

7 December 2021

## CropLogic to Acquire a Suite of Gold Exploration Assets located in the Goldfields and Halls Creek in Western Australia

### HIGHLIGHTS

- (a) Goldfields Projects located near Menzies.
- (b) Known gold mineralisation in the Goldfields Projects, with some highly anomalous results to be followed up.
- (c) Halls Creek exploration assets cover numerous gold prospects identified by historical exploration with very limited drilling yielding some noteworthy gold intercepts.
- (d) CropLogic Limited to raise up to \$6,000,000 via re-compliance capital raising.
- (e) Vendor group is experienced in undertaking small scale mining activities.

CropLogic Limited (ARBN 619 330 648) (ASX: CLI) (**Company**) is pleased to announce that it has entered into a binding agreement (**Agreement**) under which it will acquire 100% of the issued capital of Rocktivity Gold Pty Ltd (ACN 631 813 836) (**Rocktivity**) from Rocktivity Mining Pty Ltd (ACN 639 866 470) (the **Vendor**), and thereby acquire the Goldfields Projects and the Halls Creek Projects (together, the **Projects**) (**Proposed Acquisition**).

Under the Proposed Acquisition, the Company will acquire an indirect interest in each of the tenements comprising the Goldfields Projects as these tenements are currently held by Rocktivity. Rocktivity also holds an option (**Option**) to acquire the tenements comprising the Halls Creek Projects, which it was granted from Northgate Resources Pty Ltd (ACN 611 115 710) (**Northgate**). The option will be exercised by Rocktivity prior to the Company listing and the Company has agreed to pay the consideration payable to Northgate following exercise of the Option.

The material terms of the Agreement are summarised in Annexure A and the material terms of the Option are summarised in Annexure B.

Prior to executing the Agreement, the board considered several potential acquisition opportunities. As with any business or asset that does not have a meaningful track record of revenue and profitability, there is not always an appropriate formal valuation methodology available when determining consideration. However, based on the Company's ongoing legal and technical due diligence process, and the representations and warranties provided by the Vendor, it considered the acquisition of the Projects to be the best path forward to generate value for the Company's shareholders (**Shareholders**) and the Company.

The Company has undertaken appropriate enquiries into the assets and liabilities, financial position and performance, profits and losses, and prospects of Rocktivity for the

Company's Board to be satisfied that the Proposed Acquisition is in the best interests of the Company and its Shareholders. The Company's enquiries into the business of Rocktivity, and the tenements comprising the Projects, consisted of having a geologist review previous exploration and geological results in the area of the Halls Creek Projects, confirming Rocktivity's interests in the tenements comprising the Projects, and undertaking a general corporate legal review of Rocktivity. Based on the board's experience and background, it considered that the Proposed Acquisition compared favourably to recent third-party re-compliance listing transactions involving mineral exploration assets, given the exploration potential of the Projects.

The Proposed Acquisition is conditional on the Company obtaining all necessary regulatory and shareholder approvals to effect the Proposed Acquisition and satisfying all other requirements of ASX for the reinstatement to official quotation of the Company's Shares on the ASX (among other things).

On completion, the Proposed Acquisition will amount to a significant change in the nature and scale of the Company's current activities and as such, the Company will be required to obtain approval from its Shareholders and to re-comply with Chapters 1 and 2 of the ASX Listing Rules. As part of the Company's re-compliance with Chapters 1 and 2 of the ASX Listing Rules, the Company intends to undertake a consolidation of the Company's existing capital structure on a 1 for 160 basis (**Consolidation**). To assist the Company to re-comply with Chapters 1 and 2 of the ASX Listing Rules the Company plans, subject to Shareholder approval, to conduct a capital raising under a full form prospectus (**Prospectus**) for the issue of 25,000,000 fully paid ordinary shares (on a post-Consolidation basis) in the capital of the Company (**Shares**) at an issue price of \$0.20 per Share to raise a minimum of \$5,000,000 (**Minimum Subscription**) with the ability to accept oversubscriptions of an additional 5,000,000 shares to raise a maximum of \$6,000,000 (**Maximum Subscription**) (**Public Offer**).

The Company notes that ASX takes no responsibility for the contents of this announcement.

## THE GOLDFIELDS PROJECTS

Pursuant to the Proposed Acquisition, the Company will acquire the Goldfields Projects.

### Background to the Goldfields Projects

The Goldfields Projects are gold and nickel focused holding consisting of ten tenements, which are as follows:

Tenement (Application)	Sub-project	Area (ha)	Expiry Date	Status
(E30/511)	Mulwarrie	9,520	-	Pending
P30/1141	Mulwarrie	196	24/06/2025	Live
P30/1142	Mulwarrie	189	24/06/2025	Live
P30/1143	Mulwarrie	106	24/06/2025	Live
(E30/512)	Mulline	8,960	-	Pending
E30/513	Mulline	724	05/02/2025	Live

Tenement (Application)	Sub-project	Area (ha)	Expiry Date	Status
M30/110	Emerald	10	13/12/2035	Live
E29/1010	Canegrass	7,127	24/04/2022	Live
E37/1417	Camelot	1,504	23/03/2026	Live
E37/1418	Camelot	1,204	23/03/2026	Live

The Goldfields Projects includes the Mulwarrie Project, the Emerald Project, the Mulline Project, the Canegrass Project and the Camelot Project.

The Mulwarrie Project is located 120km WNW of Kalgoorlie, and 500km ENE of Perth in the Eastern Goldfields Region of Western Australia. The project is accessed from Coolgardie via the unsealed Coolgardie North and Davyhurst-Mulline roads. The nearby Mulline Project is located a further 15km along the unsealed Davyhurst-Mulline road, with access to the tenure via station tracks and grid lines.

The Emerald Project is located 150km NW of Kalgoorlie, 45km WNW of Menzies and 525km NE of Perth in the Eastern Goldfields Region of Western Australia. The project is accessed from Coolgardie via the unsealed Evanston-Menzies, Riverina-Snake Hill roads, from there using local gravel tracks and grid lines.

The Canegrass Project is located 100km NW of Kalgoorlie and 530km ENE of Perth in the Eastern Goldfields Region of Western Australia. The project is accessed from Ora Banda via the Goldfields Hwy, the unsealed Board Arroe-Ora Banda, Davyhurst-Ora Banda Roads, from there using local gravel tracks and grid lines.

The Camelot Project is located a 240km north of Kalgoorlie, 30km NNW of Leonora and 645km NE of Perth in the Eastern Goldfields Region of Western Australia. The project is accessed from Leonora via the Goldfields Hwy, and unsealed station tracks.

The geology of the Emerald, Mulline and Mulwarrie Projects is broadly subdivided into two distinct zones separated by the crustal scale Ida Lineament, which strikes approximately north-northwest through the project area. On the western side of the project the sequence comprises a sequence of mafic basalts of the Barlee Domain, the eastern side is comprised of mafic intrusives of the Kalgoorlie Group, Eastern Goldfields Superterrane. The mafic units have been intruded by numerous porphyry and porphyritic quartz intrusions. Minor pegmatitic intrusions have also been mapped within the project. The 15km long and 7km wide Ularring Monzogranite, a north-west trending pluton, appears to have been emplaced during the early stages of tectonism as aeromagnetic date shows the pluton as undergone similar brittle deformation to the surrounding greenstones.

Gold was first discovered at the Mulwarrie Mining Centre in the Project area in 1898. Subsequent discoveries were made along a north-westerly strike of 10km up until 1914.

Gold mineralisation occurs in structures both parallel to and cross cutting the regional trend. Strong alteration to biotite, diopside, and epidote as well as silicification and sulphide development is present in the structures.

Gold was first discovered on Mulline Project tenure at the Mystery in 1899 and was mined up until 1901.

The Mulline Trend covers an area of approximately 20km<sup>2</sup>. It is associated with the high surface gold anomalism associated with "laterite" gold deposits. Primary gold mineralisation is associated with quartz and sulphide veins that occur in shear zones within basalt and dolerite units. Mineralisation is also associated with porphyry units that have intruded the mafic sequence.

Gold was first discovered at Emerald in 1939 and was mined up until 1959.

Gold mineralisation occurs at or close to a mylonized shear zone contact between fine grained basaltic and coarse grained amphibolitic rock types as well as laminated quartz veins. These zones are up to 6m wide and often contain significant steeply east dipping (45°) quartz lodes, which plunge to the south.

The Canegrass Project covers the central section of the Wongi Hills Greenstone Belt that extends 50 km north northwest from Siberia. The geology is dominated by a south-plunging synclinal structure of mafic and ultramafic rocks with minor felsic rock and narrow bands of metasediments. The sequence has been intruded by fine-grained felsic porphyry dykes and quartz veins. A horizon of ultramafic rock to the west of the syncline dips west and probably represents the western limb of an adjacent anticline, separated from the syncline by a major fracture along the anticlinal fold axis. The greenstones are bounded on the east by the intrusive Goongarrie granite and on the west by a sand-covered area of interpreted to overly granite containing numerous magnetic structures that are indicative of rafted greenstone remnants.

The Camelot Project occurs within a porphyritic granite of the Bundarra batholith, locally known as the Linger and Die porphyritic hornblende granodiorite, which has apparently intruded adamellite to the north and dacitic tuffs to the east. The alluvium-covered, western porphyritic granodiorite contact is formed by a NW-trending Keith-Kilkenny Lineament. Alteration seen within the granodiorite consists of carbonate veinlets, sericite, and pyrite.

Due to the underlying granite, relatively fresh rock exposures occur throughout the Goldfields Projects' tenure. The surrounding greenstone sequence comprises transported distal colluvial and alluvial deposits ranging from a few metres deep to numerous tens of metres deep

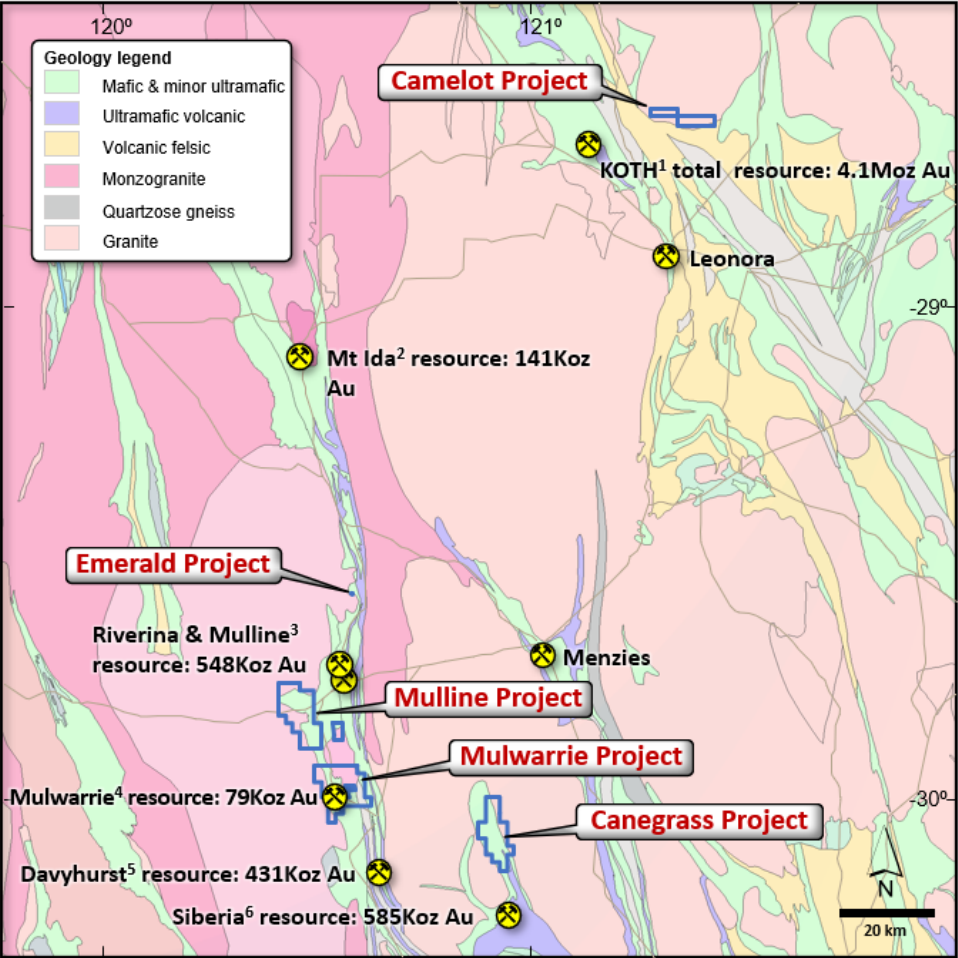


Figure 1: Simple Geological Plan of the tenement holding.

1. Red 5 Limited Annual Report 30 June 2021 comprising indicated resource 69.6Mt @ 1.4g/t for 3.0 moz Au and inferred resource 21.2Mt @ 1.6g/t for 1.1moz Au.
2. TNT Mines Limited acquisition announcement dated 7 September 2021 comprising indicated resource 136kt @ 18.6g/t for 81koz Au and inferred resource 182kt @ 10.3g/t for 60koz Au.
3. Ora Banda Gold Limited Quarterly Activities Report September 2021 comprising measured resource 86kt @ 2.0g/t Au, indicated 4.7Mt @ 2.0g/t Au and inferred 2.2Mt @ 3.1g/t Au.
4. Bardoc Gold Limited Annual Report 30 June 2021 comprising inferred resource 881kt @ 2.8g/t for 79koz Au.
5. Ora Banda Gold Limited Quarterly Activities Report September 2021 comprising indicated resource 4.4Mt @ 2.4g/t Au and inferred resource 0.8Mt @ 3.3g/t Au.
6. Ora Banda Gold Limited Quarterly Activities Report September 2021 comprising indicated resource 3.6Mt @ 3.4g/t Au and inferred resource 1.7Mt @ 3.5g/t Au.

Further details with respect to the Goldfields Projects will be included in the notice of meeting and Prospectus to be prepared in connection with the Proposed Acquisition and Public Offer.

### **Exploration Potential and Proposed Exploration Program for the Goldfields Projects**

The Company's main objectives on completion of the Public Offer for the Goldfields Projects will be to:

- (a) investigate known gold prospects and assess the appropriateness for early small scale contract mining;
- (b) advance near surface targets (in particular targets where historic exploration has identified sample results of 1 g/t) utilising geophysical surveying followed by initial aircore and then deeper more focussed drilling, such as reverse circulation and/or diamond drilling;
- (c) complete regional geophysical surveys over prospective geological environments/ lithological trends followed by initial aircore and then deeper reverse circulation and/or diamond drilling;
- (d) identify additional drill targets by undertaking surface exploration activities through geophysical, gravity survey and soil sampling activities;
- (e) provide sufficient drilling data to allow estimation of maiden Mineral Resources at priority target areas;
- (f) through exploration success, evaluate opportunities for near term gold production; and
- (g) seek further exploration, acquisition and joint venture opportunities in Western Australia and elsewhere.

### **THE HALLS CREEK PROJECTS**

The Halls Creek Projects are gold focused holdings consisting of six (6) granted exploration licences. The six exploration licences are all underlain by prospective basement lithologies of Paleoproterozoic age. Tectonically they are assigned to the Lamboo Province of the Halls Creek Orogen of the North Australian Craton. There are five stratigraphic units outcropping within the various tenements which are assigned to the Halls Creek Group and a granite. The rock types are listed in the following table in approximate order of abundance across the tenements.

<b>Formation</b>	<b>Description</b>
Olympio Formation	Lithic & feldspathic metasandstone, & interbedded metasilstone & metamudstone; intercalated metamorphosed felsic volcanic & volcanoclastics



Formation	Description
Biscay Formation	Basaltic metavolcanic & metavolcaniclastic rocks; interbedded pelite & psammite; minor metadolerite sills
Woodward Dolerite	Metadolerite & metagabbro; minor amphibolite
Mount Christine Granite	Coarsely porphyritic, medium-grained biotite monzogranite
Maude Headley Member	Meta-andesitic to metatrachytic volcanic & volcaniclastic rocks with carbonate-rich matrix, ferruginous metachert, & metamudstone & turbiditic metasandstone (member of the Olympio Formation)
Koongie Park Formation	Felsic metavolcanic & metavolcaniclastics, metasedimentary rock, metabasalt, & hornfels; locally migmatitic; minor metachert, metamorphosed banded iron-formation, & metacarbonate

The rocks of the Halls Creek Orogen are highly deformed with significant folding and faulting having occurred through several orogenic events. There are some large structures which could be crustal scale and offer potential for focusing significant fluid movement which is important for formation of gold deposits. Numerous local scale structures are interpreted. Geological mapping of the area undertaken by the West Australian Geological Survey provides a good basis for further work.

The tenements comprising the Halls Creek Projects are set out below:

Tenement	Subproject	Area (ha)	Expiry Date	Status
E80/5149	Slinky Hill	5,000	21/02/2024	Live
E80/5025	Dry Creek	4,200	11/01/2022	Live
E80/5148	Dry Creek	5,600	21/02/2024	Live
E80/5034	Woodward Range	12,500	02/10/2022	Live
E80/5220	Reubens	1,300	19/04/2025	Live
E80/5154	Mt Carmel	6,200	05/08/2024	Live

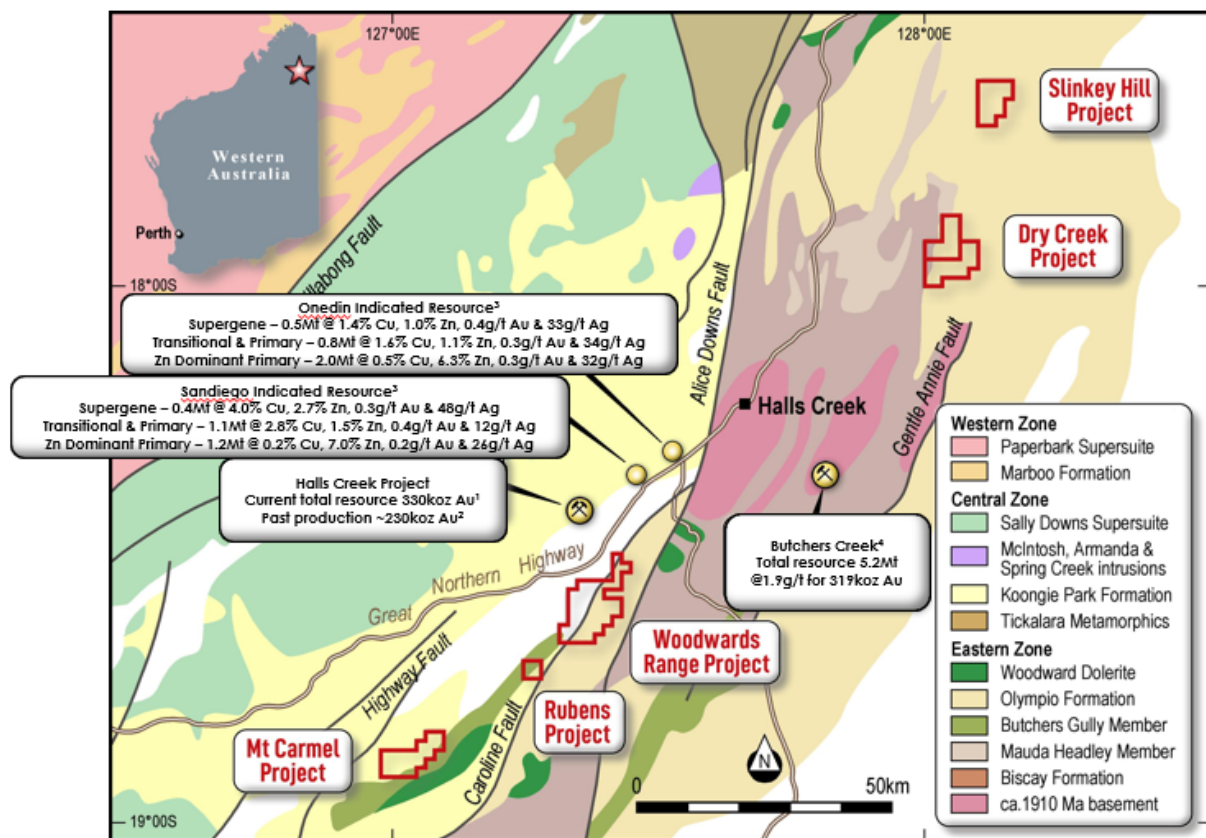


Figure 2: Halls Creek Project locations.

1. Pantoro Limited's Annual Mineral Resource and Ore Reserve Statement announced 23 September 2021. Total resource comprises; Measured 504kT @ 8.7g/t for 142koz Au, Indicated 659kT @ 5.9g/t for 125koz Au and Inferred 418kT @ 4.7g/t for 64koz Au.
2. Pantoro Limited's Annual General Meeting presentation dated November 2021
3. Auking Mining Limited Prospectus lodged 9 March 2021
4. Meteoric Resourced NL Annual Report for 30 June 2021. Total resource comprises; Indicated 1.9Mt @ 2.2g/t for 139koz Au and Inferred 3.3Mt @ 1.7g/t for 180koz Au.

### E80/5149 – Slinky Hill

This tenement covers the Slinky Hills gold prospect where historical small scale mining of alluvials led to some small shafts being sunk on hard rock quartz veins.

### E80/5025 & E80/5148 – Dry Creek

Gold occurrences are scattered across this tenement hosted by the Olympio formation. The Pantoro River gossan prospect is located on the western margin of this tenement.

Gold occurrences are defined by previous alluvial mining.

### E80/5034 – Woodward Range

Two north-west trending faults are interpreted and border the trend of the tenement area. Numerous gold occurrences are scattered across this tenement. The Glenbuff and Mary River occurrences are hosted by the Olympio formation, while the more southern occurrences occur close to intrusive sills of the Woodward dolerite.

Virtually every company to have conducted work over the project area conducted stream sediment sampling producing a significant number of stream sediment anomalies, the majority are within the southern portion of the tenement. These anomalies correlate well with known prospects and generated several new anomalies, some of which have been followed up with soil sampling or drilling, but several have not.

It contains an advanced prospect, Greenbuff, with stream sediment sampling, soil geochemistry and RC drilling undertaken by Panorama Resources NL in 1994.

## **E80/5220 - Reubens**

Covers north-west faults branching off a major north-trending structure. A number of prospects have been identified on the tenement by past explorers, with the majority of prospects associated with Woodward Dolerite intrusions.

Eleven holes have been drilled on the Reubens tenement, testing geochemical gold anomalies.

## **E80/5154 – Mt Carmel**

Four mapped gold occurrences are located within this tenement and historical alluvial gold mining activities are recorded.

A significant number of stream sediment samples have been taken over the tenement, producing a number of gold anomalies. The majority of anomalies are located in the southwest portion of the tenement. These anomalies correlate well with known prospects and generated several new anomalies.

Further details with respect to the Halls Creek Project will be included in the notice of meeting and Prospectus to be prepared in connection with the Proposed Acquisition and Public Offer. Exploration Potential and Proposed Exploration Program

The Company's main objectives on completion of the Public Offer will be to:

- (a) review and reprocess historical aeromagnetic, radiometric and elevation survey data;
- (b) complete stream sediment sampling to locate the source of anomalies at Dry Creek, Mt Carmel, Reubens, Slinky Hill and Woodward;
- (c) complete mapping and rock chip sampling at Dry Creek, Mt Carmel and Woodward Range;
- (d) advance near surface targets utilising geophysical surveying followed by initial aircore and then deeper more focussed drilling, such as reverse circulation and/or diamond drilling;
- (e) identify additional drill targets by undertaking surface exploration activities through geophysical, gravity survey and soil sampling activities;
- (f) through exploration success, evaluate opportunities for near term gold production; and
- (g) seek further exploration, acquisition and joint venture opportunities in Western Australia and elsewhere.

## **CURRENT STATUS OF THE COMPANY**

### **Incorporation**

The Company was incorporated on 2 November 2010. On 8 September 2017, the Company originally listed as an agtech business with a technology that provided soil monitoring and reporting. The Company subsequently invested in a hemp farming operation.

### **Administration**

On 22 July 2020, Craig William Melhuish and Christine Jane Johnston of Nexia New Zealand were appointed as joint and several voluntary administrators (**Administrators**) of the Company and a liquidator was appointed to CropLogic Australia Pty Ltd (ACN 621 919 579).

On 25 August 2020, at the watershed meeting of creditors, the Administrators outlined a proposal received by them from an interested party and recommended that the Group's creditors approve a Deed of Company Agreement (**DOCA**) in order to complete a



transaction that would result in the best return for creditors. The creditors resolved to execute a DOCA. On 15 September 2020, a DOCA was finalised and executed by the Directors and the Administrators (together, the "**Deed Administrators**"). On 30 November 2020, the Deed Administrators distributed funds in accordance with the terms of the DOCA. On 30 March 2021, the DOCA was fully effectuated, automatically terminated and the Company reverted to being controlled by its directors.

### **Current status**

The Company's securities have been suspended from quotation since 19 November 2019 and will remain suspended from quotation until the Company has re-complied with Chapters 1 and 2 of the ASX Listing Rules, including by satisfaction of ASX's conditions precedent to reinstatement. If the Proposed Acquisition does not proceed, the Company may not complete the re-compliance. The Company was due to be removed from the official list of the ASX (**Official List**) if it had not re-complied with Chapters 1 and 2 of the ASX Listing Rules by 19 November 2021. On 8 November 2021, the Company received confirmation from ASX that it had been granted a 3-month extension to its removal date until 19 February 2022 (**Extension**). The Company notes that the Extension is conditional on the Company's general meeting to approve matters related to the transaction being held before 31 January 2022.

The Company has retained various intellectual property rights related to, and acquired during the course of, its previous operations. The Board does not consider that the intellectual property rights are of a material value to the Company and accordingly intends to dispose of these intellectual property rights moving forward.

## **BUSINESS MODEL OVERVIEW**

Following completion of the Public Offer and the Proposed Acquisition, the Company's proposed business model will be to further explore and develop the identified mineralisation within the Projects. The Company's main objectives on completion of the Public Offer are:

- (a) systematically explore the Projects for gold and other commodities through geological mapping, surface sampling and drilling on the Projects;
- (b) Identify preferred exploration targets and rationalise the Company's land holding based on likelihood of exploration success;
  - (i) continue to pursue other acquisitions that have a strategic fit for the Company;
  - (ii) focus on mineral exploration or resource opportunities that have the potential to deliver growth for Shareholders;
  - (iii) implement a growth strategy to seek out further exploration and acquisition opportunities; and
  - (iv) provide working capital for the Company.

## **CHANGE OF NAME**

On completion of the Proposed Acquisition, subject to Shareholder approval, the Company intends to change its name to 'Olympio Metals Limited'.

## **KEY DEPENDENCIES**

The key dependencies influencing the viability of the Proposed Acquisition are:

- (a) the Company's capacity to re-comply with Chapters 1 and 2 of the ASX Listing Rules to enable re-admission to quotation of the Company's Shares;
- (b) completion of the Proposed Acquisition;

- (c) tenure access and grant of the tenement applications;
- (d) commodity price volatility and exchange rate risk;
- (e) ability to discover and define resource and reserves;
- (f) raising sufficient funds to satisfy expenditure requirements, exploration and operating costs; and
- (g) minimising environmental impact and complying with health and safety requirements.

## KEY RISKS

### Completion risk

Pursuant to the Agreement, the Company will acquire 100% of the issued capital of Rocktivity. Completion of the Proposed Acquisition is subject to the fulfilment of certain conditions. There is a risk that the conditions for completion of the Proposed Acquisition cannot be fulfilled and, in turn, that completion of the Proposed Acquisition does not occur.

If the Proposed Acquisition is not completed, the Company will incur costs relating to advisors and other costs without any material benefit being achieved.

### Re-quotations of Shares on ASX

The Proposed Acquisition constitutes a significant change in the nature and scale of the Company's activities and the Company needs to re-comply with Chapters 1 and 2 of the ASX Listing Rules as if it were seeking admission to the Official List of ASX.

Trading in the Company's Shares is currently suspended and will remain suspended until the Company re-complies with Chapters 1 and 2 of the Listing Rules following completion of the Proposed Acquisition. The Proposed Acquisition is conditional on the Company obtaining all necessary regulatory and Shareholder approvals to effect the Proposed Acquisition and satisfying all other requirements of ASX for the reinstatement to Official Quotation of the Company's Shares on the ASX (among other things).

There is a risk that the Company may not be able to meet the requirements of the ASX for re-quotations of its Shares on the ASX. Should this occur, the Shares will not be able to be traded on the ASX until such time as those requirements can be met, if at all. Shareholders may be prevented from trading their Shares until such time as it does re-comply with the ASX Listing Rules.

### Dilution risk

The Company currently has 5,064,547 Shares on issue (on a post-Consolidation basis). Pursuant to the Proposed Acquisition and this Notice, the Company proposes to issue (on a post-Consolidation basis):

- (a) 12,500,000 Shares to be issued to the vendors of the Projects in consideration for the Projects;
- (b) 11,000,000 options to acquire Shares (**Options**) to be issued to the vendors of the Projects;
- (c) 3,119,522 Shares to Atlas Capital Markets Limited and/or its associates (**Atlas**) to repay loan funds;
- (d) 3,000,000 Shares to convert \$300,000 of debt funding which may be made available to Rocktivity by sophisticated and professional investors to fund exploration expenditure prior to completion of the Agreement;
- (e) Up to 30,000,000 Public Offer Shares;
- (f) 3,000,000 Lead Manager Options to Grange Capital Partners Pty Ltd (**Grange Capital**);

- (g) 500,000 Options to each of Mr Simon Andrew and Mr Sean Delaney to compensate the recipients for additional work done in connection with the Proposed Acquisition and to provide a cost effective, performance linked incentive component in the remuneration package for the recipients, to motivate and reward their performance as directors; and
- (h) 500,000 Options to Mr Aidan Platel for agreeing to join the board and to provide a cost effective, performance linked incentive component in the remuneration package for Mr Platel, to motivate and reward his performance as a future director.

Following completion of the Proposed Acquisition and assuming the minimum subscription is achieved under the Public Offer:

- (a) the existing Shareholders (including Atlas and/or its associates) will retain approximately 18.11% of the Company's issued Share capital
- (b) the Vendor group will hold approximately 25.68% of the Company's issued Share capital; and
- (c) the investors under the Public Offer (excluding Atlas and/or its associates) will hold approximately 43.65% of the Company's issued Share capital.

### **Exploration**

Potential investors should understand that mineral exploration and development are high-risk undertakings. There can be no assurance that exploration of the Projects, or any other tenements that may be acquired in the future, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, native title process, changing government regulations and many other factors beyond the control of the Company.

The success of the Company will also depend upon the Company having access to sufficient development capital, being able to maintain title to its projects and obtaining all required approvals for its activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the Projects, a reduction in the cash reserves of the Company and possible relinquishment of the Projects.

The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.

### **Tenement applications and license renewal**

The Company cannot guarantee additional applications for tenements made by the Company will ultimately be granted, in whole or in part. Further the Company cannot guarantee that renewals of valid tenements will be granted on a timely basis, or at all. There is a risk that regulatory and environmental approvals required to convert exploration licences into mining leases may not be obtained or may be revoked.

### **Mine development**

Possible future development of a mining operation at the Projects is dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and

production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk from third parties providing essential services.

If the Company commences production, its operations may be disrupted by a variety of risks and hazards which are beyond its control, including environmental hazards, industrial accidents, technical failures, labour disputes, unusual or unexpected rock formations, flooding and extended interruptions due to inclement of hazardous weather conditions and fires, explosions or accidents. No assurance can be given that the Company will achieve commercial viability through the development or mining of its projects and treatment of ore.

### **Additional requirements for capital**

The funds to be raised under the Public Offer are considered sufficient to meet the immediate objectives of the Company. Additional funding may be required in the event costs exceed the Company's estimates and to effectively implement its business and operational plans in the future to take advantage of opportunities for acquisitions, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur. If such events occur, additional funding will be required.

Following completion of the Public Offer, the Company may seek to raise further funds through equity or debt financing, joint ventures, licensing arrangements, or other means. Failure to obtain sufficient financing for the Company's activities may result in delay and indefinite postponement of their activities and the proposed commercialisation, marketing and international expansion strategy. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing may not be favourable to the Company and might involve substantial dilution to Shareholders.

### **Reliance on key personnel**

The Company's future depends, in part, on its ability to attract and retain key personnel. It may not be able to hire and retain such personnel at compensation levels consistent with its existing compensation and salary structure. Its future also depends on the continued contributions of its executive management team and other key management and technical personnel, the loss of whose services would be difficult to replace. In addition, the inability to continue to attract appropriately qualified personnel could have a material adverse effect on the Company's business.

### **Native title and Aboriginal heritage**

In relation to Tenements which the Company has an interest in or will in the future acquire such an interest, there may be areas over which legitimate common law native title rights exist. Without

more detailed research into the sites and how they might be affected by future works, it is impossible to anticipate whether such approvals will be forthcoming or what conditions might attach to such approval.

The ability of the Company to gain access to tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations may be adversely affected if the Company is unable to negotiate access to areas of interest within the Project area. The Directors will closely monitor the potential effect of native title claims or Aboriginal heritage matters involving tenements in which the Company has or may have an interest.

## **BOARD APPOINTMENTS**

Following completion of the Proposed Acquisition, Mr Peter Gray will resign as a director and Mr Aidan Platel will be appointed as a director of the Company. As announced on 9

November 2021, Sean Delaney has been appointed as a non-executive director of the Company and Stephen Silver has recently resigned as a director of the Company.

The qualifications and experience of the board on completion of the Proposed Acquisition are set out below.

**Simon Andrew**  
**Non-Executive Chairman**  
**BSc (Hon) Applied Chemistry**

Simon has over 20 years' experience in financial markets in Asia and Australia.

Previously he has held senior management positions at various global investment banks. These roles included leading the equity sales desk for BNP Paribas and heading the Refining and Petrochemicals sector research team at Deutsche Bank in Asia as well as spending 5 years as a research analyst at Hartley's covering the oil and gas and industrial sectors.

Recent ASX Directorships include Recharge Metals Ltd, Riversgold Limited, and Emmerson Resources Limited

**Sean Delaney**  
**Proposed Managing Director**  
**BComm, MBA, CPA**

Sean is a mining industry veteran with more than 30 years of board and executive level experience with substantial operational and financial expertise.

He has held a variety of leadership positions in both operations and finance including Director and Chief Financial Officer in mining and exploration companies involved in gold, coal, copper and uranium projects. Sean has a broad range of experience in mining operations, mergers and acquisitions, corporate finance, hedging, and information system management implementation.

Sean is the current CFO and a director of Rocktivity and was previously the CFO and a director of Gobi Coal and Energy Limited. Sean has previous ASX experience as the CFO of Prosperity Resources Limited and Croesus Mining NL.

Mr Delaney is currently a non-executive Director of the Company. Upon completion of the Acquisition, it is intended that Mr Delaney will remain on the Board and will be appointed Managing Director.

**Aidan Platel**  
**Non-Executive Director**

Mr Platel is a geologist with over 20 years' experience in the minerals industry, in both mining and exploration roles across a wide range of commodities. Recently, Mr Platel has worked as an independent strategic consultant focusing on project evaluation, prior to which he spent 12 years in South America in mining and exploration. He has a proven track record of exploration success having discovered and developed several major deposits including the world-class Santa Rita Nickel deposit (>1Mt contained Ni metal).

Mr Platel is currently the CEO of Auroch Minerals Limited and is a Non-Executive Director of Wildcat Resources Limited.

Each of the members of the proposed board are intending to apply for 250,000 Shares each in the Public Offer.

The Company intends to 500,000 Options exercisable at \$0.25 and expiring three years from the date of issue to each of Mr Simon Andrew and Mr Sean Delaney to compensate the recipients for additional work done in connection with the Proposed Acquisition and to provide a cost effective, performance linked incentive component in the remuneration package for the recipients, to motivate and reward their performance as directors. As stated above, the Board also intends to issue 500,000 Options exercisable at \$0.25 and expiring three years from the date of issue to Mr Aidan Platel to motivate and reward his



performance as a proposed director of the Company and to provide a cost effective, performance linked incentive component to his remuneration package. The value of these Options is included at Annexure D.

## KEY MANAGEMENT

### Peter Gray

#### Company Secretary

Peter has nearly 20 years' experience in capital markets and corporate finance.

Peter has broad experience across the entire corporate finance and capital markets sector and been involved in both corporate finance advisory and equities research. Peter's skill base is grounded in a detailed understanding of valuations and valuation methodology. With his years spent providing investment advice to a range of sophisticated and institutional investors, Peter has built an enviable platform to deliver capital markets advice and M&A advisory services across a range of sectors.

The Company does not intend to issue Peter Gray any Shares or Options in connection with the Proposed Acquisition.

## CAPITAL RAISING AND PROPOSED ISSUES OF SECURITIES

To assist the Company to re-comply with Chapters 1 and 2 of the ASX Listing Rules, the Company intends to undertake the Public Offer (subject to Shareholder approval).

The Company has appointed Grange Capital as lead manager to the Public Offer. In consideration for their lead manager services, Grange Capital will receive the following fees:

- (a) \$25,000 in upfront fees;
- (b) a lead management fee of 2% of the gross proceeds of the Public Offer (plus GST);
- (c) a capital raising fee of 4% of the gross proceeds of the Public Offer (plus GST); and
- (d) 3,000,000 Options (on a post-Consolidation basis) exercisable at \$0.30 per Share expiring on the date which is 4 years from the date of issue. The value of these Options are included at Annexure E.

In addition to the Public Offer and the Options to be issued to Grange Capital, the Company intends to issue the following securities (on a post-Consolidation basis) in connection with the Proposed Acquisition:

- (a) 7,500,000 Shares at an issue price of \$0.20 per Share to the Vendor (or its nominee/s);
- (b) 5,000,000 Shares at an issue price of \$0.20 per Share to Northgate (or its nominees);
- (c) 2,500,000 Options exercisable at \$0.25 per Share expiring on the date which is 3 years from the date of issue to Northgate (or its nominee);
- (d) 5,000,000 Options exercisable at \$0.25 per Share expiring on the date which is 3 years from the date of issue to the Vendor (or its nominees);
- (e) 3,500,000 Options exercisable at \$0.30 per Share expiring on the date which is 3 years from the date of issue to the Vendor (or its nominees);
- (f) 3,119,522 Shares to Atlas and/or its associates to repay loan funds;
- (g) 3,000,000 Shares at an issue price of \$0.10 per Share to sophisticated and professional investors (or their nominees) for \$300,000 of debt funding which may be made available to the Vendor to fund exploration expenditure prior to completion of the Agreement;
- (h) 500,000 Options to Mr Simon Andrew (or his nominee) exercisable at \$0.25 per Share expiring on the date which is 3 years from the date of issue;
- (i) 500,000 Options to Mr Sean Delaney (or his nominee) exercisable at \$0.25 per Share expiring on the date which is 3 years from the date of issue; and

- (j) 500,000 Options to Mr Aidan Platel (or his nominee) exercisable at \$0.25 per Share expiring on the date which is 3 years from the date of issue.

The Company has not issued any securities in the previous six months.

## PROPOSED USE OF FUNDS

The Company intends to apply funds raised from the Public Offer, together with existing cash reserves, over the first two years following admission of the Company to the Official List of ASX as follows:

Funds Available	Minimum Subscription		Maximum Subscription	
	Amount (A\$)	%	Amount (A\$)	%
Company cash balance	\$19,910	0.40%	\$19,910	0%
Capital Raising funds	\$5,000,000	99.60%	\$6,000,000	100%
<b>Completion of Capital Raising</b>	<b>\$5,019,910</b>	<b>100%</b>	<b>\$6,019,910</b>	<b>100%</b>
Application of Funds	Amount (A\$)	%	Amount (A\$)	%
Exploration expenditure	2,310,000	46%	3,110,000	52%
Directors' fees	540,000	11%	540,000	9%
General administration fees and working capital	1,070,447	21%	1,170,447	19%
Future acquisition costs	400,000	8%	400,000	7%
Reimbursed expenditure to project vendors	49,463	1%	49,463	1%
Estimated expenses of the Offer	300,000	6%	350,000	6%
Estimated Advisors fees	350,000	7%	400,000	7%
<b>Total</b>	<b>\$5,019,910</b>	<b>100%</b>	<b>\$6,019,910</b>	<b>100%</b>

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

## PRO FORMA CAPITAL STRUCTURE

The indicative capital structure of the Company upon completion of the Proposed Acquisition, based on the Company's current securities on issue, will be as follows:

	Number of Shares (min)	Number of Shares (max)	Issue Price	Options
Current Shares on issue	810,327,498	810,327,498	N/A	197,224,441
Shares post proposed consolidation (160:1)	5,064,547	5,064,547	N/A	1,232,653 <sup>(1)</sup>
Funding to IPO <sup>(2)</sup>	3,119,522	3,119,522	\$0.10	0
Exploration Expenditure Debt Conversion <sup>(3)</sup>	3,000,000	3,000,000	\$0.10	0
Securities to be issued to the vendors of the Projects <sup>(4)</sup>	12,500,000	12,500,000	N/A	11,000,000
Public Offer <sup>(5)</sup>	25,000,000	30,000,000	\$0.20	0
Director Options <sup>(6)</sup>	0	0	0	1,500,000
Lead Manager Options <sup>(7)</sup>	0	0	0	3,000,000
<b>TOTAL</b>	<b>48,684,069</b>	<b>53,684,069</b>	<b>N/A</b>	<b>16,732,653</b>

**Notes:**

- Options post Consolidation:
  - 59,355 Options exercisable at \$6.40 each, on or before 28 December 2021.
  - 82,281 Options exercisable at \$12.80 each, on or before 4 July 2022.
  - 55,919 Options exercisable at \$19.20 each, on or before 3 September 2022.
  - 1,035,098 Options exercisable at \$3.20 each, on or before 16 April 2025.
- The number of shares is based on interest accruing on the debt amount of \$300,000 to 31 December 2021 of \$11,952, 3,119,522 Shares is based on the expected debt owing plus interest of \$11,952.
- These Shares represent Shares issued upon conversion of debt funding which may be made available to Rocktivity which the Company intends to issue to sophisticated and professional investors in consideration for funding exploration expenditure prior to completion of the Term Sheet at a conversion price of \$0.10 per Share.
- Vendor Shares:
  - 7,500,000 Shares at an issue price of \$0.20 per Share to Rocktivity Mining (or its nominees);
  - 5,000,000 Shares at an issue price of \$0.20 per Share to Northgate (or its nominees);
Vendor Options:
  - 2,500,000 Options exercisable at \$0.25 each, on or before the date which is 3 years from the date of issue to be issued to Northgate (or its nominee/s);
  - 5,000,000 Options exercisable at \$0.25 each, on or before the date which is 3 years from the date of issue to be issued to Rocktivity Mining (or its nominee/s); and
  - 3,500,000 Options exercisable at \$0.30 each, on or before the date which is 3 years from the date of issue, to be issued to Rocktivity Mining (or its nominee/s).
- This includes the participation of each of Simon Andrew, Aidan Platel and Sean Delaney for \$50,000 each (250,000 Shares each) and \$750,000 by Atlas (3,750,000 Shares).

6. Director Options: 500,000 Options to each of Simon Andrew, Aidan Platel and Sean Delaney) (or their nominees) (being an aggregate of 1,500,000 Options), with an exercise price of \$0.25 each and an expiry period of three years from the date of issue.
7. Lead Manager Options: 3,000,000 Options to Grange Capital (or their nominees), with an exercise price of \$0.30 and an expiry period of four years from the date of re-admission of the Company to the Official List of the ASX.

## PRO FORMA FINANCIAL INFORMATION

The pro-forma balance sheet of the Company as at 31 March 2021 following completion of the Proposed Acquisition and issues of all Securities contemplated under the transaction is set out in Annexure C. The pro-forma balance sheet has been prepared using the financial information of the Company and Rocktivity and shows the effect of the Proposed Acquisition on the total assets, total liabilities and net assets of the Company. The historical and pro-forma information is presented in an abbreviated form, insofar as it does not include all of the disclosure required by the Australian Accounting Standards applicable to annual financial statements.

The impact of the Proposed Acquisition on annual revenue, EBIDTA and annual profit before tax will be negligible, as like most junior mining exploration entities, the Company does not expect to be profitable in the short term.

## INDICATIVE TIMETABLE

An indicative timetable for the Proposed Acquisition and associated events is set out below:

Event	Date*
Execution of Agreement	16 September 2021
Notice of Meeting for the Proposed Acquisition sent to Shareholders	3 December 2021
Lodgement of Prospectus with the ASIC	15 December 2021
Opening date of Public Offer	15 December 2021
Shareholders meeting to approve the Proposed Acquisition	Mid-January 2022
Closing date of Public Offer	17 January 2022
Settlement of Proposed Acquisition and the Public Offer	21 January 2022
Re-quotation on ASX	28 January 2021

\*Please note that this timetable is indicative only and the Directors of the Company reserve the right to amend the timetable as required.

## CONTROL ISSUES

Adamo Investments Limited (**Adamo**) currently holds 46% of the issued capital in the Company. Adamo is an associate of Atlas Capital Markets Limited (**Atlas**). This will decrease to 11.2% upon the Company completing the Proposed Acquisition including issuing 3,119,522 Shares to satisfy debts owed by the Company to Atlas and/or its associates plus Atlas and/or its associates applying for 3,750,000 shares in the proposed IPO.

No other person will acquire a holding of Shares of, or increase their holding, to an amount in excess of 19.9% of all the Shares on issue on completion of the Proposed Acquisition.

## RE-COMPLIANCE WITH ASX LISTING RULES CHAPTERS 1 AND 2

Since the Proposed Acquisition will amount to a significant change in the nature and scale of the Company's activities, the Company is required to obtain Shareholder approval for

the Proposed Acquisition and must re-comply with Chapters 1 and 2 of the ASX Listing Rules.

## SHAREHOLDER APPROVALS

A notice of meeting seeking Shareholder approval for the resolutions required to give effect to the Proposed Acquisition will be sent to Shareholders in due course. It is expected that the Company will convene a general meeting to be held in January 2022 (**General Meeting**) to facilitate Shareholder approval for the following matters in respect of the Proposed Acquisition:

- (a) approval for a change in nature and/or scale of the Company's activities;
- (b) the issue of up to 30,000,000 Shares (on a post-Consolidation basis) under the Public Offer;
- (c) the issue of 7,500,000 consideration Shares and 8,500,000 Options (on a post-Consolidation basis) to Rocktivity Mining (or its nominee/s);
- (d) the issue of 5,000,000 consideration Shares and 2,500,000 Options (on a post-Consolidation basis) to Northgate (or its nominee/s);
- (e) the issue of 3,750,000 Shares (on a post-Consolidation basis) to Atlas and/or its associates to allow them to participate in the Public Offer;
- (f) the issue of 3,119,522 Shares (on a post-Consolidation basis) to Atlas and/or its associates to satisfy debts owed by the Company;
- (g) the issue of 3,000,000 Shares to sophisticated and professional investors to convert debt funding which may be made available to Rocktivity by sophisticated and professional investors to fund exploration expenditure prior to completion of the acquisition at a conversion price of \$0.10 per Share;
- (h) appointment of Aidan Platel as a Director;
- (i) re-election of Sean Delaney as Director;
- (j) the issue of 500,000 Options (on a post-Consolidation basis) to Simon Andrew (or his nominee) to compensate him for additional work done in connection with the Proposed Acquisition and to provide a cost effective, performance linked incentive component in the remuneration package, to motivate and reward his performance as a directors;
- (k) the issue of 500,000 Options (on a post-Consolidation basis) to Aidan Platel (or his nominee) to compensate him for additional work done in connection with the Proposed Acquisition and to provide a cost effective, performance linked incentive component in the remuneration package, to motivate and reward his performance as a directors;
- (l) the issue of 500,000 Options (on a post-Consolidation basis) to Sean Delaney (or his nominee) to compensate him for additional work done in connection with the Proposed Acquisition and to provide a cost effective, performance linked incentive component in the remuneration package, to motivate and reward his performance as a directors;
- (m) the issue of 3,000,000 lead manager Options to Grange Capital (or their respective nominee);
- (n) the adoption of an incentive performance rights and options plan;
- (o) the issue of up to 250,000 Shares (on a post-Consolidation basis) to Simon Andrew (or his nominee) for his participation in the Public Offer;
- (p) the issue of up to 250,000 Shares (on a post-Consolidation basis) to Aidan Platel (or his nominee) for his participation in the Public Offer;



- (q) the issue of up to 250,000 Shares (on a post-Consolidation basis) to Sean Delaney (or his nominee) for his participation in the Public Offer; and
- (r) major transaction approval for the purposes of section 129 the New Zealand Companies Act which provides that a special resolution is required for companies entering into major transactions being, the acquisition or sale of assets which are more than half the value of the company's assets or a transaction that is likely to have the effect of acquiring interests or liabilities which is more than half the value of the company's assets.

The Company's securities will remain suspended from quotation on ASX until the Company has re-complied with Chapters 1 and 2 of the ASX Listing Rules and the Proposed Acquisition is completed.

If Shareholders do not approve the Proposed Acquisition, the Company will not proceed with the Proposed Acquisition and will need to find an alternate means to meet the requirements of Chapter 12 of the ASX Listing Rules.

## **ASX WAIVERS AND CONFIRMATIONS REQUIRED**

ASX Listing Rule 1.1 Condition 11 provides that if, in the 2 years before the date of an application for admission to the Official List, an entity acquired a classified asset from a related party of the entity or a promoter, the consideration must have been restricted securities unless:

- (a) the consideration was reimbursement of expenditure incurred in developing the classified asset; or
- (b) under ASX Listing Rule 9.1.3 the entity is not required to apply the restrictions in Appendix 9B.

The Company has sought confirmation from the ASX that Listing Rule 1.1 Condition 11 will not apply to cash payments made in relation to the Proposed Acquisition.

Further details of the waivers and the respective conditions will be detailed in the notice of meeting.

## **REQUIREMENTS FOR REGULATORY AND SHAREHOLDER APPROVALS GENERALLY**

The Company notes that:

- (a) the Proposed Acquisition requires Shareholder approval under the ASX Listing Rules and therefore may not proceed if that approval is not forthcoming;
- (b) the Company is required to re-comply with ASX's requirements for admission and quotation and therefore the Proposed Acquisition may not proceed if those requirements are not met;
- (c) if the Company does not complete the Proposed Acquisition and re-comply with ASX's requirements for admission and quotation, the Company's securities will not be reinstated to trading until such time as the Company has demonstrated to ASX that it satisfies Chapter 12 of the ASX Listing Rules;
- (d) ASX has an absolute discretion in deciding whether to re-admit the Company to the Official List and to quote its securities and therefore the Proposed Acquisition may not proceed if ASX exercises that discretion; and
- (e) investors should take account of these uncertainties in deciding whether to buy or sell the Company's securities.

Furthermore, the Company:

- (a) notes that ASX takes no responsibility for the contents of this announcement; and

(b) confirms that it is in compliance with its continuous disclosure obligations under ASX Listing Rule 3.1.

The Company confirms that all material information available to the directors of the Company has been included in this Announcement.

For further information, please contact:

**Peter Gray**  
**Company Secretary**  
**CropLogic Limited**

## **COMPETENT PERSON**

The information contained in this report relates to information compiled or reviewed by Neal Leggo who is a member of the Australian Institute of Geoscientists (AIG) who fairly represents this information. Mr. Leggo is a consultant to the Company. Mr. Leggo has sufficient experience of relevance to the styles of mineralisation and the types of deposit under consideration, and to the activities undertaken to qualify as Competent Persons as defined in the 2012 edition of the "Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Leggo consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

## ANNEXURE A – AGREEMENT

The Company has entered into a binding terms sheet with the Rocktivity Mining Pty Ltd (ACN 639 866 470) (the **Vendor**) and Adamo Investment Limited, pursuant to which the Company agreed to purchase 100% of the issued capital in Rocktivity Gold Pty Ltd (ACN 641 813 836) (**Rocktivity**). The material terms and conditions of the Acquisition Agreement are set out below.

- (a) (**Rocktivity Shares**): the Company agreed to acquire 100% of the issued capital in the Vendor (the **Rocktivity Shares**);
- (b) (**Option**): by acquiring the Rocktivity Shares, the Company has agreed that it will also acquire an option to acquire the following tenements:
  - (i) E80/5149;
  - (ii) E80/5025;
  - (iii) E80/5148;
  - (iv) E80/5034;
  - (v) E80/5220; and
  - (vi) E80/5154.
- (c) (**Consideration to the Vendor**): in consideration for the Rocktivity Shares, the Company agreed to issue the following consideration to the Vendor (or its nominee):
  - (i) 7,500,000 Shares at an issue price of \$0.20 per Share to the Vendor (or its nominee);
  - (ii) 5,000,000 Options exercisable at \$0.25 per Share expiring on the date which is 3 years from the date of issue to the Vendor (or its nominee); and
  - (iii) 3,500,000 Options exercisable at \$0.30 per Share expiring on the date which is 3 years from the date of issue to the Vendor (or its nominee).
- (d) (**Consideration to Northgate**): in consideration for the above Option, the Company agreed to issue the following consideration to Northgate:
  - (i) 5,000,000 Shares at an issue price of \$0.20 per Share to Northgate (or its nominee); and
  - (ii) 2,500,000 Options exercisable at \$0.25 per Share expiring on the date which is 3 years from the date of issue to Northgate (or its nominee).
- (e) (**Conditions Precedent**): the acquisition is conditional on:
  - (i) all of the above tenements continuing to be in good standing; and
  - (ii) the Company obtaining conditional approval from ASX to list on the Official List.
- (f) (**Rocktivity Exploration Funding**): the parties agreed that a maximum of \$300,000 in funding may be required by the Vendor to maintain its assets in good standing, any funding which will be converted into Shares at \$0.10 per Share;
- (g) (**Atlas Investment**): it was agreed that Atlas and/or its associates will:
  - (i) fund the recapitalization of the Company and will contribute funds existing since the deed of company arrangement and any other amounts owing at \$0.10 per Share. This amount is \$311,952 and relates to various loan facilities provided by Atlas in connection with the DOCA (further details of which are provided on the first page of this announcement); and

- (ii) invest a minimum of \$750,000 into the IPO (assuming an issue price of \$0.20 per Share).
- (h) **(Consolidation)**: it was agreed that the Company would undertake a consolidation on a 160:1 basis such that 5,064,547 Shares will be on issue prior to listing.
- (i) **(Termination)**: the parties must use their best endeavours to satisfy the Conditions Precedent by 31 December 2021, otherwise either party can terminate the Agreement. The parties can seek an extension to this date when entering into the formal agreement.

The Acquisition Agreement was on terms considered otherwise standard for an agreement of this nature.

## ANNEXURE B – NORTHGATE OPTION

On 8 September 2021, Rocktivity and Northgate entered into a binding terms sheet pursuant to which Northgate agreed to grant the Northgate Option to Rocktivity.

- (a) **(Option)**: The parties agreed that Northgate would grant to Rocktivity an exclusive option to acquire following tenements from Northgate:
- (i) E80/5149
  - (ii) E80/5025
  - (iii) E80/5148
  - (iv) E80/5034
  - (v) E80/5220
  - (vi) E80/5154,
- (the **Northgate Tenements**).
- (b) **(Consideration)**: in consideration for the above tenements, Rocktivity agreed:
- (i) to issue or caused to be issued, 5,000,000 fully paid ordinary shares at an issue price of \$0.20 per Share in an ASX listed entity; and
  - (ii) that Northgate would be issued 2,500,000 options exercisable at \$0.25 per Share expiring on the date which is 3 years from the date of issue to Northgate (or its nominee).
- (c) **(Rocktivity Obligations)**: Northgate agreed to deliver transfer documents for the Northgate Tenements to Rocktivity, and Rocktivity agreed to cause the transfer documents to be stamped in accordance with the Duties Act and lodged for registration.
- (d) **(Termination)**: it was agreed that the Northgate Agreement may only be terminated in agreement between the two parties.

The Term Sheet was on terms considered otherwise standard for an agreement of this nature.



## ANNEXURE C – PRO FORMA BALANCE SHEET

	Opening Balance Sheet (CropLogic Limited)	Rocktivity Gold Pty Ltd (including subsequent events)	Pro-forma Consolidated Balance Sheet Min	Pro-forma Consolidated Balance Sheet Max	
	A\$	A\$	A\$	A\$	Notes
<b>Current assets</b>					
Cash and cash equivalents	19,910	12	4,621,672	5,561,672	1,3,8,9,10
Trade and other receivables	5,629	25,000	30,629	30,629	
Prepayments	-		-	-	
Assets held for sale	-		-	-	
<b>Total current assets</b>	<b>25,539</b>	<b>25,012</b>	<b>4,652,301</b>	<b>5,592,301</b>	
<b>Non-current assets</b>					
Exploration & Development	-	250,000	250,000	250,000	
Property, plant and equipment	-		-	-	
<b>Total non-current assets</b>	<b>-</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	
<b>Total assets</b>	<b>25,539</b>	<b>275,012</b>	<b>4,902,301</b>	<b>5,842,301</b>	
<b>Current liabilities</b>					
Trade and other payables	-		300,000	300,000	9
Other current liabilities	25,000	57,290	82,290	82,290	
Loan from Rocktivity Mining	-	21,722	21,722	21,722	
GST Payable	-	(29,103)	(29,103)	(29,103)	
<b>Total current liabilities</b>	<b>25,000</b>	<b>49,909</b>	<b>374,909</b>	<b>374,909</b>	
<b>Non-current liabilities</b>					
Borrowings	126,250	-	-	-	2
Total non-current liabilities	126,250	-	-	-	
<b>Total liabilities</b>	<b>151,250</b>	<b>49,909</b>	<b>374,909</b>	<b>374,909</b>	
<b>Net assets</b>	<b>(125,711)</b>	<b>225,103</b>	<b>4,527,392</b>	<b>5,467,392</b>	
<b>Equity</b>					
Issued capital	2,315,321	300,000	1,773,159	8,224,843	1,2,3,8,10,11
Reserves	-	-	(4,530,609)	1,773,159	4,5,6,7,11

	Opening Balance Sheet (CropLogic Limited)	Rocktivity Gold Pty Ltd (including subsequent events)	Pro-forma Consolidated Balance Sheet Min	Pro-forma Consolidated Balance Sheet Max	
	A\$	A\$	A\$	A\$	Notes
Retained Earnings	(2,441,032)	(74,897)	4,527,392	(4,530,609)	2,4,5,6,7,9
<b>Total equity</b>	<b>(125,711)</b>	<b>225,103</b>	<b>4,527,392</b>	<b>5,467,392</b>	
Non-controlling interest	-		-	-	
<b>Total equity</b>	<b>(125,711)</b>	<b>225,103</b>	<b>4,527,392</b>	<b>5,467,392</b>	

**Notes:**

1. Funding to Prospectus – Atlas and/or its associates contributed additional cash of \$177,000 and converted to 1,767,000 Shares at \$0.10 per share, plus interest of \$6,088.
2. Conversion of debt to equity at \$0.10 per Share, inclusive of \$5,865 in interest.
3. Issue of 25 million shares (Min) or 30 million shares (Max) at \$0.20 per share, being minimum capital raising, to raise \$5 million or \$6 million.
4. Issue of 5 million Options to Rocktivity Mining exercisable at \$0.25 per Option.
5. Issue of 3.5 million Options to Rocktivity Mining, exercisable at \$0.30 per Option.
6. Issue of 2.5 million Options to Northgate, exercisable at \$0.25 per Option.
7. Issue of 1.5 million Options issued to the proposed Directors (500,000 Options each to Simon Andrew, Sean Delaney and Aidan Platel), exercisable at \$0.25 per Option.
8. Funding for exploration - the Vendor to raise up to \$300,000 to fund exploration on Northgate tenements, converted at \$0.10 per Share.
9. Expenses incurred to complete notice of meeting and prepare CropLogic for relisting of \$600,000.
10. Costs of IPO of \$575,000 (Min) and \$635,000 (Max).
11. Issue of 3 million Options to Grange Capital, exercisable at \$0.30 per Option.

## ANNEXURE D – VALUATION OF DIRECTOR OPTIONS

The Director Options to be issued to Messrs Andrew Delaney and Platel, have been valued by internal management, using the Black & Scholes option model and based on the assumptions set out below.

Assumptions:	
Valuation date	11 October 2021
Market price of Shares	\$0.20
Exercise price	\$0.25
Expiry date (length of time from issue)	3 years from date of issue
Risk free interest rate	0.39%
Volatility (discount)	100%
Indicative value per Director Option	\$0.11
Total Value of Director Options	\$171,587
500,000 Options to Simon Andrew	\$57,196
500,000 Options to Aidan Platel	\$57,196
500,000 Options to Sean Delaney	\$57,196

### Notes:

1. The valuation noted above is not necessarily the market price that the Director Options could be traded at and is not automatically the market price for taxation purposes.

## ANNEXURE E – VALUATION OF LEAD MANAGER OPTIONS

The Options to be issued to Grange Capital Partners, have been valued by internal management, using the Black and Scholes option model and based on the assumptions set out below.

Assumptions:	
Valuation date	31 October 2021
Market price of Shares	\$0.20
Exercise price	\$0.30
Expiry date (length of time from issue)	4 years from the date of re-admission of the Company to the Official List of the ASX.
Risk free interest rate	0.39%
Volatility (discount)	100%
Indicative value per Lead Manager Option	\$0.123
Total Value of Lead Manager Options	\$371,051

### Notes:

1. The valuation noted above is not necessarily the market price that the Lead Manager Options could be traded at and is not automatically the market price for taxation purposes.

-ENDS-