralisation.

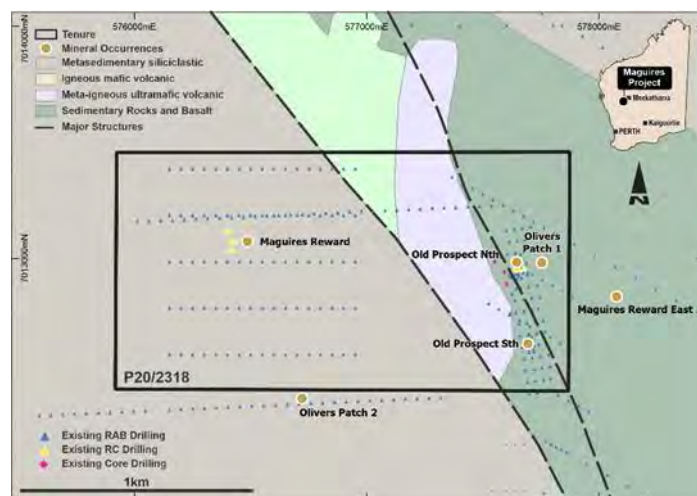


Figure 4 Maguires Reward - Tenure and Geology Plan

Gold has previously been produced from several small workings in the project area. The Old Prospect lies near the eastern margin of the tenement and the Maguires Reward Prospect towards the west of the licence. The most significant old working within the area is the Old Prospect where several shafts have been sunk. Mineralisation at the Old Prospect is associated with talc-carbonate-sericite-biotite alteration adjacent to quartz-carbonate veining host by a

strongly foliated carbonate-chlorite altered basalt. Approximately 1km west, there is a series of shafts and workings that run north-south known as Maguires Reward. Mineralisation is hosted by quartz ( $\pm$  carbonate) veining associated with a narrow shear zone in silicified carbonate-chlorite schist. Mineralisation at both areas is associated with brittle-ductile shear zones, which are interpreted to be secondary structures leading from the regional-scale structures.

### Previous Exploration

The area has been explored both for base metals and gold since the 1980's. Wide spaced soil sampling and RAB drilling led to more detailed RC and diamond drilling at the Old Prospect and Maguires Reward.

BHP Gold drill tested the Old Prospect and Maguire's Reward (1985-1989) as part of their programme to test interpreted extensions of the Big Bell Shear to the north of the Big Bell Mine. Numerous encouraging results were returned including 6m at 18.6g/t, 4m at 5.12g/t and 6m at 4.2g/t at the Old Prospect. Subsequently Newcrest (1992-1995) completed further RC and diamond drilling at both prospects with the best results being 6m at 8.02g/t, 6m at 11.6g/t and 7m at 8.74g/t. Only limited exploration was completed at the project following this period.

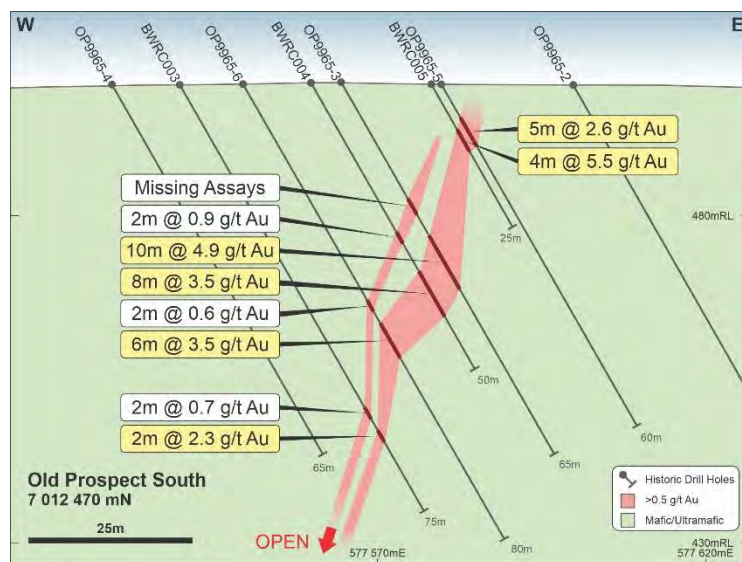


Figure 5 Old Prospect - Cross Section

Drilling at the Old Prospect indicated that the mineralisation had a strike length of 600m and defined two steeply south plunging narrow mineralised zones (the northern and southern zones). A total resource estimate by BHP (non JORC compliant) was stated at 75kt at 2.6g/t. Subsequently, Newcrest released and estimated for the Southern Zone only of 35kt at 3.0g/t.

Only limited drilling was completed at Maguires Reward and no resource

estimate was made despite best drill results, including 4m at 18.4g/t and 2m at 6.02g/t. Further testing is necessary to define the scope of the Maguires Reward mineralisation.

Recently an Exploration Target of 1.5Mt at 2.3g/t (110koz) was estimated to 200m depth. Preliminary mining studies indicated that the mineralisation was economically viable to be mined, trucked and toll treated at nearby processing plants.

The information in this section that relates to Exploration Targets is based on information compiled by Mr Jeremy Peters, BSc BEng FAusIMM CP (Min, Geo) AWASM, a Competent Person who is a Fellow of the Australasian Institute of Mining and Metallurgy.

These results are historical in nature and may not have been reported in accordance with the JORC Code or its predecessors and are to be treated with appropriate caution. The Competent Person considers that these results have been gathered in accordance with appropriate practice at the time and provide a reasonable but not absolute indication of the prospectivity of the relevant project geology.

### Exploration Programme

The potential to rapidly define a JORC compliant resource for Old Prospect and possibly Maguires Reward will drive an immediate drill programme on the project. Drilling approvals are in place and drilling is anticipated in May/June 2021. Simultaneously, initial mining studies will commence enabling a feasibility study to be completed so a mining reserve can be calculated.

The mineralisation at the Old Prospect forms steeply south plunging shoots and given the shallow and wide-spaced nature of much of the drilling on the prospect there is considerable



potential for further shoots to be discovered and for depth extensions. Maguires Reward has been poorly drilled and again potential along strike and downdip exists that needs further drill testing.

Programmes associated with mining approvals such as vegetation surveys and hydrogeological and geotechnical measurement will be undertaken as necessary.

Given the extensive cover over the tenement, not all previous sampling and drill testing is considered to have effectively identified potential anomalies. Following a comprehensive data review, geophysical and geochemical programmes will be implemented to define further potential drill targets.

## **5.6 Project overview – Peterwangy Project**

### **Tenure**

The Peterwangy Project comprises two granted exploration licenses (E70/5124 and E70/5691) covering 13 blocks for a total area of 4440 Ha, located in the Mid-West region of Western Australia. E70/5124 is held by Provident Mining Pty Ltd (**Provident**). E70/5691 is owned totally by the Company. The Project is located approximately 100km east of the port of Geraldton and 40km south east of the town of Mullewa, 350km north of Perth, Western Australia (Figure 6). Access from the west is via the Mullewa-Mingenew Road and from the east via the Mullewa-Wubin Road and then by several unsealed farm tracks.

### **Geological Setting**

The property lies within the Yilgarn Craton, a stable craton of Archaean rocks that occupies much of the southern half of Western Australia. The Yilgarn Craton has been subdivided into several superterrane and terranes. The licence straddles the boundary of the South West and Youanmi Terranes.

The South West Terrane is characterised by many NW-trending linear features, several of which can be traced for many hundreds of kilometres from the southern edge of the Craton to the north trending Darling Fault. One of the largest of these NW faults, the Koolanooka Fault, traverses the project area from the southeast to the northwest over about 10km. The tenement is underlain by Archaean granitoids and greenstones.

### **Local Geology**

A 3km long lensoid shaped greenstone belt enclosed by granitoids is located at Peterwangy. The greenstone is comprised of amphibolite and schists but contact areas are obscured by transported alluvium, so the precise location or nature of the greenstone-granite transitions are not clear. The greenstone has been described as being composed of mainly fine to coarse grained amphibolite with local zones of intense shearing. The greenstone is approximately 1.2km wide and strikes in NW direction parallel to, and to the west of, the Koolanooka Fault. The surrounding rock is described as generally leucocratic, equigranular, fine to medium grained granite with minor coarse sections.

Outcrop in the area is limited, as extensive weathering has affected the underlying lithologies and laterite development and alluvium obscures the underlying lithologies.



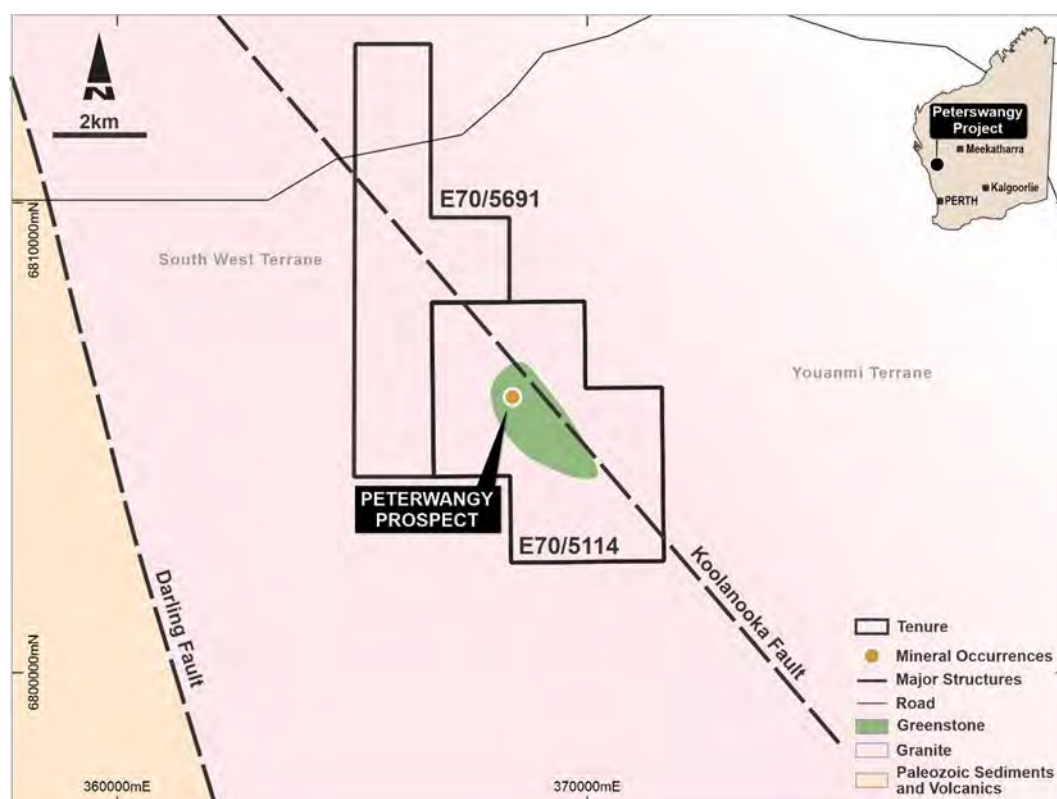


Figure 6 Peterwangy - Tenure and Geology

Gold was discovered at Peterwangy in 1868 and was the focus of Western Australia's first recorded gold rush. Small scale mining operations comprising several collapsed shafts and shallow workings can still be found within a few hundred metres of Peterwangy Hill.

Historic reports detail less than 100 ounces being recovered from the field with quartz crushing's ranging in grade from 2.5-4.1g/t. A main quartz reef was reported as running east-west over the peak of Peterwangy Hill, and a quartz reef being 18 inches (45cm) wide elsewhere. In 1896, a 33ft deep shaft intersected 3 reefs running into big lode, carrying good gold were reported in local newspapers. Difficulties in mining through the alluvium and the water table limited the extent of mining operations at the time.

A review of the styles of mineralisation by previous workers proposed a local source for the gold. The extensive laterite coverage led to comparisons being made with the Mt Gibson and Boddington laterite deposits. Boddington is located in a similar structural setting with a fault bound northwest trending greenstone belt, with extensive laterites containing around one million ounces of gold with greater than 10Moz in the underlying greenstone.

### Historical Exploration

Following the discovery of gold in 1868, several mining campaigns are recorded over the ensuing decades. The alluvial cover and the water table largely prevented any assessment of the basement rocks and once the major Eastern Goldfield discoveries were made, little further work was recorded.

Modern exploration commenced in the 1970's with regional sampling programmes aimed largely at base metals (e.g. Cu and Ni) rather than gold. The ground was also held for periods from 1980 to 2000 by companies interested in the nearby coal deposits. They did not assess the gold potential. No drilling has ever been completed at Peterwangy.

The first recorded work specifically at Peterwangy was by Peterwangy Gold Pty Ltd (**PGL**) in 1988. PGL undertook limited sampling of rubble around collapsed workings that confirmed the gold was either primary or lateritic, but not alluvial in origin. No assays were reported. PGL made the favourable comparison of the Peterwangy and the Boddington/Mt Gibson laterite deposits and concluded there was considerable potential for gold mineralisation within the greenstone belt. They appeared to be prioritising drilling at the coal deposits to the south. No further work by PGL is recorded.

Pancontinental Gold Pty Ltd held a licence covering Peterwangy from 2006 to 2011. Only desk top studies were completed during this period owing to the landowner refusing entry.

Provident was granted the current exploration licence in 2018. A change of landowner led to un-restricted access to the tenement and Provident completed:

- (a) Ground magnetics over part of the tenements
- (b) Soil sampling on a 150x150m grid
- (c) Drone reconnaissance

A positive correlation was identified between interpreted structures and low-level gold anomalism from the soil sampling coupled with similar anomalism in the chalcophile elements (As, W, Mo etc). This work reinforced potential comparisons with Boddington and culminated in the identification of 6 specific targets over an area of 2km by 1km, on which drilling was recommended.

### **Exploration Programme**

Most of the known gold within the Yilgarn Craton is known to be structurally related and the presence of the craton scale, Koolanooka Fault enhances the prospectivity of Peterwangy significantly.

The historic workings confirming the presence of both alluvial and reef gold in a 3km long greenstone, with not one drill hole reinforces the potential of the project. The extensive alluvial and laterite cover shroud bedrock and have subdued geochemical response from the limited geochemical sampling completed to date.

These factors provided a strong incentive for, and clearly justify, further exploration with the potential to lead to a significant discovery. Without any prior drill testing, the 3km long greenstone belt with an estimated area of 5km<sup>2</sup> provides ample scope for mineralisation. Both laterites and primary quartz veining are potential hosts for economic mineralisation in the area. The 10km extent of the Koolanooka Fault on the tenements also provide a target, being a major conduit for fluid flow.

The combination of the two exploration licences provides an opportunity to complete semi-regional programmes to assess the overall potential. Completion of aeromagnetic survey is planned to obtain complete data coverage over both licences as a priority, followed by a more targeted geochemical sampling programme. Targets generated from this work will be drilled along with the currently defined anomalies. More regionally, first pass drilling elsewhere on the greenstone belt or fault targets will better assess areas under cover.

## **5.7 Project overview – Wardarbie South Project**

### **Tenement**

The Wardarbie South Project is comprised of three prospecting licences (P 51/3025, P 51/3026 and P 51/3027) covering an area of 600Ha. The project is located in the Central Murchison area, approximately 75km northwest of the major mining centre of Meekatharra.

Access is via the Gascoyne Junction Road and station tracks.

### Geological Setting

The region is underlain by the 5-10km wide Mingah Range Greenstone Belt that is bound to the NE and SW by granite and granite gneiss in the northern part of the Archaean Murchison Province of the Yilgarn Craton. Lithologies consist of sediments, felsic volcanics, basalt, dolerite, ultramafic and banded iron formation. Recent alluvial cover overlies much of the area obscuring bedrock geology.

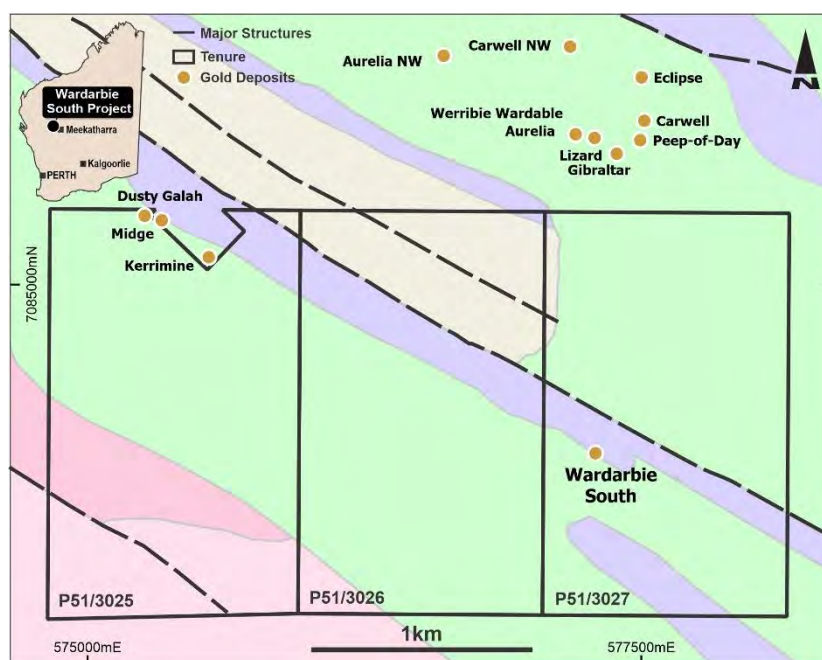


Figure 7 Wardarbie South - Tenure and Geology Plan

Structural preparation has been extensive with the extension of the Big Bell shear zone imbricating into a number of NW trending shear zones that parallel the enclosing granitoids contacts. These shears also parallel the lithological contacts within the greenstone, creating potential traps for mineralisation.

The contact between the granitoids and greenstone strikes NW-SE for 2km through the SW corner of the tenements. The remainder of the prospect contains weak metamorphosed mafic, ultramafic and sedimentary rocks (shales and siltstones with localised silicification).

The Wardarbie South prospect is a cluster of shafts to the east of the project – there are no production records documented. Numerous quartz veins outcropping around the shaft suggest a larger system associated with cross-cutting shears as also observed at other nearby historic gold workings.

A three-kilometre-long contact between mafic and ultramafic lithologies strikes NW-SE through the tenements and forms the focus for gold mineralisation for the Wardarbie South prospect and a number of prospects along strike to the NW. Immediately north, a parallel trend hosts a number of similar gold prospects (Carwell/Zapata etc). These nearby historic workings in the area have a recorded production of 5000oz from narrow quartz lodes. Quartz veins are oriented both parallel to the regional NW trending shear fabric and as cross-cutting structures. The groupings of historic workings overall tend to be oriented in the NW direction and are interpreted as being related to faulting and dilation along lithological contacts. The mineralisation is described as high-grade epigenetic vein deposits. Auriferous quartz veins up to 1m wide, striking for several hundred metres have been described in the area, in places associated with stockworks related to shearing. Anomalous base metal assays (Cu, Pb, Zn) have been returned from quartz vein sampling.

### **Previous Exploration**

The region has been explored both for gold and nickel since the 1960's. Most work was focused on finding large open-pit table gold resources and hence broad spaced sampling methods were utilised. Regional wide-spaced aircore and RAB drilling by a number of explorers was completed before the year 2000. Since then, a number of explorers have identified the potential for gold mineralisation but no systematic work was completed on the leases.

There is no drilling specifically targeting the Wardarbie South workings or the prospective NW trending structural corridor given the focus of many explorers was not on small to medium size high grade mineralisation. Recent sampling of the workings around Wardarbie South returned grades of 33.7, 22.0g/t, 11.8g/t 5.7g/t and 4.9g/t Au reinforcing the potential for high grade mineralisation.

### **Exploration Programme**

Only limited work has been completed on the tenement and hence it is a grass roots project. Following data compilation, geophysical surveys are planned to better define the structural corridors under the extensive alluvial cover. RAB or aircore drilling programmes will be necessary to define anomalous geochemistry - particularly focussed on any geophysical targets and the sheared lithological contacts. RC drilling will be used to test encouraging gold anomalism defined by these programmes.

## **5.8 Project overview – Rabbit Bore Project**

### **Tenement**

The Rabbit Bore Project is comprised of a single exploration licence (E51/1671) covering an area of 2100Ha. The project is located in the Central Murchison area approximately 55km north of the major mining centre at Cue. The Great Northern Highway is located 25km to the east linked by station tracks.

### **Geological Setting**

The Rabbit Bore project lies at the northern end of the Mt Weld greenstone belt in the Archaean Youanmi Terrane. NNE striking greenstones form a lensoid shaped inclusion in surrounding granitoid lithologies. Outcrop within the area is limited to a 2km long ridge to the south west of the tenement with a thin blanket of transported material covering the rest of the area that deepens over the granitoids.

The greenstone belt is approximately 5.5km long and strikes NNE through the tenements and is composed of sheared mafics, ultramafics and deeply weathered felsic volcanics. Three ultramafic intrusives up to 60m wide are strongly foliated with variable alteration including tremolite, talc-carbonate, chlorite and magnetite minerals. The tenement contains a major NNE trending shear zone that is interpreted as an extension of the Big Bell Fault, that splays into several discrete structures south of the project area. This structure contains gold prospects along its entire length. The sequence typically dips moderately steeply to the west and localised faulting is common.



Figure 8 Rabbit Bore - Tenure and Geology Plan

A Proterozoic dolerite dyke with an E-W orientation crosscuts lithologies adjacent to the Rabbit Bore gold prospect and possibly offsets the greenstone belt with dextral movement as indicated by the regional aeromagnetics.

Potential exists for both gold and base metal mineralisation at Rabbit Bore. Historic gold mining occurred at the Rabbit Bore prospect where a small vertical shaft, four pits and a dry blowing area exist. There are no records of the quantity of gold produced from the workings. Gold mineralisation is believed to be related to the quartz blows which occur with the historical workings. Quartz is mapped over an area extending approximately 1km in an EW direction. Sampling around the workings has produced a maximum assay of 4.24g/t and low-level gold results returned from

soil sampling programmes over the extensive cover.

The greenstone belt is prospective for nickel, cobalt and chrome based on the results of rock chip and soil sampling. The extensive cover in the north part of the tenement obscures geology and mutes geochemical responses and with no drilling the potential is untested for the 5.5km of strike. Sampling focussed on the exposed ultramafics returned nickel assays up to 1,295ppm and chromite to 5,400ppm. Anomalous cobalt and arsenic assays results are associated with nickel.

### Previous Exploration

Exploration in or around the current E51/1761 has been only carried out spasmodically since the 1970's, commencing with the nickel boom and more recently for base metals, gold and iron ore. There is no drilling recorded on the licence area.

Regional work including geophysical surveys, and mapping were completed in the late 1990's. Two widely spaced soil sampling programmes were completed over the greenstone belt by different explorers (2001 and 2011) resulting in low level gold, nickel, cobalt, platinum and lead anomalies. A closer spaced sampling programme was completed in 2011 around the Rabbit Bore workings with a maximum result of 2.18 g/t Au. Recent sampling around the historic workings returned a maximum grade of 4.24g/t Au.

### Exploration Programme

The Rabbit Bore prospect lies in a poorly explored but structurally prepared greenstone belt and has potential for both gold and nickel/cobalt mineralisation. There has been no recorded drilling on the tenement and with transported material covering the northern 60% of the lease area there is strong potential for unrecognised mineralisation.

The gold mineralisation requires initial drill testing to better understand the geometry of the mineralisation. Recent interpretation suggests an east-west striking and shallow north dipping orientation that is parallel with the nearby cross-cutting dolerite dyke. Once the



orientation is confirmed more detailed drilling will be used to quantify any potential mineralisation.

To evaluate the base metal potential, geophysical programmes will be utilised as a targeting tool in conjunction with existing or new geochemical results for subsequent drill programmes.

## 5.9 Additional information on the Projects and Tenements

The Company encourages prospective investors to read in its entirety the following documents:

- (a) the Independent Geologist's Report in Annexure A for further details about the geology, location and mineral potential of the Projects; and
- (b) the Solicitor's Report on Tenements in Annexure B for further details on the Tenements.

## 5.10 Historical Estimate cautionary statement

This prospectus includes references to and relies on Historical Estimates in support of historical exploration results and estimates. The estimates are Historical Estimates and are not reported in accordance with the JORC Code. The Competent Person has not done sufficient work to classify the Historical Estimates as Mineral Resources or Ore Reserves in accordance with the JORC Code. It is uncertain that, following evaluation and/or further exploration work, the Historical Estimates will be able to be reported as Mineral Resources or Ore Reserves in accordance with the JORC Code.

## 5.11 Competent Person statement

The information contained in this prospectus that relates to Exploration Results and Exploration Targets is based on, and fairly represents, information compiled by Mr Jeremy Peters, in his capacity as independent geologist. Mr Peters, FAusIMM CP (Mining, Geology), is a Competent Person as defined in the JORC Code having sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking. Mr Peters is a full-time employee of Burnt Shirt Pty Ltd. Mr Peters consents to this statement and to references in this prospectus to the Independent Geologist's Report in the form and context in which they appear. Mr Peters has not withdrawn his consent before lodgement of this prospectus with ASIC.

## 5.12 Material contracts

The Company has entered into a number of important contracts. These are:

(a) Farm-In Agreements for the Mt Davis Project and the Peterwangy Project		
Project name	Mt Davis Project	Peterwangy Project
Counterparty to the agreement	Tanvanth Singh Sandhu ( <b>Tan</b> )	Provident Mining Pty Ltd (ACN 160 065 154)
Date of agreement	18 March 2021	19 March 2021
Tenements	P37/8634, P37/8635, P37/8636, P37/8637, P37/8638 and P37/9349 and in prospecting licence application 37/9350	E70/5114
Cash payment	\$50,000	\$50,000

Earn-In Right – Phase 1	The Company has a right to earn a 51% project interest by sole funding expenditure of \$650,000 within 2 years.	The Company has a right to earn a 51% project interest by sole funding expenditure of \$400,000 within 2 years.
Earn-In Right – Phase 2	The Company has a right to complete a feasibility study within 5 years to earn 80% project interest.	The Company has a right to complete a feasibility study within 5 years to earn 76% project interest.
Condition	N/A	<p>The transaction is subject to and conditional upon the Counterparty and the Company executing a deed poll in favour of the counterparty to the Heritage Agreement in accordance with clause 18 of the Heritage Agreement.</p> <p>The condition may be waived by the parties in writing and by mutual consent.</p> <p>In the event that the Condition is not satisfied or waived within 14 days after the date of the agreement, either party may terminate the agreement.</p>
Management and conduct during farm-in period	<p>During the farm-in period (being Earn-In Right – Phase 1 and Phase2), the Company will:</p> <ul style="list-style-type: none"> <li>• be solely responsible for planning and carrying out all exploration;</li> <li>• observe all relevant legislation in relation to the tenements;</li> <li>• maintain good standing of the tenements;</li> <li>• maintain accurate books, records and accounts for all expenditure related transactions and gold and other minerals recovered from the tenements;</li> <li>• pay all outgoings and any environmental levy;</li> <li>• allow the Counterparty, at their cost and risk to enter the tenements in accordance with the reasonable directions of the Company, to inspect the tenements and progress of the exploration;</li> <li>• satisfy all rehabilitation obligations attributable to activities undertaken by the Company, its contractors or agents in respect of the tenements;</li> <li>• adopt and diligently implement reasonable safety procedures and restrictions;</li> <li>• not do any act whereby the tenements may be liable to forfeiture;</li> <li>• implement procedures and maintain accurate records relating to</li> </ul>	

	<p>the accounting of gold and other minerals recovered from the tenements;</p> <ul style="list-style-type: none"> <li>• adopt and implement reasonable safety procedures and restrictions for persons and activities on the Tenements in accordance with mines safety and inspection laws and regulations;</li> <li>• ensure that the tenements and any operations upon them are kept secure and safety from any unauthorised third party; and</li> <li>• negotiate with the owner of any private land underlying the tenements for the access to land for exploration purposes.</li> </ul> <p>If the Company fails to incur the respective required expenditure for Earn-In Right – Phase 1, this agreement will terminate and the Company is deemed to have withdrawn from this agreement in accordance with the terms of the “Withdrawal right” clause summarised below.</p>
Formation of joint venture	<p>The parties may form a joint venture:</p> <ul style="list-style-type: none"> <li>• when the Company notifies the Counterparty within 14 business days after notice of completion of earn-in phase 1 is provided; or</li> <li>• when the Company notifies the Counterparty within 14 business days after notice of completion of earn-in phase 2 is provided.</li> </ul> <p>Once a joint venture is formed:</p> <ul style="list-style-type: none"> <li>• the parties will contribute to all expenditure in accordance with their respective project interests. The Company will be responsible for the management of the tenements and will maintain the tenements in good standing; and</li> <li>• the Counterparty may elect not to contribute to the expenditure and his project interest will be diluted.</li> </ul> <p>On the Counterparty’s project interest being diluted to 5%, his interest will convert to a 2% net smelter return royalty and he will be deemed to have withdrawn from this Farm-In Agreement and must assign to the Company all its project interest.</p>
Withdrawal right	<p>The Company may withdraw from this agreement at any time during the farm-in period by giving 30 days’ notice in writing to the Counterparty.</p> <p>Either party may withdraw from this agreement by giving the other party 30 days’ notice in writing.</p> <p>Upon withdrawal and unless otherwise provided in the agreement, the withdrawing party absolutely forfeits and must assign to the other party all its project interest and the withdrawing party is released from all future obligations in relation to the joint venture.</p>

Prior to entering into the Farm-In Agreement for the Mt Davis Project, the Company and Tan entered into a binding term sheet dated 8 October 2020 under which the Company paid \$10,000 for a 30-day exclusive due diligence period and \$20,000 for an option to purchase 100% interest in the Mt Davis Project. The Company and Tan subsequently agreed to enter into the Farm-In Agreement which replaced the binding term sheet.

(b) Tenement Sale Agreement between the Company and Diane Kaye Finlay (Diane)

Date of agreement	23 September 2020
Background	The Company agrees to purchase, and Diane agrees to sell, 100% interest in P20/2318 and includes any application for a mining tenement, and any extension, renewal, variation, conversion, amalgamation, replacement or substitution of a mining tenement, which is granted in respect of the whole or part of the area of that mining tenement, and the mining information.
Condition	<ul style="list-style-type: none"> <li>The transaction is conditional upon the Company receiving a letter granting it conditional approval to be admitted to the Official List by 31 May 2021 or such other date as the parties may agree (<b>Condition</b>).</li> </ul>
Consideration	<ul style="list-style-type: none"> <li>\$125,000 in cash (of which \$25,000 has been paid and the balance is payable upon settlement);</li> <li>5,000,000 Shares at a deemed issue price of \$0.20 per Share; and</li> <li>2% net smelter return royalty.</li> </ul>
Rehabilitation obligation	The Company will be liable to satisfy all rehabilitation obligations which attach to the tenement irrespective of whether such obligations arose before, on or after the settlement, and will indemnify Diane against any loss, expense or liability suffered arising from any such rehabilitation obligation.
Termination	<p>The agreement may be terminated:</p> <ul style="list-style-type: none"> <li>If the Condition is not satisfied;</li> <li>on mutual agreement of the parties;</li> <li>if a party becomes insolvent; or</li> <li>if a party commits a material breach of the terms of this Tenement Sale Agreement and fails to remedy that breach within 10 business days after the giving of notice by the other party to remedy the breach.</li> </ul>

(c) Purchase and Joint Venture Agreements for the Rabbit Bore Project and the Wardarbie South Project

Project name	Rabbit Bore Project	Wardarbie South Project
Counterparty to the agreement	Diversified Asset Holdings Pty Ltd ( <b>DAH</b> )	Gelignite Resources Pty Ltd ( <b>GRPL</b> )
Date of agreement	12 March 2021	12 March 2021
Tenements	E51/1671	P51/3025, P51/3026 and P51/3027
Consideration	<ul style="list-style-type: none"> <li>\$10,000 in cash;</li> <li>1,150,000 Vendor Shares;</li> <li>1,150,000 Vendor Options;</li> <li>1% net smelter return</li> </ul>	<ul style="list-style-type: none"> <li>1,450,000 Vendor Shares;</li> <li>1,450,000 Vendor Options;</li> <li>1% net smelter return royalty.</li> </ul>

	royalty.
Background	The Company agrees to purchase, and the counterparty agrees to sell, 80% interest in the Tenements and includes any mining tenement applied for or granted as conversion, replacement or in substitution for those mining tenements, but only to the extent of the area of the Tenements as at the date of the agreement, and includes all rights to mine and other privilege appurtenant to those mining tenements, and the mining information.
Condition Precedent (Condition)	The transaction is subject to and conditional upon the Company receiving a letter granting it conditional approval to be admitted to the Official List.
Maintain good standing	<p>From the date of the agreement up to the date of completion of settlement, the counterparty covenants to:</p> <ul style="list-style-type: none"> <li>• maintain the tenement in good standing;</li> <li>• not do anything that may put the tenement at risk of forfeiture or loss; and</li> <li>• not deal with the tenement in any manner inconsistent with the agreement.</li> </ul>
Completion	Completion for the transfer of 80% interest in the Project from the counterparty to the Company will occur within 5 business days of satisfaction of the Condition.
Joint venture	<ul style="list-style-type: none"> <li>• The Company and the counterparty will form a joint venture to explore the tenement on completion of settlement, where the counterparty's contributions to expenditure will be free carried by the Company upon to the Company making a decision to mine.</li> <li>• Upon a decision to mine is made, all expenditure will be borne by the Company and the counterparty in accordance with their respective Project interests. The Company will carry the counterparty's share of expenditure, which will accrue as a loan to be repaid by the counterparty to the Company, with interest, from free cash flow of production from the Tenements following the commencement of mining and not in any other circumstance.</li> <li>• The Company will be responsible for the mining of the Tenements and will maintain the Tenements in good standing.</li> <li>• The Company will be solely responsible for the planning and carrying out of all exploration and on the Tenements.</li> </ul>
Withdrawal right	<ul style="list-style-type: none"> <li>• Either party may withdraw from the agreement by giving the other party 30 days' notice in writing.</li> <li>• Upon a withdrawal from a party, then unless the agreement states otherwise, the withdrawing party absolutely forfeits and must assign to the other party all its Project interest and the withdrawing party is released from all future obligations relating to the joint venture.</li> </ul>
Royalty	The counterparty is entitled to receive a 1% net smelter return royalty on the Project.

Prior to entering into the two Tenement Purchase and Joint Venture Agreements in relation to the Rabbit Bore and Wardarbie South Projects, the Company entered into a binding term sheet with each of DAH and GRPL dated 30 September 2020 under which the Company paid \$10,000 for a 30-day exclusive due diligence period and an option to purchase 80% interest in, as well as forming an exploration joint venture for, the Projects. The two binding term sheets has since been replaced by the Tenement Purchase and Joint Venture Agreement.

GRPL is an entity controlled by Kurt Kozyrski who was a non-executive director of the Company between 30 September 2020 and 14 December 2020. DAH is an entity controlled by Boleslaw Kozyrski who is the father of Kurt Kozyrski. DAH and GRPL were therefore considered as related parties to the Company at the time the binding term sheet and the Tenement Purchase and Joint Venture Agreement were entered into.

The Company did not obtain Shareholder approval for entering into the binding term sheets and the Tenement Purchase and Joint Venture Agreements as the Directors considered that the Company were dealing at arm's length with DAH and GRPL.

The estimated fair value of non-cash considerations for the two Projects are as follows:

Rabbit Bore Project:	Wardarbie South Project:
<ul style="list-style-type: none"> <li>value of 1,150,000 Vendor Shares at a deemed issue price of \$0.20 per share is \$230,000; and</li> <li>value of 1,150,000 Vendor Options using Black Scholes model is \$148,879<sup>1</sup></li> </ul>	<ul style="list-style-type: none"> <li>fair value of 1,450,000 Vendor Shares at a deemed issue price of \$0.20 per share is \$290,000; and</li> <li>value of 1,450,000 Vendor Options using Black Scholes model is \$187,717<sup>1</sup></li> </ul>

1. See section 7.7 Note 4(d) for valuation details and assumptions.

The value of the 1% net smelter return royalty is currently unascertainable given the Projects are at an early stage of exploration.

The Vendor Shares and Vendor Options will be issued at the same time as the Shares offered under the Public Offer.

(d) **Lead Manager Mandate between the Company and Cadmon Advisory Pty Ltd (Cadmon) dated 7 May 2021**

Engagement	The Company appoints Cadmon to act as corporate adviser and joint lead manager in respect of the Public Offer.
Fees and expenses	<p>On completion of the Public Offer:</p> <ul style="list-style-type: none"> <li>a management fee of 1% of the gross proceeds from the Public Offer, payable in cash;</li> <li>a selling fee of 4% for funds raised from the Public Offer through Cadmon in addition to 2% fee placed by the Company, payable in cash;</li> <li>a success fee of \$25,000 for successful completion of the Public Offer; and</li> <li>1,400,000 Lead Manager Options.</li> </ul>



	<p>In the event of a trade sale of the Company, a management fee of 3% of the gross proceeds from the sale, payable at the Company's discretion in cash or in scrip.</p> <p>All fees are quoted exclusive of GST.</p>
No underwriting	Nothing in the Lead Manager Mandate shall be construed as an offer of any finance or a commitment to underwrite the Transaction.
Term and termination	<p>The Lead Manager Mandate commences on the date of Cadmon's appointment and continues until earlier of:</p> <ul style="list-style-type: none"> <li>• completion of the Public Offer; and</li> <li>• 18 months after Cadmon's appointment.</li> </ul> <p>The Lead Manager Mandate may be terminated at any time by mutual consent, such termination to take effect upon receipt by the Company of written notice to that effect.</p> <p>Upon expiry or termination, Cadmon will only be entitled to receive payment in full of any fees and legal and out-of-pocket expenses that have accrued or been incurred which have not yet been invoiced or paid.</p>
Exclusivity and right of first refusal	<p>Upon Cadmon's appointment and until expiry or termination of this Lead Manager Mandate, the Company must consult with Cadmon in relation to any proposal to:</p> <ul style="list-style-type: none"> <li>• sell, offer to sell, or commence negotiations with a view to selling all or part of the assets or business of the Company or any securities in the Company;</li> <li>• issue, offer to issue or commence negotiations with a view to issuing any securities in the Company, other than pursuant to the Transaction;</li> <li>• enter into any financing agreements or arrangements for the borrowing of money in excess of \$100,000; or</li> <li>• do anything which would have the effect that the Company is operating a business or conducting an activity which is not within the course of the business carried on by the Company as at the date of Cadmon's appointment.</li> </ul> <p>If, during the 24-month period commencing on the date of expiry or termination of the Lead Manager Mandate, the Company determines to effect any capital or debt raising, any public offering or any private placement of equity or debt securities, the Company must first offer Cadmon the right of first refusal to undertake such role on commercial, market-standard terms. If Cadmon does not accept the offer within 7 days of it being advised in writing of the Company's proposed course of action, the Company may appoint a third-party adviser for such fundraising activities (provided the terms are no more favourable to the third party than the terms offered to Cadmon).</p> <p>The right of first refusal does not apply in circumstances where the Company terminates the Lead Manager Mandate as a result of Cadmon's failure to provide the services contemplated by this</p>

	mandate at an appropriate standard, or in the event of negligence, wilful misconduct, recklessness or fraud by Cadmon.
(e)	Lead Manager Mandate with between the Company and CPS Capital Group Pty Ltd ( <b>CPS Capital</b> ) dated 6 May 2021
Engagement	The Company appoints CPS Capital to act as joint lead manager and broker in respect of the Public Offer.
Fees and expenses	<p>On completion of the Public Offer:</p> <ul style="list-style-type: none"> <li>a management fee of 1% of the gross proceeds from the Public Offer, payable in cash;</li> <li>a selling fee of 4% for funds raised from the Public Offer through CPS in addition to 2% fee placed by the Company, payable in cash;</li> <li>a success fee of \$25,000 for successful completion of the Public Offer; and</li> <li>1,400,000 Lead Manager Options.</li> </ul> <p>All fees are quoted exclusive of GST.</p>
Termination	<p>CPS Capital may terminate the mandate:</p> <ul style="list-style-type: none"> <li>with 14 days' written notice if the Company commits a material breach of any terms of the mandate or is not in compliance with any warranty or representation under the mandate; or</li> <li>immediately by written notice if the Company becomes insolvent.</li> </ul> <p>The Company may terminate the mandate by giving 7 days' written notice.</p>
The terms of the Lead Manager Options are set out in section 9.15. Assuming the Lead Manager Options are converted into Shares when the Company lists on the ASX but no other Options are converted, the Joint Lead Managers will each hold approximately 2.12% of the Company's issued Share capital.	
(f)	CFO, Accounting and Company Secretarial Service Agreements between the Company and Geneva Partners Pty Ltd ( <b>Geneva</b> ) dated 23 March 2021
Services	<p>The services covered under the two agreements with Geneva are bookkeeping services, management accounting services, preparation of periodic reports and other accounting services, and company secretarial services. Stuart Usher will assume the role as CFO and Company Secretary of the Company and be responsible and have oversight of the services covered under the two agreements.</p> <p>(together the <b>Services</b>).</p>
Fee	<p>Geneva will be paid an annual fee of \$121,000 plus GST for the provision of the Services (<b>Fee</b>).</p> <p>The Fee may be adjusted depending on the Company's level of activity.</p>
Term of engagement	The term of the engagement is 24 months from the date the agreement is executed.

	After the initial 24 months, the engagement will automatically rollover to an annual 12-month engagement on the same terms as this agreement, or as otherwise negotiated.
Termination	<p>The engagement may be terminated at any time by either party giving 12 month's written notice to the other party.</p> <p>In the event of termination by the Company, the Company will pay any unpaid portion of the Fee, whether invoiced or not, plus any additional outstanding expenses prior to Company data being transferred to the Company or a third party.</p>
Indemnity	The Company agrees that Geneva, its related or associated companies, and its respective directors, officers, employees and agents will have no liability whatsoever to the Company or its related bodies corporate for or in connection with things done or omitted to be done pursuant to the engagement or any delay or failure to perform the Services caused by Geneva.

### 5.13 Use of funds

Details of the proposed use of funds for the two years following listing are as follows:

	Minimum Subscription \$5,000,000	
	Amount	% of total use of funds
Existing cash as at 31 December 2020	150,000	
Funds to be raised under the Public Offer	5,000,000	
<b>Total funds available upon listing</b>	<b>5,150,000</b>	
<b>Expenses</b>		
Outstanding Vendor payments	210,000	4.08%
<u>Exploration costs<sup>1</sup></u>		
Mt Davis Project	660,000	12.82%
Maguires Reward Project	830,000	16.12%
Peterwangy Project	365,000	7.09%
Rabbit Bore Project	335,000	6.50%
Wardarbie South Project	260,000	5.05%
Exploration administration costs <sup>1</sup>	550,000	10.68%
<b>Total exploration costs</b>	<b>3,000,000</b>	<b>58.25%</b>
<u>Costs of the Offers</u>		
ASIC	3,500	0.07%
ASX	65,500	1.27%
Joint Lead Managers <sup>2</sup>	350,000	6.80%
Legal fees	65,000	1.26%
Independent Geologist	20,000	0.39%
Auditor and Investigating Accountant	10,000	0.19%
Miscellaneous	26,000	0.50%
<b>Total costs of the Offers</b>	<b>540,000</b>	<b>10.49%</b>
Working capital and administration costs <sup>3</sup>	1,400,000	27.18%
<b>Total</b>	<b>5,150,000</b>	<b>100%</b>

1. The exploration costs are based on a proposed 2-year exploration program for the Projects. See Table 8.1 of the Independent Geologist's Report in Annexure A for a breakdown of the proposed exploration expenditure for each of the Company's Projects. Exploration administration costs include heritage and tenement administration, geological services and field labour, and general administration costs.
2. Joint Lead Manager fees include a success fee of \$50,000. The fees disclosed here do not include non-cash payment, being 2,800,000 Lead Manager Options. The estimated fair value of the Lead Manager Options is \$0.11406 per Option or \$319,368 in total. See section 5.12(d) for details on the Joint Lead Manager fees (see section 7.7 Note 4(e) for details of valuation of the Lead Manager Options).

3. Working capital and administration costs include general administration expenses, management salaries, directors' fees, rent and other associated costs. Funds may also be allocated to exploration activities where the board determines. The Company may have additional tenements and areas within its Projects that are subject to existing tenement applications. If and when those applications are granted and the Company has right to access and conduct exploration on those areas, the Company may also use funds in working capital to meet exploration costs in those areas.

The proposed use of proceeds described above represents our current intention based upon the present plans and business conditions. The amounts and timing of the actual expenditures may vary significantly and will depend upon numerous factors, including the timing and success of our exploration efforts. The Board reserves the right to alter the ways those funds are applied.

#### 5.14 Sufficiency of working capital

The Directors are of the opinion that the Company will have enough working capital to carry out its business objectives as described in this prospectus.

#### 5.15 Capital structure

Our capital structure<sup>1</sup> before and after the Offer is as follows:

Minimum Subscription \$5,000,000		
Shares	Number	%
Existing Shares <sup>2</sup>	12,036,875	26.97%
<u>Shares to be issued</u>		
Vendor Shares	7,600,000	17.03%
Under the Public Offer	25,000,000	56.01%
<b>Total shares on issue upon listing</b>	<b>44,636,875</b>	<b>100%</b>
<u>Options<sup>3</sup></u>		
Existing Options <sup>2</sup>	10,536,875	
<u>Options to be issued</u>		
Vendor Options	2,600,000	
Director Options	5,500,000	
Lead Manager Options	2,800,000	
<b>Total</b>	<b>21,436,875</b>	
<u>Fully diluted Share capital<sup>4</sup></u>		
Existing Shares	12,036,875	18.22%
Vendor Shares	7,600,000	11.50%
Shares under the Public Offer	25,000,000	37.84%
Shares upon exercise of all Options	21,436,875	32.44%
<b>Total</b>	<b>66,073,750</b>	<b>100%</b>

- On 8 March 2021, the Company held a Shareholder meeting at which Shareholders approved a consolidation of its Existing Shares on a 4 to 2.3 basis (**Consolidation**). The number of Existing Options was also consolidated on a pro rata basis as they were issued as one attaching Option for each Existing Share. The numbers in the table are on a post-Consolidation basis.
- The Company's Existing Shares include:
  - Shares (each with one free attaching Existing Option) issued on 2 October 2020 to promoters at \$0.001 per Share (pre-Consolidation) where 5,074,375 Shares were issued to Alan Lockett and his associated entity and 287,500 Shares were issued to an entity associated with Jonathan Lea; and
  - Shares (each with one free attaching Existing Option) issued on 27 October 2020 to investors who participated in a \$350,000 pre-IPO raising at \$0.05 per Share (pre-Consolidation) (**Seed Raising**), where:
    - 80,500 Shares were issued to Alan Lockett;
    - 230,000 Shares were issued to entities associated with Jonathan Lea; and
    - 115,000 Shares were issued to a person associated with Anser Legal Pty Ltd, the Company's solicitor for the Offers.

Funds raised from the Seed Raising were used for costs associated with Project acquisitions, ASX listing process and document preparation.
- See section 9.15 for the terms of the Options.
- This shows the Company's Share capital after the completion of the Offers presuming all convertible securities are exercised.

The Company has no other class of securities on issue as at the Lodgement Date.

## 5.16 Substantial Shareholders

The following are substantial shareholders of the Company as at the Lodgement Date assuming Minimum Subscription and neither of the substantial shareholders participate in the Public Offer:

Shareholders	Number of Shares	Voting power	
		undiluted	fully diluted
Alan Lockett	5,031,250 <sup>1</sup>	11.27%	15.29% <sup>2</sup>
Diane Kaye Finlay	5,000,000 <sup>3</sup>	11.20%	7.57%

- This includes 4,600,000 Shares held by Dragon Pty Ltd (ACN 009 333 813) <The Mining Asset Trust>, an entity associated with Alan Lockett and the balance held directly by Alan Lockett.
- Alan Lockett and his associated entity together hold 5,074,375 Existing Options.
- Being Shares to be issued, prior to listing, as part of the consideration for the Maguires Reward Project, assuming Diane Finlay does not participate in the Public Offer.

## 5.17 Restricted securities

Subject to the Company being admitted to the Official List, certain Shares and Options 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 quotation of Shares. The Board does not expect that any Shares issued under the Public Offer will be subject to escrow under the ASX Listing Rules.

The securities expected to be restricted securities are the Lead Manager Options, Director Options, Vendor Shares, Vendor Options, and approximately 10,080,250 Existing Shares and



8,730,250 Existing Options.

The Company anticipates that upon listing, approximately 17,680,250 Shares and 19,630,250 Options may be classified as restricted securities by ASX, with Shares comprising approximately 39.61% of the Company's total Shares on issue and Options comprising approximately 91.57% of all Options on issue at completion of the Offers.

Details of any restricted securities will be announced to the ASX prior the Shares commencing trading on the ASX.

The Company confirms its free float (being the percentage of 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 will be no less than 20% in compliance with Listing Rule 1.1 Condition 7.

#### **5.18 Dividend policy**

As the Company is still at the stage of exploring for mineral, it does not intend to pay dividends on securities for at least two years post listing as the Company and will, instead focus on its planned exploration activities. Any future determination as to the payment of dividends by the Company will depend on a variety of factors such as the availability of distributable earnings, the operating results and financial condition of the Company, future capital requirements, general business and other factors considered relevant by the Directors.

#### **5.19 Litigation**

Legal proceedings may arise from time to time in the course of our business. As at the Lodgement Date, 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, its subsidiary or its controlled entity.

## 6 RISK FACTORS

An investment in the Company is not risk free. Before deciding to trade in the Shares, Shareholders and interested investors should read the entire Prospectus, consider at least the following risk factors in light of their personal circumstances and investment objectives (including financial and taxation issues) and seek professional advice from their accountant, stockbroker, lawyer or other professional advisor.

The operating and financial performance and position of the Company, the value of Shares and the amount and timing of any dividends that the Company may pay will be influenced by a range of factors. Many of these factors will remain beyond the control of the Company and the Directors. Accordingly, these factors may have a material effect on the Company's performance and profitability which may cause the market price of Shares to rise or fall over any given period.

This section identifies the areas the Directors regard as major risks associated with an investment in the Company. This list is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

### 6.1 Specific risks

#### (a) Contractual risks

The Company has entered into agreements to acquire interests in tenements for the Maguires, Rabbit Bore and Wardarbie South Projects. Completion of each agreement is subject to the Company receiving conditional admission letter from the ASX (**Condition**). The ownership interests in the Projects that the Company is acquiring under these agreements will not be transferred until completion occurs. There is a risk that the transactions may not complete due to factors including the default of the other party and issues associated with the Tenements.

The Company's agreement for the Maguires Reward Project is conditional upon the Company receiving a letter granting it conditional approval to be admitted to the Official List by 31 May 2021 or such other date as the parties may agree. As at the Lodgement Date, the Directors are not aware of any issue to seek an extension of this condition with the vendor in the event the condition is not met by 31 May 2021.

The Company has entered into farm-in agreements to earn up to 80% and 76% interests in the Mt Davis and Peterwangy Projects respectively. The Company may be deemed to have withdrawn from the agreement if it fails to meet the minimum expenditure requirement during the farm-in period. There is a risk that such a withdrawal may occur in which case the Company must under the agreement forfeit and assign its project interest to the continuing party and thus will no longer have any interest in the Projects.

The farm-in agreement for the Peterwangy Project is subject to a condition precedent that the parties executing a deed poll in favour of the counterparty to the Heritage Agreement between the current tenement holder and the relevant Aboriginal group. In the event that the condition precedent is not satisfied and the condition is not waived by the parties, the agreement may be terminated.

#### (b) Grant of tenement applications

The projects the Company has contracted to acquire include tenement applications which may or may not be granted. The Company's Mt Davis Project has one

prospecting licence application P37/9350. There is a risk that this tenement is not granted which may impact the Company proposed expenditure on the Project. Without grant, there would be a smaller strike length to be explored of the Mt George Shear Zone hence reducing the potential for definition of extensions of the Trig deposit.

(c) Exploration risk

The Tenements to be acquired by the Company have been subject to limited exploration and presently do not have any JORC compliant mineral resource estimates.

Mineral exploration is a high-risk undertaking. There is no assurance that exploration of the Tenements will successfully locate or identify mineral deposits or that any mineral deposits will be discovered. Even if an apparently viable deposit is identified there is no guarantee that it can be economically exploited.

The Company's proposed exploration activities may be affected by various factors including geological conditions, limitations on activities due to permitting requirements, availability of appropriate exploration equipment, exploration costs, adverse weather conditions and incidents and accidents.

It is difficult to assess the extent to which the Company may be affected by these factors. The Directors will have in place an appropriate risk management process to monitor, mitigate and/or control these factors and their effects on the Company.

(d) Title and tenure

In accordance with the Mining Act, the holder of a mining tenement is permitted to explore for minerals.

Interests in tenements in Western Australia are governed by legislation and are evidenced by the granting of leases and licences by the State. The Company is subject to the Mining Act and the Company has an obligation to meet conditions that apply to the Tenements, including payment of rent and prescribed annual expenditure commitments.

The Company's Projects only currently permit exploration on the Tenements. If the Company successfully delineates an economic resource on any of these exploration licences, it will need to apply for a mining permit to undertake development and mining. There is no guarantee that the Company will be granted a mining permit if one is applied for, as such grants are discretionary.

Exploration licences are subject to annual review and periodic review. The renewal of the term of a granted exploration licence is also subject to the discretion of the relevant Minister. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the licences comprising the Company's Projects. While it is the Company's intention to satisfy the conditions that apply to the Tenements, there can be no guarantee that, in the future, the Tenements subject to renewal will be renewed or that minimum expenditure and other conditions apply to the Tenements will be satisfied. If a tenement holder fails to comply with the terms and conditions of a tenement, the Warden or Minister (as applicable) may impose a fine or order that the tenement be forfeited. In most cases, an order for forfeiture can only be made where the breach is of sufficient gravity to justify forfeiture. In certain cases, a third party can

institute administrative proceedings under the Mining Act before the Warden seeks forfeiture of the tenement.

The exploration licence (E51/1671) for the Rabbit Bore Project expires on 6 April 2021. An extension of term has been applied. While there is advice this should be approved, this will not be confirmed prior to the close of the Offers.

(e) Failure to satisfy expenditure commitments

Each exploration and prospecting licence carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to or its interest in a tenement if the licence conditions are not met or if insufficient funds are available to meet expenditure commitments.

Currently, each of the granted Tenements is in good standing. Tenement details are set out in the Solicitor's Report on Tenement in Annexure B.

(f) Rehabilitation of tenements

In Western Australia a mining rehabilitation levy system applies which require a tenement holder to pay a levy based on the area it has disturbed on a tenement (and on the estimate of the cost of rehabilitation of such area). In certain circumstances, a tenement holder may also be required to lodge a bank guaranteed performance bond to secure the performance of a tenement holder's rehabilitation obligations on a mining tenement. A tenement holder may also be liable to pay a safety levy based on the number of hours spent working on a group of tenements.

In relation to the Company's proposed operations, issues may arise with respect to these rehabilitation levies and associated costs which may materially affect the Company's financial position and business operations.

(g) Environmental risk

The Company's operations and proposed activities are expected to have an impact on the environment and will be subject to regulatory monitoring and requirements concerning the environment. The Company intends to conduct its activities in compliance with all applicable environmental laws. However, there is a risk that the Company may fail to comply with a regulatory requirement which may result in fines or interruption to the Company's operations which may adversely affect the Company's financial performance and proposed activities.

(h) Authorisation to develop the mine

If the Company in the future intends to develop a mine, the proposed development will be subject to the Company obtaining various approvals, licences and permits and there is a risk that they may not be successfully obtained.

(i) Resource estimate

Resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates, which were valid when originally calculated, may alter significantly when new information or techniques become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate.

The Company, at this time, does not have any identified mineral resources or reserves and only limited previous exploration had been done over the areas

covered by the Projects. There is no assurance that exploration or project studies by the Company will result in the definition of an economically viable mineral deposit. Potential investors should understand that mineral exploration is a high-risk undertaking.

(j) Metallurgy

Metal and/or mineral recoveries are dependent upon the metallurgical process that is required to liberate economic minerals and produce a saleable product and by nature contain elements of significant risk, such as:

- (i) identifying a metallurgical process through testwork to produce a saleable metal and/or concentrate;
- (ii) developing an economical process route to produce metal and/or concentrate; and
- (iii) changes in mineralogy in the ore deposit that can result in inconsistent metal recovery, affecting the economic viability of the project.

(k) Native title and aboriginal heritage

There may be areas where the Company's tenements are located that are subject to native title and aboriginal heritage rights. This may impact the Company's ability to access or develop those areas and/or extend the time period for exploration or mining to commence. The Mining Act makes mining tenement holders liable for any native title compensation that may be payable as a result of the grant of the mining tenement. If the existence of native title is proven over any of the land subject to the Tenements, and the native title holders make an application to the Federal Court for compensation, the tenement holder may be liable to pay any compensation awarded which may adversely affect the Company's financial position. In Western Australia, to alter or damage sites that may be of spiritual, cultural or heritage significance to Aboriginal people without approval is an offence that can lead to prosecution.

A lodgement for an "Other Heritage Place" is located on part of the two tenements in the Mt Davis Project. It has not been assessed, but the normal Western Australian practices will be necessary for obtaining permission to explore part of the Mt George Shear. Any delays in this process may adversely impact the Company's planned exploration activities.

(l) Land access

The Company will require access to land to undertake its proposed activities. Negotiations with Native Title groups or owners/occupiers are generally required for the Company to be granted access to land. Any issues or delays with the negotiation to access the land may cause delay or adversely impact the Company's planned exploration activities.

(m) Limited history

The Company was incorporated on 27 August 2020 and has limited operating history and limited historical financial performance. The Company is not generating profit. To date, only limited exploration has previously been conducted on the Tenements. As such, no assurance can be given that the Company will achieve commercial viability through the successful exploration or subsequent mining on its Projects. Until the Company is able to realise value from its Projects, it is likely

to incur ongoing operating losses.

(n) Future capital requirements

The funds to be raised under the Public Offer are considered sufficient to meet the exploration and evaluation objectives of the Company over the first two years, as set out in section 5.12(d). Additional funding may be required if exploration costs exceed the Company's estimates and will be required once those funds are depleted. To effectively implement its business and operation plans in the future, to take advantage of opportunities for acquisition, joint ventures or other business opportunities and to meet any unanticipated liabilities or expenses which the Company may incur, additional equity or other finance may be required.

Any additional equity financing will dilute existing shareholdings, and debt financing if available, may involve restrictions on the Company's financing and operational activities. The ability to raise capital may be affected by many factors such as economic factors outlined below. If we are unable to obtain additional financing when required, we may need to reduce and/or scale back our operations.

(o) New project and acquisitions

The Company intends to actively pursue and access new business opportunities in the resources sector. These new business opportunities may take the form of direct project acquisitions, joint ventures, farm-ins, acquisition of tenements/permits, and/or direct equity participation.

The acquisition of projects (whether completed or not) may require the payment of monies (as a deposit and/or exclusivity fee) after only limited due diligence or prior to the completion of comprehensive due diligence. There can be no guarantee that any proposed acquisition will be completed or be successful. If the proposed acquisition is not completed, monies advanced may not be recoverable, which may have a material adverse effect on the Company.

If an acquisition is completed, the Directors will need to reassess, at that time, the funding allocated to current projects and new projects, which may result in the Company reallocating funds from the Projects and/or raising additional capital (if available). Notwithstanding that an acquisition may proceed upon the completion of due diligence, the usual risks associated with the new project/business activities will remain.

(p) Safety

Safety is a fundamental risk for any mineral exploration and production company in regard to personal injury, damage to property and equipment and other losses. The occurrence of any of these risks could result in legal proceedings against the Company and substantial losses to the Company due to injury or loss of life, damage or destruction of property, regulatory investigation, and penalties or suspension of operations. Damage occurring to third parties as a result of such risks may give rise to claims against the Company.

## **6.2 General risks**

(a) Investment speculative

The Company is an early-stage exploration company. An investment in the Company is speculative and high risk. There is no assurance that exploration will



result in the discovery of economic mineral resource. There is no guarantee as to the payment of dividends, return of capital or the market value of the Shares from time to time. The price at which an investor is able to trade the Shares may be above or below the price paid for Shares under the Public Offer. Investors must make their own assessment of the risks and determine whether an investment in the Company is appropriate in their own circumstances.

(b) COVID-19 risk

The outbreak of the current COVID-19 pandemic has greatly impacted and may continue to impact on the global economy including capital markets and metal prices. The Company's business and share price may be adversely affected by the COVID-19 outbreak. The Company's business may also be impacted if travel bans and workplace restrictions are imposed. Any forced closure or cessation of works for the Company will adversely impact the Company's operations.

(c) Competition risk

The industry in which we operate in is subject to competition. While we will undertake all reasonable due diligence in our business decisions and operations, we will have no influence or control over the activities or actions of our competitors, whose activities or actions may positively or negatively affect our business and financial performance.

Some of the Company's competitors have greater financial and other resources than the Company and, as a result, may be in a better position to compete for future business opportunities. Many of the Company's competitors not only explore for and produce minerals, but also carry out refining operations and other products on a worldwide basis. There can be no assurance that the Company can compete effectively with these companies.

(d) Economic risk

Changes in the general economic climate in which we operate may adversely affect our business and financial performance. Factors that may contribute to that general economic climate include the level of direct and indirect competition against us, industrial disruption and the rate of growth of the gross domestic product, interest and exchange rates and rates of inflation.

(e) Change in legislation and government regulation

The introduction of new legislations or amendments to existing legislations and regulations by governments, and the decisions of courts and tribunals, can impact adversely on our assets, operations and, ultimately, our financial performance.

## 7 FINANCIAL INFORMATION

### 7.1 Introduction

This section sets out the Historical Financial Information of the Company. The Directors are responsible for the inclusion of all Financial Information in this prospectus. The purpose of the inclusion of the Financial Information is to illustrate the effects of the Initial Public Offering (“IPO”) of the Company on the financial position of the Company. Bentleys has prepared an Independent Limited Assurance Report in respect to the Historical Financial Information and the Pro Forma Historical Financial Information. A copy of this report, within which an explanation of the scope and limitation of Bentleys’ work is set out in Annexure C.

All information presented in this section should be read in conjunction with the balance of this prospectus, including the Independent Limited Assurance Report in Annexure C.

### 7.2 Basis and method of preparation

The historical financial information has been prepared in accordance with the recognition and measurement requirements of Australian Accounting Standards and the accounting policies adopted by the Company as detailed in Note 1 of section 7.7. The pro forma financial information has been derived from the historical financial information and assumes the completion of the pro forma adjustments as set out in Note 2 of section 7.7 as if those adjustments had occurred as at 31 December 2020.

The financial information contained in this section is presented in an abbreviated form and does not contain all the disclosures that are provided in a financial report prepared in accordance with the Corporations Act and Australian Accounting Standards and Interpretations.

The historical financial information comprises the following (collectively referred to as the **Historical Financial Information**):

- (a) the historical Statement of Profit or Loss and Other Comprehensive Income for the period ended 31 December 2020 for the Company;
- (b) the historical Statement of Financial Position as at 31 December 2020 of the Company; and
- (c) the historical Statement of Cash Flows for the period ended 31 December 2020 for the Company.

The pro forma financial information comprises (collectively referred to as the **Pro Forma Financial Information**):

- (d) the pro forma statement of financial position as at 31 December 2020, prepared on the basis that the pro forma adjustments and subsequent events detailed in Note 2 of section 7.7 had occurred as at 31 December 2020 and
- (e) the notes to the pro forma financial information,

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

The Historical Financial Information of Ozz Resources has been extracted from the audited historical financial statements for 31 December 2020. The financial reports were audited by Bentleys in accordance with Australian Auditing Standards. An unqualified audit opinion was issued for 31 December 2020 with material uncertainty surrounding the ability of the entity to continue as a going concern.

**7.3 Historical statement of profit or loss and other comprehensive income**

<b>Ozz Resources Limited</b>	<b>Audited period 27 August 2020 to 31 December 2020</b>
	<b>\$</b>
<b><i>Continuing operations</i></b>	
Administration expenses	(5,087)
Compliance costs	(6,338)
Professional and consulting costs	(53,665)
Mineral exploration and evaluation costs	(149,555)
<b>Loss before income tax expense</b>	<b>(214,645)</b>
Income tax expense	-
<b>Loss for the period</b>	<b>(214,645)</b>
Other comprehensive income, net of income tax	-
<b>Total comprehensive loss for the period</b>	<b>(214,645)</b>
<b>Loss attributable to:</b>	
Owners of Ozz Resources Limited	(214,645)
<b>Total comprehensive loss attributable to:</b>	
Owners of Ozz Resources Limited	(214,645)
<b><i>Earnings per share:</i></b>	<b>¢</b>
Basic and diluted loss per share (cents per share)	(1.835)

\* Please refer to section 7.2 with respect to the audit opinion issued by Bentleys on the historical financial information. The financial information should be read in conjunction with the accounting policies in section 7.7 and the Independent Limited Assurance Report in Annexure C.

**7.4 Historical statement of financial position****Ozz Resources Limited****Audited period  
31 December 2020****\$****Current assets**

Cash &amp; cash equivalents 146,477

Trade &amp; other receivables 14,908

**Total current assets 161,385****TOTAL ASSETS****161,385****Current liabilities**

Trade &amp; other payables 14,703

**Total current liabilities 14,703****TOTAL LIABILITIES****14,703****ASSETS****146,682****EQUITY**

Issued capital 361,327

Accumulated losses (214,645)

**TOTAL EQUITY 146,682**

\* Please refer to section 7.2 with respect to the audit opinion issued by Bentleys on the historical financial information. The financial information should be read in conjunction with the accounting policies in section 7.7 and the Independent Limited Assurance Report in Annexure C.

**7.5 Historical statement of cash flows**

Ozz Resources Limited

**Audited period**  
**27 August 2020 to**  
**31 December 2020**  
**\$**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Payments to suppliers and employees	(78,035)
Payments for exploration and evaluation	(135,265)
<b>Net cash used in Operating Activities</b>	<b>(213,300)</b>

**CASH FLOWS FROM INVESTING ACTIVITIES**

<b>Net Cash used in Investing Activities</b>	<b>-</b>
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**CASH FLOWS FROM FINANCING ACTIVITIES**

Proceeds from issue of shares	359,777
<b>Net Cash provided by Financing Activities</b>	<b>359,777</b>

Net increase in cash and cash equivalents	146,477
Cash and cash equivalents at the beginning of the period	-
<b>Cash and cash equivalents at the end of the period</b>	<b>146,477</b>

\* Please refer to Section 7.2 with respect to the audit opinion issued by Bentleys on the historical financial information. The financial information should be read in conjunction with the accounting policies in Section 7.7 and the Independent Limited Assurance Report in Annexure C.

## 7.6 Historical and pro-forma statement of financial position

		Ozz Resources Limited 31 December 2020 \$	Subsequent Events \$	Pro forma Adjustments \$	Pro forma balance \$
	Notes				
<b>Current assets</b>					
Cash & cash equivalents	3	146,477	80,000	4,195,000	4,421,477
Trade & other receivables		14,908	-	-	14,908
<b>Total current assets</b>		<b>161,385</b>	<b>80,000</b>	<b>4,195,000</b>	<b>4,436,385</b>
<b>TOTAL ASSETS</b>		<b>161,385</b>	<b>80,000</b>	<b>4,195,000</b>	<b>4,436,385</b>
<b>Current liabilities</b>					
Trade & other payables		14,703	-	-	14,703
Borrowings		-	50,000	(50,000)	-
<b>Total current liabilities</b>		<b>14,703</b>	<b>50,000</b>	<b>(50,000)</b>	<b>14,703</b>
<b>TOTAL LIABILITIES</b>		<b>14,703</b>	<b>50,000</b>	<b>(50,000)</b>	<b>14,703</b>
<b>NET ASSETS</b>		<b>146,682</b>	<b>-</b>	<b>4,245,000</b>	<b>4,421,682</b>
<b>EQUITY</b>					
Issued capital	4a	361,327	30,000	5,774,315	6,165,642
Option Reserves	4b	-	-	1,169,881	1,169,881
Accumulated losses	5	(214,645)	-	(2,699,196)	(2,913,841)
<b>TOTAL EQUITY</b>		<b>146,682</b>	<b>30,000</b>	<b>4,245,000</b>	<b>4,421,682</b>



## 7.7 Notes to and Forming Part of the Historical Financial Information

### Note 1: Summary of significant accounting policies

(a) Basis of Accounting

The historical financial information has been prepared in accordance with the measurement and recognition (but not the disclosure) requirements of Australian Accounting Standards, Australian Accounting Interpretations and the Corporations Act 2001.

The financial statements have been prepared on an accruals basis, are based on historical cost and except where stated do not take into account changing money values or current valuations of selected non-current assets, financial assets and financial liabilities. Cost is based on the fair values of the consideration given in exchange for assets. The preparation of the Statement of Financial Position requires the use of certain critical accounting estimates and assumptions. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Statement of Financial Position are disclosed where appropriate.

The pro forma Statement of Financial Position as at 31 December 2020 represents the reviewed financial position as adjusted for the transactions discussed in Note 2 to this report. The Statement of Financial Position should be read in conjunction with the notes set out in this report.

(b) Going Concern

The financial information has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

The entity's ability to continue as a going concern is dependent on the success of the Public Offer. The Directors believe that the entity will continue as a going concern. As a result, the financial information has been prepared on a going concern basis. However, should the Public Offer be unsuccessful, the entity may not be able to continue as a going concern. No adjustments have been made relating to the recoverability and classification of liabilities that might be necessary should the entity not continue as a going concern.

(c) Exploration and Evaluation Assets

Exploration and evaluation costs, including the costs of acquiring licenses, are expensed as exploration and evaluation expenditure as incurred.

(d) Cash and Cash Equivalents

For the purpose of the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, high liquid investments with original maturities of three (3) months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts

(e) Contributed equity

Ordinary issued share capital is recognised at fair value of the consideration received by the Company. Any transaction costs arising on the issue of the ordinary

shares are recognised directly in equity as a reduction in share proceeds received.

(f) Trade and Other Payables

Liabilities for trade creditors and other amounts are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Company. Interest, when charged by the lender, is recognised as an expense on an accrued basis.'

(g) Trade receivables

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

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly. An allowance account (provision for impairment of trade receivables) is used when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy or financial reorganisation and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivables is impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

The amount of impairment loss is recognised in the statement of comprehensive income within impairment losses – financial assets. When a trade receivable for which an impairment allowance has been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against impairment losses – financial assets in the statement of comprehensive income.

(h) Income Tax

The income tax expense or benefit for the Period comprises current income tax expense or benefit and deferred tax expenses or benefit. Current and deferred income tax expenses or benefit is charged or credited directly to other comprehensive income instead of the profit or loss when the tax relates to items that are credited or charged directly to other comprehensive income.

(i) Current Tax

Current income tax expense charge to profit or loss is the tax payable on taxable income using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities or assets are therefore at the amounts expected to be paid to or recovered from the relevant taxation authority.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur.

(j) Deferred Tax

Deferred income tax expense reflects movements in deferred tax assets and

deferred tax liability during the Period as well as unused tax losses.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of asset and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantially enacted at the reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is possible that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

(k) Goods and Services Tax ("GST")

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST. Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

**Note 2: Actual and Proposed Transactions to Arrive at the Pro-Forma Financial Information**

The pro-forma historical financial information has been prepared by adjusting the statement of financial position of Ozz Resources Limited as at 31 December 2020 to reflect the financial effects of the following subsequent events which have occurred since 31 December 2020:

- (a) On 8 March 2021, the Company undertook a share consolidation on a 2.3 for every 4 shares held.
- (b) On 23 March 2021, the Company obtained a short-term loan of \$50,000 which was repayable within 7 days of listing inclusive of an additional \$5,000 in finance costs.
- (c) On 7 May 2021, the Company issued 1,500,000 shares at \$0.02 to raise \$30,000 to fund short term working capital requirements.

And the following pro forma transactions which are yet to occur, but are proposed to occur following completion of the capital raising:

- (a) The issue of 25,000,000 ordinary shares at \$0.20 per share to raise \$5,000,000 before capital raising costs of \$745,685 which includes \$319,356 of share based payments and \$113,671 in listing costs which are recognised in the profit or loss.
- 2,800,000 options issued to the Joint Lead Managers will convert to shares on a one for one basis, exercisable at \$0.25 per option with an expiry date of three years from issue.
- (b) The acquisition of mining tenements from various vendors for the payment of \$210,000 in cash, issue of 7,600,000 ordinary shares and 2,600,000 unlisted options, exercisable at \$0.25 per option with an expiry date of 4 years from the date of issue.
- As part of the acquisition agreements, net royalty smelter return royalties were included in some agreements as part of the consideration as detailed in the Material Contracts section in 5.12. For the purpose of the pro-forma accounting it has been determined that they are a contingent liability and not recognised within the financial statements.
- (c) 5,500,000 unlisted options will be issued to the directors, which will convert to shares on a one for one basis, exercisable at \$0.25 per option with an expiry date of two years from the date of issue with a valuation of \$513,924.
- (d) On 23 March 2021 the company obtained a short-term loan of \$50,000 which was repayable within 7 days of listing inclusive of an additional \$5,000 in finance costs.

**Note 3: Cash & Cash equivalents**

	<b>Pro forma after IPO</b>
	<b>\$</b>
Cash and cash equivalents	<u>4,391,477</u>
Reviewed balance as at 31 December 2020	<u>146,477</u>
<i>Subsequent events:</i>	
<i>Proceeds from short term loan</i>	50,000
<i>Proceeds from capital raising</i>	<u>30,000</u>
<i>Total</i>	<u>80,000</u>
<i>Pro-forma adjustments:</i>	
Proceeds from shares issued under the Public Offer	5,000,000
Expenses of the offer	(540,000)
Vendor cash payable	(210,000)
Repayment of short term loan	<u>(55,000)</u>
<i>Total</i>	<u>4,195,000</u>
Pro-forma Balance	<u>4,421,477</u>

**Note 4: Equity**

		Pro forma after IPO \$
(a)	Contributed equity	6,165,642
	<b>Number of shares After IPO</b>	
	Fully paid ordinary share capital of Ozz Resources Limited as at 31 December 2020	18,325,002 361,327
	<i>Subsequent Events</i>	
	<i>Adjustment for Share consolidation on a 4 for 2.3 basis</i>	(7,788,127) -
	<i>Proceeds from capital raising</i>	1,500,000 30,000
	<i>Total</i>	(6,288,127) 30,000
	<i>Pro-forma adjustments:</i>	
	Proceeds from shares issued under the IPO	25,000,000 5,000,000
	Capital raising costs	- (745,685)
	Vendor Shares to be issued	7,600,000 1,520,000
	<i>Total</i>	32,600,000 5,774,315
	Pro-forma Balance	44,636,875 6,165,642

		Pro forma after IPO \$
(b)	Reserves	1,169,881
	Reviewed balance as at 31 December 2020	-
	<i>Pro-forma adjustments:</i>	
	Issue of Options to Joint Lead Managers	4(e) 319,356
	Vendor Options to be issued	4(d) 336,601
	Director Options	4(c) 513,924
	<i>Total</i>	1,169,881
	Pro-forma Balance	1,169,881

## (c) Unlisted options - Directors

5,500,000 unlisted options were issued to the directors on the following allocation:

Director	Options
Jonathan Lea	3,500,000
Brian McNab	2,000,000

These options will convert to shares on a one for one basis, exercisable at \$0.25 per option with an expiry date of 2 years from issue and have no vesting conditions attached for a value of \$0.09344 per option. Key assumptions used in the valuation of the options are detailed below:

Assumptions	Director Options
Stock price	\$0.20
Exercise price	\$0.25
Expiry date	1 February 2023
Expected future volatility	100%
Risk free rate	0.11%
Dividend yield	0%

## (d) Unlisted options - Vendor

2,600,000 unlisted options were issued to Vendor. These options will convert to shares on a one for one basis, exercisable at \$0.25 per option with an expiry date of 4 years from issue and have no vesting conditions attached for a value of \$0.12946 per option. Key assumptions used in the valuation of the options are detailed below:

Assumptions	Vendor Options
Stock price	\$0.20
Exercise price	\$0.25
Expiry date	1 February 2025
Expected future volatility	100%
Risk free rate	0.11%
Dividend yield	0%

## (e) Unlisted options – Joint Lead Managers

2,800,000 unlisted options will be issued to the Underwriter immediately prior to listing. These options will convert to shares on a one for one basis, exercisable at \$0.20 per option with an expiry date of 3 years from issue and have no vesting conditions attached for a value of \$0.11406 per option. Key assumptions used in the valuation of the options are detailed below:

Assumptions	Lead Manager Options
Stock price	\$0.20
Exercise price	\$0.25
Expiry date	1 February 2024
Expected future volatility	100%
Risk free rate	0.11%
Dividend yield	0%



**Note 5: Accumulated Losses**

	<b>Pro forma after IPO \$</b>
Accumulated Losses	2,913,841
Reviewed balance as at 31 December 2020	214,645
<i>Pro-forma adjustments:</i>	
Expenses of the Offer	113,671
Vendor Shares to be issued	1,520,000
Vendor Options to be issued	336,601
Vendor cash payable	210,000
Director Options	513,924
Interest costs on short term loan	5,000
Total	2,699,196
Pro-forma Balance	2,913,841

**Note 6: Related Parties**

Refer to Section 8 & 9 of the Prospectus for the Board and Management Interests.

**Note 7: Subsequent Events**

Subsequent to 31 December 2020 the following events have occurred which have been reflected in the pro-forma adjustments:

- (a) On 8 March 2021 the Company undertook a share consolidation on a 2.3 for every 4 shares held.
- (b) On 23 March 2021 the Company obtained a short-term loan of \$50,000 which was repayable within 7 days of listing inclusive of an additional \$5,000 in finance costs.
- (c) On 7 May 2021, the Company issued 1,500,000 shares at \$0.02 to raise \$30,000 to fund short term working capital requirements.

Other than disclosed above there have been no material events subsequent to balance date that we are aware of, other than those disclosed in this prospectus.

## 8 DIRECTORS, KEY MANAGEMENT AND CORPORATE GOVERNANCE

### 8.1 Directors

The qualifications and experiences of the Company's Directors are summarised as follows:

#### **Alan Lockett** – *Non-Executive Chair*



Alan has 25 years of experience in the exploration and mining industry. Formerly the founder and Managing Director of Olympia Resources Limited and credited with the discovery of the Harts Range Garnet deposit in Northern Territory which became an operating producer of garnet. Alan was also the founder and Executive Chairman of Northern Mining Limited which discovered the George's Reward gold deposit 30km south-east of Kalgoorlie (which has since mined in excess of 100,000 oz of gold in conjunction with the Canon deposit by Metals X), as well as the Keysbrook Mineral Sands deposit south of Perth which has since commenced production. Alan has a track record of finding commercial deposits of Australian natural

Resources.

The Board considers that Alan Lockett is not an independent Director.

#### **Jonathan Lea** – *Managing Director*



Jonathan is a mining industry executive with over 35 years expertise in all aspects of the mineral industry. After commencing as a geologist, recent roles for junior mineral exploration and development companies at the Managing Director level have focused on all aspects of resource company development, project generation, corporate management and capital raising. Jonathan achieved particular success with Polaris Metals following the discovery and initial development of the Carina iron ore deposit leading to a takeover producing significant shareholder benefits.

Jonathan has an extensive project development and production experience, with a particular focus on gold, in a number of commodities including iron ore and base metals in both open cut and underground settings mainly in Western Australia but also elsewhere in Australia and overseas.

The Board considers that Jonathan Lea is not an independent Director.

#### **Brian McNab** – *Non-Executive Director*



Brian is a chartered AusIMM professional (B.Sc. Extractive Metallurgy, MAusIMM CP(Met)) with over 30 years of experience in mineral process engineering, project economic assessment and operations. Brian has worked on over 60 significant local and international mineral project studies (scoping, prefeasibility and definitive feasibility) and has a sound technical understanding of mineral processing, project economics and the various stages of the mineral project cycle. He has been a full-time employee of Wood (formerly Minproc Engineers Limited) for 16 years, working as a Principal Process Engineer in their Mining and Minerals division.

The Board considers that Brian McNab is an independent Director. Brian McNab is free from any business or other relationship that could materially interfere with, or reasonably be perceived to materially interfere with, the independent exercise of his judgement.

## 8.2 Key management personnel

### Stuart Usher – Company Secretary and CFO



Stuart is a CPA, Chartered Secretary and Chartered Governance Professional with over 25 years of extensive experience in the management and corporate affairs of public listed companies. He holds an MBA from the University of Western Australia. He has extensive experience across many industries focusing on Corporate & Financial Management, Strategy & Planning, Mergers & Acquisitions, and Investor Relations & Corporate Governance. His experience ranges from Financial Services, Mineral Exploration, Healthcare, Biotech, Information Technology, Mining support services, Construction and Manufacturing. Stuart's experience is well utilised across all areas of a company where they complement the financial, operational and strategic plans.

### Rob Seed – Exploration Manager (Proposed)

Rob has had over 25 years of experience in the exploration and development of precious and base metal projects in Australia, Southeast Asia and Africa with a strong history of value creation through exploration and development of mineral assets. Rob was involved with the discovery and development of the Acoje nickel mine in the Philippines. He led the development of Avocet's West African gold resources over a seven-year period, defining 4.3Moz Au at less than \$13/oz around the Inata gold mine in Burkina Faso, and the development of Tri-K gold feasibility in Guinea with the addition of 2.6Moz Au at a discovery cost of less than \$12/oz. Rob has a master's degree in geology and post graduate qualifications in computer science.

The Company proposes to engage Rob Seed as a full time or part time employee in May 2021.

## 8.3 Directors' holdings

At the completion of the Offers, Directors' interests in Shares are as follows, assuming Minimum Subscription:

Director	Direct interest	Indirect interest	Total interest	Voting power (undiluted)
Alan Lockett	554,875	4,600,000	5,154,875	10.71%
Jonathan Lea	287,500	230,000	517,500	1.08%
Brian McNab	Nil	Nil	Nil	Nil

At the completion of the Offers, Directors' interests in Options are as follows:

Director	Existing Options	Director Options <sup>1</sup>	Total Options	Voting power (fully diluted <sup>2</sup> )
Alan Lockett	5,154,875	Nil	5,154,875	14.69%
Jonathan Lea	517,500	3,500,000	4,017,500	6.46%
Brian McNab	Nil	2,000,000	2,000,000	2.85%

1. The value of the Director Options is \$327,040 and \$186,880 respectively for Jonathan Lea and Brian McNab. See section 7.7 Note 4(c) for valuation details and assumptions, and section 9.15 for a summary of the terms and conditions.
2. “Fully diluted” Share capital assumes all convertible securities are exercised and converted into Shares.

#### 8.4 Remuneration received by Directors and their related entities

Directors will be paid the following remuneration:

Director	Director's Fee per annum	Wages, salaries and/or bonuses	Benefits paid in the previous two years
Alan Lockett	\$60,000	Nil	\$23,800
Jonathan Lea <sup>2</sup>	Nil	\$240,000 <sup>1</sup>	\$30,000
Brian McNab <sup>2</sup>	\$36,000	Nil	Nil

1. This excludes superannuation.
2. Jonathan Lea and Brian McNab will also receive Director Options as disclosed in section 8.3.

A Director may also be paid fees or other amounts as the Directors determine if a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. A Director may also be reimbursed for out-of-pocket expenses incurred as a result of his or her directorship or any special duties.

#### 8.5 Non-Executive Director appointment letters

Alan Lockett and Brian McNab have signed a letter of appointment with the Company with normal terms and conditions customary for directors' appointment in Australia, including:

- (a) remuneration (disclosed in the table above);
- (b) minimum time commitment (at least 15 hours a quarter);
- (c) compliance with the Corporations Act, the Company's corporate governance plans and policies, and the Company's constitution;
- (d) the requirement to disclose directors' interests and any matter which affects directors' independence;
- (e) maintain confidentiality unless otherwise required by the Listing Rules or any applicable laws; and
- (f) right to access all corporate information of the Company during the term of their appointment.

#### 8.6 Managing Director Engagement Agreement

The Company has entered into a Managing Director Engagement Agreement with Jonathan Lea. Its key terms are as follows:

- (a) Mr Lea's term as the Managing Director will commence on the date on which the Company is admitted to the Official List and the employment will continue (subject to earlier termination as provided in the agreement) until terminated in accordance with the engagement agreement.
- (b) The Company or Mr Lea may at any time terminate the employment by giving the other 6 months' notice in writing.

- (c) The Company will pay Mr Lea \$262,800 per annum (including statutory superannuation).
- (d) Mr Lea may be entitled to participate in the Company's employee incentive plan as agreed by the Board (subject to Shareholder approval as required under the Listing Rules).
- (e) The Company will pay or reimburse Mr Lea for reasonable travel and out of pocket expenses incurred in the performance of his duties and properly substantiated with receipts and approved by the Company.

The agreement otherwise contains leave entitlements, intellectual property, confidentiality provisions and other general provisions considered standard for an agreement of this nature.

### **8.7 Deeds of indemnity, insurance and access**

The Company will enter into a deed of indemnity, insurance and access with each of its Directors and the Company Secretary under which 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 use its best endeavour to keep the officers insured for the benefit of the relevant officer and allow the officer to inspect company records in certain circumstances.

### **8.8 No other Directors interests**

Other than as set out above or elsewhere in this prospectus, no Director or proposed Director holds at the Lodgement Date, or held at any time during the last two years before the Lodgement Date, any interest in:

- (a) the formation or promotion of the Company; or
- (b) any property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Company or the Offers; or
- (c) the Offers; and

no amounts have been paid or agreed to be paid by any person and no benefits have been given or agreed to be given by any person:

- (d) to a Director or proposed Director to induce him or her to become, or to qualify as, a Director; or
- (e) for services provided by a Director or proposed Director in connection with the formation or promotion of the Company or the Offers.

### **8.9 Other information on Directors**

As at the Lodgement Date and other than disclosed elsewhere in this prospectus:

- (a) there are no family relationships among any of the Directors; and
- (b) none of the Directors has, in any jurisdiction, been convicted in any criminal proceeding or has had a bankruptcy petition filed against him or her or any partnership in which he or she is or was a partner or any body corporate of which he or she is or was a director or has been sanctioned or otherwise disciplined by any self-regulatory securities associated of which he or she is or has been a security holder or any securities supervisory or regulatory body or any such event is pending.

**8.10 Related party transaction**

As at the Lodgement Date, apart from agreements disclosed in this section 8, section 5.12 and elsewhere in this prospectus, the Company does not have any ongoing or potential related party transactions.

In the ordinary course of our business, the Company may from time to time propose to enter into a transaction with a related party. The terms of all proposed interested party transactions will be reviewed by our audit committee. When reviewing the terms of a proposed related party transaction, the committee will specifically have regard to the following factors:

- (a) whether it would be reasonable, considering all circumstances, that the Company and the related party are dealing at arms' length;
- (b) the terms of the proposed related party transaction are less favourable to the related party than terms the Company can obtain from a non-related party;
- (c) whether approval of Shareholders for the proposed related party transaction will be required under the Listing Rules and also what is prescribed under the Corporations Act or otherwise as described in ASIC's Regulatory Guide 76 – Related Party Transactions; and
- (d) if the related party is a Director, whether he or she has given the Board notice of their material interest in the matter, and that he or she must not be present while the matter is being considered at the meeting or vote on the matter.

**8.11 Corporate governance statement**

Our corporate governance practices are based on the principles and recommendations set out in Corporate Governance Council's Principles and Recommendations, 4<sup>th</sup> Edition issued by ASX Corporate Governance Council, which we had modified to take into account the Company's current size and scale of its operations. Our corporate governance statement is set out in section 17 and the full corporate governance plan will also be available in a dedicated corporate governance information section of the Company's website ([www.ozzresources.com.au](http://www.ozzresources.com.au)).

## 9 DETAILS OF THE OFFERS

### 9.1 Public Offer

Under this prospectus, we are offering 25,000,000 Shares at an issue price of \$0.20 per Share to raise \$5,000,000 (before costs).

All Shares offered under this prospectus will rank equally with Shares on issue at the Lodgement Date. The rights and liabilities of the Shares are summarised in section 9.14.

By offering Shares under this prospectus, section 708A(11) of the Corporations Act will have been complied with and all Shares on issue at the Lodgement Date may be offered for sale without additional disclosure.

### 9.2 Opening and Closing Dates of the Public Offer

The opening date of the Public Offer will be 17 May 2021 and the Closing Date will be 28 May 2021 at 5:00pm WST, unless otherwise extended or closed early.

The Directors reserve the right to close the Public Offer early or extend the Closing Date (as the case may be), should it be considered by them necessary to do so.

### 9.3 Application for Shares

Applications for Shares must be made by investors at the direction of the Company and must be made using the application form accompanying this prospectus.

Payment for the Shares must be made in full at the issue price of \$0.20 per Share. Completed application forms and accompanying cheques must be mailed to the share registry as follows:

<b>Delivery by post</b>	<b>Delivery by hand</b>
Ozz Resources Limited	Ozz Resources Limited
C/- Advanced Share Registry Limited	C/- Advanced Share Registry Limited
PO Box 1156	110 Stirling Highway
Nedlands WA 6909	Nedlands WA 6009

Cheques should be made payable to "Ozz Resources Limited – Share Offer Account" and crossed "Not Negotiable". Completed application forms and cheques must reach the address set out above by no later than the Closing Date.

To pay via BPAY® please complete the online form available at [www.advancedshare.com.au/IPO-Offers](http://www.advancedshare.com.au/IPO-Offers). Payment details will then be forwarded to you.

### 9.4 Minimum Subscription

The Minimum Subscription under the Offer is \$5,000,000. No Shares will be issued under this prospectus unless the Company receives applications for that amount and conditional approval has been given by ASX for the Company to be admitted to the Official List.

If ASX does not grant permission for the quotation of the Shares within three months after the Lodgement Date or the Minimum Subscription has not been raised within 4 months after the Lodgement Date, the Company will either repay the application moneys to the Applicants or issue a supplementary or replacement prospectus to allow the Applicants one month to withdraw their application and be repaid their application money. No interest will be paid on this money.



## **9.5 Allocation and issue of Shares**

Applicants should read this prospectus in its entirety in order to make an informed decision on the prospects of the Company and the rights attaching to the Shares offered by this prospectus before deciding to apply for Shares.

The issue of Shares under the Public Offer will take place as soon as practicable after the Closing Date. Application moneys will be held in a separate subscription account until the Shares are issued. This account will be established and kept by the Company in trust for each Applicant. Any interest earned on the application monies will be for the benefit of the Company and will be retained by the Company irrespective of whether any shares are issued and each Applicant waives the right to claim any interest.

The Company reserves the right to reject any application or to allocate to any Applicant fewer Shares than the number applied for. The Company also reserves the right to reject or aggregate multiple applications in determining final allocations. The Company will not be liable to any person not allocated Shares or not allocated the fully amount applied for.

In the event an application is not accepted or accepted in part only, the relevant portion of the application moneys will be returned to Applicants, without interest.

The Company reserves the right not to proceed with the Public Offer or any part of it at any time before the allocation of the Shares to Applicants. If the Public Offer or any part of it is cancelled, all application moneys, or the relevant application moneys will be refunded.

The Company also reserves the right to close the Public Offer or any part of it early, or extend the Public Offer or any part of it, or accept late Applications Forms either generally or in particular cases.

## **9.6 Not underwritten**

The Offer is not underwritten.

## **9.7 Joint Lead Managers**

The Company has appointed Cadmon Advisory Pty Ltd and CPS Capital Group Pty Ltd as Joint Lead Managers to the Public Offer. Details of the fees payable for their services and key terms of the Lead Manager Mandates are set out in sections 5.12(d) and 5.12(e).

## **9.8 ASX Listing**

The Company will apply to ASX within 7 days of the Lodgement Date for admission to the Official List and for official quotation of its Shares on ASX. If ASX does not grant permission for the quotation of the Shares offered under this prospectus within 3 months after the Lodgement Date, or such longer period as is permitted by the Corporations Act, none of the Shares offered by this prospectus will be issued. In these circumstances, all applications will be dealt with in accordance with the Corporations Act including the return of all application moneys 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 Shares now offered for subscription.

ASX takes no responsibility for the contents of this prospectus, makes no representations as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss arising from or in reliance upon any part of the content of this prospectus.

The Directors expect that trading of the Shares on the stock market conducted by ASX will commence as soon as practicable after approval for admission to the Official List is granted

and all conditions (if any) applicable thereto have been fulfilled.

## **9.9 Applicants outside Australia**

The distribution of this prospectus in jurisdictions outside Australia may be restricted by law and therefore 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 law. Applicants who are resident in countries other than Australia 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 to enable them to acquire Shares.

The return of a duly completed application form will be taken to constitute a representation and warranty that there has been no breach of such laws and that all necessary approvals and consents have been obtained.

## **9.10 Foreign investor restrictions**

This prospectus does not constitute a public offer or invitation in any jurisdiction other than Australia. No action has been taken to register or qualify Shares that are offered under this prospectus or otherwise permit a public offering of the Shares in any jurisdiction outside Australia.

## **9.11 Other offers made under this prospectus**

By way of this prospectus, the Company also offers the following:

### **(a) Lead Manager Offer**

The Company offers 2,800,000 Lead Manager Options to the Joint Lead Managers or their nominees. The Lead Manager Options are exercisable at \$0.25 per Share before the date that is 36 months from the date of listing on the ASX and otherwise on the terms set out in section 9.15. The Lead Manager Options are issued in part-consideration for capital raising services they provide to the Company under the Lead Manager Mandates. Summary of key terms in the mandates are set out in sections 5.12(d) and 5.12(e).

The Lead Manager Offer is made only to the Joint Lead Managers. It is made to remove, to the extent necessary, any secondary trading restrictions that would otherwise apply to the Lead Manager Options or Shares issued upon the options being exercised.

### **(b) Director Offer**

The Company offers 5,500,000 Director Options to the Directors. The Director Options are exercisable at \$0.25 per Share on or before 2 years after the date of listing and otherwise on the terms set out in section 9.15. The Director Options are being issued in part-remuneration for services to be provided by the Directors. Details about Directors' remuneration are set out in section 1.

The Director Offer is made only to Jonathan Lea and Brian McNab. It is made to remove, to the extent necessary, any secondary trading restrictions that would otherwise apply to the Director Options or Shares issued upon the Options being exercised.

### **(c) Vendor Offer**

By way of this prospectus, the Company offers 7,600,000 Vendor Shares and

2,600,000 Vendor Options to the Vendors.

The Vendor Offer is made only to the Vendors. The Vendor Shares will be fully paid ordinary shares and will rank equally in all respect with all other Shares on issue as at the Lodgement Date.

### **9.12 Condition of the Offers**

The Offers are conditional upon the following events occurring:

- (a) the Minimum Subscription being reached;
- (b) ASX granting conditional approval for the Company to be admitted to the Official List; and
- (c) the completion of acquisitions of the Maguires, Rabbit Bore and Wardarbie South Projects (see section 5.12 for key terms of the agreements in place for the acquisition of these Projects).

### **9.13 Privacy**

The Company collects information about each Applicant provided on an application form for the purposes of processing the application and, if the application is successful, to administer the Applicant's security holding in the Company.

By submitting an application form, each Applicant agrees that the Company may use the information provided by the Applicant on the application form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the Share Registry, the Company's related body corporates, agents, contractors and third-party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

If an Applicant becomes a Shareholder, the Corporations Act requires the Company to include information about the Shareholder (including name, address and details of the Shares held) in its public register. The information contained in the Company's public register must remain there even if that person ceases to be a Shareholder. Information contained in the Company's register is also used to facilitate distribution payments and corporate communication (including the Company's financial results, annual reports and other information that the Company may wish to communicate to its security holders) and compliance by the Company with legal and regulatory requirements.

If you do not provide the information required on the application form, the Company may not be able to accept or process your application. An Applicant has the right to gain access to the information that the Company holds about that person subject to certain exceptions under the relevant law. A fee may be charged for access. Such requests must be made in writing to the Company's registered office.

### **9.14 Rights and liabilities attaching to Shares**

The Shares offered under the Offers will rank equally in all respects with existing Shares on issue.

Full details of the rights and liabilities attaching to the Shares are:

- (a) set out in the Constitution, a copy of which can be inspected during office hours at the Company's registered office during the Offer period; and
- (b) in certain circumstances, regulated by the Corporations Act, the Listing Rules and the general law.

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

(a) Voting

Every holder of the Shares present in person or by proxy, attorney or representative at a meeting of the Shareholders has one vote on a vote taken by a show of hands, and, on a poll every holder of the Shares who is present in person or by proxy, attorney or representative has one vote for every Share held by him or her. At any general meeting, a resolution put to the vote of the meeting must be decided on a show of hands unless a poll is effectively demanded and the demand is not withdrawn.

(b) Dividends

Dividends are payable out of the Company's profits and are declared by the Directors.

The Shareholders are entitled to dividends as a result of ownership of their Shares in accordance with the Constitution.

(c) Transfer of Shares

A Shareholder may transfer all or any Shares by a market transfer in accordance with any computerised or electronic system established or recognised by the Listing Rules or the Corporations Act for the purpose of facilitating dealings in the Shares or by an instrument in writing in a form approved by ASX or in any other usual form or in any form approved by the Directors.

The Directors may refuse to register any transfer of Shares, where the Company is permitted or required to do so by the Listing Rules or the ASX Settlement Operating Rules or a Restriction Agreement.

(d) Meetings and notice

Each Shareholder is entitled to receive notice of and to attend general meetings for the Company and to receive all notices, accounts and other documents required to be sent to the Shareholders under the Constitution, the Corporations Act or the Listing Rules.

(e) Winding up

The Company has issued only one class of shares, which all rank equally in the event of liquidation. Once all the liabilities of the Company are satisfied, a liquidator may, with the authority of a special resolution of the Shareholders divide among the Shareholders the whole or any part of the remaining assets of the Company. The liquidator can with the sanction of a special resolution of the Shareholders vest the whole or any part of the assets in trust for the benefit of shareholders as the liquidator thinks fit, but no shareholder of the Company can be compelled to accept any shares or other securities in respect of which there is any liability.

(f) Shareholder liability

The Shares are fully paid shares and are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

## (g) Alteration to the Constitution

Pursuant to the Corporations Act, 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. At least 28 days' written notice, specifying the intention to propose the resolution as a special resolution, must be given.

## (h) Listing Rules

If the Company is admitted to the Official List, then despite anything in the Constitution, if the Listing Rules prohibit an act being done, the act must not be done. Nothing in the Constitution prevents an act being done that the Listing Rules require to be done. If the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be). If the Listing Rules require the constitution to contain a provision or not to contain a provision the constitution is deemed to contain that provision or not to contain that provision (as the case may be). If a provision of the constitution is or becomes inconsistent with the Listing Rules, the constitution is deemed not to contain that provision to the extent of the inconsistency.

### 9.15 Terms and conditions of the Options

The Company proposed to have the following Options on issue upon listing:

Name	Expiry Date	Transferability
Existing Options	Two years from date of listing	Transferrable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian laws.
Lead Manager Options	Three years from date of listing	
Vendor Options	Four years from date of issue	
Director Options	Two years from date of listing	Not transferable.

In addition to the above, the Options have the following identical terms.

## (a) Entitlement

Each Option is entitled to subscribe for one Shares upon exercise.

## (b) Exercise Price

The exercise price of the Option is \$0.25 each.

## (c) Notice of exercise

The Options may be exercised by notice in writing to the Company (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised. Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt.

## (d) Shares issued on exercise

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

## (e) Options not quoted

The Company will not apply to ASX for quotation of the Options.

- (f) Quotation of Shares on exercise  
Application will be made by the Company to ASX for official quotation of the Shares issued upon the exercise of the Options.
- (g) Timing if issue of shares  
After an Option is validly exercised, the Company must as soon as possible following receipt of the Notice of Exercise and receipt of cleared funds equal to the sum payable on the exercise of the Option:
  - (i) issue the Share;
  - (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 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) do all such acts, matters and things to obtain the grant of quotation for the Share on ASX no later than 5 days from the date of exercise of the Options.
- (h) Ranking of Shares  
Shares issued on exercise of an Option will rank equally with the then issued Shares.
- (i) Participation in new issues  
Without exercising the Options, the option holder will have no right or entitlement to participate in new issues of Shares offered to the Shareholders.
- (j) Change of exercise price or the number of underlying Shares  
The Options do not confer the right to a change in Exercise Price or a change in the number of underlying Shares over which the Options can be exercised.
- (k) Option terms on the reorganisation of capital  
If the issued capital of the Company is reconstructed, the option terms must be amended to the extent necessary to comply with the Corporations Act and the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

#### **9.16 Employee Incentive Plan Rules**

The Company has adopted an employee incentive plan (**Plan**). A summary of its rules is set out below. The full terms of the Plan may be inspected at the registered office of the Company during normal business hours. It is intended that Directors, consultants, employees (full time, part time and casual) and some contractors will be able to participate in the Plan. No securities have been issued under this Plan.

- (a) Purpose of the Plan  
The Plan:
  - (i) provide an incentive for the Eligible Persons to participate in the future growth of the Company and, upon becoming shareholders, to participate in the Company's profits and development; and

- (ii) ensure that securities issued under the Option Plan are issued in accordance with the Corporations Act and the Listing Rules.
- (b) **Eligible Person**

Persons eligible to participate include:

  - (i) a full or part time employee of the Company;
  - (ii) a casual employee or contractor of the Company who work a pro-rata equivalent of 40% or more of a comparable full time position;
  - (iii) a director of the Company;
  - (iv) a prospective participant, being a person who can accept an invitation if an arrangement has been entered into that will result in the person becoming an Eligible Person under (i) to (iii) above,

whom the board declares to be eligible to receive Eligible Securities under the Plan.
- (c) **Eligible Securities under the Plan**

Eligible securities include Shares, Options or incentive rights (**Eligible Securities**).
- (d) **Maximum allocation**

The maximum number of Eligible Securities issued under the Plan over a three-year period is 5% of the total number of Shares on issue.
- (e) **Plan administration**

The Plan will be administered by the Board and the Board may make regulations and establish procedures for the administration and management of the Plan as it considers appropriate.
- (f) **Vesting of Convertible Securities**

A convertible security under the Plan is either an Option or an incentive right (**Convertible Security**). A Convertible Security only vest on the occurrence or satisfaction of the condition or other vesting events specified in respect of that Convertible Security, unless the Board waives the relevant vesting condition or other vesting events and gives the relevant participant a written notice.
- (g) **Cashless exercise**

At the time of exercise, a participant in the Plan may elect not to be required to provide payment of the exercise price for any Options granted under the Plan. Instead, the Company will transfer or issue to the participant the number of Shares equal in value to the difference between the then market value of the Shares (being 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 offer) and the exercise price that would otherwise be payable to exercise those Options. Any fraction will be rounded down to the nearest whole number.
- (h) **Lapse of Convertible Securities**

Unless otherwise determined by the Board, Convertible Securities held by a participant will lapse and not become exercisable upon the earlier to occur of the following:

  - (i) the end of the exercise period;



- (ii) the participant ceases to be an Eligible Person in circumstances where the person was not a good leaver;
  - (iii) the Board determines that any applicable vesting conditions or vesting events have not been met or cannot be met by the relevant date; or
  - (iv) the Board determines (acting reasonably and in good faith) that the participant has engaged in misconduct and in its discretion deem all Convertible Securities held by that participant to be forfeited; or
  - (v) the participant by written notice to the Company voluntarily forfeit their Convertible Securities for no consideration.
- (i) Adjustment to Convertible Securities
  - (i) If there is a reorganisation of the issued share 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.
  - (ii) A participant cannot, in respect of any Convertible Securities held under the Plan, participate in a new issue (other than a bonus issue) of Shares without first Converting those Convertible Securities.
  - (iii) If a bonus issue is made to the Shareholders, the number of Shares over which a Convertible Security is able to convert to will be increased by the number of Shares which the participant would have received under the bonus issue if the participant had converted the Convertible Security before the record date of the bonus issue.
- (j) Restriction on dealing
 

An applicant must not assign, transfer or otherwise deal with an Eligible Security without the Company's prior written consent. However, an Eligible Security may be transferred to the legal personal representative of an Eligible Person who has died or whose estate is liable to be dealt with under laws relating to mental health.
- (k) Plan Shares
  - (i) Any Shares issued under the Plan or upon conversion of Convertible Securities (**Plan Shares**) will rank equally with other Shares on issue.
  - (ii) The Company will apply to the ASX for quotation of Plan Shares unless those Shares are restricted securities, in which case the Company must apply for quotation after those Shares ceases to be restricted securities.
  - (iii) If any Plan Shares are subject to a period during which they must not be sold or disposed of, a participant must not sell, transfer, grant a security interest or otherwise dispose of any of these Plan Shares during the restriction period. The restriction period may be waived or shortened by the Board at any time (subject to the Listing Rules).
- (l) Takeover and control transaction
 

If a takeover bid is made to acquire all of the issued Shares of the Company, or a scheme of arrangement, selective capital reduction or other transaction is initiated which has an effect similar to a full takeover bid for Shares in the Company, then participants are entitled to accept the takeover bid or participate in the other transaction in respect of all or part of their Eligible Securities notwithstanding that

any restriction period in respect of the Plan Shares has not expired. The Board may in its discretion waive unsatisfied vesting conditions or vesting events in relation to some or all of the Eligible Securities.

(m) Trust

The Board may, in its discretion, make an offer of Shares under the Plan in relation to which a trustee holds or will hold the Shares. The Board must ensure such arrangement comply with requirements in ASIC Class Order [CO 14/1000].

(n) Directors' discretion

The Board may from time to time terminate or suspend the operation of the Plan and may, at any time, cancel the Plan. The suspension or termination of the Plan will not prejudice the rights of Eligible Persons who were granted Options prior to such termination or suspension.

### **9.17 CHES**

The Company will apply to participate in the Clearing House Electronic Subregister System (**CHES**), operated by ASX Settlement Pty Ltd (a wholly owned subsidiary of ASX), in accordance with the ASX Settlement Operating Rules. On admission to CHES, the Company will operate an electronic issuer-sponsored subregister and an electronic CHES subregister. These two subregisters together will make up the Company's principal register of securities.

Under CHES, the Company will not issue certificates to Shareholders. Instead, Shareholders will receive holding statements that set out the number of Shares each Shareholder owns. If a Shareholder is broker-sponsored, ASX Settlement will send the Shareholder a CHES statement. This statement will also advise investors of either their Holder Identification Number (**HIN**) in the case of a holding on the CHES sub-register or Security Holder Reference Number (**SRN**) in the case of a holding on the issuer-sponsored sub-register.

A CHES statement or issuer-sponsored statement will routinely be sent to Shareholders at the end of every calendar month during which the balance of their holding changes during the preceding month. A Shareholder may request a statement at any other time however a charge may be imposed for additional statements.

### **9.18 Queries**

This prospectus provides information for investors to decide if they wish to invest in the Company and should be read in its entirety. If you have any questions about investing in the Company, please contact your stockbroker, financial planner, accountant, lawyer or other professional advisers.

Any questions regarding:

- (a) the Offers – please contact the Company Secretary on +61 499 900 044; and
- (b) the application form – please contact the Share Registry on 08 9389 8033 or at [admin@advancedshare.com.au](mailto:admin@advancedshare.com.au).

## **10 ADDITIONAL INFORMATION**

### **10.1 Continuous disclosure**

Upon admission to the Official List the Company will be required to notify ASX of information which may have a material effect on the price or value of the Company's Shares. To comply with its continuous disclosure obligations, the Company has adopted a continuous disclosure policy as part of its corporate governance plan (available on [www.ozzresources.com.au](http://www.ozzresources.com.au)) and will conduct regular board meetings with continuous disclosure being a standing agenda item.

### **10.2 Taxation**

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All prospective investors in the Company are urged to take independent financial advice about the taxation and any other consequences of investing in the Company.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisers accept no liability or responsibility with respect to taxation and any other consequences of investing in the Company.

### **10.3 Interests of experts and advisers**

Except for the parties disclosed in section 10.5, no expert, promoter or any other 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, nor any firm in which any of those persons is or was a partner nor any company in which any of those persons is or was associated with, has now, or has had, in the two-year period ending on the Lodgement Date, any interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offers; or
- (c) the Offers.

### **10.4 Consents**

Each of the parties disclosed in section 10.5:

- (a) has given and has not, before the Lodgement Date, withdrawn his or her written consent:
  - (i) to be named in this prospectus in the form and context which it is named; and
  - (ii) where applicable, to the inclusion in this prospectus of the statement(s) and/or reports (if any) by that person in the form and context in which it appears in this prospectus;
- (b) has not caused or authorised the issue of this prospectus;
- (c) has not made any statement in this prospectus or any statement on which a statement in this prospectus is based, other than specified below; and
- (d) to the maximum extent permitted by law, expressly disclaims all liability in respect of, makes no representation regarding, and takes no responsibility for, any part of

this prospectus, other than the references to his or her name and the statement(s) and/or report(s) (if any) specified below and included in this prospectus with the consent of that person.

## 10.5 Named parties

Named party	Role to the Company in connection with its application to list on ASX:	Statement/Report the named party is responsible for:	Fees that the Company has paid or will pay for services <sup>1</sup> :
Anser Legal Pty Ltd	Solicitors to the Company in relation to this prospectus	N/A	\$60,000
Bentleys Audit & Corporate (WA) Pty Ltd	Auditor and Independent Accountant	Financial Information in section 7 and Independent Limited Assurance Report in Annexure C.	\$10,000
Burnt Shirt Pty Ltd	Independent Geologist	Independent Geologist's Report in Annexure A	\$20,000
Cadmon Advisory Pty Ltd	Joint Lead Manager to the Public Offer	N/A	\$175,000 <sup>2</sup>
CPS Capital Group Pty Ltd	Joint Lead Manager to the Public Offer	N/A	\$175,000 <sup>2</sup>
House Legal Pty Ltd	Independent solicitor to the Tenements	Solicitor's Report on Tenements in Annexure B.	\$5,000

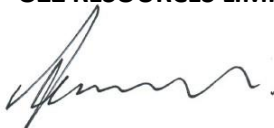
1. Amounts exclude GST. None of these named parties has provided other professional services to the Company during the last two years.
2. This does not include non-cash payment, being 1,400,000 Lead Manager Options to each of the Joint Lead Managers. See sections 5.13, 5.12(d) and 5.12(e) for more detail.

## **11 DIRECTORS' STATEMENT**

The Directors state that they have made all reasonable enquiries and on that basis have reasonable grounds to believe that any statements made by the Directors in this prospectus are not misleading or deceptive and that in respect to any other statements made in this prospectus by persons other than Directors, the Directors have made reasonable enquiries and on that basis have reasonable grounds to believe that persons making the statement or statements were competent to make such statements, those persons have given their consent to the statements being included in this prospectus in the form and context in which they are included and have not withdrawn that consent before lodgement of this prospectus with the ASIC, or to the Directors knowledge, before any issue of the Shares pursuant to this prospectus.

Each Director has consented to the lodgement of this prospectus with the ASIC and has not withdrawn that consent.

Signed for and on behalf of  
**OZZ RESOURCES LIMITED**

A handwritten signature in black ink, appearing to read 'Alan Lockett', is written over a horizontal line.

**Alan Lockett**  
**Non-Executive Chair**

## 12 GLOSSARY

Unless the context otherwise permits or unless otherwise stated, each key term used in this prospectus has the meaning ascribed to it in the table below:

<b>\$</b>	means the Australian Dollar.
<b>Applicant</b>	means an applicant who submits an application form to subscribe for Shares under the Public Offer.
<b>Application Form</b>	means the application form attached to or accompanying this prospectus relating to the Public Offer.
<b>ASIC</b>	means Australian Securities and Investments Commission.
<b>ASX</b>	means ASX Limited (ACN 008 624 691) or, where the context so require, the securities exchange which it operates.
<b>ASX Settlement</b>	means ASX Settlement Pty Limited (ACN 008 504 532), a wholly owned subsidiary of ASX Limited.
<b>ASX Settlement Operating Rules</b>	means the operating rules of ASX Settlement.
<b>Bentleys</b>	means Bentleys Audit & Corporate (WA) Pty Ltd (ACN 121 222 802).
<b>CHESS</b>	means the Clearing House Electronic Subregister System operated by ASX Settlement.
<b>Closing Date</b>	means the closing date of the Public Offer, being 28 May 2021 or another date as determined by the Directors.
<b>Company or We</b>	means Ozz Resources Limited (ACN 643 844 544).
<b>Competent Person</b>	has the meaning given to that term in the JORC Code.
<b>Constitution</b>	means the constitution of the Company.
<b>Corporations Act</b>	means the <i>Corporations Act 2001</i> (Cth).
<b>Director</b>	means a director of the Company.
<b>Director Offer</b>	means an offer of 5,500,000 Director Options to the Directors under this prospectus.
<b>Director Options</b>	means 5,500,000 Options exercisable at \$0.25 on or before 2 years from date of listing to be issued to the Directors.
<b>Existing Options</b>	means Options on issue as at the Lodgement Date exercisable at \$0.25 on or before 2 years from date of listing.
<b>Existing Shares</b>	means Shares on issue as at the Lodgement Date.
<b>Exploration Result</b>	has the meaning given to that term in the JORC Code.
<b>Exploration Target</b>	has the meaning given to that term in the JORC Code.
<b>Exposure Period</b>	means a period of seven days from the Lodgement Date which may be extended by ASIC for a further period of seven days.
<b>Historical Estimate</b>	has the meaning given to that term in the JORC Code.
<b>Joint Lead Managers</b>	mean Cadmon Advisory Pty Ltd (ACN 616 484 756, Corporate Authorised Representative (No. 1253390) of Newport Private Wealth Pty Ltd (AFSL No. 451820)) and CPS Capital Group Pty Ltd (ACN 088 055 636, AFSL No. 294848).
<b>JORC Code</b>	means the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.
<b>JORC compliant</b>	means reported in accordance with the JORC Code and estimated (or based on

	documentation prepared) by a Competent Person.
<b>Lead Manager Offer</b>	means an offer of 2,800,000 Lead Manager Options to the Joint Lead Managers under this prospectus.
<b>Lead Manager Options</b>	means 2,800,000 Options exercisable at \$0.25 on or before 3 years from date of listing to be issued to the Joint Lead Managers as part of the Lead Manager Mandate.
<b>Listing Rules</b>	means the Listing Rules of ASX, as amended from time to time.
<b>Lodgement Date</b>	7 May 2021, being the date that this prospectus is lodged with ASIC.
<b>Maguires Reward Project</b>	means the Project as described in section 5.5.
<b>Mineral Resource</b>	has the meaning given to that term in the JORC Code.
<b>Minimum Subscription</b>	means \$5,000,000 or 25,000,000 Shares, being the minimum subscription to be raised under the Public Offer.
<b>Mining Act</b>	means the <i>Mining Act 1978</i> (WA).
<b>Mt Davis Project</b>	means the Project as described in section 5.4.
<b>Offers</b>	means the Public Offer, Director Offer, Lead Manager Offer and Vendor Offer.
<b>Official List</b>	means the list of issuers maintained by ASX in accordance with the Listing Rules.
<b>Option</b>	means an option to acquire a Share.
<b>Ore Reserve</b>	has the meaning given to that term in the JORC Code.
<b>Peterwangy Project</b>	means the Project as described in section 5.6.
<b>Projects</b>	means the Mt Davis Project, Peterwangy Project, Maguires Reward Project, Wardarbie South Project and Rabbit Bore Project as detailed in section 5.
<b>Public Offer</b>	means an offer of 25,000,000 Shares at an issue price of \$0.20 per Share to raise \$5,000,000 before costs.
<b>Rabbit Bore Project</b>	means the Project as described in section 5.8.
<b>Share</b>	means one fully paid ordinary share in the Company.
<b>Share Registry</b>	means Advanced Share Registry Limited (ACN 127 175 946).
<b>Shareholder</b>	means a shareholder of the Company, that is, a holder of a Share.
<b>Tenements</b>	means the tenements comprising the Projects.
<b>Vendor Offer</b>	means an offer of 7,600,000 Vendor Shares and 2,600,000 Vendor Options to the Vendors (or their nominee) under this prospectus.
<b>Vendor Options</b>	means 2,600,000 Options exercisable at \$0.25 on or before 4 years from date of issue to be issued to the Vendors (or their nominee) for the acquisition of the Projects.
<b>Vendor Shares</b>	means 7,600,000 Shares to be issued to the Vendors for the acquisition of the Projects.
<b>Vendors</b>	means Diane Kaye Finlay, Gelignite Resources Limited and Diversified Asset Holdings Pty Ltd.
<b>Wardarbie South Project</b>	means the Project as described in section 5.7.
<b>WST</b>	means Western Standard Time in Perth, Western Australia.



## 13 CORPORATE DIRECTORY

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### **Directors**

Alan Lockett – *Non-Executive Chair*  
Jonathan Lea – *Managing Director*  
Brian McNab – *Non-Executive Director*

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### **Company Secretary**

Stuart Usher

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### **Website**

[www.ozzresources.com.au](http://www.ozzresources.com.au)

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### **Email**

[investor@ozzresources.com.au](mailto:investor@ozzresources.com.au)

---

### **Registered Office**

15/217 Hay Street  
Subiaco WA 6008

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### **Tenement Manager\***

Austwide Mining Title Management Pty Ltd  
PO Box 1434  
Wangara WA 6947

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### **Solicitors to the Offers**

Anser Legal Pty Ltd  
15/217 Hay Street  
Subiaco WA 6008

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### **Independent Geologist**

Burnt Shirt Pty Ltd  
PO Box 314  
Northbridge WA 6865

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### **Auditors & Investigating Accountant**

Bentleys Audit & Corporate (WA) Pty Ltd  
Level 3, 216 St Georges Terrace  
Perth WA 6000

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### **Independent Solicitor to the Tenements**

House Legal Pty Ltd  
86 First Avenue  
Mt Lawley WA 6050

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### **Joint Lead Managers**

Cadmon Advisory Pty Ltd  
Level 2 & 3, Professional Chambers  
120 Colins Street  
Melbourne Victoria 3000

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### **Share Registry\***

Advanced Share Registry  
110 Stirling Highway  
Nedlands WA 6009  
Tel: +61 8 9389 8033  
Fax: +61 8 6370 4203

CPS Capital Group Pty Ltd  
Level 45, 108 St Georges Tce  
Perth WA 6000

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\*These persons were not involved in the preparation of this prospectus and have not made any statement included in this prospectus nor is there any statement made in this prospectus on the basis of any statement made by these persons. These persons did not consent to being named in this prospectus and did not authorise or cause the issue of this prospectus.

## 14 ANNEXURE A – INDEPENDENT GEOLOGIST REPORT



# **OZZ RESOURCES LIMITED**

## **Independent Geologist's Report**

### **WEST AUSTRALIAN PROJECTS**

**31 JANUARY 2021**

**REPORT PREPARED FOR OZZ RESOURCES LIMITED**

MR ALAN LOCKETT

COPY TO MR JONATHAN LEA

**REPORT AUTHOR**

JEREMY PETERS, BSC BENG FAUSIMM CP (MIN,GEO)

**REPORT REVIEWER**

PAUL MAZZONI MSc BSc FAUSIMM CP (MAN)



*Mineralisation, Mt Davis, Photo J Lea*

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**Burnt Shirt Pty Ltd**

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ABN 17 619 324 622

# CONTENTS

<b>1</b>	<b>EXECUTIVE SUMMARY .....</b>	<b>1</b>
1.1	Summary of Mineral Resources and Ore Reserves .....	4
1.2	Summary of Exploration Results .....	4
1.3	Summary of Geology and Mineralisation.....	5
1.3.1	Mount Davis.....	5
1.3.2	Peterwangy.....	5
1.3.3	Maguires.....	6
1.3.4	Rabbit Bore.....	6
1.3.5	Wardarbie South .....	7
1.4	Summary of Exploration Strategy .....	7
1.5	Conclusions and Recommendations.....	9
1.5.1	Conclusions .....	9
1.5.2	Recommendations.....	9
<b>2</b>	<b>INTRODUCTION .....</b>	<b>10</b>
2.1	Competent Person, Effective Date and No Material Change .....	10
2.2	Mineral Assets.....	10
2.2.1	Agreements.....	11
2.3	Mineral Resources and Ore Reserves .....	11
2.4	Sources of Information and Site Visit.....	11
2.4.1	Reliance on Other Experts.....	12
2.4.2	Limitations.....	12
2.4.3	Declaration .....	13
2.4.4	Copyright .....	13
<b>3</b>	<b>MOUNT DAVIS .....</b>	<b>14</b>
3.1	Location and Access .....	14
3.2	Aboriginal Heritage, Native Title and Environment .....	15
3.3	Regional Geology .....	15
3.4	Local Geology .....	15
3.5	Mineralisation.....	16
3.6	Previous Exploration .....	17
3.6.1	Balmoral Resources (1983 to 1987) .....	17
3.6.2	Afmeco Mining and Exploration Pty Ltd/Jubilee Mines Limited (1987 to 1990) .....	18
3.6.3	Sons of Gwalia Limited (1992).....	18
3.6.4	Sons of Gwalia Limited (1993).....	19
3.6.5	Historical Mineralisation Estimate and Exploration Target.....	20
3.6.6	Significant Exploration Subsequent to 1993 .....	23
3.6.7	Mr Tanvanth Singh Sandhu (2016 to 2020) .....	23
3.7	Prospectivity .....	24
<b>4</b>	<b>PETERWANGY .....</b>	<b>25</b>

4.1	Location and Access .....	25
4.2	Aboriginal Heritage, Native Title and Environment .....	26
4.3	Regional Geology .....	26
4.4	Local Geology .....	27
4.5	Mineralisation.....	28
4.6	Historical Exploration.....	29
4.7	Commentary – Prospectivity.....	30
<b>5</b>	<b>MAGUIRES .....</b>	<b>32</b>
5.1	Location and Access .....	32
5.2	Aboriginal Heritage, Native Title and Environment .....	32
5.3	Regional Geology .....	32
5.4	Local Geology .....	33
5.5	Mineralisation.....	34
5.6	Historical Exploration.....	34
5.6.1	BHP/Hallmark Drilling .....	34
5.6.2	Newcrest and Posgold Drilling.....	35
5.6.3	Exploration Target.....	36
5.7	Commentary – Prospectivity.....	39
<b>6</b>	<b>RABBIT BORE.....</b>	<b>40</b>
6.1	Location and Access .....	40
6.2	Aboriginal Heritage, Native Title and Environment .....	40
6.3	Regional Geology .....	40
6.4	Local Geology .....	41
6.5	Mineralisation.....	43
6.5.1	Gold.....	43
6.5.2	Base Metals.....	44
6.6	Historical Exploration.....	46
6.7	Commentary – Prospectivity.....	47
<b>7</b>	<b>WARDARBIE SOUTH .....</b>	<b>48</b>
7.1	Location and Access .....	48
7.2	Aboriginal Heritage, Native Title and Environment .....	48
7.3	Regional Geology .....	48
7.4	Local Geology .....	49
7.5	Mineralisation.....	49
7.6	Historical Exploration.....	50
7.7	Commentary – Prospectivity.....	51
<b>8</b>	<b>EXPLORATION STRATEGY AND BUDGETS.....</b>	<b>52</b>
8.1	Burnt Shirt Opinion .....	54
8.1.1	Conclusions .....	54
8.1.2	Recommendations.....	54

9	REFERENCES.....	55
10	ABBREVIATIONS AND UNITS.....	57

## Tables

Table 1.1	Ozz Tenement Schedule .....	1
Table 1.2	Summary of proposed exploration expenditure .....	8
Table 2.1	Responsibilities of the author .....	12
Table 3.1	SOG 1993 RC drilling significant results .....	23
Table 5.1	Significant results from BHP gold drilling at Maguires Reward .....	35
Table 5.2	Significant results – Newcrest Old Prospect drilling .....	36
Table 6.1	Kennecott rock chip samples (Ni >1,000 ppm) .....	46
Table 8.1	Summary of proposed exploration expenditure .....	53

## Figures

Figure 1.1	Ozz project location plan .....	2
Figure 1.2	Central Murchison projects overlain on magnetic imagery .....	4
Figure 3.1	Mount Davis regional geology and tenement location .....	14
Figure 3.2	Mount Davis local geology and prospect location .....	16
Figure 3.3	Trig prospect – RC drilling location plan .....	21
Figure 3.4	Trig deposit – cross section 16,000mN (local grid) .....	22
Figure 4.1	Peterwangy – location plan .....	25
Figure 4.2	Peterwangy vegetation .....	26
Figure 4.3	Peterwangy regional geology .....	27
Figure 4.4	Peterwangy local geology .....	28
Figure 4.5	Peterwangy – historical shaft .....	29
Figure 4.6	Peterwangy area – GSWA aero magnetics .....	30
Figure 5.1	Maguires Reward geology plan with existing drilling .....	33
Figure 5.2	Old Prospect South and North long section, looking west .....	37
Figure 5.3	Maguires – Old Prospect South cross section 7012470 mN .....	37
Figure 5.4	Maguires – Old Prospect South cross section 7012495 mN .....	38
Figure 5.5	Maguires – Old Prospect South cross section 7012800 mN .....	38
Figure 5.6	Maguires Reward cross section 7012925 mN .....	39
Figure 6.1	Rabbit Bore regional geology .....	41
Figure 6.2	Rabbit Bore local geology .....	42
Figure 6.3	Rabbit bore historical gold soil sampling over magnetic imagery .....	44
Figure 6.4	Rabbit Bore historical nickel soil sampling over magnetic imagery .....	45
Figure 6.6	Wardarbie South geology plan .....	49

## Appendices

Appendix A	JORC Code (2012 Edition) Table 1
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# 1 EXECUTIVE SUMMARY

Burnt Shirt Pty Ltd (Burnt Shirt) was requested by Ozz Resources Limited (Ozz) to prepare an Independent Geologist's Report (IGR) for its Western Australian gold mining and mineral exploration projects (Figure 1.1 and Table 1.1) for the purpose of listing on the Australian Stock Exchange (ASX). Burnt Shirt understands this IGR is to be included in a prospectus to be issued by Ozz for an initial public offer of 25,000,000 shares at \$0.20 to raise \$5.0 million.

This document is prepared in accordance with the 2012 guidelines of the Australian Joint Ore Reserves Committee ("the JORC Code") and the 2015 Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets (the "VALMIN Code").

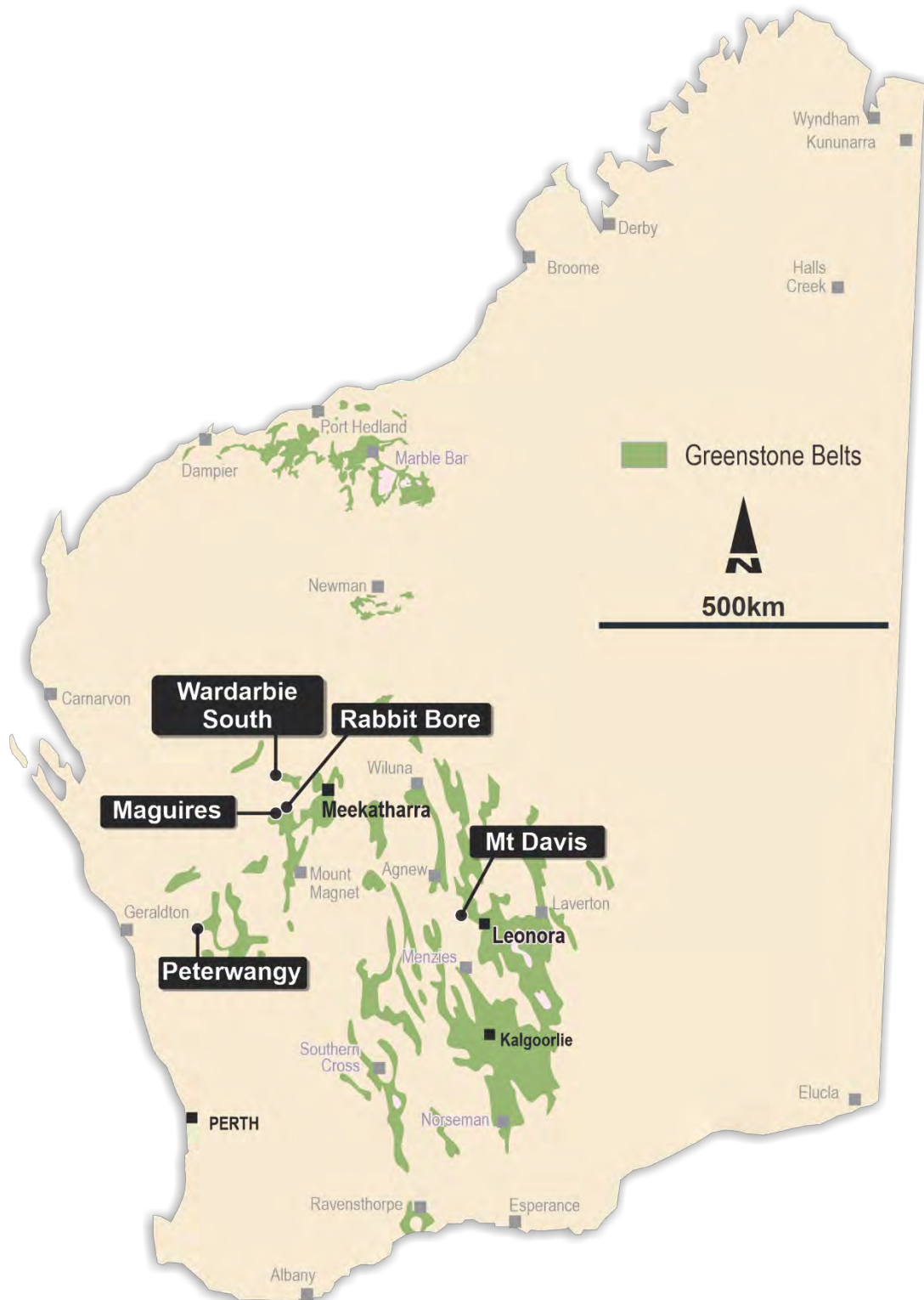
This report has an Effective Date of 31 January 2021, this being the most recent date on which Ozz made material in its possession available to Burnt Shirt, and Burnt Shirt is unaware of any material change since this date.

Ozz's strategy is to acquire projects that are situated on or near terrane boundaries within the Archaean intra-cratonic architecture of Western Australia's Yilgarn Craton. Ozz has acquired five such projects.

**Table 1.1 Ozz Tenement Schedule**

Project	Tenement	Status	Holder	Grant date	Expiry date	Area (ha)
Maguires	P20/2318	Granted	Finlay, Diane Kaye	29/03/2018	28/03/2022	200
Peterwangy	E70/5114	Granted	Provident Mining Pty Ltd	14/12/2018	13/12/23	2390
	E70/5691	Granted	Ozz Resources Ltd	24/02/21	23/02/26	2050
Rabbit Bore	E51/1671	Granted	Diversified Asset Holding Pty Ltd	07/04/2016	06/04/2021	2,390
Wardarbie South	P51/3025	Granted	Gelnignite Resources Pty Ltd	03/07/2019	02/07/2023	200
	P51/3026					200
	P51/3027					200
Mount Davis	P37/8634	Granted	Tanvanth Singh Sandhu	15/08/2016	14/08/2024	195
	P37/8635					200
	P37/8636					181
	P37/8637					200
	P37/8638					90
	P37/9349	Application		-	-	181
	P37/9350			-	-	169
Total						8,844

Figure 1.1 Ozz project location plan



Source: Ozz

Major geological boundaries defined by faulting and shearing within the Yilgarn Craton have driven large-scale hydrothermal systems forming major mineral deposits, particularly at locations of peak metamorphism. The recently discovered 6 Moz gold Gruyere gold deposit is an example of a giant gold deposit situated on a terrane boundary where controlling fault structures (the Yamarna and Dorothy Hills shear zones) were identified as major crustal gold-bearing fluid pathways.

Ozz's Exploration Projects are situated on extensions or are adjacent to major regional structures. The projects are Mount Davis, Peterwangy, Maguires, Rabbit Bore and Wardarbie South. Each of these projects are at a different stage of development, with historical resource estimates at Mount Davis and Maguires that form the basis of Exploration Targets expressed in this IGR.

Three of the Ozz' projects (Rabbit Bore, Maguires and Wardarbie South) are situated in the central Murchison district and lie on the northern extension or splays of the Big Bell Fault, host to the >2.6 Moz Big Bell deposit<sup>1</sup> and numerous other gold occurrences. Magnetic imagery of this area (Figure 1.2) illustrates the major regional architecture passing through the project areas.

The Mount Davis project is located on the Kalgoorlie-Kurnalpi terrane boundary and covers part of the Mount George Shear that is associated with the multi-million-ounce Gwalia and King of the Hills deposits (Figure 3.1). The Peterwangy project is located on the Koolanooka Fault that forms the boundary of the South West and Youanmi terranes of the Yilgarn.

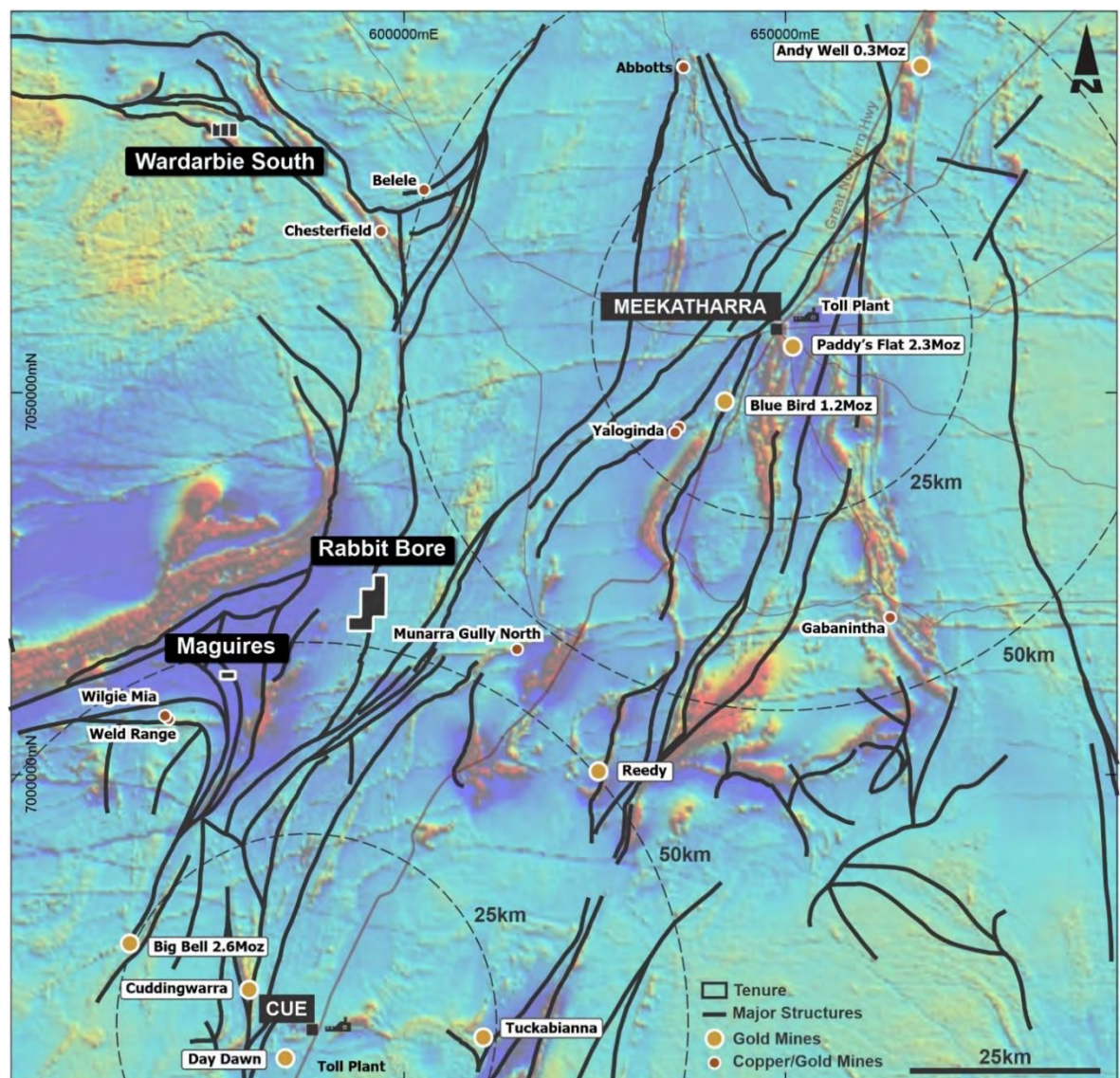
Burnt Shirt considers the projects to be at an Early Exploration<sup>2</sup> stage yet clearly demonstrate potential owing to the structural settings and presence of historical workings supported by varying degrees of exploration in recent decades. Previous explorers have returned gold drill intersections that support Exploration Targets as well as attractive geochemical results. Numerous geochemical targets have been identified that are yet to be drill tested.

Burnt Shirt has examined the proposed exploration budget of \$3.0 million and the proposed work program for the first two years after the Ozz listing and concludes that these are reasonable and achievable and furthermore notes that the Maguires Project already has drilling approvals in place.

<sup>1</sup> [https://www.dmp.wa.gov.au/Documents/Geological-Survey/02-Controls\\_on\\_mineral\\_-\\_gold\\_-\\_distribution\\_in\\_the\\_Yilgarn\\_-\\_Stephen\\_Wyche.pdf](https://www.dmp.wa.gov.au/Documents/Geological-Survey/02-Controls_on_mineral_-_gold_-_distribution_in_the_Yilgarn_-_Stephen_Wyche.pdf)

<sup>2</sup> As defined by the VALMIN Code

Figure 1.2 Central Murchison projects overlain on magnetic imagery



Source: Ozz

## 1.1 Summary of Mineral Resources and Ore Reserves

The projects do not contain any identified Mineral Resource or Ore Reserve estimates.

## 1.2 Summary of Exploration Results

Burnt Shirt has based its IGR on the results of exploration historically performed by parties other than Ozz and has referenced the publicly available descriptions of exploration undertaken by previous explorers and the results of that exploration. Burnt Shirt is not reporting any recent Exploration Results<sup>3</sup>.

Burnt Shirt is reporting Exploration Targets for the Mount Davis and Maguires projects that are based on historical estimates of mineralisation identified in drilling by previous explorers. Burnt Shirt cautions that in relation to Exploration Targets, the potential quantity and grade is conceptual

<sup>3</sup> As defined by Clause 18 of the JORC Code.



in nature, that there has been insufficient exploration to estimate a Mineral Resource and that it is uncertain if further exploration will result in the estimation of a Mineral Resource.

The information in this IGR that relates to Exploration Targets and Exploration Results is based on information compiled by Mr Jeremy Peters, BSc BEng FAusIMM CP (Min, Geo) AWASM, a Competent Person who is a Fellow of the Australasian Institute of Mining and Metallurgy.

These results are historical in nature and may not have been reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code) or its predecessors and are to be treated with appropriate caution. The Competent Person considers that these results have been gathered in accordance with appropriate practice at the time and provide a reasonable but not absolute indication of the prospectivity of the relevant project geology.

The Competent Person has referenced the source of these historical exploration results as footnotes throughout this document and has provided a completed JORC Code Table 1, Sections 1 and 2 in Appendix A below.

There are numerous geochemical anomalies identified by previous explorers throughout the tenements area that are yet to be drill tested.

## 1.3 Summary of Geology and Mineralisation

### 1.3.1 Mount Davis

The Mount Davis project is located near Leonora, comprising five contiguous granted prospecting licences (P37/8634 to P37/8638) and two contiguous prospecting licence applications (PLA37/9349 and PLA37/9350) covering a total area of 1,215.9 ha that covers an 8 km strike length of prospective mineralised structures.

Mount Davis is situated on the Kalgoorlie-Kurnalpi terrane boundary near the Great Northern Highway approximately 23 km north of the town of Leonora. Two +4 Moz gold deposits are situated respectively 5 km to the northwest (King of the Hills, Red5 Limited<sup>4</sup>) and 25 km to the south-southeast (Sons of Gwalia, St Barbara Limited<sup>5</sup>) within regional structures that pass through the Mount Davis project tenements.

In the 1990s, Sons of Gwalia Limited (SOG) defined the Trig gold deposit, located in the Ozz project area, and that historical estimate forms the basis of an Exploration Target of between 0.14 Mt at 2.3 g/t Au and 1.2 Mt at 1.8 g/t Au (refer Section 3.6.5 below). The Trig deposit is associated with the regional Mount George Shear and a key exploration focus for Ozz is to fully assess the several kilometres of poorly tested strike potential for repetitions of this mineralisation along this structure.

Ozz considers that there is potential for ore sales or toll treatment at the 1.4 Mt per annum Gwalia mill near Leonora which is being operated by St Barbara Limited, reportedly at less than full capacity.

### 1.3.2 Peterwangy

The Peterwangy project is located 100 km east of Geraldton in the Mid-West region and is comprised of two granted exploration licences (E70/5114 and E70/5691) covering 4,440 ha. Gold

<sup>4</sup> [www.red5limited.com/site/operations/king-of-the-hills-development-project](http://www.red5limited.com/site/operations/king-of-the-hills-development-project)

<sup>5</sup> <https://stbarbara.com.au/our-operations/leonora/>

was discovered at Peterwangy in 1868 and was the focus of Western Australia's first recorded gold rush.

The licences straddle the boundary of the South West and Youanmi terranes of the Yilgarn Craton. The boundary is marked by the craton-scale Koolanooka Fault that traverses the project area from the southeast to the northwest over about 10 km.

The Peterwangy tenements contain a 3 km long lenticular greenstone belt enclosed by granitoids. The greenstone is comprised of mainly fine to coarse grained amphibolite with local zones of intense shearing. The greenstone is approximately 1.2 km wide and strikes in a northwest direction parallel to and to the west of, the Koolanooka Fault. Outcrop on the tenements is partially obscured by alluvium cover and laterite development.

Historical mining records indicate gold is present as both alluvial nuggets within the laterite and contained in quartz veins, with crushing of the latter grading 2.5 g/t to 4.1 g/t Au. Difficulties in mining through the alluvium and the water table limited the extent of mining operations at the time.

Only limited recent exploration has occurred at Peterwangy and no drilling has been completed at the project.

Peterwangy demonstrates a favourable structural setting, favourable lithology and the presence of untested gold workings. Initial assessment will utilise geophysics, geochemistry and mapping to identify potential drill targets.

### 1.3.3 Maguires

The Maguires project is located near Cue in the central Murchison region, comprising one granted prospecting licence (P20/2318) covering a total of 200 ha.

Maguires lies on diverging splays off a major gold mineralised shear zone, interpreted as being part of the Big Bell Fault. Historical drilling has identified gold mineralisation in steeply south plunging shoots along two separate fault zones and Ozz considers that there is potential for further shoots to be discovered and for depth extension. Drilling approvals are already in place to enable rapid commencement of drill testing.

Recently, work has extrapolated mineralisation to 300 m below surface and resulted in an Exploration Target of between 0.15 Mt at 4.3 g/t Au (11 koz) and 1.5 Mt at 2.31 g/t Au (111 koz), (refer Section 5.6.3 below), mainly centred on Old Prospect.

The potential high grades provide toll treatment opportunities at several processing plants in the Cue area, following the confirmation of JORC compliant resources. Early drill programs are planned to realise this goal and will be completed in conjunction with mining evaluation studies.

### 1.3.4 Rabbit Bore

The Rabbit Bore project is located near Cue in the central Murchison region, comprising one granted exploration licence (E51/1671) covering a total of 2390 ha.

The Rabbit Bore project lies on a poorly explored greenstone belt and is considered by Ozz to hold potential for both gold and nickel-cobalt mineralisation. The greenstone is around 800 m wide with a strike length of 5.5 km. The project area is considered structurally well-prepared for potential mineralisation with the northern extension of the Big Bell Fault passing through the tenure. There has been no recorded drilling on the tenement and with transported material covering the northern 60% of the lease area, there is strong potential for unrecognised mineralisation.

Gold production in the area is poorly documented but recent and historical work suggests the potential for high grade quartz vein associated mineralisation. Soil sampling has indicated anomalous nickel and cobalt values and the results justify further work in the structurally well-prepared greenstone.

### 1.3.5 Wardarbie South

The Wardarbie South prospect is located near Meekatharra in the Murchison region, and comprises three granted prospecting licences covering a total of 600 ha (P51/3025, P51/3026, P51/3027).

A 3 km long contact between mafic and ultramafic lithologies strikes northwest-southeast through the tenements and hosts gold mineralisation which has been mined at various locations. Immediately north, a parallel trend hosts a number of similar lithologies and gold prospects. Historical workings in the area have a recorded production in excess of 5,000 ounces from narrow quartz lodes. Anomalous base metal assays (copper, lead, zinc) have been returned from quartz vein sampling.

Despite regional structures passing through the tenement, transported cover over much of the tenement has limited previous drilling to wide-spaced regional assessment. No drilling has been targeted specifically at potential prospects on the leases. The potentially high-grade gold mineralisation should allow transport for toll milling at processing plants in the Meekatharra area.

## 1.4 Summary of Exploration Strategy

Burnt Shirt considers the Ozz projects to enjoy relative ease of access and the regional presence of significant infrastructure. Work by historical explorers has identified sufficient indications of mineralisation to warrant further exploration. Ozz proposes to:

- Drill the highest priority targets from surface (Mount Davis and Maguires) to confirm their location, geology and geometry aimed at early definition of Mineral Resources<sup>6</sup>.
- Assess existing drilling and other geological information including structural, geochemical and geophysical data in order to prioritise near-term drill targets.
- Conduct further geochemical and geophysical programs to identify the location of favourable structures and associated indicators of mineralisation in order to create a pipeline of potential drill targets.
- Progressively collect additional information such as metallurgical or geotechnical data to assist future Ore Reserve estimation.

Burnt Shirt has been advised that Ozz has budgeted approximately \$3.0 million (see

<sup>6</sup> As defined by Clause 20 of the JORC Code



Table 1.2) on direct exploration out of available funds of \$5.0 million before expenses to issue. The budget contemplates exploration expenditure over two years and Burnt Shirt considers this to be appropriate to support the strategy described.

**Table 1.2 Summary of proposed exploration expenditure**

Project area	Activity	Year 1 (\$)	Year 2 (\$)	Total (\$)
Mount Davis	Field studies/sampling	20,000	20,000	40,000
	Geochemical surveys	20,000	-	20,000
	Geophysical surveys	-	-	-
	Reverse circulation drilling	350,000	100,000	450,000
	Core drilling	-	50,000	50,000
	Evaluation studies	-	100,000	100,000
	<b>Subtotal</b>	<b>390,000</b>	<b>270,000</b>	<b>660,000</b>
Peterwangy	Field studies/sampling	20,000	25,000	45,000
	Geochemical surveys	15,000	-	15,000
	Geophysical surveys	30,000	-	30,000
	Reverse circulation drilling	130,000	100,000	230,000
	Core drilling	-	25,000	25,000
	Evaluation studies	-	20,000	20,000
	<b>Subtotal</b>	<b>195,000</b>	<b>170,000</b>	<b>365,000</b>
Maguires	Field studies/sampling	10,000	-	10,000
	Geochemical surveys	-	10,000	10,000
	Geophysical surveys	-	-	-
	Reverse circulation drilling	400,000	150,000	550,000
	Core drilling	100,000	60,000	160,000
	Evaluation studies	25,000	75,000	100,000
	<b>Subtotal</b>	<b>535,000</b>	<b>295,000</b>	<b>830,000</b>
Rabbit Bore	Field studies/sampling	30,000	10,000	40,000
	Geochemical surveys	30,000	-	30,000
	Geophysical surveys	25,000	-	25,000
	Reverse circulation drilling	100,000	100,000	200,000
	Core drilling	-	25,000	25,000
	Evaluation studies	-	15,000	15,000
	<b>Subtotal</b>	<b>185,000</b>	<b>150,000</b>	<b>335,000</b>
Wardarbie South	Field studies/sampling	20,000	10,000	30,000
	Geochemical surveys	20,000	-	20,000
	Geophysical surveys	10,000	-	10,000
	Reverse circulation drilling	120,000	70,000	190,000
	Core drilling	-	-	-
	Evaluation studies	-	10,000	10,000
	<b>Subtotal</b>	<b>170,000</b>	<b>90,000</b>	<b>260,000</b>
Service Costs	Heritage and tenement administration	50,000	50,000	100,000
	Geological services and field labour	200,000	200,000	400,000
	Administration	25,000	25,000	50,000
	<b>Subtotal</b>	<b>275,000</b>	<b>275,000</b>	<b>550,000</b>
<b>TOTAL</b>		<b>1,750,000</b>	<b>1,250,000</b>	<b>3,000,000</b>

## 1.5 Conclusions and Recommendations

Burnt Shirt considers that the Ozz projects have demonstrated prospectivity for economic gold mineralisation and nickel and cobalt mineralisation at Rabbit Bore. This is particularly the case for Mount Davis and Maguires, where previous explorers have conducted historical resource estimates that support the promulgation of Exploration Targets. Both these projects are sufficiently close to existing milling facilities to support commercial exploitation of any Mineral Resources that may be subsequently estimated.

### 1.5.1 Conclusions

Burnt Shirt concludes that Ozz has rights to tenure over areas in Western Australia that have prospective geology and defined Exploration Targets and recommends that it proceed to implement its exploration strategy on listing. Burnt Shirt considers that the Ozz projects enjoy relative ease of access and the regional presence of significant infrastructure.

Burnt Shirt considers the projects to be at an Early Exploration<sup>7</sup> stage yet clearly demonstrate potential for gold discovery. Previous explorers have returned gold drill intersections that support Exploration Targets as well as attractive geochemical results. Numerous geochemical targets have been identified that are yet to be drill tested.

Ozz will benefit from the work by previous miners and explorers that has resulted in the identification of gold mineralisation. Ozz benefits from access to the results of considerable publicly available exploration data for each of these project areas and compilation and analysis of this data will greatly expedite its exploration efforts.

Burnt Shirt has been advised that Ozz has budgeted approximately \$3.0 million on direct exploration out of available funds of \$5.0 million before expenses post listing on the ASX. The budget contemplates exploration expenditure over two years and Burnt Shirt considers this to be appropriate to support the strategy described.

### 1.5.2 Recommendations

Following comprehensive data compilation and assessment along with field validation, Burnt Shirt recommends that drill testing be undertaken of the Exploration Targets at Maguires and Mount Davis with the intent of defining and reporting Mineral Resources.

Further exploration should be completed at Peterwangy, Wardarbie South and Rabbit Bore to better define targets that can be subsequently drilled.

Burnt Shirt recommends that structural geology work should commence in parallel with the proposed geophysics, mapping, and geochemical sampling to provide context to the results of these exercises.

## 2 INTRODUCTION

Burnt Shirt was requested by Ozz to prepare an IGR for its Western Australian gold exploration projects (Figure 1.1 and Table 1.1).

Ozz's strategy is to acquire projects that are situated on or near terrane boundaries or major shears within the Archaean intra-cratonic architecture of Western Australia's Yilgarn Craton.

Terrane boundaries within the Yilgarn Craton have driven large-scale hydrothermal systems forming major mineral deposits, particularly at locations of peak metamorphism. The recently discovered 6 Moz gold Gruyere gold deposit is an example of a giant gold deposit situated on the Burtville/Yamarna terrane boundary where controlling fault structures (the Yamarna and Dorothy Hills shear zones) were identified as major crustal gold-bearing fluid pathways.

The Ozz Mineral Assets are situated on extensions or are adjacent to major regional structures. They are the Mount Davis, Peterwangy, Maguires, Rabbit Bore and Wardarbie South Projects, each of which is at various stages of development, with historical resource estimates at Mount Davis and Maguires that form the basis of Exploration Targets expressed in this IGR.

This IGR does not provide a Valuation<sup>7</sup> of Ozz's five projects for the purposes of listing.

### 2.1 Competent Person, Effective Date and No Material Change

The Competent Person for preparation of the report is Mr Jeremy Peters, FAusIMM CP (Mining, Geology). Mr Peters has extensive professional experience with the geology of and has worked extensively throughout Australia and is familiar with the geology of Western Australia.

The effective date of this report is 31 January 2021, this being the date at which no further information was supplied to the author by Ozz, and the author is not aware of any material change in the status of the projects in the period between receipt of data and completion of this report.

Unless otherwise stated, information and data contained in this report or used in its preparation has been provided by Ozz or has been gathered from public sources.

Mr Peters consents to this statement and to references in this prospectus to this in the form and context in which they appear. Mr Peters has not withdrawn his consent before lodgement of this prospectus with ASIC.

### 2.2 Mineral Assets

The Mineral Assets that are the subject of this IGR are Mineral Leases granted under Western Australian mining legislation<sup>8</sup> (Figure 1.1 and Table 1.1). The Western Australian Department of Mines, Industry Regulation and Safety (DMIRS) requires minimum expenditure and annual reporting of exploration activity as a condition of tenure.

Ozz has agreements in place to obtain 100% of the Maguires project, an 80% interest in the Rabbit Bore and Wardarbie South projects, up to an 80% interest in the Mt Davis project and up to a 76% interest in the Peterwangy project. Details are provided in Section 2.2.1 below. Burnt Shirt is not

<sup>7</sup> As defined by the VALMIN Code.

<sup>8</sup> For a more comprehensive explanation of Western Australia mining legislation, refer to <https://www.dmp.wa.gov.au/>.

qualified to comment definitively on licensing matters but has made enquiries of publicly available data<sup>9</sup> to the effect that the tenements are in good standing.

## 2.2.1 Agreements

### 2.2.1.1 *Mount Davis*

Tenement holder, Mr Tanvanth Singh Sandhu has agreed to a farm-in and a cash payment. An initial interest of 51% will be earned for expenditure of \$650,000 that will increase to 80% with the completion of a definitive feasibility study.

### 2.2.1.2 *Peterwangy*

Tenement holder, Provident Mining Pty Ltd has agreed to a farm-in and a cash payment. An initial interest of 51% will be earned for expenditure of \$400,000 that will increase to 76% with the completion of a definitive feasibility study.

### 2.2.1.3 *Maguires*

Tenement holder, Ms Diane Kaye Findlay has agreed to sell her 100% interest in Maguires for cash and shares and a 2% NSR royalty on all production.

### 2.2.1.4 *Rabbit Bore*

The holder, Diversified Asset Holdings Pty Ltd (Diversified) has agreed to sell 80% of its interest in the exploration licence E51/1671 that comprises the Rabbit Bore project in exchange for cash, shares and a 1% NSR royalty on all future production. The association will take the form of a joint venture in which Ozz will have an 80% interest and management rights and fully fund all expenditure until a decision to mine is made.

### 2.2.1.5 *Wardarbie South*

The holder, Gelignite Resources Pty Ltd has agreed to sell 80% of its interest in the three prospecting licences that comprise the Wardarbie South Project in exchange for cash, shares and a 1% NSR royalty on all future production. The association will take the form of a joint venture in which Ozz will have an 80% interest and management rights and fully fund all expenditure until a decision to mine is made.

## 2.3 Mineral Resources and Ore Reserves

The projects do not contain any Ore Reserves or Mineral Resources, as defined by the JORC Code.

## 2.4 Sources of Information and Site Visits

The geology and exploration history of the Yilgarn and Murchison regions of Western Australia has been extensively and publicly reported. Mr Peters has worked on these rocks at various points in his career and has traversed the Maguires, Rabbit Bore and Wardarbie South localities in the course of that work. Mr Peters has examined Ozz's database of Open File geological literature to satisfy himself of the veracity of the information.

Mr Peters has physically examined Mount Davis between 26 October 2020 and 27 October 2020 and Peterwangy on 8 January 2021, and accepts representations made by Ozz and bases his inferences on his own experience and observations.

<sup>9</sup> Western Australian DMIRS Tengraph online system, accessed 31 January 2021.

Unless otherwise stated, all currencies are expressed in Australian dollars (A\$) and units of measurement are metric. Historical units have been converted to metric units. Grid locations are in Geocentric Datum of Australia 1994 (GDA94), unless otherwise indicated.

Extensive reference is made to the results of historical exploration. These results have not previously been reported in accordance with the JORC Code and may not have been reported in accordance with any of its predecessors. Consequently, these results are to be interpreted with an appropriate degree of caution. The Competent Person considers these to be adequately reliable for the purposes of indicating geological prospectivity. Burnt Shirt has referred to the publicly available WAMEX<sup>10</sup> database references for these historical exploration results, where they can be read in their original format and context.

The Competent Person has referenced the source of these historic exploration results as footnotes throughout this document and has provided a completed JORC Code Table 1, Sections 1 and 2 in Appendix A below.

Burnt Shirt is responsible for this report as part of Ozz's listing documentation and declares that it has taken all reasonable care to ensure that the information contained in this report is, to the best of its knowledge, in accordance with the facts and contains no material omissions.

Burnt Shirt believes that its opinion must be considered as a whole and that presentation of selections of its report could create a misleading view of the opinions presented in this IGR. The preparation of an IGR is a complex process and does not lend itself to partial analysis or summary.

#### 2.4.1 Reliance on Other Experts

In preparing this report, Mr Peters has extensively relied on information collated by other parties, as described in Section 2.4 above. Mr Peters has critically examined this information, made his own enquiries, and applied his general geological competence to conclude that the information presented in this IGR complies with the definitions and guidelines of the JORC Code.

The responsibility of the author is provided in Table 2.1.

**Table 2.1 Responsibilities of the author**

Author	Responsible for sections
Jeremy Peters, FAusIMM CP (Min, Geo)	1, 2, 3, 4, 5, 6, 7, 8, 9, 10. Appendix A

The principal sources of information regarding Ozz's assets are private and statutory reports that have been prepared by various parties and collated by the Geological Survey of Western Australia (GSWA).

#### 2.4.2 Limitations

Ozz has agreed to indemnify Burnt Shirt for any liability arising as a result of or in connection with the information provided by or on behalf of it being incomplete, incorrect or misleading in any material respect. Ozz has confirmed in writing to Burnt Shirt that, to its knowledge, the information provided by it (when provided) was complete and not incorrect or misleading in any material respect. Burnt Shirt has no reason to believe that any material facts have been withheld and Ozz has confirmed in writing to Burnt Shirt that it believes it has provided all material information available to it.

<sup>10</sup> <https://geoview.dmp.wa.gov.au>

### 2.4.3 Declaration

Burnt Shirt will receive a fee for the preparation of this report in accordance with normal professional consulting practice. This fee is not contingent on the outcome of the IGR and Burnt Shirt will receive no other benefit for the preparation of this report. Burnt Shirt does not have any pecuniary or other interests that could reasonably be regarded as capable of affecting its ability to provide an unbiased opinion in relation to the assets.

Neither Burnt Shirt, the Competent Person, Mr Peters, who is responsible for authoring this IGR, nor any Directors of Burnt Shirt have at the date of this report, nor have had within the previous two years, any shareholding in Ozz or any of its advisors.

Consequently, Burnt Shirt, Mr Peters and the Directors of Burnt Shirt consider themselves to be independent of Ozz and its related parties.

### 2.4.4 Copyright

Copyright of all text and other matter in this document, including the manner of presentation, is the exclusive property of Burnt Shirt.

It is an offence to publish this document or any part of the document under a different cover, or to reproduce and/or use, without written consent, any proprietary technical procedure and/or technique contained in this document. The intellectual property reflected in the contents resides with Burnt Shirt and shall not be used for any activity that does not involve Burnt Shirt, without the written consent of Burnt Shirt.

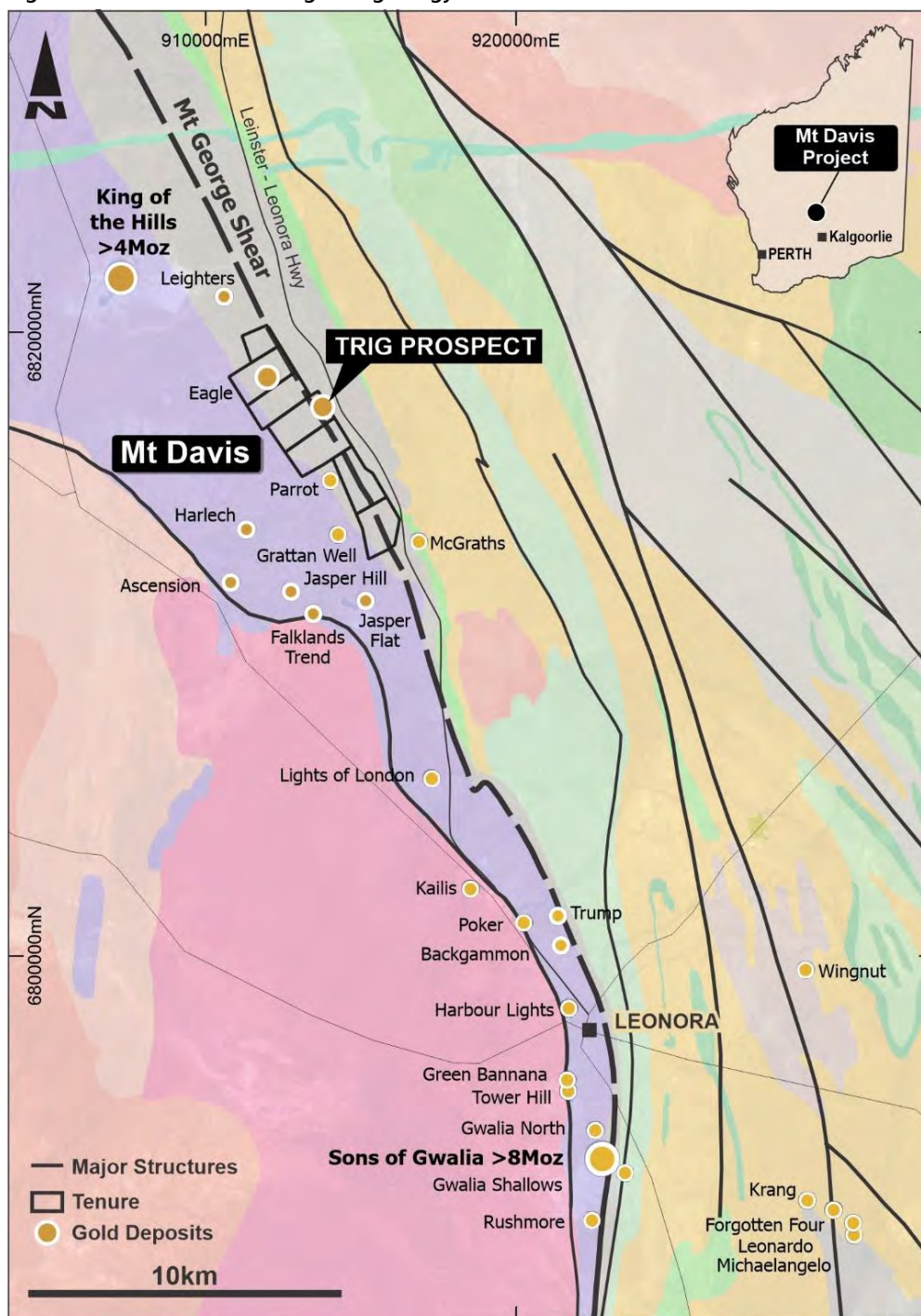


## 3 MOUNT DAVIS

### 3.1 Location and Access

The Mount Davis project is located 23 km north-northwest of Leonora adjacent to the sealed Goldfields Highway (Figure 3.1). Mount Davis comprises five contiguous granted prospecting licences (P37/8634 to P47/8638) plus two contiguous prospecting licence applications (PLA37/9349 and PLA37/9350) covering a total area of 1,215.9 ha.

Figure 3.1 Mount Davis regional geology and tenement location



Source: Ozz, References to King of the Hills and Sons of Gwalia mineral endowments drawn from GSWA Minedex database

The climate is typical of the Western Australian Central Yilgarn region, being semi-arid. The area experiences defined seasons, with January the hottest month and July the coldest with mean maximum and minimum temperatures ranging from approximately 38°C to 23°C (January), and 18°C to 7°C (July), respectively.

In the Leonora area, average annual rainfall is greater than 230 mm, with September the driest month, averaging 8.1 mm and February the wettest, averaging 29.1 mm.

### **3.2 Aboriginal Heritage, Native Title and Environment**

Ozz's tenement advisors state that there are no outstanding Annual Environmental Reports or Mine Closure Plans relating to the Mt Davis area. There are no registered Aboriginal heritage sites although a non-assessed site is located on the Mt Davis range. Standard Western Australian access practises will apply for drilling activity including heritage clearance surveys.

### **3.3 Regional Geology**

Mount Davis is located on the Leonora SG51-01 1:250,000 and Leonora 3149 1:100,000 GSWA map sheets.

The Mount Davis project area lies near the junction between the Mount Clifford Greenstone Belt and the Malcolm Greenstone that, in this area, are separated by a shear known as the Mount George Shear Zone. The Mount George Shear is a major regional structure associated with the nearby major gold deposits at King of the Hills (>4 Moz<sup>4</sup>) and at Gwalia (>8 Moz<sup>5</sup>) and numerous other smaller gold orebodies.

On the west side of the Mount George Shear Zone, rocks of the Mount Clifford Greenstone Belt are mostly mafic sequences that include tholeiitic and high-magnesium basalts and ultramafic rocks together with siliclastic rocks, felsic volcanics, dolerite and conglomerate.

Rocks of the Malcolm Greenstone east of the Mount George Shear Zone comprise predominantly felsic volcanic rocks, basalt, shale, and dolerite sills with conglomerate in the south.

The western mafic sequences of the Mount Clifford Greenstone Belt dip at shallow angles to the east and may represent recumbent, isoclinally folded sequences that have been emplaced along thrust surfaces sub-parallel to stratigraphy. The eastern felsic sequences have a steeper easterly dip (50–80°E) with pillows indicating younging to the east.

The Trig gold deposit is located within the 5 km strike of the Mount George Shear Zone structural corridor covered by Ozz's tenements.

Late-stage Proterozoic dykes cut east-west across the regional north-westerly striking sequences.

### **3.4 Local Geology**

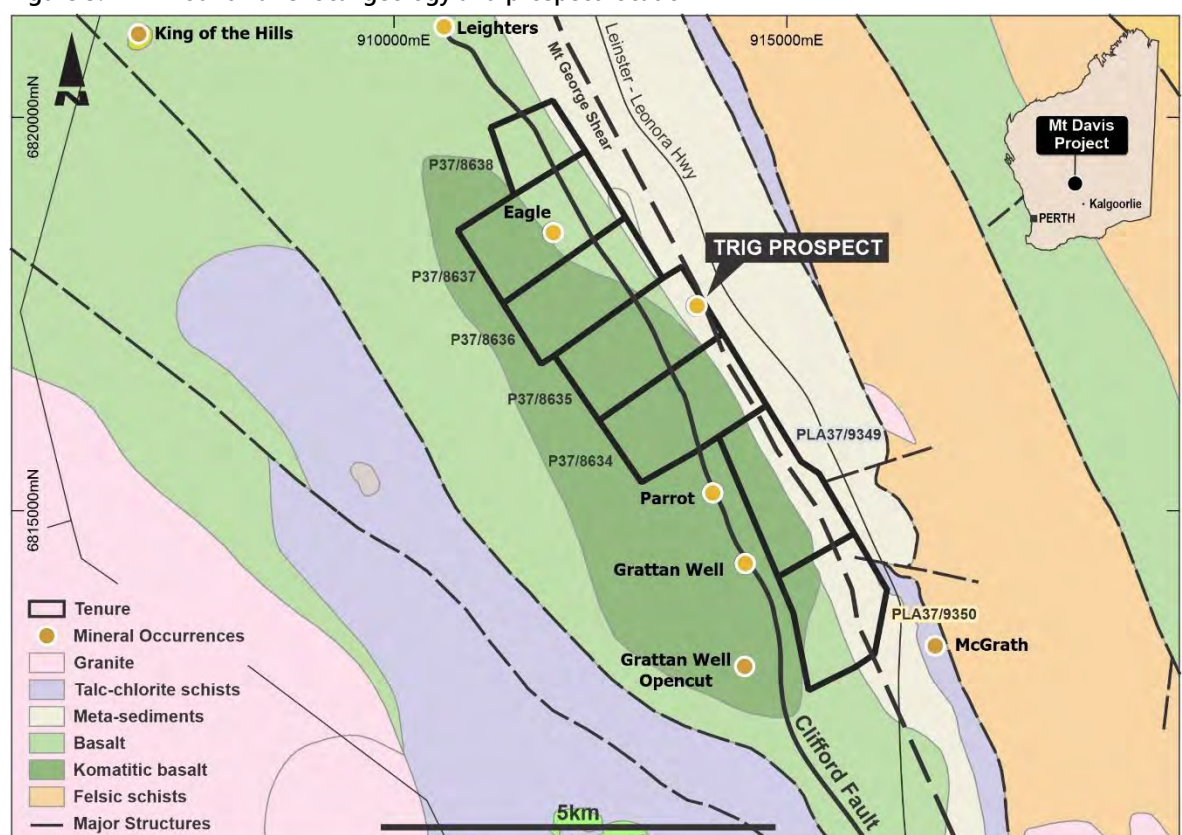
The easternmost rock unit within the Mount Davis project area is a northwest to southeast striking range of chert and silicified carbonaceous shale and siltstone. These sediments and intercalated mafic schist, with bedding dipping at moderate angles to the east, are within the Mount George Shear Zone and host gold mineralisation which includes the Trig gold deposit.

Detailed mapping indicates that the dominant rock types to the west comprise dolerite and basalt striking northwest to southeast and bounded to the west by a narrow, moderately dipping chert unit. Chert and silicified caprock, derived from carbonaceous shale and siltstone lie on the eastern

side of this mafic unit which is in sheared contact with a strongly foliated 200–400 m thick unit of sandstone, siltstone, and chert.

On this contact zone, outside and about 1.5 km south of the Mount Davis group of prospecting licences, the Grattan Well prospect manifests as small abandoned gold workings spread over a length of about 400 m. Exploration by Afmeco Mining and Exploration Pty Ltd (Afmeco) in 1987–1988 established the possibility of significant gold mineralisation within the Mount Davis project area by identifying the Grattan Well prospect's relationship to a regionally significant shear zone referred to as the Clifford Fault (Figure 3.2). By tracing the trend of the Grattan Well mineralisation in a north to north-westerly direction, Afmeco demonstrated a relationship with the Leighters (Homeward Bound or Leeta) gold mine<sup>11</sup> which had historically produced about 2,200 ounces of gold from 5,090 tonnes of ore grading 13.4 g/t Au<sup>12</sup>. Approximately 5 km of strike length of the Clifford Fault is contained within the tenements.

**Figure 3.2 Mount Davis local geology and prospect location**



Source: Ozz

### 3.5 Mineralisation

Within the easternmost rock unit within the Mount Davis project area, gold mineralisation occurs as quartz-sulphide veins in shear zones and sheared lithological contacts. Exploration conducted by SOG in the 1990s refers to discovery of east dipping and south-easterly pitching lenses of gold mineralisation within a silica-pyrite-arsenopyrite altered, brittle shear zone.

This discovery is referred to as the Trig gold deposit.

<sup>11</sup> Minedex site number S0011731.

<sup>12</sup> WAMEX report number A74638.



Some limited multi-element analysis on selected samples from the drilling showed that high arsenic values correlate with higher gold values. This observation has significance for exploration for extensions of the Trig deposit, particularly within the Mount George Shear Zone to the southeast. Arsenic as a gold mineralisation pathfinder element may extend the range of the effectiveness of geochemical exploration in areas of no rock outcrops.

### 3.6 Previous Exploration

Burnt Shirt cautions that the following information is drawn from publicly available reports held by the GSWA. While Burnt Shirt is satisfied the exploration results described were conducted in accordance with then-current standards, the reporting of these results at the time may not fulfil the requirements of the JORC Code (2012). The Competent Person considers these results to be indicative of but not an absolute measure of the presence of gold mineralisation.

Modern gold exploration began over the Mount Davis group of prospecting licences area during the mid-1980s, when a sparsely documented reconnaissance gold surveying was undertaken and samples from northwest-trending quartz veins returned values of up to 1.57 g/t Au.

A summary of available previous literature and work is outlined below:

#### 3.6.1 Balmoral Resources (1983 to 1987)

Balmoral Resources initiated exploration in 1983 and in 1984 entered a joint venture with the Electrolytic Zinc Company of Australia Limited (EZ; now CRA Limited).

In 1984, EZ's exploration identified the Grattan Well prospect, situated on a north to northwest trending shear zone along a contact zone between mafic volcanics/intrusives and metasedimentary volcanoclastics.

On this contact zone, in an area heavily masked by alluvium are small gold workings over a length of about 400 m from which rock chip sampling returned highest values of 8.83 g/t Au and 5.33 g/t Au in quartz and 2.33 g/t Au and 0.567 g/t Au in hanging wall schists with northerly trending vein sets<sup>13</sup>.

The prospect is outside and about 1.5 km south of the Mount Davis tenements but has significance as an indication of the gold target potential within the area of the mining lease.

Balmoral Resources/EZ's work included:

- Bulk leach extractable gold (BLEG) stream sampling
- Rock chip sampling
- 35.5 km of gridding
- Geological mapping at 1:10,000 and 1:1,000 scales
- 133 rotary air blast (RAB) holes for 2,690 m on 200 m x 50 m centres
- Six reverse circulation (RC) holes for 575 m.

Both the RAB and RC drilling returned anomalous results along strike from Mt Davis and in the same lithology<sup>13</sup>.

<sup>13</sup> WAMEX report number A15866.

### 3.6.2 Afmeco Mining and Exploration Pty Ltd/Jubilee Mines Limited (1987 to 1990)

In 1987–1988, Afmeco in association with Jubilee Mines Limited identified the relationship between mineralisation at Grattan Well and the regionally significant shear zone referred to as the Clifford Fault. By tracing the trend of the Grattan Well mineralisation in a north to north-westerly direction, Afmeco demonstrated a relationship with the Leighters or Homeward Bound gold mine which had historically produced about 2,200 ounces of gold from 5,090 tonnes of ore grading 13.4 g/t Au<sup>12</sup>.

The focus of Afmeco's exploration program was to identify drill targets related to the concealed north-northwest trending Clifford Fault line using electromagnetic and magnetic surveying.

In all, eight traverses spaced 200 m apart, were investigated for a total of 8.8 line-km of electromagnetic and 6.7 km of magnetic surveying. The results from the magnetic surveying provided no specific leads but the electromagnetic survey led to the identification of four north-northwest trending linear anomalies, two of which were subsequently partially tested by drilling. The best drill intersection obtained was 3.14 g/t Au over 15 m from surface in quartz veining adjacent to the abandoned mine workings at Grattan Well prospect<sup>14</sup>.

Afmeco's work included:

- Review of earlier work
- 6.7 km ground magnetics
- 8.8 km electromagnetic survey trial
- 12 RC holes for 883 m
- 20 RAB holes for 518 m.

Attempts were made to farm-out this property, which was ultimately relinquished in late 1990 and subsequently applied for by SOG.

### 3.6.3 Sons of Gwalia Limited (1992)

SOG's work included:

- Aeromagnetic data purchase and interpretation
- 56,000 m of gridding
- 926 x 40 m composite soil samples on 400 m line spacing
- 331 x 20 m individual soil sample infills
- 109 x 5 m composite rock chip samples
- Geological mapping at 1:10,000 and 1:2,500
- Air photography purchase and interpretation
- Assessment/reporting/drafting.

#### 3.6.3.1 Soil Sampling/Mapping

SOG mapped the outcrop geology at 1:10,000 scale and identified mafic rocks intruded by felsic porphyry that is highly altered and pyritised in places. Surrounding the porphyry are altered mafic schists. Both the porphyry and mafic schists have a strong foliation dipping steeply to the east and

<sup>14</sup> WAMEX report number A23165.

striking in about a 070° orientation. Several quartz blows are present in the area and are orientated either in a northeast or northwest direction.

The soil geochemistry results<sup>15</sup> including anomalous gold (between 5 ppb and 10 ppb) occurring within the sheared mafic surrounding the porphyry. A further gold anomaly (up to 69 ppb) occurs in the west of the area and remains open to the west. This anomaly occurs in an area of colluvium/alluvial wash.

The Trig prospect straddles a north-south trending line of prominent hills which mark the position of the Mount George Shear Zone consisting of mylonitic cherts, brecciated and strongly sheared felsic volcanics and metasediments. A thick sequence of high-magnesium and tholeiitic basalts lies to the west, with ultramafic rocks occurring to the east of the Mount George Shear Zone.

An east-west Proterozoic dolerite dyke crosscuts this sequence, in proximity to the defined Trig gold mineralisation.

### 3.6.3.2 *Composite Rock Chip Samples*

One-hundred and nine 5 m composite rock chip samples were collected across exposed sequences of altered cherts and mafic/pyroclastic rocks on the Mount Davis Trig gold prospect. These returned values of 20 m at 2.27 g/t Au, 25 m at 1.46 g/t Au, 25 m at 1.65 g/t Au, 5 m at 0.8 g/t Au, 10 m at 1.26 g/t Au, and 5 m at 4.08 g/t Au over a 300 m strike length<sup>15</sup>.

The sample sites and gold values are available in public records, along with descriptive logs, and Burnt Shirt considers the information to be indicative of the tenor of Trig gold mineralisation at surface.

Burnt Shirt cautions that these results are historical in nature and may not have been reported in accordance with the JORC Code or its predecessors and are to be treated with appropriate caution. The Competent Person considers that these results have been gathered in accordance with appropriate practice at the time and provide a reasonable but not absolute indication of the prospectivity of the relevant project geology.

### 3.6.4 Sons of Gwalia Limited (1993)

SOG drilled RAB holes following up anomalous soil and saprolite gold values north-northwest of Grattan Well. At Grattan Well itself, two angle RAB holes were drilled to test the mineralised structures intersected by the earlier RAB drilling of Afmeco. An intersection of 15 m at 3.1 g/t Au from 29 m confirmed Afmeco's similar result from surface<sup>16</sup>.

Results from the SOG line of RAB holes on 14000N, south of Ozz's tenements, included an intersection of 2 m at 2.67 g/t Au from 12 m (Parrot prospect); and on the 18000N line a best intersection of 1 m at 4.44 g/t Au from 23 m at 11510E was reported. The 18000N line was later referred to as the Eagle prospect.

Analysis of SOG's drill logs and cross sections indicates the potential of the Clifford Fault to host mineralisation. The mineralisation that was intersected at 14000N extends over a downhole width of 10 m at a cut-off of 0.1 g/t Au. Burnt Shirt considers this to be a significant width of mineralisation in an isolated RAB hole, deserving of further investigation. This was named the Parrot prospect by subsequent explorer, Bligh Resources Limited (Bligh).

<sup>15</sup> WAMEX report number A36845.

<sup>16</sup> WAMEX report number A41971.

SOG identified a RAB hole on line 18000N that returned a best intersection of 1 m at 4.44 g/t Au from 23 m. An adjacent hole, 40 m away, at 11550E intersected low-grade gold mineralisation continuously from 42 m to end-of-hole, including 1 m at 1.27 g/t Au at a final depth of 51 m. This was named by subsequent explorer, Bligh, as the Eagle prospect.

Burnt Shirt cautions that these results are historical in nature and may not have been reported in accordance with the JORC Code or its predecessors and are to be treated with appropriate caution. The Competent Person considers that these results have been gathered in accordance with appropriate practice at the time and provide a reasonable but not absolute indication of the prospectivity of the relevant project geology.

### 3.6.5 Historical Mineralisation Estimate and Exploration Target

In 1993, SOG drill tested the Trig deposit and completed 28 angled RC holes totalling 2,032 m of drilling<sup>17</sup>; 966 composite and 1 m individual drill samples; 601 composite and 20 m point soil samples; 27,400 m of gridding; dozer drill site access and drill pad preparation; petrology samples and multi-element geochemical analyses.

Based upon the results of the drilling and the earlier surface rock chip sampling, SOG estimated an historical inferred resource of 0.14 Mt at 2.3 g/t Au using a 1.0 g/t Au cut-off<sup>16</sup> for the Trig deposit.

At an apparent lower cut-off grade, SOG estimated an historical inferred resource of 0.2 Mt at 1.8 g/t Au<sup>18</sup>.

Burnt Shirt considers that these historical estimates support postulation of an Exploration Target for the Trig deposit of between 0.14 Mt at 2.3 g/t Au and 1.2 Mt at 1.8 g/t Au.

This Exploration Target is premised on the observed volume of mineralised rock outcropping at Mt Davis and the limitations of current drilling that defines the SOG mineralisation estimates, which is geographically constrained by the topography. Given the lack of exploration of the Mt George Shear it is considered that repetitions of similar potential mineralisation could exist along strike.

Burnt Shirt cautions that an Exploration Target is a statement or estimate of the exploration potential of a mineral deposit in a defined geological setting where there has been insufficient exploration to estimate a Mineral Resource, that the potential quantity and grade is conceptual in nature and that it is uncertain if further exploration will result in the estimation of a Mineral Resource.

#### 3.6.5.1 Reverse Circulation Drilling

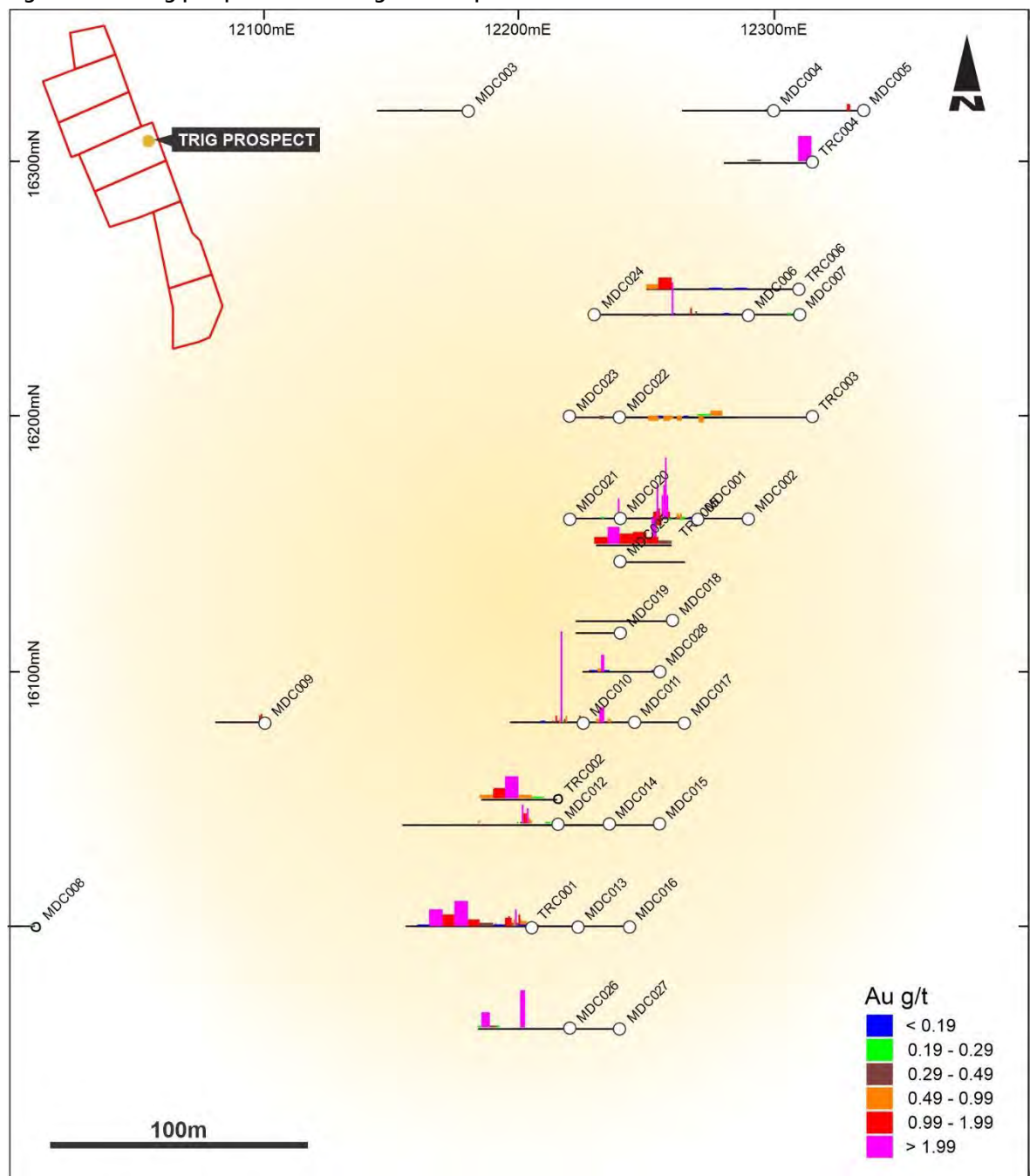
At the Trig prospect, SOG initially completed 13 RC angled holes, drilled on nominal 80 m x 20 m centres, followed by a further 15 RC angled holes for 1,066 m (Figure 3.3)<sup>17</sup>. The multi-element geochemical analyses show arsenic and to a lesser extent antimony, are associated with the gold mineralisation.

<sup>17</sup> WAMEX report number A39803.

<sup>18</sup> WAMEX report number A56233.



Figure 3.3 Trig prospect – RC drilling location plan



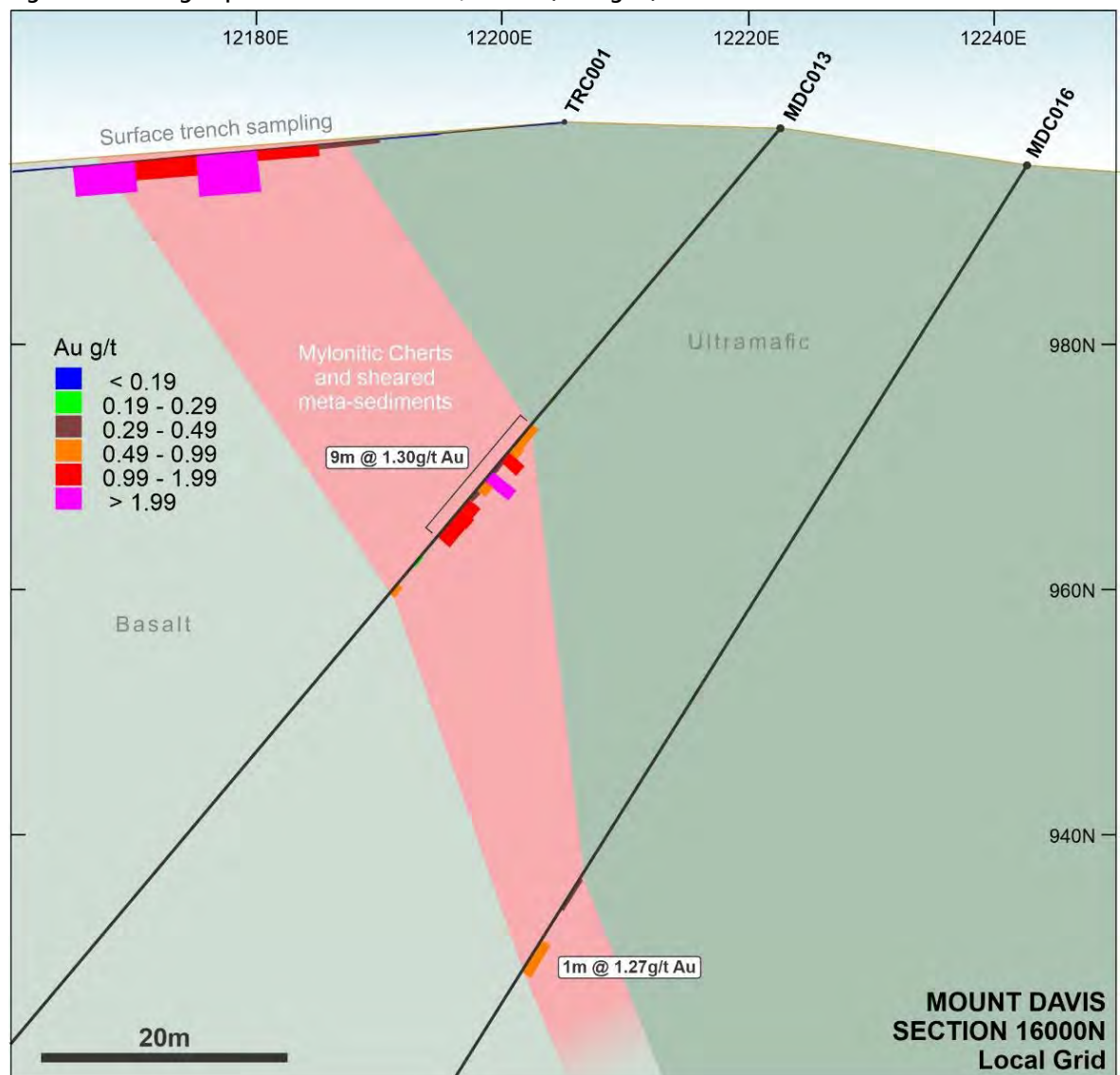
Source: Ozz

The drilling outlined a north-northwest trending bifurcating mineralised shear over a length of 210 m that dips steeply to the west at its northern end and at 50° east at its southern end. Within the shear, three auriferous quartz veined lenses ranging in strike length from 20 m to 50 m over true thicknesses of 3–6 m were found to pitch at 50° in a south-easterly direction.

Significant intercepts greater than 1.0 g/t Au were obtained from 18 of the 28 RC holes drilled<sup>19</sup> (Figure 3.4).

<sup>19</sup> WAMEX report number A39803.

Figure 3.4 Trig deposit – cross section 16,000mN (local grid)



Source: Ozz

Burnt Shirt observes that SOG's reports indicate the presence of a thorough assay quality assurance and quality control program, with check samples (both field duplicates and standard samples) representing more than 15% of samples submitted. Standard samples used included assay pills and blanks (to check laboratory preparation hygiene) and certified standard reference samples (to monitor laboratory accuracy). Laboratory performance was monitored on a regular basis as assay jobs were received.

**Table 3.1 SOG 1993 RC drilling significant results**

Hole no.	Local grid North East		From (m)	To (m)	Width (m)	Grade (Au g/t)
MDC001	16160	12270	24	34	10	3.37
MDC002	16160	12290	61	63	2	2.36
MDC006	16240	12290	44	45	1	1.04
			58	59	1	5.04 (EOH)
MDC009	16080	12100	1	3	2	1.12
MDC010	16080	12225	15	21	6	2.91
MDC012	16040	12215	17	21	4	2.16
MDC013	16000	12223	35	44	9	1.30
MDC017	16080	12265	63	66	3	2.33
MDC020	16160	12240	26	28	2	1.93
MDC021	16160	12220	67	70	3	3.92
MDC023	16200	12200	50	52	2	1.66
MDC026	15960	12220	63	69	6	1.49
MDC027	15960	12240	75	78	3	3.98

EOH = end-of-hole.

Source: WAMEX report number A39803

Burnt Shirt cautions that these results are historical in nature and may not have been reported in accordance with the JORC Code or its predecessors and are to be treated with appropriate caution. The Competent Person considers that these results have been gathered in accordance with appropriate practice at the time and provide a reasonable but not absolute indication of the prospectivity of the relevant project geology.

### 3.6.6 Significant Exploration Subsequent to 1993

Jupiter Mines Limited held tenements in the area during the period 2006 to 2010, naming it the Grattan Well project. Exploration during this period included geological reconnaissance, mapping, research, and data acquisition. The work identified several significant prospects other than the Grattan Well and Trig prospects, notably the Eagle prospect.

In a RAB program, 29 holes were drilled for a total advance of 715 m. RAB holes were sited on four alteration zones identified from satellite imagery, with fences of holes drilled at -60° west at 20 m spacing. Jupiter Mines Limited concluded that assays indicated that there were no anomalous gold values, and the project was terminated<sup>20</sup>.

None of these records of exploration since SOG drilled the Trig gold deposit indicate that any further drilling or other work has been done on the Trig prospect.

### 3.6.7 Mr Tanvanth Singh Sandhu (2016 to 2020)

Mr Sandhu has relied on traditional prospecting techniques such as metal detecting and dry blowing to follow up promising leads and gold targets identified by previous explorers within the Mount Davis group, engaging a professional prospector with mechanised equipment.

<sup>20</sup> WAMEX report number A86097.

In 2020, Mr Sandhu engaged an exploration and mining consultant to review the potential of the Mount Davis Project for gold deposits.

### **3.7 Prospectivity**

The Mount Davis tenements cover two significant mineralising structures – the Mount George Shear and the Clifford Fault. Both structures have significant potential, as shown by historical exploration results, in particular the Mount George Shear that hosts the Trig mineralisation.

Apart from the localised drilling at Trig, there is approximately 4 km of strike along the Mount George structure without drill testing. Given the mineralisation at Trig forms steeply south plunging shoots, there is significant potential for further shoots to be discovered along strike to the south. Field inspection indicates that the shear zone can be traced 4km to the south and outcrops with a similar width and properties along its entire length. The Clifford Fault is associated with high-grade mineralisation to the north and south of the lease holding and again only limited drill testing exists over the 4–5 km of this structure contained in the tenements. Targeted testing of this structure is considered a priority following drilling along strike from Trig. Further potential exists along splays from these major structures and at potentially mineralised lithological contacts throughout the lease area.

## 4 PETERWANGY

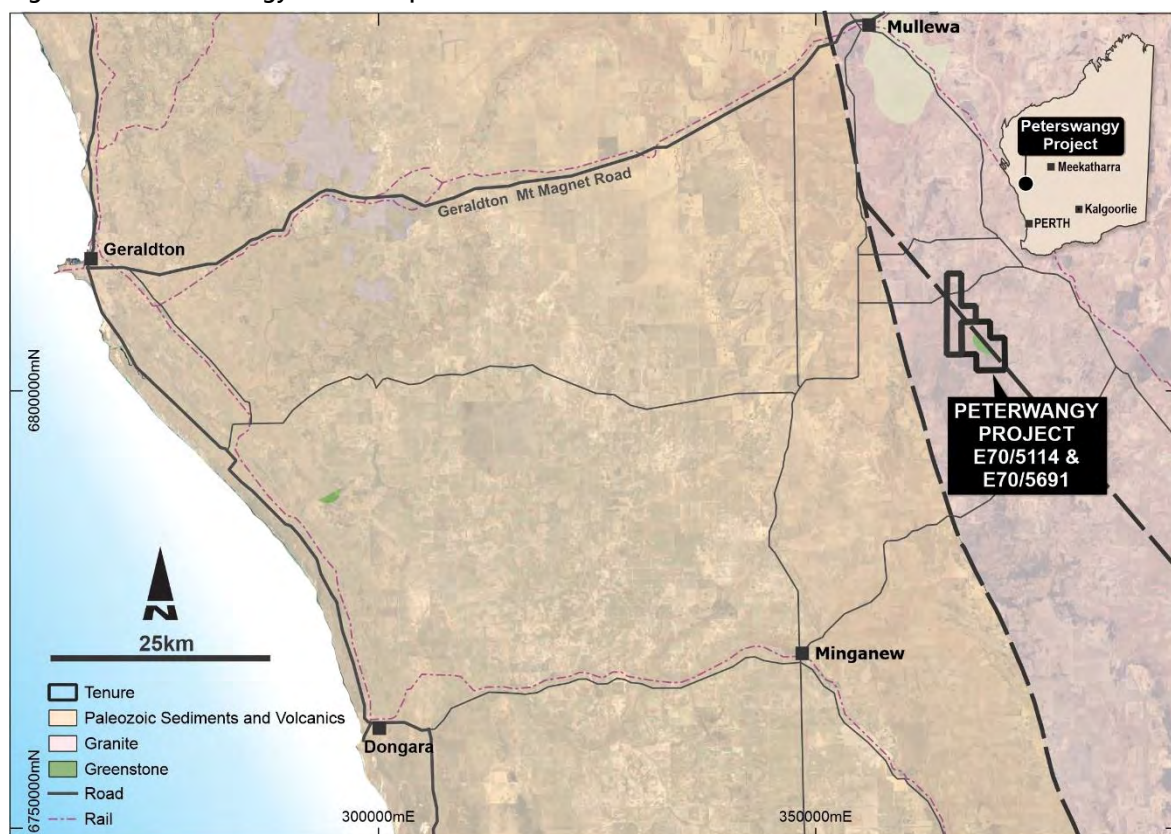
The Peterwangy project comprises two granted exploration licences (E70/5124 and E70/5691) covering 13 blocks for a total area of 4,440 ha, located in the Mid-West region of Western Australia. E70/5124 is held by Provident Mining Pty Ltd (Provident) and a majority interest is to be transferred to Ozz under a commercial arrangement (refer Section 2.2.1 above). E70/5691 is owned by Ozz.

Burnt Shirt cautions that the following information is drawn from publicly available reports held by the GSWA. While Burnt Shirt is satisfied that the exploration results described were conducted in accordance with then-current standards, the reporting of these results at the time may not fulfil the requirements of the JORC Code (2012). The Competent Person considers these results to be indicative of but not an absolute measure of the presence of gold mineralisation.

### 4.1 Location and Access

The Peterwangy project is located approximately 100 km east of the port of Geraldton and 40 km southeast of the town of Mullewa, 350 km north of Perth, Western Australia (Figure 4.1). Access from the west is via the Mullewa-Mingenew Road and from the east via the Mullewa-Wubin Road and then by several unsealed farm tracks. The tenements cover several rural properties under freehold title. Topography ranges from flat lying farming land to low hills covered by open eucalyptus and acacia forest. Peterwangy Hill at 343 m above sea level is the highest point.

Figure 4.1 Peterwangy – location plan



The area has a semi-arid climate with hot dry summers and mild to cool wet winters. The area experiences defined seasons, with January the hottest month and July the coldest with mean maximum and minimum temperatures ranging from approximately 37°C to 19°C (January), and 20°C to 7°C (July), respectively.



In the Mullewa area, average annual rainfall is greater than 330 mm, with December the driest month, averaging 8 mm and June the wettest, averaging 62 mm.

Most of the ground is held under freehold title and used for agricultural purposes (mainly wheat farming). The tenements straddle the boundaries of the shires of Mullewa and Morawa.

**Figure 4.2 Peterwangy vegetation**



## **4.2 Aboriginal Heritage, Native Title and Environment**

Ozz's tenement advisors state that there are no outstanding Annual Environmental Reports or Mine Closure Plans relating to the Peterwangy area. A heritage agreement is in place with the Southern Yamatji for the granted exploration licence.

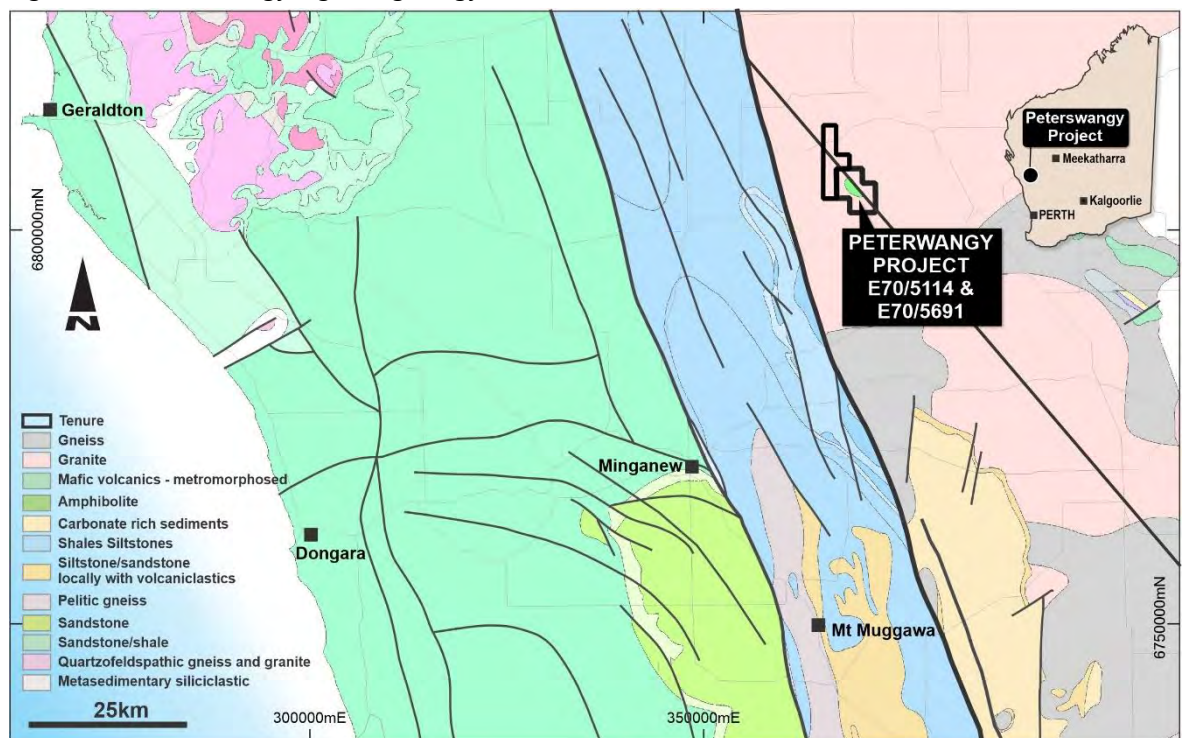
## **4.3 Regional Geology**

Peterwangy is located on the GSWA 1:250,000 Yalgoo map sheet (SH-50-2) and on 1:100,000 Mullewa map sheet (2040), within the Yilgarn Craton, which has been subdivided into several superterrane and terranes. The Peterwangy licences straddle the boundary of the South West and Youanmi terranes.

The South West Terrane is characterised by many northwest-trending linear features. One of the largest of these, the Koolanooka Fault, traverses the project area from the southeast to the northwest over about 10 km.

About 5 km to the west of the tenements, the Darling Fault, a major linear feature, extends for almost 1,000 km and separates the Yilgarn Craton from the much younger sedimentary rocks of the coastal plain or Perth Basin. An estimated downthrow to the west of up to 3,000 m has taken place over a long period of time on this structure. West of Peterwangy, several coal deposits are located close to the Darling Fault in Perth Basin sedimentary rocks.

Figure 4.3 Peterwangy regional geology



Source: Ozz

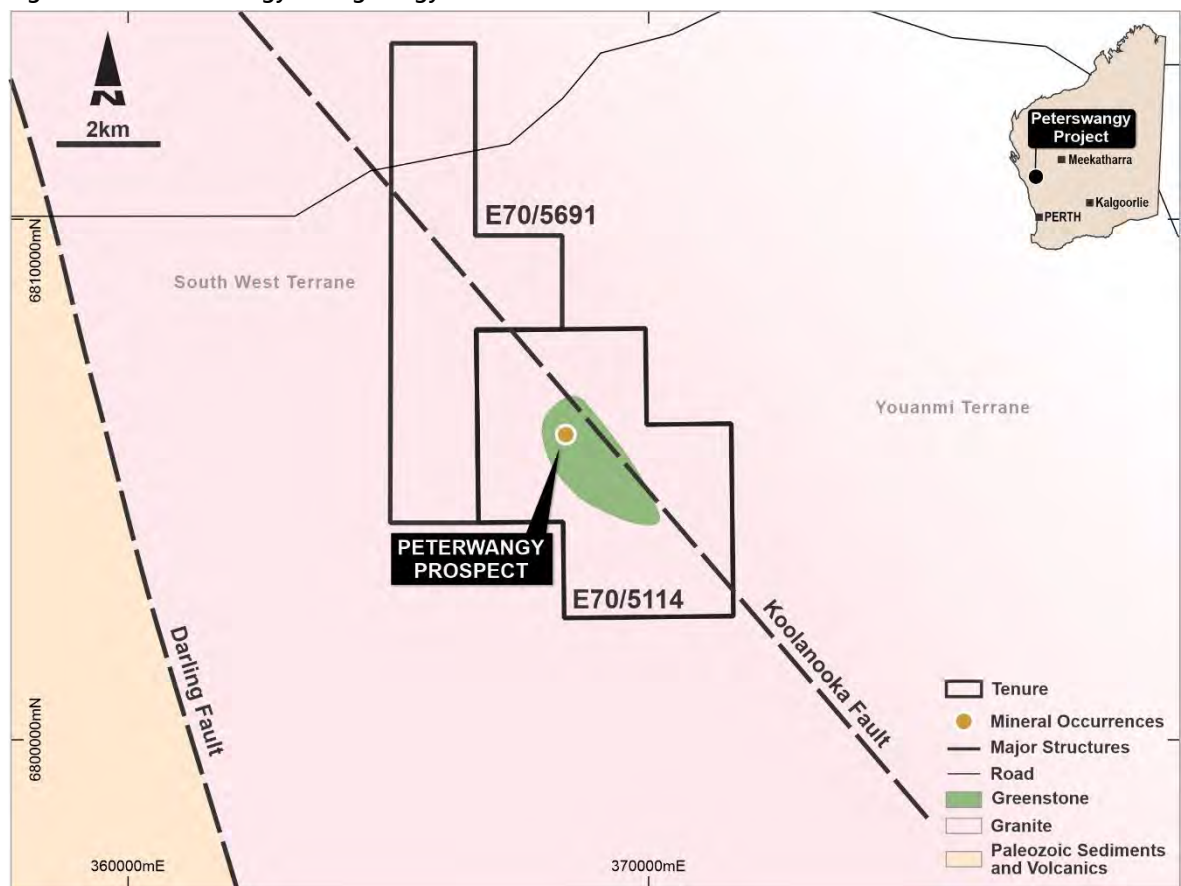
## 4.4 Local Geology

A 3 km long lenticular greenstone belt enclosed by granitoids is located at Peterwangy (Figure 4.4). The greenstone is comprised of amphibolite and schists<sup>21</sup> but contact areas are obscured by transported alluvium and the location and nature of the greenstone-granite transitions are unclear. The greenstone is composed of mainly fine to coarse grained amphibolite with local zones of intense shearing. The greenstone is approximately 1.2 km wide and strikes in a northwest direction parallel to and to the west of the Koolanooka Fault. The surrounding granite is generally leucocratic, equigranular, fine to medium grained, with minor coarse sections.

Outcrop in the area is limited, as extensive weathering has affected the underlying lithologies and alluvium fills the gullies. Much of the area is lateritised, covering an estimated 20 km<sup>2</sup> of the project area.

<sup>21</sup> WAMEX Report number A24164

Figure 4.4 Peterwangy local geology



Source: Ozz

## 4.5 Mineralisation

Gold was discovered at Peterwangy in 1868 in what was Western Australia's first recorded gold rush. Artisanal mining, comprising several collapsed shafts and shallow workings, are found within a few hundred metres of Peterwangy Hill. Gold was reported as being alluvial, within the laterite (partially pisolitic) and in auriferous quartz veins. The largest recorded piece of gold was 3.5 ounces from a 7m shaft and treatment of alluvial material yielded up to 35 g/t Au<sup>22</sup>. Alluvial gold in one location was recorded as being from the size of a pinhead to that of a small pea. The deepest shaft was 47 ft, with development stopped in alluvium owing to water influx. Recent metal detecting has recovered gold from the laterite.

Historical reports detail less than 100 ounces being recovered from the field, with quartz crushing ranging in grade from 2.5 g/t Au to 4.1 g/t Au. A quartz reef was reported as running east-west over the peak of Peterwangy Hill. Elsewhere, a quartz reef of 45 cm width was reported. In 1896, a 11m shaft intersected three reefs running into a large lode, reportedly "carrying good gold"<sup>23</sup>. Difficulties in mining through the alluvium and the water table limited the extent of mining operations at the time.

A review of the styles of mineralisation by previous workers proposed a local source for the gold. The extensive laterite coverage has led to comparisons being made with the Mount Gibson and Boddington laterite deposits<sup>21</sup>. Boddington is located in a similar structural setting with a fault

<sup>22</sup> Forrest, 1871 in Bridge, P, Peterwangy: Western Australia's first goldrush, Hesperian Press, 2008

<sup>23</sup> The West Australian, 11 July 1896



bound northwest trending greenstone belt, with extensive laterites containing around 1 Moz of gold with greater than 10 Moz in the underlying greenstone.

## 4.6 Historical Exploration

Following the discovery of gold in 1868, several mining campaigns are recorded over the ensuing decades. The alluvial cover and the water table largely prevented any assessment of the basement rocks and once the major Eastern Goldfield discoveries were made, little further work was recorded.

Modern exploration commenced in the 1970s with regional sampling programs aimed largely at base metals. The ground was also held for periods from 1980 to 2000 by companies interested in the nearby coal deposits. These companies did not assess the gold potential and no drilling has been completed at Peterwangy.

**Figure 4.5** Peterwangy – historical shaft



Source: Ozz

The first modern gold exploration at Peterwangy was performed by Peterwangy Gold Pty Ltd (PGL) in 1988. PGL undertook limited sampling of rubble around collapsed workings that confirmed the gold was either primary or lateritic, but not alluvial in origin. No assays were reported. PGL made a favourable comparison of the Peterwangy to the Boddington and Mount Gibson laterite deposits and concluded there was considerable potential for gold mineralisation within the greenstone belt. PGL prioritised drilling at its coal deposits to the south and no further work was undertaken at Peterwangy.

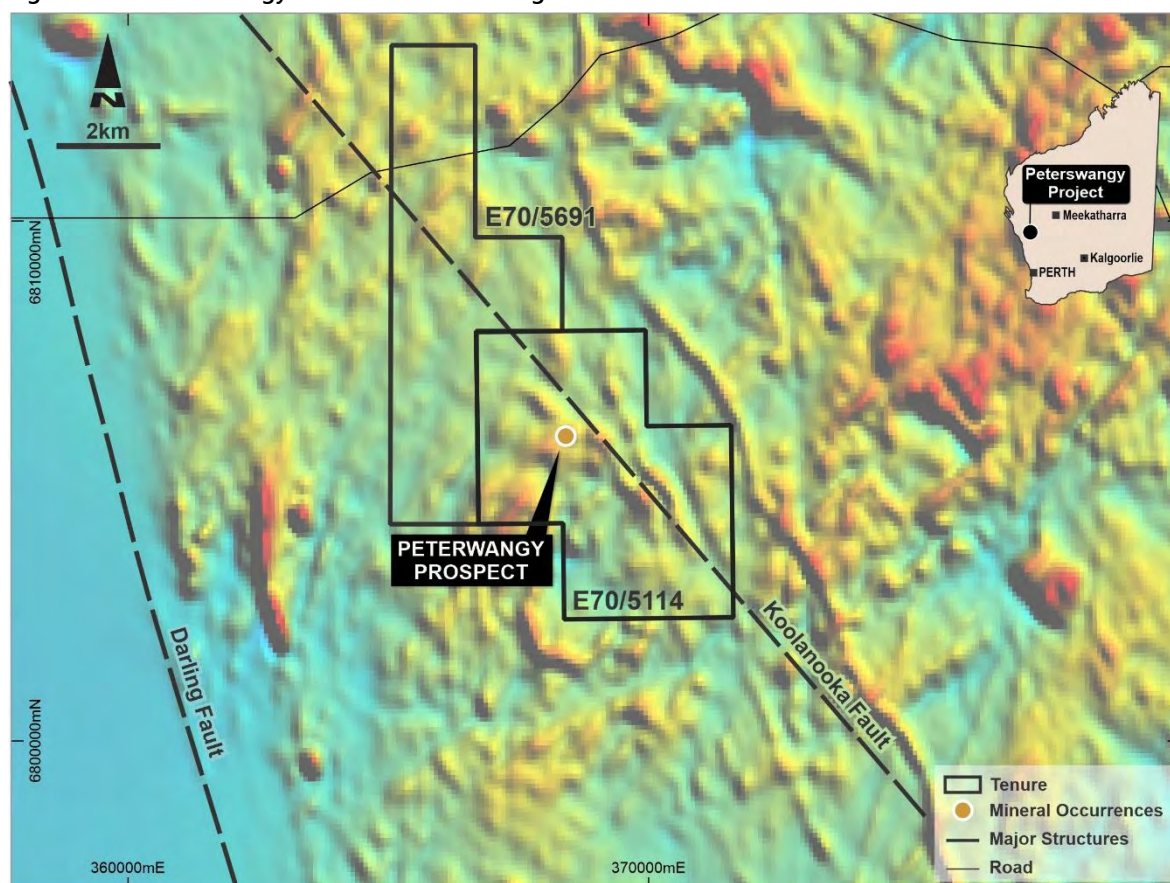
Pancontinental Gold Pty Ltd held a licence covering Peterwangy from 2006 to 2011. Only desktop studies were completed during this period owing to the landowner refusing entry.

Provident was granted the current exploration licence in 2018. A change of landowner led to unrestricted access to the tenement and Provident completed:

- Ground magnetics over part of the tenements
- Soil sampling on a 150 m x 150 m grid
- Drone photographic reconnaissance.

A positive correlation was identified between interpreted structures and low-level gold anomalism from the wide-spaced soil sampling coupled with similar anomalism in chalcophile elements (arsenic, tungsten, molybdenum). This work reinforced potential comparisons with Boddington and culminated in the identification of six specific targets over an area of 2 km x 1 km, on which drilling was recommended.

**Figure 4.6 Peterwangy area – GSWA aero magnetics**



5.6.3

## 4.7 Commentary – Prospectivity

Most of the known gold within the Yilgarn Craton is known to be structurally related and the presence of the craton scale, Koolanooka Fault enhances the prospectivity of Peterwangy significantly. Peterwangy represents a 3 km long greenstone, with no drilling and extensive alluvial and laterite cover shrouding bedrock and subduing geochemical response.

Historical workings at Peterwangy were restricted in extent by alluvial cover and groundwater, despite encouraging reports and recovered grades.

These factors justify further exploration. Both laterites and primary quartz veining are potential hosts for economic mineralisation in the significant greenstone belt underlying the area. The 10 km extent of the Koolanooka Fault on the tenements also provides a target, being a major conduit for fluid flow.

Acquisition of complete magnetic data and infill geochemistry are Ozz's priority, followed by drilling at selective targets and more regionally over the entire greenstone area to better assess areas under cover.



## 5 MAGUIRES

The Maguires project comprises one granted prospecting licence (P20/2318) covering a total of 200 ha and is located in the central Murchison region of Western Australia (Figure 1.2).

Burnt Shirt cautions that the following information is drawn from publicly available reports held by the GSWA. While Burnt Shirt is satisfied that the exploration results described were conducted in accordance with then-current standards, the reporting of these results at the time may not fulfil the requirements of the JORC Code (2012). The Competent Person considers these results to be indicative of but not an absolute measure of the presence of gold mineralisation.

### 5.1 Location and Access

The Maguires project is located approximately 50 km north-northwest of Cue and 30 km west of the Great Northern Highway, 595 km northeast of Perth, Western Australia (Figure 1.1). Access from Cue is via the Great Northern Highway and then following the Karbar-Beebyn Road from Tuckanarra or from Big Bell by following station roads north from Coodardy Station. The tenements lie on the Woolibar pastoral lease. Access within the tenement is via station tracks and gridlines.

The climate is typical of the Western Australian Central Yilgarn region and similar to that of Mount Davis.

The Maguires project area has low to moderate relief with most topographic features-oriented north-south and is covered by scattered shrubland. Vegetation is sparse to moderate, consisting of mainly mulga and stunted eucalyptus with ephemeral grasses and herbs.

### 5.2 Aboriginal Heritage, Native Title and Environment

Ozz's tenement advisors state that there are no outstanding Annual Environmental Reports or Mine Closure Plans relating to the Maguires area. There are no significant Aboriginal heritage issues identified and standard Western Australian access practises will apply.

### 5.3 Regional Geology

Maguires is located on the Belele SG50-11 and Cue SG50-15 1:250,000 and Madoonga 2444 and Cue 2443 1:100,000 GSWA map sheets.

The Maguires Project is situated within the Archaean Murchison Province, a granite-greenstone terrane in the northwest of the Yilgarn Craton. North-northeast trending greenstone belts are separated by granite-gneiss domes, with smaller granite plutons also present within or on the margins of the greenstone belts. The greenstone belts contain tholeiitic and high-magnesium basalts, komatiites and other ultramafic volcanics, mafic and ultramafic intrusives (dolerites, gabbros, dunites), felsic and intermediate volcanics and metasediments including banded iron formations. Outcrop is limited with transported cover over much of the area.

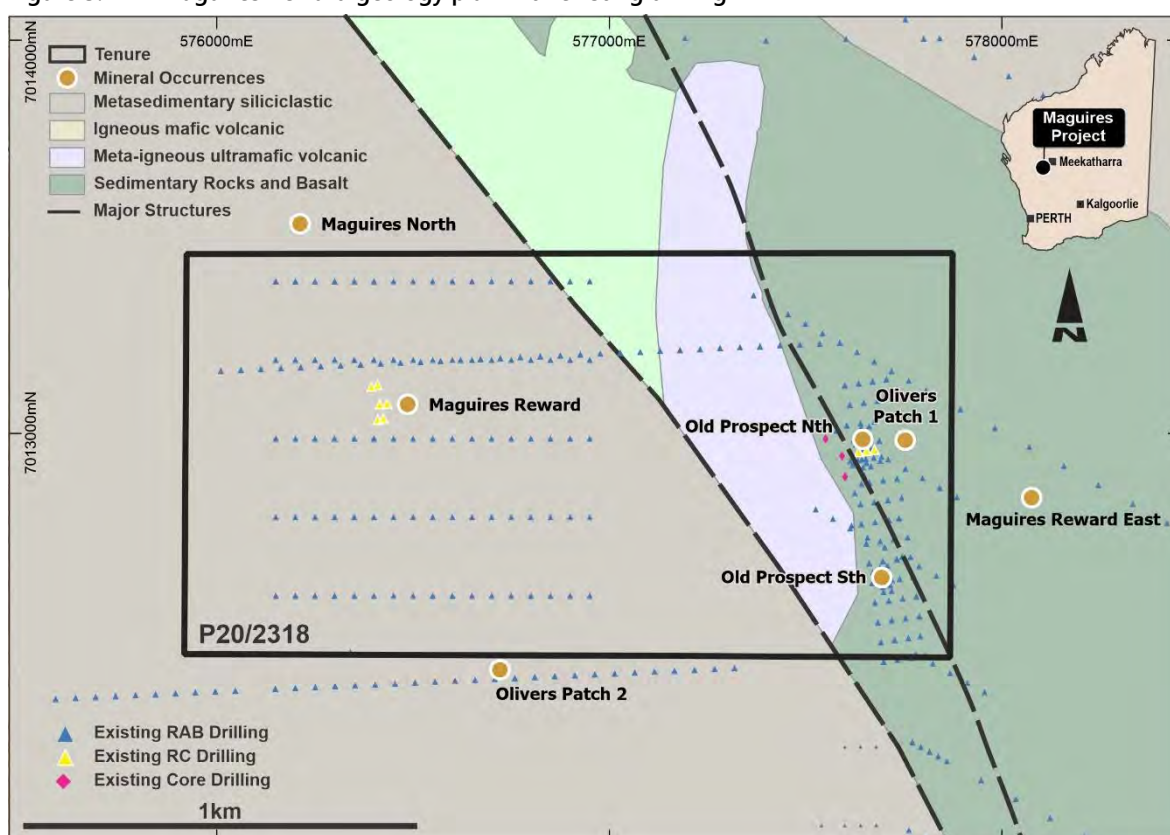
A major structural feature through the Maguires project area is a northeast trending regional shear zone and is an extension of the Big Bell Fault, which splays into several discrete faults to the southwest of the project area and represent prospective gold-bearing fluid pathways and trap sites for gold mineralisation within the project area.

## 5.4 Local Geology

Colluvium covers most of the area with sparse outcrop of highly weathered basalts (Figure 5.1). The Maguires project is underlain by sediments and greenstones of the Archaean Youanmi Terrane. The greenstone belt is reported by the GSWA as being comprised of weakly metamorphosed basalt and ultramafic rocks surrounded by sedimentary rocks. The sediments range from schistose pelites and psammites to quartz-rich sandstones.

The rocks form a structurally complex package of coarse clastic sedimentary rocks and finer grained, felsic volcanoclastic sedimentary rocks of the Ryansville Formation and komatiitic basaltic rocks of the Wattagee Formation. Within the Maguires project area, numerous faults and shear zones trending north-northwest and dipping steeply west have been mapped. Structural mapping within the shear zones indicates reverse movement on faults.

**Figure 5.1** Maguires Reward geology plan with existing drilling



Source: Ozz

The tenements contain major northeast trending shears that are interpreted as extensions of the Big Bell Fault, which plays into several discrete structures south of the Maguires project area. The shears have been described as being up to 400 m wide.

Shallow historical pits and small shafts are located at Maguires Reward and Old Prospect where gold is hosted in north-south trending quartz veins within strongly altered and sheared mafic/ultramafic rocks and altered felsic volcanics/sediments within north-northwest trending shear zones. There are several shafts at the Old Prospect itself and some sub-crop, with the cover deepening further west towards Maguires Reward.

## 5.5 Mineralisation

Gold has previously been produced from several small workings in the Maguires project area.

The Old Prospect lies near the eastern margin of the tenement and the Maguires Reward towards the middle of the licence.

Other prospects in the area include Maguires North, Olivers Patch, South Prospect, and Mustang Sally surrounding the tenement. The most significant old workings are at Old Prospect, where several shafts have been sunk.

Mineralisation at the Old Prospect is associated with talc-carbonate-sericite-biotite alteration adjacent to quartz-carbonate veining (possibly stockwork). The host rock is a strongly foliated carbonate-chlorite altered high-magnesium basalt.

Further west there are a series of shafts and workings that run north to south and are separated by roughly 1km. This area is known as Maguires Reward and mineralisation is hosted by quartz ( $\pm$  carbonate) veining associated with a narrow shear zone in silicified carbonate-chlorite schist. It is likely that this is the same mineralisation as mined at Maguires North in 3 shafts immediately to the north of the lease boundary

Mineralisation at both these areas is associated with brittle-ductile shear zones, which are interpreted to be secondary structures branching from the regional-scale structures. At Mustang Sally, north of the tenement boundary, mineralisation is associated with quartz veining or adjacent to sheared contacts between metasediments or porphyry and basalts.

Previous workers have described the gold mineralisation at Old Prospect as having a strike length of 600 m and containing two zones of mineralisation.

## 5.6 Historical Exploration

The area has been explored both for base metals and gold since the 1980s.

BHP Utah Minerals Limited and BHP Gold Limited (BHP) undertook gold exploration in the area as a joint venture with Hallmark Gold NL (Hallmark) as part of the Big Bell Lineament project (1985 to 1989) to interpret extensions of the Big Bell Shear north of the Big Bell mine. Hallmark retained tenure after the joint venture ended.

In 1992, Posgold Limited (Posgold) entered a joint venture with Newcrest Mining Limited (Newcrest) and Hallmark over an area that includes Maguires Reward, completing RAB and RC drilling around the Old Prospect.

In 1996, Australian Goldfields acquired tenements in the area and held them until the company went into receivership in 1998.

Harmony Gold Limited (Harmony) explored the area in 2000–2003 completing soil sampling on the western edge of the tenement.

### 5.6.1 BHP/Hallmark Drilling

BHP's exploration commenced with a broad vertical RAB program on 1,000 m x 800 m spacings. These holes were shallow and drilled into saprolitic clays with the aim of testing the residual weathering profile (Figure 5.1 above)<sup>24</sup>.

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<sup>24</sup> WAMEX Report number A27504.

A gold-arsenic anomaly was identified from assay results at Old Prospect and initially tested by closer spaced vertical holes, then by inclined RAB and diamond drilling. Surficial geochemical testing included an orientation soils sampling program over Old Prospect.

Diamond drilling at Old Prospect was designed to test the down-dip extensions of mineralisation. Results indicated the mineralisation was confined to narrow zones and the strike was subsequently divided into the northern and southern zones for further work.

At Maguires Reward, two east-west oriented lines of RAB were drilled with the best results (Table 5.1)<sup>25</sup> being 6 m at 0.03 g/t Au (PA144, 6–12 m) and 6 m at 0.08 g/t Au (PA133, 18–24 m) from a hole drilled under an old shaft. Another shaft was discovered during the RAB program and an RC hole beneath it returned an intersection of 6 m at 23.9 g/t Au from 66 m (GRC001). Limited follow-up drilling tested strike extensions to the north and south but found no results above 0.04 g/t Au.

**Table 5.1 Significant results from BHP gold drilling at Maguires Reward**

Hole	Type	Easting (m)	Northing (m)	Depth (m)	From (m)	To (m)	Intercept (m)	Grade (Au g/t)
JB0401	RAB	10 000	10 000	42	36	38	2	4.31
JB0403		10 000	9 980	42	36	42	6	18.60
JB0406		9 990	9 660	30	16	20	4	5.12
JB1019		10 020	10 000	66	48	54	6	4.20
JB1021		10 020	9 980	54	48	54	6	3.80
JBD001	Diamond	9 943	9 980	201	65.9	66.6	0.7	3.10
					127	129	2	13.65
JBD003		9 908	10 030	270	152	153	1	10.10

Source: WAMEX report number A32829, grid is local coordinates

Burnt Shirt cautions that these results are historical in nature and may not have been reported in accordance with the JORC Code or its predecessors and are to be treated with appropriate caution. The Competent Person considers that these results have been gathered in accordance with appropriate practice at the time and provide a reasonable but not absolute indication of the prospectivity of the relevant project geology.

## 5.6.2 Newcrest and Posgold Drilling

Newcrest drilled 58 inclined RAB holes for 4,295 m over a strike length of 700 m to test the strike extent of mineralisation at Old Prospect<sup>26,27</sup>. A total of 17 RC percussion holes for 844 m were then drilled to test the tenor of identified mineralisation. Drilling in the area around the old workings intersected narrow zones of mineralisation, whereas a wider zone of mineralisation was encountered to the south.

Based upon the results of the drilling and the earlier surface rock chip sampling, Newcrest estimated a mineralisation endowment at Old Prospect of 35,000 tonnes at 2.99 g/t Au for the mineralisation around the old workings including 25,000 tonnes at 3.82 g/t Au for the mineralisation at the Main Zone<sup>27</sup>.

<sup>25</sup> WAMEX report number A32829.

<sup>26</sup> WAMEX report number A34325.

<sup>27</sup> WAMEX report number A37792.



Burnt Shirt cautions that this estimate is historical in nature and has not been reported in accordance with the provisions of the JORC Code (2012). Burnt Shirt considers this to be indicative of the presence of gold mineralisation but not an absolute estimate of its tenor or quantity. Burnt Shirt considers this estimate to support its postulated Exploration Target.

**Table 5.2 Significant results – Newcrest Old Prospect drilling**

Hole	Type	Easting (m)	Northing (m)	Depth (m)	From (m)	To (m)	Intercept (m)	Grade (Au g/t)
OP1005-3	RAB	9 965	10 050	71	48	55	7	1.54
OP100-3		9 980	10 000	81	60	63	3	2.32
OP9965-3		10 005	9 650	65	27	33	6	8.02
OP9965-6		9 990	9 650	80	48	48	5	4.02
BWRC4	RC	10 001	9 652	50	34	38	4	6.34
BWRC-5		10 019	9 651	25	8	12	4	5.48
BWRC-6		9 995	9 974	55	41	21	6	11.55
BWRC17		10 015	9 638	30	17	47	4	5.37
BWRC18		9 995	9 636	55	45	21	2	6.39
BWRC20		10 015	9 687	25	9	16	7	8.74

Source: WAMEX A37792, grid is local coordinates

Three holes were drilled at Maguires Reward by Newcrest to test for up-dip extensions to mineralisation. The best intersection from this drilling was 2 m at 6.02 g/t from 34 m (BWRC15). RAB drilling by Newcrest to the south of the tenement along strike for Old Prospect produced a geochemical anomaly that was found to be associated with a lithological contact between high-magnesium basalts and metasediments.

Posgold drilled four lines of RAB holes to test the potential around Maguires Reward returning 4 m at 179 ppb Au from 32 m (MRB059) and 4 m at 59 ppb Au from 40 m (MRB032)<sup>28</sup>. Some anomalism was also intersected near a shaft to the south of the tenement. Anomalous arsenic results with a peak of 189 ppm As correlate to interpreted shear zones in the area.

Burnt Shirt cautions that these results are historical in nature and may not have been reported in accordance with the JORC Code or its predecessors and are to be treated with appropriate caution. The Competent Person considers that these results have been gathered in accordance with appropriate practice at the time and provide a reasonable but not absolute indication of the prospectivity of the relevant project geology.

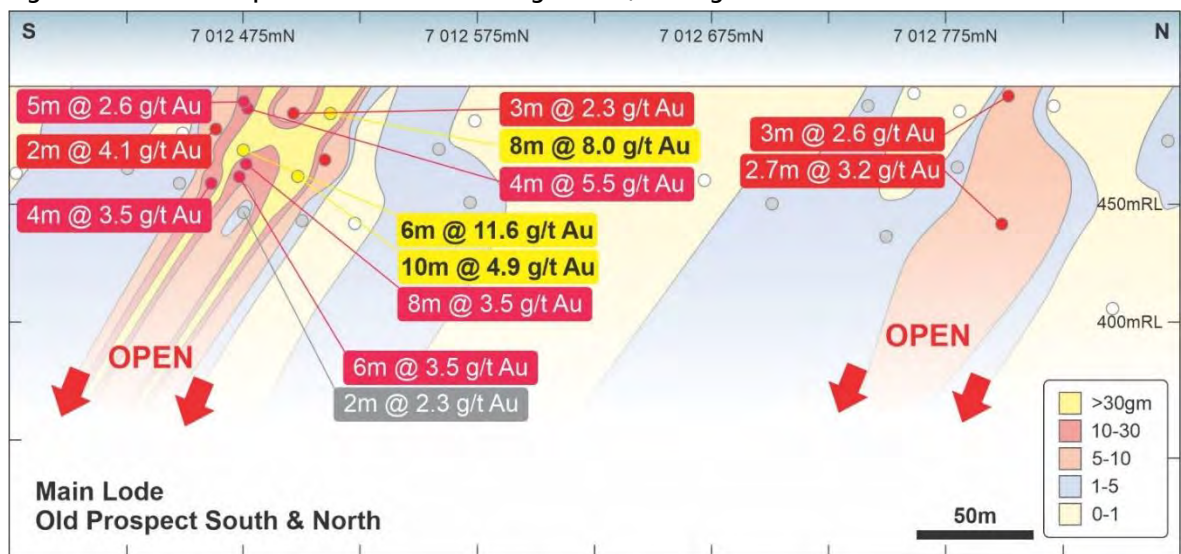
### 5.6.3 Exploration Target

Recent work by the owners of the tenement has extrapolated mineralisation to 200 m below surface, projecting the strike extent to depth and has resulted in an Exploration Target of between 0.15 Mt at 4.3 g/t Au and 1.5 Mt at 2.31 g/t Au, mainly centred on Old Prospect (Figure 5.2). This Exploration Target is premised on construction of electronic wireframes for Old Prospect and Maguires based on the current extent of drilling that returned grades greater than 0.5g/t Au and extrapolation to depth. Grades have been assigned as arithmetic means of the drilled grades at a bulk density of 2.6 t/m<sup>3</sup>.

The Competent Person considers this to be a reasonable extrapolation based on interpretation of historical drilling results and geology.

<sup>28</sup> WAMEX report number A43174.

Figure 5.2 Old Prospect South and North long section, looking west

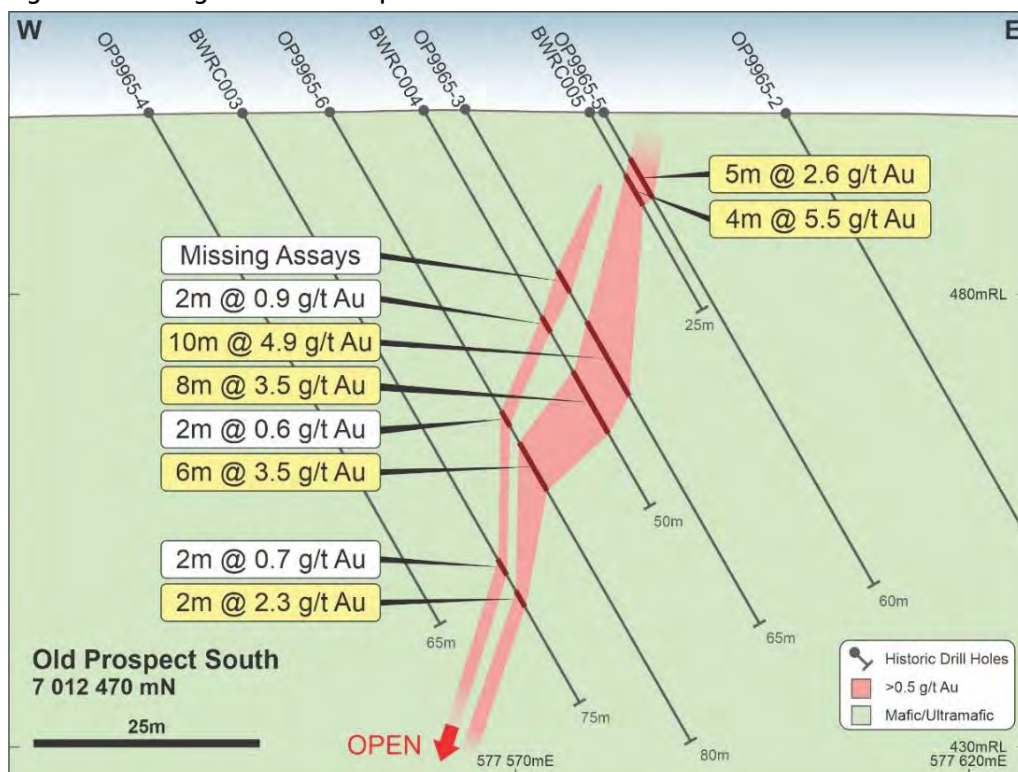


Source: Ozz, AMG grid

The host structures at Old Prospect demonstrate continuity over a 400 m strike from south (Figure 5.3 and Figure 5.4) to north (Figure 5.5). Several structures are apparent, with some thickness to the mineralisation evident. Anomalous gold grades returned from relatively shallow drilling are worthy of further exploration.

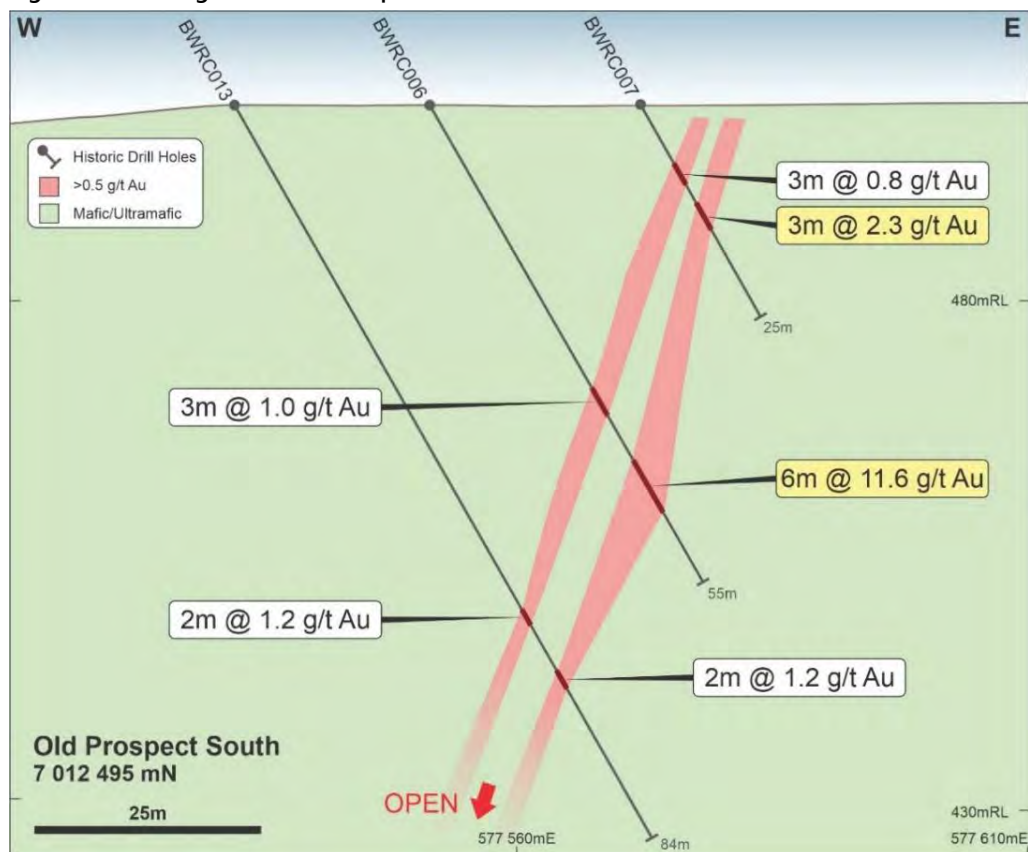
At Maguires, the mineralised structure shows continuity and attractive grades, but drilling to date has not tested its strike extents. Repetitions of this structure have been similarly untested.

Figure 5.3 Maguires – Old Prospect South cross section 7012470 mN



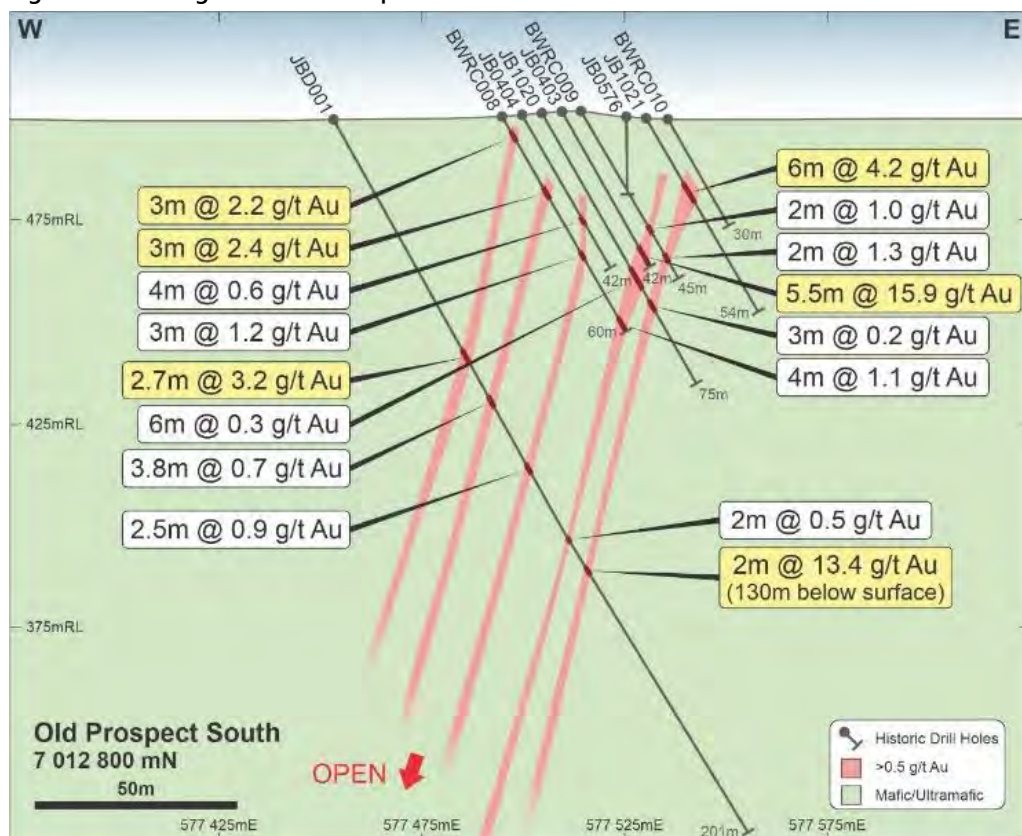
Source: Ozz, AMG grid

Figure 5.4 Maguires – Old Prospect South cross section 7012495 mN



Source: Ozz, AMG grid

Figure 5.5 Maguires – Old Prospect South cross section 7012800 mN



Source: Ozz, AMG grid



Figure 5.6 Maguires Reward cross section 7012925 mN



Source: Ozz, AMG grid

Burnt Shirt cautions that an Exploration Target is a statement or estimate of the exploration potential of a mineral deposit in a defined geological setting where there has been insufficient exploration to estimate a Mineral Resource, that the potential quantity and grade is conceptual in nature and that it is uncertain if further exploration will result in the estimation of a Mineral Resource.

## 5.7 Commentary – Prospectivity

The Maguires project lies on a major gold mineralised shear zone interpreted as being part of the Big Bell Fault. The tenement has extensive transported cover and hence past exploration efforts have not necessarily been effective in defining zones of anomalism. Historical RAB drilling did not test bedrock and largely stopped in saprolitic clays.

Drilling has enabled the completion of a mineralisation estimate that indicates the presence of moderate/high-grade mineralisation, from which an Exploration Target has been postulated of between 0.15 Mt at 4.3 g/t Au and 1.5 Mt at 2.31 g/t Au, mainly centred on Old Prospect.

The mineralisation at Old Prospect forms steeply south plunging shoots and given the shallow and wide spaced nature of much of the drilling on the prospect there is considerable potential for further shoots to be discovered and for depth extension.

Maguires Reward is considered by Burnt Shirt to have potential along strike and down dip.

## **6 RABBIT BORE**

The Rabbit Bore project comprises one granted exploration licence (E51/1671) covering a total of 600 ha and is located in the central Murchison region of Western Australia. It is held by Diversified and an interest is to be transferred to Ozz under a commercial arrangement (refer Section 2.2.1 above).

### **6.1 Location and Access**

The Rabbit Bore project is located approximately 55 km north of Cue and 25 km west of the Great Northern Highway, 595 km northeast of Perth, Western Australia (Figure 1.1). Access from Cue is via the Great Northern Highway and then following the Karbar-Beebyn Road from Tuckanarra or from Big Bell by following station roads north from Coodardy station. The tenement lies on the Beebyn pastoral lease. Access within the tenement is via station tracks and gridlines, although regrowth of vegetation has limited access along some gridlines.

The climate is similar to that of Mount Davis and Maguires and the project area is largely flat covered by scattered shrubland. Vegetation is sparse to moderate, consisting of mainly mulga and stunted eucalyptus with ephemeral grasses and herbs.

### **6.2 Aboriginal Heritage, Native Title and Environment**

Ozz's tenement advisors state that there are no outstanding Annual Environmental Reports or Mine Closure Plans relating to the Rabbit Bore area. There are no significant Aboriginal heritage issues identified and standard Western Australian access practises will apply.

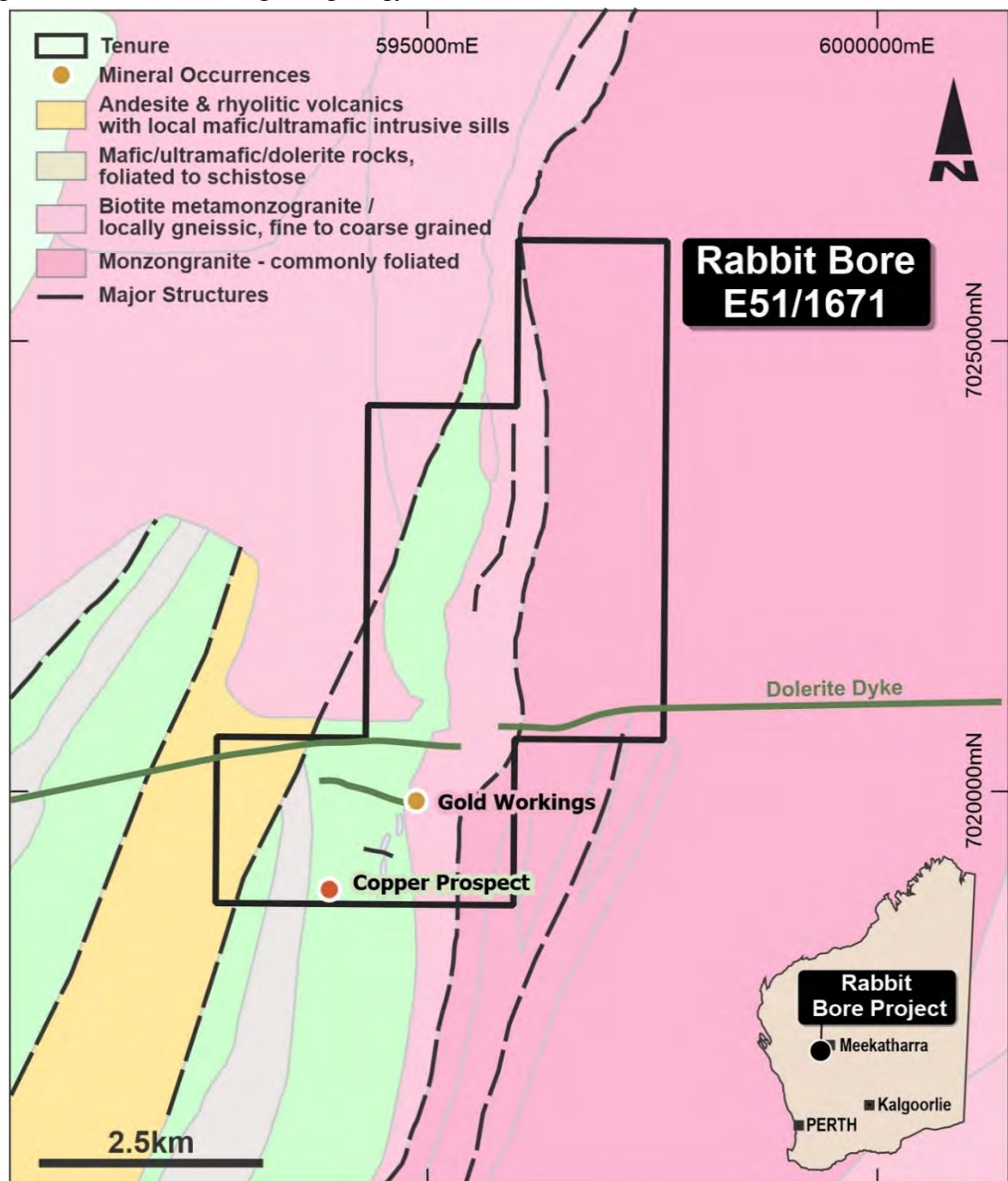
### **6.3 Regional Geology**

Rabbit Bore is located on the Belele SG50-11 and Madoonga 2444 1:100,000 GSWA map sheets.

The Rabbit Bore Project lies at the northern end of the Archaean Mount Weld Greenstone Belt (Figure 6.1). A north-northeast striking greenstone domain passes north into granites forming a lensoid shaped inclusion in the surrounding granitoid lithologies. Contact areas are obscured by transported alluvium, and the precise location or nature of the greenstone-granite transitions are not clear.

The greenstone belt is reported by the GSWA as amphibolite, metamorphosed mafics, ultramafics and deeply weathered felsic volcanics. The tenements contain a major northeast trending shear zone that is interpreted as an extension of the Big Bell Fault, which splays into several discrete structures south of the Rabbit Bore project area. This structure contains gold prospects along its entire length.

Figure 6.1 Rabbit Bore regional geology



Source: Ozz

## 6.4 Local Geology

The Rabbit Bore project is underlain by granites and greenstones of the Archaean Youanmi Terrane. The enclosing granite to the east is described as a locally foliated meta-granite with rafts of amphibolite grading to an undeformed monzogranite. To the west is a monzogranite locally foliated and metamorphosed. Outcrop within the area is limited to a 2 km long ridge to the south west of the tenement with a thin blanket of transported material covering the rest of the area that deepens over the granitoids.

The greenstone belt is approximately 5.5 km long and strikes north-northeast through the tenements. A Proterozoic dolerite dyke with an east-west orientation crosscuts lithologies adjacent to the Rabbit Bore project and possibly offsets the greenstone belt with dextral movement, as

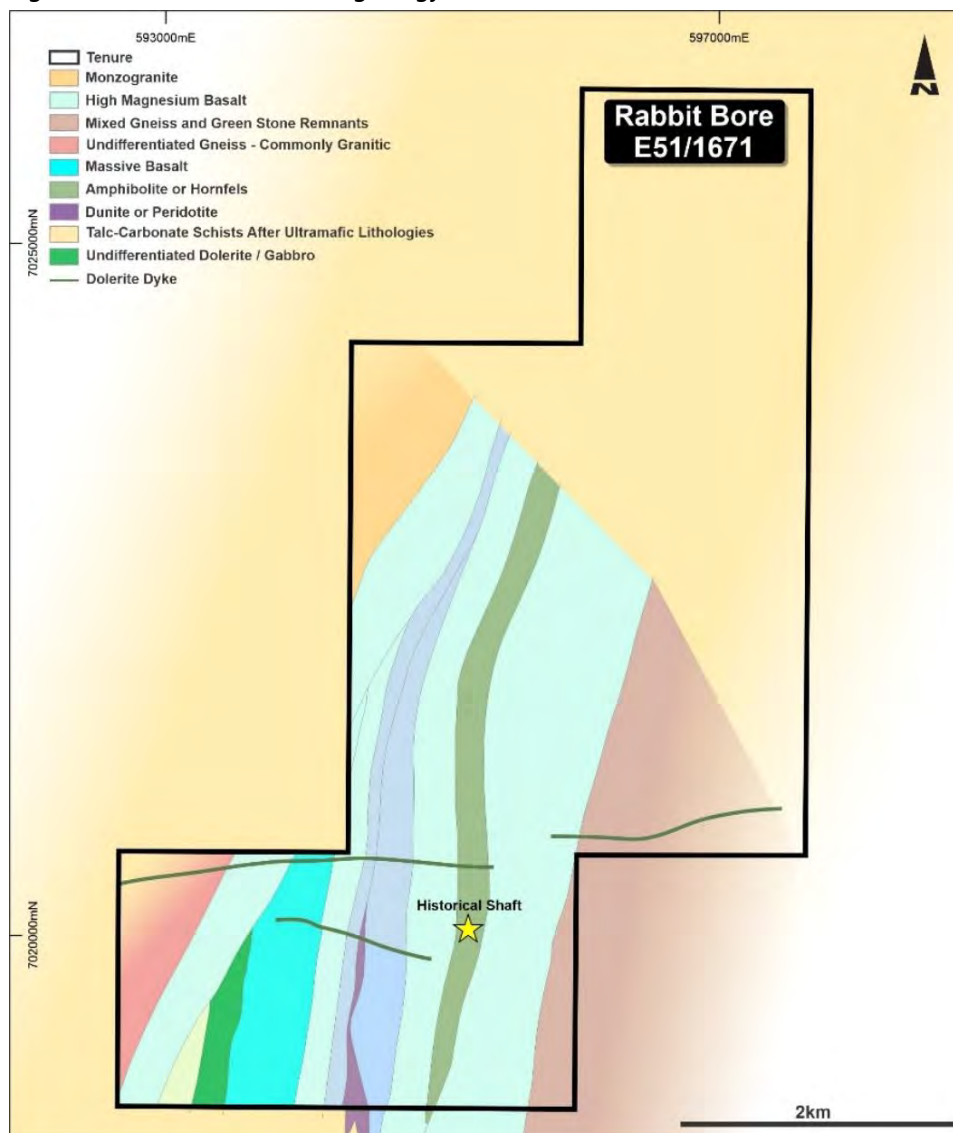
indicated by the regional aeromagnetic data. If this is the case, then unexposed and untested greenstone may be present in the east of the tenement. The sense of movement is supported by minor dextral fault offsets to the ultramafic units, where exposed.

Mapping by Kennecott Exploration Limited (Kennecott) in the 1970s suggests that the greenstone is comprised of basaltic extrusives with interbedded shales and siltstones. Intrusive rocks consist of gabbro, meta-pyroxenite and meta-peridotite. The basalts are typically highly sheared and made up of several individual flows separated by thin sedimentary beds. Local metamorphism is present at the contacts with the intrusive ultramafics. The sediments are composed of shales, mudstones, siltstones with some chert. The shales and mudstone are locally pyritic. The felsic volcanics to the west of the tenements are deeply weathered and lack exposure.

Three ultramafic intrusives up to 60 m wide are strongly foliated with variably altered including tremolite, talc-carbonate, chlorite and magnetite minerals. Originally, they are likely to have been pyroxenite/peridotite sills.

The sequence typically dips moderately steeply to the west and localised faulting is common (Figure 6.2).

**Figure 6.2 Rabbit Bore local geology**



Source: WAMEX report number A064932



## 6.5 Mineralisation

Burnt Shirt considers that there is potential for both gold and base metal mineralisation at Rabbit Bore.

### 6.5.1 Gold

Historical gold mining at Rabbit Bore comprises a small vertical shaft, four prospector pits and a dry blowing area, with no records of the quantity of gold produced.

Gold mineralisation is believed to be related to the quartz blows which occur at the historical workings. Quartz is mapped over an area extending approximately 1 km in an east-west direction. It is interpreted that the veins dip gently toward the north and strike east-west, as indicated by the alignment and depth of the workings that also suggests the possibility for stacked lodes covered by transported material. The east-west orientation of the adjacent crosscutting dolerite dyke suggests that the deformation or movement at the time of intrusion influenced the disposition of the gold mineralisation.

Regional soil sampling over the greenstone belt by Harmony was later duplicated by Enterprise Metals Limited (Enterprise) but the orientation of both exercises is considered sub-optimal given the apparent east-west orientation of the mineralisation. The extensive alluvial cover is also likely to limit the effectiveness of such sampling.

Low-grade anomalism is present along the 5.5 km extent of the greenstone belt, and with no drilling and a possible crosscutting orientation for gold veins, the project area is considered largely untested.

The highest gold assay returned from soil sampling was 2.18 g/t<sup>29</sup>, adjacent to the Rabbit Bore workings. Away from the workings, the highest assay was 24 ppb<sup>30</sup> Au (Figure 6.3). A moderate correlation exists between the presence of quartz outcrop and the magnitude of the assay response. Further grab sampling by Diversified in 2018 produced returned 4.24 g/t Au from around the shaft and 0.40 g/t Au and 0.24 g/t Au from shallow pits<sup>31</sup>.

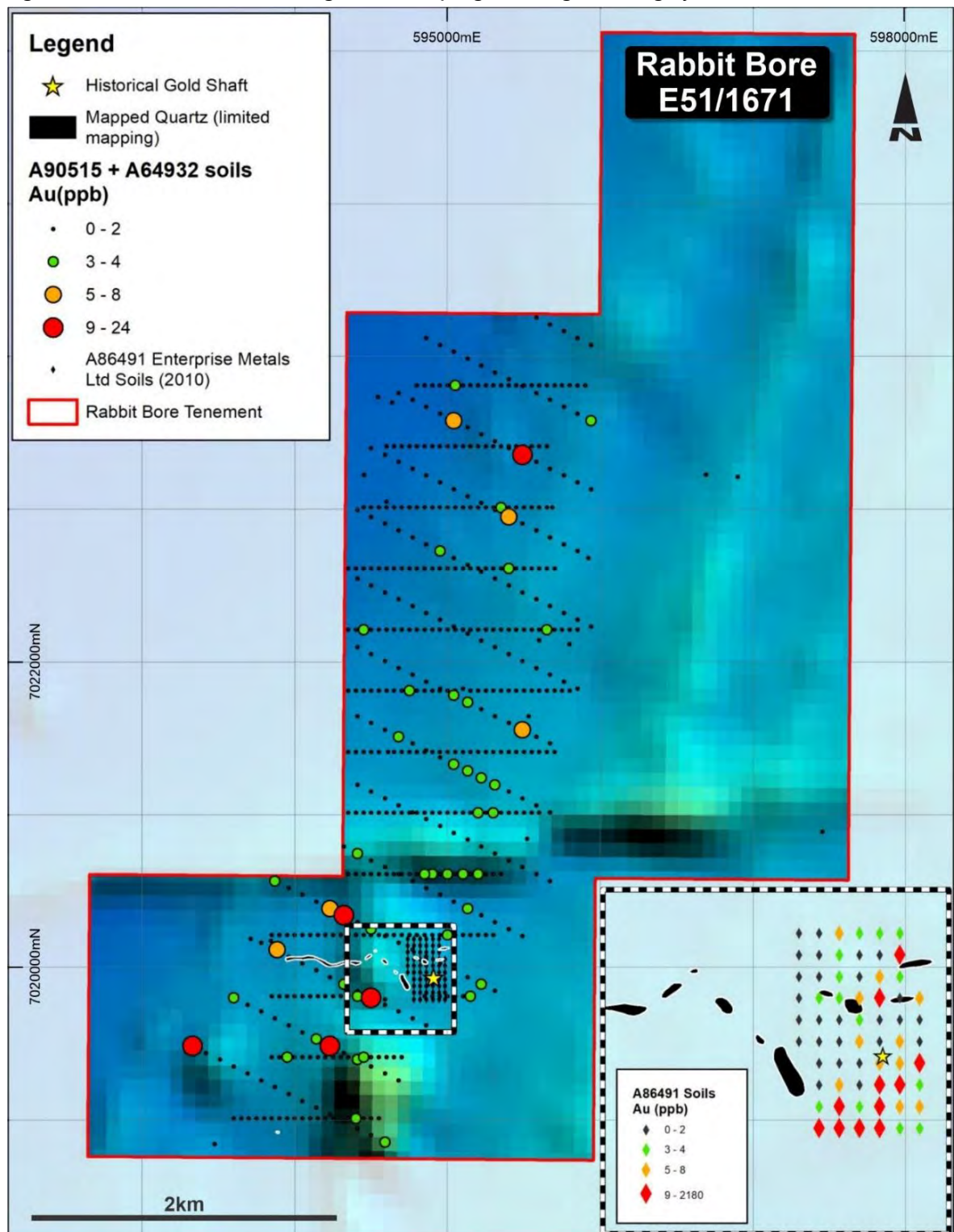
Burnt Shirt cautions that these results are historical in nature and may not have been reported in accordance with the JORC Code or its predecessors and are to be treated with appropriate caution. The Competent Person considers that these results have been gathered in accordance with appropriate practice at the time and provide a reasonable but not absolute indication of the prospectivity of the relevant project geology.

<sup>29</sup> WAMEX report number A86491.

<sup>30</sup> WAMEX report number A90515.

<sup>31</sup> Diversified Asset Holdings Pty Ltd, internal report, Rabbit Bore, April 2019.

Figure 6.3 Rabbit bore historical gold soil sampling over magnetic imagery

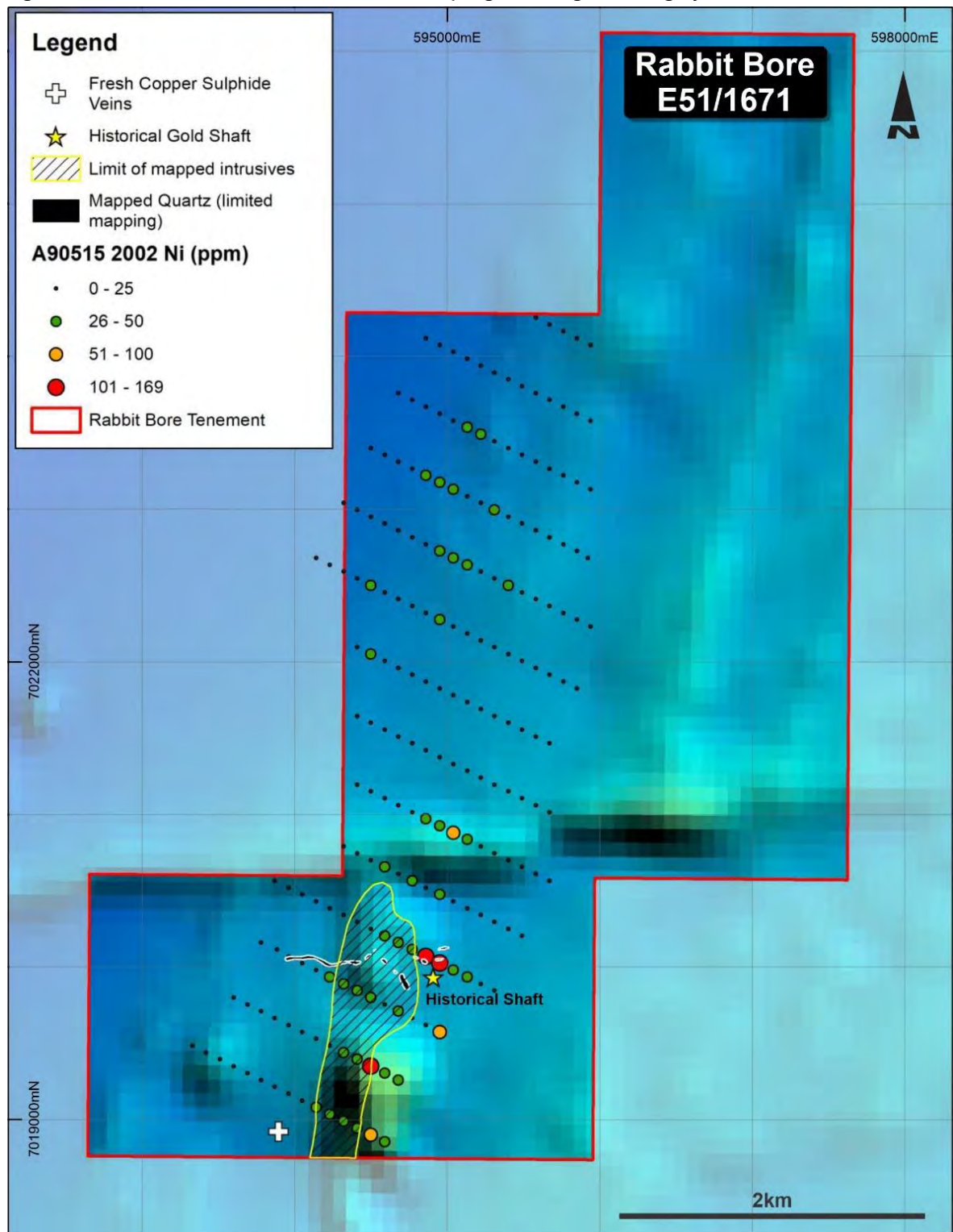


Source: Ozz

## 6.5.2 Base Metals

The greenstone belt is considered by Burnt Shirt to be prospective for copper, nickel, cobalt, and chrome based on lithologies and the results of rock chip and soil sampling. The extensive cover in the north part of the tenement obscures geology and also mutes geochemical responses. There has been no drilling and the potential is untested for 5.5 km of strike.

Figure 6.4 Rabbit Bore historical nickel soil sampling over magnetic imagery



Source: Ozz

Sampling by Kennecott focused on the exposed serpentinites returned nickel assays up to 1,295 ppm and chromium to 5,400 ppm<sup>32</sup>. Anomalous cobalt and arsenic assays results are associated with nickel (Table 6.1).

<sup>32</sup> WAMEX report number A2453.

**Table 6.1 Kennecott rock chip samples (Ni >1,000 ppm)**

Sample number	Ni (ppm)	Co (ppm)	Cu (ppm)	Zn (ppm)	Cr (ppm)
263855	1 000	82	68	80	47 000
263857	1 065	92	24	76	48 000
263864	1 000	98	16	94	45 000
263865	1 000	86	22	84	39 000
263866	1 145	94	28	84	42 000
263873	1 065	96	28	74	40 000
263874	1 065	92	20	86	54 000
263875	1 145	106	22	104	54 000
263876	1 120	76	18	78	40 000
263878	1 245	124	20	78	44 000
263883	1 200	114	10	82	46 000
263884	1 120	96	14	72	49 000
263885	1 200	106	10	74	48 000
263886	1 245	112	20	94	54 000
263887	1 245	106	14	80	44 000
263895	1 145	104	28	76	44 000
263896	1 295	108	24	84	46 000
263897	1 200	112	10	88	40 000
263898	1 065	108	18	104	40 000

The later soil sampling by Enterprise reinforced the northward trend of anomalous nickel, cobalt, chromium, and arsenic.

A copper anomaly was identified by BHP<sup>33</sup> at the south end of the lease (Figure 6.1). Chalcopyrite in epidote/quartz veining was assayed at 3,400ppm Cu<sup>33</sup>. No follow up work was undertaken.

Burnt Shirt cautions that these results are historical in nature and may not have been reported in accordance with the JORC Code or its predecessors and are to be treated with appropriate caution. The Competent Person considers that these results have been gathered in accordance with appropriate practice at the time and provide a reasonable but not absolute indication of the prospectivity of the relevant project geology.

## 6.6 Historical Exploration

Exploration in or around the current E51/1671 has been only carried out spasmodically since the 1970s, and largely focused on base metal, gold and more recently iron ore.

Key activity included:

- Kennecott (1971–1972) completed mapping and sampling over southern part of lease, targeting nickel/copper. Other mineral claims in the area were worked with no records available up to the mid-1990s.
- BHP drilled about 300 RAB holes in a grid to the southwest of the tenements in 1982 to 1984<sup>34</sup>. BHP also flew an aeromagnetic radiometric survey over the project area.

<sup>33</sup> WAMEX reports A14946.

<sup>34</sup> WAMEX reports A14946.



- Granted exploration licences in the area were held by Yilgarn Gold Mines NL, New Hampton, and Dalrymple Resources Limited (1994 to 2000). Little or no expenditure was recorded except for 12 RAB holes reported by New Hampton well outside the present project area.
- In 2000–2002, Harmony explored the project area and completed a 400 m x 50 m soil sampling program focussing on gold anomalism.
- World Geoscience Corporation conducted a multi-client airborne magnetic radiometric survey at 200 m line spacings in 2005.
- Enterprise explored the area in 2010–2011 as a joint venture with the tenement owner. Prior to its involvement, 67 soil samples were taken at a 40 m x 40 m spacing immediately surrounding the Rabbit Bore Project. Enterprise took 207 soil samples (at a 400 m x 100 m spacing) over the greenstone belt sub-crop that replicated the efforts of Harmony in 2002. Low-level nickel, cobalt, platinum, and lead anomalies were identified following assaying.
- In 2018, Diversified completed mapping and sampling around the gold workings.

## 6.7 Commentary – Prospectivity

The Rabbit Bore project lies in a poorly explored greenstone belt in the central Yilgarn and has potential for both gold and nickel-cobalt mineralisation. There has been no recorded drilling on the tenement and with transported material covering the northern 60% of the lease area, there is potential for unrecognised mineralisation.

The project area encompasses an 800 m wide greenstone belt enclosed by surrounding granitoids in a geological setting likely to be conducive for ore forming processes. Structural disruption has been extensive, with the extension of the mineralised Big Bell Fault that has imbricated into a number of northwest trending shear zones that parallel the enclosing granitoids contacts. These shears also parallel the lithological contacts within the greenstone, creating potential traps for mineralisation. Potential structures are also visible from the magnetic coverage (Figure 6.3), that indicate under-cover untested potential to the east of the greenstone belt.

Gold production in the immediate area is poorly recorded but recent and historical work suggests the potential for high-grade quartz associated mineralisation. Recent re-interpretation suggests that the mineralisation could trend east to west and dips shallowly north. The typical wide spaced soil sampling programs completed by past workers are not oriented optimally to test this orientation and with no drilling completed the Rabbit Bore gold prospect is untested.

The 800 m wide greenstone belt striking for 5.5 km through the project is only exposed in the southern part. A copper prospect has been previously identified and soil sampling has indicated anomalous nickel and cobalt values and the results clearly justify further work. Structural disruption improves the potential and the possibility of dextral movement across the crosscutting dolerite dyke raises the possibility that further prospective zones lie to the north that have had no sampling or assessment.

## 7 WARDARBIE SOUTH

The Wardarbie South prospect comprises three granted prospecting licenses (P51/3025, P51/3026, and P51/3027) covering a total of 600 ha and is located in the northern Murchison region of Western Australia. The owner of the tenements, Gelignite Resources Ltd has agreed to transfer 80% of the tenements to Ozz (refer Section 2.2.1 above).

### 7.1 Location and Access

Wardarbie South is located approximately 75 km west-northwest of Meekatharra and 10 km south of Koonmarra Station, 620 km northeast of Perth, Western Australia (Figure 1.1). Access is by the well-maintained Gascoyne Junction Road from Meekatharra to the Koonmarra Station turnoff and then station tracks and fence lines to Wardarbie South.

The climate is typical of the Western Australian Central Yilgarn region being semi-arid. The area experiences defined seasons, with January the hottest month and July the coldest with mean maximum and minimum temperatures ranging from approximately 38°C to 23°C (January), and 19°C to 7°C (July), respectively.

In the Meekatharra area, average annual rainfall is greater than 226 mm, with October the driest month, averaging 5.0 mm and March the wettest, averaging 32.7 mm.

The Wardarbie South project area is largely flat covered by scattered shrubland dominated by *Acacia* and *Eremophila* spp., with ephemeral grasses and herbs.

### 7.2 Aboriginal Heritage, Native Title and Environment

Ozz's tenement advisors state that there are no outstanding Annual Environmental Reports or Mine Closure Plans relating to the Wardarbie South. There are no significant Aboriginal heritage issues identified and standard Western Australian access practises will apply.

### 7.3 Regional Geology

Wardarbie South is located on the Belele SG50-11 and Koonmarra 2445 1:100,000 GSWA map sheets.

The area is underlain by a part of the 5–10 km wide Mingah Range Greenstone Belt in the northern part of the Archaean Murchison Province of the Yilgarn Craton. The belt is arcuate and trends in a north-westerly direction and is bound to the northeast and southwest by granite and granite gneiss. Lithologies consist of sediments, felsic volcanics, basalt, dolerite, ultramafic, high-magnesium basalt and banded iron formation. The dolerite units often occur as clearly differentiated sills. Metamorphism is typically greenschist facies with original rock textures being typically preserved.

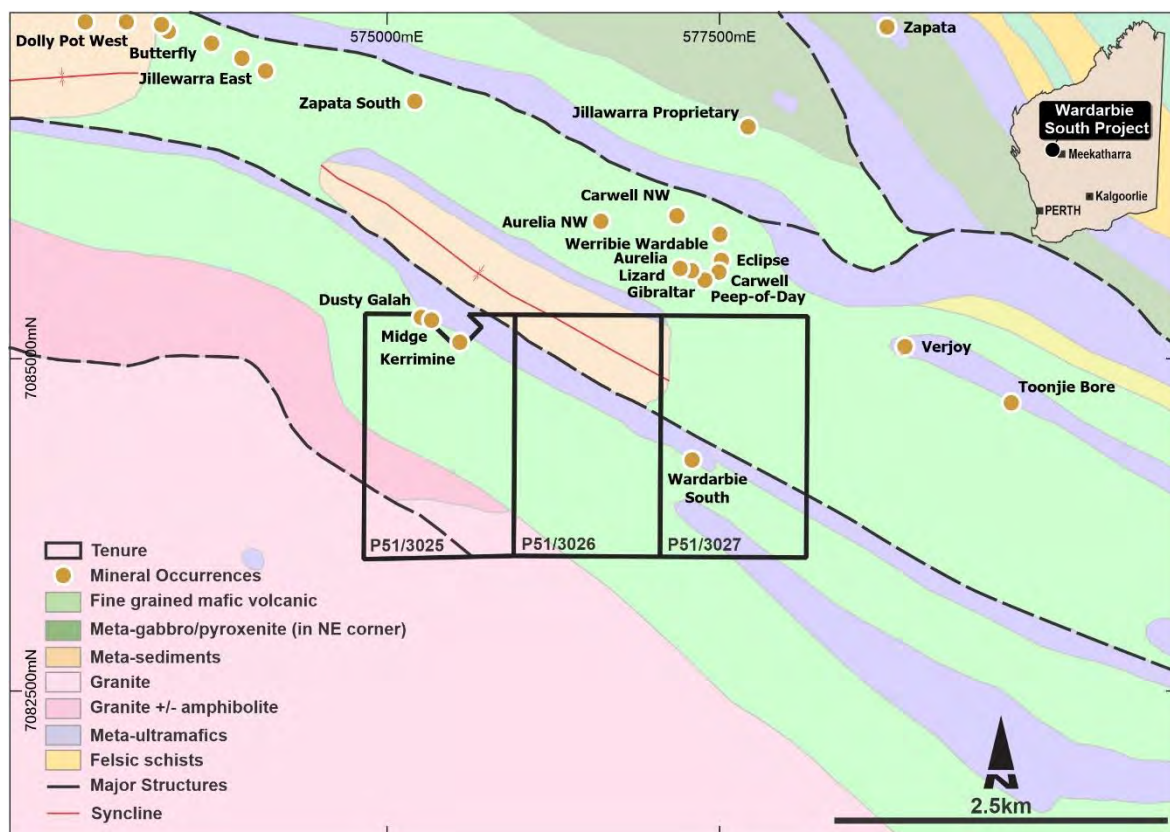
Along the length of the Mingah Range, Quaternary and Tertiary sheetwash and palaeochannel sediments obscure significant areas of the bedrock geology. A combination of weathering and recent cover combines to produce a saprolitic weathering profile.

Apart from the greenstone granitoid contacts, the regional structure is dominated by a splay from the Big Bell Fault that produces in a system of east-southeast trending faults, the Mingah Range fault and shear zone system, imbricate the Mingah Range Greenstone Belt and also extend into the surrounding granitoids. The south-western boundary margin of the greenstone belt, partially lying within the project area, is interpreted as a system of fault contacts. The major geometry of the Mingah Range Greenstone Belt appears to be a dominant southeast plunging anticline.

## 7.4 Local Geology

The Wardarbie South Project is underlain by granites and greenstones of the Youanmi Terrane. The granite is described by government geologists as a locally foliated meta-granite with rafts of amphibolite grading to an undeformed monzogranite. The contact between the granitoids and greenstone strikes northwest to southeast for 2 km through the southwest corner of the tenements.

Figure 7.1 Wardarbie South geology plan



Source: Ozz

The remainder of the prospect contains weak metamorphosed mafic, ultramafic and sedimentary rocks. Shearing is common, particularly along lithological contacts, and has often deformed the sediments and felsic volcanics to sericite schist, the mafic lithologies to chlorite schist and the ultramafics to talc-chlorite or talc-carbonate schists. The sedimentary rocks are shales and siltstones, and in places are strongly silicified. Outcrop is limited with recent cover and deep weathering obscuring the underlying lithologies.

## 7.5 Mineralisation

A 3 km long contact between mafic and ultramafic lithologies strikes northwest to southeast through the tenements and appears to form the focus for gold mineralisation for the Wardarbie South Project and several prospects along strike to the northwest.

Immediately north, a parallel trend hosts several similar gold prospects. These historical workings have a recorded production of approximately 5,000 ounces from narrow quartz lodes.

Quartz is oriented both parallel to the regional northwest trending shear fabric and striking northeast as crosscutting structures. The groupings of historical workings overall tend to be



oriented in the northwest direction and are interpreted as being related to faulting and dilation along lithological contacts.

The mineralisation has been described as consisting of high-grade epigenetic vein deposits<sup>35</sup>. Auriferous quartz veins up to 1 m wide, striking for several hundred metres have been described in the area, in places associated with stockworks related to shearing. Anomalous base metal assays (copper, lead, zinc) have been returned from quartz vein sampling.

The Wardarbie South Project has been gallery stoped from a shaft, with no production recorded. Numerous quartz veins outcropping around the shaft suggest a larger system associated with crosscutting shears as recorded on nearby historical gold workings.

Local prospecting for gold has been continuous in the Wardarbie South to Kerrimine area, with reports of small nuggets recovered by metal detecting.

## 7.6 Historical Exploration

Recent exploration commenced in the 1960s but there is no record of any drilling specifically focused on the Wardarbie South prospect or along the mafic/ultramafic contact. Regional wide spaced RAB and air-core drilling by CRA Exploration and Newcrest was completed before 2000, but this did not target specifically known mineralisation.

Recent sampling of the workings around Wardarbie South returned grades of 33.7 g/t Au, 22.0 g/t Au, 11.8 g/t Au, 5.7 g/t Au, and 4.9 g/t Au<sup>36</sup>.

Previous exploration within the Wardarbie South Project has largely focused on gold, and to a lesser extent, base metals within the Mingah Range Greenstone Belt and associated Zapata and Jillewarra-Wardarbie shear zones.

Regional nickel exploration was undertaken in 1968 to 1973 by a number of companies (International Nickel Australia Ltd, Kennecott, and Murchison Central Mines).

Anglo American in 1980–1982 undertook stream sampling, followed by RAB drilling to the east of Wardarbie South.

Between 1984 and 1990, CRA Exploration carried out exploration for gold and base metals within the Mingah Range Greenstone Belt. This included soil sampling, ground electromagnetic surveys, and exploratory RAB and diamond drilling. No massive sulphide mineralisation intersections were reported.

Drilling of the Wardarbie Project adjacent to, and along, the northern boundary of the project area reportedly encountered low-grade gold mineralisation.

Between 1997 and 2001, Hampton Hill Mining NL explored the Zapata and Zapata South prospects located within a prospective thrust fault target area just north of the northern boundary of the project area. Gold mineralisation was reported within similar sheared rock sequences, including 11 m @ 0.7 g/t Au, 3 m @ 1.6 g/t Au, 12 m @ 0.16 g/t Au, and 8 m @ 0.64 g/t Au.

Burnt Shirt cautions that these results are historical in nature and may not have been reported in accordance with the JORC Code or its predecessors and are to be treated with appropriate caution. The Competent Person considers that these results have been gathered in accordance with

<sup>35</sup> WAMEX number A15840.

<sup>36</sup> Diversified Asset Holdings Pty Ltd, internal report, Wardarbie, September 2020.

appropriate practice at the time and provide a reasonable but not absolute indication of the prospectivity of the relevant project geology.

In 2001, Newcrest Operations Limited carried out exploration at the White Well Joint Venture. Newcrest Operations Limited's exploration program included 109 aircore drillholes for 8,058 m of drilling, aeromagnetic interpretation and compilation of CRA Exploration sourced data. Newcrest concluded that there was only limited potential for a large open-pit gold mine and as a result withdrew from the joint venture agreement.

Twelve wide-spaced (400 m x 200 m) air-core holes were drilled near the Wardarbie South Project, but no significant results were returned.

Between 2003 and 2006, several other explorers confirmed the presence of gold mineralisation within the project area shear zones. During this period, Aurora Mineral Limited completed RAB drilling around the peripheries of the tenement area targeting low-level soil anomalies.

Sipa Exploration NL explored north of the area in 2007–2008. Soil sampling and RAB drilling was completed to the north of Wardarbie South.

State Resources Limited completed an assessment for iron ore in 2012 to 2014. No potential for iron was noted but further work was recommended to follow up the gold potential.

## **7.7 Commentary – Prospectivity**

The Wardarbie South Project lies in a poorly explored greenstone belt in the northern Yilgarn. Structural preparation has been extensive with the extension of the Big Bell Shear Zone imbricating into several northwest trending shear zones that parallel the enclosing granitoids contacts. These shears also parallel the lithological contacts within the greenstone creating potential traps for mineralisation.

Gold production in the immediate area is poorly recorded and incomplete records suggest at least 5,000 ounces being produced from nearby workings. The mineralisation is typically high grade and associated with narrow and discontinuous quartz veins in several lithologies. Several shafts are present at the Wardarbie South Project. Sampling of the nearby dumps, along with reports of alluvial gold found through metal detecting, enhance the potential for significant gold mineralisation. The Wardarbie South structural contact extends 3 km northwest to the Kerrimine workings, just outside the tenements. This poorly exposed and untested zone has potential to be mineralised.

There has been no drilling recorded on the tenements specifically targeting the Wardarbie South workings or the structural corridor. The contact with granitoids to the south has not been drill tested, despite some regional soil sampling indications that gold anomalism is present.

Burnt Shirt considers that the Wardarbie South Project has potential to host gold mineralisation and that further exploration is justified.

## 8 EXPLORATION STRATEGY AND BUDGETS

Burnt Shirt considers the Ozz projects benefit from relative ease of access and the presence of significant regional infrastructure.

Work by historical explorers has identified sufficient indications of mineralisation to warrant further exploration.

Burnt Shirt has been advised that Ozz has budgeted approximately \$3.0 million on direct exploration out of available funds of \$5.0 million before expenses following listing. With drilling approvals in place or pending for Maguires and Mount Davis, an initial rapid drill testing of these projects is possible, to potentially define JORC compliant Mineral Resources and test for extensions to the mineralisation. As a general approach, for the other areas it is intended to:

- Assess and compile all existing drilling and other geological information including structural, geochemical and geophysical data.
- Conduct further geochemical and geophysical programs to identify the location of favourable structures and associated indicators of mineralisation in order to create a pipeline of potential drill targets.
- Progressively collect additional information such as metallurgical or geotechnical data to assist future Ore Reserve estimation
- Conduct optimisation studies including financial models to assess potentially mineable ore reserves.

The budget contemplates exploration expenditure over two years and Burnt Shirt considers this to be appropriate to support the strategy described.

**Table 8.1 Summary of proposed exploration expenditure**

Project area	Activity	Year 1 (\$)	Year 2 (\$)	Total (\$)
Mount Davis	Field studies/sampling	20,000	20,000	40,000
	Geochemical surveys	20,000	-	20,000
	Geophysical surveys	-	-	-
	Reverse circulation drilling	350,000	100,000	450,000
	Core drilling	-	50,000	50,000
	Evaluation studies	-	100,000	100,000
	<b>Subtotal</b>	<b>390,000</b>	<b>270,000</b>	<b>660,000</b>
Peterwangy	Field studies/sampling	20,000	25,000	45,000
	Geochemical surveys	15,000	-	15,000
	Geophysical surveys	30,000	-	30,000
	Reverse circulation drilling	130,000	100,000	230,000
	Core drilling	-	25,000	25,000
	Evaluation studies	-	20,000	20,000
	<b>Subtotal</b>	<b>195,000</b>	<b>170,000</b>	<b>365,000</b>
Maguires	Field studies/sampling	10,000	-	10,000
	Geochemical surveys	-	10,000	10,000
	Geophysical surveys	-	-	-
	Reverse circulation drilling	400,000	150,000	550,000
	Core drilling	100,000	60,000	160,000
	Evaluation studies	25,000	75,000	100,000
	<b>Subtotal</b>	<b>535,000</b>	<b>295,000</b>	<b>830,000</b>
Rabbit Bore	Field studies/sampling	30,000	10,000	40,000
	Geochemical surveys	30,000	-	30,000
	Geophysical surveys	25,000	-	25,000
	Reverse circulation drilling	100,000	100,000	200,000
	Core drilling	-	25,000	25,000
	Evaluation studies	-	15,000	15,000
	<b>Subtotal</b>	<b>185,000</b>	<b>150,000</b>	<b>335,000</b>
Wardarbie South	Field studies/sampling	20,000	10,000	30,000
	Geochemical surveys	20,000	-	20,000
	Geophysical surveys	10,000	-	10,000
	Reverse circulation drilling	120,000	70,000	190,000
	Core drilling	-	-	-
	Evaluation studies	-	10,000	10,000
	<b>Subtotal</b>	<b>170,000</b>	<b>90,000</b>	<b>260,000</b>
Service Costs	Heritage and tenement administration	50,000	50,000	100,000
	Geological services and field labour	200,000	200,000	400,000
	Administration	25,000	25,000	50,000
	<b>Subtotal</b>	<b>275,000</b>	<b>275,000</b>	<b>550,000</b>
<b>TOTAL</b>		<b>1,750,000</b>	<b>1,250,000</b>	<b>3,000,000</b>

## 8.1 Burnt Shirt Opinion

Burnt Shirt considers that the Ozz projects have demonstrated prospectivity for economic gold mineralisation. This is particularly the case for Mount Davis and Maguires, where previous explorers have conducted historical resource estimates that support the promulgation of Exploration Targets. Both these projects are sufficiently close to existing milling facilities to support the potential for commercial exploitation of any Mineral Resources that may be subsequently estimated.

### 8.1.1 Conclusions

Burnt Shirt concludes that Ozz has rights to tenure over areas in Western Australia that have prospective geology and defined Exploration Targets and recommends that it proceed to implement its exploration strategy on listing. Burnt Shirt considers that the Ozz projects enjoy relative ease of access and the regional presence of significant infrastructure.

Burnt Shirt considers the projects to be at an Early Exploration<sup>7</sup> stage yet clearly demonstrate potential for gold discovery. Previous explorers have returned gold drill intersections that support Exploration Targets as well as attractive geochemical results. Numerous geochemical targets have been identified that are yet to be drill tested.

Ozz will benefit from the work by previous miners and explorers that has resulted in the identification of gold mineralisation. Ozz benefits from access to the results of considerable publicly available exploration data for each of these project areas and compilation and analysis of this data will greatly expedite its exploration efforts.

Burnt Shirt has been advised that Ozz has budgeted approximately \$3.0 million on direct exploration out of available funds of \$5.0 million before expenses post listing on the ASX. The budget contemplates exploration expenditure over two years and Burnt Shirt considers this to be appropriate to support the strategy described.

### 8.1.2 Recommendations

Following comprehensive data compilation and assessment along with field validation, Burnt Shirt recommends that drill testing be undertaken of the Exploration Targets at Maguires and Mount Davis with the intent of defining and reporting Mineral Resources.

Further exploration should be completed at Peterwangy and Rabbit Bore to better define targets that can be subsequently drilled.

Burnt Shirt recommends that structural geology work should commence in parallel with the proposed geophysics, mapping, and geochemical sampling to provide context to the results of these exercises.

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## 10 ABBREVIATIONS AND UNITS

Abbreviation/unit	Definition
°	degrees
°C	degrees Celsius
Afmeco	Afmeco Mining and Exploration Pty Ltd
As	arsenic
ASX	Australian Securities Exchange
Au	gold
BHP	BHP Gold Limited, BHP – Utah Minerals Limited, The Broken Hill Proprietary Company Limited
Bi	bismuth
BLEG	bulk leach extractable gold
Bligh	Bligh Resources Limited
Burnt Shirt	Burnt Shirt Pty Ltd
cm	centimetre(s)
Co	cobalt
Cr	chromium
Cu	copper
Diversified	Diversified Asset Holdings Pty Ltd
DMIRS	Department of Mines, Industry Regulation and Safety
Enterprise	Enterprise Metals Limited
EZ	Electrolytic Zinc Company of Australia Limited (now CRA Limited)
ft	foot (or feet)
g/t	grams per tonne
GDA94	Geocentric Datum of Australia 1994
GSWA	Geological Survey of Western Australia
ha	hectare(s)
Hallmark	Hallmark Gold NL
Harmony	Harmony Gold Limited
IGR	Independent Geologist's Report
Kennecott	Kennecott Exploration Limited
km	kilometre(s)
km <sup>2</sup>	square kilometres
koz	kilo-ounces (or thousand ounces)
kt	kilo-tonnes (or thousand tonnes)
m	metre(s)
mm	millimetre(s)
Moz	million ounces
Mt	million tonnes
Newcrest	Newcrest Mining Limited (ASX: NRL)
Newmont	Newmont Mining Limited

Abbreviation/unit	Definition
Ni	nickel
NSR	net smelter return
Ozz	Ozz Resources Limited
Pb	lead
PGL	Peterwangy Gold Pty Ltd
Posgold	Posgold Limited
ppb	parts per billion
ppm	parts per million
Provident	Provident Mining Pty Ltd
RC	reverse circulation (a pneumatic percussion drilling technique; for an explanation refer: <a href="http://www.castledrill.com/an-introduction-to-reverse-circulation-drilling/">www.castledrill.com/an-introduction-to-reverse-circulation-drilling/</a> )
RAB	rotary air blast (a pneumatic percussion drilling technique)
SOG	Sons of Gwalia Limited
WAMEX	GSWA online database of mineral exploration reports <a href="http://GeoVIEW (dmp.wa.gov.au)">GeoVIEW (dmp.wa.gov.au)</a>
Zn	zinc

# **Appendix A      JORC Code (2012 Edition) Table 1**

## Section 1: Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
<b>Sampling techniques</b>	<p><i>Nature and quality of sampling (e.g., 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.</i></p> <p><i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></p> <p><i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></p> <p><i>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 mineralisation types (e.g., submarine nodules) may warrant disclosure of detailed information.</i></p>	<p>Information on sample collection was in most cases not recorded in Open File reports. The Competent Person considers that the documentation referenced in the text for each operator indicates that samples were collected in accordance with then-current standards and forms a reasonable basis on which to form an opinion on but not absolute view of the prospectivity implied by the results.</p>
<b>Drilling techniques</b>	<p><i>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 tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).</i></p>	<p>Historical drilling in all areas was conducted by a combination of reverse circulation (RC) drilling and rotary air blast (RAB) drilling using then-current techniques.</p>
<b>Drill sample recovery</b>	<p><i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></p> <p><i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></p> <p><i>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.</i></p>	<p>Drilling recoveries not recorded but the Competent Person considers that the documentation referenced in the text for each operator indicates that samples were collected in accordance with then-current standards and forms a reasonable basis on which to form an opinion.</p>
<b>Logging</b>	<p><i>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.</i></p> <p><i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.</i></p> <p><i>The total length and percentage of the relevant intersections logged.</i></p>	<p>All drillholes were logged in their entirety and the logs have been examined in their original context in the relevant Open File reports.</p> <p>Logging was qualitative.</p>

Criteria	JORC Code explanation	Commentary
<b>Subsampling techniques and sample preparation</b>	<p><i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></p> <p><i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></p> <p><i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></p> <p><i>Quality control procedures adopted for all subsampling stages to maximise representivity of samples.</i></p> <p><i>Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.</i></p> <p><i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></p>	<p>No recorded information for historical data</p> <p>The Competent Person considers that sampling would have been undertaken to then-current standards and advises that appropriate caution must be exercised in interpreting the results.</p>
<b>Quality of assay data and laboratory tests</b>	<p><i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></p> <p><i>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.</i></p> <p><i>Nature of quality control procedures adopted (e.g., standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e., lack of bias) and precision have been established.</i></p>	<p>Historical results used then-current industry standard assay techniques. The Competent Person considers that the documentation referenced in the text for each operator indicates that samples were collected in accordance with then-current standards and forms a reasonable basis on which to form an opinion.</p>
<b>Verification of sampling and assaying</b>	<p><i>The verification of significant intersections by either independent or alternative company personnel.</i></p> <p><i>The use of twinned holes.</i></p> <p><i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></p> <p><i>Discuss any adjustment to assay data.</i></p>	<p>Historical reports have been reviewed by the Competent Person.</p> <p>No holes have been twinned in recent drilling.</p> <p>The Competent Person has inspected the drilling at Mount Davis.</p> <p>There have been no adjustments to assay data from that recorded in Open File reports.</p>
<b>Location of data points</b>	<p><i>Accuracy and quality of surveys used to locate drillholes (collar and downhole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i></p> <p><i>Specification of the grid system used.</i></p> <p><i>Quality and adequacy of topographic control.</i></p>	<p>No survey details have been recorded and in many instances, local grids have been used.</p> <p>Drillhole collar locations have been transcribed by Geological Survey of Western Australia (GSWA) and entered into its MINEDEX database, these collar locations have been used in this Independent Geologist's Report.</p>
<b>Data spacing and distribution</b>	<p><i>Data spacing for reporting of Exploration Results.</i></p> <p><i>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.</i></p> <p><i>Whether sample compositing has been applied.</i></p>	<p>No Mineral Resource has been estimated.</p> <p>The Competent Person considers that the drilling at Mount Davis and Maguires is of sufficient density to support postulation of an Exploration Target.</p>



Criteria	JORC Code explanation	Commentary
<b>Orientation of data in relation to geological structure</b>	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> <i>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.</i>	Orientation of sampling is not considered by the Competent Person to have introduced biases for the purpose of early-stage exploration results.
<b>Sample security</b>	<i>The measures taken to ensure sample security.</i>	Sample security measures unknown but the Competent Person considers that the documentation referenced in the text for each operator indicates that samples were collected in accordance with then-current standards and forms a reasonable basis on which to form an opinion.
<b>Audits or reviews</b>	<i>The results of any audits or reviews of sampling techniques and data.</i>	Available data has been reviewed by independent and company personnel.

## Section 2: Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<b>Mineral tenement and land tenure status</b>	<i>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.</i> <i>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.</i>	Ozz Resources Limited (Ozz) holds rights to the tenements for the various projects under agreement with the various owners as described in Section 2.2 of this Independent Geologist's Report.  The Competent Person is unaware of any impediments to development of these tenements.
<b>Exploration done by other parties</b>	<i>Acknowledgment and appraisal of exploration by other parties.</i>	Exploration of the Ozz projects has been undertaken by other parties and the Competent Person has references the results of this work throughout the text.
<b>Geology</b>	<i>Deposit type, geological setting and style of mineralisation.</i>	The primary mineralisation style being sought is orogenic, mesothermal, structurally controlled Archaean lode-style gold mineralisation, which is ubiquitous in Western Australia's goldfields.
<b>Drill hole Information</b>	<i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drillholes:</i> <ul style="list-style-type: none"> <li><i>easting and northing of the drillhole collar</i></li> <li><i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drillhole collar</i></li> <li><i>dip and azimuth of the hole</i></li> <li><i>downhole length and interception depth</i></li> <li><i>hole length.</i></li> </ul> <i>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.</i>	Drillhole results have been drawn from historical and publicly available exploration reports drawn from the WAMEX system. These have been reported in the text and referenced to the relevant WAMEX report. Significant drillhole intersections and locations have similarly been tabulated in the text for each project area.  The Competent Person considers that this reporting is sufficient to inform investors, potential investors and their advisors of the prospectivity of each area and that wholesale reporting of results is unnecessary in this instance. Suitable cautionary language has been included in the text to alert investors, potential investors and their advisors that these historic results are indicative of but not absolute measures of mineralisation.
<b>Data aggregation methods</b>	<i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g., cutting of high grades) and cut-off grades are usually Material and should be stated.</i>  <i>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.</i>  <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	No data aggregation has been applied and results are reported as published in WAMEX Open File reports.  No metal equivalent values have been reported.

Criteria	JORC Code explanation	Commentary
<b>Relationship between mineralisation widths and intercept lengths</b>	<p><i>These relationships are particularly important in the reporting of Exploration Results.</i></p> <p><i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></p> <p><i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g., 'downhole length, true width not known').</i></p>	<p>In all cases, the absolute geometry of the mineralisation is unknown but has been inferred from historical drilling results.</p> <p>Downhole intersections have been reported and true width is unknown.</p>
<b>Diagrams</b>	<p><i>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 drillhole collar locations and appropriate sectional views.</i></p>	<p>Maps and plans of geology and drilling have been incorporated in the relevant sections of the text. These are variously presented in AMG and local grid coordinates until such time as absolute survey control can be established for each Project.</p>
<b>Balanced reporting</b>	<p><i>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.</i></p>	<p>The Competent Person considers that reporting of all historical results is not practicable and has reported significant intersections with appropriate cautionary statements to alert investors, potential investors and their advisors that these historical results are indicative of but not absolute measures of mineralisation.</p>
<b>Other substantive exploration data</b>	<p><i>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.</i></p>	<p>Each project attracts a significant amount of historical information in Open File format that has not yet been compiled and analysed by Ozz. The Competent Person has reported that information which is appropriate to inform investors, potential investors and their advisors.</p>
<b>Further work</b>	<p><i>The nature and scale of planned further work (e.g., tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></p> <p><i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></p>	<p>Ozz intends to compile and analyse historical data and rank drilling targets for campaign drilling to define its Exploration Targets.</p> <p>The Competent Person considers that the diagrams included in the text demonstrate the mineralisation potential of each Project.</p>

15      **ANNEXURE B – SOLICITOR’S REPORT ON TENEMENTS**

7 May 2021

The Directors  
Ozz Resources Limited  
C/- 15/217 Hay Street  
Subiaco WA 6009

Dear Sirs

## **SOLICITOR'S REPORT**

### 1. Introduction

This report is prepared for inclusion in a prospectus (Prospectus) to be dated on or about 7 May 2021 for issue by Ozz Resources Limited ACN 643 844 544 (Ozz) of 25,000,000 shares at an issue price of \$0.20 per share to raise \$5,000,000 (before costs).

The report relates to Western Australian mining tenements (Tenements) in which Ozz holds an interest. The attached Tenement Schedule (Schedule) and notes to the Schedule, contain an overview of the Tenements. Section 5 of the Prospectus, which does not form part of this report set out technical information and summaries of material contracts that relate to Ozz's interest in the Tenements.

### 2. Opinion

Based on our searches and enquiries and subject to the assumptions and qualifications set out below, we confirm that as at 29 April 2021:

- (a) the details of the Tenements referred to in the Schedule are accurate as to the status and registered holders of those Tenements;
- (b) unless otherwise specified in this report, the Tenements are in good standing and all applicable rents have been paid;
- (c) none of the Tenements are subject to any unusual conditions of a material nature other than as disclosed in the Schedule;
- (d) this report provides accurate statements as to third party interests, including encumbrances in relation to the Tenements ascertainable from our searches and the information provided to us; and

- (e) subject to the comments below relating to standard, administrative authorisations (which are normally applied for only at the time of finalising the details of individual exploration plans), or as otherwise detailed in the Schedule or the Prospectus, there are no legal, regulatory or contractual impediments to Ozz undertaking exploration on the Tenements.

### 3. Searches

For the purpose of this report, we have conducted the following searches and enquiries on 29 April 2021:

- (a) searches of the Tenements in the mining tenement register (DMIRS Register) maintained by the Department of Mines, Industry Regulation and Safety of Western Australia (DMIRS) pursuant to the Mining Act 1978 (WA) and Mining Regulations 1981 (WA) (Mining Act); and
- (b) quick appraisal searches of the Tenements summarising information obtained **online from the 'TENGRAPH' system maintained by the DMIRS;**
- (c) searches of the Aboriginal Heritage Inquiry System of the Department of Planning, Lands and Heritage (DPLH) **for "Registered Aboriginal Sites"**.

### 4. Assumptions and qualifications

In preparing this Report:

- (a) we have assumed the accuracy and completeness of results of the searches of the DMIRS Register and other information obtained from the DMIRS and DPLH;
- (b) we have assumed all contracts, agreements or arrangements have been supplied to us and were within the capacity and powers of, and were validly authorised, executed and delivered by and binding on each party to them, and where applicable, duly stamped;
- (c) where any agreement, dealing or act (including disturbing the land for exploration or mining) affecting the Tenements requires an authorisation, approval, permission or consent (Authorisation) under the Mining Act, or any other relevant legislation, we have assumed that Authorisation has been or will be granted in due course;
- (d) where any dealing in the Tenements has been lodged for registration but is not yet registered, we express no opinion as to whether the registration will be effected, or the consequences of non-registration;



- (e) we have assumed that Ozz has complied with all applicable provisions of the Mining Act and all other legislation relating to the Tenements and from our searches and enquiries, there is nothing to indicate that this is not the case;
- (f) we have not researched the underlying land tenure in respect of the Tenements to determine if native title rights have or have not been extinguished, or the extent of any extinguishment, **other than as disclosed in the “quick appraisal” searches** referred to in paragraph 3(b) above; and
- (g) other than as can be ascertained from the database maintained by the DPLH (as set out in paragraph 3(c) above, we have not researched the area of the Tenements to determine if there are any additional or unregistered sites of significance to aboriginal people within the area.

The Schedule sets out a brief description of the Tenements and a summary of any encumbrances, conditions and endorsements on title. In relation to the Schedule, we make the following comments:

- (a) references to the areas of the Tenements are taken from the details shown on the tenement searches, it is not possible to verify those areas without conducting a survey which has not been undertaken;
- (b) the area of the Tenements, as shown in the Schedule, might be reduced by the existence of pre-existing mining tenements situated within the boundaries of the relevant Tenement resulting in the area of the earlier mining tenement being excised from the grant of the Tenement; and
- (c) the rights of a holder of a mining tenement are subject to compliance by that holder with the terms and conditions attached to each Tenement and generally under the Mining Act and other relevant legislation.

## 5. Western Australia Tenements

Mining **tenements in Western Australia comprise prospecting licences (prefixed “P”),** exploration licences (prefixed **“E”**) and mining leases (prefixed **“M”**) granted pursuant to the Mining Act as well as certain ancillary titles.

In accordance with the Mining Act, the holder of a mining tenement is permitted to explore for all minerals including oil shale, but excluding sand or clay occurring on private land. Exploration or mining for iron is also excluded unless it has been authorised by the responsible Minister and endorsed on the mining tenement title. Under the Petroleum and Geothermal Energy Resources Act 1987 (WA), petroleum and geothermal energy resources are also excluded from the grant of a mining tenement.

In addition to the Authorisations and approvals described below, it is a requirement that any ground disturbing work carried out on a mining tenement has been approved by the DMIRS. Such approvals may involve referral by the DMIRS to other Government agencies and any approvals given may be subject to special conditions. Approvals are generally required for an exploration program to be undertaken and are submitted to the DMIRS for approval at an administrative level.

(a) Prospecting Licences

A prospecting licence authorises the holder to enter land for the purpose of **prospecting for minerals**. **‘Prospecting’ includes the use of vehicles, machinery and equipment**, and permits the undertaking of operations and works such as digging pits, trenches and holes, sinking bores and tunneling, for the purpose of prospecting for minerals in, on, or under the land. The holder of a prospecting licence may excavate, extract or remove earth, soil, rocks, stone, fluid or mineral-bearing substances not exceeding 500 tonnes over the term of the licence.

Prospecting licences are granted for a term of four years. The Minister has discretion to extend the prospecting licence for one further four year period if satisfied that a prescribed ground for extension exists.

**A ‘prescribed ground’ for extension** includes circumstances where the holder experienced difficulties or delays arising from governmental, legal, climatic, or heritage reasons, where the work carried out justifies further prospecting, or where the Minister considers the land has been unworkable for whole or a considerable part of any year of the term.

During the term of a prospecting licence, the holder may apply for and have granted subject to the Mining Act, one or more mining leases over any part of the land subject to the prospecting licence. Where an application for a mining lease is made and the term of the prospecting licence is due to expire prior to the mining lease application being determined, the prospecting licence will continue in force over the land subject to the mining lease application pending the outcome of the mining lease application.

Annual rent and shire rates are payable for each granted prospecting licence. Prospecting licences are subject to minimum annual expenditure requirements, which are calculated at the rate of \$40.00 per hectare, subject to a minimum of \$2,000 per annum (based on expenditure requirements current as at date of this report). The holder may apply for exemption from compliance with minimum expenditure requirements on certain grounds set out in the Mining Act or at the discretion of the Minister. A failure to comply with expenditure requirements, unless exempted, renders the prospecting licence liable to forfeiture.

### *Forfeiture of Prospecting Licences*

The Warden, on the application of the Minister, mining registrar, an authorised officer of the DMIRS, or any other person, may make an order for forfeiture of a prospecting licence for any of the following reasons:

- (i) refusal of an exemption from expenditure;
- (ii) failure by the holder to comply with a condition of a prospecting licence such as payment of rent, failure to meet minimum expenditure obligations or failure to lodge a report as required by the Mining Act;
- (iii) failure by the holder to satisfy a request of the Minister; or
- (iv) if the holder is convicted of an offence under the Mining Act.

An application for forfeiture in respect of expenditure conditions must be made during the tenement year in which there is non-compliance, or within eight months thereafter.

A Warden may only make an order for forfeiture if the Warden is satisfied that non-compliance is of sufficient gravity to justify the forfeiture of the prospecting licence.

A Warden may, as he or she thinks fit in the circumstances, impose a penalty as an alternative to making an order for forfeiture of a prospecting licence. The penalty must not exceed \$10,000 in a case where expenditure conditions have not been complied with, and not exceed \$50,000 in any other case.

### (b) Exploration Licences

An exploration licence permits the holder to explore over land up to a maximum 200 graticular blocks in designated areas of Western Australia and a maximum of 70 graticular blocks elsewhere. Graticular blocks comprise one minute of longitude by one minute of latitude and therefore range in area from approximately 2.8km<sup>2</sup> to 3.3 km<sup>2</sup>. There is no limit to the number of exploration licences which may be held by any one person.

An exploration licence authorises the holder to enter land using vehicles, machinery and equipment as may be necessary or expedient for the purpose of exploring for minerals in, on or under the land.

Exploration licences are granted with five year terms which may be extended by one period of five years and then by further two year periods if the Minister is satisfied that a 'prescribed ground' for extension exists.

**‘Prescribed grounds’ for extension include circumstances when the holder** experienced difficulties or delays arising from governmental, legal, climatic or heritage reasons, where work carried out justifies further prospecting, or where the Minister considers the land has been unworkable for whole or a considerable part of any year of the term.

Exploration licences are subject to a requirement that the holder relinquishes 40% of the tenement area at the end of the initial five year period. The Minister may defer the relinquishment requirement for one further year if satisfied that a prescribed ground for deferral exists. No exemption from the relinquishment requirement is available.

During the first year of grant of an exploration licence, a legal or equitable interest in or affecting the exploration licence cannot be transferred or otherwise dealt with, whether directly or indirectly, without the prior written consent of the Minister. A transfer after the first anniversary of the grant of an exploration licence requires no such approval.

During the term of an exploration licence, the holder may apply for and have granted subject to the Mining Act, one or more mining leases over any part of land subject to the exploration licence. Where an application for a mining lease is made, and the term of the exploration licence is due to expire prior to the mining lease application being determined, the exploration licence will continue in force over the land subject to the mining lease application pending the outcome of that mining lease application.

Annual rent and shire rates are payable in respect of exploration licences. Exploration licences are subject to minimum annual expenditure requirements which are set out in the Schedule. The holder of an exploration licence may apply for exemption from compliance with minimum expenditure requirements on certain grounds set out in the Mining Act or at the discretion of the Minister. A failure to comply with expenditure requirements, unless exempted, renders the exploration licence liable to forfeiture.

#### *Forfeiture of Exploration Licences*

The Minister may make an order for the forfeiture of an exploration licence for any of the following reasons:

- (i) failure to pay rent or royalty;
- (ii) non-compliance with conditions of an exploration licence such as lodgment of a report as required by the Mining Act;

- (iii) failure to comply with certain provisions of the Mining Act;
- (iv) failure to satisfy minimum expenditure conditions; or
- (v) if the holder is convicted of an offence under the Mining Act.

A third party may also make an application to have an exploration licence forfeited due to a failure by the holder to comply with the terms of the exploration licence (most commonly, a failure to meet statutory minimum expenditure requirements). Such application for forfeiture in respect of expenditure conditions must be made during the tenement year in which there is non-compliance, or within eight months thereafter.

The Minister may only make an order for forfeiture if the Minister is satisfied that non-compliance is of sufficient gravity to justify the forfeiture of the exploration licence.

The Minister may impose a penalty instead of forfeiting the exploration licence. The penalty must not exceed \$10,000 in a case where minimum expenditure conditions have not been complied with, and not exceed \$50,000 in any other case.

(c) Mining Leases

There are no mining leases applied for or held by Ozz. A mining lease, if applied for, will authorise the holder to work and mine the land, and take and remove from the land any minerals and dispose of them, and to do all acts and things necessary to effectually carry out mining operations in, on, or under the land subject to the mining lease.

A mining lease may only be granted if the application is accompanied by either a **mining proposal or a 'statement' setting out information about the mining operations** that are likely to be carried out on the mining lease together with a mineralisation report prepared by a qualified person. If a statement and mineralisation report are lodged, the Director, Geological Survey must be satisfied that there is significant mineralisation in, on, or under the land to which an application for a mining lease relates. For the purposes of the Mining Act **'significant mineralisation' is defined as a deposit of minerals where exploration results indicate that there is a reasonable prospect of minerals being obtained by mining operations.**

Every granted mining lease is subject to a condition requiring the lessee, before carrying out mining operations of a prescribed kind on any part of the land the subject of the lease (including open-cut, underground, quarrying, dredging, harvesting, scraping, leaching and tailing treatment operations together with incidental construction activities), to lodge (and have approved) a mining proposal.

Mining proposals are required to detail all matters relating to the environmental management of a proposed project including mine closure and rehabilitation.

A mining lease is granted for a term of 21 years and may be renewed for successive terms upon application to the Minister. A term of renewal must not exceed 21 years.

Annual rent and shire rates are payable in respect to mining leases and the holder of a mining lease must expend or cause to be expended \$100 per hectare (with a minimum of \$10,000) annually during each year of the term of the lease. If the mining lease does not exceed 5 hectares the minimum annual expenditure will be \$5,000.

#### *Forfeiture of Mining Leases*

The Minister may forfeit a mining lease in the same manner and for the same reasons as apply to an exploration licence (described above).

### 6. Royalties

Tenement holders must pay royalties on minerals (including material containing minerals) obtained from a mining tenement to the state government. Royalties are payable quarterly and must be accompanied by a royalty return in an approved form. The holder of a mining tenement must provide a quarterly production report commencing at the expiration of the first quarter during which any mineral is produced or obtained from that mining tenement. Royalty rates and methods of calculation differ depending on the type of mineral produced or obtained from a mining tenement.

### 7. Rehabilitation levies or securities

In Western Australia a mining rehabilitation levy system applies which requires a tenement holder to pay a levy based on the area it has disturbed on a tenement (and on the estimate of the cost of rehabilitation of such area). In certain circumstances, a tenement holder may also be required to lodge a bank guaranteed performance bond to secure the performance of a tenement holder's rehabilitation obligations on a mining tenement.

A tenement holder may also be liable to pay a safety levy based on the number of hours spent working on a group of tenements (including all employees or contractors).

### 8. Native Title

Native Title or claims for native title exist over large areas of Western Australia and will likely affect new mining tenements. The Schedule sets out relevant native title claims (if any) affecting the Tenements. The existence of a lodged claim does not necessarily mean



that native title exists over the area claimed, nor does the absence of a claim necessarily indicate that no native title exists in an area. The existence of native title will be established pursuant to the determination of claims by the Federal Court.

**The grant of a mining tenement is a ‘Future Act’ for the purposes of the *Native Title Act 1993* (Cth) (NTA).** A Future Act is an activity or development on land or waters that affects native title. **Native title claimants’ gain the ‘right to negotiate’ in relation to the grant of certain mining tenements** if their native title claim is registered at the time the government issues a notice (known as a section 29 notice), stating it intends to do the act (ie grant the mining tenement), or if their claim becomes registered within four months after that notice. The right to negotiate might apply to the grant of any type of mining tenement, but in practice, it applies predominantly to the grant of a mining lease. The right to negotiate describes a process whereby the tenement applicant and native title claimant must negotiate in good faith to attempt to resolve any potential concerns the native title claimants may have arising from the mining lease application or its grant.

In some cases (predominantly in respect of exploration or prospecting licences) the **Western Australia State Government applies a ‘fast track’ procedure (the ‘expedited procedure’)** in place of the right to negotiate process. If the proposed grant of a mining tenement is advertised under the expedited procedure, native title parties can lodge an objection to the use of the expedited procedure for the grant of the mining tenement. If there is no objection lodged, the mining tenement can be granted. If an objection is lodged, the parties may either negotiate and reach agreement, or apply to the National Native Title Tribunal (NNTT) for a determination of the matter.

It is a policy of the DMIRS to apply the expedited procedure to the grant of exploration and prospecting licences where the applicant has executed a Regional Standard Heritage Agreement (RSHA) or has an existing Alternative Heritage Agreement (AHA) in place. In the absence of such an agreement, applications will be subject to the right to negotiate procedure.

A RSHA or AHA is intended to address potential Aboriginal heritage concerns with respect to work on the area subject to a mining tenement. The agreements generally provide for a native title party to withdraw their objection to the expedited procedure and consent to the grant of the mining tenement upon the terms of the agreement. Agreements commonly include a procedure for the carrying out of surveys ahead of ground disturbing activities to determine if any sites or objects of significance to Aboriginal people exist in the area. Other terms such as compensation payable to the native title party might be included.

## 9. Validity of titles

### (a) Right to Negotiate Procedure

Mining tenements granted after 23 December 1996 that affect native title will be valid only if the applicable processes of the NTA have been complied with. Under the right to negotiate procedures, parties are required to negotiate in relation to the grant of the proposed Future Act, eg the grant of a mining tenement. Negotiations are initiated to obtain the agreement of the relevant native title parties to the carrying out of the proposed Future Act. The right to negotiate procedure consists of a statutory minimum six month period of negotiation between the relevant government party, the native title party and the grantee, during which time the parties must negotiate in good faith with a view to reaching agreement about the doing of the Future Act.

If parties cannot reach agreement as to the terms of grant, a negotiation party may apply to the NNTT (as the arbitral body) to make a determination as to whether the grant may proceed (and if so, on what conditions).

### (b) Compensation

The Mining Act makes mining tenement holders liable for any native title compensation that may be payable as a result of the grant of the mining tenement. If the existence of native title is proven over any of the land subject to the Tenements, and the native title holders make an application to the Federal Court for compensation, the tenement holder may be liable to pay any compensation awarded.

### (c) Conversion to Mining Lease

In relation to the tenements in Western Australia undergoing a conversion from an exploration licence or prospecting licence to a mining lease over an area where native title claims are lodged and registered, the mining lease will be subject to the right to negotiate process, unless Ozz has earlier entered into an agreement with the claimants that permits such conversion.

## 10. Aboriginal Heritage

### (a) Commonwealth

The Aboriginal and Torres Strait Islander Heritage Protection Act 1984 (Cth) (Commonwealth Heritage Act) is aimed at the preservation and protection of any Aboriginal areas and objects that may be located on the Tenements.

Under the Commonwealth Heritage Act, the Minister for Aboriginal Affairs may make interim or permanent declarations of preservation in relation to significant

Aboriginal areas or objects, which can affect exploration activities. Compensation is payable by the Minister to a person who is, or is likely to be, affected by a permanent declaration of preservation.

(b) Western Australia

Holders of mining tenements in Western Australia are subject to the Aboriginal Heritage Act 1972 (WA) (WA Heritage Act), which protects sites that may be of spiritual, cultural or heritage significance to Aboriginal people (Aboriginal Site). The Western Australia Department of Planning, Land and Heritage (which incorporates the former Department of Aboriginal Affairs) maintains a register of Aboriginal Sites but registration of an Aboriginal Site is not required by the WA Heritage Act.

To alter or damage an Aboriginal Site without approval is an offence under the WA Heritage Act that can lead to prosecution. Any party disturbing an area of the State has an obligation to avoid interfering with an Aboriginal Site. To satisfy this obligation, tenement holders commonly undertake Aboriginal heritage surveys which involve the relevant traditional owners and as necessary, an archaeologist or anthropologist walking the land identifying sites and discussing the impact of proposed exploration activity. The costs of a heritage survey are met by the tenement holder.

Surveys to identify sites and objects of significance to Aboriginal people are commonly carried out in accordance with terms set out in an RSHA or AHA (both described in Part 8 above). Where native title has been determined to exist, the obligation to carry out such survey, and the terms by which they must be carried out, may be set out in an “indigenous Land Use Agreement” (ILUA). ILUA’s range from very detailed agreements negotiated by the State and the relevant native title holders to cover entire native title areas to agreements between individual companies and the native title holders. The National Native Title Tribunal maintains a register of ILUA’s.

**There are various ILUA’s affecting the Tenements however we are instructed that** neither the Company or the current holders of the Tenements (as specified in Schedule 1 of this Report) are parties to the ILUAs relating to the Tenements (see Schedule 1). Nothing in our enquiries suggests that the ILUAs will impact the **Tenements or the Company’s** proposed activities in respect of the Tenements.

The Government of Western Australia has released the Aboriginal Cultural Heritage Bill 2020 for public consultation. Whilst the new Bill (if passed in its current form) fundamentally changes the way Aboriginal Cultural Heritage is managed in Western Australia, the practice described above, being the conduct of surveys to identify

areas that may contain or constitute areas of Aboriginal Cultural Heritage before conducting exploration, will likely continue under the new Bill.

(c) Aboriginal Sites within the Tenements

Other than the search of the DPLH register described in part 3(c) of this report, we have not undertaken any searches or investigations as to whether there are or may be any sites protected by the Commonwealth Heritage Act or the WA Heritage Act within the area of the Tenements. It is common practice for an explorer to undertake heritage surveys only over areas about to be disturbed and only when work is imminent.

11. Consent

This report is given on 7 May 2021 and unless specified to the contrary, speaks only to the laws in force on that date. House Legal has consented to the inclusion of this Report in the Prospectus in the form and context in which it is included and has not withdrawn that consent before the lodgement of the Prospectus with ASIC.

12. Disclosure of Interest

House Legal will be paid normal and usual professional fees for the preparation of this report and related matters, as set out elsewhere in the Prospectus.

Yours faithfully



Stuart House  
Principal

## SCHEDULE 1 TENEMENTS

Tenement	Holder	Status	Area	Application Date	Grant Date	Expiry Date	Required Expenditure	Notes
<b>Maguire's Project</b>								
P20/2318	Finlay	Live	199.7ha	31/07/2017	29/03/2018	28/03/2022	\$8,000	1 to 5, 12, 13, 15 and 24 to 26
<b>Rabbit Bore Project</b>								
E51/1671	Diversified	Live	7 blocks	11/11/2014	07/04/2016	06/04/2021	\$50,000	2 to 7, 12, 13, 16, 21, 25 to 28
<b>Wardarbie South Project</b>								
P51/3025	Gelignite	Live	199.9ha	25/07/2017	03/07/2019	02/07/2023	\$8,000	1 to 5, 12, 13, 17, 25 and 26
P51/3026	Gelignite	Live	199.5ha	25/07/2017	03/07/2019	02/07/2023	\$8,000	1 to 5, 12, 13, 17, 25 and 26
P51/3027	Gelignite	Live	199.5ha	25/07/2017	03/07/2019	02/07/2023	\$8,000	1 to 5, 8, 12, 13, 17, 25 and 26
<b>Mt Davis Project</b>								
P37/8634	Sandhu	Live	194.8ha	31/12/2015	15/08/2016	14/08/2024	\$7,800	2 to 5, 12, 13, 14 and 18
P37/8635	Sandhu	Live	199.9ha	31/12/2015	15/08/2016	14/08/2024	\$8,000	2 to 5, 9, 12, 13, 14 and 18
P37/8636	Sandhu	Live	181.3ha	31/12/2015	15/08/2016	14/08/2024	\$7,280	2 to 5, 12, 13 and 18
P37/8637	Sandhu	Live	199.9ha	31/12/2015	15/08/2016	14/08/2024	\$8,000	2 to 5, 12, 13 and 18
P37/8638	Sandhu	Live	89.9ha	31/12/2015	15/08/2016	14/08/2024	\$3,600	2 to 5, 12, 13, 18 and 22

P37/9349	Sandhu	Live	179.6ha	30/03/2020	08/04/2021	07/04/2025	\$7,200	1 to 5, 12, 13 and 18
P37/9350	Sandhu	Pending	169.3ha	30/03/2020	N/A	N/A	N/A	18
Peterwangy Project								
E70/5114	Provident	Live	7 blocks	08/01/2018	14/12/2018	13/12/2023	\$20,000	1 to 3, 10, 11, 12, 13, 19, 23, 29 and 30
E70/5691	Ozz	Live	6 blocks	24/12/2020	24/02/2021	23/02/2026	\$20,000	1 to 3, 12, 13, 20, 23, 29 and 30

#### Holders

Diversified	Diversified Asset Holdings Pty Ltd	ACN 169 563 795
Finlay	Diane Kaye Finlay	
Gelignite	Gelignite Resources Pty Ltd	ACN 620 526 963
Ozz	Ozz Resources Ltd	ACN 643 844 544
Provident	Provident Mining Pty Ltd	ACN 160 065 154
Sandhu	Tanvanth Singh Sandhu	

#### Notes

#### Conditions and endorsements

Each of the Tenements are subject to standard statutory conditions. These standard conditions compel the tenement holder to promptly report to the Minister responsible for the administration of the Mining Act all minerals of economic interest discovered within the Tenements. The standard conditions also stipulate that a tenement holder obtain the consent of an officer of the DMIRS prior to conducting any ground disturbing work, basic environmental and rehabilitation conditions (such as filling or otherwise making safe all holes, pits, trenches and other disturbances to the surface of the land which are made whilst exploring for minerals) and a requirement to prevent fire, damage to trees or other property, damage to livestock. In addition to these standard conditions, the following applies:



1. All disturbances to the surface of the land made as a result of exploration, including costeans, drill pads, grid lines and access tracks, being backfilled and rehabilitated to the satisfaction of the Environmental Officer, DMIRS. Backfilling and rehabilitation being required no later than 6 months after excavation unless otherwise approved in writing by the Environmental Officer, DMIRS.
2. All waste materials, rubbish, plastic sample bags, abandoned equipment and temporary buildings being removed from the mining tenement prior to or at the termination of exploration program.
3. Unless the written approval of the Environmental Officer, DMIRS is first obtained, the use of drilling rigs, scrapers, graders, bulldozers, backhoes or other mechanised equipment for surface disturbance or the excavation of costeans is prohibited. Following approval, all topsoil being removed ahead of mining operations and separately stockpiled for replacement after backfilling and/or completion of operations.
4. The Licensee notifying the holder of any underlying pastoral or grazing lease by telephone or in person, or by registered post if contact cannot be made, prior to undertaking airborne geophysical surveys or any ground disturbing activities utilising equipment such as scrapers, graders, bulldozers, backhoes, drilling rigs; water carting equipment or other mechanised equipment.
5. The Licensee or transferee, as the case may be, shall within thirty (30) days of receiving written notification of:
  - a. the grant of the Licence; or
  - b. registration of a transfer introducing a new Licensee;advise, by registered post, the holder of any underlying pastoral or grazing lease details of the grant or transfer.
6. The prior written consent of the Minister responsible for the Mining Act being obtained before commencing any exploration activities on CR 12300 Vermin Proof Fence.
7. No exploration being carried out on CR 10367 Reserve Wandry Springs Cue Stock Route which restrict the use of the reserve.
8. The tenement holder has been authorized to remove an additional 2,447 tonnes of material from this tenement.
9. The prior written consent of the Minister responsible for the Mining Act being obtained before commencing any prospecting activities on CR 7190 Trigonometrical Station.
10. The prior written consent of the Minister responsible for the Mining Act being obtained before commencing any exploration activities on Trigonometrical Station Reserve CR 14777.

11. No interference with Geodetic Survey Station Peterwangy and mining within 15 meters thereof being confined to below a depth of 15 meters from the natural surface.
12. In respect to Water Resource Management Areas (WRMA) (which affect all of the licence) the following endorsements apply:
  - a. The Licensee's attention is drawn to the provisions of the:
    - i. Waterways Conservation Act, 1976;
    - ii. Rights in Water and Irrigation Act, 1914;
    - iii. Metropolitan Water Supply, Sewerage and Drainage Act, 1909;
    - iv. Country Areas Water Supply Act, 1947; and
    - v. Water Agencies (Powers) Act 1984.
  - b. The rights of ingress to and egress from, and to cross over and through, the mining tenement being at all reasonable times preserved to officers of Department of Water and Environmental Regulation (DWER) for inspection and investigation purpose.
  - c. The storage and disposal of petroleum hydrocarbons, chemicals and potentially hazardous substances being in accordance with the current published version of the DWER relevant Water Quality Protection Notes and Guidelines for mining and mineral processing.
  - d. The taking of groundwater from an artesian well and the construction, enlargement, deepening or altering of any artesian well is prohibited unless current licences for these activities have been issued by DWER.
  - e. Measures such as drainage controls and stormwater retention facilities are to be implemented to minimise erosion and sedimentation of adjacent areas, receiving catchments and waterways.
  - f. All activities to be undertaken so as to avoid or minimise damage, disturbance or contamination of waterways, including their beds and banks, and riparian and other water dependent vegetation.
13. In respect to Proclaimed Ground Water Areas (which affect all of the licence) the following endorsement applies:
  - a. The taking of groundwater and the construction or altering of any well is prohibited without current licences for these activities issued by the DWER, unless an exemption otherwise applies.

14. In respect to Public Drinking Water Source Areas (PDWSA) Water Reserve WR 65 the following endorsement applies: 15/08/2016:
- a. All activity within proclaimed public drinking water source areas shall comply with the current published version of the DoWs 'Quality Protection Note 25 Land Use Compatibility in Public Drinking Water Source Areas'. Key issues that need to be considered within the Water Quality Protection Note are:
    - i. all prospecting involving the storage, transport and use of toxic and hazardous substances (including human wastes) within public drinking water source areas being prohibited unless approved in writing by the DoW.
    - ii. seek written advice from the DoW if handling, storing and/or using hydrocarbons and potentially hazardous substances.

Title, Aboriginal Heritage and Native Title Claims

15. The Company will acquire a 100% interest in this tenement under an agreement titled Tenement Sale Agreement between Findlay and the Company dated 23 September 2020, a summary of which can be seen in section 12.35(b) of the Prospectus which does not form part of this report. The seller of the tenement retains a right to a 2% net smelter return royalty.
16. The Company will acquire an 80% interest in this tenement under an agreement titled Sale and Joint Venture Agreement - Rabbit Bore Project between Diversified and the Company dated 12 March 2021, a summary of which can be seen in section 5.12(c) of the Prospectus which does not form part of this report. The seller of the tenement retains a right to a 1% net smelter return royalty.
17. The Company will acquire an 80% interest in this tenement under an agreement titled Sale and Joint Venture Agreement - Wardarbie South Project between Gelnignite and the Company dated 12 March 2021, a summary of which can be seen in section 12.5(c) of the Prospectus which does not form part of this report. The seller of the tenement retains a right to a 1% net smelter return royalty.
18. The Company may acquire an initial 51% interest, and up to an 80% interest in this tenement under an agreement titled Farm-in and Joint Venture Heads of Agreement - Mt Davis Project dated 18 March 2021, a summary of which can be seen in section 12.5(a) of the Prospectus which does not form part of this report.
19. The Company may acquire an initial 51% interest, and up to a 76% interest in this tenement under an agreement titled Farm-in and Joint Venture Heads of Agreement - Peterwangy Project dated 19 March 2021, a summary of which can be seen in section 12.5(a) of the Prospectus which does not form part of this report.

20. As the Yamatji Nation Indigenous Land Use Agreement (Yamatji Nation ILUA) applies to this Exploration Licence, the Licensee must before exercising any of the rights, powers or duties pursuant to this Exploration Licence over that portion of the area of land the subject of the Yamatji Nation ILUA:
- a. execute and enter into, in respect of this Exploration Licence, one of the following types of agreements and maintain such agreement for the term of this Exploration Licence:
    - i. an Aboriginal Heritage Agreement, other than a YPSHA (as defined in the Yamatji Nation ILUA) with the Yamatji Southern Regional Corporation (Regional Entity); or
    - ii. a YPSHA with the Regional Entity; and
  - b. where:
    - i. the Licensee and the Regional Entity have been unable to reach agreement on the terms and conditions of an Aboriginal Heritage Agreement under paragraph (a); and
    - ii. the Licensee executes a YPSHA (subject only to any necessary modifications in terminology required by the tenure); and
    - iii. the Licensee provides a copy of the YPSHA to the Regional Entity for execution;
- if the Regional Entity does not execute the YPSHA and provide a copy of the executed YPSHA to the Licensee within 40 business days of receipt of the YPSHA, the requirements of paragraph (a) do not apply and the Licensee may proceed to exercise any of the rights, powers or duties pursuant to this Exploration Licence over that portion of the area of land the subject of the Yamatji Nation ILUA after provision of the statutory declaration referred to in (c) below; and
- c. provide to the Minister for Mines and Petroleum a statutory declaration from the Licensee (or if the Licensee is a corporation, from a director of that corporation on its behalf) in the form contained in Schedule 18 to the Yamatji Nation ILUA, as evidence that the Licensee has complied with the requirements of paragraph (a) of this condition, or that paragraph (b) of this condition applies.
21. An application for extension of term for a further 5 years has been made in respect of this tenement. The application remains pending.
22. Approximately half of the area of this tenement is affected by Registered Aboriginal Site 2563, an artefact / scatter, quarry site.

23. The most westerly section (approximately 20%) of Exploration Licence 70/5114 and approximately 80% of Exploration Licence 70/5691 are affected by Registered Aboriginal Site 18907, Irwin River, a Historical, Mythological, Camp, Natural Feature and Water Source site.
24. This tenement overlies the National Heritage Listing Wilgie Mia Aboriginal Ochre Mine.
25. This tenement is subject to the Wajarri Yamatji #1 native title claim (WC2004/010).
26. This tenement is subject to the Wajarri Yamatji determined native title area (WCD2017/007).
27. This tenement overlies (25%) **the Wandry Springs Cue Stock Route “C” class Reserve**.
28. This tenement is subject to the Wajarri Yamatji Part B (WCD2018/002) determined native title area.
29. The tenement predominantly overlies private land. The consent of the private land owner is required before accessing and carrying out work on the land.
30. The tenement overlies the area of the Yamatji Nation native title determination and is subject to the Yamatji Nation Indigenous Land Use Agreement (ILUA).

16 ANNEXURE C – INDEPENDENT LIMITED ASSURANCE REPORT

7 May 2021

The Directors  
Ozz Resources Limited  
Unit 15, 217 Hay Street  
Subiaco WA 6008

Dear Board of Directors

### **Independent Limited Assurance Report on Ozz Resources Limited Historical and Pro forma Financial Information**

We have been engaged by Ozz Resources Limited ("Ozz Resources" or "the Company") to prepare this Independent Limited Assurance Report ("Report") in relation to certain financial information of Ozz Resources for inclusion in the Prospectus.

The Prospectus (or "the document") issued is for the purposes of raising \$5,000,000 before associated costs; to assist the Company to meet the requirements for listing on the Australian Securities Exchange ("ASX").

Broadly, the Prospectus will raise \$5,000,000 through the issue of 25,000,000 Ordinary Shares at an issue price of \$0.20 per Share.

Expressions and terms defined in the document have the same meaning in this Report. This Report has been prepared for inclusion in the Prospectus. We disclaim any assumption of responsibility for any reliance on this Report or on the Financial Information to which it relates for any purpose other than that for which it was prepared.

### **Scope**

You have requested Bentleys to perform a limited assurance engagement in relation to the historical and pro forma historical financial information described below and disclosed in the Prospectus.

The historical and pro forma 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.

You have requested Bentleys to review the following historical financial information (together the "Historical Financial Information") of Ozz Resources included in the Prospectus:

- The historical Statement of Profit or Loss and Other Comprehensive Income for the period ended 31 December 2020 for Ozz Resources Limited;
- The historical Statement of Financial Position as at 31 December 2020 of Ozz Resources Limited



Bentleys Audit & Corporate  
(WA) Pty Ltd

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- The historical Statement of Cash Flows for the period ended 31 December 2020 for Ozz Resources Limited

The Historical Financial Information has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principals contained in Australian Accounting Standards and the Company's adopted accounting policies. The Historical Financial Information of Ozz Resources has been extracted from the Audited historical financial statements for 31 December 2020, which were audited by Bentleys in accordance with Australian Auditing Standards. An unqualified audit opinion was issued for 31 December 2020 with material uncertainty surrounding the ability of the entity to continue as a going concern.

### ***Pro Forma historical financial information***

You have requested Bentleys to review the pro forma historical Statement of Financial Position as at 31 December 2020 referred to as "the pro forma historical financial information."

The pro forma historical financial information has been derived from the historical financial information of Ozz Resources, after adjusting for the effects of the subsequent events and pro forma adjustments described in note 2 of section 7.7 of the document. The stated basis of preparation is the recognition and measurement principles contained in Australian Accounting Standards applied to the historical financial information and the events or transactions to which the pro forma adjustments relate, as described in note 2 of section 7.7 of the document, 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 or financial performance.

The pro-forma historical financial information has been prepared by adjusting the statement of financial position of Ozz Resources Limited as at 31 December 2020 to reflect the financial effects of the following subsequent events which have occurred since 31 December 2020:

- (a) On 8 March 2021, the Company undertook a share consolidation on a 2.3 for every 4 shares held.
- (b) On 23 March 2021, the Company obtained a short term loan of \$50,000 which was repayable within 7 days of listing inclusive of an additional \$5,000 in finance costs.
- (c) On 7 May 2021, the company issued 1,500,000 shares at \$0.02 to raise \$30,000 to fund short term working capital requirements.

And the following pro forma transactions which are yet to occur, but are proposed to occur following completion of the capital raising:

- (a) The issue of 25,000,000 ordinary shares at \$0.20 per share to raise \$5,000,000 before capital raising costs of \$745,685 which includes \$319,356 of share based payments and \$113,671 in listing costs which are recognised in the profit or loss.

2,800,000 options issued to the Lead Manager will convert to shares on a one for one basis, exercisable at \$0.25 per option with an expiry date of three years from issue.

- (b) The acquisition of mining tenements from various vendors for the payment of \$210,000 in cash, issue of 7,600,000 ordinary shares and 2,600,000 unlisted options, exercisable at \$0.25 per option with an expiry date of 4 years from the date of issue.

As part of the acquisition agreements, net royalty smelter return royalties were included in some agreements as part of the consideration as detailed in the Material Contracts section in 5.12. For the purpose of the pro-forma accounting it has been determined that they are a contingent liability and not recognised within the financial statements.

- (c) 5,500,000 unlisted options will be issued to the directors, which will convert to shares on a one for one basis, exercisable at \$0.25 per option with an expiry date of two years from the date of issue with a valuation of \$513,924.
- (d) On 23 March 2021 the Company obtained a short term loan of \$50,000 which was repayable within 7 days of listing inclusive of an additional \$5,000 in finance costs.

### **Directors' responsibility**

The directors of Ozz Resources are responsible for the preparation of the historical financial information and 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 limited assurance conclusions on the historical financial information and 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 Engagement ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.

Our limited assurance procedures consisted of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A limited assurance engagement 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.

Our engagement did not involve updating or re-issuing any previously issued audit or review report on any financial information used as a source of the financial information.

## Historical Financial Information

### 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 for Ozz Resources comprising:

- The historical Statements of Profit or Loss and Other Comprehensive Income for the period ended 31 December 2020;
- The historical Statements of Cashflow for the periods ended 31 December 2020; and
- The historical Statements of Financial Position 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 7.2 of the document.

#### 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 comprising the Statement of Financial Position as at 31 December 2020 is not presented fairly in all material respects, in accordance with the stated basis of preparation as described in 7.2 of the document.

### Restriction on Use

Without modifying our conclusions, we draw attention to section 7.1 of the Prospectus, which describes 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.

### Consent

Bentleys has consented to the inclusion of this Independent Limited Assurance Report in this disclosure document in the form and context in which it is so included (and at the date hereof, this consent has not been withdrawn), but has not authorised the issue of the disclosure document. Accordingly, Bentleys makes no representation or warranties as to the completeness and accuracy of any information contained in this disclosure document, and takes no responsibility for, any other documents or material or statements in, or omissions from, this disclosure document.

### Liability

The Liability of Bentleys Audit & Corporate (WA) Pty Ltd is limited to the inclusion of this report in the Prospectus. Bentleys Audit & Corporate (WA) Pty Ltd makes no representation regarding, and takes no responsibility for any other statements, or material in, or omissions from the Prospectus.

**Declaration of Interest**

Bentleys Audit & Corporate (WA) Pty Ltd does not have any interest in the outcome of this transaction or any other interest that could reasonably be regarded as being capable of affecting its ability to give an unbiased conclusion in this matter. Bentleys Audit & Corporate (WA) Pty Ltd will receive normal professional fees for the preparation of the report.

Yours faithfully



**MARK DELAURENTIS CA**  
**Partner**

## 17 ANNEXURE D – CORPORATE GOVERNANCE STATEMENT

No. Yes/No/Partially If not, why not

### Principle 1: Lay solid foundations for management and oversight

1.1	Yes	<p>The roles and responsibilities of the Board and management are set out in the Board Charter, available on the Company's website.</p> <p>The Board of Directors is responsible for the corporate governance of the Company and operates in accordance with the principles set out in the Board Charter.</p> <p>The Board Charter also provides for the Company's statement of delegated authority to set out the Company's policy relevant to the delegation of authority to management to conduct the day-to-day management of the Company.</p> <p>The Company recognises that the roles and functions of the Board must necessarily be flexible in delivering the Company's objectives.</p>
1.2	Yes	<p>The process of appointment and re-election is set out in the Board Charter.</p> <p>The Company will undertake appropriate checks before appointing a person, or putting forward to shareholders a candidate for election as a director.</p> <p>The Board will provide shareholders with all material information in possession of the Company to enable shareholders to make an informed decision on the appointment and re-election of directors.</p>
1.3	Yes	<p>The Company has a written agreement with each director and senior executive setting out the terms of their appointment.</p>
1.4	Yes	<p>The Company Secretary is appointed and removed by the Board and reports to, and is directly accountable to, the Board, through the Chair, or if a Chair is not appointed, the Managing Director, on all matters to do with the proper functioning of the Board.</p>
1.5	No	<p>The Company has a diversity policy that sets out the Company's goal to achieve diversity in its workforce and its Board. The policy is available on the Company's website.</p> <p>The Board does not presently intend to set measurable gender diversity objectives because:</p> <ul style="list-style-type: none"> <li>• Due to the limited nature of the Company's existing and proposed activities, it is the Board's view that the existing Directors and senior executives have sufficient skills and experience to carry out the Company's plans;</li> <li>• The Company's Annual Report will report the respective proportions of men and women on the Board, in senior executive positions and across the Company.</li> </ul>
1.6	Yes	<p>The Board is responsible for the evaluation and review of the performance of the Board and its committees (if any) and Senior Executives.</p>
1.7	Yes	<p>The Chair, or if a Chair is not appointed, the Managing Director, is primarily responsible for the evaluation and review of the performance of individual non-executive directors. The Chair, or if a Chair is not appointed, the Managing Director, should disclose the process for evaluating the performance of those directors.</p> <p>The Board (other than the Chair, or if a Chair is not appointed, the Managing Director) is responsible for the evaluation and review of the performance of the Chair, or if a Chair is not appointed, the Managing Director, and review of the effectiveness and programme of Board meetings.</p> <p>The process of the performance evaluation of the Board, its committees (if any), directors and senior executives, generally involves an internal review. From time to time as the Company's needs and circumstances require, the Board may commission an external review of the Board, and its composition.</p>

**No. Yes/No/Partially If not, why not**


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**Principle 2: Structure the board to be effective and add value**


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2.1	Yes	The Company believes it is not of a sufficient size to justify a Nomination Committee. If vacancies arise on the Board, all directors are involved in search and recruitment. The Board seeks to achieve a balance of entrepreneurial, capital markets, technical, operational, commercial and financial skills from the resources industry and broader business backgrounds. The Board will establish a skills matrix setting out the mix of skills and diversity that the Board currently has or is seeking to acquire.
2.2	Yes	
2.3	Yes	The Board comprises the Managing Director (Jonathan Lea), the non-executive Chair (Alan Lockett) and a non-executive Director (Brian McNab). The Board considers the following Directors are independent based on factors listed in its Board Charter: Brian McNab. To be considered independent, the Board will assess and consider the following factors: <ul style="list-style-type: none"> <li>• be, or have been, employed in an executive capacity by the Company or any of its related bodies corporate in the three years prior to their appointment to the Board;</li> <li>• receive performance-based remuneration (including options or performance rights) from, or participate in an employee incentive scheme, of the Company;</li> <li>• be, or have been within the last three years, in a material business relationship with the Company or any of its related bodies corporate, or be an officer of, or otherwise associated with, someone with such a relationship;</li> <li>• be, represent, or have been an officer or employee of, or professional adviser to, a substantial holder of the Company, within the last three years;</li> <li>• have close ties with any person who falls within any of the categories described above; or</li> <li>• have been a director of the Company for such a period that their independence from management and substantial holders may have been compromised.</li> </ul> <p>The Board does not currently consider an independent majority of the Board to be appropriate given the early stage of the Company's business, and its limited scale of activities.</p> <p>The Board Charter provides that, where practical, the Chair should be an independent Director and should not be the CEO/Managing Director.</p> <p>The Company's Chair of the Board is not independent and is not the Managing Director. The Company considers it not feasible to have an independent Chair given its current size and Board structure.</p> <p>If the Company increases its level of activity in the future, the Company will seek to appoint an independent Chair.</p>
2.4	No	
2.5	Partially	
2.6	Yes	Induction, training and continuing education arrangements are the subject of the terms and conditions of the appointment of members to the Board. The requirement for the Board to implement an appropriate induction and education process for new Board appointees and senior executives is set out in the Board Charter on the Company's website. The process is designed to enable Board appointees and senior executives to gain a better understanding of: <ul style="list-style-type: none"> <li>• the Company's financial, strategic, and operational and risk management position;</li> <li>• the rights, duties and responsibilities of the directors; the roles and responsibilities of senior executives; and</li> <li>• the role of Board committees (if any).</li> </ul>

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## No. Yes/No/Partially If not, why not

**Principle 3: Instil a culture of acting lawfully, ethically and responsibly**

3.1	Yes	The Company's values are set out in its Code of Conduct which is available on the Company's website. All employees and consultants will be given appropriate training on the Company's value.
3.2	Yes	The Board has adopted a formal Code of Conduct to promote lawful, ethical and responsible decision-making by directors, management and employees. The Code promotes compliance with laws and regulation and avoidance of conflicts of interest, embraces the values of honesty, integrity, enterprise, excellence, accountability, justice, independence and equality of stakeholder opportunity. The Code of Conduct is available on the Company's website.
3.3	Yes	The Company has adopted a Whistleblower Policy which will be used to monitor and review arrangements employees of the Company and other interested parties can use, in confidence, to raise concerns about possible misconduct or an improper state of affairs or circumstances in relation to the Company. The policy is available on the Company's website.
3.4	Yes	The Company's anti-bribery and anti-corruption policy is contained in the Company's Code of Conduct which is available on the Company's website.

**Principle 4: Safeguard the integrity of corporate reports**

4.1	Partially	<p>The Company does not currently have an Audit Committee. The Board considers that the formation of an Audit Committee is not warranted at this time given the stage of the Company's development.</p> <p>The Board will at some time consider forming an Audit Committee if the size of the Board increases and efficiencies may be derived from a formal committee structure. The Company's corporate governance plan contains an Audit and Risk Committee Charter that provides for the creation of an Audit and Risk Committee with at least three members, all of whom must be non-executive Directors, and the majority of the Committee must be independent Directors. The committee is to be chaired by an independent Director who is not the Chair of the Board.</p>
4.2	Yes	The Board intends to, before it approves the Company's financial statements for a financial period, obtain a declaration from its Managing Director and CFO that the financial records of the Company have been properly maintained and that the financial statements company with appropriate accounting standards and give a true and fair view of the financial position and performance of the Company and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.
4.3	Yes	<p>The Company will:</p> <ul style="list-style-type: none"> <li>• in each of its annual report and on its website, a description of the process it undertakes to verify the integrity of the information in its annual Directors' report;</li> <li>• in each of its quarterly report, or in its annual report or on its website, a description of the process it undertakes to verify the integrity of the information in its quarterly reports;</li> <li>• in each of the Company's other periodic reports, a description of the process it undertakes to verify the integrity of the information in these reports.</li> </ul>



## No. Yes/No/Partially If not, why not

**Principle 5: Make timely and balanced disclosure**

- |     |     |  |
|-----|-----|--|
| 5.1 | Yes | The Board places a strong emphasis on full and appropriate disclosure and has adopted a Continuous Disclosure Policy to ensure timely and accurate disclosure of price-sensitive information to shareholders through the lodgement of announcements with ASX. Clear procedures govern the preparation, review and approval of all announcements. The Company's Continuous Disclosure Policy is available on its website. |
| 5.2 | Yes | Under the Company's Continuous Disclosure Policy, all members of the Board will receive material market announcements promptly after they have been made.  |
| 5.3 | Yes | All substantive investor or analyst presentations will be released on the ASX Markets Announcement Platform ahead of a new and substantive investor or analyst presentation.   |

**Principle 6: Respect the rights of security holders**

- |     |     |  |
|-----|-----|--|
| 6.1 | Yes | Information about the Company and its governance (being the Corporate Governance Plan) are available on the Company's website.   |
| 6.2 | Yes | The Board is responsible for the communication strategy to promote effective communications with investors and to encourage effective participation at general meetings.                             |
| 6.3 | Yes | The Company has adopted a Shareholder Communications Strategy which is available on the Company's website.<br><br>Shareholders are encouraged to participate in all general meetings of the Company. |
| 6.4 | Yes | All substantive resolutions at a meeting of its Shareholders will be decided by a poll rather than on a show of hands.   |
| 6.5 | Yes | The Company and its share registry offer to members the option of receiving shareholder communications electronically.   |

**Principle 7: Recognise and manage risk**

- |     |           |   |
|-----|-----------|---|
| 7.1 | Partially | The Board is committed to ensuring that the risks associated with the Company's business activities are properly identified, monitored and managed and to embedding in its management and reporting systems a number of risk management controls. Operational management regularly reviews the risks and controls and updates the Board in light of changing circumstances and emergent risk factors and weightings.  |
| 7.2 | Y         |   |
| 7.3 | Y         |   |
| 7.4 | Y         | The Board considers that the Company is not of a size sufficient to warrant the establishment of an internal audit function or a risk management committee. The Company does however employ appropriate processes for continually improving the effectiveness of risk management and internal control processes.<br><br>Aside from the risks outlined in section 6 of this prospectus, the Company does not have material exposure to other economic, environmental or social sustainability risks. |

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**No. Yes/No/Partially If not, why not**


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**Principle 8: Remunerate fairly and responsibly**


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- |     |           |  |
|-----|-----------|--|
| 8.1 | Partially | <p>The Directors consider the current size of the Board does not warrant the establishment of a separate Remuneration Committee. However, the Board will at some time consider forming a Remuneration Committee if the size of the Board increases and efficiencies may be derived from a formal committee structure. Nonetheless the Board is committed to ensuring that the principles of fair and responsible remuneration govern its operations.</p> <p>There are no schemes for retirement benefits, other than superannuation, for non-executive directors.</p> <p>Further information on the Company's corporate governance policies and practices can be found on the Company's website.</p> |
| 8.2 | Yes       | <p>The Company's policies and practices regarding the remuneration of non-executive Directors and the remuneration of executive Directors and other senior executives will be disclosed in the remuneration report contained in the Company's Annual Report which will be available on the Company's website.</p>  |
| 8.3 | N/A       | <p>The Company has an equity-based remuneration scheme. Given the current size of the Company, it does not have a policy on whether participants are permitted to enter into transactions.</p>   |
- 

**Principle 9: Additional recommendations that apply only in certain cases**


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- |     |     |  |
|-----|-----|--|
| 9.1 | N/A | The Board has no language issues.        |
| 9.2 | N/A | The Company is established in Australia. |
| 9.3 | N/A |  |
-

**OZZ Resources Limited**

**ASX Code: OZZ  
ACN 643 844 544**

**Registered Office  
15/217 Hay Street  
Subiaco WA 6008**

**[www.ozzresources.com.au](http://www.ozzresources.com.au)**



## OZZ RESOURCES LIMITED

ACN 643 844 544

# SUPPLEMENTARY PROSPECTUS

## 1 IMPORTANT INFORMATION

This is a supplementary prospectus (**Supplementary Prospectus**) and is intended to be read together with the prospectus issued by Ozz Resources Limited (ACN 643 844 544) (**Company**) dated 7 May 2021 (**Prospectus**).

This Supplementary Prospectus is dated 28 May 2021 and a copy of this Supplementary Prospectus was lodged with ASIC on that date. ASIC, ASX and their respective officers take no responsibility for the content of this Supplementary Prospectus.

Other than as set out below, all details of the Prospectus remain unchanged. To the extent of any inconsistency between this Supplementary Prospectus and the Prospectus, this Supplementary Prospectus will prevail. Unless otherwise defined, capitalised terms used in this Supplementary Prospectus have the meanings given to them in the Prospectus.

The Supplementary Prospectus and the Prospectus can be accessed on the Company's website at [www.ozzresources.com.au](http://www.ozzresources.com.au).

This Supplementary Prospectus and the Prospectus are important documents that must be read in conjunction with each other. Investors should read them both in their entirety and consult their professional advisor if they do not understand any aspects of these documents.

The Directors believe that the changes in this Supplementary Prospectus are not materially adverse from the point of view of an investor. Accordingly, no action needs to be taken if you have already subscribed for Shares under the Prospectus.

## 2 UPDATE ON VOLUNTARY ESCROW ARRANGEMENT

The purpose of this Supplementary Prospectus is to provide an update on the Company's voluntary escrow arrangement.

Section 5.17 of the Prospectus is amended to reflect the following:

After the Lodgement Date, the Company has agreed with all existing Shareholders that Shares they currently hold, other than those that will be subject to ASX imposed escrow, will be escrowed for three months from the date on which the Company is admitted to the Official List (**Voluntary Escrow Shares**).

The total number of Voluntary Escrow Shares will be approximately 1,991,625, representing 4.46% of the Company's total Shares on issue upon listing. Together with the 17,680,250 Shares that may be classified as restricted securities by ASX, the total number of Shares to be escrowed will be approximately 19,671,875, representing 44.07% of the Company's total Shares on issue upon listing.

Once the Voluntary Escrow Shares are released from escrow three months after the Company being admitted to the Official List, the Company anticipates that the number of restricted Shares will be approximately 17,680,250 comprising approximately 39.61% of the Company's total Shares on issue.

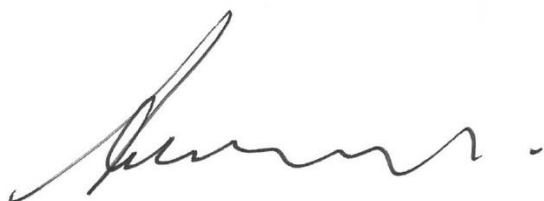
There is no change to the estimated number of restricted Options in the Prospectus.

The Company confirms its free float (being the percentage of 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 will be no less than 20% in compliance with Listing Rule 1.1 Condition 7.

### **3 DIRECTORS' AUTHORISATION**

This Supplementary 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 has consented to the lodgement of this Supplementary Prospectus with ASIC.

A handwritten signature in black ink, appearing to read 'Alan Lockett', with a long horizontal flourish extending to the right.

**Alan Lockett**  
**Non-Executive Chair**  
**For and on behalf of Ozz Resources Limited**  
**28 May 2021**

## OZZ RESOURCES LIMITED

ACN 643 844 544

# SECOND SUPPLEMENTARY PROSPECTUS

## 1 IMPORTANT INFORMATION

This is a second supplementary prospectus (**Second Supplementary Prospectus**) and is intended to be read together with the prospectus issued by Ozz Resources Limited (ACN 643 844 544) (**Company**) dated 7 May 2021 and the first supplementary prospectus issued by the Company dated 28 May 2021 (**Prospectus**).

This Second Supplementary Prospectus is dated 15 June 2021 and a copy of this Second Supplementary Prospectus was lodged with ASIC on that date. ASIC, ASX and their respective officers take no responsibility for the content of this Second Supplementary Prospectus.

Other than as set out below, all details of the Prospectus remain unchanged. To the extent of any inconsistency between this Second Supplementary Prospectus and the Prospectus, this Second Supplementary Prospectus will prevail. Unless otherwise defined, capitalised terms used in this Second Supplementary Prospectus have the meanings given to them in the Prospectus.

This Second Supplementary Prospectus and the Prospectus can be accessed on the Company's website at [www.ozzresources.com.au](http://www.ozzresources.com.au).

This Second Supplementary Prospectus and the Prospectus are important documents that must be read in conjunction with each other. Investors should read them both in their entirety and consult their professional advisor if they do not understand any aspects of these documents.

The Directors believe that the changes in this Second Supplementary Prospectus are not materially adverse from the point of view of an investor. Accordingly, no action needs to be taken if you have already subscribed for Shares under the Prospectus.

## 2 PURPOSE

The purpose of this Second Supplementary Prospectus is to:

- (a) provide an update on the variation to the Tenement Sale Agreement between the Company and Diane Kaye Finlay (**Update**); and
- (b) amend the relevant sections of the Prospectus as a result of the Update and retract and replace certain statements in sections 5.4 and 5.5 of the Prospectus for the Mt Davis Project and the Maguires Reward Project.

## 3 BACKGROUND

According to the Tenement Sale Agreement between the Company and Diane Finlay dated 23 September 2020, Diane will be issued 5,000,000 Shares, being 11.2% of the Company's issued share capital, assuming completion of the Offers and the acquisition of the Maguires Reward Project. She is therefore deemed to be a promoter under the Listing Rules. The purchase consideration for the Maguires Reward Project includes \$125,000 in cash (of which \$25,000 has been paid and the balance is payable upon settlement). Cash consideration for the acquisition of a classified asset paid, or to be paid, to a promoter is only permitted under

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This Second Supplementary Prospectus is intended to be read together with the prospectus issued by the Company dated 7 May 2021 and the first supplementary prospectus issued by the Company dated 28 May 2021.

the Listing Rules if it is for reimbursement of expenditure incurred by the promoter in developing the classified asset.

Following discussions with the vendor and the ASX, the Company has agreed with Diane Finlay to vary the Tenement Sale Agreement so that Diane will return the \$25,000 cash paid to her and be issued 500,000 additional Shares at a deemed issue price of \$0.20 per Share in lieu of \$100,000 in cash at completion of the acquisition.

Diane will be issued 5,500,000 Shares in total and these Shares will be subject to 24 months escrow from the date the Company's Shares are quoted on the Official List.

## 4 AMENDMENTS TO THE PROSPECTUS

### 4.1 Section 1 of the Prospectus – Indicative timetable

Section 1 of the Prospectus is replaced with the following:

<i>Prospectus lodged with ASIC (Lodgement Date)</i>	<i>Friday, 7 May 2021</i>
<i>Last day of the Exposure Period</i>	<i>Friday, 14 May 2021</i>
<i>Opening date of the Public Offer</i>	<i>Monday, 17 May 2021</i>
<i>Closing date of the Public Offer (Closing Date)</i>	<i>Friday, 28 May 2021</i>
<i>Issue of Shares under this prospectus</i>	<i>Thursday, 17 June 2021</i>
<i>Despatch of holding statements</i>	<i>Thursday, 17 June 2021</i>
<i>Expected date for quotation of Shares on ASX</i>	<i>Friday, 25 June 2021</i>

*The above dates are indicative only and may change without notice. The Exposure Period may be extended by ASIC by not more than seven days. The Company reserves the right to extend the Closing Date or close the Offers early without prior notice. The quotation of Shares is subject to confirmation from ASX.*

### 4.2 Section 2 of the Prospectus – Key Offer terms and indicative capital structure

Section 2 of the Prospectus is replaced with the following:

	<b><i>Minimum Subscription (\$5,000,000)</i></b>
<i>Shares on issue on the Lodgement Date</i>	<i>12,036,875</i>
<i>Shares offered under the Public Offer</i>	<i>25,000,000</i>
<i>Vendor Shares to be issued</i>	<i>8,100,000</i>
<b><i>Total Shares upon listing</i></b>	<b><i>45,136,875</i></b>
<i>Offer price</i>	<i>\$0.20</i>
<i>Amount to be raised under the Public Offer</i>	<i>\$5,000,000</i>
<b><i>Initial market capitalisation</i></b>	<b><i>\$9,027,375</i></b>
<i>Options on issue on the Lodgement Date</i>	<i>10,536,875</i>
<i>Vendor Options to be issued</i>	<i>2,600,000</i>
<i>Lead Manager Options to be issued</i>	<i>2,800,000</i>
<i>Directors Options to be issued</i>	<i>5,500,000</i>

This Second Supplementary Prospectus is intended to be read together with the prospectus issued by the Company dated 7 May 2021 and the first supplementary prospectus issued by the Company dated 28 May 2021.



<b>Total Options upon listing<sup>1</sup></b>	<b>21,436,875</b>
<b>Fully diluted share capital</b>	<b>66,573,750</b>
<b>Enterprise value upon listing<sup>2</sup></b>	<b>\$4,027,375</b>

1. See section 9.15 of the Prospectus for a summary of the terms of the Options.
2. Enterprise value is calculated as the initial market capitalisation less funds raised.

#### 4.3 Section 5.4 of the Prospectus – Project overview – Mt Davis Project

In section 5.4 of the Prospectus:

- (a) the following statement is retracted:
- “A non-JORC compliant inferred resource was estimated of 140kt at 2.3g/t (also reported as 200kt at 1.8g/t using a lower cut-off grade).”*
- (b) the following statement is deleted:
- “The information in this section that relates to Exploration Targets is based on information compiled by Mr Jeremy Peters, BSc BEng FAUSIMM CP (Min, Geo) AWASM, a Competent Person who is a Fellow of the Australasian Institute of Mining and Metallurgy.”*
- and replaced with the following:
- The information in this section that relates to Exploration Targets and Exploration Results is based on information compiled by Mr Jeremy Peters, BSc BEng FAusIMM CP (Min, Geo) AWASM, a director of Burnt Shirt Pty Ltd and a Competent Person who is a Fellow and Chartered Professional Geologist and Mining Engineer of the Australasian Institute of Mining and Metallurgy. References to publicly available information and a completed Table 1 of the JORC Code is included in the IGR attached to this prospectus.*
- No reliance shall be placed on the historical resources and targets disclosed in the prospectus.*

#### 4.4 Section 5.5 of the Prospectus – Project overview – Maguires Reward Project

In section 5.5 of the Prospectus:

- (a) the following statements are retracted:
- “A total resource estimate by BHP (non JORC compliant) was stated at 75kt at 2.6g/t. Subsequently, Newcrest released and estimated for the Southern Zone only of 35kt at 3.0g/t.”*
- “Recently an Exploration Target of 1.5Mt at 2.3g/t (110koz) was estimated to 200m depth. Preliminary mining studies indicated that the mineralisation was economically viable to be mined, trucked and toll treated at nearby processing plants.”*
- (b) the following statement is deleted:
- “The information in this section that relates to Exploration Targets is based on information compiled by Mr Jeremy Peters, BSc BEng FAUSIMM CP (Min, Geo) AWASM, a Competent Person who is a Fellow of the Australasian Institute of Mining and Metallurgy”*
- and replaced with the following:

*The information in this section that relates to Exploration Targets and Exploration Results is based on information compiled by Mr Jeremy Peters, BSc BEng FAusIMM CP (Min, Geo) AWASM, a director of Burnt Shirt Pty Ltd and a Competent Person who is a Fellow and Chartered Professional Geologist and Mining Engineer of the Australasian Institute of Mining and Metallurgy. References to publicly available information and a completed Table 1 of the JORC Code is included in the IGR attached to this prospectus.*

*No reliance shall be placed on the historical resources and targets disclosed in the prospectus.*

#### 4.5 Section 5.7 of the Prospectus – Project overview – Wardarbie South Project

In section 5.7 of the Prospectus, retract the following statement:

*“Recent sampling of the workings around Wardarbie South returned grades of 33.7, 22.0g/t, 11.8g/t 5.7g/t and 4.9g/t Au reinforcing the potential for high grade mineralisation.”*

and replace it with:

*Please refer to the Independent Geologist’s Report in Annexure A of this prospectus for further details on the Project. No reliance shall be placed on the historical resources and targets disclosed in the prospectus.*

#### 4.6 Section 5.13 of the Prospectus – Use of funds

The use of funds table (excluding notes) in section 5.13 of the Prospectus is replaced with the following:

	<b>Minimum Subscription \$5,000,000</b>	
	Amount	% of total use of funds
<i>Existing cash as at 31 December 2020</i>	150,000	
<i>Funds to be raised under the Public Offer</i>	5,000,000	
<b><i>Total funds available upon listing</i></b>	<b>5,150,000</b>	
<b><i>Expenses</i></b>		
<i>Outstanding Vendor payments</i>	110,000	2.14%
<b><i>Exploration costs<sup>1</sup></i></b>		
<i>Mt Davis Project</i>	660,000	12.82%
<i>Maguires Reward Project</i>	830,000	16.12%
<i>Peterwangy Project</i>	365,000	7.09%
<i>Rabbit Bore Project</i>	335,000	6.50%
<i>Wardarbie South Project</i>	260,000	5.05%
<i>Exploration administration costs<sup>1</sup></i>	550,000	10.68%
<b><i>Total exploration costs</i></b>	<b>3,000,000</b>	<b>58.25%</b>
<b><i>Costs of the Offers</i></b>		
<i>ASIC</i>	5,500	0.11%
<i>ASX</i>	65,500	1.27%
<b><i>Joint Lead Managers<sup>2</sup></i></b>	<b>350,000</b>	<b>6.80%</b>

This Second Supplementary Prospectus is intended to be read together with the prospectus issued by the Company dated 7 May 2021 and the first supplementary prospectus issued by the Company dated 28 May 2021.

	<b>Minimum Subscription \$5,000,000</b>	
<i>Legal fees</i>	60,000	1.17%
<i>Independent Geologist</i>	20,000	0.39%
<i>Auditor and Investigating Accountant</i>	10,000	0.19%
<i>Miscellaneous</i>	26,000	0.50%
<b>Total costs of the Offers</b>	<b>550,000</b>	<b>10.43%</b>
<i>Working capital and administration costs<sup>3</sup></i>	1,490,000	29.18%
<b>Total</b>	<b>5,150,000</b>	<b>100%</b>

#### 4.7 Section 5.15 of the Prospectus – Capital structure

The capital structure table (excluding notes) in section 5.15 of the Prospectus is replaced with the following:

	<b>Minimum Subscription \$5,000,000</b>	
<b>Shares</b>	<b>Number</b>	<b>%</b>
<i>Existing Shares<sup>2</sup></i>	12,036,875	26.97%
<u><i>Shares to be issued</i></u>		
<i>Vendor Shares</i>	8,100,000	17.95%
<i>Under the Public Offer</i>	25,000,000	55.39%
<b>Total shares on issue upon listing</b>	<b>45,136,875</b>	<b>100%</b>
<b>Options<sup>3</sup></b>		
<i>Existing Options<sup>2</sup></i>	10,536,875	
<u><i>Options to be issued</i></u>		
<i>Vendor Options</i>	2,600,000	
<i>Director Options</i>	5,500,000	
<i>Lead Manager Options</i>	2,800,000	
<b>Total</b>	<b>21,436,875</b>	
<b>Fully diluted Share capital<sup>4</sup></b>		
<i>Existing Shares</i>	12,036,875	18.08%
<i>Vendor Shares</i>	8,100,000	12.71%
<i>Shares under the Public Offer</i>	25,000,000	37.55%
<i>Shares upon exercise of all Options</i>	21,436,875	32.20%
<b>Total</b>	<b>66,573,750</b>	<b>100%</b>

#### 4.8 Section 5.16 of the Prospectus – Substantial Shareholders

The substantial Shareholders table (excluding notes) in section 5.16 of the Prospectus is replaced with the following:

Shareholders	Number of Shares	Voting power	
		undiluted	fully diluted
Alan Lockett	5,031,250 <sup>1</sup>	11.15%	15.18% <sup>2</sup>
Diane Kaye Finlay	5,500,000 <sup>3</sup>	12.19%	8.26%

#### 4.9 Section 8.3 of the Prospectus – Directors' holding

Section 8.3 of the Prospectus is replaced with the following:

*At the completion of the Offers, Directors' interests in Shares are as follows, assuming Minimum Subscription:*

Director	Direct interest	Indirect interest	Total interest	Voting power (undiluted)
Alan Lockett	431,250	4,600,000	5,031,250	11.15%
Jonathan Lea	287,500	230,000	517,500	1.08%
Brian McNab	Nil	Nil	Nil	Nil

*At the completion of the Offers, Directors' interests in Options are as follows:*

Director	Existing Options	Director Options <sup>1</sup>	Total Options	Voting power (fully diluted <sup>2</sup> )
Alan Lockett	5,074,375	Nil	5,074,375	15.18%
Jonathan Lea	517,500	3,500,000	4,017,500	6.81%
Brian McNab	Nil	2,000,000	2,000,000	3.00%

1. The value of the Director Options is \$327,040 and \$186,880 respectively for Jonathan Lea and Brian McNab. See section 7.7 Note 4(c) of the Prospectus for valuation details and assumptions, and section 9.15 of the Prospectus for a summary of the terms and conditions.
2. "Fully diluted" Share capital assumes all convertible securities are exercised and converted into Shares.

#### 4.10 Section 5.12 of the Prospectus – Material contracts

Insert the following texts at the end of section 5.12(b) of the Prospectus:

*Subsequent to the Lodgement Date, the Company and Diane have agreed that:*

- the 31 May 2021 date for completion of the Condition be extended to 15 July 2021;*
- Diane will return the \$25,000 cash consideration paid to her for the tenement sale; and*
- Diane will be issued 500,000 additional Shares at a deemed issue price of \$0.20 per Share in lieu of \$100,000 cash payment at completion of the acquisition.*

#### 4.11 Section 7 of the Prospectus – Financial information

Section 7 of the Prospectus is amended to reflect the following:

#### 7.6 Historical and Pro-forma statement of financial position

		<b>Ozz Resources Limited 31 December 2020</b>	<b>Subsequent Events</b>	<b>Pro forma Adjustments</b>	<b>Pro forma balance</b>
	<b>Notes</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Current assets</b>					
Cash & cash equivalents	<b>3</b>	146,477	80,000	4,295,000	4,521,477
Trade & other receivables		14,908	-	-	14,908
<b>Total current assets</b>		<b>161,385</b>	<b>80,000</b>	<b>4,295,000</b>	<b>4,536,385</b>
<b>TOTAL ASSETS</b>		<b>161,385</b>	<b>80,000</b>	<b>4,295,000</b>	<b>4,536,385</b>
<b>Current liabilities</b>					
Trade & other payables		14,703	-	-	14,703
Borrowings		-	50,000	(50,000)	-
<b>Total current liabilities</b>		<b>14,703</b>	<b>50,000</b>	<b>(50,000)</b>	<b>14,703</b>
<b>TOTAL LIABILITIES</b>		<b>14,703</b>	<b>50,000</b>	<b>(50,000)</b>	<b>14,703</b>
<b>NET ASSETS</b>		<b>146,682</b>	<b>-</b>	<b>4,345,000</b>	<b>4,521,682</b>
<b>EQUITY</b>					
Issued capital	<b>4a</b>	361,327	30,000	5,874,315	6,265,642
Option Reserves	<b>4b</b>	-	-	1,169,881	1,169,881
Accumulated losses	<b>5</b>	(214,645)	-	(2,699,196)	(2,913,841)
<b>TOTAL EQUITY</b>		<b>146,682</b>	<b>30,000</b>	<b>4,345,000</b>	<b>4,521,682</b>

#### 7.7 Notes to and Forming Part of the Historical Financial Information

##### **Note 2: Actual and Proposed Transactions to Arrive at the Pro-Forma Financial Information**

The pro-forma historical financial information has been prepared by adjusting the statement of financial position of Ozz Resources Limited as at 31 December 2020 to reflect the financial effects of the following subsequent events which have occurred since 31 December 2020:

- On 8 March 2021, the company undertook a share consolidation on a 2.3 for every 4 shares held.
- On 23 March 2021, the company obtained a short term loan of \$50,000 which was repayable within 7 days of listing inclusive of an additional \$5,000 in finance costs.
- On 7 May 2021, the company issued 1,500,000 shares at \$0.02 to raise \$30,000 to fund short term working capital requirements.

And the following pro forma transactions which are yet to occur, but are proposed to occur following completion of the capital raising:

This Second Supplementary Prospectus is intended to be read together with the prospectus issued by the Company dated 7 May 2021 and the first supplementary prospectus issued by the Company dated 28 May 2021.

- (a) The issue of 25,000,000 ordinary shares at \$0.20 per share to raise \$5,000,000 before capital raising costs of \$745,685 which includes \$319,356 of share based payments and \$113,671 in listing costs which are recognised in the profit or loss.
- 2,800,000 options issued to the Lead Manager will convert to shares on a one for one basis, exercisable at \$0.25 per option with an expiry date of three years from issue.
- (b) The acquisition of mining tenements from various vendors for the payment of \$110,000 in cash issue of 8,100,000 ordinary shares at \$0.20 per share and 2,600,000 unlisted options, exercisable at \$0.25 per option with an expiry date of 4 years from the date of issue.
- As part of the acquisition agreements, net royalty smelter return royalties were included in some agreements as part of the consideration as detailed in the Material Contracts section in 5.12. For the purpose of the pro-forma accounting it has been determined that they are a contingent liability and not recognised within the financial statements.
- (c) 5,500,000 unlisted options will be issued to the directors, which will convert to shares on a one for one basis, exercisable at \$0.25 per option with an expiry date of two years from the date of issue with a valuation of \$513,924.
- (d) On 23 March 2021 the company obtained a short term loan of \$50,000 which was repayable within 7 days of listing inclusive of an additional \$5,000 in finance costs.

### **Note 3: Cash & Cash equivalents**

	<b>Pro forma after IPO</b>
	<b>\$</b>
Cash and cash equivalents	<u>4,521,477</u>
Reviewed balance as at 31 December 2020	<u>146,477</u>
Subsequent events:	
Proceeds from short term loan	50,000
Proceeds from capital raising	<u>30,000</u>
Total	<u>80,000</u>
Pro-forma adjustments:	
Proceeds from shares issued under the Public Offer	5,000,000
Expenses of the offer	(540,000)
Vendor cash payable	(110,000)
Repayment of short term loan	<u>(55,000)</u>
Total	<u>4,295,000</u>
Pro-forma Balance	<u>4,521,477</u>

**Note 4: Equity**

		<b>Pro forma after IPO \$</b>
a) Contributed equity		6,265,642
	<b>Number of shares After IPO</b>	
Fully paid ordinary share capital of Ozz Resources Limited as at 31 December 2020	18,325,002	361,327
Subsequent Events		
Adjustment for Share consolidation on a 4 for 2.3 basis	(7,788,127)	-
Proceeds from capital raising	1,500,000	30,000
Total	(6,288,127)	30,000
Pro-forma adjustments:		
Proceeds from shares issued under the IPO	25,000,000	5,000,000
Capital raising costs	-	(745,685)
Vendor Shares to be issued	8,100,000	1,620,000
Total	33,100,000	5,874,315
Pro-forma Balance	45,136,875	6,265,642

**Note 7: Subsequent Events**

Subsequent to 31 December 2020 the following events have occurred which have been reflected in the pro-forma adjustments:

- (a) On 8 March 2021 the company undertook a share consolidation on a 2.3 for every 4 shares held.
- (b) On 23 March 2021 the company obtained a short term loan of \$50,000 which was repayable within 7 days of listing inclusive of an additional \$5,000 in finance costs.
- (c) On 7 May 2021, the company issued 1,500,000 shares at \$0.02 to raise \$30,000 to fund short term working capital requirements.

**4.12 Section 9.16 of the Prospectus – Employee Incentive Plan Rules**

Insert the following texts at the end of section 9.16 of the Prospectus:

*The maximum number of equity securities the Company propose to issue under the Plan over a 3-year period is calculated as 5% of the total number of Shares on issue at any time, which will be 2,256,843 upon completion of the Offers.*

**4.13 Section 14 of the Prospectus – Independent Geologist's Report**

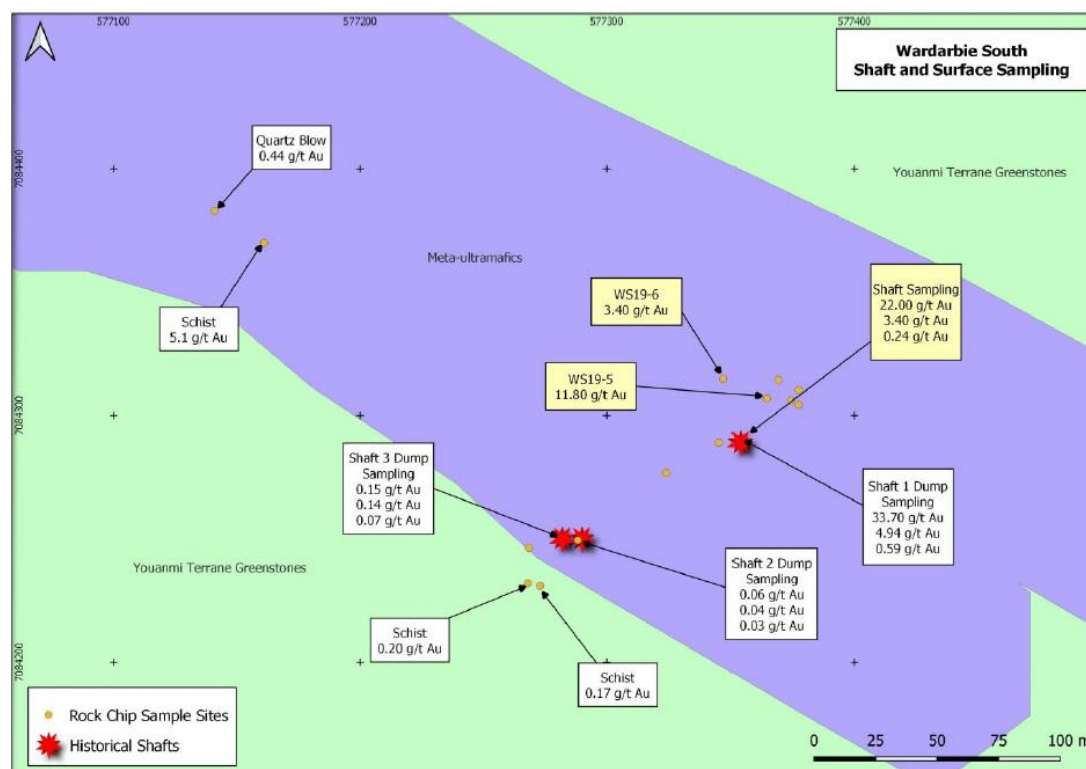
Insert the following texts and new graph after the second paragraph of section 7.6 "Historical



Exploration” of the Independent Geologist’s Report in relation to the Wardarbie South Project:

*The assay results are from grab samples of loose material in and around the historic shafts and mullock dumps and other weathered rocks and were approximately 3kg in size. All samples were fire-assayed for gold. The sampling locations are show in the new figure below. Other relevant information is provided in Appendix A JORC Code (2012 Edition) Table 1 of the Independent Geologist’s Report in Annexure A of the Prospectus.*

Figure 7.2 Wardarbie South surface assay location plan



Source: Diversified Asset Holdings Pty Ltd

Insert the following reference to section 9 of the Independent Geologist’s Report:

*Diversified Asset Holdings Pty Ltd, Wardarbie, P51/3025-3027, Information Memorandum, 30 September 2020.*

#### 4.14 Section 16 of the Prospectus – Independent Limited Assurance Report

Section 16 of the Prospectus is replaced with section 5 of this Second Supplementary Prospectus.

## 5 UPDATED INDEPENDENT LIMITED ASSURANCE REPORT

10 June 2021

The Directors  
Ozz Resources Limited  
Unit 15, 217 Hay Street  
Subiaco WA 6008

Dear Board of Directors

### **Independent Limited Assurance Report on Ozz Resources Limited Historical and Pro forma Financial Information**

We have been engaged by Ozz Resources Limited ("Ozz Resources" or "the Company") to prepare this Independent Limited Assurance Report ("Report") in relation to certain financial information of Ozz Resources for inclusion in the Prospectus.

The Prospectus (or "the document") issued is for the purposes of raising \$5,000,000 before associated costs; to assist the Company to meet the requirements for listing on the Australian Securities Exchange ("ASX").

Broadly, the Prospectus will raise \$5,000,000 through the issue of 25,000,000 Ordinary Shares at an issue price of \$0.20 per Share.

Expressions and terms defined in the document have the same meaning in this Report. This Report has been prepared for inclusion in the Prospectus. We disclaim any assumption of responsibility for any reliance on this Report or on the Financial Information to which it relates for any purpose other than that for which it was prepared.

### **Scope**

You have requested Bentleys to perform a limited assurance engagement in relation to the historical and pro forma historical financial information described below and disclosed in the Prospectus.

The historical and pro forma 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.

You have requested Bentleys to review the following historical financial information (together the "Historical Financial Information") of Ozz Resources included in the Prospectus:

- The historical Statement of Profit or Loss and Other Comprehensive Income for the period ended 31 December 2020 for Ozz Resources Limited;
- The historical Statement of Financial Position as at 31 December 2020 of Ozz Resources Limited



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- The historical Statement of Cash Flows for the period ended 31 December 2020 for Ozz Resources Limited

The Historical Financial Information has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principals contained in Australian Accounting Standards and the Company's adopted accounting policies. The Historical Financial Information of Ozz Resources has been extracted from the Audited historical financial statements for 31 December 2020, which were audited by Bentleys in accordance with Australian Auditing Standards. An unqualified audit opinion was issued for 31 December 2020 with material uncertainty surrounding the ability of the entity to continue as a going concern.

### ***Pro Forma historical financial information***

You have requested Bentleys to review the pro forma historical Statement of Financial Position as at 31 December 2020 referred to as "the pro forma historical financial information."

The pro forma historical financial information has been derived from the historical financial information of Ozz Resources, after adjusting for the effects of the subsequent events and pro forma adjustments described in note 2 of section 7.7 of the document. The stated basis of preparation is the recognition and measurement principles contained in Australian Accounting Standards applied to the historical financial information and the events or transactions to which the pro forma adjustments relate, as described in note 2 of section 7.7 of the document, 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 or financial performance.

The pro-forma historical financial information has been prepared by adjusting the statement of financial position of Ozz Resources Limited as at 31 December 2020 to reflect the financial effects of the following subsequent events which have occurred since 31 December 2020:

- (a) On 8 March 2021, the Company undertook a share consolidation on a 2.3 for every 4 shares held.
- (b) On 23 March 2021, the Company obtained a short term loan of \$50,000 which was repayable within 7 days of listing inclusive of an additional \$5,000 in finance costs.
- (c) On 7 May 2021, the company issued 1,500,000 shares at \$0.02 to raise \$30,000 to fund short term working capital requirements.

And the following pro forma transactions which are yet to occur, but are proposed to occur following completion of the capital raising:

- (a) The issue of 25,000,000 ordinary shares at \$0.20 per share to raise \$5,000,000 before capital raising costs of \$745,685 which includes \$319,356 of share based payments and \$113,671 in listing costs which are recognised in the profit or loss.

2,800,000 options issued to the Lead Manager will convert to shares on a one for one basis, exercisable at \$0.25 per option with an expiry date of three years from issue.

- (b) The acquisition of mining tenements from various vendors for the payment of \$110,000 in cash, issue of 8,100,000 ordinary shares at \$0.20 per share and 2,600,000 unlisted options, exercisable at \$0.25 per option with an expiry date of 4 years from the date of issue.

As part of the acquisition agreements, net royalty smelter return royalties were included in some agreements as part of the consideration as detailed in the Material Contracts section in 5.12. For the purpose of the pro-forma accounting it has been determined that they are a contingent liability and not recognised within the financial statements.

- (c) 5,500,000 unlisted options will be issued to the directors, which will convert to shares on a one for one basis, exercisable at \$0.25 per option with an expiry date of two years from the date of issue with a valuation of \$513,924.
- (d) On 23 March 2021 the Company obtained a short term loan of \$50,000 which was repayable within 7 days of listing inclusive of an additional \$5,000 in finance costs.

### **Directors' responsibility**

The directors of Ozz Resources are responsible for the preparation of the historical financial information and 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 limited assurance conclusions on the historical financial information and 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 Engagement ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.

Our limited assurance procedures consisted of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A limited assurance engagement 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.

Our engagement did not involve updating or re-issuing any previously issued audit or review report on any financial information used as a source of the financial information.

## Historical Financial Information

### 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 for Ozz Resources comprising:

- The historical Statements of Profit or Loss and Other Comprehensive Income for the period ended 31 December 2020;
- The historical Statements of Cashflow for the periods ended 31 December 2020; and
- The historical Statements of Financial Position 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 7.2 of the document.

#### 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 comprising the Statement of Financial Position as at 31 December 2020 is not presented fairly in all material respects, in accordance with the stated basis of preparation as described in 7.2 of the document.

### Restriction on Use

Without modifying our conclusions, we draw attention to section 7.1 of the Prospectus, which describes 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.

### Consent

Bentleys has consented to the inclusion of this Independent Limited Assurance Report in this disclosure document in the form and context in which it is so included (and at the date hereof, this consent has not been withdrawn), but has not authorised the issue of the disclosure document. Accordingly, Bentleys makes no representation or warranties as to the completeness and accuracy of any information contained in this disclosure document, and takes no responsibility for, any other documents or material or statements in, or omissions from, this disclosure document.

### Liability

The Liability of Bentleys Audit & Corporate (WA) Pty Ltd is limited to the inclusion of this report in the Prospectus. Bentleys Audit & Corporate (WA) Pty Ltd makes no representation regarding, and takes no responsibility for any other statements, or material in, or omissions from the Prospectus.

**Declaration of Interest**

Bentleys Audit & Corporate (WA) Pty Ltd does not have any interest in the outcome of this transaction or any other interest that could reasonably be regarded as being capable of affecting its ability to give an unbiased conclusion in this matter. Bentleys Audit & Corporate (WA) Pty Ltd will receive normal professional fees for the preparation of the report.

Yours faithfully



**MARK DELAURENTIS CA**  
**Partner**

## 6 **COMPETENT PERSON STATEMENT**

The information contained in the Prospectus and this Second Supplementary Prospectus that relates to Exploration Results and Exploration Targets is based on, and fairly represents, information compiled by Mr Jeremy Peters, in his capacity as independent geologist. Mr Peters, FAusIMM CP (Mining, Geology), is a Competent Person as defined in the JORC Code having sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking. Mr Peters is a full-time employee of Burnt Shirt Pty Ltd. Mr Peters consents to this statement and to references in the Prospectus and this Second Supplementary Prospectus to the Independent Geologist's Report in the form and context in which they appear. Mr Peters has not withdrawn his consent before lodgement of this Second Supplementary Prospectus with ASIC.

## 7 **DIRECTORS' AUTHORISATION**

This Second Supplementary 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 has consented to the lodgement of this Second Supplementary Prospectus with ASIC.



**Alan Lockett**  
**Non-Executive Chair**  
**For and on behalf of Ozz Resources Limited**  
**15 June 2021**