HORSESHOE METALS LIMITED
ACN 123 133 166

PROSPECTUS

This Prospectus is being issued for a pro rata non-renounceable entitlement issue of one (1) Share for every four (4) Shares held by Eligible Shareholders as at the Record Date at an issue price of $0.02 per Share to raise up to approximately $2.182 million before costs (**Public Offer**) and an associated offer of any Shortfall Shares (**Shortfall Offer**).

This Prospectus contains an additional offer of 10,000,000 Lead Manager Options to the Lead Manager (or its nominees) (**Lead Manager Offer**).

The Offers are not subject to a minimum subscription condition. No Shares will be issued pursuant to the Public Offer or the Shortfall Offer unless permission is granted for the quotation of the Company's Shares on ASX as set out in Section 5.10. In the event that the Company is not able to meet the Reinstatement Conditions and is delisted from the ASX, the Company will withdraw the Public Offer and Shortfall Offer as set out in Section 5.9.

It is proposed that the Public Offer will close at 5.00pm (WST) on 21 January 2022. The Directors reserve the right to close the Public Offer earlier or to extend the Closing Date without notice. Applications must be received before the Closing Date.

IMPORTANT INFORMATION

This is an important document that should be read in its entirety. If you do not understand it you should consult your professional advisers without delay.

Investment in the Securities offered pursuant to this Prospectus should be regarded as highly speculative in nature, and investors should be aware that they may lose some or all of their investment. Refer to Section 7 for a summary of the key risks associated with an investment in the Securities.

IMPORTANT NOTICE

This Prospectus is dated 15 December 2021 and was lodged with the ASIC on that date. The ASIC and its officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

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

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

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

Re-Instatement Prospectus

One of the objectives of this Prospectus is to satisfy the ASX's requirements for re-quotation of Shares to trading on the ASX following the suspension of trading in Shares on the ASX on 16 December 2019.

Refer to Section 5.8 for full details of the Reinstatement Conditions.

Web Site – Electronic Prospectus

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

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. You may obtain a hard copy of this Prospectus free of charge by contacting the Company.

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

Website – Incorporation of Documents

No document or information included on our website is incorporated by reference into this Prospectus.

No Cooling-off Rights

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

Risks

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

Forward-looking statements

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

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

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

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

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

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

Financial Forecasts

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

Photographs and Diagrams

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

Continuous Disclosure Obligations

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

Price sensitive information will be publicly released through ASX before it is disclosed to Shareholders and market participants. Distribution of other information to Shareholders and market participants will also be managed through disclosure to the ASX. In addition, the Company will post this information on its website after the ASX confirms an announcement has been made, with the aim of making the information readily accessible to the widest audience.

Defined terms

Unless the contrary intention appears or the context otherwise requires, words and phrases contained in this Prospectus have the same meaning and interpretation as given in the Corporations Act and capitalised terms have the meaning given in the Glossary in Section 15.

Enquiries

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult your broker or legal, financial or other professional adviser without delay. Should you have any questions about the Offers or how to apply for Securities under the Offers, please call the Company Secretary on + 61 8 62411844.

Competent Persons Statement

The information in this report that relates to the Exploration Results and Mineral Resources at the Horseshoe Lights Project and Kumarina Project is based on information reviewed by Mr Craig Hall, who is a member of the Australian Institute of Geoscientists. Mr Hall is a director of the Company and has sufficient experience which is relevant to the style of mineralisation and types of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012)'. Mr Hall consents to the inclusion of the data in the form and context in which it appears.

The information in this report that relates to the Horseshoe Lights Project In-situ Mineral Resources is based on information originally compiled by Mr Dmitry Pertel, an employee of CSA Global Pty Ltd, and reviewed by Mr Hall. This information was originally issued in the Company's ASX announcement "40% increase in Copper Resource at Horseshoe Lights Copper/Gold Project", released to the ASX on 5 June 2013, and first disclosed under the JORC Code 2004. This information was subsequently disclosed under the JORC Code 2012 in the Company's ASX release "Quarterly Report Period Ended 30 June 2013", released on 31 July 2013. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

The information in this report that relates to the Horseshoe Lights Project flotation tailings and surface stockpile Mineral Resources is based on information compiled by Mr Geoff Willett, a prior employee of the Company, and reviewed by Mr Hall. The information was previously issued in announcements released to the ASX on 26 February 2015 and 9 March 2015. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

The information in this report that relates to the Kumarina Project (Rinaldi Prospect) Mineral Resources is based on information compiled by or under the supervision of Mr Robert Spiers, an independent consultant to the Company and a then full-time employee and Director of H&S Consultants Pty Ltd (formerly Hellman & Schofield Pty Ltd), and reviewed by Mr Hall. The information was originally issued in the Company's ASX announcement "Horseshoe releases Maiden Mineral Resource Estimate for Kumarina", released to the ASX on 4 March 2013, and first disclosed under the JORC Code 2004. This information was subsequently disclosed under the JORC Code 2012 in the Company's ASX release "Quarterly Report Period Ended 30 June 2013", released on 31 July 2013. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

CONTENTS

1. CORPORATE DIRECTORY

Directors

Craig Hall - Non-Executive Director

Alan Still - Non-Executive Director

Kate Stoney - Non-Executive Director

Company Secretary

Kate Stoney

ASX Code

HOR

Registered office

24 Mumford Place
Balcatta WA
6021

Telephone: +61 8 6241 1844
Facsimile: +61 8 6241 1811
Website: www.horseshoemetals.com.au

Share Registry*

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Nedlands WA 6009

Telephone: +61 8 9389 8033

Email: admin@advancedshare.com.au
Website: www.advancedshare.com.au

Lead Manager

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Level 2
55 Carrington Street Nedlands WA 6009
Telephone: +61 8 9389 3600
Fax: +61 8 9389 3699

Investigating Accountant

Stantons Corporate Finance Pty Ltd
Level 2, Walker Avenue
West Perth WA 6005

Independent Geologist

Al Maynard & Associates Pty Ltd
2a Marian St,
Leederville, 6007
Western Australia

Solicitors

Mills Oakley
Level 24
240 St Georges Terrace
Perth WA 6000

Auditor*

Rothsay Auditing
Level 1 Lincoln House
4 Ventnor Avenue
West Perth WA 6005

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

2. LETTER TO ELIGIBLE SHAREHOLDERS

Dear Eligible Shareholder

On behalf of the directors of Horseshoe Metals Limited (the Company), I am pleased to provide all Eligible Shareholders the opportunity to participate in the Public Offer detailed in this Prospectus.

On 15 December 2021, the Company announced a pro rata non-renounceable entitlement offer of one (1) Share for every four (4) Shares held by Eligible Shareholders at the Record Date, at an issue price of $0.02 per Share to raise up to approximately $2.18 million before costs (**Public Offer**) and an associated offer of any Shortfall Shares (**Shortfall Offer**).

The closing date for the Public Offer is 21 January 2022. This Prospectus contains an additional offer of 10,000,000 Lead Manager Options to the Lead Manager (or its nominees) (**Lead Manager Offer**).

Funds raised under the Offers will be used for the Company's proposed exploration activities, project compliance and maintenance, and repayment of debts, as well as general administration expenses and working capital. Further details of the Company's strategy for the development of its exploration portfolio are set out in Section 6.6 of this Prospectus.

This Prospectus contains detailed information about the Company and the Offers, including an indicative timetable, proposed use of funds, and the risks associated with investing in the Company. I encourage you to read the Prospectus carefully and seek expert advice if necessary.

Detailed instructions about how to apply for your Entitlement, plus any Shortfall Shares, can be found in section 5 of the Prospectus and the accompanying Entitlement and Acceptance Form.

Yours sincerely

Craig Hall
Non-Executive Director

3. INDICATIVE TIMETABLE AND KEY OFFER DETAILS

Indicative Timetable[1]	Date
Prospectus lodged with the ASIC and ASX, and lodge Appendix 3B	15 December 2021
"Ex" date	20 December 2021
Record Date	21 December 2021
Prospectus and Entitlement and acceptance Forms sent to Eligible Shareholders and Company announces this has been completed Notice Sent to Ineligible Shareholders	24 December 2021
Offers Open	24 December 2021
Last day to extend the Closing Date	18 January 2022 (before 9am WST)
Closing Date of the Public Offer*	21 January 2022
Announcement of results of the Public Offer	25 January 2022
Issue date of Shares under the Public Offer[3] Lodgement of Appendix 2A with ASX[3]	25 January 2022
Shortfall Offer and Lead Manager Offer closes[2]	3 February 2022
Issue date of Securities issued under the Shortfall Offer and Lead Manager Offer[3] Lodgement of Appendix 2A with ASX[3]	4 February 2022
Expected date for quotation of Shares issued under the Offers[3] Anticipated date for re-quotation of Shares on ASX and suspension of trading lifted[3]	7 February 2022

[1]The above dates are indicative only and may change without notice. The Company reserves the right to extend the Closing Date or close the Offers early without notice.

[2]The Directors may vary the closing date of the Shortfall Offer and Lead Manager Offer without notice. The Offers may be withdrawn at any time by the Company in its discretion, subject to compliance with the Corporations Act and the ASX Listing Rules.

[3]If the Public Offer is cancelled or withdrawn before completion of the Public Offer, then all Application Monies will be refunded in full (without interest) as soon as possible in accordance with the requirements of the Corporations Act. Investors are encouraged to submit their applications as soon as possible after the Public Offer opens. Refer to Sections 5.8 and 5.10 for further details of Reinstatement Conditions and re-quotation of Shares.

KEY OFFER STATISTICS

Key Public Offer Details	
Securities Offered	Shares
Offer Type	Pro-rata non-renounceable entitlement offer
Offer Ratio	1 for 4
Offer Price per Share	$0.02
Who can participate	Eligible Shareholders[1]
Maximum Shares to be issued under the Public Offer[2]	109,098,576
Maximum amount to be raised (before costs)	$2.182 million
Key Lead Manager Offer Details	
Securities Offered	Lead Manager Options

Offer Type	Placement
Who can participate	The Lead Manager (or its nominee)
Amount raised under the Lead Manager Offer[3]	Nil
Maximum Options to be issued under the Lead Manager Offer	10,000,000
Capital Structure	
Shares currently on issue	436,394,305
Options currently on issue	29,000,000
Shares on issue Post-Reinstatement[2]	**545,492,881**
Options on issue Post-Reinstatement	**39,000,000**

[1] Eligible Shareholders are registered holders of Shares on the Record Date with a registered address in Australia or New Zealand. Refer to Section 5.19 for further details.

[2] Assuming full subscription is achieved under the Public Offer or, to the extent full subscription is not achieved, all Shortfall Shares are placed under the Shortfall Offer.

[3] The Lead Manager Options are being offered in consideration for lead manager services provided by the Lead Manager. No funds will be raised under this Offer.

4. INVESTMENT OVERVIEW

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

Item	Summary	More Information
A. Company and business overview		
Who is the issuer of this Prospectus?	Horseshoe Metals Limited (ACN 123 133 166) (**Company**), which was incorporated on 14 December 2006 and was admitted to the Official List on 26 July 2010.	Section 6.1
Who is the Company?	The Company is a mining exploration company with interests in tenements in Western Australia and South Australia that are prospective for copper and gold.	Section 6.3
Does the Company have any subsidiaries?	Yes, MCM is a wholly owned subsidiary of the Company and holds interests in the Horseshoe Lights and Kumarina Projects as set out in the Solicitor's Report. The Company has a right to earn up to a 50% stake in CMM which previously held a Licence to Operate at the Mount Gunson Project as set out in Section 12.4.4. These rights have expired and CMM is in negotiations to renew the licence.	Section 6.2
What are the Company's projects?	The Company currently holds interests in the following projects: • Horseshoe Lights Project – Western Australia. • Kumarina Copper Project – Western Australia. • Glenloth Gold Project - South Australia. The Horseshoe Lights Project is located in the Peak Hill Mineral Field, Murchison region of Western Australia. The project comprises a group of 20 tenements and includes the historic Horseshoe Lights Mine, where JORC-compliant resources of copper and gold have been defined. The Company obtained its interest in the Horseshoe Lights Project in 2010 via the acquisition of MCM from Grange Resources Limited. The Kumarina Project is located in the Peak Hill Mineral Field, Murchison region of Western Australia. It currently comprises a single tenement, with another tenement under application. The Company obtained its interest in the Kumarina Project via the acquisition of MCM. The Glenloth Project is located within the Central Gawler Craton of South Australia. The project comprises five tenements; the Company holds a 100% stake in EL 6301 and has been granted access rights to four smaller tenements (within the boundaries of the eastern block of EL 6301) for the purpose of exploration, mining and mineral processing. In addition, the Company has interests in CMM which previously held a Licence to Operate at the Mount Gunson Project located on the eastern margin of the Gawler Craton of South Australia. The licence has expired and CMM is in negotiations for its renewal.	Section 6.3

<table>
<tr><td>Do the Projects have any defined resources?</td><td>Mineral Resource estimates are contained within the Projects as follows:
<u>Horseshoe Lights Project:</u>
<table><tr><th>Location</th><th>Tonnes (Mt)</th><th>Cu (%)</th><th>Au (g/t)</th><th>Ag (g/t)</th><th>Cu metal (t)</th><th>Au metal (oz)</th><th>Ag metal (k oz)</th></tr><tr><td>In-situ</td><td>12.85</td><td>1.00</td><td>0.10</td><td>1.9</td><td>128,600</td><td>36,000</td><td>793.4</td></tr><tr><td>Flotation Tailings</td><td>1.42</td><td>0.48</td><td>0.34</td><td>6.5</td><td>6,800</td><td>15,300</td><td>294.8</td></tr><tr><td>M15 Stockpiles</td><td>0.24</td><td>1.10</td><td>0.17</td><td>4.7</td><td>2,650</td><td>1,300</td><td>36.7</td></tr></table><u>Kumarina Project:</u>
<table><tr><th>Location</th><th>Tonnes (t)</th><th>Cu (%)</th><th>Cu metal (t)</th></tr><tr><td>Rinaldi Prospect</td><td>835,000</td><td>1.3</td><td>10,600</td></tr></table>Refer to Sections 6.3.2 and 6.3.3 for further details including the categories of the Mineral Resources.</td><td>Sections 6.3 and 8</td></tr>
<tr><td>Why is the Company suspended from the Official List?</td><td>The Shares were suspended from trading on the ASX on 16 December 2019 following an ASX Aware Query letter dated 13 December 2019. The Shares will remain suspended until the Company satisfies ASX under ASX Listing Rule 12.1 and 12.2 that its operations and financial position are sufficient to justify quotation of its Shares.</td><td>Section 5.7</td></tr>
<tr><td>How will the Shares be reinstated to trading?</td><td>ASX has advised that it can see no reason why the Shares should not be reinstated to trading upon the Company satisfying the Reinstatement Conditions by 16 December 2021. The Reinstatement Conditions are set out in Section 5.8.
If the Company does not satisfy the Reinstatement Conditions by 16 December 2021 then ASX policy states that the Company will be delisted and removed from the Official List on that date in the absence of any extension from the ASX.
ASX Guidance provides that there are limited circumstances in which ASX will grant an extension of up to three-months to this deadline, as described in ASX Guidance Note 33.
The Company will not be able to meet the Reinstatement Conditions by 16 December 2021 as the Public Offer will not be finalised by this date. The Company intends to apply to the ASX for an extension of the deadline in order for it to finalise the Offers and meet the Reinstatement Conditions.
If ASX does not grant an extension to the 16 December 2021 deadline, or if the Company is not otherwise able to satisfy the Reinstatement Conditions, and the Company is delisted from the Official List, the Company will withdraw the Public Offer and Shortfall Offer. In this event any Application Monies will be refunded and no Shares will be issued under the Offers.
The Company cautions that, in light of the above, there can be no certainty that ASX will permit the reinstatement of Shares to Official Quotation.</td><td>Sections 5.8 and 5.9</td></tr>
<tr><td colspan="3">B. Business Model</td></tr>
<tr><td>What are the Company’s business model and</td><td>The Company’s key objective is to continue with the discovery, evaluation and development of mineral resources at its Projects. Further details of the Company’s proposed short-term exploration activities are provided in Section 6.6.</td><td>Section 6.6</td></tr>
</table>

key objectives?	As the Projects are in an early stage of development, the Company does not generate significant revenue from its current business activities and relies upon cash flows from financing and investors to cover its expenses.	
What are the key dependencies of the Company's business model?	The key factors that the Company will depend on whether the Company can meet its objectives are: • the Shares being reinstated to quotation on the ASX; • maintaining its title, or contractual interests, in the Projects; • in respect of the Horseshoe Lights Project, implementing an appropriate remediation plan, including conducting further environmental testing; • in respect of the Glenloth Project, the renewal application in respect of EL 6301 being granted and an EPEPR being approved by DEM to allow the Company to conduct exploration activities; • in respect of the Mt Gunson Project, CMM successfully renegotiating a renewal of the Licence to Operate, or a revised licence granting it the rights necessary to operate on the Mt Gunson Tenements; • retaining and recruiting key personnel skilled in the mining and resources sector; • global demand and prices for copper, gold and any other prospective minerals in respect of the Projects being at a level necessary to support any future production by the Company (assuming successful exploration by the Company); • the Company's ability to meet any exploration targets; and • raising sufficient funds to satisfy expenditure requirements, including exploration and operating costs in respect of the Projects.	
C. Key Risks		
Prospective investors should be aware that subscribing for Securities involves a number of risks and uncertainties. The risk factors set out in Section 7 and other risks applicable to all securities, may affect the value of the Company's Securities in the future. Accordingly, an investment in the Company should be considered highly speculative. This overview summarises only some of the risks that apply to an investment in the Company and investors should refer to Section 7 for a more detailed summary of the risks.		
ASX Reinstatement to Quotation	The Company's Shares have been suspended from Official Quotation on ASX since 16 December 2019. The Company is required to satisfy the Reinstatement Conditions for reinstatement of the Shares to Official Quotation on the ASX (details of the Reinstatement Conditions are set out in Section 5.8 of this Prospectus). There is a risk that the Company will not be able to meet the Reinstatement Conditions and the Company will be delisted from the Official List. If the Company is delisted, there may be little to no market for Shares. In this instance, the Company will withdraw the Public Offer.	Section 7.2(a)
Contaminated Site	As set out in Sections 6.3.2 and 7.2(b), DWER has issued a Notice of Classification to MCM under the Contaminated Sites Act 2003 deeming the Horseshoe Lights mine site as "contaminated – remediation required". MCM is required to remediate the site to acceptable levels. Suspected acid and metalliferous drainage (**AMD**) have been observed at the site and within a creek line at the site's eastern boundary which appears to extend beyond the site's	Section 7.2(b)

	boundary onto adjacent land. Soil samples have confirmed the presence of very high concentrations of copper and sulphate within surface soils and elevated concentrations of other metals and metalloids in some locations, including selenium, mercury and arsenic. The Company has proposed a remediation strategy for the site and is awaiting a response from DWER. The Company will incur liabilities in respect of remediation and clean-up costs in respect of contaminated sites. In addition, the Company could incur liability for damages to third parties or penalties in the event of discharge into the environment. A provision for the costs associated with remediation has been established and is re-evaluated on a regular basis in accordance with accounting standards.	
Failure to Adhere to Payment Plan	A writ of summons and a general procedure claim has been filed against MCM by the Shire of Meekatharra in respect of unpaid council rates, plus fees and costs. MCM has filed an Admission of Debt with the Magistrates Court and District Court for both matters and has agreed a payment plan of $15,000 per month. If the Company fails to meet the payments under the payment plan, then this will result in the Company being in default under the payment plan and likely result in the re-commencement of proceedings against MCM. This could also trigger cross defaults under other finance and funding arrangements.	Section 7.2(g)
Reliance on Contractor	As set out Section 12.5, although the Company has entered into a written Consultancy Agreement with Delta, that agreement has now expired and the services provided by Delta are not subject to any formal written agreement. Delta provides corporate and technical services (amongst other services) to the Company. Two of the Directors, Craig Hall and Kate Stoney are employed by Delta. If Delta ceases to provide services to the Company, then there will likely be a detrimental impact on the Company and the Company may need to attract and retain other key personnel.	Section 7.2(d)
Mt Gunson Licence to Operate	The Company has entered into the CMM Subscription Agreement under which the Company has a right to earn up to 50% interest in CMM. CMM is not the registered holder of the Mt Gunson Tenements and has been granted a Licence to Operate in respect of the Mt Gunson Tenements. The Licence to Operate has expired and the Company has been notified that CMM is in discussions with the tenement holders in relation to a renewal of the licence. As at the date of this Prospectus CMM and the Company do not have any rights in respect of the Mt Gunson Tenements. The Company's interest in the Mt Gunson Tenements is subject to CMM successfully negotiating a renewal of the Licence to Operate, and the Company being able to meets its obligations under the CMM Subscription Agreement.	Section 7.2(d)
Contract Risk	The ability of the Company to achieve its stated objectives may be materially and adversely affected by the non-performance by counterparties of their obligations under certain agreements. In addition to the CMM Subscription Agreement and the Licence to Operate (as stated above), the Company is also reliant upon the following counterparties to agreements: • Kopore in respect of the Kopore Farm-in Agreement and	Section 7.2(f)

	Co-ordination Deed as summarised in Sections 12.2.1 and 12.2.2; and • The registered holders of the tenements the subject of the Mineral Rights Agreements (summarised in Section 12.3.4). The Company's ability to achieve its objectives in respect of the Kopore Agreement Area and ML5848, ML5849, ML5885 and MPL62 (forming part of the Glenloth Project) is dependent upon it and the above counterparties complying with their obligations under the agreements. A failure to comply with these obligations may result in the Company losing its interest in the projects.	
Default risk – loan agreements and trade payables	As set out in in the indicative pro forma balance sheet in Section 9, the Company will, on completion of the Offers, have current and non-current trade and payables and non-current borrowings. The Company has entered into the Loan Facility Agreement and the Short Term Funding arrangements as set out in Section 12.6 and Section 12.7. If the Company defaults on these payments, then the lenders can demand repayment. Defaults under the loan arrangements may trigger cross defaults in respect of the Company's other debt. If the Company is unable to raise sufficient funds or otherwise cure the defaults, the Company's creditors may seek immediate repayment of debts, and this may result in the Company being insolvent. Refer to the financial information contained in Section 9 of the Prospectus for further details of amounts owed by the Company.	Section 7.2(g)
Covid-19	The outbreak of the coronavirus disease (COVID-19) is having a material effect on global economic markets and global supply chains. COVID-19 has had and may continue to have a significant impact on capital markets. The Company's Share price may be adversely affected by the economic uncertainty caused by COVID-19. Logistical issues caused by travel bans, quarantining and lockdowns may adversely impact the Company's operations. Disruptions to financial markets and investor confidence has the potential to materially affect the Company's cost of doing business and ability to raise funds.	Section 7.2(j)
Dilution	The Public Offer (if fully subscribed) will increase the number of Shares on issue from 436,394,305 to up to 545,492,881. If an existing Shareholder does not participate in the Public Offer then their Shareholding will be diluted by 20% (assuming maximum subscription).	Section 7.2(i)
Future Capital Requirements	The Company has no operating revenue and is unlikely to generate any operating revenue unless and until its projects are successfully developed and production commences. The Company believes its available cash and the net proceeds of the Public Offer and Shortfall Offer is adequate to fund its business development activities, exploration program and other Company objectives in the short to medium term as stated in this Prospectus. However, beyond this the Company will require further financing in the future. Any additional equity financing may be dilutive to Shareholders. Debt financing, if available, may involve restrictions on financing and operating activities. No assurances can be made that appropriate capital or funding	Section 7.2(k)

	will be available on terms favourable to the Company.	
Mining Tenure and Title Risk	Interests in all tenements in Western Australia and South Australia are governed by state legislation and are evidenced by the granting of mining tenements. Each tenement is for a specific term and carries conditions (including annual expenditure, rent and reporting commitments). The Company could lose title to or its interest in the tenements if conditions are not met or if insufficient funds are available to meet expenditure commitments.	Section 7.3(a)
D. Overview of the Prospectus and the Offers		
Form of Prospectus	The Company is a 'disclosing entity' (as defined in section 111AC of the Corporations Act) and as such can access the provisions of the Corporations Act relating to shorter-form 'transaction specific prospectus' in accordance with section 713 of the Corporations Act. However, ASX has required the Company to issue a 'full-form prospectus' as a Reinstatement Condition. Accordingly, this Prospectus has been prepared in accordance with the disclosure requirements of section 710 of the Corporations Act.	N/A
Public Offer	This Prospectus primarily is for a non-renounceable entitlement issue of one new Share for every four Shares held by Eligible Shareholders on the Record Date at an issue price of $0.02 per new Share to raise up to approximately $2.182 million (before costs).	Section 5.1
What will the funds raised from the Public Offer be used for?	The proceeds from the Public Offer and the Company's existing cash reserves will be used for: • paying the costs associated with the Offers; • drilling and development studies at the Horseshoe Lights Project; • exploration and drilling at the Glenloth Project; and • project compliance and maintenance expenditure. Further details are set out in Section 5.13.	Section 5.13
Can I participate in the Public Offer?	The Public Offer is made to Eligible Shareholders only. Eligible Shareholders are those Shareholders who: • are the registered holder of one or more Shares as at 5.00pm (WST) on the Record Date; and • have a registered address in Australia or New Zealand.	Section 5.19
Can I apply for Shortfall Shares?	Eligible Shareholders who apply for all of their Entitlement may also apply for Shortfall Shares. Applications for Shortfall Shares by Eligible Shareholders must be received by the Closing Date. In addition, other investors who are not Shareholders who wish to participate in the Shortfall Offer may apply for Shortfall Shares by following the instructions set out on the Shortfall Application Form. The allocation policy for the Shortfall Offer is outlined in Section 5.6. There is no guarantee that investors will receive new Shares applied for under the Shortfall Offer.	Section 5.6
Is the Public Offer underwritten?	No, the Public Offer is not underwritten.	Section 5.4
Is the Public Offer subject to minimum subscription?	No, there is no minimum subscription condition in respect of the Public Offer. However, the amount raised by the Company under the Public Offer and Shortfall Offer will need to be sufficient to	Section 5.2

	satisfy the Reinstatement Conditions and establish that the Company will have at least $1.5 million of working capital as at the date of Reinstatement.	
Will the Shares be quoted on ASX?	The Company will apply for Official Quotation of the Shares issued under the Offers. However, ASX will not commence Official Quotation of any Shares until ASX has confirmed the reinstatement of the Shares to quotation. If permission is not granted by ASX for the official quotation of the new Shares offered by this Prospectus within three months after the date of this Prospectus (or such period as ASX allows), the Company will repay, as soon as practicable, without interest, all Application Monies received pursuant to this Prospectus.	Section 5.10
What is the effect of the Offers on control of the Company?	Delta is a substantial shareholder of the Company that, as at the date of this Prospects, is the registered holder of 15.3% of Shares (19% of Shares on an undiluted basis). Delta has the potential to increase its Shareholding in the Company as a result of the Offers. The potential control effect of the Offers on the substantial shareholders of the Company is demonstrated in Section 5.15 based on the Public Offer and Shortfall Offer being 25%, 50%, 75% and 100% subscribed. If the Public Offer is 25% subscribed, and Delta takes up its full entitlement, then it may increase its Shareholding in the Company to 18% on an undiluted basis and 21.37% on a fully diluted basis. The Company will monitor Applications made by Delta and no Shares will be allocated or issued to any person to the extent that the Company is aware that to do so will result in a breach of the Corporations Act, the Listing Rules or any other relevant legislation or law, including without limitation, a breach of section 606 of the Corporations Act. Shareholders should note that if they do not participate in Public Offer their holdings will be diluted by up to 20%.	Section 5.15
Indicative capital structure and pro forma balance sheet	The indicative capital structure on completion of the Offers is set out in Section 5.14. The indicative pro forma balance sheet showing the effect of the Offers is set out in Section 9.	Sections 5.14 and 9
What rights and liabilities attach to Securities offered under the Offers?	A description of the Company's Shares, including the rights and liabilities attaching to them, is in Section 13.2. A description of the rights and liabilities attaching to the Lead Manager Options is set out in Section 13.3.	Section 13.2 and 13.3
What is the Public Offer period?	An indicative timetable for the Public Offer is set out in Section 3.	Section 3
What is the Lead Manager Offer?	The Lead Manager Offer is a separate offer of up to 10,000,000 Lead Manager Options to Merchant Capital Partners Pty Ltd (or its nominee). The Lead Manager Options are being issued to the Lead Manager as agreed by the Company in the Lead Manager Mandate summarised in Section 12.1.	Section 5.5
Who are the advisors to the Offers?	• Mills Oakley is the Australian legal advisor to the Company and prepared the Solicitor's Report contained in Section 10. • Merchant Capital Partners Pty Ltd is the Lead Manager	Section 13.6

	to the Public Offer. • Stantons Corporate Finance Pty Ltd is the Investigating Accountant and prepared the Independent Limited Assurance Report contained in Section 9. • Al Maynard & Associates Pty Ltd is the Independent Geologist and prepared the Independent Geologist Report contained in Section 8. Refer to Section 13.6 for details regarding fees payable.	
E. Directors and related party interests and substantial holders		
Who are the Directors of the Company?	The Directors are: • Craig Hall - Non-Executive Director • Alan Still - Non-Executive Director • Kate Stoney - Non-Executive Director Upon Reinstatement, the Company is not proposing to make any changes to the composition of the Board as set out above. The profiles of each of the Directors are set out in Section 11.	Section 11.1
What benefits are paid to the Directors?	Each Director is entitled to be paid director fees of $36,000 per annum pursuant to letters of appointment entered into with the Company. Refer to Section 11.2 for further details of the appointment letters and remuneration paid to the Directors.	Section 11.2
What interests do the Directors have in the Securities of the Company?	As at the date of this Prospectus each Director holds 1,000,000 Shares and 3,000,000 Options. Refer to Section 11.2 for further details.	Section 11.2
Who are the substantial holders of the Company?	To the best of the knowledge of the Company the only substantial Shareholder of the Company is Delta Resource Management Pty Ltd. Delta is the registered holder of 66,701,672 Shares and 20,000,000 Options as at the date of this Prospectus. This represents 15.3% of Shares on issue on an undiluted basis and 19% on a fully diluted basis. Refer to Section 5.15 for further details including the potential control effect of the Offers.	Section 5.15
F. Financial Information		
Does the Company have any material financial debts or amounts payable?	As set out in in the indicative pro forma balance sheet in Section 9, the Company will, on completion of the Offers, have $2,381,093 in current trade and other payables, and $2,094,352 in borrowings and non-current trade and other payables. Material amounts payable include the following: • The Company has entered into an unsecured loan agreement to receive funding of up to $2,000,000 from a syndicate of lenders (**Loan Facility Agreement**) (refer to Section 12.6). Upon completion of the Offers approximately $1.13 million of the facility will be drawn down with approximately $293,000 of interest incurred. • Approximately $2.87 million in current and non-current trade payables to Delta and other third parties (**Trade Payables**). Delta is a substantial shareholder of the Company that provides the services as set out in Section 12.5. • As set out in Section 13.1.1, MCM has filed an	Section 9

	Admission of Debt with the Magistrates Court and District Court in respect of unpaid council rates, plus fees and costs owed to the Shire of Meekatharra. The Company has agreed to a payment plan of $15,000 per month in respect of both matters. Approximately $110,000 is outstanding under the payment plan.	
What is the financial outlook for the Company?	Given the current status of the Projects and the speculative nature of the Company's business, the Directors do not consider it appropriate to forecast future earnings. Any forecast or projection information would contain such a broad range of assumptions, potential outcomes and possibilities that it is not possible to prepare any reliable forecasts or projections on a reasonable basis.	N/A
G. Additional Information		
What is the Company's dividend policy?	The Company does not currently have a dividend policy and the Company anticipates significant expenditure will be incurred in the evaluation and development of the Projects. These activities are expected to dominate the two-year period following the date of this Prospectus and the Company does not expect to declare any dividends during that period.	Section 6.5
Where can I find more information?	• By speaking to your sharebroker, solicitor, accountant or other independent professional adviser; • By contacting the Company Secretary, on +61 8 6241 1844; or • By contacting the Share Registry on +61 8 9389 8033. In addition, the Company is a disclosing entity listed on the ASX and accordingly investors can review the Company's ASX Announcements for further historical information (ASX: HOR).	N/A

5. DETAILS OF THE OFFERS

5.1 Public Offer

The Public Offer is being made as a non-renounceable entitlement issue of one (1) Share for every four (4) Shares held by Eligible Shareholders as at the Record Date at an issue price of $0.02 per Share. Fractional entitlements will be rounded up to the nearest whole number.

As at the date of this Prospectus, the Company has 436,394,305 Shares on issue. Based on the capital structure of the Company as at the date of this Prospectus (and ignoring treatment of fractional entitlements and assuming no Options are exercised prior to the Record Date) a maximum of 109,098,576 Shares will be issued pursuant to the Public Offer to raise up to approximately $2.182 million before costs.

As at the date of this Prospectus the Company has 29,000,000 Options on issue, none of which have rights to participate in the Public Offer unless exercised prior to the Record Date.

All of the Shares offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 13.2 for further information regarding the rights and liabilities attaching to the Shares.

The purpose of the Public Offer is set out in Section 5.11 and the intended use of funds raised is set out in Section 5.13.

The Public Offer is non-renounceable. Accordingly, a Shareholder may not sell or transfer all or part of their Entitlement.

5.2 Minimum Subscription and Oversubscriptions

There is no minimum subscription or over subscriptions for the Offers.

ASX has advised the Company that the amount raised under the Offers must be sufficient to establish that the Company will have at least $1.5 million of working capital secured as at the date of Reinstatement in order to satisfy the Reinstatement Conditions. Refer to Section 5.8 for additional information.

5.3 Lead Manager

Merchant Capital Partners Pty Ltd (**Lead Manager**) has been appointed the lead manager in relation to the Public Offer on the terms and conditions of the Lead Manager Mandate. Refer to Section 12.1 for a summary of the Lead Manager Mandate.

5.4 No Underwriting

The Public Offer is not underwritten.

5.5 Lead Manager Offer

The Lead Manager Offer is an offer under this Prospectus of up to 10,000,000 Lead Manager Options to the Lead Manager (or its nominees) in consideration for lead manager services provided to the Company.

The Lead Manager Offer is only capable of being accepted by the Lead Manager (or its nominee). No application monies are payable under the Lead Manager Offer.

Details on the rights and liabilities attaching to the Lead Manager Options proposed to be issued under the Lead Manager Offer are contained in Section 13.3.

5.6 Shortfall Offer

Any Entitlement not taken up pursuant to the Public Offer will form the Shortfall Offer.

The issue price for each Share to be issued under the Shortfall Offer shall be $0.02, being the price at which Shares have been offered under the Public Offer.

All Shares issued under the Shortfall Offer shall be issued on the same terms as Shares being offered under the Public Offer (including the issue price).

Eligible Shareholders who take up the whole of their Entitlement under the Public Offer may apply for additional Shares under the Shortfall Offer in accordance with the Entitlement and Acceptance Form and by paying the appropriate Application Monies in accordance with the instructions set out in the Entitlement and Acceptance Form.

Additionally, other investors who are not currently Shareholders who wish to participate in the Shortfall Offer may apply for Shortfall Shares by following the instructions set out on the Shortfall Application Form and paying the appropriate Application Monies.

The Directors (in consultation with the Lead Manager) will allocate Shortfall Shares to Eligible Shareholders and third-party investors at their absolute discretion whilst having regard to the following factors:

(a) the need to recognise the ongoing support of existing Shareholders of the Company;

(b) identifying new potential long-term or cornerstone investors;

(c) ensuring an appropriate Shareholder base for the Company; and

(d) ensuring compliance with applicable laws.

No Shortfall Shares will be allocated or issued to any related party of the Company (including Directors and their Associates) or to any person to the extent that the Company is aware that to do so would result in a breach of the Corporations Act, the Listing Rules or any other relevant legislation or law, including without limitation, a breach of section 606 of the Corporations Act.

5.7 Suspension from Trading and Proposed Re-capitalisation

The Shares have been suspended from trading on the ASX since 16 December 2019 pending the outcome of queries in respect of Listing Rules 12.1 and 12.2.

ASX Listing Rule 12.1 states that “the level of an entity’s operations must, in ASX’s opinion, be sufficient to warrant the continued quotation of the entity’s securities and its continued listing”. ASX Listing Rule 12.2 states that “an entity's financial condition (including operating results) must, in ASX's opinion, be adequate to warrant the continued quotation of its securities and its continued listing".

As set out in the Notice of Meeting, the Company is in the process of completing a re-capitalisation to improve the Company’s balance sheet and commence the operations set out in Section 6.6.

The Company is undertaking the following activities as part of its re-capitalisation (**Re-capitalisation**):

(a) A placement of 20,666,667 Shares to creditors at a deemed issue price of $0.015 per Share to satisfy $310,000 owed by the Company. This element of the Re-capitalisation has been completed.

(b) A placement of 18,933,333 Shares at an issue price of $0.015 per Share to raise $284,000 in cash. This element of the Re-capitalisation has been completed.

(c) Further borrowings of up to $264,632 (**Borrowings**). This element of the Re-capitalisation has already been completed.

(d) A series of Share placements as follows (**Placements**):

(i) A placement of 17,642,115 Shares at a deemed issue price of $0.015 per Share by way of satisfaction of the Borrowings. This element of the Re-capitalisation has been completed.

(ii) A placement of up to 40,000,000 Shares at a deemed issue price of $0.02 per Share by way of satisfaction of borrowings provided by prospective investors . This element of the Re-capitalisation has been completed.

(iii) A placement of up to a further 75,000,000 Shares at $0.02 per Share to raise up to $1,500,000. This element of the Re-capitalisation has been completed.

(e) The Public Offer, being a pro rata non-renounceable entitlement issue of one Share for every four Shares at an issue price of $0.02 per Share to raise up to approximately $2.182 million before costs.

5.8 Conditions of Reinstatement

Following submissions from the Company to ASX, ASX has advised that, based on the information provided to it, ASX can see no reason why the Shares should not be reinstated to Official Quotation, subject to the Company complying with the following Reinstatement Conditions by 16 December 2021:

(a) Shareholders approving all the resolutions required to effect the proposed Re-capitalisation to be considered at a general meeting of Shareholders (being the Meeting). This has occurred.

(b) The Company releasing this Prospectus.

(c) Completion of the Re-capitalisation and closure of this Prospectus (including confirmation that the Company has satisfied any conditions such as minimum subscription).

(d) Confirmation in a form acceptable to ASX that the Company has received cleared funds for the complete amount of the issue price of Securities issued to successful applicants under the Re-capitalisation.

(e) The Company demonstrating compliance with Listing Rules 12.1 and 12.2, to the satisfaction of the ASX, as set out below:

(i) the Company satisfies the requirements of Listing Rule 12.1 by:

(A) completion of its Phase 1 exploration programs submitted by the Company to ASX; and

(B) announcement of the results of the Phase 1 exploration program and confirmation it is proceeding with Phase 2.

The Company announced on 26 November 2021 the completion of its Phase 1 exploration activities and anticipated commencement of its Phase 2 activities (which includes further RC drilling, auger sampling and stockpile resource estimations at the Horseshoe Lights Projects).

(ii) the Company's financial condition satisfies the requirements of listing rule 12.2, by completion of the Re-capitalisation and that, after payment of the costs of the Re-capitalisation the Company can demonstrate to ASX that it will have working capital of $1,500,000.

(f) Lodgement of all outstanding Appendices 3B with ASX for issues of new Securities.

(g) Lodgement of any outstanding reports for the period since the Shares were suspended and any other outstanding documents required by Listing Rule 17.5.

(h) Lodgement of Director's Interest Notices, being either Appendix 3Xs, 3Ys, or 3Zs, as required.

(i) Confirmation that there are no legal, regulatory or contractual impediment to the Company undertaking the activities the subject of any commitments disclosed in the Prospectus.

(j) Payment of any ASX fees, including listing fees, applicable and outstanding.

(k) Confirmation that the securities to be issued following the Meeting have been issued, and despatch of each of the following has occurred:

  (i) In relation to all holdings on the CHESS subregister, a notice from the Company under ASX Settlement Operating Rule 8.9.1.

  (ii) In relation to all other holdings, issuer sponsored holding statements.

  (iii) All refund money.

(l) Provision of the following documents, in a form suitable to release to the market:

  (i) A statement setting out the names of the 20 largest holders of each class of securities to be quoted, including the number and percentage of each class of securities held by those holders.

  (ii) A distribution schedule of the numbers of holders in each class of security to be quoted, setting out the number of holders in the following categories:

  1 - 1,000
  1,001 - 5,000
  5,001 - 10,000
  10,001 - 100,000
  100,001 and over

  (iii) Completion of the Re-capitalisation and closure of the Prospectus.

  (iv) A statement outlining the Company's capital structure following the Shareholder Meeting on a post-issue basis.

  (v) The Company's pro forma balance sheet based on actual funds raised.

  (vi) The Company's updated statement of commitments based on actual funds raised.

  (vii) A consolidated activities report setting out the proposed business strategy for the Company (including an update on the status of the Company's assets and current activities with respect thereto).

  (viii) Full terms and conditions of all options on issue (if any).

  (ix) Confirmation that the Company is in compliance with Listing Rule 3.1.

The above Reinstatement Conditions are based solely on the information provided by the Company. Should there be any change to the proposed transaction, ASX reserves the right to review the transaction and impose further conditions.

5.9 ASX extension to Suspension Deadline

If the Company does not satisfy the Reinstatement Conditions by 16 December 2021 then ASX policy states that the Company will be delisted and removed from the Official List on that date in the absence of any extension from the ASX.

ASX guidance provides that there are limited circumstances in which ASX will grant an extension of up to a three-months to this deadline, as described in ASX Guidance Note 33.

The Company will not be able to meet the Reinstatement Conditions by 16 December 2021 as the Offers will not be finalised by this date. The Company intends to apply to the ASX for an extension of the deadline in order for it to finalise the Offers and meet the Reinstatement Conditions.

If ASX does not grant an extension to the 16 December 2021 deadline, or if the Company is not otherwise able to meet the Reinstatement Conditions, and the Company is delisted from the Official List, the Company will withdraw the Public Offer and Shortfall Offer. In this event any Application Monies will be refunded and no Shares will be issued under the Offers.

5.10 Quotation of Shares on ASX listing

The Company will apply for Official Quotation of the Shares offered under this Prospectus within 7 days after the date of this Prospectus. However, applicants should be aware that ASX will not commence Official Quotation of any Shares until the Company has received the approval of ASX for the Shares to be reinstated to quotation on the Official List (see Sections 5.7, 5.8 and 5.9). As such, the Shares may not be able to be traded for some time after the close of the Offers.

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

If permission is not granted by ASX for the official quotation of the new Shares offered by this Prospectus within three months after the date of this Prospectus (or such period as ASX allows), the Company will repay, as soon as practicable, without interest, all Application Monies received pursuant to this Prospectus.

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

5.11 Discretion regarding the Offers

The Company may withdraw the Offers at any time before the issue of Securities under them. If the Offers, or any part of them, do not proceed, all relevant Application Monies will be refunded (without interest).

The Company also reserves the right, subject to the Listing Rules and applicable laws, to close the Offers or any part of them early, extend the Offers or any part of them, and accept late Applications either generally or in particular cases.

5.12 Purpose of Public Offer

The Company's reasons for undertaking the Public Offer are:

- to raise up to approximately $2.182 million (before associated costs of the Offers);
- to position the Company to seek to achieve its objectives as detailed in Section 6.6; and
- to assist the Company to satisfy ASX in respect of the Reinstatement Conditions and reinstate the Shares to Official Quotation as set out in Sections 5.7, 5.8 and 5.9.

5.13 Use of funds

The Company intends to apply the funds raised from the Public Offer (assuming full subscription) together with existing funds, as detailed below. It is anticipated that this funding will be sufficient to fund the Company's proposed activities as stated in Section 6.6.

Funds available	($)	Percentage of Funds (%)
Existing cash reserves[1]	1,751,566	45%
Funds raised from the Public Offer	2,182,000	55%
Total	**3,933,566**	**100%**
Allocation of funds		
Expenses of the Offer[2]	281,550	7%
Project Expenditure[3]	1,716,771	44%
Project Compliance and Maintenance[4]	937,900	24%
General administration costs, working capital and satisfaction of debt [5]	997,345	25%
Total	**3,933,566**	**100%**

[1] Refer to the Independent Limited Assurance Report set out in Section 9 of this Prospectus for further details.

[2] Refer to Section 13.8 of this Prospectus for further details.

[3] Refer to Section 6.6 of this Prospectus, and the Independent Geologist's Report in Section 8, for further information on the planned exploration activities and expenditure budget for the Projects.

[4] This amount relates to proposed estimated expenditure (to 30 June 2022) of $39,500 on tenement rents, $29,000 on tenement rates, $55,400 on Mining Rehabilitation Fund (MRF) levies, $214,000 on refurbishment, maintenance and caretaking at the Horseshoe Lights camp, and $600,000 on geological staff.

[5] Working capital will be applied (a) to meet current trade and other payables as and when they fall due, (b) to meet commitments under current finance facilities as and when they fall due, (c) to meet future operational expenses of the business, and (d) to maintain a surplus operating contingency for the business.

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

The amounts and timing of the actual expenditures may vary significantly and will depend on numerous factors including regulatory developments, the success of exploration activities, access conditions (including any restrictions applicable in response to the COVID-19 pandemic), weather and any changes in the business and economic environment.

The Board believes that the funds raised from the Public Offer and Shortfall Offer, and satisfaction of the Reinstatement Conditions, will provide the Company with sufficient working capital to achieve its stated objectives as detailed in this Prospectus.

5.14 Capital Structure

On the basis that the Company completes the Offers on the terms in this Prospectus, the Company's capital structure will be as follows (assuming full subscription and ignoring the treatment of fractional entitlements):

Shares[2]	Number
Shares currently on issue	436,394,305
Shares to be issued pursuant to the Public Offer	109,098,576
Total Shares on completion of the Offers	**545,492,881**
Options	**Number**
Options currently on issue[2]	29,000,000
Options to be issued pursuant to the Lead Manager Offer[3]	10,000,000
Total Options on completion of the Offers	**39,000,000**

[1] The rights attaching to the Shares are summarised in Section 13.1.

[2] This includes 9,000,000 Options issued to the Directors under Resolutions 9, 11 and 13 at the Shareholder Meeting (3,000,000 exercisable at $0.03 on or before 26 November 2023; 3,000,000 exercisable at $0.06 on or before 26 November 2024; 3,000,000 exercisable at $0.09 on or before 26 November 2025), and 20,000,000 Options exercisable at $0.05 per Option on or before 26 November 2024 issued under Resolution 7 at the Shareholder Meeting.

[3] The rights attaching to the Lead Manager Options are summarised in Section 13.3.

5.15 Substantial Shareholders

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

As at the date of the Prospectus

Shareholder	Shares	Options	% (undiluted)	% (fully diluted)
Delta Resource Management Pty Ltd	66,701,672	20,000,000[1]	15.3%	19%

[1] Options exercisable at $0.05 per Option on or before 26 November 2024.

On completion of the Offers on the basis that the Public Offer and Shortfall Offer are 25%, 50%, 75% and 100% subscribed (assuming the substantial Shareholders receive their full Entitlement)

Shareholder	Shares	Options	25% Subscribed % Holding	50% Subscribed % Holding	75% Subscribed % Holding	100% Subscribed % Holding
Delta Resource Management Pty Ltd	83,377,090	20,000,000[1]	18% (undiluted) 21.37% (diluted)	17% (undiluted) 20.23% (diluted)	16.1% (undiluted) 19.2% (diluted)	15.3% (undiluted) 18.3% (diluted)

[1] Options exercisable at $0.05 per Option on or before 26 November 2024.

The Company will announce to the ASX details of its top-20 Shareholders (following completion of the Offers) prior to the Shares being reinstated to trading on ASX (as required by the Reinstatement Conditions).

5.16 Acceptance – what Eligible Shareholders may do

Acceptance of the Public Offer must be in accordance with the Entitlement and Acceptance Form accompanying this Prospectus.

Other than where you apply for Shortfall Shares, your acceptance must not exceed your Entitlement as shown on that form.

You may participate in the Public Offer (and Shortfall Offer) as follows:

(a) accept your **full** Entitlement:

(b) accept your **full** Entitlement and apply for Shortfall Shares under the Shortfall Offer;

(c) accept **part** of your Entitlement:

(d) if you do not wish to accept any of your Entitlement, you are not obliged to do anything.

The Public Offer is non-renounceable. Accordingly, a Shareholder may not sell or transfer all or part of their Entitlement.

Completed Entitlement and Acceptance Forms and accompanying cheques, made payable to "**Horseshoe Metals Limited**" and crossed "Not Negotiable", must be mailed or delivered to the address set out on the Entitlement and Acceptance Form by no later than the Closing Date.

The Company reserves the right to close the Public Offer early.

5.17 Payment by Electronic Funds Transfer

For payment by electronic funds transfer (**EFT**), please follow the instructions on the Entitlement and Acceptance Form. Please note that should you choose to pay by EFT:

(a) you do not need to submit the Entitlement and Acceptance Form if you pay by EFT but are taken to have made the declarations on the Entitlement and Acceptance Form; and

(b) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your Application Monies paid by EFT.

It is your responsibility to ensure that your EFT payment is received by the share registry by no later than 4:00 pm (WST) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment. Any Application Monies received for more than your final allocation of Shares will be refunded. No interest will be paid on any application monies received or refunded.

5.18 By Electronic Funds Transfer (Overseas Applicants)

For payment by EFT for overseas Eligible Shareholders, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via EFT if you are the holder of an account that supports EFT transactions to an Australian bank account. Please note that should you choose to pay by EFT:

(a) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on the Entitlement and Acceptance Form; and

(b) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your application monies.

It is your responsibility to ensure that your EFT payment is received by the share registry by no later than 4:00 pm (WST) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment. Any Application Monies received for more than your final allocation of Shares will be refunded. No interest will be paid on any application monies received or refunded.

5.19 Applicants outside Australia

The Public Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

Australia and New Zealand

The Public Offer is being made to all Shareholders with registered addresses, on the Record Date, in Australia or New Zealand (**Eligible Shareholders**).

The Securities are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the transitional provisions of the Financial Markets Conduct Act 2013 (New Zealand) and the Securities Act (Overseas Companies) Exemption Notice 2013 (New Zealand).

This Prospectus has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

Other Places

In relation to Shareholders with registered addresses on the Record Date in places other than Australia or New Zealand, the Company has decided that it would be unreasonable to make the Public Offer to those Shareholders having regard to:

(a) the number of Shareholders in each such place;

(b) the number and value of securities the holders would be offered; and

(c) the costs of complying with legal requirements, and requirements of regulatory authorities, in each such place.

Custodians and nominees

Nominees and custodians that hold Shares should note that the Public Offer is available only to Eligible Shareholders. The Company is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of Shares. If any nominee or custodian is acting on behalf of a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Public Offer is compatible with applicable foreign laws.

Ineligible Shareholders

Shareholders with registered addresses on the Record Date in places other than Australia or New Zealand are not eligible to participate in or accept the Public Offer (Ineligible Shareholders).

In accordance with Listing Rule 7.7.1(b) the Company will send each Ineligible Shareholder details of the Public Offer and an advice that the Company is not making an offer of Shares to those holders under the Public Offer.

No Nominee

No nominee has been appointed for Ineligible Shareholders under section 615 of the Corporations Act and, as such, Eligible Shareholders will not be able to rely on the exception for rights issues in item 10 of section 611 of the Corporations Act. Accordingly, when an Eligible Shareholder applies for some or all of its Entitlement, it must have regard to the takeovers prohibition in section 606 of the Corporations Act (that is, the 20% Voting Power threshold). Eligible Shareholders who may be at risk of exceeding the 20% Voting Power

threshold in section 606 of the Corporations Act as a result of acceptance of the Public Offer should seek professional advice before applying for Shares under this Prospectus.

5.20 Restricted Securities

Upon Reinstatement no Securities will be classified by ASX as restricted securities and will be required to be held in escrow. See Sections 5.7, 5.8 and 5.9 for further details in relation to Reinstatement and the Reinstatement Conditions.

Further, the Company advises Shareholders that no voluntary escrow arrangements have been entered into in respect of any of the securities on issue or to be issued by the Company.

5.21 Taxation

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus.

5.22 Cleansing of Prior Issues of Shares

The Company notes that 182,142,115 Shares have been issued during the period of 12 months prior to this Prospectus.

The offer of Shares under this Prospectus will remove on-sale trading restrictions attaching to Shares issued prior to the date of this Prospectus without disclosure under Chapter 6D of the Corporations Act.

Relevantly, section 708A(11) of the Corporations Act provides that a sale offer does not need disclosure to investors if:

(a) the relevant securities are in a class of securities that are quoted securities of the body; and

(b) either:

  (i) a prospectus is lodged with the ASIC on or after the day on which the relevant securities were issued but before the day on which the sale offer is made; or

  (ii) a prospectus is lodged with the ASIC before the day on which the relevant securities are issued and offers of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued; and

(c) the prospectus is for an offer of securities issued by the body that are in the same class of securities as the relevant securities.

6. COMPANY AND PROJECT OVERVIEW

6.1 Introduction

The Company was registered as an Australian public company in December 2006 under the name Shergar Corporation Ltd. It was incorporated in order to pursue opportunities in mineral exploration and mining. The Company adopted its current name in 2010, at which point it completed an initial public offering and was listed on the ASX.

The Company's Horseshoe Lights Copper-Gold Project, acquired in 2010, comprises a group of tenements in the Murchison region of Western Australia. The project includes the historic Horseshoe Lights Mine, where JORC-compliant resources of copper and gold have been defined. The Company also took possession of the nearby Kumarina Copper Project as part of the Horseshoe Lights transaction. Since 2019, it has expanded into South Australia with the acquisition of the Glenloth Gold Project and the signing of a joint venture agreement to develop surface stockpiles at the Mount Gunson Copper Project.

6.2 Corporate structure

The Company has a single wholly owned subsidiary, MCM, which was acquired from Grange Resources Ltd (ASX:GRR) in 2010. Operations relating to Horseshoe Lights and Kumarina are conducted through MCM, which remains the registered holder of most of the associated tenements; a handful of exploration licences at Horseshoe Lights are held directly by the Company. The Company additionally has an approximate 4% stake in CMM. CMM has previously held surface treatment rights at the Mount Gunson Project (which are subject to renegotiation), with the right to earn up to a 50% stake in CMM pursuant to the CMM Subscription Agreement (summarised in Section 12.4.1).

The Company has no direct employees, with corporate services and technical consulting services provided by Delta on an ongoing basis. Care and maintenance services relating to the Horseshoe Lights Mine are provided to MCM by Garic Pty Ltd, while other contractors and consultants are engaged by the Company as required.

6.3 Projects

6.3.1 Overview

The Company holds a 100% stake in the Horseshoe Lights and Kumarina Projects in the Murchison region of Western Australia, subject to the terms of the Kopore Farm-in Agreement in respect of the Horseshoe Lights Project (summarised in Section 12.2). It also holds a 100% stake in the main tenement at the Glenloth Project in South Australia and has signed mineral rights agreements relating to a series of smaller adjacent tenements. The Company has additionally entered into a joint venture agreement with CMM, which has previously held surface treatment rights at the Mount Gunson Project in South Australia and is currently in negotiations with respect to a renewal of its Licence to Operate.

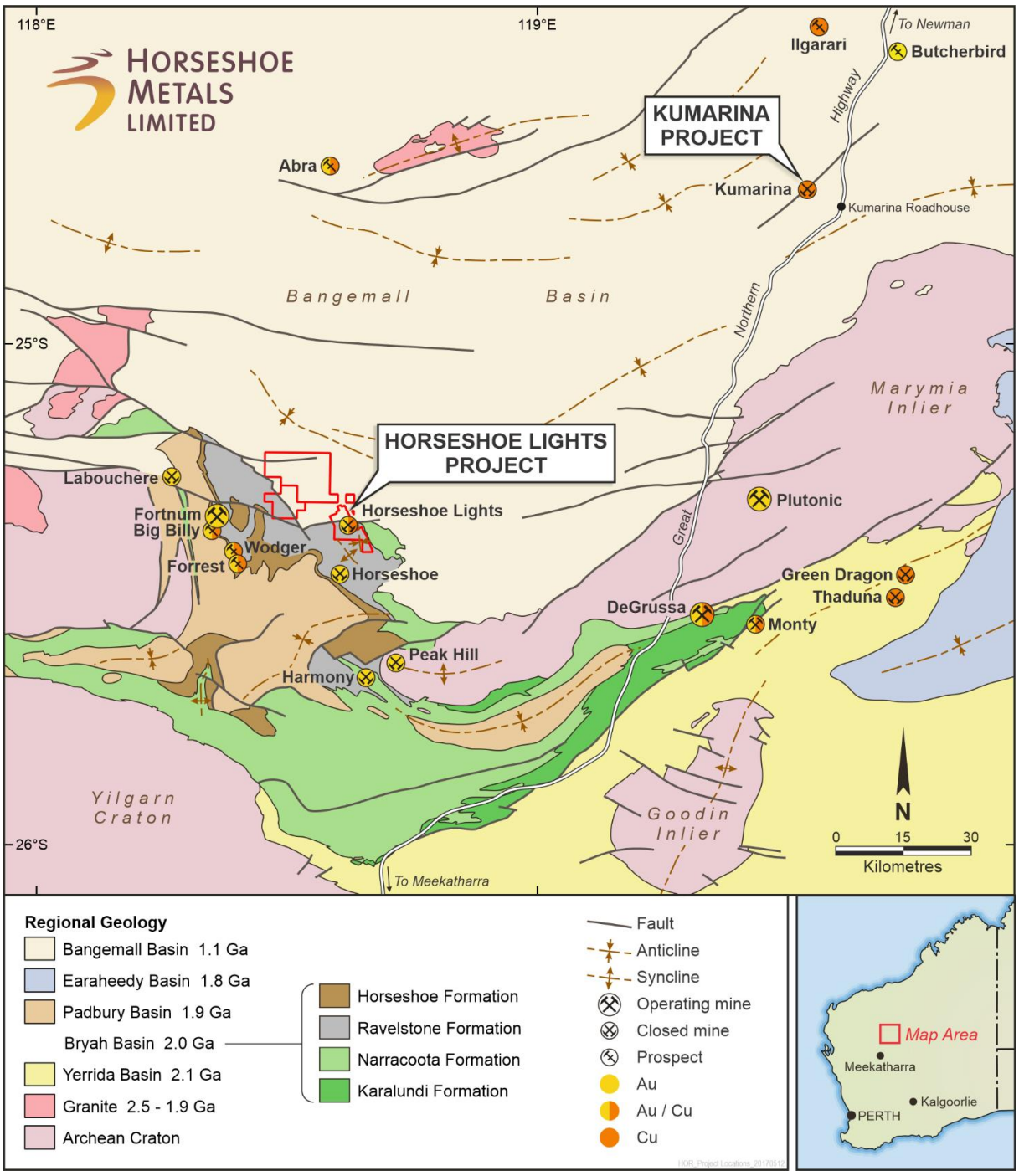

Figure 1 - Horseshoe Lights Copper-Gold Project and Kumarina Copper Project Regional Geology

6.3.2 Horseshoe Lights Project

Location

The Horseshoe Lights Copper-Gold Project is located in the Peak Hill Mineral Field, Murchison region of Western Australia, approximately 150km north of Meekatharra and 75km west of the DeGrussa Copper-Gold Mine held by Sandfire Resources Ltd (ASX:SFR).

Tenements and tenure

The main project tenement M 52/743 encompasses the historic Horseshoe Lights Mine. MCM holds a 100% interest in M 52/743 and a series of surrounding tenements, which includes one exploration licence, nine prospecting licences, and five miscellaneous licences. These tenements are subject to the terms of the Kopore Farm-In Agreement summarised

later in this section and detailed in section 12.2.1. An additional four exploration licences at the Horseshoe Lights Project are held directly by the Company. Full lists of Horseshoe Lights Project tenements and relevant details are provided in Schedule 1 of the Solicitor's Report and Table 1 within Section 2 of the Independent Geologist's Report.

Pre-acquisition history

The main deposit at Horseshoe Lights was discovered in 1946 and was mined intermittently through to 1994, when the mine was placed into care and maintenance. Notable operators have included Anglo-Westralian Pty Ltd (1949–1954), Barrack Mines Ltd (1983–1991), and Sabminco NL (1992–1994). Over this period, approximately 3.3 million tonnes of ore were mined, resulting in production of approximately 56,000t Cu metal (at an average grade of 1.7% Cu) and 307,000oz Au metal (at an average grade of 2.9g/t). Most historical exploration focused on the immediate mining area, aiming to delineate further copper/gold resources along strike and at depth. The mine was placed into care and maintenance in 1994, following a downturn in global copper prices. Grange Resources Ltd (formerly Sabminco), the immediate past holder of the project, undertook limited exploration activities following the closure of the mine and eventually sought to divest its interest in Horseshoe Lights in order to focus on its core magnetite business.

Full details of the project's history are set out in Section 3 of the Independent Geologist's Report.

Post-acquisition activities

The Company obtained control over the main project tenements at Horseshoe Lights in 2010, via the acquisition of MCM from Grange Resources. The sale was in consideration for approximately $2 million of cash and cash-equivalents, together with 3,900,000 shares and 1,300,000 options. Horseshoe Gold Mine Pty Ltd, a subsidiary of Grange Resources, retains a 3% net smelter return royalty in respect to tenements held at the time of acquisition, including the main tenement M 52/743.

Since acquiring the project in 2010, the Company has undertaken a variety of exploration activities and scoping studies to define mineral resources and assess the economic viability of restarting mining operations. The current defined mineral resources at the Horseshoe Lights are detailed in Table 1 below and are discussed further in Section 3 of the Independent Geologist's Report. The Company has acquired several tenements adjacent to its initial holding to strengthen its position in the area and is also in the process of refurbishing the mine camp to support its exploration activities, including the recommissioning of power, water and communications facilities. As at 30 June 2021, the Company had capitalised exploration and evaluation expenditure of $6,042,400 in relation to Horseshoe Lights, offset by a provision for rehabilitation of $5,812,890 as detailed in the section on environmental considerations below.

HORSESHOE LIGHTS PROJECT

SUMMARY OF MINERAL RESOURCES

AS AT 30 JUNE 2021

Location	Category	Tonnes (Mt)	Cu (%)	Au (g/t)	Ag (g/t)	Cu metal (tonnes)	Au metal (oz)	Ag metal (k oz)
In-situ Deposit (0.5% Cu cut-off grade)	*Measured*	*1.73*	*1.04*	*0.0*	*0.5*	*18,000*	*1,900*	*28.8*
	Indicated	*2.43*	*0.95*	*0.0*	*0.7*	*23,200*	*3,400*	*52.2*
	Inferred	*8.69*	*1.01*	*0.1*	*2.6*	*87,400*	*30,700*	*712.4*
	Total	**12.85**	**1.00**	**0.1**	**1.9**	**128,600**	**36,000**	**793.4**

Flotation Tailings	**Inferred**	**1.421**	**0.48**	**0.34**	**6.5**	**6,800**	**15,300**	**294.8**
M15 Stockpiles	**Inferred**	**0.243**	**1.10**	**0.17**	**4.7**	**2,650**	**1,300**	**36.7**
Note: At 0% Cu cut-off grade unless otherwise stated					**TOTAL**	**138,050**	**52,600**	**1,124.9**

Table 1 - Summary of Mineral Resources at the Horseshoe Lights Project

The Mineral Resource Estimate meets the reporting requirements of the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserve. Refer to the Competent Person Statement contained in the Important Notice Section for further details.

Environmental considerations

The Company has the obligation to undertake rehabilitation of the Horseshoe Lights Mine in accordance with environmental law and mining regulations, mainly with regard to the tailings storage facility, selected waste dumps and stockpiles, and the plant and camp areas. In line with the *Mining Rehabilitation Fund Act 2012 (WA)*, the Company is required to estimate the costs of rehabilitation based on a formula determined by DWER to best represent the costs of relevant rehabilitation tasks. As at 30 June 2021, the Company had allowed a provision for rehabilitation at Horseshoe Lights of $5,812,890.

On 6 August 2020, DWER issued MCM with a Notice of Classification under the *Contaminated Sites Act 2003*, classifying M 52/743 as a contaminated site needing remediation. The mine was first reported to the department as a potential contaminated site in 2007, based on suspected contamination of soils with metals and hydrocarbons from historic mining activities. In 2017, departmental officers observed suspected acid and metalliferous drainage (AMD) in various parts of the site, including within a creek line at the site's eastern boundary, in the form of blue-coloured water and blue-coloured precipitate on soil. Subsequent analysis of soil samples confirmed the presence of very high concentrations of copper and sulphate where the blue precipitate was observed, as well as elevated concentrations of other metals and metalloids such as selenium, mercury and arsenic. The Company has also noted the potential for contaminants to impact Jones Pool, a small permanent pool located approximately 3 km north-northwest of the minesite and outside M 52/743. The pool is not hydraulically connected to the creek line previously mentioned, but has been assessed as needing further investigation.

The Notice of Classification stated that remediation of the site was required to reduce risks to human health, the environment and environmental values to acceptable levels, and that remediation was considered a high priority by DWER. It also noted that it was likely that contamination present on the site would extend beyond the boundary. The Notice required that MCM, as the responsible party for the site, develop a schedule for carrying out remediation actions and conduct a preliminary site investigation (PSI) to inform further investigations, including a review of available soil, sediment and water data.

On 25 June 2021, MCM provided a written response to DWER setting out details of works being undertaken, including sampling of sediment and surface water, and the development of a mine closure plan (**MCP**) containing an environmental risk assessment. This response also set out a remediation strategy for the site, comprising completion of a PSI, identification of areas of potential concern, completion of a human health and ecological risk assessment expanding on the environmental risk assessment undertaken for the MCP, development of a stakeholder engagement strategy demonstrating appropriate consultation with key stakeholders, and completion of detailed site investigations (DSIs). An MCP for Horseshoe Lights was issued to the department on 10 September 2021. Receipt of the MCP has been acknowledged and discussions with the department are ongoing.

Horseshoe West Farm-In and Joint Venture

In January 2021, MCM signed a farm-in and joint venture agreement with Kopore Pty Ltd (**Kopore**), a wholly owned subsidiary of Kopore Metals Limited (ASX:KMT). This agreement

relates to “Horseshoe West”, an area of 32.4km^2 of largely unexplored land surrounding the Horseshoe Lights Mine, covering one exploration licence, nine prospecting licences and part of the main project tenement M 52/743 (excluding the area around the mine site itself, including the historical open pit, existing copper resource, and historical waste dumps, stockpiles and tailings). The joint venture area and the excluded area are shown in Figure 1. The Company retains all current known Mineral Resources within M 52/743 (which are contained within the excluded area), plus the exploration upside to the known mineralisation and depth potential below the dolerite.

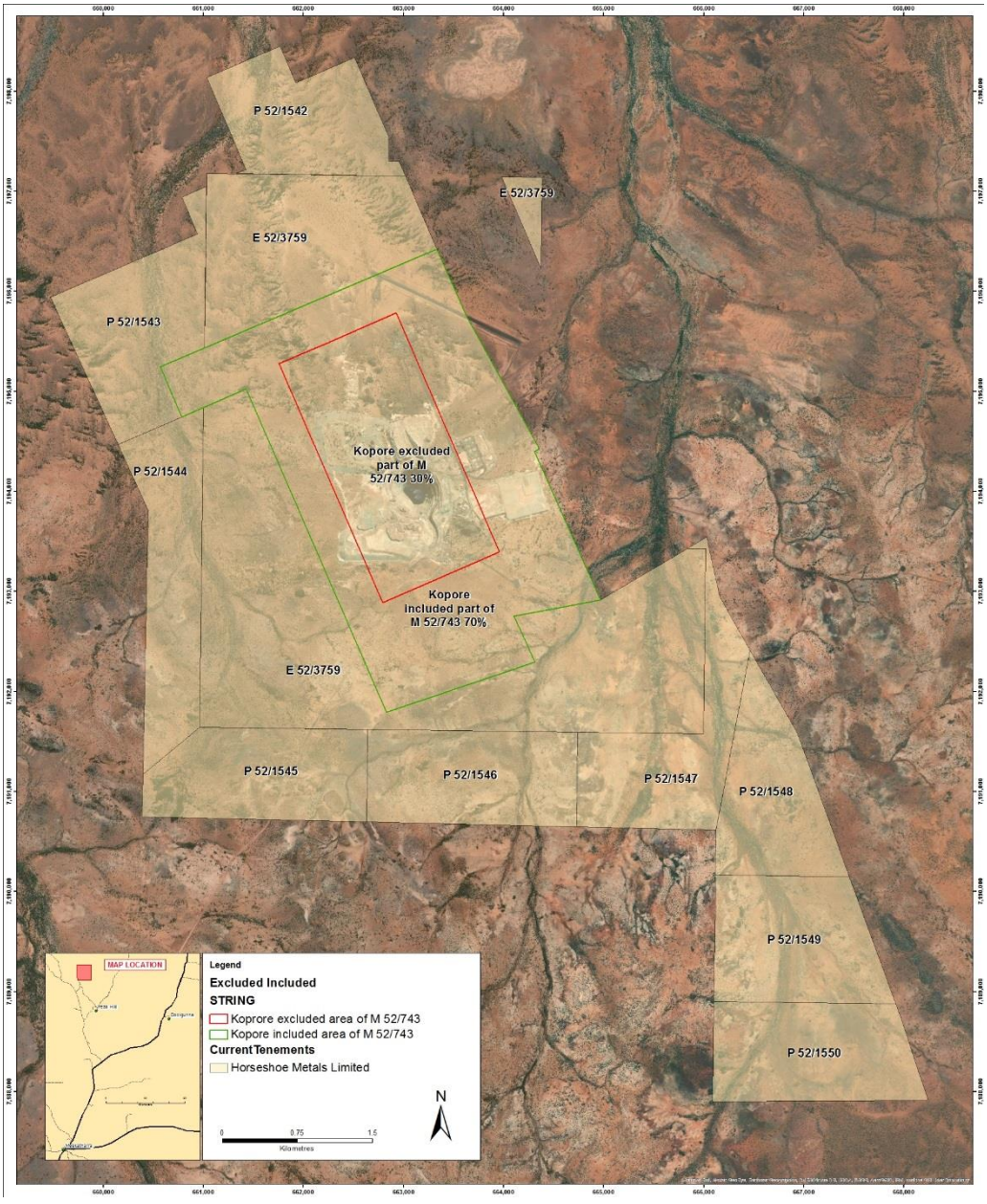

Figure 1 - Horseshoe West Farm-In and JV Agreement Area

Under the agreement, the full details of which are discussed in Section 12.2, Kopore is entitled to expend $1.45 million over a two-year period to earn a 51% beneficial interest in the agreement area. This includes a minimum expenditure of $250,000 in the first year following the signing of the agreement, which Kopore has guaranteed. Following the completion of this initial condition, the agreement provides for MCM and Kopore to form an unincorporated joint venture in relation to the exploration of the agreement area, with Kopore holding a 51% stake. Kopore can subsequently elect to expend an additional $1.5 million within a further two years to earn an additional 19% stake. Following the earn-in, the parties must each contribute to Joint Venture expenses in proportion to their respective percentage interest in the Joint Venture or their interest will be diluted in accordance with a prescribed

formula. As at 29 November 2021 Kopore had expended approximately $190,000 within the agreement area.

Kopore is well advanced in priority targeting of areas in the agreement area and is working towards meaningful exploration of the targets. Since the signing of the agreement, Kopore has conducted a review of existing geophysical data, a drone airborne magnetic survey, and an auger drilling soil geochemistry programme, announcing in November 2021 that it had delineated a coherent copper-gold soil anomaly within the agreement area.

6.3.3 Kumarina Project

Location

The Kumarina Copper Project is located in the Peak Hill Mineral Field, Murchison region of Western Australia, approximately 250km north of Meekatharra and 95km north of the DeGrussa Copper-Gold Mine held by Sandfire Resources.

Tenements and tenure

The project currently consists of a single tenement, M 52/27, covering an area of approximately 3.2km^2. On 2 July 2019, MCM additionally applied for a mining lease, M 52/1078, to cover the Rinaldi resource within E 52/1998, an expired tenement last held by MCM which is contiguous with M 52/27. This application has cleared all formal hurdles except those relating to section 31 of the *Native Title Act 1993 (Cth)*. Negotiations with the native title party (NTP) over a project agreement encompassing both M 52/27 and the prospective M 52/1078 are ongoing, having been slowed by the COVID-19 pandemic and an inability to meet with NTP representatives.

Further details of the Kumarina Project tenements are provided in Schedule 1 of the Solicitor's Report and Table 1 within Section 2 of the Independent Geologist's Report.

Pre-acquisition history

Copper deposits at Kumarina were discovered in 1913 and worked intermittently until 1973. The workings extended over nearly 5km as a series of pits, shafts and shallow open cuts. The working at the main Kumarina Copper Mine are entirely underground with drives from the main shaft extending for 200m in the upper levels and about 100m in the lower levels at a depth of 49m. The current project area was subject to only limited exploration following the cessation of mining activities.

Full details of the project's history are set out in Section 4 of the Independent Geologist's Report.

Post-acquisition activities

The Company obtained control over the Kumarina Project in 2010, via the acquisition of MCM from Grange Resources as detailed above. At the time of acquisition, the Company considered Kumarina to be largely a greenfields project at a very early stage of assessment, with good potential for the discovery of additional copper mineralisation. Since acquiring the project, it has undertaken a variety of exploration activities, with priority given to areas of historical mining, adjacent geological structures, and other high-priority targets. The Company completed an initial Mineral Resource Estimate for the Rinaldi resource in 2013, as detailed in Table 2 below and discussed further in Section 4 of the Independent Geologist's Report. In 2019, the Company applied for a mining lease to cover the Rinaldi resource and is currently negotiating a project agreement with the relevant native title party as a condition of its application. As at 30 June 2021, the Company had capitalised exploration and evaluation expenditure of $466,400.74 in relation to Kumarina.

KUMARINA PROJECT SUMMARY OF MINERAL RESOURCES AS AT 30 JUNE 2021				
Location	**Category**	**Tonnes (t)**	**Cu (%)**	**Cu metal (tonnes)**
Rinaldi Prospect (0.5% Cu cut-off)	*Measured*	*415,000*	*1.46*	*6,100*
	Indicated	*307,000*	*1.16*	*3,500*
	Inferred	*114,000*	*0.9*	*1,000*
	Total	**835,000**	**1.3**	**10,600**

Table 2 - Summary of Mineral Resources at the Kumarina Project

The Mineral Resource Estimate meets the reporting requirements of the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserve. Refer to the Competent Person Statement contained in the Important Notice Section for further details.

6.3.4 Glenloth Project

Location

The Glenloth Project is located within the Central Gawler Craton of South Australia, approximately 170km west of Woomera and about 50km east of the Tunkillia Deposit under development by Barton Gold Holdings Ltd (ASX:BGD).

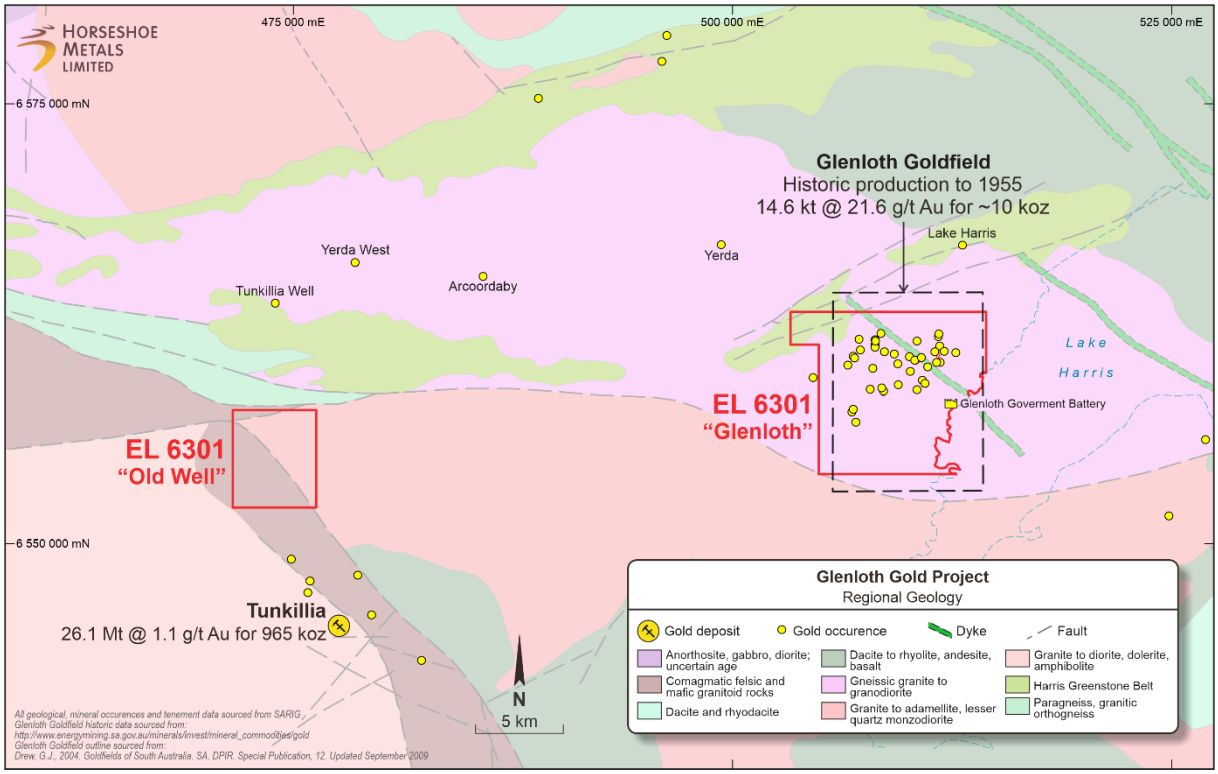

Figure 2 - Glenloth Gold Project Regional Geology

Tenements and tenure

The Company holds a 100% interest in EL 6301. This tenement is remnant to an original larger tenement and is split into two areas: a smaller 26km^2 western block ("Old Well") taking

in the strike to the north of Barton Gold's Tunkillia Deposit, and a larger 81km^2 eastern block ("Glenloth") covering the Glenloth Goldfield and part of the Harris Greenstone belt. Due to the age of the tenement, EL 6301 is subject to annual renewal. The Company applied for renewal on 2 October 2021, prior to the expiry of its existing term on 2 November 2021, but is yet to receive confirmation of renewal. For reference, confirmation of the previous term beginning on 3 November 2020 was received from the South Australian Department of Energy and Mining (**DEM**) on 6 May 2021.

The Company has also been granted rights to four smaller tenements within the boundaries of the eastern block of EL 6301. It has the right to access ML 5885, ML 5848, ML 5849 and MPL 62 for the purposes of exploration, mining and mineral processing, as defined in mineral rights agreements signed on 26 November 2019 with the tenement holders Ian & Mark Filsell (in respect of ML 5885) and Gawler Craton Resources Pty Ltd (GCR; in respect of ML 5848, ML 5849 and MPL 62) (**Mineral Rights Agreements**). These agreements also grant the Company a right of first refusal should the tenement holders decide to sell, and the tenement holders have the right to terminate these agreements in the event of a change of control of the Company.

Further details of the Mineral Rights Agreements are provided in Section 12.3.4 and Table 1 within Section 2 of the Independent Geologist's Report. Full details of material agreements relating to the Glenloth Project are set out in Section 12.3.

Pre-acquisition history

The Glenloth Goldfield was identified by discovery of alluvial gold in 1893 and established in 1901 when auriferous reefs were identified. Between 1901 and 1955, approximately 9,800 oz of gold was produced from 14,620 tonnes of ore, at an average grade of 21.6 g/t. Since 1955, gold production has been small and sporadic.

Full details of the project's history are set out in Section 5 of the Independent Geologist's Report.

Post-acquisition activities

EL 6301 was formally transferred to the Company in July 2020, in consideration for the issue of 8 million shares to the tenement's previous holder Stockworks Exploration & Mining Pty Ltd (SEM). The Company obtained its rights to ML 5848, ML 5849, ML 5885 and MPL 62 via the issue of 2 million shares to the tenement holders.

At the time of acquisition, the Company considered the Glenloth Project to be a value-based entry into a dominant position of a very prospective area, holding that previous exploration of the area was piecemeal and inadequate and that larger high-grade gold deposits could be uncovered by systematic exploration and a more considered approach to drilling. Since acquiring the Glenloth Project, the Company has compiled and reviewed available historical drilling data, as well as obtaining access to a base camp to facilitate the start of drilling operations. It has additionally signed royalty agreements with the holders of the eastern block tenements subject to mineral rights agreements, and in July 2021 signed an agreement with GCR securing the right to use MPL 62 as a laydown area and to access water from MPL 62 and ML 5848.

An Exploration Program for Environment Protection and Rehabilitation (**EPEPR**) was lodged with DEM on 19 August 2021 and is awaiting acceptance, prior to which drilling activities cannot commence. Delays in regulatory approval contributed to significant expenditure shortfalls in the 2019-2020 and 2020-2021 terms. The expenditure shortfall of $110,050 from 2019-2020 was deferred by DEM in its memorandum of renewal for 2020-2021 received on 6 May 2021. However, the department noted that the tenement could be reduced in size by up to 50% if the expenditure commitment of the licence was not satisfied, subject to ministerial discretion.

6.3.5 Mount Gunson Project

Location

The Mount Gunson Project is located on the eastern margin of the Gawler Craton of South Australia, approximately 150km north-west of Port Augusta and 50km south-west of the Carrapateena Deposit under development by OZ Minerals Ltd (ASX:OZL).

Tenements and tenure

The Company's interest in the Mount Gunson Project was held via its right to acquire up to 50% in CMM under the CMM Subscription Agreement. CMM previously acquired mineral rights in respect of MPL 1, ML 3717, ML 3718, ML 3719, ML 3720, ML 3721, ML 5598 and ML 5599 pursuant to the Licence to Operate entered into with the registered owner of these tenements, A&MJ Musolino Pty Ltd. The Licence to Operate expired on 29 June 2020 and CMM is currently in negotiations with the tenement holder in respect of a renewal of the Licence to Operate.

Further details of the Mt Gunson Project tenements are provided in Table 1 within Section 2 of the Independent Geologist's Report. Full details of the project's history are set out in Section 6 of the Independent Geologist's Report.

The CMM Subscription Agreement gave the Company an initial 4% stake in CMM in consideration for the issue of shares to the value of $200,000 to a debtor of CMM in satisfaction of CMM's debt, with the right to earn up to a 50% stake through contribution to expenditure and the right to appoint a director. It also conferred the immediate rights to 50% of all surplus cashflow from any ongoing copper operations generated by CMM at Mount Gunson. The full details of the CMM Subscription Agreement is set out in Section 12.4.1.

6.4 Financing

The Company has entered into the unsecured Loan Facility Agreement for up to $2 million from a syndicate of lenders, including entities formerly associated with Michael Fotios, a former director of the Company who resigned on 30 April 2019. Further details of the terms of the agreement are set out in Section 12.6. As at 31 October 2021 approximately $1,135,000 of the Loan Facility Agreement had been drawn down with approximately $293,000 of interest incurred, charged at 8% per annum. Approximately $753,000 was owed to Delta and approximately $675,000 to Investmet Ltd (in liquidation) (**Investmet**); both Delta and Investmet (in liquidation) are Shareholders in the Company.

The repayment date of the monies owed to Delta is 31 December 2023 (subject to completion of a capital raising of at least $1 million by 31 December 2021). The terms for the repayment or conversion of loans from Investmet (in liquidation), as well as the charging of interest, are subject to renegotiation, as the original date for the completion of the capital raising in the Loan Facility Agreement has passed. The monies owed are due and payable at the discretion of Investmet (in liquidation) until those revised terms are agreed.

In the period following the suspension of the Company's Shares from trading in December 2019, the Company entered into a series of bridging loan agreements with various parties to meet working capital requirements, comprising four initial loans totalling $159,500 and a further eleven loans totalling $800,000, the latter being advanced funds from prospective investors in the Company. The full terms of the relevant loan agreements are detailed in Section 12.7. The principal under the Short-Term Funding was satisfied via the issue of Shares on 26 November 2021, as approved by Shareholders at the Shareholder Meeting. $60,000 remains payable in accrued interest under the Short-Term Funding.

6.5 Dividend policy

The Company anticipates that significant expenditure will be incurred in the evaluation and development of its projects. As such, the Directors do not expect to declare any dividends during the two-year period immediately following the issue of this Prospectus. Any future determination regarding the payment of dividends will be consistent with prudent financial management and at the discretion of the Directors, having regard to the operational activities, capital expenditure requirements, taxation liabilities, and forecast future earnings

of the Company, and the terms of loan agreements under which the Company has borrowed money.

6.6 Proposed Short Term Work Programme and Budget

Horseshoe Lights

The Company has designed a three-phase reverse circulation (RC) drilling programme to improve the knowledge and definition of *in situ* shallow copper mineralisation identified at Horseshoe Lights, primarily at Motters immediately north-northeast of the current pit.

The drilling component of Phase 1 of this programme was completed in early September 2021, comprising 15 holes for 1143m to a maximum hole depth of 139m. Phase 2 and Phase 3 follow-up drilling programmes are intended to be completed to improve the confidence in the classification of the resource, and to more tightly constrain the geo-metallurgical boundaries for intended processing routes.

The Company also intends to continue its auger drilling programme with a view to assisting potential future feasibility studies into treatment of existing surface gold and copper oxide ore stockpiles. This programme commenced in July 2021 with the drilling of 277 Phase 1 auger holes for 1195.4 metres into residual stockpiles and landforms remaining from prior episodes of gold and copper production. The holes have primarily sampled the gold vat leach residues, gold leach vat walls, copper flotation tailings, and flotation tailings dam walls.

Phase 2 envisages the completion of additional follow up holes with a combined budget of approximately $791,000 for the completion of the final phases of the auger and RC drilling programmes. The auger holes will provide additional material required for metallurgical test work as the basis for finalising the proposed plant flow sheet, including test work intended to validate the efficacy of gravity separation to produce copper and gold concentrates, and to remove sulphide minerals; and a detailed mineralogical investigation to provide data to support process design. Further test work will assess the ability to produce a concentrate as feed for an anticipated acid leach process

Diamond drilling of the deposit will commence on the completion of the RC programme, with a budget of approximately $242,000 having been allocated. The Company intends to conduct drilling below the dolerite which defines the base of the current *in situ* mineral resource, to explore prospective host rocks for additional high-grade volcanogenic massive sulphide (VMS) targets. These deep holes will also form the basis for downhole electromagnetic (**DHEM**) investigation of the host rock volume below the dolerite, which is estimated to be around 110m thick.

Further details of the Company's proposed exploration activities at the Horseshoe Lights Project are provided in Section 3 of the Independent Geologist's Report. In addition to its exploration activities, the Company proposes to continue its refurbishment of the existing accommodation camp at the Horseshoe Lights Mine, allowing up to ten drilling and exploration staff to be accommodated on-site along with caretaking staff. A budget of approximately $214,000 has been allowed for these activities through to the end of the 2021–2022 financial year.

Glenloth

The Company is proposing to undertake an RC drilling programme to test at least seven priority targets within EL 6301, comprising 20 holes to a depth of 1,500m. A budget of approximately $313,500 has been allowed for this programme and associated geochemistry. Hole collars have been finalised after further field reconnaissance. A document requesting statutory approval for the drilling has been lodged with the DEM and drilling is expected to commence once approval of its EPEPR is received. Further details of the Company's proposed exploration activities and budget at the Glenloth Project are provided in Section 5 of the Independent Geologist's Report.

6.7 Industry overview

The Company has defined JORC-compliant copper deposits at its Horseshoe Lights and Kumarina Projects and a JORC-compliant gold deposit at Horseshoe Lights, and is

undertaking activities at its Glenloth Project with the intent of defining a gold resource. As such, the Company considers the long-term outlook for the global copper and gold markets to be of relevance to the Company's future, having regard to the current development status of its projects.

Various governmental and industry groups make regular assessments of prospects for the copper and gold markets. The Office of the Chief Economist within the Australian Government's Department of Industry, Science, Energy and Resources (**DISER**) examines the outlook for various minerals within its *Resources and Energy Quarterly* (**REQ**) publication. The most recent REQ, published in September 2021[1], noted that copper prices had "surged in 2021, and are expected to retain most of this gain in the years ahead, with demand supported by economic recovery and the expanding use of copper in low-emissions technology". It forecasts a slight increase in copper export volumes from Australia over the subsequent two years, in line with a corresponding global increase in production to meet increasing demand for copper in infrastructure, renewable energy and emerging technologies such as electric vehicles. The report further noted that "recent high prices have improved the prospects for most copper projects and encouraged exploration to identify new ones", with an increase of 44% in expenditure on copper exploration between 30 June 2020 and 30 June 2021. The September 2021 REQ also examined the short-term outlook for gold, which is of less current relevance to the Company. The report noted that gold production in Australia was predicted to expand over the following two years due to increased production from new mines and expansions of existing mines, but that total export earnings were predicted to decrease slightly due to falling gold prices. It forecast that world gold consumption would grow at an average rate of 5.7% across 2022 and 2023, largely driven by an increase in jewellery consumption.

The International Copper Study Group (**ICSG**) prepares forecasts for the global market twice per year, with a two-year outlook. The most recent ICSG forecast, titled Copper Market Forecast 2021/2022 and released on 3 May 2021[1], noted that sustained growth in copper demand was expected in the longer term due to "infrastructure development in major countries such as China and India and the global trend towards cleaner energy and electric cars". The World Gold Council (**WGC**) noted in its 2021 mid-year outlook, published on 8 July 2021[1], that interest rates were likely to remain a key driver of the price of gold in the short and medium term. A subsequent analysis of the long-term gold price outlook by the WGC, published on 31 October 2021[1], noted that prices were particularly driven by the interactions between drivers relating to (1) wealth and economic expansion and (2) market risk and uncertainty, and were also affected by drivers relating to (3) opportunity cost and (4) momentum and positioning.

Finally, the Minerals Council of Australia's *Commodity Demand Outlook 2030* report, published on 2 June 2021[1], assessed copper's prospects to 2030 as very strong, noting that there were "not enough copper mines under development globally to meet growing demand" and that "Australia needs more greenfield copper exploration to find the mines of the future". The report also assessed gold's prospects to 2030 as strong, observing "growing global demand for strategic investment assets" but noting a dependence on the continuation of expansionist monetary policies.

[1] The author of this publication has not consented to the inclusion of the statements from the publication in this Prospectus as contemplated by the ASIC Corporations (Consents to Statements) Instrument 2016/72.

7. INVESTMENT RISKS

7.1 Introduction

The Securities offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus, before deciding whether to apply for Securities and to consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Shares.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

7.2 Company specific risks

(a) ASX Reinstatement to Quotation

The Company's Shares have been suspended from Official Quotation on ASX since 16 December 2019.

The Company is required to satisfy the Reinstatement Conditions for reinstatement of the Shares to Official Quotation on the ASX (details of the Reinstatement Conditions are set out in Section 5.8 of this Prospectus). There is a risk that the Company may not be able to meet the Reinstatement Conditions, and should this occur, the Company will be delisted.

In accordance with ASX policy, the Company will be removed from the Official List if its Shares are not reinstated to Official Quotation by 16 December 2021. There are limited circumstances in which the Company can receive an extension to this deadline. The Company will need to rely upon this extension mechanism to enable it to finalise the Public Offer and meet the Reinstatement Conditions.

If the Company is unable to meet the Reinstatement Conditions, or ASX does not grant an extension to the 16 December 2021 deadline, and the Company is delisted from the Official List, there may be little to no market for the Shares. In this instance, the Company will withdraw the Public Offer.

(b) Horseshoe Lights environmental risks

As set out in Section 6.3.2 the DWER has issued a Notice of Classification under the Contaminated Sites Act 2003 deeming the Horseshoe Project mine site as "*contaminated – remediation required*". This site is considered to be a high priority by DWER and the classification means the site is contaminated and remediation is required to reduce risks to human health, the environment and environmental values to acceptable levels.

The site was reported to DWER in 2020 based on the suspected contamination of groundwater with copper associated with the processing and handling of copper ore. Limited groundwater monitoring has been undertaken in the vicinity of the flotation tailings storage facility. The detection of cyanide in groundwater at one location indicates that potential seepage is occurring at the south-western corner of the tailings storage facility.

Government officers have inspected the site and observed suspected acid and metalliferous drainage (**AMD**) in various parts of the site. Evidence of AMD was also observed within a creek line at the site's eastern boundary which appears to extend beyond the site's boundary onto adjacent land. There is evidence that AMD

within the creek line has resulted in vegetation stress and death. Analysis of soil samples confirm the presence of very high concentrations of copper and sulphate within surface soils and elevated concentrations of other metals/metalloids in some locations, including selenium, mercury and arsenic.

The Company is engaging with DWER in relation to a remediation and monitoring plan. The Company is subject to liability in respect of remediation and clean-up costs in respect of contaminated sites. In addition, the Company could incur significant liability for damages to third parties or penalties in the event of certain discharges into the environment. As at 30 June 2021, the Company allowed a provision for rehabilitation at Horseshoe Lights of $5,812,890.

As a result of the contamination classification the Company must provide written disclosure of the site's status to any potential owner, mortgagee (e.g. financial institutions) or lessee before the completion of the transaction. A copy of the disclosure must also be forwarded to DWER. Failure to provide written notice is an offence and carries a penalty of up to $125,000 and a daily penalty of $25,000.

(c) **Reliance on Contractor**

As set out in Section 12.5, the Company has entered into a Consultancy Agreement with Delta under which Delta provides corporate and technical services amongst other services (refer to Section 12.5 for further details). Two of the Directors, Craig Hall and Kate Stoney are employed by Delta.

The Delta Consultancy Agreement has expired and Delta has been providing services to the Company on an on-going basis since the expiry of the agreement.

There can be no assurance given that there will be no detrimental impact on the Company if Delta ceases to provide services to the Company. In this event the Company will need to attract and retain key personnel who can perform the relevant duties being carried out under the Consultancy Agreement. It may not be able to hire and retain such personnel at compensation levels consistent with its existing compensation and salary structure.

(d) **Renewal of EL 6301 and EPEPR approval**

EL 6301 expired on 2 November 2021 and is subject to a renewal application submitted by the Company. The Company has had significant expenditure shortfalls in the 2019-2020 and 2020-2021 terms. The expenditure shortfall of $110,050 from 2019-2020 was deferred by DEM to 2020-2021 which required the Company to meet $320,000 in expenditure in addition to the expenditure shortfall of $110,050.

The Company has not met the expenditure requirements for 2020-2021 and accordingly the tenement may be reduced in size by up to 50%, subject to ministerial discretion.

The expenditure shortfall can be partially attributed to the requirement for the Company to have an approved EPEPR in place prior to the commencement of any exploration activities on the tenement. An EPEPR was lodged with DEM on 19 August 2021 and is awaiting acceptance; accordingly, the Company has not been able to conduct exploration activities.

The Company does not express an opinion on the outcome of the renewal application for EL 6301 or the approval of the EPEPR. There is a risk that the renewal application will not be granted or, if granted, the area of the tenement may be substantial reduced. There is also a risk that the EPEPR will not be approved and the Company will not be able to conduct exploration activities until approval is granted.

(e) **Mt Gunson Licence to Operate**

The Company has entered into the CMM Subscription Agreement under which the CMM Shareholders have granted a right to the Company to earn up to 50% interest in CMM by funding exploration on the Mt Gunson Tenements up to $5million.

CMM is not the registered holder of the Mt Gunson Tenements and has previously held rights to explore, develop and operate the copper deposits, stockpiles, and tailings on the Mt Gunson Tenements in accordance with the Licence to Operate summarised at Section 12.4.4.

The Licence to Operate has expired and the Company has been notified by CMM that it is in discussions with the tenement holders in relation to a renewal of the Licence to Operate.

As at the date of this Prospectus CMM and the Company do not have any rights in respect of the Mt Gunson Project. The Company's interest in the Mt Gunson Project is subject to CMM successfully negotiating a renewal of the Licence to Operate, and the Company being able to meets its obligations under the CMM Subscription Agreement.

(f) **Contractual risk**

The ability of the Company to achieve its stated objectives may be materially affected by the performance by counterparties of their obligations under certain agreements. In addition to the CMM Subscription Agreement and the Licence to Operate (as stated above), the Company is also reliant upon the counterparties to the following agreements in respect of the Projects:

(i) The Kopore Farm-in Agreement and Co-ordination Deed in respect of the Kopore Agreement Area (being tenements forming part of the Horseshoe Lights Project) as summarised in Sections 12.2.1 and 12.2.2. Kopore is currently conducting activities and expending on the tenements (which includes keeping the tenements in good standing). If Kopore earns its 51% interest in the tenements, then Kopore will also be the manager of the joint venture.

(ii) The Company has entered into the Mineral Rights Agreements (summarised in Section 12.3.4) under which it is granted certain mineral access rights in respect of ML 5848, ML 5849, ML 5885 and MPL 62 (forming part of the Glenloth Project). The Company is not the registered holder of the tenements and relies upon the tenement holders to make lodgements and renewal applications in respect of the tenements, and generally fulfil its obligations under those agreements.

The Company's ability to achieve its objectives in respect of the Kopore Agreement Area and ML 5848, ML 5849, ML 5885 and MPL 62 is dependent upon it and the above counterparties complying with their obligations under the agreements. A failure to comply with these obligations may result in the Company losing its interest in the projects.

(g) **Default risk – loan agreements and trade payables**

As set out in in the indicative pro forma balance sheet in Section 9, the Company has current and non-current trade and other payables and non-current borrowings. The Company has entered into the Loan Facility Agreement and the Short-Term Funding arrangements as set out in Section 12.6 and Section 12.7.

If the Company defaults on these payments, then the creditors or lenders can demand repayment. Defaults under the loan arrangements may trigger cross defaults in respect of the Company's other debt. If the Company is unable to raise sufficient funds or otherwise cure the defaults, the Company's creditors may seek

immediate repayment of debts, and this may result in the Company being insolvent.

Refer to the financial information contained in Section 9 of the Prospectus for further details of amounts owed by the Company.

(h) **Failure to fulfil payment plan**

A writ of summons and a general procedure claim has been filed against MCM by the Shire of Meekatharra in respect of unpaid council rates, plus fees and costs. MCM has filed an Admission of Debt with the Magistrates Court and District Court for both matters and has agreed a payment plan of $15,000 per month.

If the Company fails to continue its obligations under the payment plan, then this will result in the Company being in default under the payment plan and likely result in the re-commencement of proceedings against MCM. This could also trigger cross defaults under other finance and funding arrangements.

(i) **Potential for dilution**

On completion of the Public Offer, and the subsequent issue of Shares pursuant to the Public Offer, the number of Shares in the Company will increase from 436,394,305 to up to 545,492,881 (assuming the maximum subscription and ignoring the treatment of fractional entitlements). If an existing Shareholder does not participate in the Public Offer then their Shareholding will be diluted by 20% (assuming maximum subscription).

On this basis, existing Shareholders should note that if they do not take up the whole of their Entitlement under the Public Offer their holdings will be diluted (as compared to their holdings and number of Shares on issue as at the date of this Prospectus).

(j) **Infectious diseases**

The outbreak of the coronavirus disease (COVID-19) is having a material effect on global economic markets. The global economic outlook is facing uncertainty due to the pandemic, which has had and may continue to have a significant impact on capital markets.

The Company's Share price may be adversely affected by the economic uncertainty caused by COVID-19. Further measures to limit the transmission of the virus implemented by governments around the world (such as travel bans and quarantining) may adversely impact the Company's operations and may interrupt the Company carrying out its contractual obligations or cause disruptions to supply chains. There are also potential implications for the company's financing and investing activities, with the possibility of disruptions to financial markets and investor confidence. These have the potential to materially affect the Company's cost of doing business, ability to raise capital funds, and ability to realise assets.

(k) **Future capital requirements**

The Company has no operating revenue and is unlikely to generate any operating revenue unless and until its projects are successfully developed and production commences. The future capital requirements of the Company will depend on many factors including its business development activities. The Company believes its existing cash reserves and the net proceeds of the Public Offer and Shortfall Offer should be adequate to fund its business development activities, exploration program and other Company objectives in the short term as stated in this Prospectus.

In order to successfully develop the Projects and for production to commence, the Company will require further financing in the future, in addition to amounts raised pursuant to the Public Offer and Shortfall Offer. Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the market

price (or Public Offer Price) or may involve restrictive covenants which limit the Company's operations and business strategy. Debt financing, if available, may involve restrictions on financing and operating activities.

No assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its activities and this could have a material adverse effect on the Company's activities and ability to continue as a going concern, including resulting in the tenements comprising the Projects being subject to forfeiture.

7.3 Mining Industry Risk

(a) Mining tenure and title risk

As at the date of this Prospectus, the Company (either directly or through MCM) has a legal interest in the tenements comprising the Horseshoe Lights Project, the Kumarina Project and EL 6301 (being one of the tenements comprising the Glenloth Project).

The Company holds mineral rights in respect of ML 5848, ML 5849, ML 5885 and MPL 62 (being tenements comprising part of the Glenloth Project) as summarised in Section 12.3.4.

Interests in all tenements in Western Australia and South Australia are governed by state legislation and are evidenced by the granting of mining tenements. Each tenement is for a specific term and carries annual expenditure and reporting commitments (as well as other conditions requiring compliance). The tenements are subject to periodic renewal, the granting of which is subject to compliance with the applicable mining legislation and regulations. Consequently, the Company could lose title to or its interest in the tenements if conditions are not met or if insufficient funds are available to meet expenditure commitments.

(b) Resource estimation risks

The Company has previously announced Mineral Resource estimates, which are also summarised in Sections 6 and 8. Mineral Resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates that were valid when originally made may alter significantly when new information or techniques become available. In addition, by their very nature, Mineral Resource estimates are imprecise and depend on interpretations which may prove to be inaccurate, and whilst the Company employs industry-standard techniques including compliance with the JORC Code to reduce the estimation risk, there is no assurance that this approach will alter the risk. As further information becomes available through additional fieldwork and analysis, Mineral Resource estimates may change. This may result in alterations to mining and development plans which may in turn adversely affect the Company.

(c) Exploration and development risks

Mineral exploration and development is a high-risk undertaking. There can be no assurance that exploration of the Projects or any other exploration properties that may be acquired in the future will result in the discovery of an economic resource.

Exploration in terrains with existing mineralisation endowments and known occurrences may slightly mitigate this risk. In respect of the Projects, the reliability of the data used to produce the Independent Geologists Report in this regard is limited as it is historical in nature.

Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited due to various issues including lack of ongoing funding, adverse government policy, geological conditions, commodity prices or technical difficulties.

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 programs are unsuccessful this could lead to a diminution in the value of its projects, a reduction in the cash reserves of the Company and possible relinquishment of part or all of its projects.

(d) **Climate change risk**

Under the 2015 Paris Agreement, 195 countries pledged to limit global warming to well below 2.0°C, and ideally not more than 1.5°C above preindustrial levels. That target, if pursued, would manifest in decarbonization across industries, creating major shifts in commodity demand for the mining industry. The mining sector itself will also face pressure from governments, investors, and society to reduce emissions.

Over 50 national or sub-national carbon price schemes are in place around the world. Many of the remaining nations have some form of climate change regulation or policy which creates a shadow carbon price on energy prices. Mining is energy intensive and the carbon pricing schemes are thus liable to materially increase energy costs if mitigation steps are not taken.

The mining sector in Australia and globally has always been vulnerable to extreme weather events such as cyclones, flooding events and changes to water availability through drought. Such extreme weather events have already negatively impacted on mining companies' cash flows. The latest climate science shows how, over the last century, the average intensity (and in some cases frequency) of these extreme weather events has increased due to climate change and, if current greenhouse gas emission trends continue, will continue to increase over coming decades. It is critical that investors understand the scale and speed of these likely changes to factor them into their investment decisions.

(e) **Operating risk**

The operations of the Company may be affected by various factors, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

No assurances can be given that the Company will achieve commercial viability through the successful development of its projects. Unless and until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.

(f) **Metals and currency price volatility**

The Company's ability to proceed with the development of its projects and benefit from any future mining operations will depend on market factors, some of which may be beyond its control. It is anticipated that any revenues derived from mining will primarily be derived from the sale of copper and gold. Consequently, any future earnings are likely to be closely related to the price of copper and gold and the terms of any off-take agreements that the Company enters into.

The world market for minerals is subject to many variables and may fluctuate markedly. These variables include world demand for copper and gold that may be mined commercially in the future from the Company's project areas, forward selling by producers and production cost levels in major mineral-producing regions. Mineral prices are also affected by macroeconomic factors such as general global economic conditions and expectations regarding inflation and interest rates. These factors may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

Metals are principally priced in US dollars on global markets. The Company's cost base will be payable in various currencies including Australian dollars and US dollars. As a result, any significant fluctuations in the exchange rate between the Australian dollar and the US dollar could have a materially adverse effect on the Company's operations, financial position (including revenue and profitability) and performance. The Company may undertake measures, where deemed necessary by the Board to mitigate such risks.

(g) **Tenement obligations**

Pursuant to the tenements comprising the Projects, the Company will become subject to payment and other obligations. In particular, holders are required to expend the funds necessary to meet the minimum work commitments attaching to the Tenements. Failure to meet these work commitments may render the Tenements subject to forfeiture or result in the holders being liable for fees. Further, if any contractual obligations are not complied with when due, in addition to any other remedies that may be available to other parties, this could result in dilution or forfeiture of the Company's interest in the Projects. Further details of these conditions and obligations are set out in the Solicitor's Report.

(h) **Metallurgy**

Metal recoveries are dependent upon the metallurgical processes used to liberate economic minerals. There are risks that the future metallurgical processes used by the Company may not produce a saleable product, that the processes used may prove uneconomical, and that changes in mineralogy in the ore deposit may result in inconsistent metal recovery, affecting the economic viability of the Projects.

(i) **Native title risks**

The Company is aware that there are positive native title determinations within the area covered by the Tenements (see the Solicitor's Report in Section 10 for details). The Horseshoe Lights Project lies within the Nharnuwangga Wajarri and Ngarlawangga native title determination area (WCD 2000/001). The Kumarina Project lies within the Gingirana native title determination area (WCD2017/011). Part of the Glenloth Project lies within the Gawler Ranges native title determination area (WCD SCD2011/005).

The existence of native title claims over the area covered by the Tenements, or a subsequent determination of native title over the area, will not impact the rights or interests of the holder under the Tenements provided the Tenements have been validly granted in accordance with the Native Title Act.

However, if any Tenement was not validly granted in compliance with the Native Title Act, this may have an adverse impact on the Company's activities.

The grant of any future tenure to the Company over areas that are covered by registered claims or determinations will likely require engagement with the relevant claimants or native title holders (as relevant) in accordance with the Native Title Act. The Company is currently progressing discussions with the Gingirana People under the right to negotiate process in respect of the pending grant of MLA52/1078.

(j) **Aboriginal Heritage Risk**

The Company is aware of Aboriginal heritage sites that exist on the Projects.

There remains a risk that additional as yet identified Aboriginal sites may exist on the Projects, the existence of which may preclude or limit mining activities in certain areas of the Projects.

(k) **Environmental Risks**

The operations and proposed activities of the Company are subject to state and federal laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or field development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or bushfires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations.

Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programmes or mining activities.

7.4 General risks

(a) **Economic**

General economic conditions, introduction of tax reform, new legislation, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

(b) **Market conditions**

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- general economic outlook;
- introduction of tax reform or other new legislation;
- interest rates and inflation rates;
- changes in investor sentiment toward particular market sectors;
- the demand for, and supply of, capital; and
- terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the

future performance of the Company or any return on an investment in the Company.

(c) **Force majeure**

The Company's projects now or in the future may be adversely affected by risks outside the control of the Company including labour unrest, subversive activities or sabotage, fires, floods, explosions, pandemics or other catastrophes.

(d) **Government and legal risk**

Changes in government, monetary policies, taxation and other laws can have a significant impact on the Company's assets, operations and ultimately the financial performance of the Company and its Securities. Such changes are likely to be beyond the control of the Company and may affect industry profitability as well as the Company's capacity to explore and mine.

The Company is not aware of any reviews or changes that would affect the Projects. However, changes in community attitudes on matters such as taxation, competition policy and environmental issues may bring about reviews and possibly changes in government policies. There is a risk that such changes may affect the Company's development plans or its rights and obligations in respect of its projects. Any such government action may also require increased capital or operating expenditures and could prevent or delay certain operations by the Company.

(e) **Insurance**

The Company intends to insure its operations in accordance with industry practice. However, in certain circumstances, the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company. Insurance against all risks associated with mining exploration and production is not always available and where available the costs can be prohibitive.

(f) **Taxation**

The acquisition and disposal of Securities will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Securities from a taxation point of view and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisers accept no liability and responsibility with respect to the taxation consequences of applying for Securities under this Prospectus.

(g) **Reliance on key personnel**

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

(h) **Investment speculative**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Securities offered under this Prospectus

Therefore, the Securities to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Securities.

Potential investors should consider that the investment in the Company is highly speculative and should consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

8. INDEPENDENT GEOLOGIST'S REPORT

AL MAYNARD & ASSOCIATES Pty Ltd
Consulting Geologists
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Australia		

Australian & International Exploration & Evaluation of Mineral Properties

INDEPENDENT GEOLOGICAL REPORT

FOR A

PROSPECTUS

PREPARED FOR

HORSESHOE METALS LIMITED.

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Company: Al Maynard & Associates Pty Ltd
Date: 24th November, 2021

EXECUTIVE SUMMARY

Horseshoe Metals Limited (ACN 123 133 166) ("HOR" or "the Company") is a public listed company that has either acquired interests in or has applied for a total of 35 tenements that cover 333.25 km^2 mineral exploration and mining tenements within the gold and copper producing Bryah Basin portion of the Murchison region of Western Australia ("WA") and a portion of the Central Gawler Craton ("CGC") block within the Stuart Shelf region of south-western South Australia ("SA") **(Figure 1).** In addition, the Company continues to renegotiate an extension to its interest in the Mt Gunson Copper Project in SA

HOR has requested that Al Maynard and Associates ("AM&A") prepare an Independent Geological Report ("IGR") on their various project areas in WA and SA. The Company has assembled a professional exploration team of experienced geoscientists and is directed by a well-experienced Board with accounting, legal and geotechnical skills.

HOR has secured a significant tenement package covering two prospective areas within the Murchison region of WA. The tenements form two blocks known as the Horseshoe Lights and Kumarina Projects covering approximately 219 km^2 (Fig 1).

The Company also has recently acquired the Glenloth Gold Project and an interest in the Mt Gunson Copper Project in SA that are prospective for copper or gold mineralisation within the CGC.

This report has been prepared for inclusion in a Prospectus to be lodged with ASIC during December 2021, to raise up to $2.182 million by way of an Entitlement Offer to issue up to 109,098,581 Shares at 2 cents each, (before costs associated with the issue). The Offer is for (1) Share for every four (4) Shares held by Eligible Shareholders as at the Record Date (Public Offer) and an associated offer of any Shortfall Shares (Shortfall Offer). The Prospectus contains an additional offer of 10,000,000 Lead Manager Options to the Lead Manager (or its nominees) (Lead Manager Offer). These funds are earmarked for the exploration, evaluation and development of the mineral tenements assembled in WA and SA as outlined in this report. An exploration spend of $2.1M is earmarked over the next two years on all Projects.

HOR's Mineral Assets comprise interests in four projects which include 14 MLs, 1 MLA, 2 MPLs, 9 PLs and, 6 Els. All the project areas that cover approximately 333 km^2 have been partially explored or mined by a number of companies in the past and encouraging results have been reported from numerous locations. HOR has researched the extensive historical WAMEX and SA data base that has already led to the identification of additional "walk-up" drill targets.

The Horseshoe Lights Project includes the historic open pit of the Horseshoe Lights copper-gold mine which operated up until May 1994, producing over 300,000 oz Au and 54,000 t Cu, including over 110,000 t of Direct Shipping Ore ("DSO") which graded between 20-30 % Cu.

The Horseshoe Lights ore body has been interpreted as a deformed Volcanogenic Hosted Massive Sulphide ("VMS") deposit that has undergone supergene alteration to generate the gold-enriched and copper-depleted cap that was the target of initial mining. The deposit is hosted by quartz-sericite and quartz-chlorite schists of the Lower Proterozoic Narracoota Formation.

Past mining was focused on the Main Zone, a series of lensoid ore zones, which passed with depth from a gold-rich oxide zone through zones of high-grade chalcocite mineralisation into massive pyrite-chalcopyrite. To the west and east of the Main Zone, copper mineralisation in the Northwest Stringer Zone and Motters Zone consists of veins and disseminations of chalcopyrite and pyrite and their upper oxide copper extensions.

The district has favourable host rocks that could contain similar supergene enriched Cu-Au mineralisation. An *in situ* JORC Code 2012 compliant Mineral Resource for Measured, Indicated, and Inferred material totalling 12.85 Mt at 1.0% Cu and 0.1 g/t Au at a cut-off grade of 0. 5% Cu for the prospect has been estimated remaining at Horseshoe Lights.

The Kumarina Project is centred over an historic mining area that produced small tonnages of very high-grade copper ore. The possibility to locate extensions to this mineralisation is considered favourable based on results of previous work and historic production.

The Glenloth Gold Project and the Mt Gunson Copper Project in southwestern SA both have prospective geological host settings for gold or copper mineralisation.

The Glenloth Goldfield was found with the discovery of alluvial gold in 1893 and established in 1901 when auriferous reefs were identified. Between 1901-55, approximately 9,800 oz Au were produced from 14,620 t of ore, at an average grade of 21.6 g/t Au. Since 1955, gold production has been small and sporadic. Typical gold occurrences consist of relatively thin, mineralised quartz veins, up to 1 m wide, hosted by sheared and fractured Archaean to Paleoproterozoic Glenloth Granite, and sometimes associated with Paleoproterozoic dolerite dykes. A shallow Hiltaba Suite batholith has been proposed as the source of mineralisation.

Copper ore was discovered at Mt Gunson in 1875 and the first recorded production was from 1899. A smelter was subsequently erected in the area in 1904 where small-scale production continued until the Cattlegrid deposit was discovered and subsequently mined by CSR Limited ("CSR") from 1974 - 86, with 7.2 Mt of 1.9 % Cu ore mined from the Cattlegrid deposit. Total production from the area in concentrates is recorded as 156 000 t Cu, 62 t Ag silver and 2900 t Co.

From 1987 to around 2006 the Adelaide Chemical ("Adchem") produced over 14,000 t Cu in cement for feed to the Burra cupric oxide plant principally from heap leaching of 1.2 Mt of 1.3 % CuO ore from the main pit, Gunyot, House and Core Shed deposits.

The Mt Gunson leases were subsequently acquired and are currently held by a family-owned earthmoving contractor based in Adelaide, who previously operated their own copper-oxide leach operation until the grant of the oxide development rights to Copper Mining and Metallurgy Pty Ltd ("CMM") on the 29th June 2017 under a 'Licence to Operate'.

CMM had a 100% interest in rights to explore, develop and operate. The initial term of the agreement between the partner and the Licensee, who holds the tenements, expired on 29 June 2020 and can be extended by CMM for a period of a further two years to 29 June 2022. Further extension beyond 29 June 2022 can be negotiated during the term of this lease.

The Company is still re-negotiating the terms of an extension with the partner and the Licensor. A successful pilot scale oxide copper heap leach trial at Mt Gunson has been completed with plans to now advance to commercial small-scale production copper cement delivered to the Adchem facility 350 km to the south.

All prospect areas are considered to have reasonable potential for hosting economic copper and gold mineralisation and an exploration budget of $2.1M is proposed within the next 2 years.

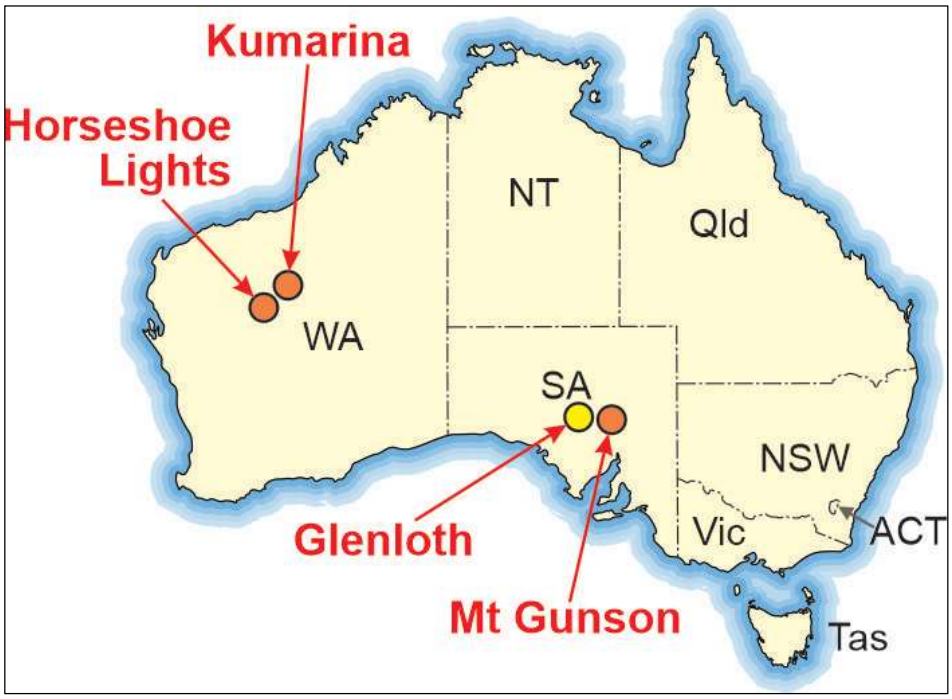

Figure 1: Horseshoe Metals Limited Project Areas in WA and SA.

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The Directors,
Horseshoe Metals Limited.
24 Mumford Place,
Balcatta,
WA, 6021,
Australia.

24th November, 2021

Dear Sirs,

Introduction

Al Maynard and Associates ("AM&A") has been engaged by Horseshoe Metals Limited ("ASX-HOR" or "The Company") to prepare an Independent Geological Report ("IGR") of the mineral assets held or to be acquired by HOR pursuant to the various agreements outlined elsewhere in this Prospectus. Opinions are presented in accordance with the Code and Guidelines for Assessment and valuation of Mineral Assets and Mineral Securities for Independent Expert Reports (Valmin Code), the Joint Ore Resources Committee (JORC Code 2012) and Guidelines for reporting on mineral exploration results and ore resources and the rules and guidelines relating to Independent Expert Reports set by the Australian Securities Industry Commission ("ASIC") and the Australian Securities Exchange ("ASX") and any other regulations and guidelines that govern the preparation of such reports. The tenements are located in WA and SA.

At Horseshoe Lights a 2012 JORC compliant Inferred Resource estimate was updated by CSA Global, Resource Industry Consultants in June 2013 ("CSA"). AM&A advises potential Applicants to be aware that the estimates reported are not 'Reserves' under the JORC Code guidelines until a feasibility study is completed. Whilst we consider that the estimates of mineralisation provide a reasonable reflection of the quantum and grade of mineralisation, there is no guarantee that re-classification will occur in the short term or at all. More details are provided within the report.

This report has been prepared for inclusion in a Prospectus to be lodged with ASIC during December 2021, to raise up to $2.182 million by way of an Entitlement Offer to issue up to 109,098,581 Shares at 2 cents each, (before costs associated with the issue). The Offer is for (1) Share for every four (4) Shares held by Eligible Shareholders as at the Record Date (Public Offer) and an associated offer of any Shortfall Shares (Shortfall Offer). The Prospectus contains an additional offer of 10,000,000 Lead Manager Options to the Lead Manager (or its nominees) (Lead Manager Offer). These funds are earmarked for the exploration, evaluation and development of the mineral tenements assembled in WA and SA as outlined in this report. An exploration spend of $2.1 M is earmarked over the next two years on all Projects.

Neither the writer nor any of his associates or employees have any material interest either direct, indirect or contingent in HOR nor in any of the mineral assets included in this report nor in any other HOR asset nor has any such

interest existed previously. No commercial relationship has existed between AM&A and HOR prior to their appointment to prepare this Report.

The legal status, including Native Title considerations associated with the tenure of the HOR Mineral Assets, is subject to a separate Solicitor's Report elsewhere in the Prospectus. These matters have not been independently verified by AM&A. The present status of tenements listed in this report is based on information provided by HOR and the report has been prepared on the assumption that the tenements will have lawful access for evaluation and development.

HOR's Mineral Assets comprise interests in four projects with 35 tenements which include 14 MLs, 1 MLA, 2 MPLs, 9 PLs and, 6 Els. All the project areas have been partially explored by a number of companies in the past and encouraging results have been reported from numerous locations. HOR has researched the extensive historical WAMEX and SA data base that has already led to the identification of additional "walk-up" drill targets.

It is our opinion that the mineral properties and target commodities described in this report warrant the proposed evaluation exploration and testing program as described. It is noted that proposed program may be subject to change according to results yielded as work progresses. We are of the opinion that HOR has satisfactorily defined exploration and expenditure program which are reasonable, having regard to the stated objectives of HOR.

In the course of the preparation of this report, access has been provided to all relevant data held by HOR and various other technical reports and information quoted in the bibliography. We have made all reasonable endeavours to verify the accuracy and relevance of the database.

AM&A has had no input into the formulation of any of the mineral tenements under review. This geological report has been prepared by AM&A strictly in the role of an independent consulting geologist. The present status of tenements listed in this report is based on information provided by HOR and the report has been prepared on the assumption that the tenements will prove lawfully accessible for evaluation and development. HOR has warranted to AM&A that full disclosure has been made of all material information in its possession or knowledge and that such information is complete, accurate and true. None of the information provided by HOR has been specified as being confidential and not to be disclosed in our reports. As recommended by the Valmin Code, HOR has indemnified AM&A for any liability that may arise from AM&A's reliance on information provided by HOR or not provided by HOR.

Site visits have been made to two of the project areas (Horseshoe Lights and Kumarina) in the past for a previous client. Information used in the preparation of this report has been derived from technical information provided by HOR and other publicly available data. The writers are generally familiar with the various geological settings and styles of mineralisation and combined with the technical data available are able to make informed comments on the project areas. HOR has warranted to AM&A that full disclosure has been made of all material in its

possession and that information provided, is to the best of its knowledge, accurate and true. None of the information provided by HOR has been specified as being confidential and not to be disclosed in our report. The authors are familiar with the areas covered by the HOR's Mineral Assets. As recommended by the Valmin Code, HOR has indemnified AM&A for any liability that may arise from AM&A's reliance on information provided by or not provided by HOR.

This report was prepared by geologist Brian J. Varndell, an associate of AM&A, a qualified geologist and a Fellow of the AusIMM. He has more than 45 years' experience in mineral exploration, resource and reserve calculation and the evaluation of mineral properties.

Peer review was conducted by A.J. Maynard, Member of the AIG and the AusIMM. The writer is qualified to provide such reports for the purpose of inclusion in public company prospectuses. This report has been prepared in accordance with the relevant requirements of the Listing Rules of the Australian Securities Exchange Limited, Australian Securities and Investments Commission ("ASIC") Regulatory Guidelines 111 & 112 and the Guidelines for Assessment and Valuation of Mineral Assets and Mineral Securities for Independent Expert reports (the Valmin Code) which is binding on members of the Australasian Institute of Mining and Metallurgy ("AusIMM").

For the purpose of Sections 731 to 733 of the Corporations Law, AM&A were involved in the preparation of this IGR included in this Prospectus, and have authorised or caused the issue of this part of the Prospectus only. AM&A has given consent in writing to the issue of the Prospectus with this Independent Report included in the form and context it was provided and has not withdrawn that consent before the lodgement of the Prospectus with the Australian Securities and Investments Commission ("ASIC").

We are of the opinion that:

- HOR has satisfactory and clearly defined exploration and expenditure program which are reasonable having regard to the stated objectives of the Company; and
- Sufficient exploration work has taken place in the past two years to justify the budgeted exploration and expenditure program.

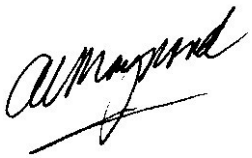
HOR's exploration program are included in the report and have been phased over two years, but they may be altered in view of results gained which could revise the emphasis of current priorities.

AM&A observes Section 947B of the Corporations Act 2001 (Cwlth). In accordance with Corporations Regulation 7.6.01(1)(u) and Corporations Amendment Regulations 2003 (No. 7) 2003 No. 202, this Independent Consulting Geologists' Report is not financial product advice but is intended to provide investors with expert opinion on matters relevant to an investment in the Company. Allen J Maynard and AM&A are not operating under an Australian financial services licence and the advice in this Independent

Consulting Geologists' Report is an opinion on matters other than financial products and does not include advice on a financial product.

AM&A is an independent geological consultancy established 35 years ago and has operated continuously since then. Neither AM&A nor any of its directors, employees or associates have any material interest either direct, indirect or contingent in HOR nor in any of the mineral properties included in this report nor in any other asset of HOR nor has such interest existed in the past. This report has been prepared by AM&A strictly in the role of an independent expert. Fees for the preparation of this report are being charged at normal commercial rates with expenses being reimbursed at cost and constitutes our only commercial interest in HOR. Payment of fees and expenses is in no way contingent upon the conclusions of these documents, nor on the outcome of the proposed listing of HOR. AM&A will be paid a fee of $20,000 for the preparation of this report.
Yours faithfully,

Brian John Varndell BSc General (London), BSc (Spec Hons Geology) (Rhodesia), FAusIMM.



Allen J. Maynard BAppSc (Geol), MAIG, MAusIMM.

Competent Persons Statements
Brian J. Varndell, BSc General (London), BSc (Spec Hons Geology) (Rhodesia), Principal of Varndell & Associates Pty Ltd, (Residential Address Unit 3/70 Boundary Road, St. James, WA 6102) is a qualified geologist and a Fellow of the Australasian Institute of Mining & Metallurgy ("AusIMM") (No. 111022). He has been continuously engaged as a geologist in the mining, mineral exploration and evaluation industry since 1972 working on gold, diamonds and other precious stones, base metal and platinum group minerals, coal, mineral sands and industrial minerals projects.

This constitutes over 45 years of continuous experience in mineral exploration and evaluation and more than 40 years' experience in mineral asset valuation based on experience in all aspects of mining both underground and open pit, exploration planning and implementation, valuations and IPO assessment reports.

He holds the appropriate qualifications, experience and independence to qualify as an independent "Expert" or "Specialist" and "Competent Person" under the definitions of the Australian Securities Exchange Limited (ASX) and Australian Securities and Investments Commission (ASIC) regulations and requirements to provide independent experts reports, that respect the Valmin and JORC Codes, for listed and unlisted public companies.

The information in this report which relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Allen Maynard, who is a Member of the Australian Institute of Geosciences ("AIG"), a Member of the Australasian Institute of Mining & Metallurgy ("AusIMM").. Mr Maynard is the Director and principal geologist of Al Maynard & Associates Pty Ltd and has over 43 years of exploration and mining experience in a variety of mineral deposit styles. Mr Maynard has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for reporting of Exploration Results, Exploration Targets, Mineral Resources and Ore Reserves".(JORC Code). Mr Maynard consents to inclusion in the report of the matters based on this information in the form and context in which it appears.

1.0 Projects Summary

1.1 Overview

HOR is a public company that upon re-listing on the ASX will control two projects in the Murchison region of Western Australia (**Figure 2**). The Company also recently acquired the Glenloth Gold Project and has an interest in the Mt Gunson Project (still in a negotiation stage), both within the Central Gawler Craton (CGC) in SA (**Figure 3**). All project areas held are considered prospective either for Copper or Gold.

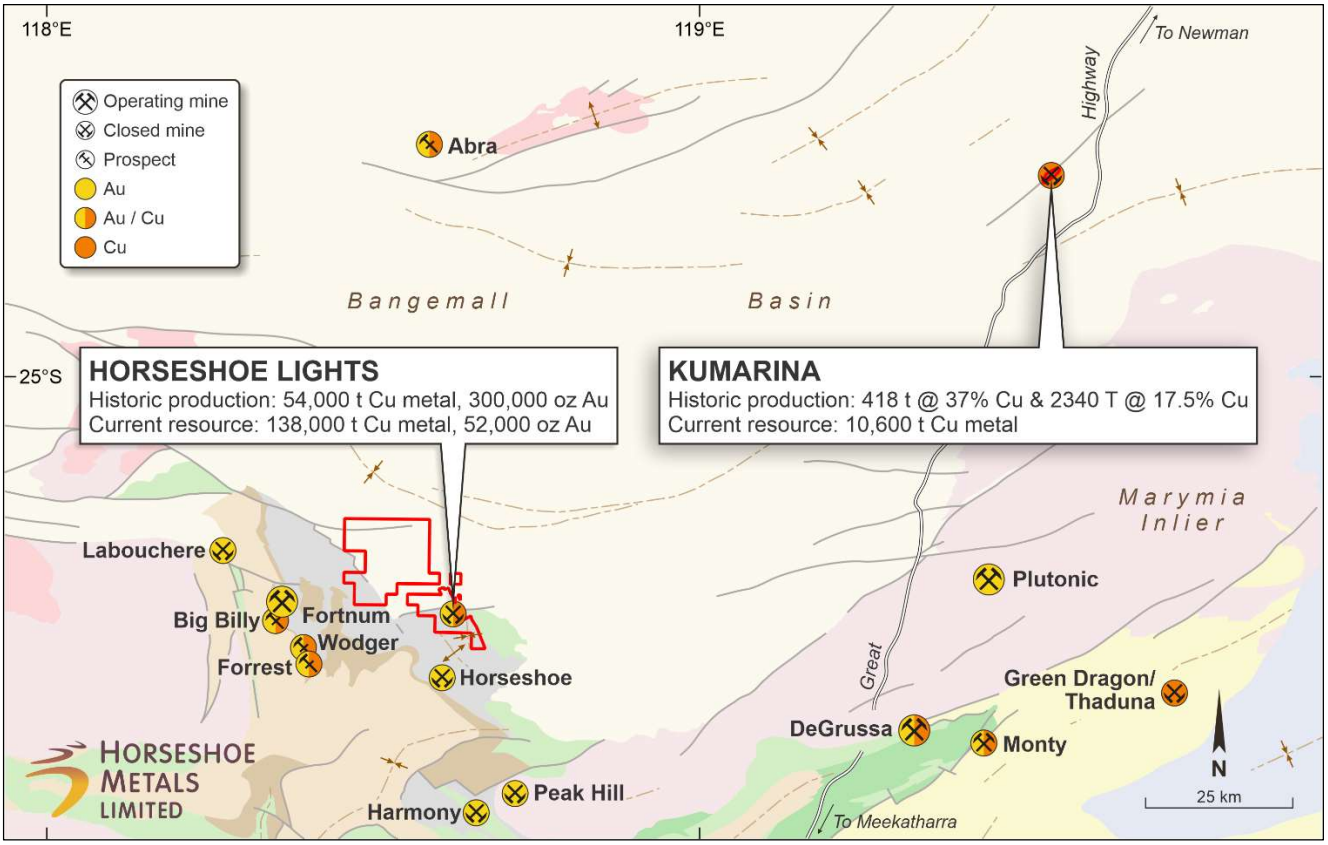


Figure 2: Location of Horseshoe Lights and Kumarina Projects in WA.

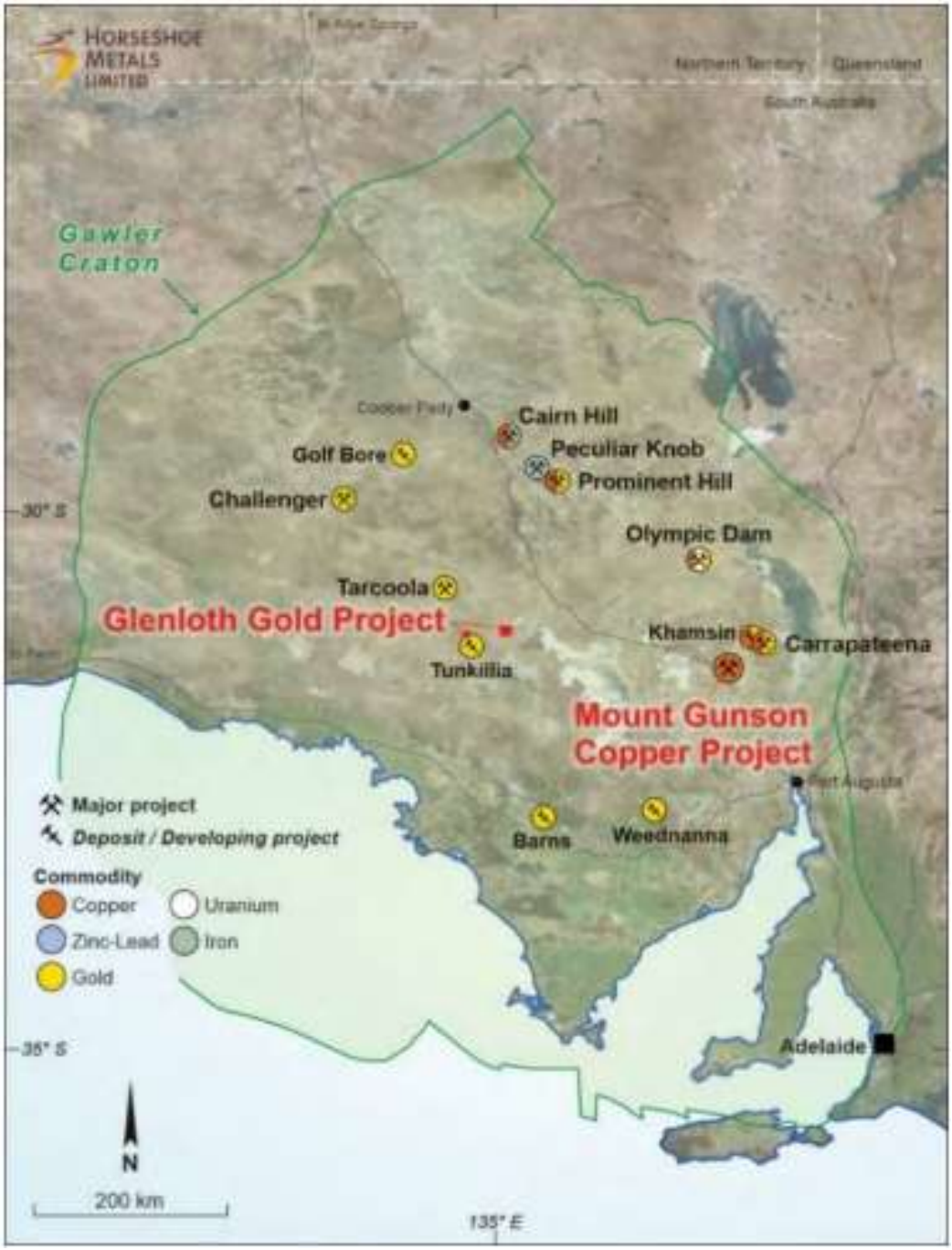


Figure 3: HOR Glenloth and Mt Gunson Projects Location in SA with significant local deposits.

1.2 Properties Location and Access

The Horseshoe Lights Au-Cu mine and associated tenements are located approximately 800 km NNE of Perth and 140 km north of Meekatharra (Fig 1 & 2). Access to the mine site is along 74 km of the sealed Great Northern Highway NNE from Meekatharra and then a further 80 km north on the unsealed Ashburton Downs-to-Meekatharra road. Further internal travel is on station roads and tracks. The sparse scrubby vegetation also allows access across open areas.

The Kumarina tenements are located approximately 900 km NNE of Perth and 120 km NE of the Horseshoe Lights Project in the Murchison Region of WA and 235 km NNE of Meekatharra (Fig 1). The tenements straddle the Great Northern Highway that provides easy access. The main workings are located 8 km west of the Kumarina Roadhouse and are accessible via a well-formed gravel road from the highway.

Both projects are depicted on the Peak Hill 1:250,000 geological map sheet.

The geomorphology of the Horseshoe Lights area comprises mostly low hills and subdued ranges with only a few major drainages. These drainages are generally dendritic but with fault and joint-control on a local scale. The Kumarina area features low subdued relief with isolated prominent hills and ranges with dendritic drainages.

The climate for all prospects is semi-arid with hot dry summers and cool to mild winters. The average annual rainfall ranges from 230–350mm in the Murchison district which is mainly associated with cyclones in late summer.

The Glenloth Prospect is located approximately 600 km NW of Adelaide, in SA. Access is via the sealed Stuart Highway to Glendambo and then 44 km west via Tarcoola Rd, crossing the Trans Australia Railway at Kingoonya, and SW onto unsealed tracks skirting Lake Harris to the north for 30 km to the eastern 'Glenloth' Block, and then a further 30 km ESE to the western 'Old Well' Block. Both parts of EL6301 are located within North Well station.

EL6301 now comprises two blocks covering 107 km^2 in total area, located about 6 km north and 50 km east of the 0.9M oz Au Tunkillia Gold deposit (Figs x & 6)

The Mt Gunson Prospect is located approximately 150 km north-west of Port Augusta, and 50 km south-west of the 5200 kt Carrapateena Copper project

Both SA projects are depicted on the Gairdner 1:250,000 geological map sheet.

Both Glenloth and Mt Gunson have a desert climate (Köppen Code: BWh) with hot, dry summers with average temperatures to 37^0C and mild winters with average temperatures of 18-20^0C. Rainfall is sparse and occurs throughout the year, with an annual mean of around 180 mm, from typically 50 annual rain days. Prevailing winds typically blow from the South to SE.

2.0 Tenements and Agreements

2.1. Tenements

The validity of the tenements and various agreements has been verified elsewhere in this prospectus and is outside the scope of this report. For completeness a summary of the holdings and agreements is presented in **Table 1**.

TENEMENT	Block	AREA (ha)	AREA (km^2)	HOLDER	INTEREST	TENEMENT NAME	Granted	Expiry	Expenditure Required $	Rent $
HORSESHOE										
P52/1542		172	1.72	MCM	100 %	HORSESHOE LIGHTS	17/05/2017	16/05/2025	6880	516
P52/1543		200	2	MCM	100 %	HORSESHOE LIGHTS	17/05/2017	16/05/2025	8000	600
P52/1544		194	1.94	MCM	100 %	HORSESHOE LIGHTS	17/05/2017	16/05/2025	7760	582
P52/1545		191	1.91	MCM	100 %	HORSESHOE LIGHTS	17/05/2017	16/05/2025	7640	573
P52/1546		196	1.96	MCM	100 %	HORSESHOE LIGHTS	17/05/2017	16/05/2025	7840	588
P52/1547		195	1.95	MCM	100 %	HORSESHOE LIGHTS	17/05/2017	16/05/2025	7800	585
P52/1548		170	1.7	MCM	100 %	HORSESHOE LIGHTS	17/05/2017	16/05/2025	6800	510
P52/1549		199	1.99	MCM	100 %	HORSESHOE LIGHTS	17/05/2017	16/05/2025	7960	597
P52/1550		172	1.72	MCM	100 %	HORSESHOE LIGHTS	17/05/2017	16/05/2025	7800	585
M52/743		988.3	9.883	MCM	100 %	HORSESHOE	27/09/2000	26/09/2042	98900	21758
E52/3759	6		10.39	MCM	100 %	HORSESHOE LIGHTS	25/02/2020	24/02/2025	20000	846
E52/3909	39		120.89	HOR	100 %	ERIVILLA	15/03/2021	14/03/2026	39000	5499
E52/3906	13		40.32	HOR	100 %	ERIVILLA	17/03/2021	16/03/2026	20000	1833
E52/3908	1		3.1	HOR	100 %	ERIVILLA	17/03/2021	16/03/2026	10000	369
E52/3939	5		13.87	HOR	100 %	HORSESHOE LIGHTS WEST	31/08/2021	30/08/2026	15000	730
L52/42		0.26	0.03	MCM	100 %	HORSESHOE LIGHTS	24/05/1990	23/05/2025	0	18
L52/43		2.3	0.02	MCM	100 %	HORSESHOE LIGHTS	24/05/1990	23/05/2025	0	54
L52/44		3.8	0.04	MCM	100 %	HORSESHOE LIGHTS	24/05/1990	23/05/2025	0	72
L52/45		3	0.03	MCM	100 %	HORSESHOE LIGHTS	24/05/1990	23/05/2025	0	54
L52/66		15	0.15	MCM	100 %	HORSESHOE	7/02/1995	6/02/2025	0	269
Sub Total		2724.66	215.69							
Kumarina				MCM				**Totals**	271380	36636
M52/27		9.71	0.10	MCM	100 %	KUMARINA	14/01/1985	13/01/2027	10000	200
MLA52/1078		317.657	3.18	MCM	0%	KUMARINA				
Sub Total		327.37	3.27							
Glenloth										
EL6301			105.60	HOR	100 %	Glenloth	3/11/2018	2/11/2021	320000	8037
ML5848		28.0	1.28	GCR	Min Rights		5/07/1993	12/07/2024		
ML5849		24.0	0.24	GCR	Min Rights		13/07/1993	24/07/2024		
ML5885		20.25	0.20	MA&IRF	Min Rights		10/02/1994	12/07/2024		
MPL62		16.0	0.02	GCR	Min Rights		9/06/2000	10/06/2024		

Sub Total	88.25	106.48							
Mt Gunson									
ML3717	14.0	0.14	AL&MJM	Earning		1/10/1973	19/07/2032		
ML3718	14.0	0.14	AL&MJM	Earning		1/10/1973	19/07/2032		
ML3719	14.0	0.14	AL&MJM	Earning		1/10/1973	19/07/2032		
ML3720	14.0	0.14	AL&MJM	Earning		1/10/1973	19/07/2032		
ML3721	14.0	0.14	AL&MJM	Earning		1/10/1973	19/07/2032		
ML5598	114.25	1.14	AL&MJM	Earning		14/06/1989	13/06/2031		
ML5599	248.4	2.48	AL&MJM	Earning		14/06/1989	13/06/2031		
MPL1	356	3.56	AL&MJM	Earning		20/07/1973	19/07/2032		
Sub Total	788.65	7.89							
Total		**333.24**						**601380**	

Table 1: HOR Tenement Holdings.

Notes: 1. Horseshoe Gold Mine Pty Ltd (a wholly owned subsidiary of Grange Resources Limited ("Grange") retains a 3% net smelter return royalty in respect to all production derived from M52/743
2. The Company has applied for a Mining Lease to cover the Rinaldi resource, contiguous with M52/27 •
3.MURCHISON COPPER MINES PTY LTD=MCM, HORSESHOE METALS LIMITED=HOR, GAWLER CRATON RESOURCES PTY LTD=GCR, MARK ANDREW and IAN ROBERT FILSELL= MA&IRF, AJ & MJ MUSOLINO= AJ&MIM.

2.2 ProspectsTenements

All Projects comprise 35 tenements that cover a total area of approximately 333 km^2 (Table 1). At Horseshoe there are nine Prospecting Licences ("PL"), one Mining Lease ("ML"), one Exploration Licence ("EL") and five Miscellaneous Licences ("L")

At Kumarina there is one ML and one Mining Lease application ("MLA")
In SA at Glenloth there is one EL, and Mineral rights ("Min Rights") over three MLs and one MPL. At Mt Gunston there are seven MLs and one MPL.

Details of all tenements are summarised in Table 1 and their locations are shown in Figures 1 and 2.

2.3 Horseshoe Lights Agreement

HOR announced in Jan 2021 that its wholly-owned subsidiary, Murchison Copper Mines Pty Ltd ("MCM") has executed a binding farm-in and joint venture agreement ("JV or Agreement") with Kopore (WA) Pty Ltd ("Kopore"), a wholly-owned subsidiary of Kopore Metals Limited ("ASX:KMT"), providing an earn in and JV in relation to certain tenements surrounding the Horseshoe Lights Mine as depicted in **Figure 4**.

The Agreement Area comprises 1 EL, 9 PLs and part of M52/743 external to the defined Horseshoe Lights resources and infrastructure. The excluded part of M52/743 covers the open pit with its resources as well as waste dumps, stockpiles and tailings from the historical operation. Kopore does not acquire any rights to minerals contained in the Excluded Zone or associated waste dumps and stockpiles which will continue to be owned by MCM.

Kopore and MCM have entered into a binding Cooperation Deed ("Co-op Deed") which together with the Agreement governs the interaction of their respective rights in relation to M52/743. Under the Agreement or the Co-op Deed Kopore is not

responsible for any reclamation or rehabilitation costs related to the historical operation of the Horseshoe Lights Mine.

The material terms of the Agreement include a non-refundable upfront payment of $50,000. The Stage One Earn expenditure of $1.45 M will earn a 51% beneficial interest in the Agreement Area over a two-year period with a minimum expenditure of $250,000 to be spent in year 1. Kopore must expend the minimum expenditure before it can withdraw.

Upon completion of the Stage One, Kopore and MCM will form an unincorporated JV in relation to the exploration of the Agreement Area whereby the respective interests will be Kopore 51% and MCM 49%.Within 20 days of completing Stage One, Kopore can elect to expend an additional $1.5 M within a further 2 years to earn into an additional Stage Two 19% beneficial interest in the Agreement Area. If Kopore completes the Stage 2 earn in, the parties' respective interest in the JV will then be Kopore 70% and MCM 30%. Following the earn-in, both parties must each contribute to JV expenses in proportion to their respective holdings or their interest will be diluted in accordance with a prescribed formula.

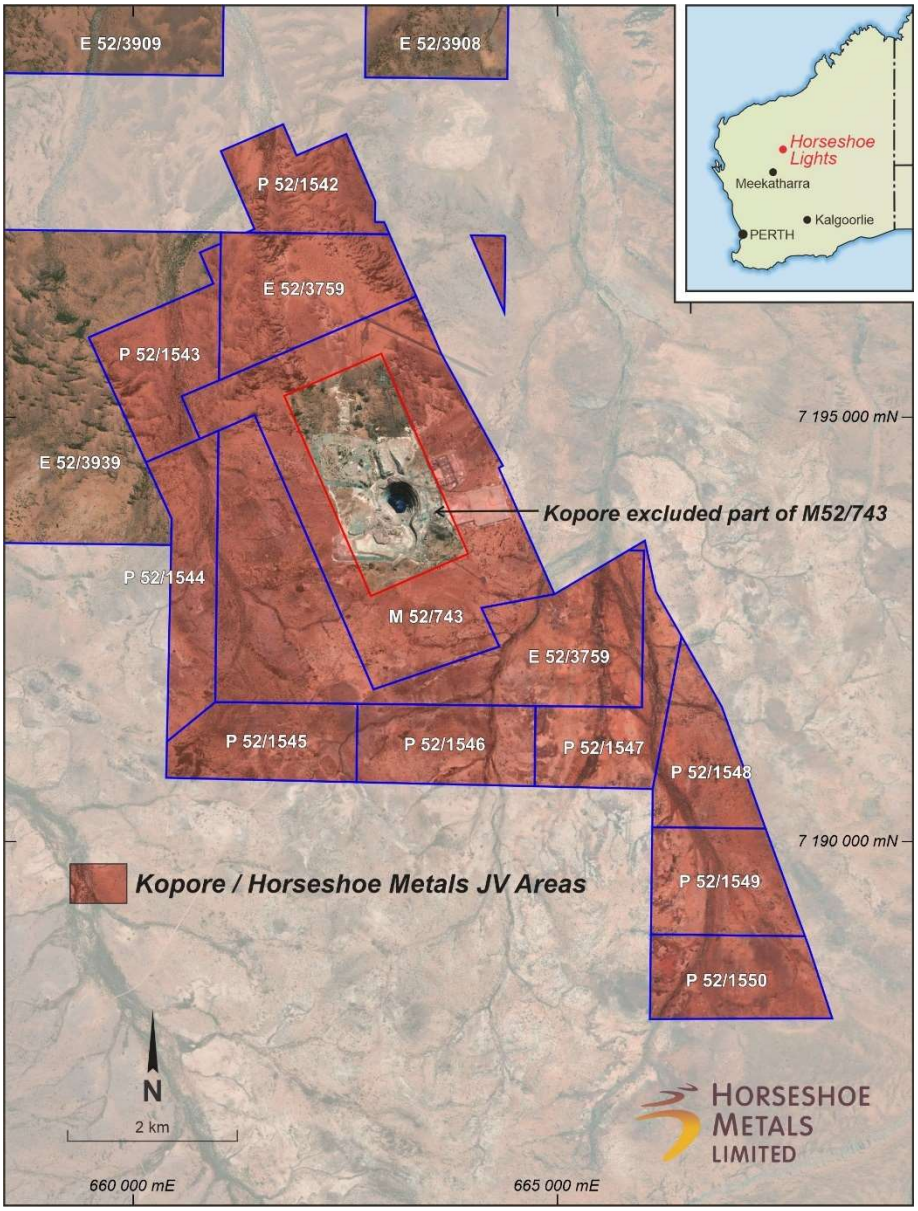


Figure 4: Horseshoe Lights Tenements under Kopore JV, highlighting the J/V exclusion area (100% HOR).

Horseshoe Gold Mine Pty Ltd (a wholly owned subsidiary of Grange Resources Limited) retains a 3% net smelter return royalty in respect to all production derived from M52/743.

2.4. Kumarina Tenements

The Kumarina Project consists of a mining lease and mining lease application covering approximately 3.2 km^2 as presented in Table 1 and **Figure 5**. The Project is located 95 km north of the Sandfire Resources NL De Grussa Cu-Au mine in the Gascoyne region of WA.

The Company has applied for ground as MLA52/1078 to cover the Rinaldi resource, contiguous with M52/27.

The Company is progressing a Project Agreement as part of the application process with the Native Title Party and its lawyers.

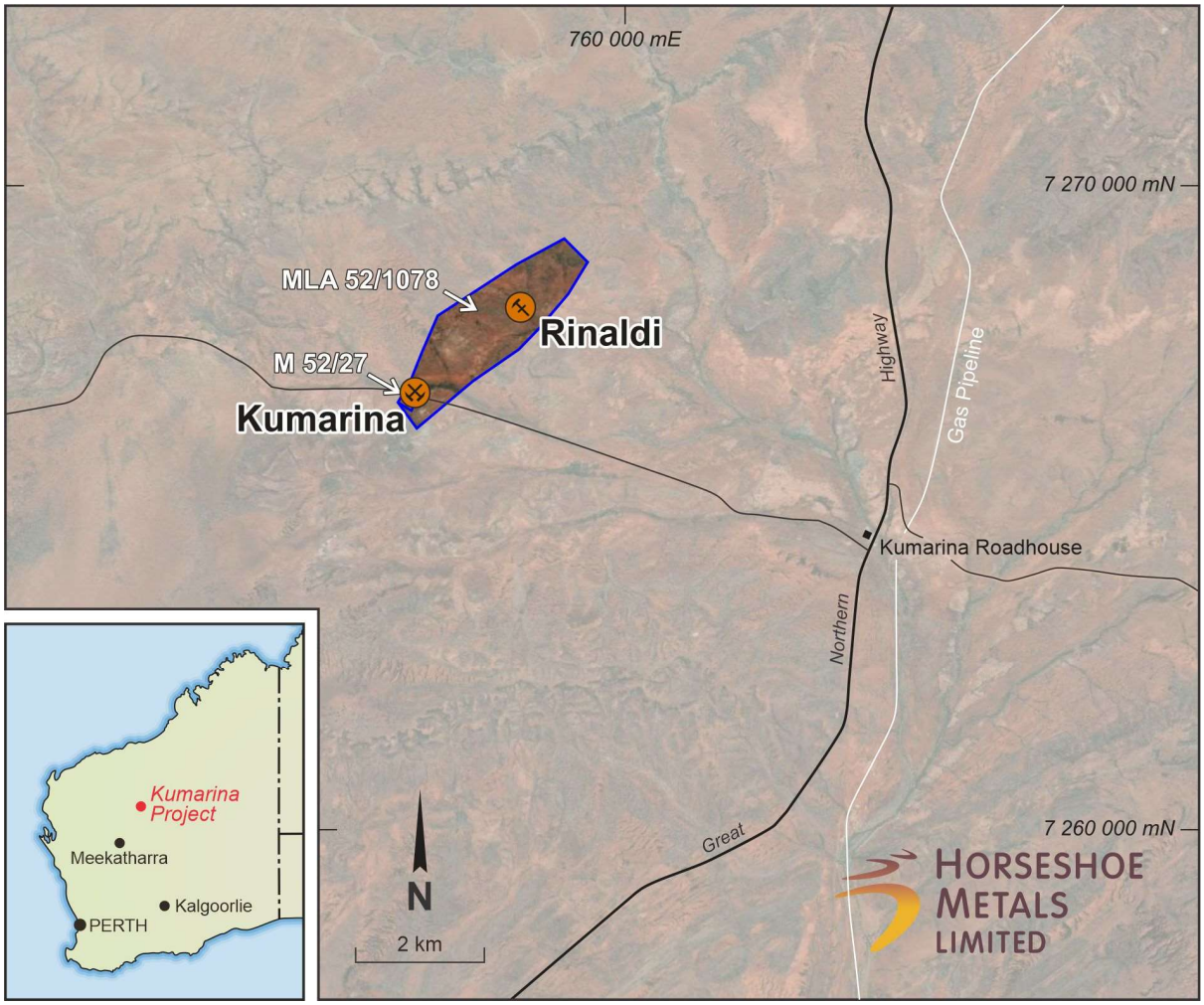


Figure 5: Kumarina Tenements Location Map.

2.4 Glenloth Tenements

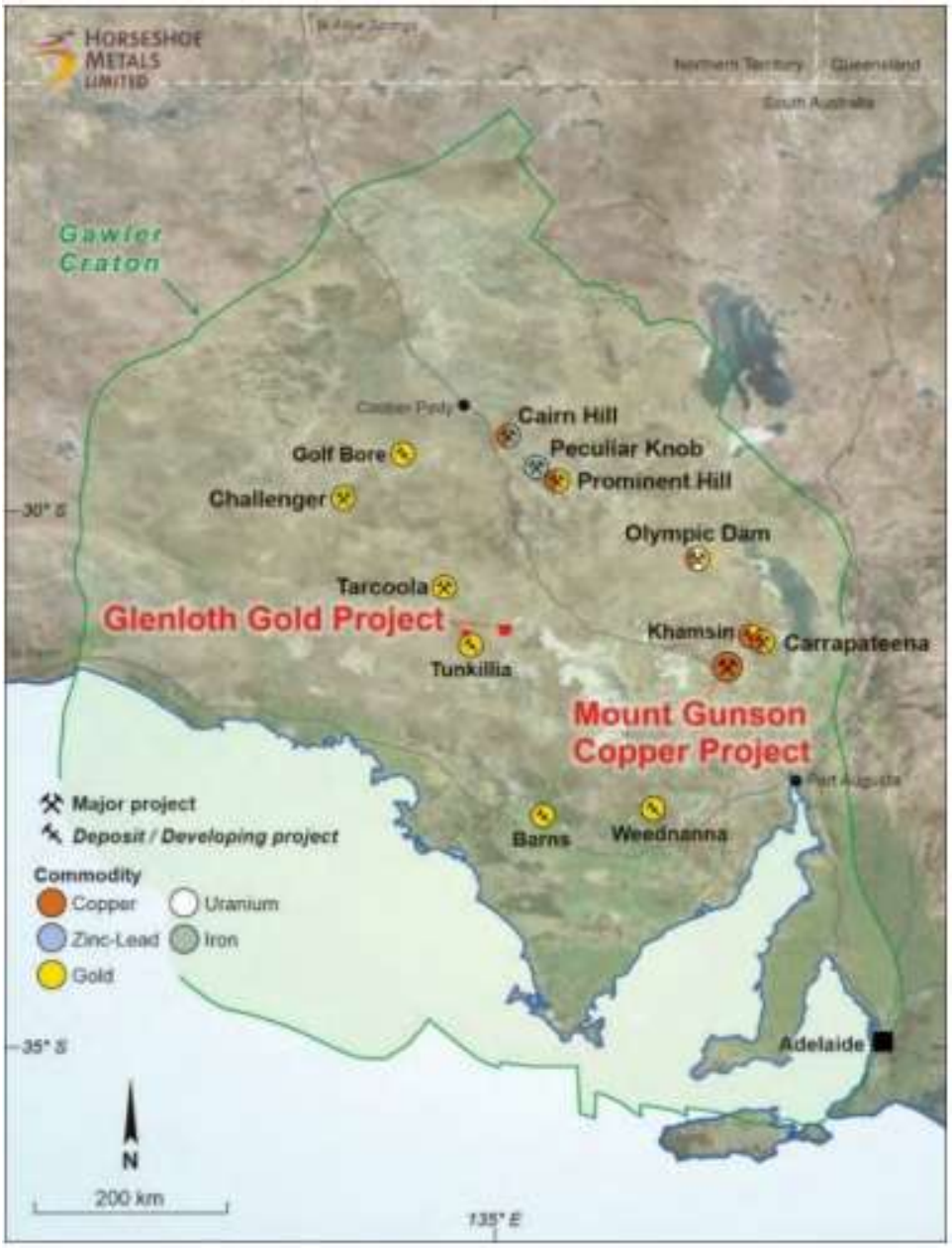


Figure 6: Location of Glenloth Gold and Mt Gunson Copper Projects in South Australia with significant local deposits.

The Glenloth Gold Project Tenements are EL6301 and rights to explore and develop Mining Leases ("ML") ML5848, ML5849, ML5885 & MPL62, internal to EL6301 (**Figure 6**).

EL6301 is remnant to an original, larger tenement, that is now split over its two most prospective areas. To the west a smaller 26 km^2 block known as 'Old Well', which takes in the strike to the north of Tunkillia deposit that is now under the development by Barton Gold Pty Ltd ("Barton Gold"). A larger 81 km^2 eastern block, known as 'Glenloth,' covers the Glenloth Goldfield and takes in part of the Harris Greenstone belt in the NW corner of the tenement **(Figure 7**).

Stockworks Exploration & Mining Pty Ltd ("SEM") previously owned 100% of EL6301 and had secured rights to explore and develop ML5848, ML5849, ML5885 and MPL62, with their tenement owners who retain the right to conduct small-scale mining activities on their leases.

Horseshoe Metals announced a deal to purchase the tenement from SEM in November 2019, including the rights to explore and develop ML5848, ML5849, ML5885 and MPL62 within the eastern block of EL6301. The tenement was formally renewed in December 2019, and more recently in June 2021, with an annual exploration commitment of $330,000.

In May 2020 the SA Minister for Energy and Mining, exempted the tenement holders from the obligation to comply with the expenditure commitment from the 23rd April 2020 for a period expiring on 31 March 2021.The tenement was formally transferred to HOR on the 23rd June 2020 when the acquisition was undertaken by issue of shares to the vendors. A renewal application was submitted in September 2020, and renewed in mid 2021. The Company has recently applied for an additional single year extension for the tenement, the maximum allowed under the act for a tenement of this age.

Both Projects are depicted on the 1:250,000 map sheet GAIRDNER (Glenloth), CHILDARA (Old Well), the 1:100,000 map sheet: KOKATHA (Glenloth), MEELERA (Old Well) and the 1:50,000 map sheet: CORITTA (Glenloth), WARRE (Old Well).

After formal receipt of Ministerial consent under section 83(1) of the South Australian Mining Act 1971, the Company progressed the acquisition by the issue of shares via the Company's existing capacity under Listing Rule 7.1.

The terms of the Glenloth transaction were:

- SEM will sell to HOR (or its related nominee) a 100% interest in EL6301 in consideration of the issue of 6 M fully paid ordinary shares valued at $0.02 under its existing capacity under LR7.1.

- The holders of the remaining Glenloth ML's; being Gawler Craton Resources Pty Ltd and Mark and Ian Filsell, will grant HOR rights to explore and develop on those tenements, together with a right of first refusal on a disposal or relinquishment of those tenements, in consideration of the grant of the royalties noted below and the issue of 2 M fully paid ordinary shares (in aggregate) valued at $0.02 under its existing capacity under LR7.1. The tenement holders will have a right to terminate these rights in the event of a change of control of HOR.

- In the event that HOR defines a published JORC Code 2012 resource that it does not intend to develop or mine then SEM will be granted a first right of refusal over the resource.

- If, during the term of the tenements or subsequent mining tenements, exploration conducted by HOR defines a JORC Code 2012 resource, with a cut-off grade of 0.5 g/t Au, in excess of 10,000 but <50,000 oz Au for the project as a whole, then HOR shall have the right to develop the resource in return for a royalty payable to the tenement holders (other than in respect of EL6301) of $20/oz Au produced.

This arrangement extinguishes on any individual tenement which expires, but not through conversion of title to allow gold production.

- During the term of the tenements or subsequent mining tenements, any gold production from the Glenloth project in excess of 50,000 oz Au in aggregate will be subject to a 1 % royalty payable to SEM (in respect of EL6301) and the tenement holders (in respect of the MLs), capped to a maximum of 250,000 oz Au of production in aggregate. This arrangement extinguishes on any individual tenement which expires, but not through conversion of title to allow gold production.

- During the term of the tenements or subsequent mining tenements, in the event that HOR defines and announces a JORC Code 2012 Measured and Indicated resource of 500,000 oz Au for the project as a whole (at a cut-off grade of 0.5 g/t Au), then it will issue to SEM a further 4 M fully paid ordinary shares out of existing capacity under LR7.1. This arrangement extinguishes on any individual tenement which expires, but not through conversion of title to allow gold production.

- HOR will undertake to meet minimum statutory expenditure commitments, and keep the tenements in good standing.

- In addition, Mines Trust ("MT") was owed fees of approximately $50,000 by SEM with respect to work undertaken on the Glenloth Project. Horseshoe will issue 2 M fully paid ordinary shares valued at $0.02 under its existing capacity under LR7.1 to MT as part payment of fees owing by SEM to MT. HOR has no additional obligation in relation to the monies owed between MT and SEM.

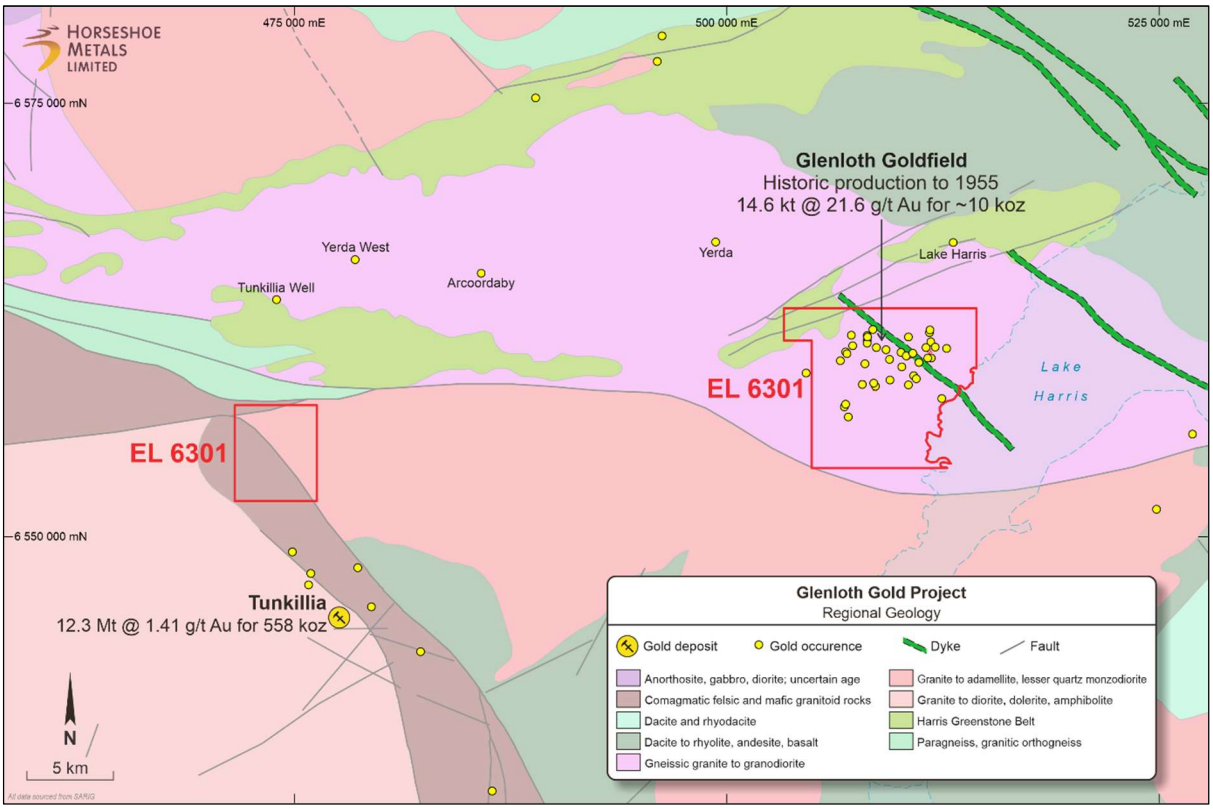


Figure 7: Glenloth Tenement Blocks Location over Regional Geology.

2.5 Mt Gunson Tenements Agreement

Under the Licence to Operate, CMM has a 100% interest in rights to explore, develop and operate oxide copper deposits, stockpiles and tailings at the project using all available surface infrastructure including camp, mains power/water supply, treatment plant and earthmoving equipment, with the exception of ML5599, where the licence allows unrestricted use of water and the right to re-process copper-bearing material on the floor of the site (**Figure 8**). The initial term of the agreement between CMM and the Licensor, who holds the tenements, expired on 29th June 2020 and can be extended by CMM for a period of a further two years to the 29th June 2022. Further extension beyond 29th June 2022 can be negotiated during the term of this lease.

The Company is currently re-negotiating the terms of an extension with the partner and the Licensor.

CMM has successfully completed a pilot scale oxide copper heap leach trial at Mt Gunson and now plans to advance to commercial small-scale production. CMM currently has a term sheet in place with Adchem for an initial three-year term commencing in 2020 for copper cement delivered to Adchem's Burra facility (some 350km south), paying a copper price based on 80 %/t of the London Metal Exchange ("LME") quote for a date mutually agreed once the product has been sampled and assayed on arrival.

Terms of the agreement include:

- HOR (or its related nominee) has the right to earn a 50% interest in CMM and the Mt Gunson Project by sole funding of up to $5 M during a 4-year period with a minimum commitment of $500,000. Funding is to be provided by way of cash generated from production and capital raisings. HOR has the right, over a 4-year period, to subscribe for up to 10,000 shares in CMM (representing 50% of CMM's share capital following issue of those shares) to fund the CMM development of Mt Gunson as an incorporated JV. Shares in CMM are to be issued to HOR (or its nominee) as funding is provided over time, with every $50,000 contribution earning 100 shares in CMM (representing 1% of the CMM existing issued capital).
- While HOR is sole funding it has rights to 50% of all surplus cash flow from any copper production conducted by CMM.
- HOR has a first right of refusal should other shareholders in CMM wish to sell their respective interests in CMM. If any shareholder in CMM (including HOR) is the subject of a change of control or an insolvency event, or breaches the agreement governing the incorporated joint venture, the other shareholders will have a right of first refusal to acquire the relevant CMM shares, at an independently determined fair value.
- CMM Director Mr Steven Sickerdick is retained as Operations Manager at Mt Gunson, while HOR manages administration, exploration and development.
- Horseshoe has issued 10 M fully paid ordinary shares valued at $0.02 under its existing capacity under LR7.1 to MT, a company associated with Mr Sickerdick, as part-payment of fees owing by CMM to MT, with the amount being deemed to form part of HOR's funding of the Mt Gunson Project. The nominal $200,000 value comprises part of the minimum commitment of $500,000, and CMM is to issue 400 shares to HOR accordingly.

- HOR will be required to spend $300,000 within 4 years before either electing to withdraw, or continue to earn up to 50% of CMM by sole funding of an additional $4.5M within the same 4-year period.
- HOR has no additional obligation in relation to the monies owed between MT and CMM, which will be paid out of CMM share of surplus cash flow.

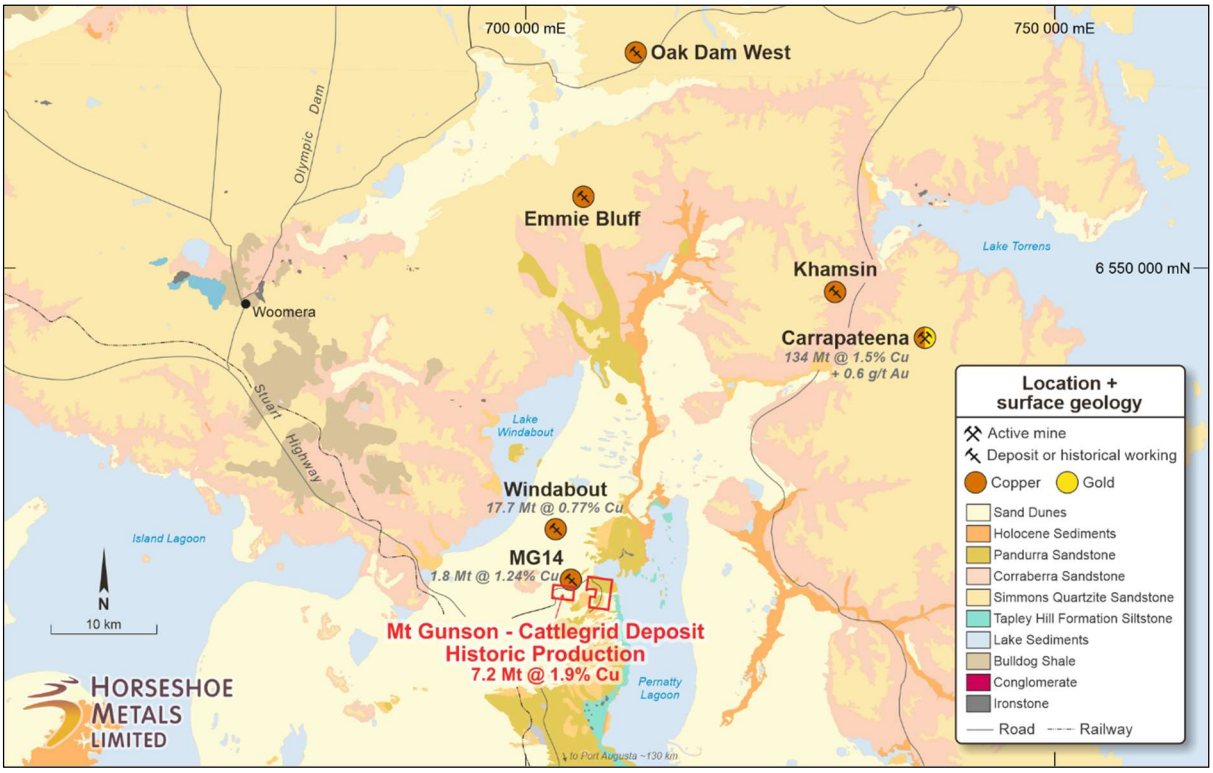


Figure 8: Mt Gunson Tenement Location.

3.0 Horseshoe Lights Prospect

3.1 Introduction

The prospective tenements are located in the centre of the Murchison district of WA just south of the Gascoyne River. There is the main block of ground covered by the PLs, ML, an EL and the associated miscellaneous licences where the bulk of the descriptions are applicable, held by 100% owned subsidiary Murchison Copper Mines Pty Ltd ("MCM). Four EL's held in the name of Horseshoe at Ervilla have been applied for and granted within the last year, covering ground over the Bangemall Basin contact with the Bryah basin. Work to date on Ervilla tenement is restricted to desktop review with some conceptual targeting; no further discussion of this tenure follows.

3.2 Regional Geology

The Horseshoe Lights Project lies within the Proterozoic Bryah and Padbury Basins which together with the Yerrida Basin were formerly known as the Glengarry Basin. These basins are situated along the northern margin of the Yilgarn Craton within the Capricorn Orogen which formed between 2.2-1.8 Ga during the collision between the Archaean Pilbara and Yilgarn Cratons.

The Bryah and Padbury Groups are flanked to the north by the Bangemall Basin and with rock suites of the Yilgarn Craton to the west and younger Proterozoic rocks to the south. The Bryah Group consists of mafic-ultramafic volcanic rocks with intercalated clastic units throughout the sequence. It is interpreted as a rift basin succession formed during cratonic collision. The Padbury Group predominantly comprises a clastic turbidite sequence of sedimentary units deposited in a foreland basinal setting unconformably overlying the Bryah Group.

The Bryah and Padbury Basins were subject to regional compression under two distinct deformation regimes. The earliest regime involved predominantly north-south compression and resulted in the formation of broad, typically east-west trending structural arches extending through the core of the region. The later compression event generated north- south trending folds and thrust belts (**Figure 9**).

The Narracoota Volcanics is a sequence of ultramafic to felsic volcanic rocks. The top of the Narracoota Volcanics consist of volcaniclastic sediments including quartz chlorite schists, quartz tuffs and chert. The lower portion of the Narracoota Volcanics is composed mainly of tholeiitic basalts.

The Thaduna Greywacke is composed of two distinctive parts; a lower turbidite sequence of fine to medium grained greywacke and an upper unit of coarse-grained arenite, sandstone, grit and conglomerate.

The Horseshoe Formation is located above the Thaduna Greywacke and comprises carbonate cemented shale and siltstone with interbedded chert.

The Backdoor Formation of the Bangemall Group is located approximately 500 m to the north of the mine and consists of fine-grained sandstone and bedded shale. The contact between the rocks of the Backdoor Formation and the Glengarry Group is interpreted to be thrust faulted. Dolerite dykes are common in both the Glengarry and Bangemall Groups.

Mineralisation styles within the Bryah and Padbury Groups rock suites and their immediate basement include mesothermal gold-only lodes, VMS copper-gold, shear hosted copper, sedimentary hosted lead, banded iron formation (BIF) iron ore and talc deposit.

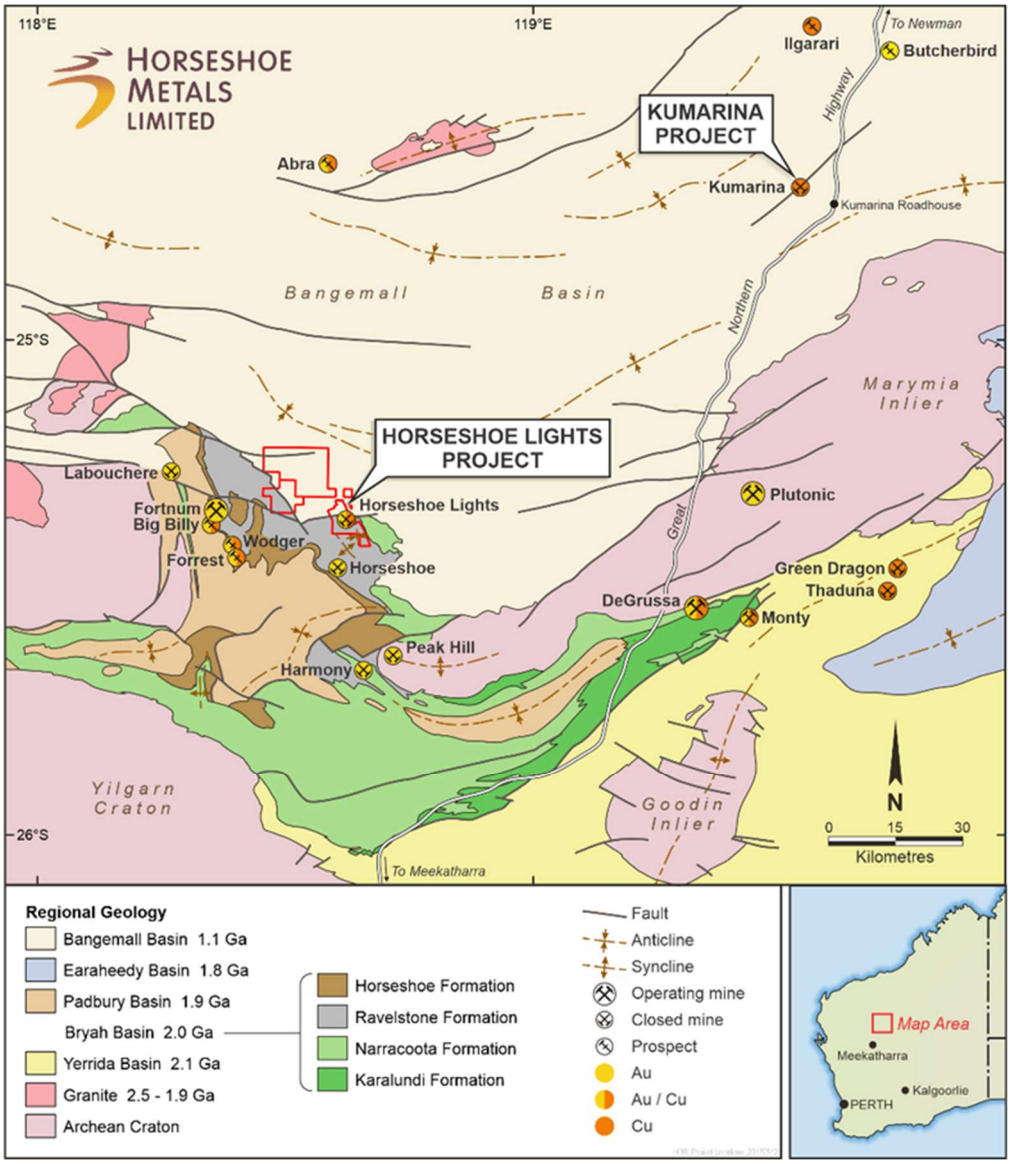


Figure 9: Horseshoe Lights Project over Regional Geology.

3.3 Local Geology

The Horseshoe Lights deposit is situated in a broad deformation zone, approximately 600 m wide, near the contact between the Narracoota Volcanics and the Bangemall Group. The deposit, prior to being mined, was approximately 300 m long and 50 m wide and was known to extend to a depth of 300 m. The main mineralisation comprised two pods typically 50 m to 200 m long, 20 m wide and with a vertical extent of approximately 50 m (**Figure 10**).

Mineralisation at Horseshoe Lights is structurally controlled and hosted within tightly folded rocks forming an anticline that plunges steeply to the south. The folding is accompanied by strong shearing. The Horseshoe Lights deposit had a gold-rich gossan (massive quartz-hematite-goethite) in the upper 100 m, a lower supergene zone enriched in copper, gold, silver and mercury between 100-190 m and a primary zone of copper-gold mineralisation with quartz-pyrite-chalcopyrite veining. A zone of stringer mineralisation occurs as disseminations, bands or in veins and generally parallel to cleavage within the main sulphide zone.

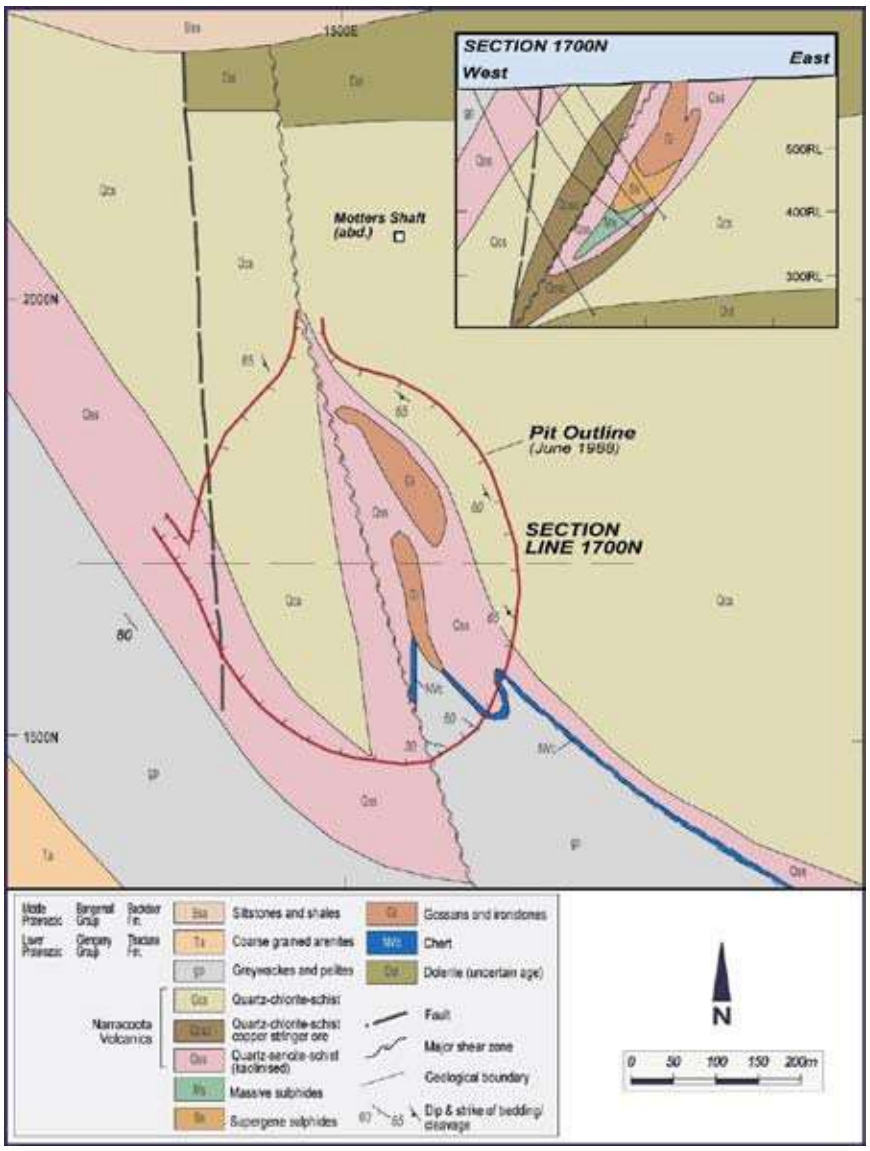


Figure 10: Horseshoe Lights Deposit Local Geology.

The alteration at the Horseshoe Lights deposit consists of chloritisation, sericitisation, silicification and possibly kaolinisation. This alteration appears to predate the main structural events. Intense kaolinisation surrounding the gossans and massive sulphide ore bodies may be due to argillic hydrothermal alteration. The kaolinisation extends to a depth of 300 m below surface, at least 100 m below the hydrothermal alteration or metasomatism and also includes magnesium enrichment and sodium depletion in some of the volcanic rocks.

Quartz-chlorite schists containing copper-stringer ore in the northwest portion of the mine contain high magnesium (>5%) and low sodium (>11,000ppm), whilst those on the east side contain lower magnesium and higher sodium. The high magnesium, low sodium quartz-chlorite schists may represent the centre of the footwall alteration zone.

The deposit mineralogy varies with depth. The Main Zone outcropped as a siliceous gossanous gold rich zone generally devoid of other economic mineralisation. Textures range from running sand to hematitic-goethitic ironstone.

The very high-grade gold zones occurred as ultra fine-grained haematitic clays. The top 100 m of the deposit had enriched gold values with patchy depleted base metal values. The top of the supergene zone occurred between the 490 m and 470 m levels where the main chalcocite enrichment zones were controlled by faulting. The main DSO was produced from these fault-bounded blocks and comprised very fine-grained pyrite overgrown by chalcocite. Disseminated ore occurred between the fault blocks.

The western shoot pinched out by the 455 m level, the northern pod of the eastern shoot by the 380 m level and it was predicted that the southern end of the main eastern shoot would pinch out between 360-370 m levels. The open pit was mined to the 383 m level before mining ceased in May 1994. A small pod of silica pyrite (running sand) with elevated gold values but no copper mineralisation extended to the 400 m level. The supergene “copper blanket” extended vertically for approximately 120 m from about 100 m below surface. Drilling has intersected the kaolin alteration envelope to the 300 m level, below which only primary stringer mineralisation has been intersected by drilling.

Earlier work on the origin of the Horseshoe Lights deposit proposed a VMS origin. However, destruction of primary textures by mesothermal alteration and structural deformation makes it difficult to confirm this.

The upper 100-150 m of the ore-body consisted of highly oxidised gossans and ironstones. Where mined, they contained fine-grained gold (< 5 µ) in excess of 5 g/t Au and up to 1% Cu and no other base metals. With depth these bodies became increasingly rich in supergene copper minerals at grades up to 30 % Cu whilst maintaining a gold grade around 5 g/t Au.

Oxidation of the chalcopyrite-pyrite stringer mineralisation produced malachite staining on the surface. At depth, the ore contains extensive veins, veinlets and blebs of secondary copper minerals chalcocite, digenite, covellite and native copper. This ore contained low level gold, averaging 0.2 g/t Au. Some veins of chalcocite may be due to redistribution of copper minerals along joints and fractures. Oxide copper minerals within the supergene zone include chrysocolla, azurite, malachite, cuprite and tenorite.

In 2017 the geologists reviewed targets within the mine footprint and developed what is internally referred to as the “Below the Dolerite” (“BTD”) target. The VMS Cu-Au mineralisation in the host Narracoota Formation is terminated by a younger dolerite intrusion, which strikes roughly east-west, and dips variably to the SSW. This dolerite has traditionally been seen as the limit of exploration potential that was consistently used as a marker to terminate drilling, and the dolerite thickness was unknown to a number of recent workers.

The dolerite is interpreted to occupy a thrust fault that pushes the Narracoota over the Bangemall Group sediments, which means that the Narracoota Formation should re-appear beneath it, and the formation may continue to host VMS mineralisation below the BTD target. Investigations highlighted the paucity of understanding in relation to the nature of the relationship between these units, which has a significant impact on the deeper prospectivity of the project.

The Company re-investigated holes that could determine the thickness of the dolerite and found two; a diamond hole HLD-2 re-entry on an original RC hole drilled in 1976, which penetrated 134 m of dolerite before passing into a “metasedimentary rock of unknown character”; and Hole RC702, drilled in 1988, penetrating 120 m of dolerite before passing briefly into 14 m of black pyritic shale before being terminated. It was then unclear if the logged shale can be interpreted as Bangemall sediments, or internal to the Narracoota Formation, which can occur and is observed locally at Horseshoe within the Narracoota Formation.

HOR considered that the thickness of the dolerite should not necessarily be considered a heavy impediment to exploration targeting, particularly as it daylights up-dip to the north, and that the sequence below the dolerite should be drill tested with more rigor to establish if prospective horizons can be established within newly-located and untested Narracoota Formation, below the Bangemall sediments (**Figure 11**. The dolerite also impacts surface geophysical techniques and drilling below the dolerite may provide a platform to identify non-shale anomalies through downhole techniques.

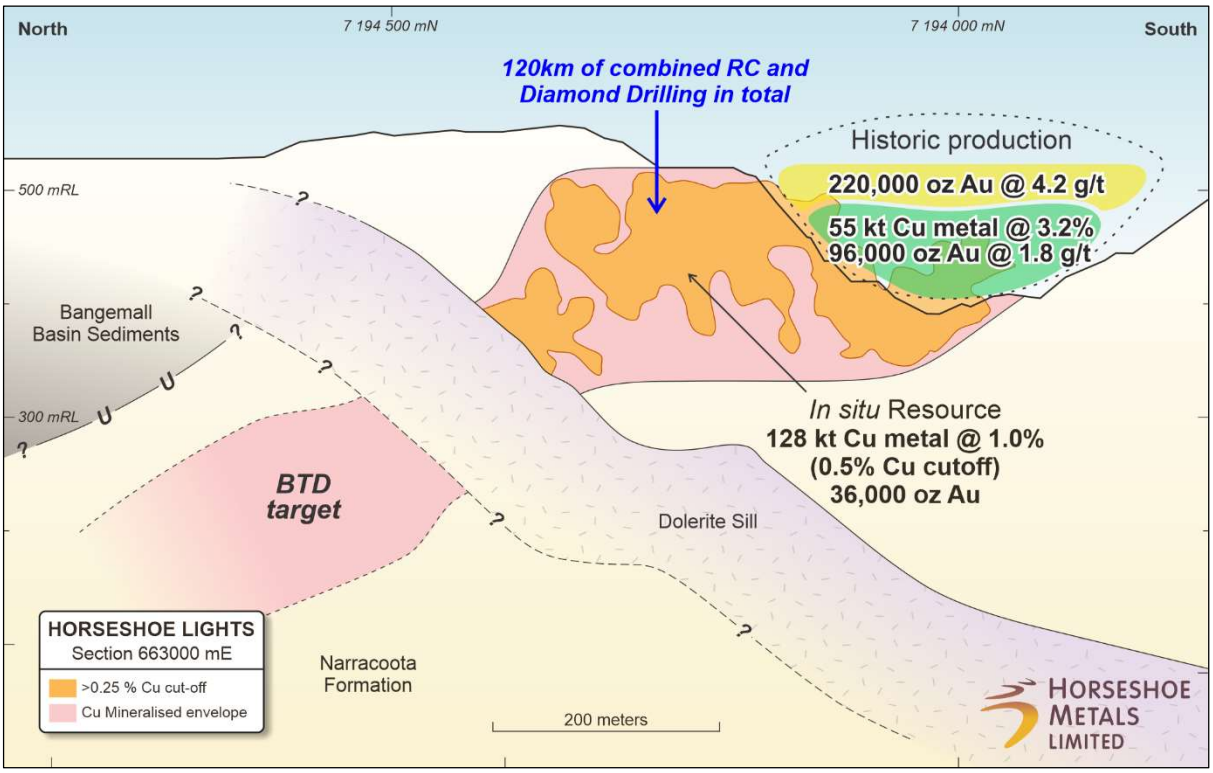


Figure 11: Horseshoe Lights Conceptual BTD target in Long Section.

3.4 Previous Exploration and Mining

The Horseshoe Lights deposit was discovered in 1946. The deposit was subsequently mined for two years and produced 27.82 kg Au via small workings sunk on the discovery gossan.

A mine was operated from 1949-54 by Anglo-Westralian Pty Ltd, a subsidiary of Asarco Incorporated ("Asarco"). Asarco explored the deposit by sampling surface trenches, drilling one surface diamond drillhole, underground drilling and by underground development on two levels. Production by Asarco from 1950-55 was 137,532 t treated for the recovery of 739.1 kg Au. Between 1957-61 further mining by a second prospector resulted in 9,396 t being treated at the Peak Hill Government Battery.

Between 1964-84 a number of exploration companies utilizing geological, geochemical and geophysical techniques identified copper, lead, zinc, nickel and molybdenum anomalies in the surrounding area. In 1964, Electrolytic Zinc Company of Australia Pty Ltd conducted widespread exploration including eight diamond core holes searching for copper. Seven of the holes intersected oxidised material above 200 m depth. DDH7 intersected sulphide copper mineralisation from 177-204 m and also between 290-335 m. However, due to the low copper grade of the intercepts the company relinquished the tenements.

During 1969-70 Planet Metals Ltd drilled seven holes and returned several intercepts grading between 0.5-1.0 % Cu. Several holes were abandoned short of their planned target depth due to difficult drilling conditions.
In the period 1975-77, Amax Iron Ore Corporation and its partner Samantha Mines investigated the Horseshoe Lights area for base metals. This investigation included drilling a further three diamond core holes including one beneath the southern end of the main ore zone.

In 1979, a third prospector acquired the Horseshoe Lights deposit and produced 4.25 kg Au from 850 t of bulk samples. This activity resulted in the formation of a private JV in late 1980 to mine and treat the contained gold using a vat leach process. Over a two year period, 253,500 t were treated to produce 912.6 kg Au. Mining was suspended in October 1984 when gold recoveries became uneconomic using this process.

During 1983, an RC drilling program successfully outlined sufficient resources to make a more sophisticated treatment process viable. Barrack Mines Limited ("Barrack") became involved and a 400,000 t per annum carbon-in-pulp plant ("CIP") was commissioned on 30 October 1984. By the end of December, 1987 the plant had processed 1,114,350 t of ore producing 4,625.8 kg Au.

During 1987 and into early 1988 cyanide consumption steadily increased as higher copper values were encountered. Development studies of copper treatment facilities were undertaken in May 1987 and test work was completed by August 1987. A 225,000 tpa flotation plant was then constructed and commissioned in January 1988. During 1988, both CIP and flotation circuits were operated. By November 1988 no copper contaminated gold resources were being mined and the CIP circuit was decommissioned. During this period the first parcels of DSO with grades exceeding 20 % Cu were mined, crushed and dispatched.

In 1988, an aeromagnetic geophysical survey was flown over the area centred on the mine and the data was reinterpreted in 1993. During 1990, a further aerial 'Geotem' survey was flown over an area that included the Horseshoe Lights mine. Following completion of the Horseshoe Deeps diamond drilling program in June 1988, a review of the mineral exploration and mine sterilization activities in the pit area was undertaken.

In 1989, Barrack carried out an exploration program targeting the near-mine region aiming to locate repetitions of the main Horseshoe mineralisation. A comprehensive report was completed which proposed models for the origin of the Horseshoe mineralisation and included 1:5,000 geological maps. This work identified target zones for follow-up exploration that resulted in two exploration programs. The first was a RAB drilling program completed to investigate the SE extension of the Horseshoe Shear Zone; and the second a geochemical survey over southern and western parts of the pit with follow up RAB drilling. Neither program identified significant quantities of economic mineralisation.

Mining by Barrack continued until June 1990 when the western pit wall collapsed forcing the closure of mining operations. Production during this period was 90,360 t treated through the CIP plant for 416 kg Au recovered. The flotation circuit processed 903,927 t and along with an additional 30,776 t of DSO accounted for 85,233 t of metal concentrate containing 1,733 kg Au, 41,132 kg Ag, 25,135 t Cu and 24,611 kg Hg. Milling of all available stockpiles was completed in February 1991 and the plant was decommissioned. A site-based maintenance crew kept the decommissioned plant in good working order.

Sabminco (now Grange Resources Limited) became involved with the project in late 1991 and by May 1992 mining recommenced mining after Sabminco determined that the open pit could be re-opened by the construction of a new haul ramp. Pit mapping identified that the mineralisation is terminated by a sub-vertical east northeast striking fault. During the period 1992–94 the only exploration (excluding resource drilling) to occur was limited drilling to define the northwest and Motters copper mineralisation and drilling of 17 RAB holes to the east of the deposit.

Mining continued until May 1994 when a goodbye cut was partially mined to the 383 m RL, a depth of 215m below surface. Production during this period was 674,696 t treated through the flotation plant with an additional 79,915 t of DSO and 58,834 t of concentrate. Contained metal for these shipments was 1,193 kg Au 49,839 kg Ag, 29,653 t Cu and 28,184 kg Hg.

The total mine production to 1994 is summarised in **Table 2.**

Period	Owner	Type	Tonnes	Au (g/t)	Cu (%)	Ag (g/t)	Hg (g/t)
1946-87	Various	Gold ore	1,519,446	4.2			
1988	Barrack	Gold ore	90,360	4.6			
1988-91	Barrack	Total	934,703	1.9	2.7	44.0	26.3
1992-94	Sabminco	Total	754,611	1.6	3.9	66.0	37.3
Total			**3,299,120**	**2.9**	**1.7**	**27.5**	**16.0**

Table 2: Horseshoe Lights Life of Mine Production Summary.

The mine has been under continuous care and maintenance since its closure in 1994. Although the CIP Plant and the flotation plant have been sold and removed some infrastructure remains on site including ancillary plant buildings, camp facilities and a bore field capable of providing process and potable water.

In 2009-10 MCM undertook a small rock chip and stream sediment geochemical survey. The results were of low tenor with maximum gold values of 20 ppb Au.

In 2010-11 MCM was acquired by HOR and two RC drilling programs were undertaken in August and November 2010. In total 26 holes were completed for 5,252 m in both programs.

In 2011 a further 15 RC holes for a total of 2,888 m were drilled with the majority located in the North West Stringer Zone. Several geophysical surveys were also competed during 2010-2011 including a Versatile Time Domain Electromagnetic survey ("VTEM") and an aeromagnetic/radiometric survey both completed on 100 m line spacings. Ground geophysical surveys included a Fixed Loop Electromagnetic survey ("FLTEM") and 6 lines of Dipole-Dipole Inducted Polarisation ("DDIP") surveying.

In 2012 Exploration activity included RC resource drilling and diamond drilling, geological mapping and geophysical surveys. 56 RC holes for a total of 8,287 m were completed mainly for resource purposes close to the existing pit, the Motters area and underneath the North Waste Dump. In addition, a total of 6 diamond holes and 3 diamond tails for a total of 1,782 m. Four holes were drilled into a DDIP anomaly SE of the pit and two holes were drilled at Motters. The three diamond tails were drilled at the NW Stinger Zone. Outer Rim Exploration completed a DHEM survey of 5 holes in May 2012 and Jigsaw Geoscience Pty Ltd completed 1:2000 scale pit mapping and 1:5,000 scale outcrop mapping of the local environs in September 2012. HyVista Corporation Pty Ltd completed a program to acquire airborne multispectral imagery over the entire project in October 2012 and Atlas Geophysics Ltd completed a gravity survey of the mine and surrounding area in November 2012.

Exploration activity in 2013 included RC and diamond exploration drilling, a Down Hole Electro-magnetic survey, a high-resolution ground magnetic survey and a detailed interpretation of all geophysical and geochemical data collected to date. 6 RC drill-holes from surface and two re-entries for a total of 1,818 m were completed for exploration purposes. Three exploration diamond holes from surface and one diamond tail extension for a total of 1,681.8 m were also completed. Khumsup Pty Ltd completed another DHEM survey of four holes in July 2013 and a high-resolution ground magnetic survey was completed by Horseshoe Metals personnel in August 2013. Resource Potential Pty Ltd provided a bedrock interpretation base map using all available geophysical data and a litho-geochemical analysis of historic and recent RC pulps was completed by the company in August 2013 with the aim of building a 3D model of the mine stratigraphic sequence for exploration drill-hole targeting outside the pit environs.

In 2014-16 a deep re-entry on Hole RC358 (from 252 m) was completed to 698.1 m to test the DDIP geophysical anomaly.

During 2015-16 RC drilling was undertaken at the Main, North West Stringer, and Motters Zones at Horseshoe Lights with 39 RC holes for 4,576 m in holes (RC1102-1141), with

one RC hole (RC1109) targeting the southern end of a previously identified EM conductor, located about 800 m east of the existing pit and below the tails dam. The drilling program objective was to primarily expand the existing mineral resource block model within and adjacent to the most recent optimised pit shell, where drill hole density was low or reliant upon, older historical drilling.

In 2017 it was noted that previous drilling on the Motters and NW Stringer Zone had to collar through the Northern Waste Rock Landforms. These incidental samples previously returned elevated copper and gold intersections. As other Waste Rock Landforms ("WRL") on the property had limited information, an initial 12 RC hole program totalling 180 m was completed in 2018 on the Northwest and Southern WRLs to investigate landforms as a possible resource for the SMART program. In addition, a three hole bedrock program was completed in the Eastern Footwall Zone and at the NW Stringer Zone totalling 476 m. Total resource drillholes are summarised in **Table 3.**

Hole Prefix	Hole From	Hole To	Drill Type	Sample Type	Company	Date
EZ	1	8	Diamond Drilling	Unknown	Electrolytic Zinc	1966
HLRC-	1	30	Reverse Circulation	RC Cuttings	Barrack Mines Ltd	1983-1984
RC-	31	703	Reverse Circulation	RC Cuttings	Barrack Mines Ltd	1985-1988
DDH-	11	63	Diamond Drilling	Half Core	Barrack Mines Ltd	1985-1989
SH-	1	26	Pit Seep Hole	RC Cuttings	Sabminco NL	1992-1994
B	445A	565D	Pit Bench Sample	Channel Cuttings	Sabminco NL	1992-1994
RC-	704	899	Reverse Circulation	RC Cuttings	Sabminco NL	1993
DDH-	64	74	Diamond Drilling	Half Core	Sabminco NL	1993-1994
HDD	1	9	Diamond Drilling	Half Core	Horseshoe Metals Ltd	2012-2013
HDD	1013	1037	Diamond Tail	Half Core	Horseshoe Metals Ltd	2012
WRL	1	12	Reverse Circulation	RC Cuttings	Horseshoe Metals Ltd	2017
RC	1000	1144	Reverse Circulation	RC Cuttings	Horseshoe Metals Ltd	2010-2017
RC	1145	1159	Reverse Circulation	RC Cuttings	Horseshoe Metals Ltd	2021

Table 3: Horseshoe Lights Resource Drillhole History.

3.5 Remnant Mineralisation and In-situ Resources

Historical in house and consultant mineralisation estimates are presented to provide the best possible history of the remaining identified mineralisation. Data base issues with some of the records were considered at that time to be of serious proportions such that the estimates were deemed by the authors to be non JORC compliant; however, they provide an "order of magnitude" due to the large data base used and meet the criteria to be classified as "Target Mineralisation".

In 1995, Sabminco estimated the remaining low-grade copper mineralisation that is amenable to heap leach recovery within and around the Horseshoe Lights open pit (**Table 5**). The estimate was based on manually constructed blocks on 29 cross-sections and included the NW Stringer Zone, the Main Zone and the Motters Zone. In 2007, RSG Global performed an estimate using Ordinary Kriging. As a result of this work in 2009 AM&A interpreted an exploration target of between 4.0-11.0 Mt, with potential mineral grades ranging between 0.6-1.0% Cu and 0.05-0.1g/t Au.

It is noted that the exploration target is conceptual in nature, and there had been insufficient exploration completed to define a mineral resource under JORC guidelines. It is uncertain whether further exploration will result in the determination of a mineral resource with future work, either in whole or in part.

In January 2010 Coffey Mining Pty Limited ("Coffey") was commissioned to undertake a JORC compliant mineral resource estimate using the historical drilling database held by Murchison. The study identified an Inferred Mineral Resource of 4.9 Mt at 1.0% Cu at a cut- off grade of 0.25% Cu (**Table 4**).

Cut off Cu%	Tonnes	Cu%	Au g/t	Cu t
0.00%	4,880,000	1.00	0.10	48,000
0.25%	4,880,000	1.00	0.10	48,000
0.50%	4,320,000	1.10	0.10	46,000
1.00%	1,171,000	1.60	0.20	27,000

Table 4: Horseshoe Lights Coffey Inferred Mineral Resource Estimate January 2010.

Notes for the resource estimation included:

- Estimate Reported above various lower Cu cut-offs with parent cell 20 mN by 10m E by 5 m high and an overall density of 2.0t/m^3 for all material.
- Drilling coverage for the project areas ranges from a nominal 20 x 20 to 40 x 60 m.
- The drill holes are typically orientated either vertically or 60° due east. Drilling consists of a combination of reverse circulation and diamond drilling.
- The database consists of approximately 44,000 historical assays which have been compiled from various reports and databases.
- A nominal 0.25% Cu lower cut-off was used to define the mineralised zones, with zones defined by an indicator probability shell limited to 20 m from an informing composite.
- A supplied topographic surface was used to constrain the reported resource below the topographic surface and the historical open pit.
- The assay data was composited to 3 m down hole points with statistical analyses on the 3m composites undertaken. Variography and search neighbourhood analysis were also conducted as input into grade estimation. High grade cutting was applied to the composites prior to estimation.
- The method used to obtain grade estimates within the mineralised zones for Cu and Au was block Ordinary Kriging ("OK"). Density has been estimated at 2.0 t/m^3 for all material types.
- Resource classification developed from the confidence levels of key criteria including drilling methods, geological understanding and interpretation, sampling, data density and location, grade estimation and the quality of the estimate. Only estimated blocks within 20m of a drill hole were classified.

A summary of low-grade copper-bearing material remaining on surface at Horseshoe Lights in stockpiles, dumps and tailings is given in **Table 5**. Work completed in 1997 by Electrometals Technologies Limited ("Electrometals") has shown that the tailings and stockpile materials are amenable to leaching. A scoping study into the re-treatment of tailings indicated a leach recovery of greater than 70%.

Stockpile	Tonnes	Cu %
Tailings	1,420,000	0.55
M15	244,000	0.98
Sub grade	38,000	0.80
Barrack dump	250,000	0.80
Total	**1,952,000**	**0.64**

Table 5: Horseshoe Lights - Sabminco Low Grade Stockpile Material Estimate.

The tailings material estimate is based on combined information from monthly milling records and a series of 15 auger drill holes. Hence, the estimated tonnes and grades are considered to be reliable.

The M15 and sub-grade stockpiles comprise marginal material mined by Barrack for blending with higher grade ore to achieve consistent head grades. The M15 stockpile was surveyed in 1994 and 31 RC drill holes were completed in 1992/1993 to check mineralisation variation. The grade estimate is a result of in-pit blasthole grade control methodology that assigned 0.8-1.0% material to the M15 stockpile.

Both the flotation tailings and the M15 stockpile have since been revised with JORC 2012 estimations in 2015, which comprise part of the current Mineral Resource for the Horseshoe Lights Project (**Table 6**).

Location	Category	Tonnes (Mt)	Cu (%)	Au (g/t)	Ag (g/t)	Cu metal (tonnes)	Au metal (oz)	Ag metal (k oz)
In-situ Deposit (0.5% Cu cut-off grade)	*Measured*	*1.73*	*1.04*	*0.0*	*0.5*	*18,000*	*1,900*	*28.8*
	Indicated	*2.43*	*0.95*	*0.0*	*0.7*	*23,200*	*3,400*	*52.2*
	Inferred	*8.69*	*1.01*	*0.1*	*2.6*	*87,400*	*30,700*	*712.4*
	Total	**12.85**	**1.00**	**0.1**	**1.9**	**128,600**	**36,000**	**793.4**
Flotation Tailings	**Inferred**	**1.421**	**0.48**	**0.34**	**6.5**	**6,800**	**15,300**	**294.8**
M15 Stockpiles	**Inferred**	**0.243**	**1.10**	**0.17**	**4.7**	**2,650**	**1,300**	**36.7**
Note: At 0% Cu cut-off grade unless otherwise stated					**TOTAL**	**138,050**	**52,600**	**1,124.9**

Table 6: Horseshoe Lights Mineral Resources Summary June 2021.

The above Mineral Resource Estimates all meet the reporting requirements of the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves".

The information in this report that relates to the Horseshoe Lights Project In-situ Mineral Resources is based on information originally compiled by Mr Dmitry Pertel, an employee of CSA Global Pty Ltd, and reviewed by Mr Hall. This information was originally issued in the Company's ASX announcement "40% increase in Copper Resource at Horseshoe Lights Copper/Gold Project", released to the ASX on 5 June 2013, and first disclosed under the JORC Code 2004. This information was subsequently disclosed under the JORC Code 2012 in the Company's ASX release "Quarterly Report Period Ended 30 June 2013", released on 31 July 2013.

The sub-grade stockpile in the Sabminco estimate is unable to be verified from historic available information, though Horseshoe continues to assess remnant stockpiles for economic concentrations of mineralisation

Likewise, the Barrack waste dump was intersected by five drill holes investigating extensions of mineralisation beneath the dump. Three of the drill holes intersected mineralisation from surface of the dump grading between 0.74-1.0 % Cu over widths of 3-13 m, and subsequent drilling by Horseshoe during 2010-2017 has also highlighted some potential. Whilst there is some potential for low-grade mineralisation within the dump, further work is required to better define the grade.

3.6 Recent Resource Validation checks
3.6.1 Phase 1

The Company has recently completed a Phase 1 Auger Drilling program to assess various surface stockpile materials that remain from historic episodes of gold and copper mining activities. The targets tested include gold-bearing vat leach material, and the walls of the vats, gold tailings and copper flotation tailings as outlined in **Figure 12** and Figures 13 to 15.

Figure 12: Horseshoe Lights Copper-Gold Project Stockpile Location Plan.

These targets are under investigation for early development opportunities at the mine site, which might include offsite processing of gold bearing materials. 277 holes totalling 1204.8 m were completed in Phase 1 during July and August, 2021 as in **Table 7**:

- 85 holes into vat leach gold-bearing material from early mining activities prior to the Barrick gold production (Vats 3, 4, 5, 6);
- 20 holes into initial copper flotation tails pumped into a Barrick-mined gold vat (Vat 2)- the same material forming the flotation tailings resource
- 72 holes in an area of initial gold production including vats covering by subsequent mining activity (Western Vats)

- 4 holes into the flotation tailings as a grade/depth check and to assess moisture content for materials handling considerations.
- 62 holes to assess the perimeter of material constructed to constrain the gold vats; and
- 34 holes of up to 10 m depth being first-pass perimeter drilling of material forming the gold

Vat & Stockpile augering	holes	m
Vats 3, 4, 5 ,6	85	375.3
Vat 2	20	95.2
Western Vats	72	240.7
Flotation Tails	4	29.6
Perimeter augering	**holes**	**m**
Vats 1 to 6.	62	302.4
Tails Dams	34	161.6
Totals	**277**	**1204.8**

Table 7: Horseshoe Lights 2021 Phase 1 Auger Drillhole Summary.

Gold Vat and Stockpile auger sampling was typically sampled every metre, and subset thereof at the bottom of hole, while perimeter sampling was undertaken every two metres down hole.

The eastern series of gold leach vats (Vats 4, 5 and 6) consists of three large, lined ponds, with surface material demarcating four individual cells per pond. The Company commenced activities in this area, drilling typically five holes per cell, to establish remnant gold concentrations and to assist in determining the geometry and volume of material above the liner. Depths of holes encountered in the centre of the ponds were typically between 4-5 m.

3.6.2 Vat 2 and Gold Rehandle area:

Analysis of results from auge holes of Vat 2 confirmed the Vat had been fully excavated of original gold-bearing material and filled with initial tailings material from the Copper Plant circuit (**Figure 13**). Some 92 samples within the now better-defined Vat 2 averaged 1.04 g/t Au and 0.88% Cu as depicted in **Table 8**.

Area	Samples	Ave Grade Au	Ave Grade Cu
VAT 2	**92**	**1.04**	**0.88**
Gold Rehandle Area	**194**	**1.13**	**0.16**
Vat Perimeter	**166**	**0.58**	**N/A**

Table 8: Vat 2 - Gold Rehandle area, Auger Summary Vats 1-6 Perimeter.

As there is currently insufficient information to estimate a Mineral Resource for Vat 2, an Exploration Target for Vat 2 is considered the most appropriate way to present the results. From the grade assessment preliminary investigation for the vat volume and using an anticipated density an Exploration Target for Vat 2 of 55,000 – 75,000 t grading between0.9 – 1.1 g/t Au aand 0.8 – 1.0 %Cu for 1590 -2650 oz Au and between 440 – 750t Cu metal.

This Exploration Target does not represent an estimate of a Mineral Resource or Ore Reserve. The potential quantity and grade is conceptual in nature,since 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.

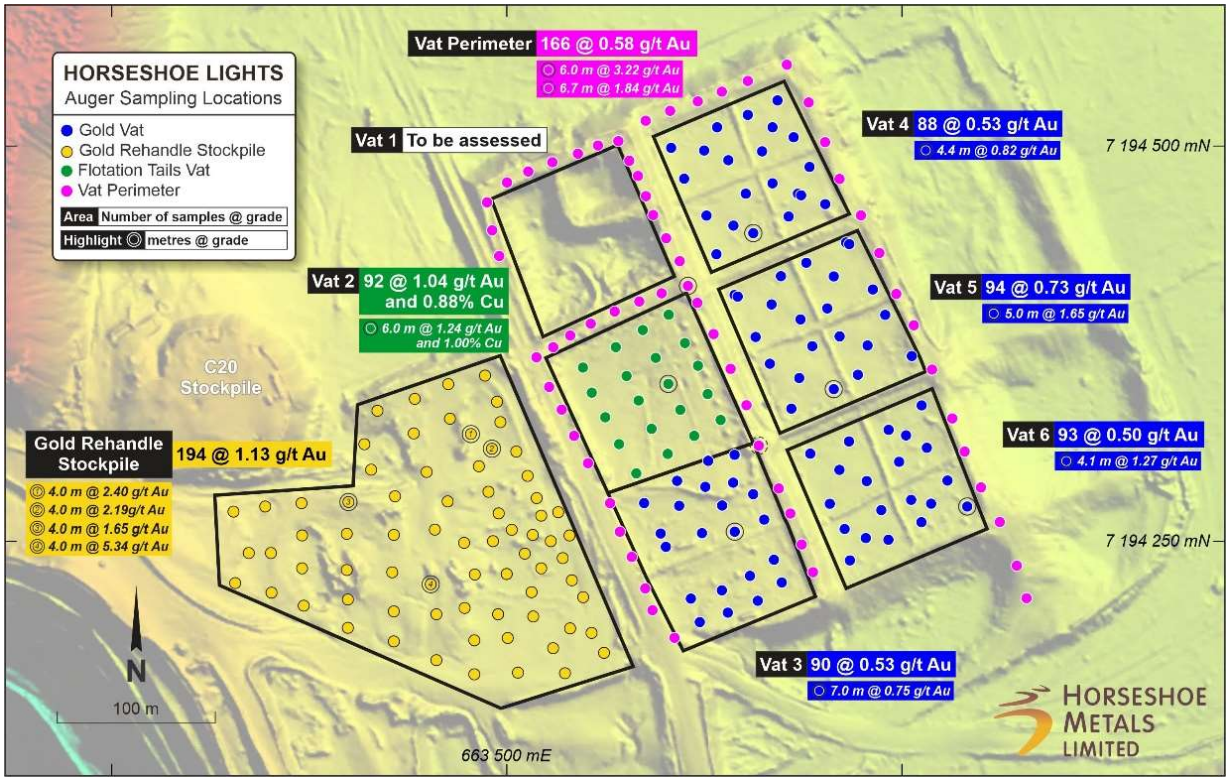


Figure 13: Horseshoe Lights Gold Rehandle and Vat Leach Average length-weighted grade Hole Locations, 2021.

The area to the west of the Gold Vat area, now renamed the Gold Rehandle area, consistently returned significant gold values averaging 1.13 g/t Au over a coherent mineable volume, increasing in depth from the west to the east, where it achieves a maximum height of 4m, in the vicinity of two now-covered (smaller) original gold leach Vats (referred to previously as Vats 7 and 8). The results confirmed some minor associated copper in the near surface, averaging 0.16% Cu over the samples analysed.

As there is currently insufficient information to estimate a Mineral Resource for the, the Company contends releasing an Exploration Target for the Gold Rehandle area the most appropriate way to discuss these results. From the grade assessment, preliminary investigation of the vat volumes and anticipated density the Company considers an Exploration Target for the Gold Rehandle area at Horseshoe Lights of between:

As there is currently insufficient information to estimate a Mineral Resource for the Gold Rehandle area, an Exploration Target for the Gold Rehandle area is considered the most appropriate way to present the results. From the grade assessment preliminary investigation for the vat volume and using an anticipated density an Exploration Target for the Gold Rehandle area of 7,000 – 120,000 t grading between 1.0 – 1.2 g/t Au for 2,400 - 4,600 oz Au.

This Exploration Target does not represent an estimate of a Mineral Resource or Ore Reserve. The potential quantity and grade is conceptual in nature, since 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.

3.6.3 Gold Leach Vats 3, 4, 5 and 6:

The remnant gold leach Vats 3, 4, 5 and 6 consist of large blue plastic-lined ponds, with auger holes designed to assess gold concentrations and to assist in determination of the geometry and volume of material above the liner. During the 2021 auger program, blue liner material was noted in 61 of 63 holes in Vats 4,5 and 6, including three re-drills completed, that allow relatively accurate determination of depth of the remnant gold-bearing vat material. Gravelly material was typically encountered in the last 0.5-1 m of the vats drilled above the liner, typical of the construction of such ponds at the time, allowing flow and recovery of pregnant liquor. The Vat volumes are yet to be modelled, and can be estimated after accurate survey of holes on edges of the Vats, and an assessment of the moisture content and density of the material in order to estimate the tonnage of material available.

Depths of holes encountered in the centre of the ponds were typically between 4m - 5m for Vats 4, 5 and 6; and 7m in Vat 3. Assay results from Vats 3, 4, 5 and 6 are now complete, averaging 0.57 g/t Au length-weighted for results above the vat liners, and are summarised below in **Table 9**:

Area	Samples	Ave Grade Au
VAT 3	90	0.53
VAT 4	88	0.53
VAT 5	94	0.73
VAT 6	93	0.50
VATS 3,4,5 and 6	365	0.57

Table 9: Vats 3, 4, 5 and 6 2021 Phase 1 Auger Drillhole Summary.

Latest results compare favourably with historical work undertaken in 1985 to assess the gold content of these and additional vats, which included 4 - 6 m deep RC drilling of Vats 4, 5, and 6 with 24 holes per vat sampled every 2 m (**Figure 14**). The work noted reasonably homogenous grades across all vats and estimated a remnant grade of 0.58 g/t Au from 63 samples which compares favourably with the 0.59 g/t Au length-weighted results within only Vats 4, 5 and 6 from the 2021 program.

Some minor contamination of the surface of Vat 3 from Copper Flotation Tails from Vat 2 in the NE corner could be observed in the results and is considered easily rectifiable ahead of any processing of either material.

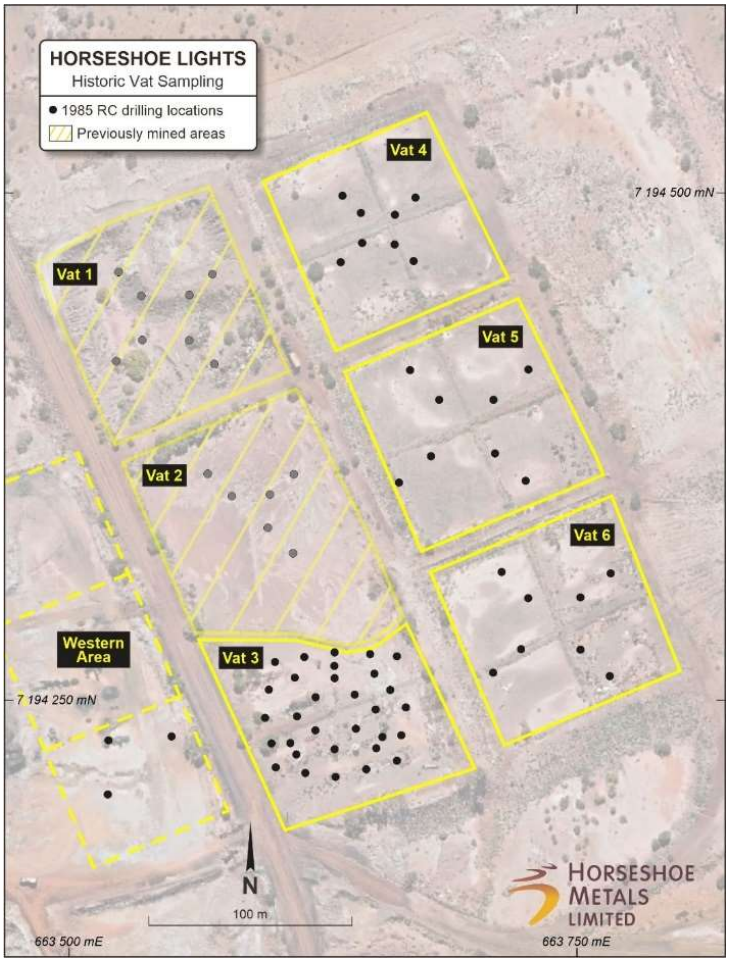


Figure 14: Horseshoe Lights 1985 RC Vat Drillhole Location.
Results for vats 4, 5 and 6 averaged 0.58 g/t Au, compared to 0.59 g/t Au in 2021.

As there is currently insufficient information to estimate a Mineral Resource for Vats 3, 4, 5 and 6, an Exploration Target for Vats 3, 4, 5 and 6 is considered the most appropriate way to present the results. From the grade assessment preliminary investigation for the vat volume and using an anticipated density an Exploration Target for Vats 3, 4, 5 and 6 of 140,000 – 210,000 t grading between 0.55 – 0.60 g/t Au for 2,475 - 4,050 oz Au.

This Exploration Target does not represent an estimate of a Mineral Resource or Ore Reserve. The potential quantity and grade is conceptual in nature, since 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.

3.6.4 Vat 1 - 6 perimeter augering, Tails Dam augering:

The results of perimeter auger drilling of Vats 1 - 6 on a variable but typically sub-10 m spacing confirmed the likelihood that the construction material for the vats consisted of low-grade gold-mineralised material, as suggested by initial results from subdrill below the liner associated with vats 4, 5 and 6 (**Figure 15**). Results from 166 generally 2m samples from the perimeter of the Vats were quite variable but did average 0.58 g/t Au. Further infill drilling is planned of the Vat perimeter to better assess its volume. No exploration target estimate is currently possible.

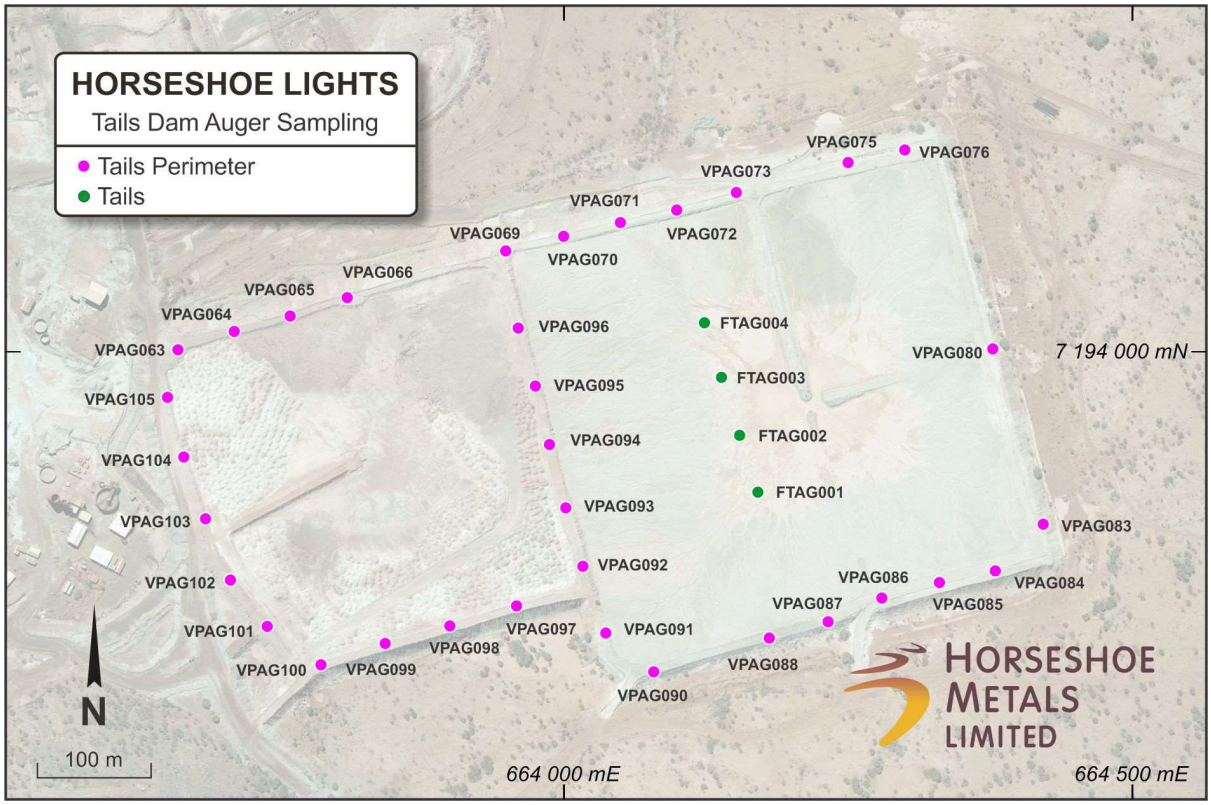


Figure 15: Horseshoe Lights Auger drillholes around Gold (L) and Copper Flotation Tailings Dams(R).

Results from thee tails perimeter auger drilling generally confirmed sub-economic concentrations of mineralisation, not warranting further investigation. Results from the four tailings holes to primarily assess moisture content for materials handling purposes returned lower than average resource grade values but generally comparable to local values.

3.6.5 C20 Stockpile RC Drilling:

The C20 stockpile (**Figure 16)** is interpreted to be a low grade rehandle stockpile created during the gold only CIP operations phase in the mid to late 1980's. During the subsequent Chalcocite DSO mining phase, the surface of this stockpile was used a resample area for high grade ore excavated from the margins of the DSO orebody that may have been diluted during mining. In total up to 21 known 'Chalcocite' stockpiles were utilised during the copper mining episode so this drilling was undertaken to establish the possible presence of remnant copper-bearing material being accessible within the significant remaining C20 stockpile.

Shallow Reverse Circulation (RC) drilling of the C20 stockpile was completed in late August 2021 via 28 shallow vertical RC holes to a maximum depth 10 m for 204 m. Holes were completed on lines 20m apart with 10m spaced holes, part of a proposed 10m x 10m spaced drill hole pattern designed to confirm the grade and distribution of mineralisation. Results confirmed significant gold and copper material within the stockpile in coherent minable volumes. Phase 2 activities at Horseshoe Lights will include completion of the 10 x 10 m drill pattern at the C20 stockpile.

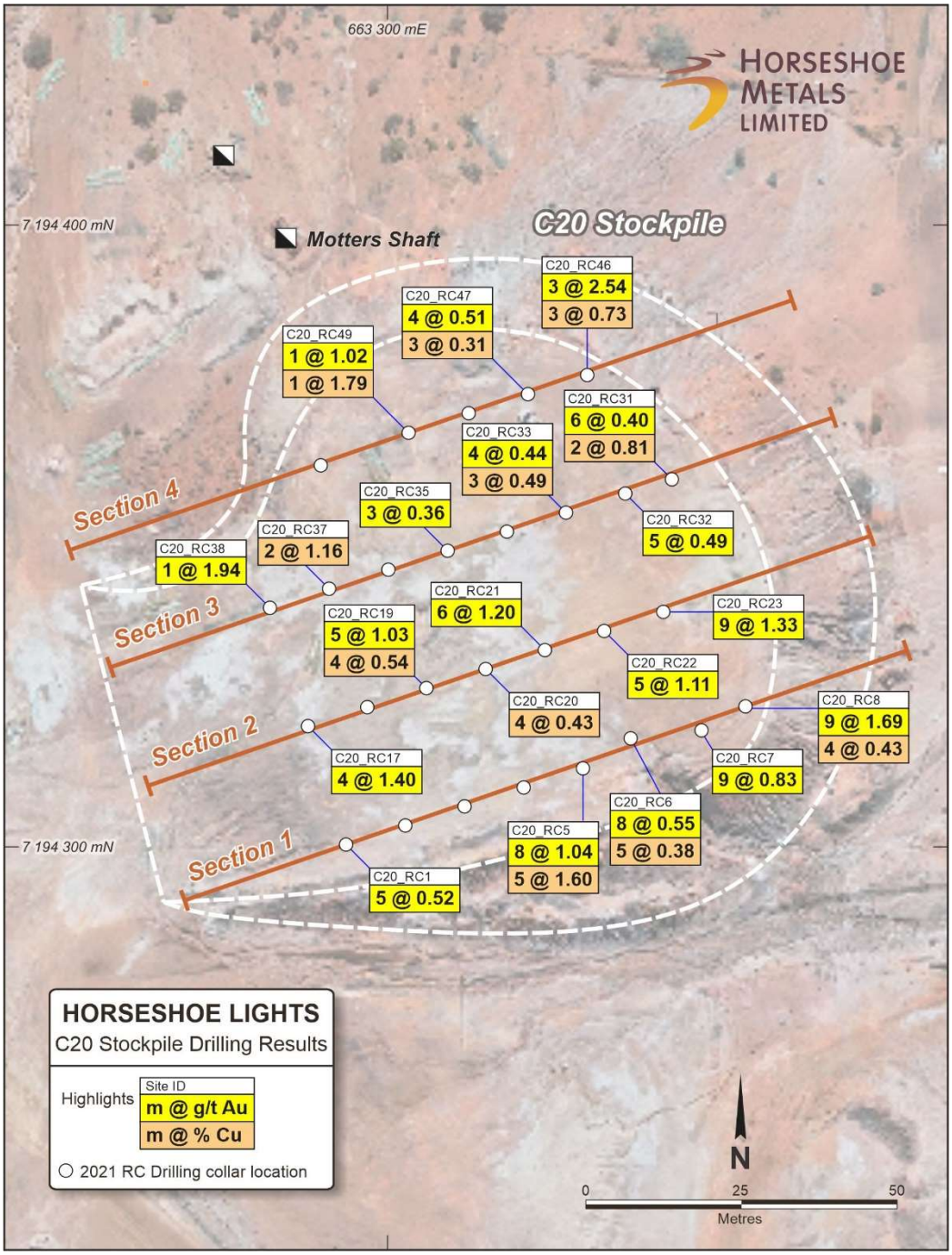


Figure 16: Horseshoe Lights C20 Stockpile RC Drillhole Location and results.

3.6.6 Motters Zone RC Drilling.

From late August to September 2021 a track-mounted RC drill rig was mobilised to site to complete a RC drill definition program, intended to confirm and extend known resources, improve the confidence in the classification of the resource, and to more tightly constrain the oxide-sulphide transition.

Fifteen holes were completed for a total of 1,143 m, to a maximum depth of 139 m downhole (**Figure 17**). Drilling targeted the wide NNW/SSE striking Motters Shear

Zone which is interpreted as the eastern limb of a folded VMS horizon within the Narracoota Formation volcanics.

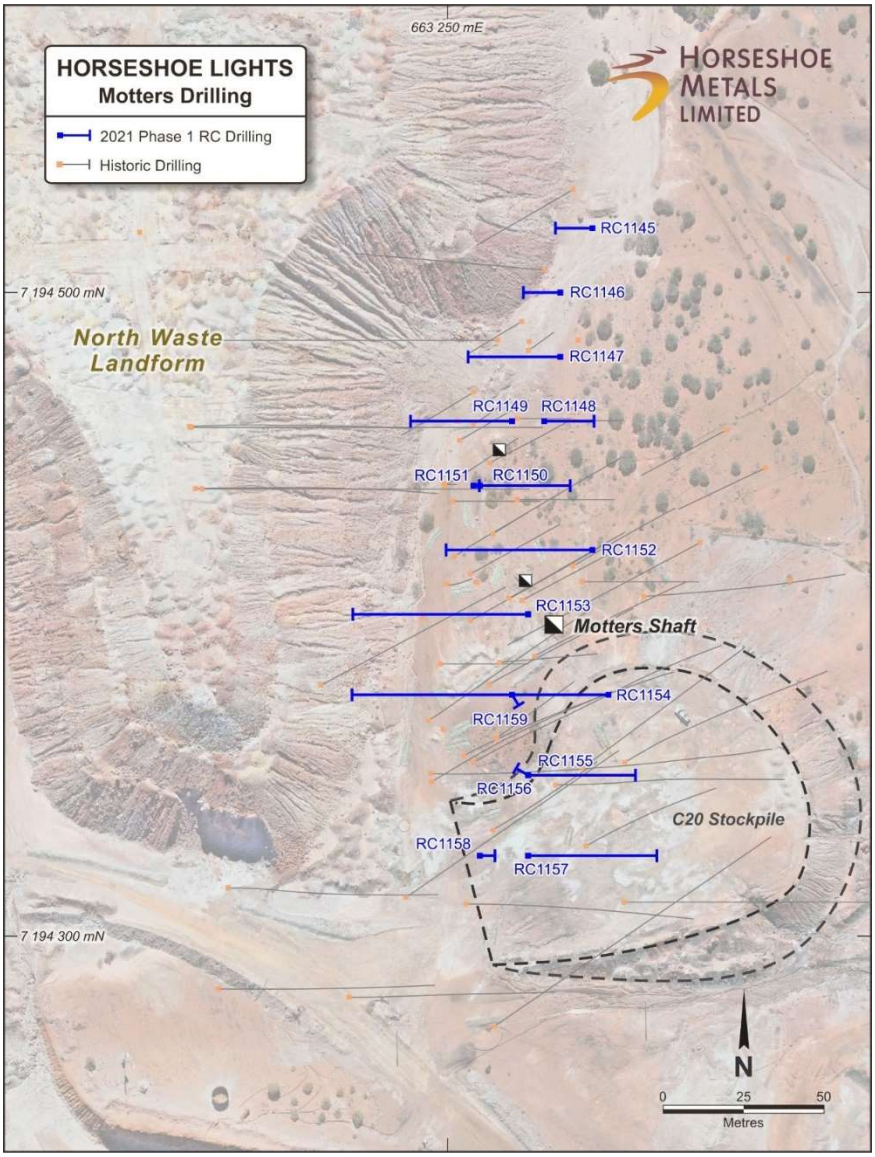


Figure 17: Horseshoe Lights Motters Zone RC Drillhole Locations.

Thirteen of the fifteen holes drilled were designed to terminate in the post-mineralisation Proterozoic dolerite inferred to be around 110 m thick. The outcropping dolerite is heavily oxidised near-surface and typically carries low grades of 0.5-1.0 % Cu on strike from the primary mineralised zone. Significant results are presented in **Table 10** and summarised in **Figure 18** with a typical cross section presented in **Figure 19.**

Drilling confirmed the interpreted mineralisation and the various geological controls are now better constrained. Some local upgrading of earlier results was also observed. All intervals listed report as oxide, except 74-76 m in Hole RC1153, and 59-72 m in Hole RC1159. Only one significant gold assay was received, being 1 m at 1.23 g/t Au from 70 m in Hole RC1157 in quartz veining.

Site ID	North MGA	East MGA	RL AHD	Dip	Azi	Depth	From	To	Length	Cu %
RC1145	7194517.1	663292.8	518.6	-55	270	20	NSI			
RC1146	7194499.5	663281.3	519.5	-55	270	20	1	7	6	0.71
RC1147	7194478.4	663280.0	520.1	-55	270	50	0	3	3	0.66
							13	14	1	0.50
							20	29	9	0.97
RC1148	7194460.4	663281.5	520.9	-60	90	31	1	2	1	0.56
RC1149	7194459.9	663266.6	521.6	-55	270	55	6	32	26	1.31
RC1150	7194442.5	663255.7	523.7	-55	90	49	0	16	16	1.15
							27	28	1	0.50
RC1151	7194442.4	663253.0	523.5	-88	90	52	2	47	45	1.22
RC1152	7194419.3	663273.1	526.5	-60	270	91	12	34	22	1.87
							37	38	1	0.77
RC1153	7194398.1	663294.8	528.5	-60	270	109	13	18	5	0.89
							27	39	12	1.14
							42	46	4	0.70
							57	61	4	0.68
							74	76	2	0.65
RC1154	7194372.4	663296.7	535.0	-55	270	139	23	25	2	2.08
							28	34	6	0.76
							37	38	1	0.61
							44	54	10	0.95
RC1155	7194349.0	663274.8	534.9	-65	90	79	NSI			
RC1156	7194349.0	663269.4	534.9	-88	300	123	35	36	1	0.61
							39	45	6	0.78
							69	70	1	1.17
							74	75	1	0.51
RC1157	7194323.6	663275.0	534.0	-60	90	80	NSI			
RC1158	7194323.5	663259.3	533.3	-88	90	134	18	23	5	0.58
							34	35	1	0.57
							47	48	1	0.59
							54	62	8	1.03
RC1159	7194373.0	663269.0	532.4	-88	148	111	35	36	1	0.74
							40	44	4	1.69
							50	52	2	0.57
							59	72	13	0.89

Table 10: Horseshoe Lights Motters Zone 2021 Significant RC Drillhole Assays.
With Cu >+ 0.50 % Cu and highlighted zones >10 = m x %

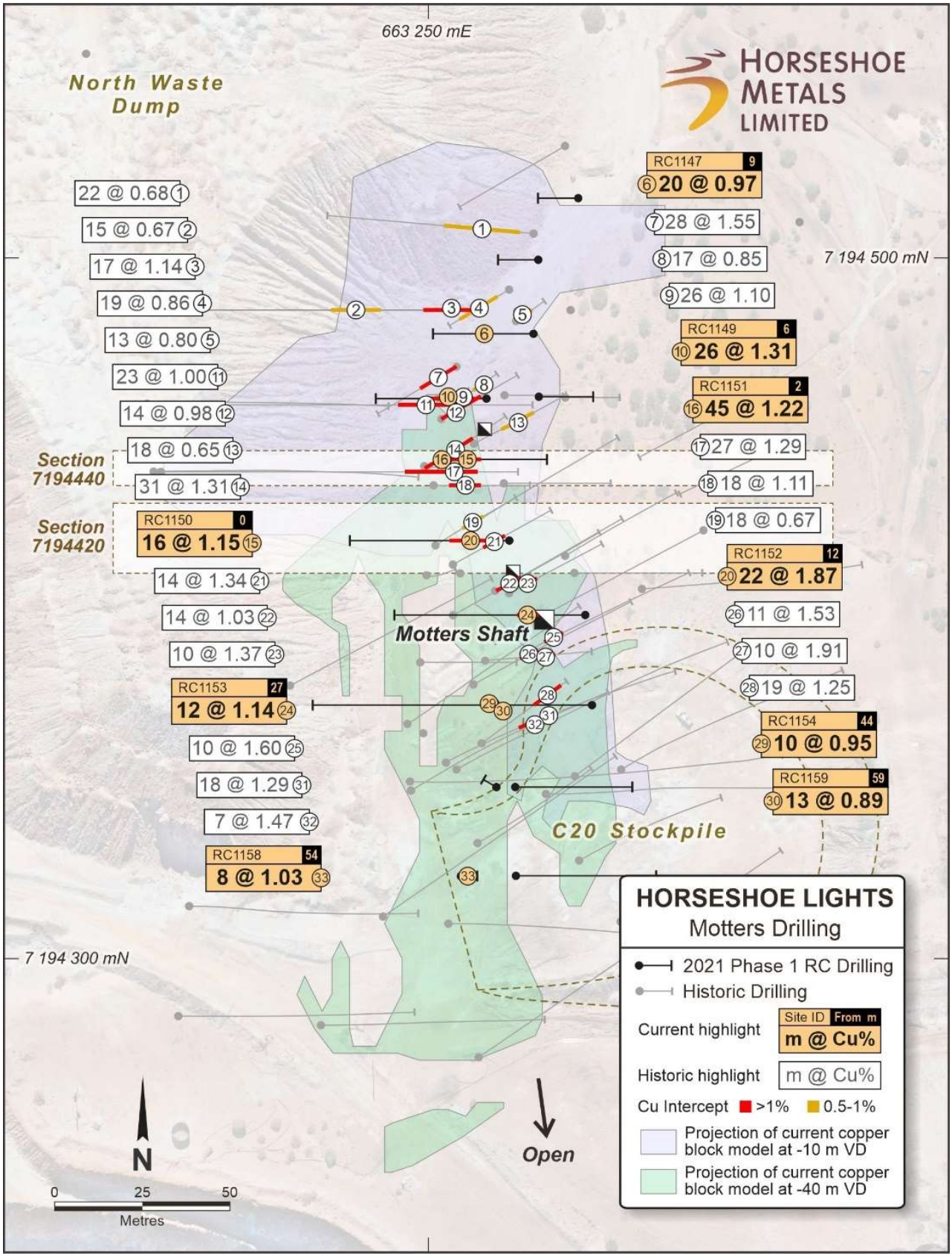


Figure 18: Horseshoe Lights Motters Zone 2021 RC Drillhole Locations with Intersections.

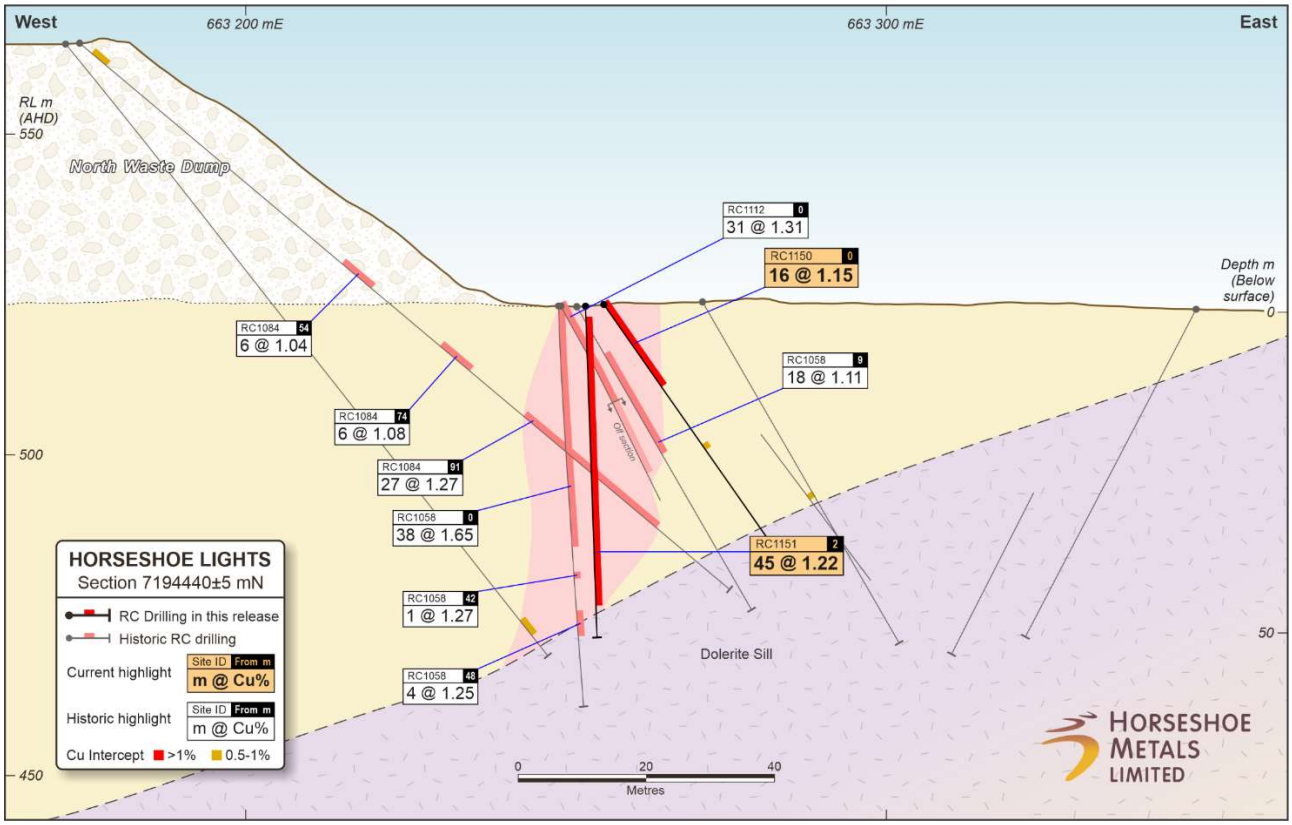


Figure 19: Horseshoe Lights Motters Zone, Cross Section 7194440mN.

3.7 Exploration Potential

The potential to host Cu-Au resources within the current tenure area can be supported by the following evidence:

- Past production of around 3.3 Mt at 1.7% Cu and 2.9 g/t Au demonstrates the significant project area mineralisation.
- The area has major regional shear structures that have tended to displace the mineralised zones that were being mined (such as the ENE striking fault recognised late during the mining that terminated the main ore-body. These structures have excellent potential to yield en-echelon ore-body repetitions elsewhere within the project area.
- There has been extensive surface disturbance, potentially obscuring any surface expression of mineralised extensions and hampering access for drilling; and as a result there has been little exploration to locate potentially displaced mineralisation.
- Satellite imagery interpretations based on structural work is essential to understand the total structural setting of the project area and warrants completion. Such structural analysis generally yields numerous exploration targets.
- The use of geophysics was previously limited by the existing mine infrastructure.

- Potential exploration targets for gold occur where past RC drilling intersected anomalous gold values which included 2 m at 20.0 g/t Au and 2 m at 1.55 g/t Au and remain infill drill untested. Only the western and north-western parts of the waste stockpiles were effectively drill sterilised with sterilisation drilling under the north dump sampling for gold but not copper in several holes.

- Opportunity exists to increase the zone of mineralisation either along strike or down dip of the known ore-body due to the gaps that exist in the previous drilling. These untested zones represent the highest priority for a future drill program, in particular the previously discussed BTD target.

- Potential also exists for en-echelon repetitions of the Horseshoe Lights deposit, especially in the area immediately east of the pit, near the CIP tailings dam and vat leach areas. These areas have only received limited attention in the past.

- Exploration on the adjacent tenements has mainly focused on the potential for Horseshoe Lights style deposits and on shear-hosted gold and Cu-Au mineralisation on or, adjacent to the Narracoota Volcanics-Thaduna Greywacke contact. Exploration for Horseshoe Lights style mineralisation appears to be limited to the immediate mine area.

- The area north of the mine has returned several anomalous drill intercepts in the pyritic shales of the Bangemall Group, however this area does not appear to have undergone systematic exploration activities.

- The wide NNW/SSE striking Motters Shear Zone which is interpreted as the eastern limb of a folded VMS horizon within the Narracoota Formation volcanics, that hosts the Horseshoe Lights Cu-Au deposit. The zone of copper mineralisation immediately above the dolerite can now be targeted to the north for more accurate geological constraining of the model. Later, RC drilling will prioritise further definition and possible extension of the Motters Zone below the dolerite dyke.

In late May 2021, as part of Kopore JV activity, Perth-based Pegasus Airborne Systems completed the Horseshoe West drone airborne magnetic survey (**Figure 20**). The survey was flown in a northeast-southwest orientation with 25m line spacings and a sensor height of 25m. A total of 265-line km were flown across an area of approximately 9.8 km^2 and provides ultra-high resolution magnetic detail, further complemented by field mapping and previous geophysical program. Perth-based geophysicists Southern Geoscience Consultants (“Southern Geoscience”) completed processing and modelling of the Horseshoe West airborne magnetics survey.

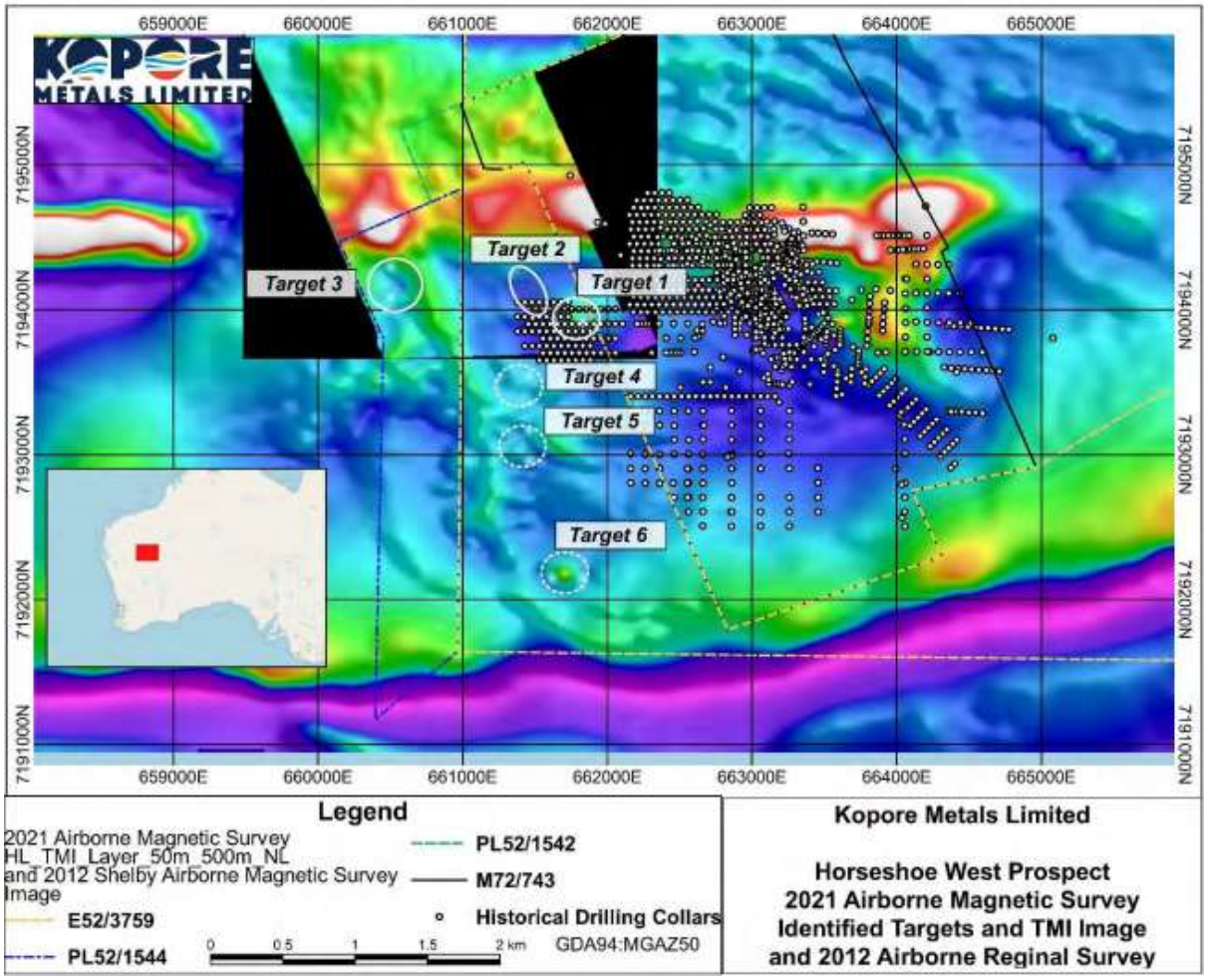


Figure 20: Horseshoe Lights Regional Airborne Magnetic Exploration Targets.

The processed imagery provides a wealth of detail within the Horseshoe West stratigraphy, and has highlighted several priority targets, discussed below:

- Mag Target 1 is a discrete bullseye anomaly ~300 min diameter identified along the interpreted western margin of a northwest NW-SE trending syncline. Depth to interpreted higher magnetic target is approximately 150 m.

- Mag Target 2 – An inferred NW/SE parallel structure to the west of the mine has been interpreted based on a similar magnetic signature to the historical high-grade mine.

- Mag Target 3 –The westernmost prospect has been identified along a NW/SE interpreted structure, approximately 3.3 km in strike length and a target for potential shear zone hosted gold mineralisation. The initial area along this structure will seek to test the position where a Ne-SW structure cross cuts the major interpreted structure and a coincident 2012 gravity survey low.

- Mag Targets 4 and 5 –identified by Southern Geoscience. interpreted potential geological and structural setting to those described in Mag Target 2.

- Mag Target 6 – At the southern end of the exploration portfolio is interpreted as a potential target for investigation, magnetic high which is located on an interpreted splay from the same major structure described in Mag Anomaly 3.

3.8 Proposed Exploration Budget

The Company plans to commence exploration with the aim to increase the mineral resources at Horseshoe Lights. Major activities will be:

- Complete a detailed sampling and metallurgical testwork program of the tailings and selected surface stockpiles.

- Complete a review of all geophysical survey data surrounding the mine to identify possible repetitions of the Horseshoe Lights deposit; and

- Complete a drilling program around the existing open pit of up to 5,000 m. The program will focus on gaps in the resource model created by a lack of drilling in various locations by former operators of the mine.

Subsequent exploration activities will be determined following the results of these initial activities.

A proposed two year Horseshoe exploration budget totalling $ 1.3 M is presented in **Table 11.**

	Year 1 $000	Year 2 $000
Wages/Salaries/Contractors	100	100
Data management	10	10
Geological Mapping & Ground truthing	10	
Follow up Augering	40	
Follow up RC drilling	80	80
Diamond drilling	140	120
Assays	35	30
Metallurgical test work	10	10
Field supplies and support	5	10
Tenement costs	20	20
Equipment and consumables	5	5
Heritage and Environment	5	5
Feasibility Study	250	120
Administration costs	10	10
Rehabilitation costs	20	20
Contingency	10	30
Total	**750**	**550**

Table 11: Horseshoe Lights Prospect Proposed Exploration Budget.

4.0 Kumarina Copper Prospect

4.1 Introduction

The copper deposits at the Kumarina Project were discovered in 1913 and worked intermittently until 1973 (**Figure 21**). The workings extend over nearly 5 km as a series of pits, shafts and shallow open cuts. At the main Kumarina Copper Mine, the workings are entirely underground with drives from the main shaft extending for some 200 m in the upper levels and for about 100 m in the lower levels at a depth of 49 m below surface.
Incomplete records post 1960s make it difficult to estimate the total copper production from the workings.

Indications are that the Kumarina Copper Mine was the second largest producer in the Bangemall Basin group of copper mines. Recorded production to the late 1960s is 481 t of copper ore at a high-grade of 37.0 % Cu and 2,340 t at a grade of 17.51 % Cu.

An initial Mineral Resource Estimate for the Rinaldi deposit was completed by HOR in 2013 (30 June 2013 Quarterly Report announced on 31 July 2013). The total Measured, Indicated and Inferred Mineral Resource Estimate as at 30 June 2021 is shown in **Table 13**.

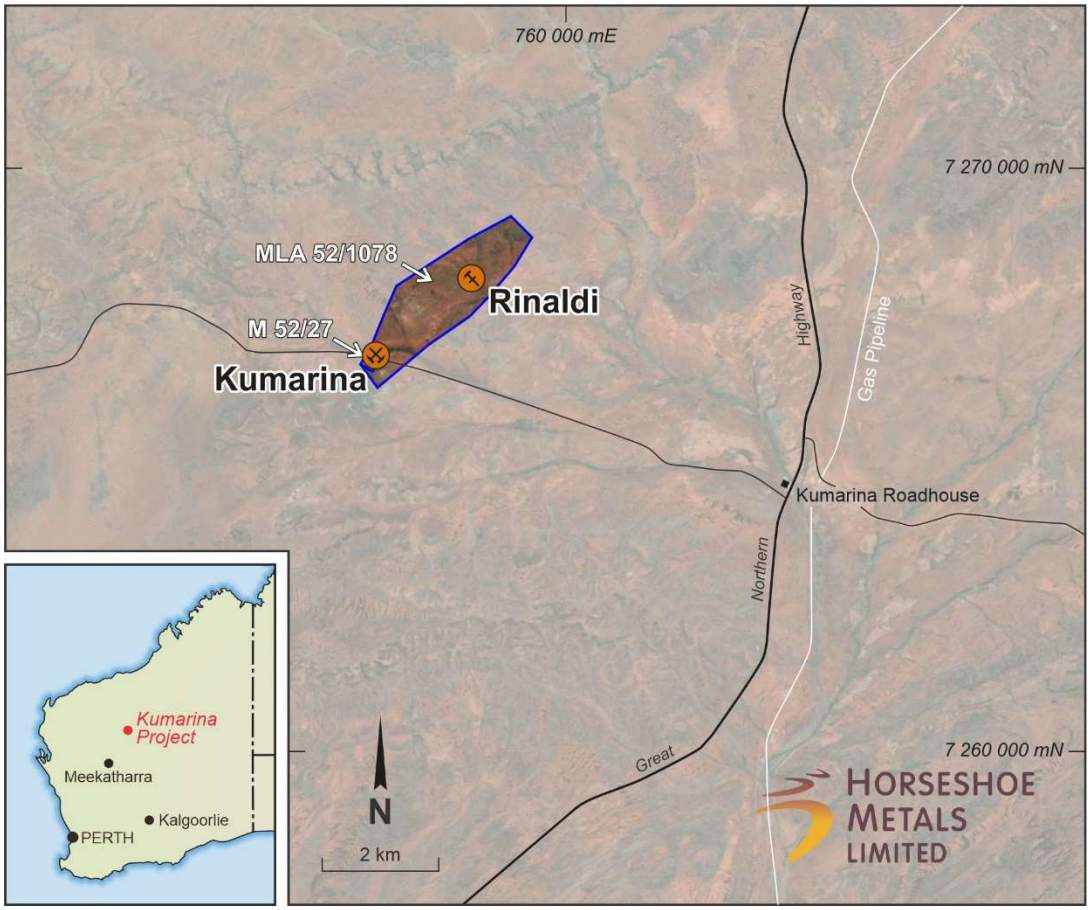


Figure 21: Kumarina Project tenure Location Map.

4.2 Regional Geological Setting for the Kumarina Prospect

The regional geology of the Kumarina area comprises mainly a thick sequence of silica-clastic and carbonate sedimentary rocks of the Bangemall Supergroup formed in the Mesoproterozoic Bangemall Basin, an extensive basin that lies between the Archean Pilbara and Yilgarn Cratons. The Bangemall Supergroup consists of older basal Edmund Group to the west that is unconformably overlain by the Collier Group in the east.

The Kumarina project is located entirely within the Collier Basin in the Backdoor Formation and overlying Calyie Formation (**Figure 22**). Age dating of detrital zircon within the Collier Sub-group by Martin (2006), constrains sedimentation to 1825-1750 Ma. Dating of zircon and baddelyite in mafic sills in the Collier Basin shows a major pulse of mafic magmatism occurred around 1075Ma (Wingate, 2002). This forms part of the informally named Bangemall Large Igneous Province, an area of mafic magmatism that is inferred to stretch from the western side of the Edmund basin to the Musgrave Complex in the east (Morris & Pirajno, 2002). This is event is considered prospective for mafic-hosted magmatic sulphide hosted Ni-Cu mineralisation.

The main structure in the area is the Jaydinia Syncline mapped by Brakel et al. (1982), and formed in response to shortening against the Archaean Marymia Inlier; otherwise the region is only weakly deformed.

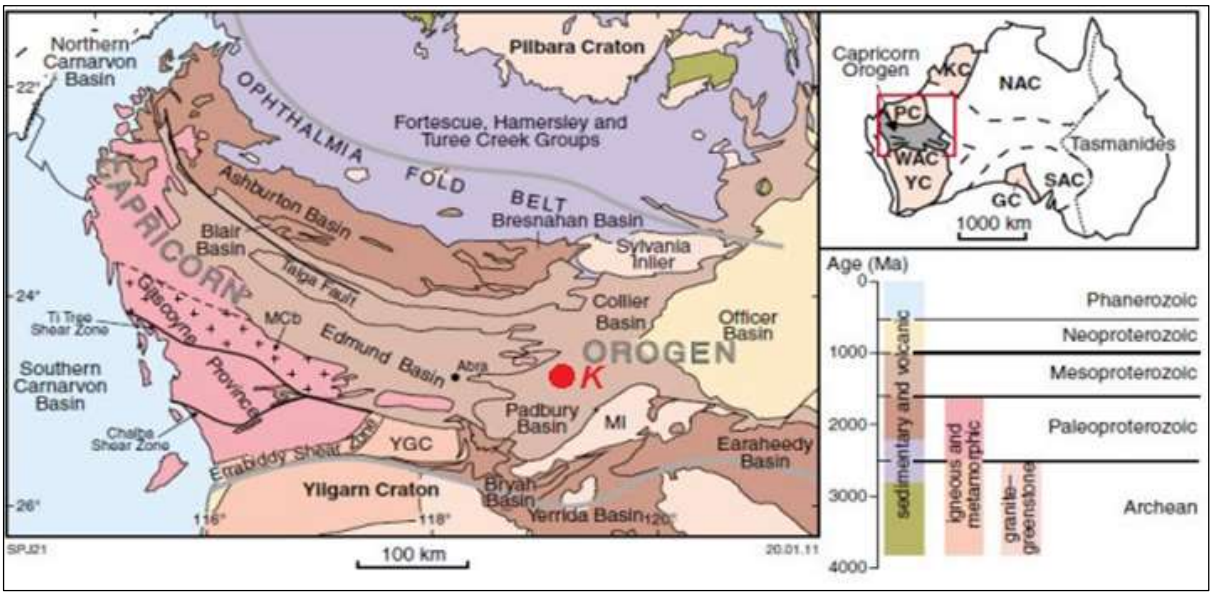


Figure 22: Kumarina Regional Geological Setting.

Bangemall Supergroup (light brown), Kumarina Project (K) within the Collier Basin (from Johnson et al. 2011).

The Kumarina Project occurs within sediments of the Collier Group. The geology is dominated by the Bangemall Group sediments which form a broad arch around the north westerly extension of the Precambrian Marymia Dome. Regional northeast trending strike-slip faults form a dominant sense of movement, defining the fold axis and localised normal fault movement.

The major structures extend into the south eastern corner of the project area where they contain metamorphosed sedimentary rocks with mafic and felsic intrusive. Major schistose outcrops lie north of Wonyulgunna Hill and comprise mainly quartz-muscovite and quartz- chlorite schists with minor phyllite and quartzite.

The Bangemall Group rocks overlie schistose units with the basal Wonyulgunna sandstone unit forming prominent ranges of white, coarse to medium grained sandstone with minor conglomerate lenses. This unit extends north from Wonyulgunna Hill to the Jaydinia Syncline. The basal layering of the sandstone unit has predominantly more shale and siltstone lenses.

The Backdoor Formation is a shale and siltstone unit similar to the base of the Wonyulgunna Sandstone. It lies between the Wonyulgunna and the Calyie Sandstones. Prominent chert beds within the shale extend east toward Beyondie Bluff.

The Calyie Sandstone covers the majority of the northern part of the Kumarina tenements, with numerous rocky hills and ridges emerging through the colluvial and sandy alluvial plains. It is a well sorted medium grained sandstone with dispersed lenses of pebbly sandstone and conglomerate.

Dolerite sills ranging in thickness from 2 m to over 30 m intrude the Bangemall Group. Two large areas of dolerite occur in the central and north western corner of the tenements. The dolerite comprises of medium to fine grained outcrops with probable variations to basalt.

Copper mineralisation is apparently confined to a north-south trending zone that occurs along the centre of the Bangemall Basin and is hosted by metamorphic rocks of the Marymia Dome and sediments from the Backdoor and Ilgarari Formations.

4.3 Local Geological Setting

Superficially the geologic setting of the project area is one of a relatively undeformed sequence of gently north-dipping Backdoor Formation sediments capped by quartz arenite of the Calyie Formation and intruded by mafic dykes. At a more detailed level much of this holds true, however there are some departures that are important for the prospectivity of the area.

A semi-continuous section through approximately 2.6 km of Backdoor Formation sediments is exposed west of the Great Northern Highway. Brakel et al. in 1982 estimated that the Backdoor Formation is 3.7 km thick and if correct the basal kilometre is not exposed within the project area. The average dip of bedding over 10 km of exposure is 15° towards the north. The most common rock-type encountered in the project is sandstone that is very fine to fine grained, and generally quartz-poor. Thin quartz rich bands or ‘quartzites’ are commonly interbedded with the sandstones in the southern half of the project. Siltstone, mudstone and shale are the dominant rock-types in central and northern parts of the project and the bulk of the known copper mines, prospects and mineralisation occur within the finer grained sediments.

Sandstone is subordinate here. The siltstones vary between greenish chloritic phyllitic sediments and carbonaceous siltstone and mudstone. The cliff faces of the Collier Range preserve a conformable contact between siltstone and mudstone of the Backdoor Formation and quartz arenite of the Calyie Formation. The quartz arenites exhibit ubiquitous cross- bedding and are course-grained, and silicified above the contact. Feldspar is minor (<5%). Pebbles and cobbles of fine-grained sandstone and siltstone are common within them. The dip of the Calyie Formation averages 12° over the length

of the Collier Range within the project. A dolerite sill of unknown thickness (>100m?) intrudes proximal to the contact.

The other major rock type in the project area is mafic to intermediate intrusions. Mapping shows E-W trending sills are relatively common and intrude at major changes in sedimentation from sandstone dominated to siltstone dominated sequences. A total of six sills have been identified and consistently range 75-150 m in true thickness, however their gentle dip exaggerates their thickness at surface. The sills are interconnected by a network of dykes that strike NE-SW and N-S resulting in a lattice like arrangement of intrusions over the whole project area.

Three sub-parallel, NE striking, spasmodically outcropping copper-bearing veins, up to 9 m in width striking to the NE and dipping steeply to the NW cross-cutting the thinly bedded and altered shale, sandstone and dolerite sills occur at Kumarina. The 3 km long veins of copper mineralisation crosscut a thinly bedded and altered sequence of shales, sandstones and dolerite sills. The dolerite intrusives are apparently associated with mineralisation as most cupriferous veins or lodes are located at or near a dolerite contact. The mineralisation is structurally controlled but there is also evidence of possible stratabound mineralisation that dips NW along the Kumarina line of workings.

Broadly, the old Kumarina workings extend over 3 km as a series of pits, shafts and shallow open-cuts. At the Kumarina Copper Mine on M52/27, the underground workings are mostly above the 17 m water table. Drives from the main shaft, extend for some 200 m in the upper levels and for about 100 m at a depth of 49 m below surface.

At the Kumarina Mine, the main copper minerals are chrysocolla and malachite in the upper levels and cuprite and chalcocite with depth. The ore channel is a kaolinised fault breccia cemented by milky quartz. Individual ore shoots are reportedly up to 5 m wide and 100 m along strike.

The copper mineralisation in the area is attributed to supergene enrichment of sulphide-quartz occurring as fault and fissure filling along contacts between shale and the dolerite intrusions. The line of copper mineralization at Kumarina occurs in low-lying almost flat, mostly alluvial covered ground bounded some 3 km north by the southern edge of the Collier Range. The Collier Range comprises beds of sandstone and shale dipping at a low angle to the north.

To the south of the Kumarina Mine there is a low laterite capped hill of decomposed, schistose greenstone that appears to terminate the line of mineralisation. Immediately around the Kumarina Copper Mine most of the surface geology has been disturbed by rehabilitation activities. A small stockpile of chrysocolla and malachite-rich material remains near the main shaft.

4.4 Previous Exploration

The Kumarina copper deposits were discovered in 1913 and worked intermittently until 1973. The workings extend over nearly 3 km as a series of pits, shafts and shallow open cuts. At the main Kumarina Copper Mine on M52/27, the workings are entirely underground with drives from the main shaft extending for some 200 m in the upper levels and for about 100 m in the lower levels at a depth of 49 m below surface.

Incomplete records post 1960s make it difficult to estimate the total copper production from the workings. Records indicate that the Kumarina Copper mine was the second largest producer in the Bangemall Basin group of copper mines. Recorded production to the late 1960s is 481 t Cu ore at a high-grade of 37.0 % Cu and 2,340 t at a grade of 17.51 % Cu.

In 1962, Carpentaria Exploration drilled a shallow 30 m hole below the Kumarina old workings and intersected 5.59 % Cu over 6.7 m.

Exploration activities completed over the Kumarina area between 1992-98 by St Barbara Mines focused on the Kumarina and Rinaldi workings with geological mapping, gridding, rock sampling and 51 air core holes for 2,062 m. Six metre composite drill samples were assayed for Cu, Au, Ag, Co, As, Pb and Mg. Four holes intersected multiple lodes that returned assays between 1.15-3.5 % Cu.

In 1997, BHP Minerals carried out remote sensing SW of Kumarina and part of their regional airborne magnetometer survey overlapped the Kumarina Copper Mine. This information is available as multi-client data.

MCM engaged Southern Geoscience to reprocess the GSWA Bangemall 400-500 m aeromagnetic and radiometric data acquired by the WA Government in 1996 to provide a regional structural and lithological setting for the project. The reprocessed dataset encompassed the Kumarina leases and covers an area of approximately 1,207 km² centred around 760,000mE, 7,265,050mN.

Earthscan Pty Ltd acquired Quickbird satellite imagery over the same ground covered by the geophysical data. Their interpretation of the imagery for structural and regional alteration information identified over 20 targets including several then high-priority targets for detailed exploration

4.5 Exploration Potential

The potential to host copper mineralisation within the current tenure areas can be supported by the following evidence:

- Approximately 2,800 t of high-grade copper ore has been mined from underground between 1913-73; this production demonstrates that copper mineralisation occurs in the project area.

- Generally past mining has been above the water table to 17 m. Potential exists for copper mineralisation extensions below the water table. A 1962 drillhole by Carpentaria intersected 5.59 % Cu over 6.7 m.

- Potential multiple copper targets were discovered by St Barbara that ranged in assays from 1.15-3.5 % Cu. These targets warrant follow-up exploration including mapping and surface rock chip sampling.

- The current lease area has only been subjected to limited modern exploration.

Consequently, the area is considered to be at a very early stage of assessment with potential for the discovery of additional 'greenfield' copper mineralisation using modern exploration techniques.

- Satellite imagery interpretation completed by Grange in 2009 has identified several high priority targets for detailed exploration.

- Priority will be given to drilling strong structural targets associated with areas of historical mining and adjacent geological structures.

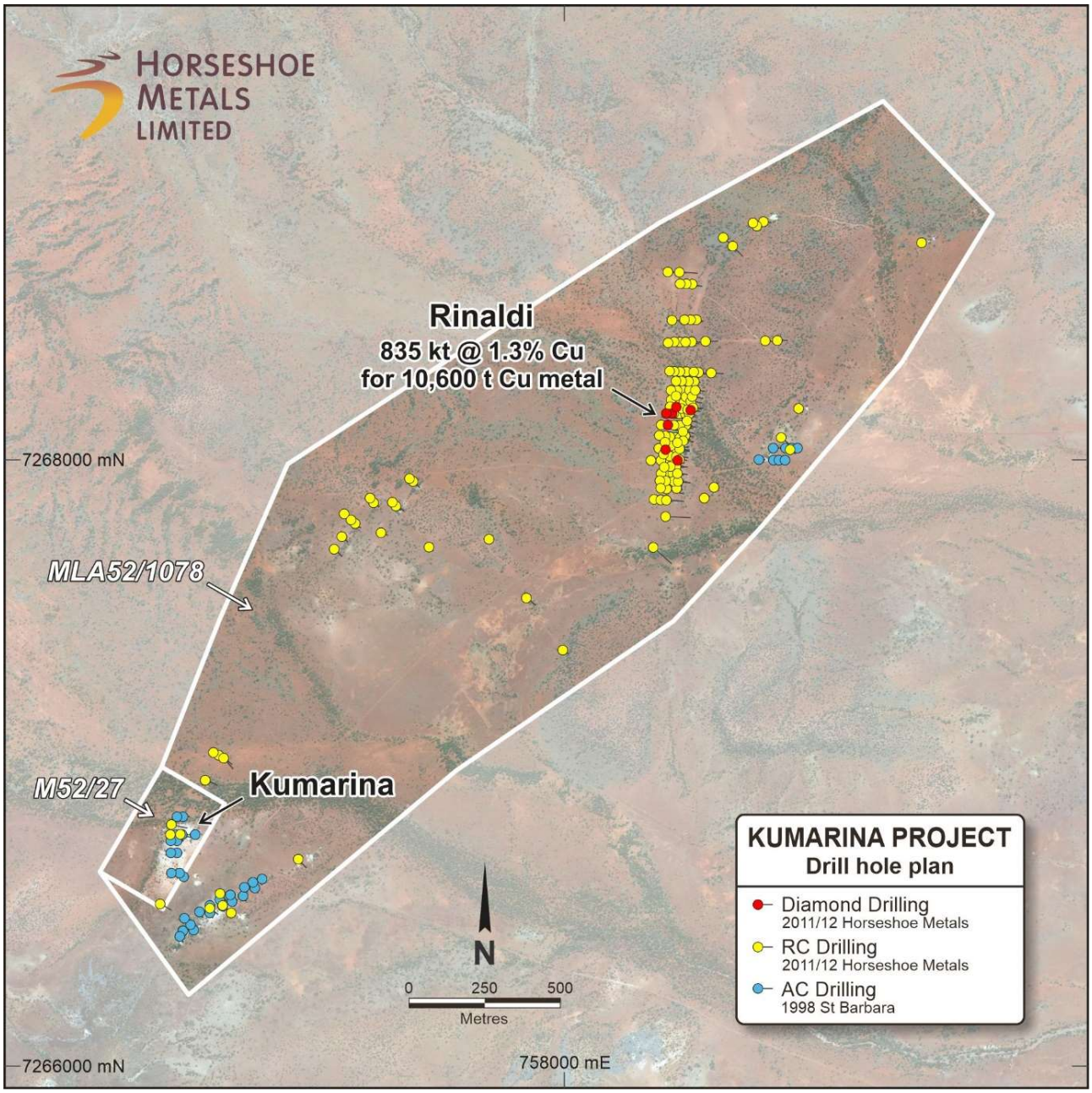


Figure 23: Kumarina Drillhole Location Plan.

4.6 Resources

A total of 10,967.6 m in 101 drillholes were available consisting of 7 diamond core holes ("DD") holes and 94 RC holes (**Figure 23**). Average drill-hole depth is to 108.6 m and the deepest drilling was to 202 m below natural surface in drill-hole KRC082.

Drill-holes were predominantly sampled in 1-3 m intervals for RC and predominantly one metre intervals for DD (although a number of sample intervals were employed for DD drilling in line with geological constraints). The assay files have subsequently been composited to 1 m intervals across the deposit. Summary drilling details are presented in **Table 12**.

Drill type	Average(m)	Count	Minimum(m)	Maximum(m)	Sum(m)
RC	128.75	94	28	202	9833
DD	162.08	7	141.8	171.8	1134.6
ALL	108.59	101	28	202	10967.6

Table 12: Kumarina - Rinaldi drillhole database Summary.

For estimation purposes the assay data was composited into one-metre intervals resulting in 14,295 samples being available for block modelling. The block model consists of parent cell blocks with the dimensions of 10 metre x 10 metre x 5 metre (XYZ). The block model was sub-celled to a minimum block dimension of 1 metre x 1 metre x 0.5 metre (XYZ) in-line with post processing requirements. Only sample data of an appropriate drilling methodology; including the drill types reverse circulation (RC) and diamond drilling (DD) were used in resource estimation which constituted the entire data-base in this instance.

Drill traverses over the Rinaldi project area are generally west to east however most drill holes have skewed off to the SE during drilling. The drill orientation is interpreted by the client to have intersected the local mineralisation trends as close to perpendicular to the strike as possible.

The drill hole spacing varies to only a small degree over the main mineralised area with the drill spacing generally conforming to a 20x25 m drillhole spacing along lines with 20-25 m drillhole spacing between lines. Drill coverage at depth is variable approaching the maximum drilled depth of 202 m in drill hole KRC082.

Drillhole density was considered appropriate at this stage of development to broadly define the geometry and extent of the larger scale continuity of the mineralisation for the purpose of estimating resources given the understanding of the local project geology, structure and confining formations. It was understood that further drilling may be undertaken in future as deemed appropriate by HSM in-line with project development and company strategy.

H&SC recommend further drill testing be undertaken to define more clearly the limits, geometry and style of the mineralisation present in all project areas with particular attention to the northern and southern extensions where the drilling density is at its lowest.

The Rinaldi project has been extended to the north by wide spaced drilling which has resulted in a disconnection to the resource estimates due largely to the drill spacing (**Figure 24).**

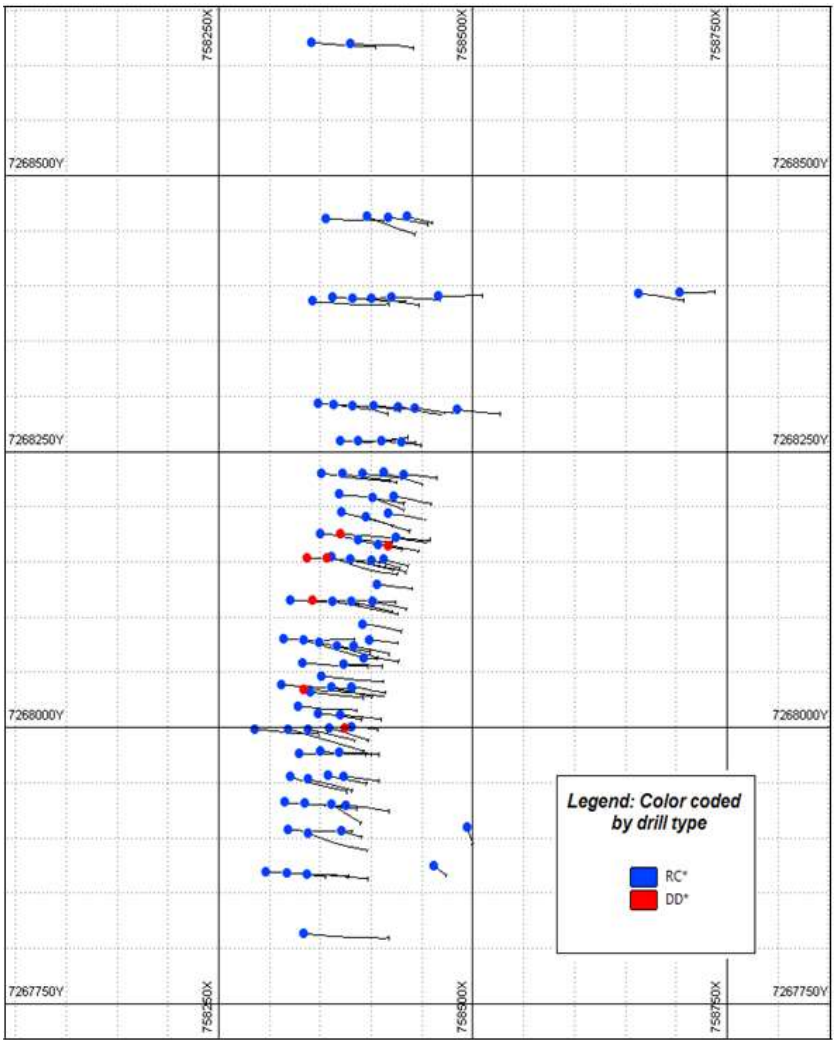


Figure 24: Rinaldi deposit Drillhole Plan.

Mineral Resources for the Rinaldi Prospect at the Kumarina Project presented in **Table 13** are based on information compiled by or under the supervision of Mr Robert Spiers, an independent consultant to HOR and a then full-time employee and Director of H&S Consultants Pty Ltd (formerly Hellman & Schofield Pty Ltd), and reviewed by Mr Hall.

Location	Category	Tonnes (t)	Cu (%)	Cu metal (t)
Rinaldi Prospect (0.5% Cu cut-off)	Measured	415,000	1.46	6,100
	Indicated	307,000	1.16	3,500
	Inferred	114,000	0.9	1,000
	Total	**835,000**	**1.3**	**10,600**

Table 13: Rinaldi Prospect Mineral Resources at the Kumarina Project.

The Mineral Resource Estimate for 30June2021 meets the reporting requirements of the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves"

The information was originally issued in the ASX announcement "Horseshoe releases Maiden Mineral Resource Estimate for Kumarina", released on 4 March 2013, and first disclosed under the JORC Code 2004. This information was subsequently disclosed under the JORC Code 2012 in the Company's ASX release "Quarterly Report Period Ended 30 June 2013", released on 31 July 2013. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the findings are presented have not materially modified from the original market announcements.

4.7 Proposed Exploration

A geophysical review of all data will be undertaken in order to identify targets for investigation using best practise modern exploration techniques. Priority targets will then be drill tested.

4.8 Proposed Exploration Budget

A proposed two-year Kumarina exploration budget of $60,000 is presented in **Table 14.**

Cost Centre	Year 1 $000	Year 2 $000
Wages/Salaries/Contractors	2	2
Geological Mapping & Ground truthing		
Follow up RC drilling	15	15
Assays	2	2
Field supplies and support	2	2
Tenement costs	2	2
Equipment and consumables	2	2
Heritage and Environment		
Administration costs		
Contingency	5	5
Total	**30**	**30**

Table 14: HOR Kumarina Project –Proposed Exploration Budget.

5.0 Glenloth Prospects

5.1 Introduction

Glenloth is located about 50 km east of the 0.96 M oz Au Tunkillia Gold deposit (**Figure 6** & **Figure 25**). The Glenloth Goldfield was found with the discovery of alluvial gold in 1893 and established in 1901 when auriferous reefs were identified. Between 1901-55, approximately 9,800 oz Au was produced from 14,620 t of ore, at an average grade of 21.6 g/t Au. The Fabian 3, Royal Tiger (excised from tenure), the Glen Markie and the Jay-Jay mines were considered the largest historical producers.

Since 1955, gold production has been small and sporadic. Typical gold occurrences consist of relatively thin, mineralised quartz veins, up to 1 m wide, hosted by sheared and fractured Archaean to Paleoproterozoic Glenloth Granite, and sometimes associated with Paleoproterozoic dolerite dykes. A shallow Hiltaba Suite batholith has been proposed as the source of mineralisation.

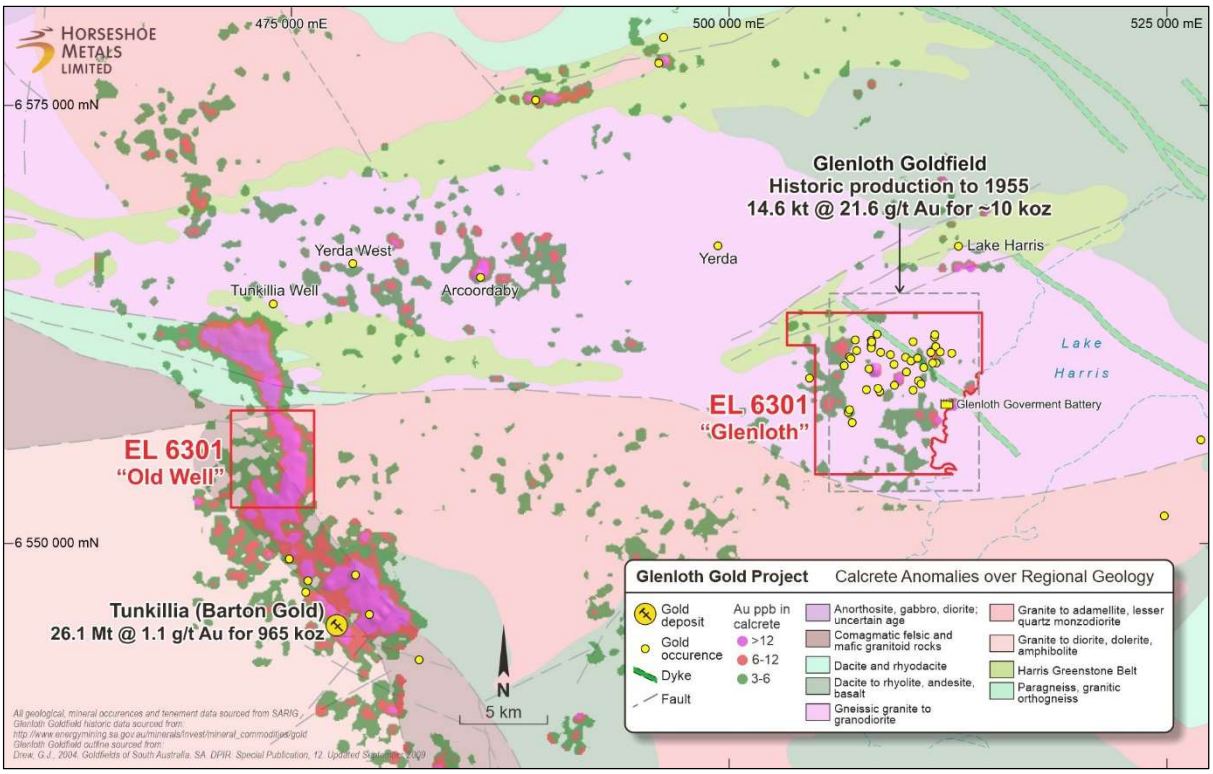


Figure 25: Glenloth Gold Project, Regional Setting with highlighted Gold Occurrences and Calcrete sampling anomalism

5.2 Regional Geology

The Gawler Craton covers approximately 440,000 km^2 of central SA. The Precambrian crystalline basement crustal block was cratonised ca. 1550–1450 Ma before which the craton comprised a number of active Proterozoic orogenic belts extending back in time to at least 2450 Ma.

The Craton can be subdivided into a number of tectonic subdomains on the basis of structure and tectonostratigraphic history. The south-central Eyre Peninsula straddles the boundary between the Archaean to early Palaeoproterozoic Coulta Subdomain and the Cleve Subdomain, a Palaeoproterozoic orogenic belt ("mobile zone") probably representing a shelf or basinal depository for the Hutchison Group dated at ca. 1900–1845 Ma prior to its deformation during the Kimban Orogeny of ca. 1845–1710 Ma. On NE Eyre Peninsula, the Cleve Subdomain is bounded by the slightly younger Moonta Subdomain which is characterised by less intensely deformed metamorphosed acid volcanics and sediments ranging from the Myola Volcanics and Moonta Porphyry to the Moonabie Formation and Wandearah Metasiltstone.

Subsequent deformation on the craton has been largely epeirogenic forming shallow fault-bounded intracontinental depressions represented by Cainozoic basins, the southern continental margin and Spencer Gulf.

In the central Craton, the Yarlbrinda Shear Zone was likely formed by the Kararan Orogeny and it is host to several major gold prospects including those in the Nuckulla Hill region of Sheoak, Myall and Bimba and at Tunkillia (Figure 26).

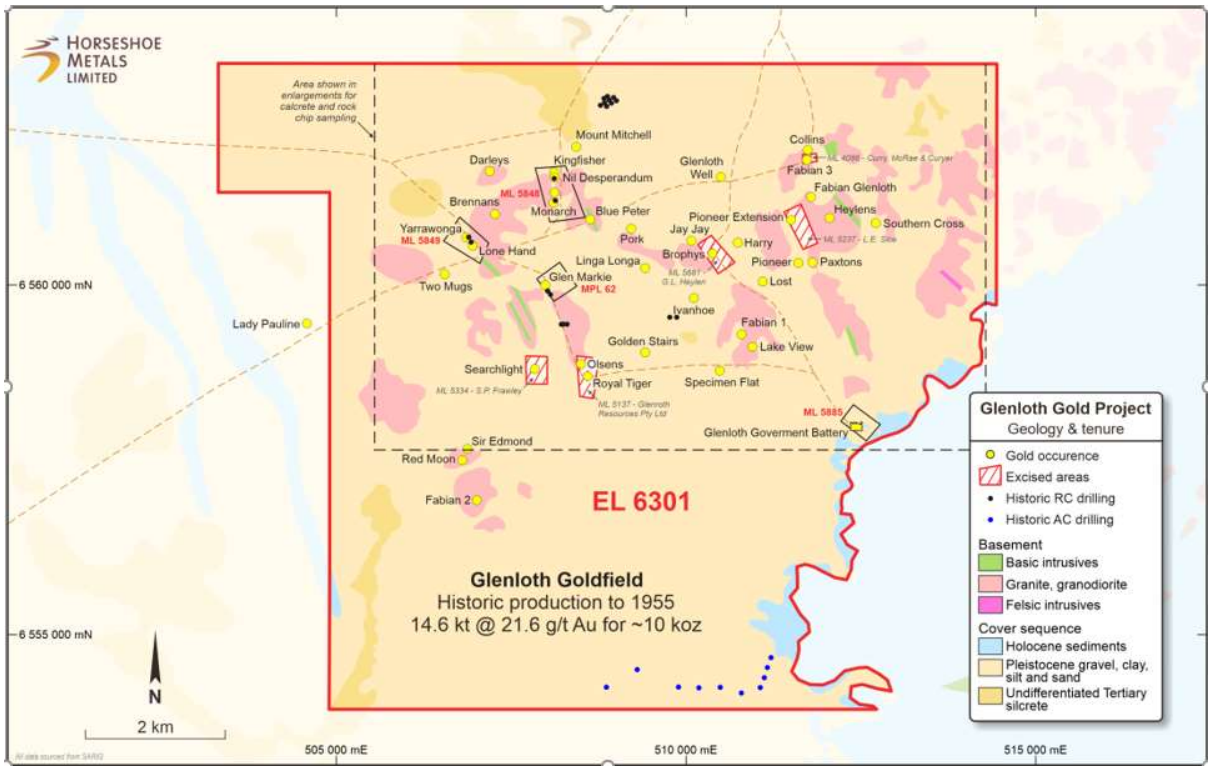


Figure 26: Glenloth Goldfield East Block Location over regional geology, with known gold occurrences.

Excised ML5848, ML5849, ML5885 and MPL62 lease outlines in red stripped boxes.

5.3 Local Geology

At Glenloth, typical gold occurrences consist of relatively thin, ca. 1 m, high-grade mineralised quartz veins, hosted by sheared and fractured Archaean to Paleoproterozoic Glenloth Granite, and sometimes associated with Paleoproterozoic dolerite dykes. A shallow Hiltaba Suite batholith has been proposed as the source of mineralisation.

Calcrete sampling is considered an effective mineralisation test in some terrains in SA since the virgin discovery of the Tunkillia gold-in-calcrete anomaly in 1994, and later the Challenger Mine some 200 km NW of Glenloth by Dominion Mining NL ("Dominion") in May 1995. At Challenger an initial 180 ppb Au anomaly over broad-1,600 m spaced regional sampling led to the production of over 1 M oz Au between 2002-18, primarily from underground mining.

Calcrete sampling of the Glenloth area has highlighted two prospective trends >1 km long between the Glen Markie to Royal Tiger deposits, with maximum assay of 870 ppb Au; and the Golden Stairs to Ivanhoe deposits with a maximum assay of 370 ppb Au (**Figure 27)**. A maximum assay noted for the calcrete sampling program was a particularly high grade 3,870 ppb Au at Yarrawonga/Lone Hand (**Table 15**).

Sample ID	East GDA	North GDA	Au ppm
GLC005	508110	6561268	0.55
GLC007	506927	6560586	0.50
GLC009	508005	6559980	0.32
GLC012	506925	6558355	0.25
GLC015	507167	6561627	0.50
GLC019	509901	6559526	0.37
GLC026	510933	6559144	0.47
GLC029	511621	6560307	0.30
GLC032	508655	6560941	0.35
GLC109	506929	6560572	3.87
GLC565	508229	6559472	0.87

Table 15: Glenloth EL6301 Calcrete Geochemical Highlight Samples.
Results reported for >0.25 ppm Au.

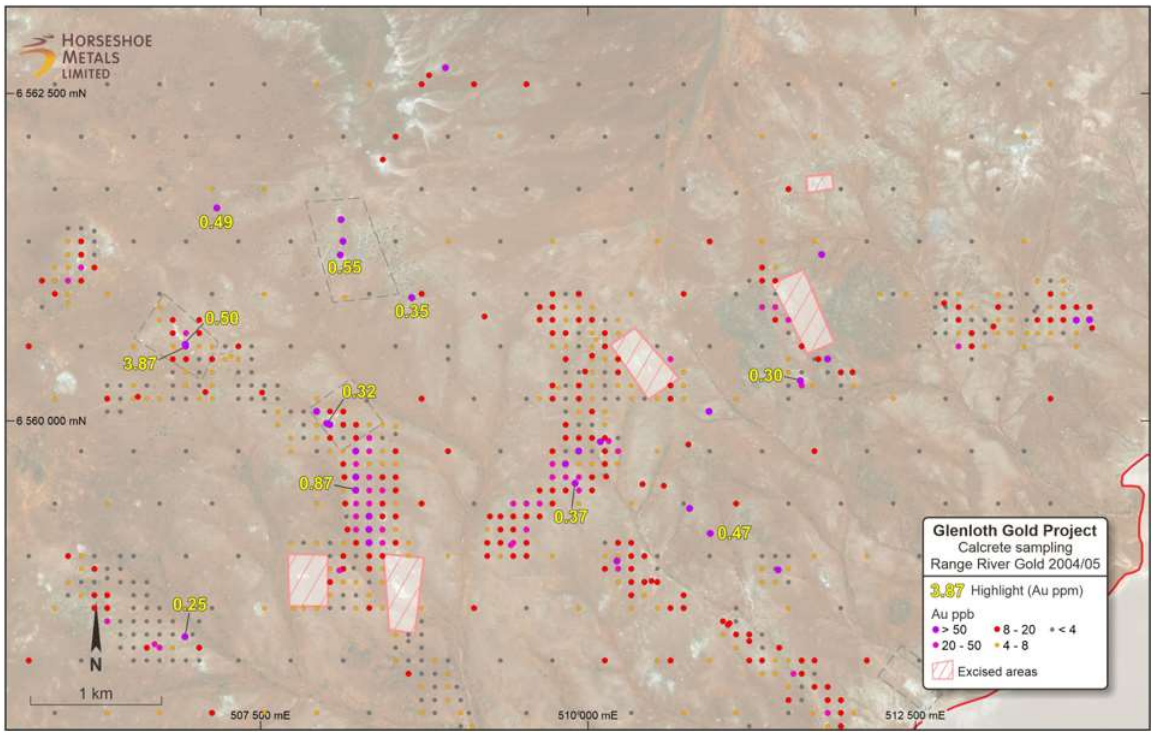


Figure 27: Glenloth Goldfield Calcrete Geochemical Samples > 250 ppb Au highlighted.

The Glenloth Goldfield rock chip highlight results are presented in **Figure 28 and Table 16.**

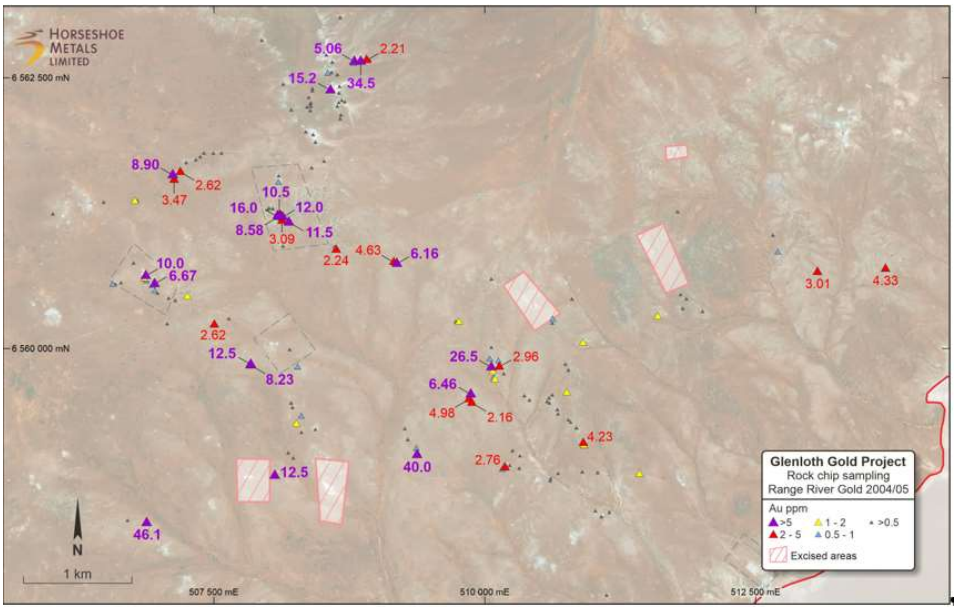


Figure 28: Glenloth Goldfield Rock Chip results >2 g/t Au highlighted.

Sample ID	Prospect	East GDA	North GDA	Au ppm
GLX0011	SW Ivanhoe	509903	6559609	6.46
GLX0012	SW Ivanhoe	509876	6559558	2.16
GLX0013	SW Ivanhoe	509905	6559528	4.98
GLX0018	Pork	509214	6560813	6.16
GLX0019	Pork	509196	6560824	4.63
GLX0021	Blue Peter	508651	6560942	2.24
GLX0023	Mount Mitchell	508920	6562695	2.36
GLX0024	Mount Mitchell	508567	6562384	15.2
GLX0059	Mount Mitchell	508781	6562633	2.21
GLX0061	Mount Mitchell	508837	6562681	5.06
GLX0062	Mount Mitchell	508885	6562682	34.5
GLX0084	Darleys	507198	6561661	2.62
GLX0085	Darleys	507152	6561596	3.47
GLX0088	Darleys	507153	6561624	8.90
GLX0097	Lone Hand	506860	6560667	10.0
GLX0099	Lone Hand	506946	6560592	6.67
GLX0108	Monarch pit	508169	6561242	10.5
GLX0109	Monarch pit	508130	6561257	8.58
GLX0110	Monarch pit	508111	6561253	16.0
GLX0113	Ivanhoe NE line	510152	6559855	2.96
GLX0118	Ivanhoe Central	510094	6559849	26.5
GLX0129	Lake View	510930	6559140	4.23
GLX0144	Golden Stairs	509408	6559044	40.0
GLX0148	Specimen Flat Nth	510209	6558932	2.76
GLX0169	Glen Markie	507872	6559877	12.5
GLX0170	Glen Markie	507872	6559877	8.23
GLX0173	Glenloth East	513724	6560764	4.33
GLX0174	Glenloth East	513094	6560727	3.01
GLX0221	Monarch	508171	6561246	12.0
GLX0222	Monarch	508221	6561190	11.5
GLX0223	Monarch	508148	6561202	3.09
GLX0226	Monarch	508132	6561253	2.31

Table 16: Compiled Rock Chip Sampling conducted on EL6301.

Results reported for >2 ppm Au.

Six kilometres south of Old Well, the Tunkillia deposits are characterised by a large hydrothermal system associated with the Yarlbrinda Shear Zone that passes into the Old Well prospect area (**Figure 29**).

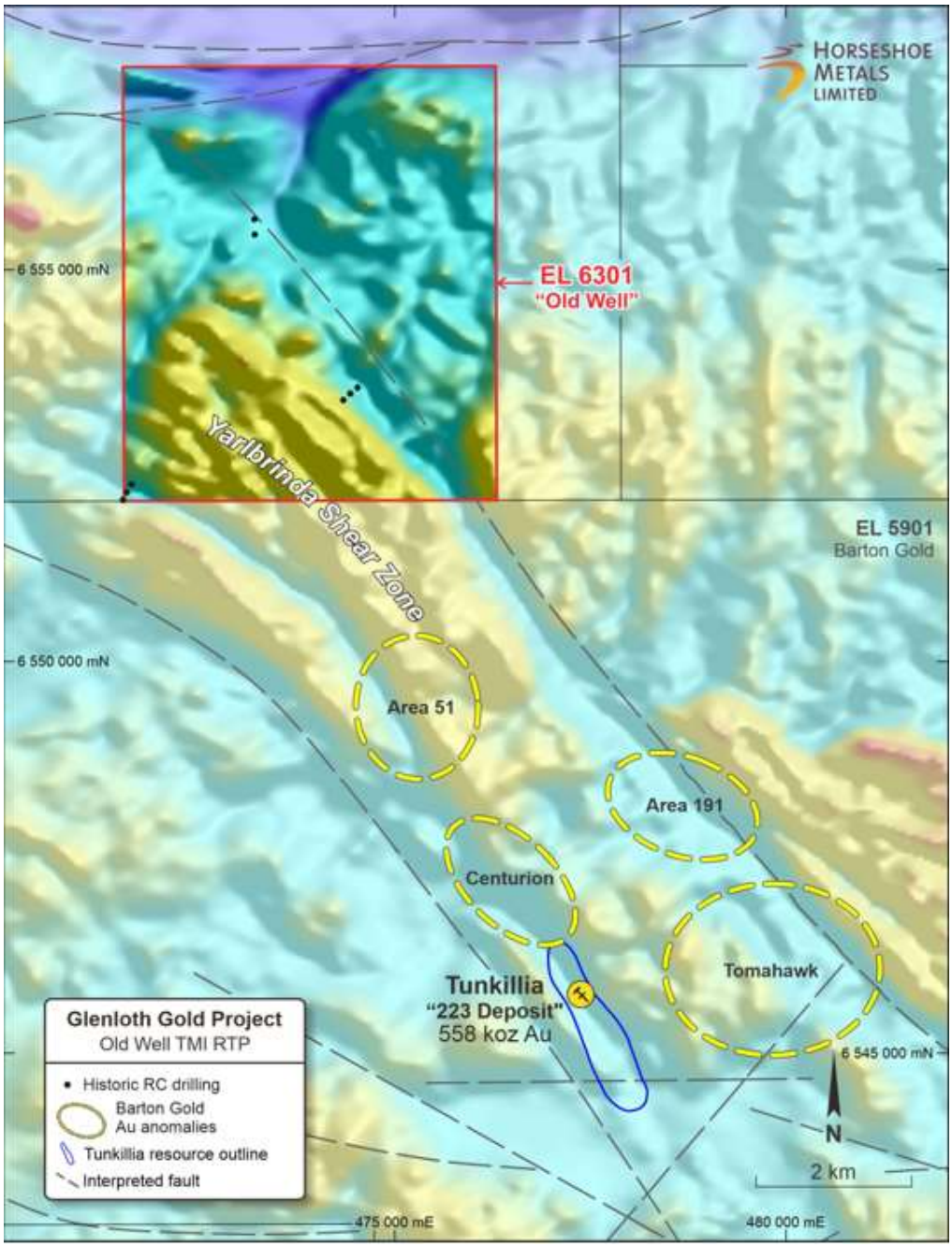


Figure 29: Glenloth Old Well Block Location over Magnetic Image.
5 RC holes shown with interpreted position of Yarlbrinda Shear Zone and proximity to Tunkillia deposit.

At Old Well, calcrete sampling has identified of several significant zones > 1 km long of similar tenor to the Tunkillia anomalism, with a maximum assay of 190 ppb Au at Old Well. A number of near-surface (i.e. between 0-4 m) calcrete samples derived from RAB drilling traverses targeting 50 m depth have been returned. Downhole anomalism of this data is represented in **Figure 30**

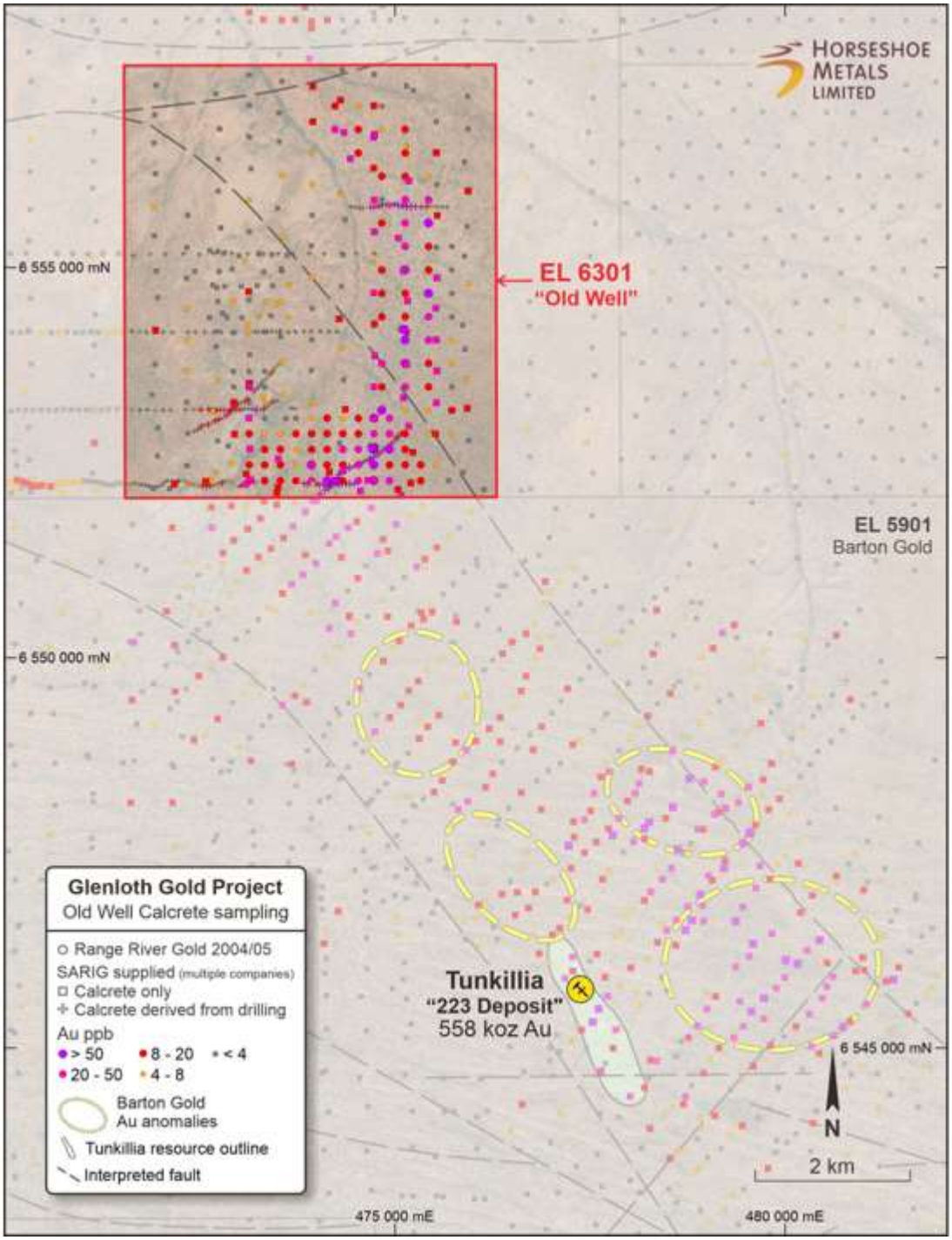


Figure 30: Glenloth Old Well Area Calcrete Geochemical Samples > 250 ppb Au highlighted.

Proximity to Tunkillia, and perspectivity of northern trends with Old Well zone; Max calcrete assay of 190 ppb Au within Old Well.

A compilation of drillhole data for the project area is presented in **Table 17**.

Location	Hole ID	Drill Type	East GDA	North GDA	RL	Depth (m)	Dip	Azimuth	Max Au in Hole				Year	Operator
									From (m)	To (m)	Length (m)	Au ppm		
Regional	CN06A01	AC	508899	6554285	0	51.00	-90	360	NSI				2006	Minotaur Exploration
	CN06A02	AC	509338	6554536	0	35.00	-90	360	NSI				2006	Minotaur Exploration
	CN06A03	AC	509930	6554286	0	40.00	-90	360	NSI				2006	Minotaur Exploration
	CN06A04	AC	510220	6554275	0	43.00	-90	360	NSI				2006	Minotaur Exploration
	CN06A05	AC	510525	6554283	0	31.00	-90	360	NSI				2006	Minotaur Exploration
	CN06A06	AC	510828	6554202	0	33.00	-90	360	NSI				2006	Minotaur Exploration
	CN06A07	AC	511098	6554279	0	24.00	-90	360	NSI				2006	Minotaur Exploration
	CN06A08	AC	511155	6554419	0	42.00	-90	360	NSI				2006	Minotaur Exploration
	CN06A09	AC	511200	6554565	0	48.00	-90	360	NSI				2006	Minotaur Exploration
	CN06A10	AC	511252	6554707	0	51.00	-90	360	NSI				2006	Minotaur Exploration
Mount Mitchell	GLRC001	RC	508854	6562705	0	115.00	-60	326	NSI				2004	Range River Gold
	GLRC002	RC	508864	6562642	0	144.00	-60	326	43.00	44.00	1.00	0.50	2004	Range River Gold
	GLRC003	RC	508894	6562591	0	138.00	-60	326	123.00	124.00	1.00	0.10	2004	Range River Gold
	GLRC004	RC	508903	6562734	0	119.00	-60	326	NSI				2004	Range River Gold
	GLRC005	RC	508928	6562681	0	144.00	-60	326	33.00	34.00	1.00	0.32	2004	Range River Gold
	GLRC006	RC	508960	6562635	0	138.00	-60	326	42.00	43.00	1.00	1.57	2004	Range River Gold
	GLRC007	RC	508992	6562719	0	129.00	-60	326	NSI				2004	Range River Gold
	GLRC008	RC	509030	6562672	0	108.00	-60	326	83.00	84.00	1.00	0.78	2004	Range River Gold
	GLRC009	RC	508803	6562607	0	129.00	-60	326	29.00	30.00	1.00	0.19	2004	Range River Gold
Lone Hand	GLRC010	RC	506922	6560720	0	130.00	-60	236	40.00	41.00	1.00	0.31	2004	Range River Gold
	GLRC011	RC	506956	6560647	0	139.00	-60	236	36.00	37.00	1.00	0.62	2004	Range River Gold
Ivanhoe South West	GLRC518	RC	509900	6559575	0	100.00	-60	270	52.00	56.00	4.00	0.11	2006	Minotaur Exploration
	GLRC519	RC	509800	6559575	0	100.00	-60	270	24.00	28.00	4.00	0.44	2006	Minotaur Exploration

Glen Markie South	GLRC520	RC	508245	6559475	0	75.00	-60	270	32.00	36.00	4.00	0.09	2006	Minotaur Exploration
	GLRC521	RC	508260	6559475	0	75.00	-60	270	24.00	28.00	4.00	0.19	2006	Minotaur Exploration
	GLRC522	RC	508270	6559475	0	100.00	-60	270	24.00	28.00	4.00	0.14	2006	Minotaur Exploration
	GLRC523	RC	508330	6559475	0	100.00	-60	270	32.00	36.00	4.00	0.71	2006	Minotaur Exploration
Monarch	GLRC524	RC	508165	6561245	0	100.00	-60	270	12.00	16.00	4.00	0.11	2006	Minotaur Exploration
	GLRC525	RC	508150	6561560	0	75.00	-60	270	16.00	20.00	4.00	0.04	2006	Minotaur Exploration
Glen Markie	GLRC526	RC	508090	6559900	0	100.00	-60	225	28.00	32.00	4.00	0.07	2006	Minotaur Exploration
	GLRC527	RC	508050	6559950	0	108.00	-60	225	24.00	28.00	4.00	0.11	2006	Minotaur Exploration
Old Well*	GLRC001	RC	473210	6555450	0	198	-60	30	NSI				2006	Minotaur Exploration
	GLRC002	RC	473210	6555650	0	199	-60	30	NSI				2006	Minotaur Exploration
	GLRC003	RC	474525	6553495	0	200	-60	30	NSI				2006	Minotaur Exploration
	GLRC004	RC	474435	6553420	0	200	-60	30	NSI				2006	Minotaur Exploration
	GLRC005	RC	474340	6553340	0	200	-60	30	NSI				2006	Minotaur Exploration
	GLRC006	RC	471635	6552265	0	200	-60	30	NSI				2006	Minotaur Exploration
	GLRC007	RC	471575	6552160	0	200	-60	30	NSI				2006	Minotaur Exploration
	GLRC008	RC	471525	6552060	0	200	-60	30	NSI				2006	Minotaur Exploration

Table 17: Glenloth Drilling Conducted on EL6301.

Results reported for 1m >0.1 ppm Au; and 4m > 0.02ppm Au for composite samples.

** NB. Hole ID's duplicated by Minotaur Exploration at Mt Mitchell and Old Well.*

5.4 Exploration History

Prior tenement listings for the project area include EL5397; EL4197; EL3107; EL2518; EL1823; and EL1774.

Range River Gold Limited actively explored the project area during 2003-4 with calcrete sampling, rockchip sampling and follow-up drilling.

Minotaur Exploration actively explored the project area in the area during 2005-7 with calcrete sampling and follow-up drilling.

HOR has compiled available historical drilling at Glenloth which highlights the lack of targeted drill-testing completed within the project. Historical drilling at Old Well includes eight holes completed by Minotaur Exploration Limited in 2006 at three separate structural targets not supported by the regional geochemical sampling, with no significant results. The Company has also compiled available regional geochemical data, including rockchip sampling of the Glenloth area with encouraging high-grade results) and calcrete sampling of both Glenloth and Old Well

No formal resources have been declared over any of the prospect areas.

5.5 Proposed Exploration

HOR considers the acquisition of interests in the project as a value-based entry into a dominant position of a very prospective area with the tenement covering most of the recognised goldfields (refer Figure 6); that previous exploration of both areas was piecemeal and inadequate; and that larger, high grade gold deposits could be uncovered by systematic exploration and a more considered approach to drilling. HOR is currently compiling historical data for the area and the company intends to release a more comprehensive update of the geology and mineralisation at Glenloth in the near term.

At Glenloth, within the Central Gawler Craton (“CGC”) the Company has planned a 20 hole, 1,500 m RC drilling program to be completed in two phases testing at least seven priority targets. The Company has access to a base camp to facilitate drilling operations once approval of an Exploration Program for Environment Protection and Rehabilitation (“PEPR”) from Department for Energy and Mining (“DEM”) in SA is received.

The Glenloth Project comprises an entry into a very prospective area where previous exploration was piecemeal and inadequate; accordingly gold deposits could be uncovered by systematic exploration.

The CGC has potential for the discovery of significant gold deposits, as indicated by the Tunkillia deposit with a 965,000 oz Au resource that adjoins the western portion of EL6301. The Old Well block is also proximal to the Tarcoola mining centre, where historic production and a current resource total approach 190,000 oz Au.

Tarcoola and Tunkillia, along with the 1 M oz Au Challenger deposit are now owned by Barton Gold.

5.7 Proposed Exploration Budget

A proposed two-year Glenloth area exploration budget of $640,000 is presented in **Table 18.**

Cost Centre	Year 1 $000	Year 2 $000
Wages/Salaries/Contractors	20	20
Data compilation	20	20
Geological Mapping & Ground truthing	20	10
Geological/Geophysical interpretation	10	0
Follow up aircore drilling	0	0
Follow up RC drilling	140	100
Assays	25	40
Metallurgical test work	5	5
Field supplies and support	15	15
Tenement costs	5	5
Equipment and consumables	5	10
Heritage and Environment	5	5
Administration costs	10	10
Rehabilitation costs	10	10
Contingency	30	30
Total	**320**	**320**

Table 18: HOR Project – Glenloth Proposed Exploration Budget.

6.0 Mt Gunson Prospect

6.1 Introduction

Mt Gunson is located on the Stuart Shelf, comprising an undeformed cover sequence of flat-lying, late Adelaide platform sediments on Gawler Craton crystalline basement. Copper mineralisation was discovered at Mt Gunson in 1875 and the first recorded production was from 1899.

A smelter was subsequently erected in the Main Open Cut ("MOC") area in 1904. Small-scale production continued in the area until the Cattlegrid deposit was discovered, and subsequently mined by CSR Limited from 1974 to 1986, with 7.2 Mt of 1.9% Cu ore mined from the Cattlegrid open pit. Together with 270,000 t of Main open cut ("MOC") ore, the tenements' total recorded production is 127,000 t Cu, 62 t Ag and 2900 t Co in concentrates (**Figure 31**).

From 1987 to around 2006, Adchem produced over 14,000 t Cu in cement for feed to the Burra cupric oxide plant from the Mt Gunson Project, principally from heap leaching of 1.2 Mt of 1.3% copper oxide ore from the MOC area, Gunyot, House and Core Shed deposits.

The leases forming the current project (ML3717-21, ML5598, ML5599; MPL1) were subsequently acquired and are currently held by a family-owned earthmoving contractor based in Adelaide, whom previously operated their own copper oxide leach operation

until the oxide development rights were granted to CMM on the 29th June 2017 under a 'Licence to Operate'.

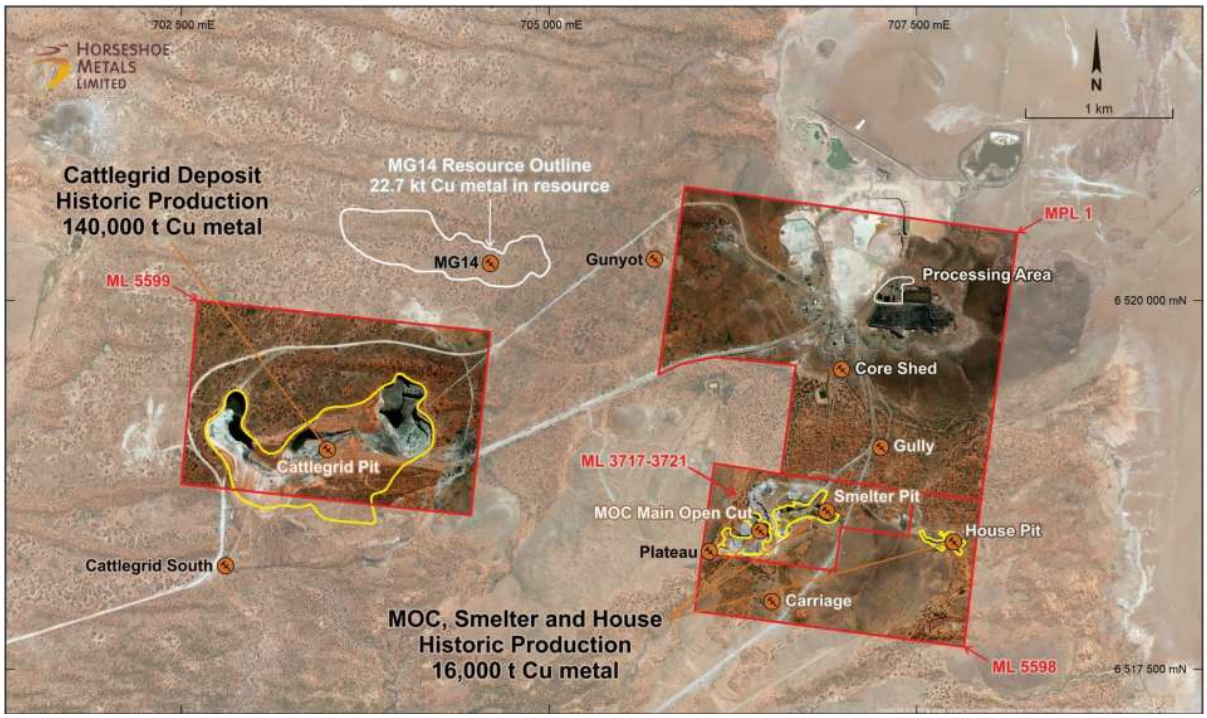


Figure 31: Location of Mt Gunson Copper Project tenure with local deposits and prospects.

Historic pit outlines in yellow

Under the Licence to Operate, CMM has a 100% interest in rights to explore, develop and operate oxide copper deposits, stockpiles and tailings on the above listed tenements using all available surface infrastructure including camp, mains power/water supply, treatment plant and earthmoving equipment, with the exception of ML5599, where the licence allows unrestricted use of water, and the right to re-process copper-bearing material on the floor of the site. The initial term of the agreement between CMM and the Licensor, who holds the tenements, expired on 29th June 2020, and can be extended by CMM for a period of a further two years to the 29th June 2022.

Further extension beyond 29th June 2022 can be negotiated during the term of this lease. CMM's operations at Mt Gunson are dependent on the Licence to Operate, and HOR's access to Mt Gunson tenure is contingent upon successful negotiations between CMM and the owner of the Mt Gunson leases.

CMM currently has a term sheet in place with Adchem for an initial 3-year term commencing in 2020 for copper cement delivered to Adchem's Burra facility (some 350km south), paying a copper price based on 80% of the London Metal Exchange (LME) per tonne for a date mutually agreed once the product has been sampled and assayed on arrival.

6.2 Regional Geology

The Gawler Craton covers approximately 440,000 km^2 of central SA. The Precambrian crystalline basement crustal block was cratonised ca. 1550–1450 Ma before which the

craton comprised a number of active Proterozoic orogenic belts extending back in time to at least 2450 Ma.

The Craton can be subdivided into a number of tectonic subdomains on the basis of structure and tectonostratigraphic history. The south-central Eyre Peninsula straddles the boundary between the Archaean to early Palaeoproterozoic Coulta Subdomain and the Cleve Subdomain, a Palaeoproterozoic orogenic belt ("mobile zone") probably representing a shelf or basinal depository for the Hutchison Group dated at ca. 1900–1845 Ma prior to its deformation during the Kimban Orogeny of ca. 1845–1710 Ma. On NE Eyre Peninsula, the Cleve Subdomain is bounded by the slightly younger Moonta Subdomain which is characterised by less intensely deformed metamorphosed acid volcanics and sediments ranging from the Myola Volcanics and Moonta Porphyry to the Moonabie Formation and Wandearah Metasiltstone.

Subsequent deformation on the craton has been largely epeirogenic forming shallow fault-bounded intracontinental depressions represented by Cainozoic basins, the southern continental margin and Spencer Gulf. In the central Craton, the Yarlbrinda Shear Zone was likely formed by the Kararan Orogeny and it is host to several major gold prospects including those in the Nuckulla Hill region of Sheoak, Myall and Bimba and at Tunkillia.

6.3 Local Geology

Mt Gunson is located on the Stuart Shelf, comprising an undeformed cover sequence of flat-lying, late Adelaide platform sediments on Gawler Craton crystalline basement. Both sandstone-hosted (e.g. Cattlegrid, MOC) and shale-hosted (e.g. MG14) mineralisation types occur at relatively shallow depths within the Mt Gunson region, typically within 25-50m of the surface. Only the sandstone-hosted deposits have been mined, and copper mineralisation occurs as flat undulating blankets of variable thickness, comprising networks of fracture-filling veins in a breccia representing a preserved Precambrian permafrost horizon, where repeated freezing and thawing created the brecciated host rock in which the copper was deposited.

The quartzite is the locally-silicified upper part of the Pandurra Formation, a thick (typically >1000 m) pre-Adelaidean fluviatile sandstone unit. Regionally, the Mt Gunson copper deposits lie on a northerly trending structural ridge known as the Pernatty Upwarp which is a complex horst structure expressed as an uplift of the Pandurra Formation. Neoproterozoic strata of the Stuart Shelf that would normally be present in a complete stratigraphic section are absent over the culmination of the Pernatty Upwarp, allowing the Whyalla Sandstone to directly overlie the Pandurra Formation in places within the Mt Gunson region. The principal ore mineral is chalcocite, but significant bornite and chalcopyrite occur locally along with accessory carrollite, galena and sphalerite.

Due to the saline surface environment, the copper chloride hydroxide atacamite is the principal oxide mineral. Shale-hosted mineralisation occurs in the Adelaidean Tapley Hill Formation where this unit is present between the Pandurra and Whyalla units. Sulphide mineralogy is similar but much finer-grained and not necessarily breccia-hosted.

6.4 Project History

Compilation of the historical drilling has been reviewed to identify residual oxide targets in proximity to the MOC area. The data has confirmed the persistent, elongate tabular form of flat-lying shallow oxide mineralisation (**Figure 32**). The extensive database totals some 20,000 m of drilling, which (excluding Cattlegrid drilling within ML5599) and mostly comprises holes less than 15 m in depth as summarised in **Table 19.**

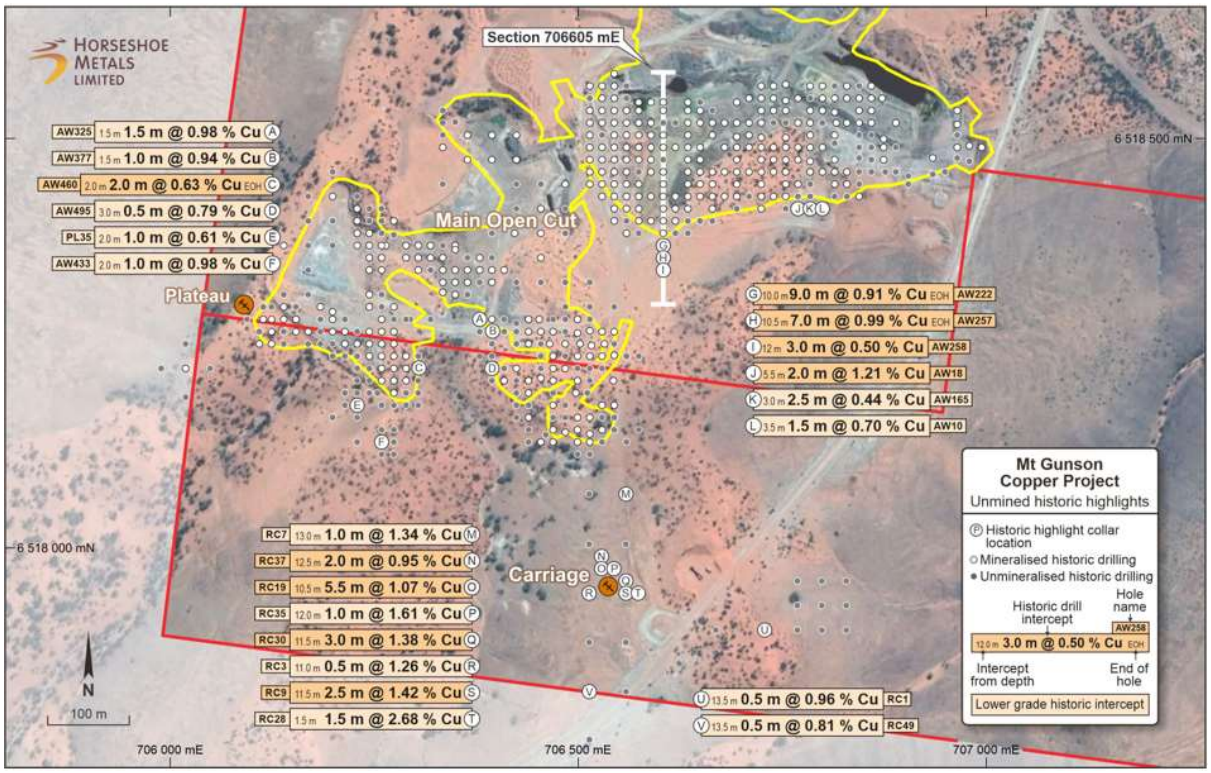


Figure 32: Mt Gunson Main Open Cut Drillhole Plan with section lines.

Prospect	Number of Holes	Total metres		Average depth	Samples
Main Open Cut	528	6864.5		13	5476
House	256	2673		10	3201
Core Shed	117	895		7	887
Carriage	27	420.5		16	359
Sub Total	1102	10853		10	9923
Cattlegrid					
Exploration	394	16936		43	5724
Grade Control	923	2987		3	3755
Total	**1317**	**19922**			**9479**

Table 19: Mt Gunson Drillhole Database Summary.

Remnant oxide material extending immediately outside the current MOC pit boundary is open and presents a priority drill target as depicted in Figures 33 to 35. In addition, oxide

mineralisation is present in the 'Gap' area between MOC and House prospects, where a series of four holes confirmed shallow copper mineralisation for possible mining. Should the Company be successful in re-negotiating access to the project, the Company is planning drilling of these and other available areas in the near term.

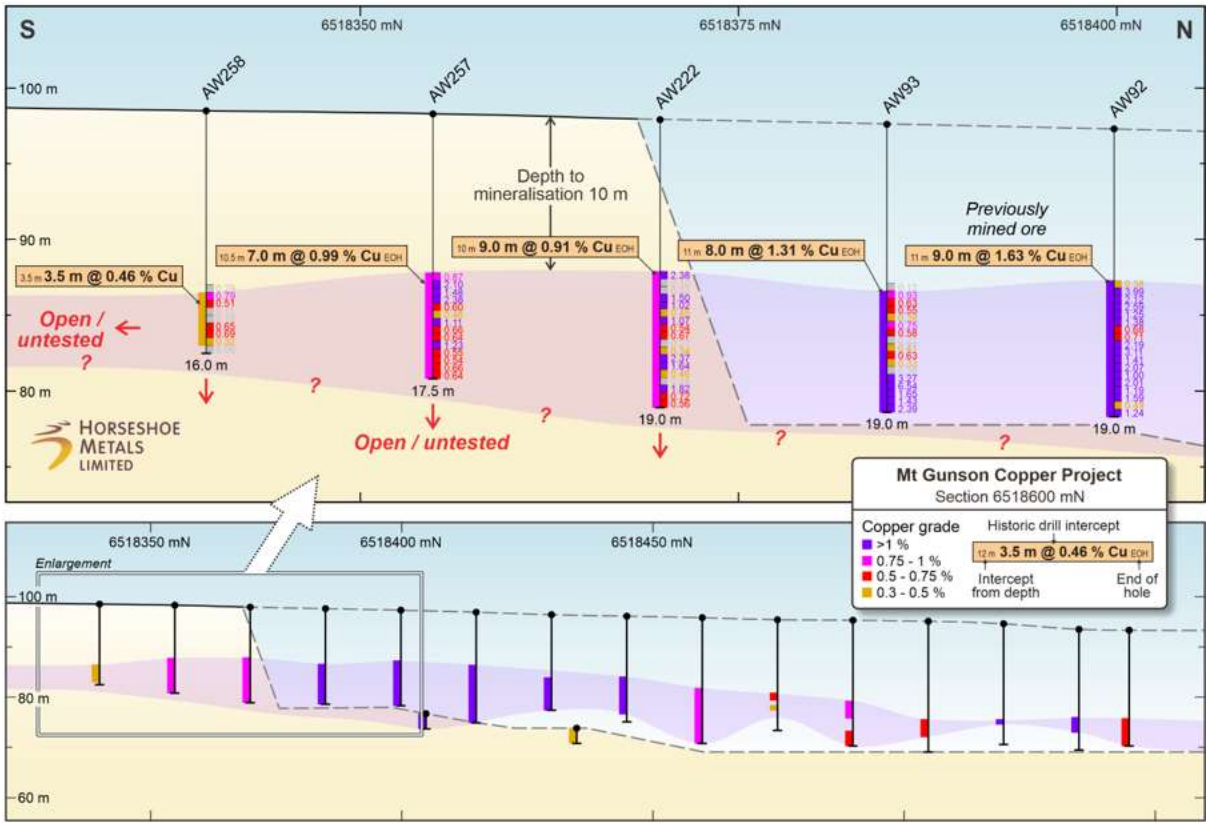


Figure 33: Mt Gunson Main Open Cut Section 706605mE.

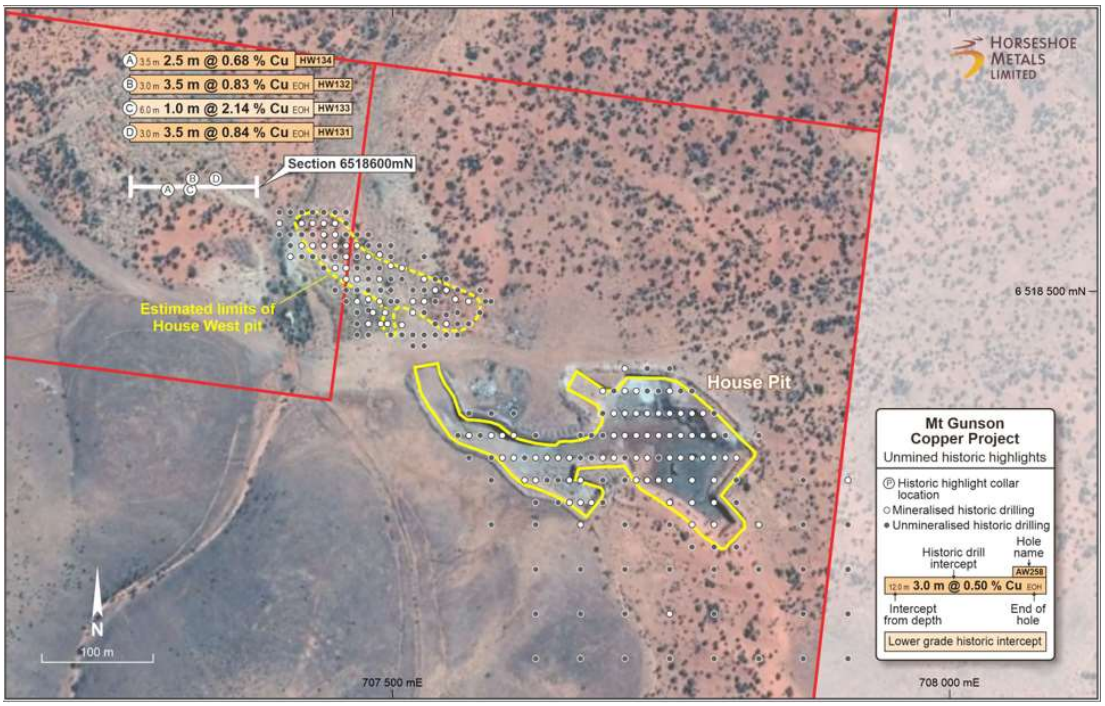


Figure 34: Mt Gunson 'Ga' and House area Drillhole Plan with section lines.

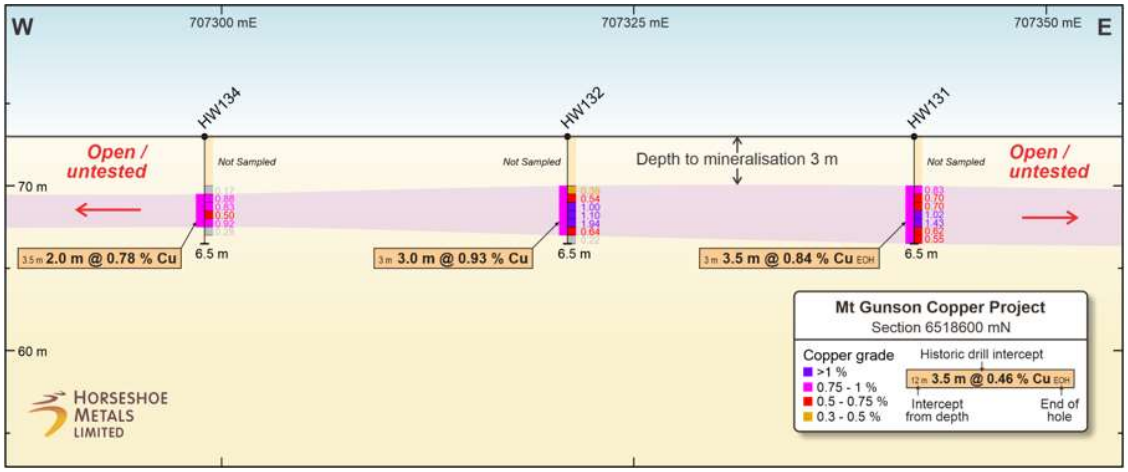


Figure 35: Mt Gunson Gap between Main Open Cut and House Section 6518600mN.

6.5 Exploration Program

There are some 146 holes from previous Adchem 1985-89 drilling that ended in mineralisation; this sets the scenario for an extensive infill and extension drilling program. Proposed Mt Gunson activities are contingent upon successful negotiations between CMM and the owner of the Mt Gunson leases.

6.6 Proposed Total Exploration Budget

A proposed two-year Mt Gunson exploration budget of $100,000 is presented in **Table 20.**

Cost Centre	Year 1 $000	Year 2 $000
Wages/Salaries/Contractors	4	4
Data Management	2	2
Geological Mapping & Ground truthing	2	2
Follow up RC drilling	20	20
Assays	5	5
Field supplies and support	2	2
Tenement costs	5	5
Equipment and consumables	2	2
Heritage and Environment	2	2
Administration costs	2	2
Rehabilitation costs	2	2
Contingency	2	2
Total	**50**	**50**

Table 20: Mt Gunson Proposed Exploration Budget.

7 Conclusions and Proposed Exploration Budget

7.1 General

Some of the tenements in the project areas have not previously undergone systematic, modern-day exploration and hence their potential has never been fully evaluated. All areas require exploration using the best in systematic, modern exploration methods.

The leases cover sections of geological terrane which are of a favourable age and lithology type to host gold and/or copper mineralisation. Major lineaments, faults and shear systems dissect the project areas and are the structural controls for the primary mineralisation on the tenements.

A number of project areas have 'walk up' drill targets which have been delineated from the presence of historic workings and previously identified soil geochemical anomalies and shallow drilling intersections. Several of these more favourable prospects represent immediate drilling targets during the first year of the proposed exploration program.

At Horseshoe Lights, an *in situ* Inferred Mineral Resource Estimate of 12.85Mt at 1.0% Cu at a lower cut-off grade of 0.5 % Cu requires infill and extensional drilling in order to provide sufficient additional information with the aim of enabling estimation of reserves.

At Kumarina, historical production indicates the presence of high-grade copper mineralisation and we consider that extensions to the known mineralisation at the nearby Rinaldi resource are possible and this requires further exploration work.

At Glenloth, high grade workings are undrilled and require evaluation. At Mt Gunson, shallow extensions require drilling. The proposed Mt Gunson work is contingent upon successful negotiations between CMM and the owner of the Mt Gunson leases.

A budget is proposed with Year 2 expenditure dependent on continued positive results from the Year 1 program.

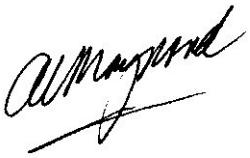
7.2 Proposed Exploration Budget

A proposed two-year HOR project exploration budget of $2.1 M is presented in **Table 21**.

Prospect	Year 1 $000s	Year 2 $000s	Total $000s
Horseshoe	750	550	1300
Kumarina	30	30	60
Glenloth	320	320	640
Mt Gunson	50	50	100
TOTALS	**1150**	**950**	**2100**

Table 21: Proposed Combined Two-Year Exploration Budget.

Yours faithfully,



Allen J. Maynard, BAppSc(Geol).

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Glenloth

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https://sarigbasis.pir.sa.gov.au/WebtopEw/ws/samref/sarig1/image/DDD/SP020.pdf p79

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Windabout Resource:
https://gindalbie.com.au/wp-content/uploads/2018/01/Mt-Gunson-Copper-Cobalt-Project-Update.pdf *p1*

MG14 Resource:
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http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.697.4826&rep=rep1&type=pdf *p2*

MG14 Resource:
https://gindalbie.com.au/wp-content/uploads/2018/01/Mt-Gunson-Copper-Cobalt-Project-Update.pdf *p1*

9.0 Glossary of Technical Terms and Abbreviations

Aeromagnetic survey	A survey made from the air for the purpose of recording the magnetic characteristics of rocks.
Aircore, A/C	Aircore drilling used steel or tungsten blades to bore a drillhole into unconsolidated ground

Alkali feldspar	Feldspar Group minerals rich in Potassium or Sodium.
Alluvial	Loose mass of soil and or rock fragments transported and deposited by water.
Amphibolite	Name given to a rock consisting mainly of hornblende amphibole.
Andesite	A dark fine grained, brown to greyish intermediate volcanic rock which is a common constituent of lavas in some areas.
Anticline	Upward arching fold of rock strata (or antiform).
Anomalous	A zone of potential exploration interest, which varies from the surrounding area, but not necessarily of commercial interest.
Archaean	The oldest rocks of the Precambrian Era, older than 2,500 million years.
Assay	A test to determine the proportion of minerals within a sample.
Basalt	A fine-grained mafic volcanic rock.
Basin	A low-lying region where eroded sediments have accumulated usually in great thicknesses measured in kilometres.
Batholith	A large, discordant plutonic mass more than 100 square kilometres in area.
Bedding planes	Layering of strata.
Brecciated	Rock consisting of angular fragments in a finer grained matrix.
Calc-alkaline	Rocks rich in alkaline earths (magnesia and calcium oxide0 and alkaline metals
Chalcopyrite	Brassy or golden-yellow mineral $CuFeS_2$ that is an important mineral in copper ore.
Channel samples	A sample selected across the face of a costean, channel, vein or rock body to give an average grade.
Chert	A rock with fine-grained glass, highly siliceous composition and appearance.
Chlorite	A common greenish micaceous rock-forming mineral.
Complex	An assemblage of rocks or minerals intricately mixed or folded together.
Conglomerate	A course-grained sedimentary rock composed of rounded to sub-angular pebbles, cobbles or boulders set in a finer grained matrix.
Contact	Surface, which marks the change between rocks of different types.
Costean	Trenching for the purpose of evaluating potential mineralisation.
Deposit	A body of mineralization that may or may not be economic for mining.
Diamond drilling	Rotary drilling using diamond-impregnated bits to produce a solid continuous core sample of the rock penetrated.
Dip	The angle at which a rock layer, fault or planar feature is inclined from the horizontal.
Dolerite	A medium grained intrusive rock mainly composed of feldspar and pyroxene.
Dyke	A tabular body of intrusive igneous rock crosscutting the host strata.
Eluvial	Deposits and soils that are derived by insitu weathering, gravitational movement or accumulation

Exploration	The act of searching or travelling around a for the purpose of discovery of resources or information about the geology and mineralisation of an area. It includes office-based studies, field mapping, sampling, geophysical techniques and drilling.
Fault	A fracture or zone of fractures in rocks along which those on one side have moved relative to the other side.
Feldspar	A group of common rock forming minerals.
Ferricrete	An amalgam of surface sand and gravel cemented into a mass by iron oxide.
Ferruginous	Iron rich.
Foliation	The banding or lamination in metamorphic rocks resulting from the parallel arrangement of different minerals.
Fold	A bend in strata that is a change in the angle of dip and often a change in the direction of dip.
Formation	Primary unit of lithostratigraphy. A mappable and correlatable stratigraphic unit.
Fracture	One of the ways rocks yield to deforming movements i.e.: cracks, joints, faults or other breaks.
Goethitic	Iron bearing rock.
Gossan	A ferruginous deposit remaining after oxidation of the original sulphide minerals in a vein or ore zone.
Grade	Quantity of metal per unit of weight of host rock.
g/t	Grams per tonne of rock material
Granite	A course-grained igneous rock composed dominantly of quartz and potassium feldspar.
Granodiorite	A course-grained plutonic rock composed mainly of quartz, potassium feldspar, plagioclase, biotite and hornblende. It contains less alkali feldspar than granite.
Greenschist	One of the major divisions of the mineral facies classification of metamorphic rocks. Low-grade metamorphic rock type. Greenschists form under conditions of low temperature and low pressure.
Greenstone	Greenstone Belts are zones of variably metamorphosed mafic to ultramafic volcanic sequences and associated sediments that occur within Archean cratons.
Greywacke	Sandstone with high amounts of rock fragments and silt.
Group	Comprises more than one stratigraphic formation.
Hematite	A form of iron oxide (Fe_20_3).
IP	Induced Polarisation a geophysical imaging technique used to identify electrical chargeability of sub surface material, such as ore.
Igneous	A rock formed by the solidification from a molten state.
Intrusives	A body of igneous rock that has been injected while molten into pre-existing rocks.
JORC Code	The Joint Ore Reserves Committee and ASX standard for the publication of resources reserves and related information.
Lineament	A linier fracture on the earth's surface, such as a fault
Lithology	Description of a rock type.
Lode	A body of mineralization or metalliferous ore, usually a vein.
Mafic	Dark coloured rocks composed dominantly of magnesium and iron-rich silicate minerals.

Matrix	Groundmass of rock; the finer grained mass of material in which larger grains, crystals or clasts are embedded.
Metamorphic	Rock which has been altered in composition or texture by the effects of heat and/or pressure
Mica	A group of minerals characterized by their platy nature.
Mineralisation	The process by which minerals are introduced into a rock. Generally, a term applied to the accumulation of minerals in quantities ranging from anomalous to economic.
Ore	Mineral bearing rock that may contain sufficient quantities to be economically mined.
Outcrop	Rocks that are exposed at the surface.
Percussion drilling	The drill uses a pneumatic reciprocating piston-driven "hammer" to energetically drive a heavy drill bit into the rock. The cuttings are blown up the outside of the rods and collected at surface.
Proterozoic	Geological eon representing a period before the first abundant complex life on Earth extended from 2,500 to 542.0±1.0 Ma (million years ago).
Pyrite	An iron sulphide mineral (FeS_2). Commonly known as fool's gold.
Quartz	A common rock-forming mineral composed of silicon dioxide (SiO_2).
RAB drilling	The drill uses a blade bit or pneumatic reciprocating piston driven "hammer" to drive the drill bit into rock, returning an external sample
RC drilling	Reverse circulation-drilling technique in which the cuttings are recovered though the drill rods thus minimizing sample losses and contamination.
Sandstone	Cemented or otherwise compacted detrital sediment composed predominantly of quartz grains.
Schist	A metamorphic rock defined by well-developed parallel orientation of more than half its mineral components.
Sediment	A rock in which its components have been transported from one site by wind, ice, gravity or water and subsequently deposited elsewhere.
Sedimentary basin	A depression or low area in the Earth's crust where large thicknesses of sediments are able to accumulate.
Shale	A fine-grained sedimentary rock containing clay sized particles, which splits easily.
Strike	The orientation of a rock body or geological structure in the horizontal plane.
Sill	A sheet-like body of igneous rock that is conformable with the layers it intrudes.
Siltstone	A very fine-grained clastic rock composed predominantly silt-sized particles.
Slate	A fine-grained, foliated, homogeneous metamorphic rock derived from an original shale-type sedimentary rock composed of clay.
Strata	Distinctive multiple layers of rock.
Strike	Direction or bearing in which an outcrop, rock body or linear feature trends.
Strike length	The length along the direction the rock unit or geological feature is trending.
Sulphide mineralisation	A group of minerals in which one or more metals is found in combination with sulphur.

Syncline	A fold where the rock strata dip inwards and downwards the axis.
t or tonne	Term for a metric ton.
Tectonic	Forces and structures produced associated with larger features within the Earth.
Tholeiitic basalt	A variety of basalt containing no olivine.
Transposition	Occurring when a folded layer is disrupted in such a manner that the orientation of the individual segments no longer indicates the gross orientation of the parent layer.
Tuff	Rock consisting of consolidated volcanic ash ejected from vents during a volcanic eruption.
Ultramafic	Igneous and meta-igneous rocks with very low silica content and rich in minerals such as hypersthene, augite and olivine.
Unconformity	A contact between two rock strata where there has been a time break between the two units. The strata each side of the unconformity may be parallel or at an angle to each other.
Vein	A thin, sheet-like infill of a fissure or crack. In gold exploration quartz veins may be important hosts for gold mineralisation.
VHMS	Stratiform deposits with accumulations of sulphide minerals that precipitate from hydrothermal fluids on or below the sea floor
Volcanic	An igneous rock extruded on the surface of the Earth as magma and solidified.

Chemical Symbols

As	Arsenic		
Ag	Silver	Bi	Bismuth
Au	Gold	Ce	Cerium
Ca	Calcium	Cr	Chromium
Co	Cobalt	F	Fluorine
Cu	Copper	Mg	Magnesium
Fe	Iron	Mo	Molybdenum
Mn	Manganese	Pb	Lead
Ni	Nickel	Pt	Platinum
Pd	Palladium	U	Uranium
Sn	Tin	Zn	Zinc

Abbreviations

g	Gram	kg	Kilogram
km	Kilometre	km^2	Square Kilometre
m	Metre	m^2	Square Metre
m^3	Cubic Metre	mm	Millimetre
M	Million	oz	Troy ounce
t	Tonne		(31.103g)

Units of Concentration

ppb	Parts per Billion	ppm	Parts per Million

JORC 2012 Table 1

Horseshoe Section

SECTION 1 – Sample Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg '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 (eg submarine nodules) may warrant disclosure of detailed information.*	**2021** • HOR 2021 RC Drilling- samples were collected to best represent the source material. Samples were sent to Nagrom Perth for Au analysis by ICP-OES (Method ICP-008), 50g charge with a lower detection limit of 0.001 ppm NAGROM method – ICP008; 40gm Aqua Regia Digest- suite included Au, Ag, Ca, Cu, Fe, Hg, Mg, Pb, S, Se and Zn. Samples were pre-screened at hole for Cu for subsequent assay by portable XRF. • HOR 2021 Auger drilling- samples were collected by spiral auger bit and shafts with flights 3 ½ "in diameter. Samples were collected every metre from a collared liner base of around 50cm x 40cm, into a large labelled plastic bag, and the base swept clean before proceeding with the next metre. Sub-sampling into numbered calico bag was via an aluminium scoop collecting around 500-750gm of sample from the plastic bag, which was retained at the hole over the collar. The historical 1985 RC Vat sampling programme was undertaken by a truck mounted Mole Pioneer drilling rig owned and operated by Sanfead Drilling Contractors in Perth, using a modified rotary drill with blade bit. Samples were collected ever 2m within holes up to 6m deep, except 3 holes in Vat 3 which were sampled every 1m. • HOR 2021 RC Drilling - Portable Niton XRF used to select sample intervals, internal checks utilised • HOR 2021 Auger drilling Depth control was at the decimetre level, with depth checked against a metre stick • HOR 2021 RC Drilling -undertaken as industry standard reverse circulation drilling, with 1m samples were split from the cyclone, with residual sample collected in plastic bags • HOR 2021 Auger drilling was undertaken by experienced contractors Gyro Australia and is considered industry standard with a geochemical auger rig used to obtain 1 m samples of 5-10kg from a vertical auger hole of less than 6m in this instance. Sub samples of 500-750gm were taken via scoop and pulverised at the laboratory to produce a 50 g charge for fire assay analysis for gold only. The historical 1985 RC Vat sampling programme was considered industry standard at the time, with samples split on site by drillers and sent to Perth for analysis **Historic** • Historical data: All activities completed by Horseshoe Gold Mine Pty Ltd which was a wholly owned subsidiary of Barrack Mines Ltd between 1983-91 and Sabminco NL between 1992-1995. Barrack Mines Ltd drilled 43 diamond holes for 15,353m, 638 Reverse Circulation holes for 55,343m and 19 channel samples for 520m between 1983 and 1990. • Sabminco NL drilled 14 HQ & NQ diamond holes for 2672.25m and 108 Reverse Circulation holes for 9,244m between 1992 and 1993. Initial hole spacing was on a nominal spacing of 50 x 50m with infill as required in the pit area. • Drillhole deviation resulted in irregular drill spacing as exploration and resource definition progressed. • Earlier drilling prior to 1983 has not been used. • The majority of holes are orientated perpendicular to mineralisation which is mainly toward mine grid east and north east at various inclinations.

Criteria	*JORC Code explanation*	Commentary
		• Horseshoe Metals: Samples have been collected from 94 Reverse Circulation Horseshoe Metals holes for a total of 16,059m and 7 diamond drill holes and tails for a total of 1776m. RC drill spacing north of the existing pit varies between 50 x 50m in exploration areas and a nominal 25 x 25m pattern where possible in resource areas. All samples from the first 2 phases of RC drilling up until RC1026 were spear sampled and composited over 3m intervals. All subsequent Reverse Circulation 1m split samples have initially been analysed for copper with a handheld Delta XRF instrument to determine sample category i.e. 1m split or 3m or 4m composites. • Historical data: All drill hole collar locations were surveyed by mine surveyors and the majority of diamond drill holes included downhole surveys using an Eastman camera. Reverse Circulation holes were generally not surveyed down hole. • Where possible historical open holes have recently been surveyed for collar location and down hole by contract surveyors. • Representative reverse circulation samples were collected using mine practices deemed appropriate at the time and logged for lithological information. • Diamond core samples were logged for lithological, structural and geotechnical information (in some cases). • Horseshoe Metals: Certified standard and blanks samples were inserted into the sample sequences in according to Horseshoe Metals QAQC procedures. Duplicate samples for RC and diamond samples were collected to check repeatability of sampling and variability or nugget effect for tungsten mineralisation. Results from this QAQC sampling were considered acceptable. • All Horseshoe Metals drillhole collar locations have been surveyed by licensed contractors using RTK DGPS system and drilling contractors provided downhole survey information using single shot digital cameras. Downhole survey contractors have resurveyed some open holes using gyro and multishot systems. • The Delta handheld XRF was calibrated according to manufacturer's standard and also randomly tested against supplied standards from Geostats Pty Ltd. Historical data: Reverse Circulation samples were collected mainly on 1m & 2m intervals and prepared for assaying at the onsite laboratory of Horseshoe Gold Mine Pty Ltd, and/or at accredited laboratories. • Diamond core is HQ, NQ and BQ was mainly half cut sampled on geological intervals (0.1m to 3.1m) and assayed using the same techniques as the reverse circulation samples. • Horseshoe Metals: Horseshoe Metals samples were submitted to three accredited laboratories: Genalysis, Labwest and Quantum Analytical Services (QAS). The Copper assay is derived using a mixed acid digest of nitric, hydrofluoric, perchloric and hydrochloric acids on 0.2g of sample and analysed using ICP Optical Emission Spectrophotometry. This method is considered appropriate and effective for this style of mineralisation. • Horseshoe Metals RC samples were riffle split from a regularly cleaned cyclone and split into a calico bag and a plastic green bag on a 1:7 ratio. Samples from the first 2 phases of RC drilling up until RC1026 were spear sampled and composited over 3m intervals. Any significant composite assay value was re-split using the original 1m calico bag and subsequently re- assayed. All other 1m split samples were initially analysed for copper with a field portable Delta XRF instrument to determine sample category i.e. 1m split or 3m or 4m composites. • All Horseshoe Metals diamond core was recovered from the drillhole and boxed into 1 metre long plastic core trays at the drill site. The core trays can hold up to 4-5 m of core depending on the diameter.

Criteria	JORC Code explanation	Commentary
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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).*	**2021** • HOR 2021 RC Drilling - was undertaken as industry standard reverse circulation drilling, with iDrilling completing work with a UDR450 track mounted rig and separate 900/1150 booster. Face-sampling drill bit size was 140mm • HOR 2021 Auger drilling was completed using a Landcruiser mounted post-hole style auger, capable of at least 10m drill depths. Hole diameters were 3.5". The historical 1985 RC Vat sampling programme was undertaken by a truck mounted Mole Pioneer drilling rig, using a modified rotary drill with blade bit. Size of bit not stated. **Historic** • Historical data: With reference to the historical database Barrack Mines Ltd and Sabminco NL used 16 rotary air blast (RAB) holes, 756 reverse circulation (RC) and 57 diamond holes for resource definition and exploration. • No formal drilling reports are available outlining details of RC drill programs during the mining period 1983-1994 but conversations with original mine personnel suggest that industry standard practices were employed during the mining period 1983-1994. • Diamond drilling is HQ, NQ and BQ core with the majority using Reverse Circulation pre-collars to various depths. Only alpha angles were recorded in geological logs. • Horseshoe Metals; A total of 94 Reverse Circulation holes for 16,059m and 7 diamond drill holes, including 3 diamond tails for 1111.6m were used in the resource calculation. The four diamond holes from surface totalled 1111.6m of HQ diameter core and 5.8m of NQ core. The diamond tails totalled 196.3m of which 39.5m was HQ diameter core and 156.8m of NQ diameter core. Diamond rigs use hydraulic power wireless drilling methods with three and six metre runs.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	**2021** • HOR 2021 RC Drilling- Visual inspection of the RC sample volume indicates sample recovery is excellent • HOR 2021 Auger drilling -Visual inspection of the auger sample volume indicates sample recovery is excellent • HOR 2021 RC Drilling -all samples drilled dry with minimal clayey component. All RC samples samples are visually checked for recovery, moisture and contamination • HOR 2021 Auger drilling -Visual inspection of the auger sample volume indicates sample recovery is excellent. 1985 RC Vat sampling programme- stated as 'satisfactory'. Auger samples are visually checked for recovery, moisture and contamination. Hole sides were conditioned where possible, and sample bases cleaned before proceeding. 1985 RC Vat sampling programme- not known. • HOR 2021 RC Drilling - No potential for sample bias was observed, with no fine/coarse separation • HOR 2021 Auger drilling -Ground conditions for auger drilling are good and drilling returned consistent size samples. No potential for sample bias was observed, with no fine/coarse separation. 1985 RC Vat sampling programme- not known **Historic** • Historical data: No formal recovery technique is recorded for RC or RAB drilling by either Barrack Mines Ltd or Sabminco NL. • Diamond core recovery statistics are recorded in hard copy for the majority of historical diamond holes. No formal assessment of core recovery has been made to date. • Horseshoe Metals: RC recovery for Horseshoe holes was visually assessed, recorded on drill logs and considered to be acceptable within the mineralized zones.

Criteria	JORC Code explanation	Commentary
		• Diamond core recovery for Horseshoe Metals holes is logged and recorded in the database. No significant core loss issue exists. The average core recovery is 97.4%. • Historical data: No formal report or information is available but conversations with original mine personnel suggest that industry standard practices were employed during the mining period 1984-1995. • Horseshoe Metals: Diamond core for Horseshoe Metal holes was reconstructed into continuous runs against the depth marked on the core blocks. • RC samples were visually checked for recovery, moisture and contamination. A cyclone and splitter were used to provide a uniform sample, and these were routinely cleaned. The drill contractor blew out the hole at the beginning of each drill rod to remove excess water and maintain dry samples. • Historical data: The potential for sample bias when considering the chalcocite ore within and directly beneath the existing pit was high due to the texture of the mineralisation and high water flows in this area. This manifested itself in smeared reverse circulation drilling and poor recoveries from diamond core as well as poor reconciliation during mining. As a result, all reverse circulation samples suspected to be contaminated have been removed from the current resource estimation. • Horseshoe Metals: Sample Recovery for diamond holes is generally high (97.4%). Ground conditions for RC drilling were good and drilling returned consistent size samples. Reverse circulation and diamond core recoveries are high enough to preclude the potential for sample bias.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	**2021** • HOR 2021 RC Drilling - logged to a level to support appropriate Mineral Resource estimation, mining studies, and metallurgical studies. C20 stockpiles not logged • HOR 2021 Auger drilling Not logged as leached Vat material is relatively homogenous. All material and sampling viewed and overseen by senior geologist. 1985 RC Vat sampling programme- not known • HOR 2021 RC Drilling- - logged to a level to support appropriate Mineral Resource estimation, mining studies, and metallurgical studies. • HOR 2021 Auger drilling - N/A • HOR 2021 RC Drilling- - All drilling logged to a level to support appropriate Mineral Resource estimation, mining studies, and metallurgical studies. • HOR 2021 Auger drilling -NA. **Historic** • Historical data: All reverse circulation and diamond drilling was logged to a level of detail considered sufficient at the time of mining. However, the nature of deposit that has been subject to strong weathering and alteration makes identification of stratigraphical units very difficult. The lack of an early stratigraphical interpretation model and limited understanding of the deposit style has also caused inconsistency in the logging by various geologists. As a consequence, only the overlying sediments and underlying shale and dolerite have been logged according to their primary rock type. Barrack Mines Ltd and Sabminco NL used similar mine-specific geological codes to describe the geological units. A metamorphic and alteration methodology was used to describe the volcanic stratigraphy but interpretation of the various descriptions is very difficult. • Horseshoe Metals: Logging of Horseshoe Metals reverse circulation drilling identifies all aspects of lithology, colour, weathering, texture, alteration and mineralisation. All primary recorded on site data was directly imported into a drill hole database and checked against the original data. During logging part of the RC sample was sieved, logged and placed in RC chip trays. The logging also includes references to wet samples in the comments. All reverse circulation samples have been photographed in wet form and the

Criteria	JORC Code explanation	Commentary
		chip trays have been retained for physical inspection onsite or in the Perth office. • Original logging of historical diamond core described lithology, colour and mineralisation content as well as some geotechnical data including core recovery, RQD data and alpha angle measurements. Approximately 10% of the original diamond holes in areas outside the existing pit have been re-logged and photographed so far. Diamond core for Horseshoe Metals holes was logged for recovery and RQD. Information on structure, lithology and alteration zones was recorded. Diamond core trays are stored on site for future reference. • All drill data is digitally captured and stored in a central database. • Historical data: Original logging of reverse circulation and diamond core describes lithology, colour and mineralisation content only in handwritten form on hard copies. • Approximately 10% of the original diamond holes in areas outside the existing pit have been re-logged and photographed so far. • Horseshoe Metals: Logging of all samples includes lithology, colour, weathering, mineralogy and mineralisation for holes. All reverse circulation samples have been photographed in chip trays in wet form and all diamond core trays have been photographed in dry and wet form. • The entire length of all Horseshoe Metals RC and diamond holes for 100% of the drilling in the database was logged in full.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	**2021** • No diamond core drilled during this program. • HOR 2021 RC Drilling- -Non-core drilling, generally sampled dry, wet samples noted; Sample preparation technique considered appropriate to sample type; Cyclone cleaning routinely carried out during drilling; No field duplication undertaken to date, further work planned; Sample sizes considered appropriate to the grain size of the material being sampled. • HOR 2021 Auger drilling- Whole samples collected and swept off rubber lined collar pad; Auger drilling All auger samples drilled dry for the purposes of sampling. Sample sizes considered appropriate to the grain size of the material being sampled. 1985 RC Vat sampling programme- not known • RC and Auger sample analysis follows industry best practice whereby samples are sorted, reconciled, placed onto trolleys and dried at 105°C in an oven, then crushed to ~2mm and a 500-700g subsample taken by rotary division for pulverisation. The subsample was pulverised >90% passing 75µm using bowl-and-disc type mills, and ~200g of pulverised sample was taken for analysis. The technique is considered appropriate for the process of sub-sampling. 1985 RC Vat sampling programme- not known • Sub sampling stages are considered appropriate for the representivity of samples. • RC and Auger sample analysis -Residuals and original samples sources retained for checks. C20 stockpiles original metre samples not retained • RC and Auger sample analysis-The sample size is considered industry standard for base and precious metal mineralisation. **Historic** • No All diamond core sampled intervals were half core cut for HQ, NQ and BQ diameter. • In this instance dry samples were collected using a cyclone and split with a Jones riffle splitter. Wet samples were collected using a conventional revolving wet splitter. • Historical data: No formal report or information is available but conversations with original mine personnel suggest that industry standard practices were employed during the mining period 1984-1995. • Horseshoe Metals: The numbered calico samples bags collected by Horseshoe Metals at the exploration

Criteria	JORC Code explanation	Commentary
		site were bagged into polyweave and bulkie bags and transported to the freight company depot in Meekatharra and then transported by road to the laboratory in Perth. Each laboratory has used appropriate sample preparation facilities and the required analytical equipment. • At the laboratory the diamond core samples were sorted, reconciled, placed in trays on trolleys and dried in a gas oven at 110°C for a minimum of 8 hours or until dry. Samples ranging from 300g - ≤3kg were crushed to nominal ~10mm using a jaw crusher and then pulverised using LM2, LM5 or Mixer Mill pulverisers. Samples >3kg were Boyd crushed to a nominal ~3mm and split in half using Boyd rotary split divider, one half was then pulverised, and the other half retained, bagged and stored. After pulverising a 150g craft geochemical (pulp) packet was taken directly from the pulveriser bowl and submitted for analysis. • Sample preparation for RC samples were similar but did not require the crushing circuit and so went straight to the pulverisers. Samples weighing >3kg were riffle split first and then pulverised. • The sample preparation technique is considered to be appropriate. • Historical data: No formal report or information is available but conversations with original mine personnel suggest that industry standard practices were employed during the mining period 1984-1995. • Horseshoe Metals: Field QAQC procedures included the insertion of field duplicates, blanks and commercial standards. Standards were inserted at intervals of 30. • If a duplicate or blank falls on the 30th sample, the standard sample number was changed to suit. • All laboratory QC data is reported within the structure of the final reports. A blank was included at the start of every job and then after every 90 samples. One duplicate and one CRM was included at random within each set of 24 analysed. One sample preparation split was performed in 25 samples. Wet sieving of at least one sample in every batch was undertaken to confirm % -75um. • Historical data: No formal report or information is available but conversations with original mine personnel suggest that industry standard practices were employed during the mining period 1984-1995. • Horseshoe Metals: Field duplicates have been taken on a ratio of 1:50 for RC drilling for Horseshoe Metals holes, the results of which show good correlation with original samples. No second half sampling of diamond core has been undertaken to date. • Historical data: No formal study is available on this to date for the 1984-1995 data. • Horseshoe Metals: Sample sizes for Horseshoe Metals holes are considered to be appropriate to accurately represent the copper mineralisation at Horseshoe Lights based on the thickness and consistency of the intersections, the sampling methodology and the per cent value assay ranges for the primary elements.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e lack of bias) and precision have been established.*	**2021** • HOR 2021 RC Drilling-- RC samples were submitted to Nagrom Laboratory, an ISO_9001:2015 assay laboratory and mineral processor for analysis by Method ICP008; 40gm Aqua Regia Digest- suite included Au, Ag, Ca, Cu, Fe, Hg, Mg, Pb, S, Se and Zn. Aqua Regia digest is considered an effective but partial digestion technique. C20 stockpiles analysed by ICP008 for Copper, Gold only • HOR 2021 Auger drilling -Auger samples were submitted to Nagrom Laboratory, an ISO_9001:2015 assay laboratory and mineral processor for analysis by Method FA50. 1985 RC Vat sampling programme- Fire assay analysis conducted by Classic Laboratories Pty Ltd, a NATA registered laboratory. Fire assay for gold is considered a total digestion technique. Vat 2 samples assayed by ICP008 for Copper, Gold only

Criteria	JORC Code explanation	Commentary
		• HOR 2021 RC Drilling- Standards and Blanks submitted at minimum once each per hole; acceptable levels of accuracy established. C20 Stoclkpile drilling- Standards submitted every 50 samples, acceptable standards of accuracy established • HOR 2021 Auger drilling- Auger sampling was submitted with two standards per 100 samples, and 1 blank per 100, and acceptable levels of accuracy and precision have been established. 1985 RC Vat sampling programme- not known **Historic** • Historical procedures: Barrack Mines Ltd and Sabminco NL predominantly used two laboratories to assay diamond drill core and RC drill cuttings. The majority of samples were processed and assayed at the on-site Horseshoe Gold Pty Ltd mine laboratory using the following techniques: • assayed for gold using AAS detection limit of 0.01ppm, • assayed for copper and silver using traditional AAS wet chemistry technique with a detection limit of 10 ppm Cu and 1 ppm Ag. • Classic Laboratories Pty Ltd (renamed Classic Comlabs Ltd and then purchased by Amdel Ltd now Bureau Veritas) was used as a back-up and umpire laboratory for check sampling and overflow using the following techniques: • assayed for gold using fire assay technique FAS1 with a detection limit of 0.02ppm, • assayed for copper and silver using wet chemistry technique A1/2 with a detection limit of 5ppm Cu and 1ppm Ag. • Horseshoe Gold Mine Pty Ltd were aware of the differences in gold assaying method between by the two laboratories and considered the method used by Classic Laboratories Pty Ltd to be more accurate. No reconciliation study of the differences between the two laboratories was completed. • Horseshoe Metals Procedures: The copper assay is derived using a mixed acid digest of nitric, hydrofluoric, perchloric and hydrochloric acids on 0.2g of sample and analysed using ICP Optical Emission Spectrophotometry. This method is considered appropriate and effective for this style of mineralisation. • The gold assay was derived using an aqua regia technique where 10g of prepared sample was digested using nitric and hydrochloric acid. The sample was then solvent extracted using Methyl isobutyl ketone and read on a Graphite Furnace Atomic Absorption Spectrometer. This method is considered adequate and effective for this style of mineralisation. • Historical data: No geophysical, spectral or XRF data is available for the historical database for Horseshoe Lights. • Horseshoe Metals: No geophysical tools were used by Horseshoe Metals to determine any element concentration used in the resource estimate. • Historical data: No formal report or information is available but conversations with original mine personnel suggest that industry standard practices were employed during the mining period 1984-1995. • Horseshoe Metals: Standard laboratory procedures involve the use of certified standards, duplicate samples and insertion of blanks. Assay results have been generally satisfactory, demonstrating acceptable levels of accuracy and precision.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative Company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*	**2021** • HOR 2021 RC Drilling- -Significant intersections verified by multiple Company personnel • Some holes approximately twinning historic drilling • Paper logs of primary data transferred to digital storage and stored, verified by alternate Company personnel; electronic records managed by Company personnel at Perth office.

Criteria	JORC Code explanation	Commentary
	• *Discuss any adjustment to assay data.*	• No adjustments have been made to the data as received from the laboratory • HOR 2021 Auger drilling- Auger significant intersections and tabulations were confirmed by alternative Company personnel from first principals. 1985 RC Vat sampling programme- not known • N/A • All auger drilling and sample data is captured in the field, then entered using established templates and verified in Perth office before upload into database. 1985 RC Vat sampling programme- not known • No adjustments undertaken. **Historic** • Historical data: No formal report or procedure is available for the historical data but verification of significant intersections is considered to have been the duty of the senior mine geologist at the time. • Horseshoe Metals: All significant intersections have been verified by the senior geologist and managing director of Horseshoe Metals Ltd. • Historical data: There is no formal report or information detailing the use of twin holes for the historical data but due to drillhole deviation off come close to existing holes which have produced a intersections in the chalcocite ore beneath the pit base with diamond drilling have produced different results in some cases. This may be due to smearing of the original RC hole or core loss in the diamond drilling. • Horseshoe Metals: HDD003 & HDD004 twinned historic RC holes holes in the Motters area and showed good correlation with previous results. Twin holes within the NW stringer zone have not been to date to verify historical data but proximal drilling, as an unintended consequence of drill hole deviation shows good correlation with historical data. Historical sterilisation hole results underneath subsequent waste dumps has recently been tested with follow up drilling as close as possible and only the recent results used for the purpose of the mineral resource estimate. • Historical data: There is no information or formal report detailing how this process worked. The assumption is that during the mining period all assays from the Horseshoe Gold Mine lab had been handwritten on the geological logs along with associated sample number. These assays would have been subsequently hand entered into an ASCII format. • Assays received from Classic Laboratories Pty Ltd appear to be in type format and there is no information on how this data was entered into the mine database, but the assumption is that it was also hand entered. This ASCII file was eventually used to create a Surpac database for section creation and 3D modelling. The original Surpac database file from March 1995 was used to create the present database. • Horseshoe Metals: Primary data was collected on Toughbook laptop computers using a standard set of Excel or Micromine templates with look up codes. This information was sent to CSA Global Pty Ltd and Delta Resource Management Pty Ltd for compilation and validation into SQL database server. • Historical data: Where discrepancies arose between assay values contained in the original 1995 Surpac database and the assay values hand written on the geological logs, the latter appeared to be more complete and consequently used for the present database. Assay values on the original geological logs deemed unreliable were discounted and assigned a copper value code so it would not be used in the resource estimate. Follow up drilling in these areas has clarified the correct values and used in the latest resource estimate. • Horseshoe Metals: No adjustments were made, other than for values below the assay detection limit which have been entered as the negative of the detection limit.

Criteria	JORC Code explanation	Commentary
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	**2021** • HOR 2021 RC Drilling-Initial collar locations are determined by handheld Garmin GPS but will be surveyed using DGPS before resource estimates are undertaken. Holes subsequently located by high definition photography, with estimated accuracy +/- 1m • HOR 2021 Auger drilling- Initial collar locations determined by handheld Garmin GPS but will be surveyed using DGPS before resource estimates are undertaken. 1985 RC Vat sampling programme- not known • RC and Auger sampling- Grid system coordinates are GDA94 MGA Zone 50. • RC and Auger sampling -Topographic control is available from known survey stations and Hyvista detailed aerial photography acquired in 2017. Topographic control is at the decimetre level on site. 1985 RC Vat sampling programme- not known **Historic** • Historical data: The Mine surveyors used standard industry practices at the time to mark out and pick up collar coordinates in mine grid format. The mine grid coordinates have subsequently been transformed into MGA_GDA94 format. All available historic collar locations still visible at surface have recently been surveyed using RTK DGPS system by MHR Surveyors Pty Ltd. • Downhole surveys were taken from Eastman camera discs employed by the various drilling companies at that time. Selections of these discs are available on site but have not been verified to date. Several available historic collar locations still visible at surface have recently been surveyed down hole either by re-entering the drill hole with a drill rig then downhole surveying using single shot digital camera readings or by DHS (Aust) Pty Ltd using an Electronic Multishot tool with readings in and out of the hole every 5m. Stated accuracies are +/- 0.2^{o} for dip and 0.3^{o} for azimuth. • Horseshoe Metals: All drill hole collar locations have been surveyed by MHR Surveyors using RTK GPS referenced to the nearby Standard Survey Mark PKH4. Expected relative accuracies are 0.02m for easting and northing and 0.05m for RL. • Downhole surveys consisted of single shot digital camera readings during drilling. Open holes were also surveyed by DHS (Aust) Pty Ltd using an Electronic Multishot tool with readings in and out of the hole every 5m. Stated accuracies are +/- 0.2^{o} for dip and 0.3^{o} for azimuth. • Barrack Mine Ltd created a NW mine grid orientated over the pit area with an east-west azimuth equivalent to 89^{o}. The mine grid RL was offset from real RL by 62.2m. These coordinates have subsequently been transformed to MGA_GDA94 zone 50 using the historic grid transformation. • All recent drill hole data is also recorded in MGA_GDA94 zone 50. • Topographic control was created from known survey stations and air photography in strict accordance with Mines Regulation Act 1946 by the authorised mine surveyor.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	**2021** • HOR 2021 RC Drilling-Sectional E-W drilling, typically 20m spacing, otherwise various. • C20 stockpile drilling was 20m x 10m, with planned infill lines removed pending results • HOR 2021 Auger drilling- auger drilling used approx. 20m spacing in a diamond pattern. • RC and Auger sampling- drilling spacing and results employed in this program are considered sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • No sample compositing has been applied.

Criteria	JORC Code explanation	Commentary
		Historic • RC and RAB exploration drilling outside of the pits environs was generally on a 50 x 50m spacing. RC resource infill drilling was generally 15 x 30m pattern. Diamond resource drilling pattern is irregular but is less than 40 x 40m is most cases. Deep exploration diamond drilling is also irregular. • The current nominal drill hole spacing is 20m x 40m where possible. • The historical data spacing and distribution was not considered sufficient for the purpose of a modern resource estimation. Follow up drilling has been completed to infill obvious gaps in order to provide sufficient geological and grade continuity. When the drilling was complete, the mineralised domains display sufficient geological and grade continuity for the mineral resource procedures and classifications applied to support the definition of Measured Indicated and Inferred Mineral Resources under the 2012 JORC code. • Historical data: Within the resource area 2m composite RC & diamond core samples were routinely taken from 1m splits. • Horseshoe Metals: Sample compositing over a length of 3 or 4m has been applied to samples returning a reading of <1000ppm using a fpXRF.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	**2021** • HOR 2021 RC Drilling-Orientation of sampling has not necessarily achieved unbiased sampling of some structures, discussed in text. • HOR 2021 Auger drilling Drilling in this program is vertical and considered to represent an unbiased section of the material being sampled. • RC and Auger sampling- No knowledge of sampling bias **Historic** • The majority of drilling was orientated mine grid east which is slightly oblique to the mineralised trends but intersection angles are closer to perpendicular in most cases. • A consistent sampling bias is not considered to be an issue for the purpose of this resource estimation. Diamond drilling confirmed that drilling orientation did not introduce any bias regarding the orientation of key mineralised structures.
Sample security	• *The measures taken to ensure sample security.*	**2021** • RC and Auger sampling-Prior to submission all samples were stored on-site under supervision of the Company personnel. Samples are transported to Perth by Horseshoe Metals personnel and then onto the assay laboratory in Kalamunda. **Historic** • Historical data: All drill samples were assayed onsite at the Horseshoe Gold Mine Pty Ltd laboratory or at Classic Laboratories Pty Ltd in Meekatharra or Perth. Pulps have been in storage on site within the core yard. • Chain of custody is managed by Horseshoe Metals. All sample numbers are generated in the site office. Once samples intervals are selected, the numbers are assigned to each sample. The sample numbers are not left in the core box (where the sample was taken from), but the core is marked for the taken sample intervals so it would be possible to reconcile the laboratory results against the particular intervals of core. The sample number, drillhole name and sampled interval are recorded in the sampling sheets. All samples are stored onsite and delivered to the freight company depot at Meekatharra by Horseshoe personnel for delivery to Perth and the assay laboratory. Samples are tracked and receipt is acknowledged by laboratory staff.

Criteria	JORC Code explanation	Commentary
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	**2021** • RC and Auger sampling-No audits or reviews have been performed to date. **Historic** • Sampling techniques are consistent with industry standards. Consistency of data was validated by CSA Global Pty Ltd while loading into the database (Depth from < Depth to; interval is within hole depth, check for overlapping samples or intervals, etc.). Any data which fails the database constraints and cannot be loaded is returned to Horseshoe Metals for validation and correction. Global consistency was also checked later on by plotting sections using the database and reconciling assays.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The Horseshoe Lights Project comprises one Mining Lease (M52/743), one Exploration Licence (E52/3759) and 9 Prospecting Licenses. Current registered holder of the tenements is Murchison Copper Mines Pty Ltd (MCM) which is a wholly owned subsidiary of Horseshoe Metals Limited. Tenements E52/3759, P52/1442-50, and part of M52/743 are subject to a farm-in agreement with Kopore Metals Limited (refer ASX release 28th January 2021 –"Horseshoe West Copper/Gold Farm-in and JV Agreement"). The Kumarina project consists of two tenements, M52/27; and a mine lease application, M52/1078. MCM has 100% interest in the tenements. Unrelated party Horseshoe Gold Mine Pty Ltd (a subsidiary of Granges Resources Limited) retains a 3% net smelter return royalty in respect to all production derived from M52/743 • Mining Lease 52/743 containing the exploration results and current resources is in good standing and and has been recently renewed for an additional 21 years. Prospecting Licences P52/1442-50 recently received an Extension of Term for an additional 4 years. The Company is unaware of any additional impediment to it obtaining a licence to operate in the area.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The Horseshoe Lights deposit surface gossan was discovered in 1946 and worked at a prospect level until 1949. Open pit and underground workings were operated by Asarco from 1949 to 1954. Asarco explored the deposit by sampling surface trenches, drilling one surface diamond drill hole, underground drilling and cross-cutting 2 levels underground. • In 1964, Electrolytic Zinc Company conducted widespread exploration including eight diamond drill holes in a search for copper. During 1969 and 1970 Planet Metals Ltd drilled seven holes. In the period 1975 to 1977, Amax Corporation and its partner Samantha Mines investigated the Horseshoe Lights area for base metals. This investigation included drilling a further three diamond drill holes including one beneath the southern end of the main ore zone. Placer Austex Pty Ltd and Homestake Mining Company Ltd also investigated the property. • Previous exploration activities during the main phase of open pit mining were completed by Horseshoe Gold Mine Pty Ltd which was a wholly owned subsidiary of Barrack Mines Ltd between 1983-89. Barrack Mines Ltd drilled 43 diamond holes for 15,353m, 638 Reverse Circulation holes for 55,343m. The area was subsequently mined as a copper mine by Sabminco until 1992/3, when production ceased. The Project was re-established by current owners Horseshoe Metals in 2010 after a long period of inactivity. • A summary of resource drilling undertaken within the Project Area is summarised in an addendum table following the JORC table documentation.

Criteria	JORC Code explanation	Commentary
Geology	• *Deposit type, geological setting and style of mineralisation.*	• VMS mineralisation at Horseshoe Lights occurs in the core of a NNW trending and SE plunging anticline. The mineralised envelope of the deposit itself is also SW dipping and plunging to the SSE, and was likely folded. It sits within altered basalt and mafic volcanoclastic units along the contact with overlying felsic volcanic schist. The VMS mineralisation in the mine area is constrained by the tightly folded and sheared stratigraphy, and appears to be affected by offsets along N-S and NE trending brittle faults.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* • *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.*	• Refer to the body of text of this report and relevant Tables for information material to the understanding of the exploration results. • No exclusions of information have occurred.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• HOR 2021 RC Drilling- no high grade cutting, copper results reported above 0.5% Cu C20 stockpile reported above 0.3% Cu, 0.3 g/t Au • HOR 2021 Auger drilling- Only 1m split samples are reported and simply length weighted and averaged over the length of the hole above the vat liner; no top cut, no minimum interval, no internal dilution considered. Results are gold only unless stated • N/A • HOR 2021 RC Drilling - N/A- significant copper and gold intersects reported • HOR 2021 Auger drilling N/A, gold assay only
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• HOR 2021 RC Drilling- mineralisation dips around 70° to the west, east dipping holes intersect approximately perpendicular to mineralisation, vertical and west dipping holes are non-perpendicular to mineralisation • HOR 2021 Auger drilling All intercept widths reported are downhole lengths, and equivalent to true widths for remnant vat stockpiles. • HOR 2021 RC Drilling- typically reported as down hole length, true width not known, C20 stockpile drilling considered true width • HOR 2021 Auger drilling- downhole lengths considered true widths
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• See plans and sections
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• Reported results considered representative, no isolation of high-grade results.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• RC Drilling-Various, substantially covered by 2013 CSA report Horseshoe Lights Project In-situ Mineral Resources • Auger drilling -1985 Vat Sampling programme detail taken from in-house memo "Horseshoe Lights Vat Sampling Programme March 1985", authored by Rosalind Wright, checked and verified by V.J. Novak, M.Sc.

Criteria	JORC Code explanation	Commentary
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Planned activities discussed in text. • Refer to diagrams in body of text.

Section 3 Estimation and Reporting of Mineral Resources

Criteria	JORC Code explanation	Commentary
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* • *Data validation procedures used.*	• Bulk of estimate based on recent drilling. Unreliable historical data omitted from resource estimate. • Horseshoe Metals Ltd primary data was collected on laptop computers in Excel or Micromine tables using drop down codes. • Field data and original assay certificates compiled and validated by database administrators. Drilling data provided in Micromine tables for collar, survey, lithology and assay data. • Validation of the data import include checks for overlapping intervals, missing survey data, missing and incorrectly recorded assay data, missing lithological data and missing collars.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• The site was visited by Geoff Willetts, Senior Geologist for Horseshoe Metals, number of times. CSA Global have previously supervised drilling programs at Horseshoe Lights between 2012-11 and provided previous resource estimate. • Not applicable.
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology*	• Interpretation based on Horseshoe Metals RC and diamond drilling validated geological logging and assays. There is a reasonable level of confidence in the geological interpretation of mineralised lodes that is traceable over numerous drill holes and drill sections. Additional work is required to better define exact geometry and the extents of the interpreted mineralised lodes. • Drill hole intercept logging and assay results have formed basis for the geological interpretation. • Attempts to further delineate individual shoots and remove internal waste using grade intervals results in lower tonnage but higher grades. • The interpreted late dolerite sill and Bangemall sediment basement were used to limit the interpolation of grade at depth. No geology data was used within the interpreted domains. • The volcanic package at Horseshoe Lights has been subjected to complex folding and faulting events along with associated alteration within a wide shear zone. As such the interpretation of mineralised shoots is subjective.
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	• Horseshoe Lights deposit strike length is ~700m, width variable up to 30m, and down-dip extent of 250m+ north of pit. • Mineralisation is from actual surface and extends to between 210-480m vertical depth.
Estimation and modelling techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.*	• Grade estimation was by Multiple Indicator Kriging (MIK) using Micromine 2011 software. The interpretation was extended perpendicular to the corresponding first and last interpreted cross section to the distance equal to a half distance between the adjacent exploration lines which is approximately 40m; • If a mineralised envelope did not extend to the adjacent drillhole section, it was projected half way to the next section and terminated. The general direction and dip of the envelopes was maintained. • Grade interpolation search ellipses based on Variography. First pass search radii are ⅓ semivariogram ranges, second pass – full semivariogram ranges. • The MIK estimate was completed concurrently with OK and two check Inverse Distance Weighting (IDW)

Criteria	JORC Code explanation	Commentary
	• *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *The assumptions made regarding recovery of by- products.* • *Estimation of deleterious elements or other non- grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation).* • *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units.* • *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	estimates. The MIK estimate used the parameters obtained from the modelled variograms. The results of the check estimates correlate well. • Resource estimate represents 40% increase on CSA Global previous estimate. • No assumptions have been made. • No deleterious material assessment was made during the estimation. • The block model was constructed using a 5mE x 10mN x 5mRL parent block size, with subcelling to 1mE x 2mN x 1mRL for domain volume resolution. The parent cell size was chosen on the basis of the general morphology of mineralised bodies and in order to avoid the generation of too large block models. The subcelling size was chosen to maintain the resolution of the mineralised bodies. The subcells were optimised in the models where possible to form larger cells. • The search radii were determined by means of the evaluation of the semivariogram parameters, which determined the kriging weights to be applied to samples at specified distances. The first search radii for all lodes were selected to be equal to two thirds of the semivariogram long ranges in all directions. Model cells that did not receive a grade estimate from the first interpolation run were used in the next interpolation with greater search radii equal to full long semivariogram ranges in all directions. The model cells that did not receive grades from the first two runs were then estimated using radii incremented by the full long semivariogram ranges. When model cells were estimated using radii not exceeding the full semivariogram ranges, a restriction of at least three samples from at least two drillholes was applied to increase the reliability of the estimates. • No selective mining units were assumed in this estimate. • No strong correlations were found between the grade variables. • The 0.18% Cu grade envelopes were defined. Hard boundaries between the grade envelopes used to select sample populations for grade estimation. • No grade cutting was applied, because MIK was used for the grade interpolation. The last bin defined for MIK is likely to contain occasional very high values, the estimate for this bin only is calculated using the median, which gives a more conservative value for positively skewed data than the mean. • Validation of the block model consisted of comparison of the block model volume to the wireframe volume. Grade estimates were validated by statistical comparison with the drill data, visual comparison of grade trends in the model with the drill data trends. No reconciliation data is available at this early stage of the project.
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	• Tonnages are estimated on a dry basis
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• Mineralised domain interpreted on grade ≥0.18% based on statistical mean of drill data. Statistical analysis showed natural breaks in the Cu grade population distribution at approximately 0.18% which formed the basis for the decision regarding determination of mineralisation envelope cut-off grade. Mineral Resources estimated at a range of cut-offs.
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	• Possible mining methods are existing open pit cut back and selective underground operation from bottom of pit.

Criteria	JORC Code explanation	Commentary
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	• No metallurgical factors or assumptions used to restrict or modify the resource estimation.
Environmental factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.*	• No detailed assumption regarding possible waste and process residue disposal options have been made at this stage. • No environmental factors or assumptions used to restrict or modify the resource estimation.
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* • *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc.), moisture and differences between rock and alteration zones within the deposit.* • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	• Applied bulk density values based upon recent test work by Nagrom. • Process involved hydrostatic weighing of 18 HQ core samples from the representative profiles. • Sample were oven dried at 105^{o} C for 24 hours and then weighed to record a dry mass. • Individual samples wrapped in cling film and placed into a weighing basket and submerged in water to record a wet mass. Bulk density is determined by dividing the dry mass value by the dry mass minus the wet mass value. • Calculated bulk density values applied to interpreted weathering profiles i.e. oxide, transitional and fresh. The bulk density values have been applied to all corresponding material in the model. • Weathering profiles based on logging records and core and chip photography.
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	• The Mineral Resource classification is based on the evidence from the available drill sampling. This evidence is sufficient to imply the geological and grade continuity. The areas with the denser drilling and robust continuation of the mineralised zones were classified as Measured or Indicated Mineral Resource. • The Measured, Indicated and Inferred classification has taken into account all available geological and sampling information, exploration grid density and geological continuity. The classification level is considered appropriate for the current stage of this project. • The Mineral Resource estimate appropriately reflects the view of the Competent Person.
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	• No audits of the Mineral Resource estimate have been undertaken at this time.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates,*	• The relative accuracy of the Mineral Resource estimate is reflected in the reporting of the Mineral Resource to an Inferred and Indicated classification as per the guidelines of the 2012 JORC Code. Mineral resource estimate technique deemed appropriate. Estimation result concurs with internal desktop studies. • The statement refers to global estimation of tonnes and grade. • No production data is available.

Criteria	JORC Code explanation	Commentary
	and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used. • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	

Addendum: Resource Drilling History-Horseshoe Lights Copper-Gold Project

HolePrefix	Hole ID From	Hole ID To	Drill Type	Sample Type	Company	Date
EZ	1	8	Diamond Drilling	Unknown	Electrolytic Zinc	1966
HLRC-	1	30	Reverse Circulation	RC Cuttings	Barrack Mines Ltd	1983-1984
RC-	31	703	Reverse Circulation	RC Cuttings	Barrack Mines Ltd	1985-1988
DDH-	11	63	Diamond Drilling	Half Core	Barrack Mines Ltd	1985-1989
SH-	1	26	Pit Seep Hole	RC Cuttings	Sabminco NL	1992-1994
B	445A	565D	Pit Bench Sample	Channel Cuttings	Sabminco NL	1992-1994
RC-	704	899	Reverse Circulation	RC Cuttings	Sabminco NL	1993
DDH-	64	74	Diamond Drilling	Half Core	Sabminco NL	1993-1994
HDD	1	9	Diamond Drilling	Half Core	Horseshoe Metals Ltd	2012-2013
HDD	1013	1037	Diamond Tail	Half Core	Horseshoe Metals Ltd	2012
WRL	1	12	Reverse Circulation	RC Cuttings	Horseshoe Metals Ltd	2017
RC	1000	1144	Reverse Circulation	RC Cuttings	Horseshoe Metals Ltd	2010-2017
RC	1145	1159	Reverse Circulation	RC Cuttings	Horseshoe Metals Ltd	2021

Kumarina Section

SECTION 1 – Sample Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg '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 (eg submarine nodules) may warrant disclosure of detailed information.*	• Samples have been collected from 94 Reverse Circulation holes for a total of 9,833m • 7 diamond drill holes for a total of 1,134.6m • Reverse Circulation 1m split samples were initially analysed for copper with a handheld Delta XRF instrument to determine sample category i.e. 1m split or 3m or 4m composite • Composited samples were spear sampled over 3m intervals • All drillhole collar locations have been surveyed by licensed contractors using RTK DGPS system with reference to a Standard Survey Mark • Drilling contractors provided a downhole survey on 50m intervals using single shot digital cameras • Delta handheld XRF was calibrated according to manufacturer's standard and also randomly tested against supplied CRM standards from Geostats Pty Ltd • Reverse circulation and diamond drilling (half cut HQ) drilling was used to obtain a 1m sample from which 3kg was crushed, dried and pulverised to produce a 0.2g sub sample for analysis using a mixed acid digest with an ICP OES finish
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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).*	• A total of 94 Reverse Circulation holes for a total of 9,833m were completed by 3 different companies. Face sampling bit sizes vary from 5" to 5¼" • A total of 7 Diamond drill holes for a total of 1,134.6m were completed and used in the resource calculation. All diamond holes from drilled from surface with HQ diameter core
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• No assessment of Reverse Circulation sample recovery has been made to date but visual estimates suggest sample recovery is good • Diamond core recoveries have been recorded but not assessed to date • All Reverse Circulation samples were riffle split from cyclones which were regularly cleaned during drilling • Diamond core is reconstructed into continuous runs in an angle iron for orientation mark up • Actual depths are compared with drillers core block record and rod counts • Reverse circulation and diamond core recoveries are high enough to preclude the potential for sample bias
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Logging of reverse circulation chip samples identifies primary lithologies where possible, alteration and possible structures • Diamond core logging records lithology, RQD and structural measurements where possible • No metallurgical study or data has been recorded • Logging of all samples includes lithology, colour, weathering, mineralogy and mineralisation • Reverse circulation samples have been photographed in chip trays in wet form • Diamond core trays have been photographed in dry and wet form • Total length of all drill holes have been 100% logged
Sub-sampling techniques	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*	• Core is half cut on site using automatic core saw and sampled from the same side • Reverse circulation were dry sampled using a riffle splitter • Sample preparation is in accordance with best industry practice

Criteria	JORC Code explanation	Commentary
and sample preparation	• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Quality Control procedures involve the use of certified reference material as assay standards and sample duplicates on a alternate 1:25 ratio • Field duplicates have been taken on a 1:50 ratio for RC drilling, the results of which show good correlation with original samples. • No second half sampling of diamond core has been undertaken to date • The thickness and consistency of mineralised intersections and percent value assays ranges for copper suggest that sample sizes are appropriate to correctly represent both oxide and sulphide mineralisation at Kumarina
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Copper assay is derived using a mixed acid digest of nitric, hydrofluoric, perchloric and hydrochloric acids on • 0.2g of sample and analysed using ICP Optical Emission Spectrophotometry • This method is considered appropriate and effective for this style of mineralisation • No geophysical tools were used to determine any element concentration used in the resource estimate • Standard laboratory procedures involve the use of certified standards, duplicate samples and insertion of blanks. QAQC results suggest sample assays are accurate
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative Company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Significant intersections have been verified by the senior geologist and managing director of Horseshoe Metals Ltd • Two RC holes twinned with Diamond holes displaying acceptable correlation • Primary data was collected on Toughbook laptop computers using a standard set of Excel or Micromine templates with look up codes • This information was sent to Delta Resource Management Ltd for compilation and validation into SQL database server • No adjustments or calibrations were made to any assay data used in the resource estimate
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Drill hole collar locations have been surveyed by MHR Surveyors using RTK GPS. Expected relative accuracies are 0.02m for easting and northing and 0.05m for RL • Downhole surveys consisted of single shot digital camera readings at 50m intervals during drilling by the drilling contractor • Drill hole data is recorded in MGA_GDA94 zone 50 • Topographic control was created from surveyed drillhole collar locations
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Nominal drill hole spacing is 20m x 20m where possible. • Mineralised domains display sufficient geological and grade continuity for the mineral resource procedures and classifications applied • Sample compositing over a length of 3 or 4m has been applied to samples returning a reading of <1000ppm using a fpXRF
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this*	• Majority of drilling was orientated grid east which is slightly oblique to the mineralised trends • Intersection angles are closer to perpendicular in most cases • Consistent sampling bias is not considered to be an issue for the purpose of resource estimation.

Criteria	JORC Code explanation	Commentary
	should be assessed and reported if material.	
Sample security	• *The measures taken to ensure sample security.*	• Chain of custody is managed by Horseshoe Metals Ltd • Samples stored onsite and delivered to Toll Express depot (Blue Lightning) at Newman by Horseshoe personnel for delivery to Perth and assay laboratory • Samples are tracked and receipt is acknowledged by laboratory staff
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No formal audits or reviews have been undertaken to date.

SECTION 3 – Estimation and Reporting of Mineral Resources

Criteria	JORC Code explanation	Commentary
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* • *Data validation procedures used.*	• Primary data was collected by Horseshoe Metals Ltd on laptop computers in Excel or Micromine tables using drop down codes • Field data and original assay certificates compiled and validated by database administrators • Drilling data provided in Micromine tables for collar, survey, lithology and assay data • Micromine software validation procedures checks for missing intervals and drill holes • Checking inclinations, azimuths, deviations and sample intervals within a given tolerance.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• No site visit deemed necessary
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology*	• Geological Interpretation has a high degree of confidence • Interpretation based on Horseshoe Metals Ltd RC and diamond drilling validated geological logging and assays • Quartz hosted chalcopyrite mineralisation in sub-vertical fault structure is consistent in logging and core photography • Mineralisation is structurally controlled and hosted and not strata bound • Grades appear to be higher and more consistent where N-S fault host cuts N- E shearzone
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	• Rinaldi deposit strike length is ~800m, width up to 30m but usually 10m, and down-dip extent of 100m+ • Mineralisation is from surface and extends to 120m vertical depth
Estimation and modelling techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* • *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *The assumptions made regarding recovery of by- products.* • *Estimation of deleterious elements or other non- grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation).*	• Ordinary Kriging technique employed based on low coefficient of variation between samples in the mineralised domain • Grade interpolation search ellipses based on variography • First pass search radii are 20mE, 40mN and 8mRL, expansion factor of 0.75 for passes 2 & 3 • H&S GS3© software used for block modelling • Resource estimate is maiden resource with no precedent data • No by-products are considered viable • No deleterious material assessment was made during the estimation • Block sizes are 10m x 10m x 5m based on half drill spacing • Sub-celled to 1m x 1m x 0.5m

Criteria	JORC Code explanation	Commentary
	• *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units.* • *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	• Grade domain constructed using geological logs and assay data • No top cut modification has been applied as normal population interpreted • Ordinary Kriged check model run in Micromine software • Internal verification by H & S Consulting
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	• Tonnages are estimated on a dry basis
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• Mineralised domain interpreted on grade ≥0.5% - assumed to be reasonable cut off for small scale shallow open pit proposition • Resources estimated at a range of cut-offs
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	• Possible mining methods are shallow open pits with minimal or no stripping ratio
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	• No metallurgical factors or assumptions used to restrict or modify the resource estimation
Environmental factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.*	• No environmental factors or assumptions used to restrict or modify the resource estimation
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the*	• Applied bulk density values based upon recent test work by Nagrom • Process involved hydrostatic weighing of 50 HQ core samples from the representative profiles

Criteria	JORC Code explanation	Commentary
	measurements, the nature, size and representativeness of the samples. • *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc.), moisture and differences between rock and alteration zones within the deposit.* • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	• Sample were oven dried at 105°C for 24 hours and then weighed to record a dry mass • Individual samples wrapped in clingfilm and placed into a weighing basket and submerged in water to record a wet mass • Bulk density is determined by dividing the dry mass value by the dry mass minus the wet mass value. • Calculated bulk density values applied to interpreted weathering profiles i.e. oxide, transitional and fresh • Weathering profiles based on logging records and core and chip photography
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	• Measured =20mE x 40mN x 8mRL • Indicated = 35m x 70m x 14mRL • Inferred = 61.5mE x 122.5mN x 24.5mRL • Minimum sample of 16 within 4 octants • Based on geological modelling, oxidation profile development, structural modelling, recovery data and density modelling • Classification criteria deemed appropriate by H&S
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	• Outlines of resource classifications were reviewed against drillhole data density and assays results
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	• Mineral resource estimate technique deemed appropriate • Estimation result concurs with internal desktop studies • Total mineral resource estimate based on global estimate • Local estimate is 350m strike length and contains 98% of >1% copper mineralisation • No production data available

Glenloth Section

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg '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 (eg submarine nodules) may warrant disclosure of detailed information.*	• Results referenced within this document are historical in nature and relate to the period 2003-2006. The primary data was compiled from open file envelope ENV09862 downloaded from the South Australian Mines Department SARIG server Drill programmes are summarised below: • Range River Gold Ltd 2003-2004 GLRC001 to GLRC011 Reverse circulation, analysed by Amdel Adelaide for Au (fire assay) and Multi element (ICP) • Minotaur Exploration Ltd 2005-2006 GLRC518 to GLRC527: GLRC001 to GLRC011 Reverse circulation, analysed by Genalysis Adelaide and Perth for Au (fire assay) and Multi element (ICP) • Minotaur Exploration Ltd 2006-2007 CN06A01 to CN06A10 Aircore, analysed by Amdel Adelaide for Au (fire assay) and Multi element (ICP) Rock chip and calcrete sampling summarised below: • Range River Gold Ltd 2003-2004 Rock Chip Samples GLX Series analysed by Genalysis Perth for Au (fire assay) and Multi element (ICP) Calcrete Samples GLC Series analysed by Genalysis Perth for Au (fire assay) and Multi element (ICP) • Government Calcrete assays through SARIG envelopes, various companies and methods.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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).*	• Various drilling types are recorded in the drilling programmes: AC- Aircore RC- Reverse Circulation
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Typically, one metre intervals of RC drill material were collected in plastic sample bags after passing through a cyclone. A riffle splitter was utilised to obtain a 3kg samples from every metre drilled. • Four metre composite samples weighing 3 kilograms were collected using a scoop to gain a representative portion from four consecutive metres. Assays greater or equal to 0.1ppm from the 4 metre composite sampling had their corresponding 1 metre re-split samples submitted for assay.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• All intervals were geologically logged to an appropriate level for exploration purposes. • Logging considered qualitative in nature • All intervals logged

Criteria	JORC Code explanation	Commentary
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• No diamond core resulted are cited in this release. • Compressed air blast cleaning of both mills and riffle was carried out between each sample. • Sample preparation techniques, where listed, were considered appropriate for the respective sample types. • Sub-sampling stages were considered appropriate for exploration. • Field duplicates noted in most programmes discussed. • The sample size is considered industry standard for this type of mineralisation.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• The nature, quality and appropriateness of the assay methods and procedures are considered appropriate for this style of mineralisation. • NA. • NA.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative Company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• No verification of historical data denoted. • No recorded twinning of data is noted. • Data retrieve from SA government (SARIG) online envelopes. • No adjustments of data have been undertaken.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Collars were located by a handheld GPS • Grid system coordinates are GDA94 MGA Zone 53. • Topographic control limited but adequate in generally flat terrain
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• As reported in Figures and text • Data spacing and results are insufficient for resource estimate purposes • No compositing has been applied to assays received.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this*	• Exploration drilling reported is both vertical and angled • No sampling bias is considered to have been introduced by the drilling orientation

Criteria	JORC Code explanation	Commentary
	should be assessed and reported if material.	
Sample security	• *The measures taken to ensure sample security.*	• Unknown.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews have been noted to date.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• Horseshoe Metals is now the 100% owner of EL6301, pending share transactions as outlined in this document. Stockworks Exploration and Mining Pty Ltd ("SEM") previously owned 100% of EL6301 and had secured rights to explore and develop ML5848, ML5849, ML5885 and MPL62 within EL6301, which now transfer to Horseshoe Metals. The tenement owners of ML5848, ML5849, ML5885 and MPL62 retain the right to conduct small-scale mining activities on the ML's and MPL. Terms surround this transaction are discussed within this text. • All tenements are in good standing. The Company is unaware of any additional impediment to the licence to operate in the area.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The Glenloth Goldfield was identified by discovery of alluvial gold in 1893 and established in 1901 when auriferous reefs were identified. Between 1901 and 1955, approximately 9800 oz (315 kg) of gold was produced from 14,620 t of ore, at an average grade of 21.6 g/t2. The Fabian 3, Royal Tiger (excised from tenure) and the Glen Markie and Jay-Jay mines were considered the largest historical producers. • Since 1955, gold production has been small and sporadic. • Range River Gold Ltd were active between 2003-2004, and undertook calcrete sampling, rockchip sampling and follow-up drilling. • Minotaur Exploration Ltd were active in the area between 2005-2007. And undertook calcrete sampling and follow-up drilling.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• At Glenloth, typical gold occurrences consist of relatively thin (ca. 1m width), high-grade mineralised quartz veins, hosted by sheared and fractured Archaean to Paleoproterozoic Glenloth Granite, and sometimes associated with Paleoproterozoic dolerite dykes. A shallow Hiltaba Suite batholith has been proposed as the source of mineralisation. • At Old Well, mineralisation targeted in considered analogous to the Tunkillia deposits (Areas 223, 191, 51) some 3-6km south, characterised by a large hydrothermal system associated with the Yarlbrinda Shear Zone (YSZ- refer Figure 31), which passes into the Old Well tenure
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* • *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.*	• Refer to the body of text of this report and Tables 1, 2 and 3 for information material to the understanding of the exploration results. • Tables exclude geochemical results considered not material, but are included in data comprising figures in this release
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.*	• Drilling Results reported for 1m >0.1 ppm Au; and 4m > 0.02ppm Au for composite samples. No top cutting applied to any reported result

Criteria	JORC Code explanation	Commentary
	• *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• N/A • N/A
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• Reported downhole lengths are approximately true width. • Mineralisation occurs within thin dipping tabular bodies, drilling generally considered perpendicular to the target. • N/A, refer above
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• See plans and sections this report
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• See Tables
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• In the Company's opinion previous production history for the Glenloth Goldfield is material to the tenor of mineralisation being sought. The Company continues to compile historic exploration data from a variety of sources, principally SARIG (the SA Government mines department resource) for meaningful exploration results and will report them in separate releases as significant detail comes to hand.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Planned drilling of priority targets is being considered. Other planned activities discussed in text. • Refer to figures in body of text.

Mt Gunson Section

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg '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 (eg submarine nodules) may warrant disclosure of detailed information.*	• Drilling results referenced within this document are historical in nature, and relate to the period 1985-1989. The primary data was receipted as a database maintained by geologist Ken Bampton, of Ore Reserve Evaluation Services in South Australia, formerly of Adelaide Chemical SA ("Adchem"), whom worked extensively at Mt Gunson. Drilling results and data was corroborated with South Australian Mines Department Envelope Open File Envelope 8319 (Comprising Quarterly and Annual reports for Mount Gunson Mines Pty Ltd for the period 14/2/1987 to 15/4/1994) and found to be satisfactory. Drill programmes are summarised in the below format: • **HOLE** SERIES**/HOLE_ID**/YEAR/TYPE/HOLE DIAMETER/LABORATORY/ANALYSIS METHOD • **AW** series **(AW1-25)** 1985**:** Air track Blasthole, 75mm hole, AWF Central Lab, 3 acid/AAS finish • **AW** series **(AW30-68)** 1986: Air track Blasthole, 75mm hole, EMAC Gunston Lab, wet chem/AAS finish • **AW** series **(AW69-258)** 1987: Downhole hammer, 85mm hole, AMDEL Adelaide Lab, wet chem/Method A2 • **AW series (AW297-352)** 1988: Downhole hammer, 85mm hole, Classic Comlabs, Method AAS1/AAS1C • **AW series (AW359-378)** 1988: GD Hydra-Trac Blasthole, 75mm hole, Classic Comlabs, Method AAS1/AAS1C • **AW series (AW381)** 1988: Downhole hammer, 85mm hole, Classic Comlabs, Method AAS1/AAS1C • **AW series (AW385-410)** 1988: GD Hydra Trac-Blasthole, 75mm hole, Classic Comlabs, Method AAS1/AAS1C • **AW** series **(AW436-479)** 1988: Downhole hammer, 85mm hole, Classic Comlabs, Method AAS1/AAS1C • **AW series (AW490-493)** 1988: GD Hydra Trac-Blasthole, 75mm hole, XRF (Amdel PMA); *checked -Classic* Comlabs • **AW** series **(AW498-506)** 1989: Downhole hammer, 85mm hole, Classic Comlabs, Method AAS1/AAS1C • **ME** series **(ME03-32)** 1988: RC, 112mm, Classic Comlabs, Method AAS1/AAS1C • **ME** Series **(ME39-60)** 1989: GD Hydra Trac-Blasthole, 75mm hole, Classic Comlabs, Method AAS1/AAS1C • **ME** Series **(ME62-84)** 1989: Downhole hammer, 85mm hole, Classic Comlabs, Method AAS1/AAS1C • **ME** Series **(ME98-99)** 1989: GD Hydra Trac-Blasthole, 75mm hole, Classic Comlabs, Method AAS1/AAS1C • **PL** Series **(PL05)** 1988: Downhole hammer, 85mm hole, Classic Comlabs, Method AAS1/AAS1C • **PL** Series **(PL06- PL08)** 1988: GD Hydra Trac-Blasthole, 75mm hole, Classic Comlabs, Method AAS1/AAS1C • **PL** Series **(PL17- PL26)** 1988: Downhole hammer, 85mm hole, Classic Comlabs, Method AAS1/AAS1C • **PL** Series **(PL30-PL37)** 1988: GD Hydra Trac-Blasthole, 75mm hole, Classic Comlabs, Method AAS1/AAS1C • **PL** Series **(PL46-PL70)** 1988-9: Downhole hammer, 85mm hole, Classic Comlabs, Method AAS1/AAS1C • **HE** Series **(HE1)** 1989: Downhole hammer, 85mm hole, Classic Comlabs, Method AAS1/AAS1C • **HE** Series **(HE15)** 1989: GD Hydra Trac-Blasthole, 75mm hole, Classic Comlabs, Method AAS1/AAS1C • **HE** Series **(HE25-HE32)** 1989: Downhole hammer, 85mm hole, Classic Comlabs, Method AAS1/AAS1C • **HE** Series **(HE33-HE-45)** 1989: GD Hydra Trac-Blasthole, 75mm hole, Classic Comlabs, Method AAS1/AAS1C • **HE** Series **(HE46-HE88)** 1989: RAB, 85mm hole, Classic Comlabs, Method AAS1/AAS1C • **HE** Series **(HE93-99)** 1989: GD Hydra Trac-Blasthole, 75mm hole, Classic Comlabs, Method AAS1/AAS1C • **HE** Series **(HE105-HE140)** 1989: Downhole hammer, 85mm hole, Classic Comlabs, Method AAS1/AAS1C • **HW** Series **(HW3-HW28)** 1987: Downhole hammer, 85mm hole, Classic Comlabs, Method AAS1/AAS1C • **HW** Series **(HW43)** 1988: RAB, 85mm hole, Classic Comlabs, Method AAS1/AAS1C • **HW Series (HW131-HW220)** 1988-9: Downhole hammer, 85mm hole, Classic Comlabs, Method AAS1/AAS1C

Criteria	JORC Code explanation	Commentary
		• **RC** Series **(RC9-RC37)** 1988: Downhole hammer, 85mm hole, Classic Comlabs, Method AAS1/AAS1C • **CS** Series **(CS1-CS37)** 1988: Downhole hammer, 85mm hole, Classic Comlabs, Method AAS1/AAS1C • **CS** Series **(CS56-CS124)** 1988-9: Downhole hammer, 85mm hole, Comlabs Services, Method AAS1/AAS1C • Industry standard practice was adopted at the time for sampling of drill cuttings for copper, although Mt Gunson routinely collected 0.5m samples, as opposed to an industry standard of 1m of material from the downhole length. Although the decreased sample size could be expected to increase sample variability, the smaller sample size was required to give additional control over mining the flat-lying mineralisation. • For each RC/RAB/DTH hole, each 0.5 m (5-6 kg) of -10 mm drill cuttings was manually riffled (20mm slots) down to a 2-2.5 kg sample collected in a 10" calico bag for delivery to the laboratory. For BH sampling, collar cuttings were sampled and cleared every 0.5m and collected as typically a sub-2kg sample in a calico bag. No record of charge sizes for the respective analysis methods has been recovered to date.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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).*	• Various drilling types are recorded in the numerous drilling programmes- listed by type in Table 2, summarised below: • **BH**- Air track Blasthole Drill Rig, 75mm hole diameter, owned/operated by Emeco-MacMahon "EMAC" • **DTH**- Downhole hammer, 85mm hole diameter, owned/operated by Adelaide & Wallaroo Fertilizers Ltd ("AWF") • **BH**- Garnder Denver Hydra-Trac Blasthole Rig, estimated 75mm hole, owned/operated by Roche Brothers • **RC**- Reverse Circulation Drill Rig, 112mm hole, using small diameter bit with crossover sub, contractor unknown. • **RAB**- Rotary Air Blast Drill Drill, 85mm hole, utilising tricone rollers or drag bits, contractor unknown.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Typically not recorded. • Typically not recorded. As holes depths discussed within are typically shallow (<15m depth), sample representativity and recovery are likely only issues at the within the first metre with these types of drilling. • Possible anecdotal suggestion of sample bias through partial loss of fine fraction, but not considered material in respect of the historical production record at Mt Gunson.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Typically not logged, holes were primarily drilled for mine production purposes. Samples not visually showing copper mineralisation were routinely not sampled. • N/A. • N/A
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-*	• No diamond core resulted are cited in this release. • All holes were dry. At the drill site of RC/RAB/DTH hole, each 0.5 m (5-6 kg) of -10 mm drill cuttings was manually riffled (20mm slots) down to a 2-2.5 kg sample collected in a 10" calico bag for delivery to the laboratory. • For BH sampling, collar cuttings were sampled and cleared every 0.5m and collected as typically a sub-2kg sample in a calico bag. • Typically, a disc mill was used to reduce the 2-3 kg sample to -1 mm prior to riffling through a mechanically shaken, 20x 10 mm slot riffle to obtain a 100 g sub-sample for ring-mill grinding to an assay pulp, which was then collected in a geochemical paper packet.

Criteria	JORC Code explanation	Commentary
	half sampling. • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Compressed air blast cleaning of both mills and riffle was carried out between each sample. • Sub-sampling stages are considered appropriate for the representivity of samples. No historical field duplicates or additional representivity checks are recorded in the available data • The sample size is considered industry standard for base metal mineralisation, typically recording values in the % range, and appropriate to the grain size of the material being sampled.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• The nature, quality and appropriateness of the assay methods and procedures are considered for the analysis of acid-leachable copper-bearing oxide material, are considered representative of a total assay in this setting. Analysis typically consists of a wet chemistry digestion by acid, and determination of grade by Atomic Absorption Spectrometer ("AAS"). Over-range grades were diluted and reread. Some silver values are recorded in initial assay results but were discontinued over time- typically the results are copper only, although the mineralisation typically shows a Cu-Ag-Co grade relationship, as evidenced by the historic production figures. • A summary of the various laboratories and procedures used at Mt Gunson is listed below: • **AWF Central Lab-**(1985)- Method 3 acid digest/AAS finish, Detection limit not recorded • EMAC **Gunston Lab-** (1986)- Method wet chem/AAS finish, Detection limit not recorded • Amdel- (1987-NATA Accredited) Method A2, Upper Method not specified, Lower Detection Limit 2ppm • Classic **Comlabs Ltd** -(NATA Accredited-1988/9) Method AAS1, Upper Method AAS1C, Lower Detection Limit 2ppm • Holes AW487-495 were analysed onsite for expediency and subsequent mining at the Mt Gunson onsite laboratory by XRF using an Amdel PMA. Results for Holes AW394-404 had previously been compared with results from Classic Comlabs and were found to vary no more than 2% on average, giving confidence in the Amdel PMA method. It was determined at the time to retain Comlabs results in the database for uniformity with respect to resource/reserve calculation purposes. The PMA was used onsite to record mine production grades, such as crusher feed grades, giving confidence in production records. • The quality of the assay data is not able to be verified as it is of a historical nature, but the tenor of results is consistent with production records, suggesting the grades are reliable. Some 80% of the database is within mined pits with a satisfactory reconciliation record, and some 95% of the database reports within a 25m buffer of a mined pit outline.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative Company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• External laboratory checks are planned for significant assay results but have yet to be completed. • No recorded twinning of data is noted. An older generation (1960-70's) of CSR coreholes and Air Trac holes exist within the tenure, but this data is currently lost and being considered for recovery where possible. The AW series of drilling completely replace these holes. • Primary data was receipted as a database maintained by geologist Ken Bampton, of Ore Reserve Evaluation Services in South Australia, formerly of Adchem, whom previously worked at Mt Gunson. Drilling results and data was corroborated with South Australian Mines Department Envelope Open File Envelope 8319 (Comprising Quarterly and Annual reports for Mount Gunson Mines Pty Ltd for the period 14/2/1987 to 15/4/1994- work undertaken by Adelaide Chemical SA "Adchem") and found to be satisfactory. • No adjustments undertaken.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.*	• Collar locations were survey-controlled onsite by surveyors. Some uncertainty around final mining boundaries in certain pits (e.g. House West) owing to backfilling and availability of pit pickups. The company has assumed a mining event which takes in significant mineralisation encountered in HW series drilling. The company intends to confirm remnant in-situ resources in such areas by further drilling.

Criteria	JORC Code explanation	Commentary
	• *Quality and adequacy of topographic control.*	• Grid system coordinates are GDA94 MGA Zone 53. • Topographic control is available from known survey stations and considered adequate
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Drilling in these programmes are typically sub- 20m spacing in areas recording copper production. • Drilling spacings are sufficient to establish a degree of geological and grade continuity appropriate for Mineral Resource and Ore Reserve estimation. • No composite sampling applied
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• All drilling reported is vertical into flat-lying mineralisation, and no additional mineralisation control is considered to date • No sampling bias is considered to have been introduced by the drilling orientation
Sample security	• *The measures taken to ensure sample security.*	• Historical protocols over many generations of drilling programmes are unavailable
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews have been revealed to date, other than the discussion of PMA and Comlabs results discussed above.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The leases forming the current project (ML3717-21, ML5598, ML5599; MPL1) were acquired from Adelaide Chemical Company Ltd ("Adcem") and are currently held by a family-owned earthmoving contractor based in Adelaide, who previously operated their own copper-oxide leach operation until the oxide development rights were granted to CMM on the 29th June 2017 under a 'Licence to Operate'. Under the Licence to Operate, CMM has a 100% interest in rights to explore, develop and operate oxide copper deposits, stockpiles and tailings on the listed tenements using all available surface infrastructure including camp, mains power/water supply, treatment plant and earthmoving equipment, with the exception of ML5599, where the licence allows unrestricted use of water and the right to re-process copper-bearing material on the floor of the site. The initial term of the agreement between CMM and the Licensor, who holds the tenements, expires on 29th June 2020 and can be extended by CMM for a period of a further two years to the 29th June 2022. Further extension beyond 29th June 2022 can be negotiated during the term of this lease. • ML3717-21, ML5598, ML5599 and MPL1 are in good standing. The Company is unaware of any additional impediment to the licence to operate in the area.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Copper ore was discovered at Mount Gunson in 1875 and the first recorded production was from 1899. A smelter was subsequently erected in the Main Open Cut ("MOC") area in 1904. Small-scale production continued in the area until the Cattlegrid deposit was discovered and subsequently mined by CSR Limited from 1974 to 1986 (in partnership with Emeco-MacMahon "EMAC" from 1984-86), with 7.2 Mt of 1.9% Cu ore mined from the Cattlegrid open pit. Together with 270,000 t of MOC ore, the tenements recorded production of 156, 000 t of copper, 62 t of silver and 2900 t of cobalt in concentrates. • In late 1985, Adelaide and Wallaroo Fertilizers Ltd ("AWF") became involved with EMAC in a partnership to

Criteria	JORC Code explanation	Commentary
		continue exploration and mining of the MOC area. EMAC then conducted a successful trial floating oxide ore thru their on-site plant, selling AWF an oxide concentrate for feed to Burra, but terms were not agreed, so EMAC concluded operations, dismantled the plant and rehabilitated the site. • AWF then approached CSR for a sub-lease to pursue a standalone heap leach operation at Mt Gunson, and as Adchem (an operating division of Adelaide and Wallaroo Fertilizers Ltd) continued in their own right. • From 1987 to around 2006, Adelaide Chemical Company Ltd "Adchem" produced over 14,000 t of copper in cement for feed to the Burra cupric oxide plant from the Mt Gunson Project, principally from heap leaching of 1.2 Mt of 1.3% copper oxide ore from the MOC area, Gunyot, House and Core Shed deposits.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Mt Gunson is located on the Stuart Shelf, comprising an undeformed cover sequence of flat-lying, late Adelaide platform sediments on Gawler Craton crystalline basement. Both sandstone-hosted (e.g. Cattlegrid, MOC) and shale-hosted (e.g. MG14, Gully) mineralisation types occur at relatively shallow depths within the Mt Gunson region, typically within 25-50m of the surface. Only the sandstone-hosted deposits have been mined, and copper mineralisation occurs as flat undulating blankets of variable thickness, comprising networks of fracture-filling veins in a breccia representing a preserved Precambrian permafrost horizon, where repeated freezing and thawing created the brecciated host rock in which the copper was deposited. • The quartzite is the locally silicified upper part of the Pandurra Formation, a thick (typically >1000 m) pre-Adelaidean fluviatile sandstone unit. Regionally, the Mt Gunson copper deposits lie on a northerly trending structural ridge known as the Pernatty Upwarp which is a complex horst structure expressed as an uplift of the Pandurra Formation. Neoproterozoic strata of the Stuart Shelf that would normally be present in a complete stratigraphic section are absent over the culmination of the Pernatty Upwarp, allowing the Whyalla Sandstone to directly overlie the Pandurra Formation in places within the Mt Gunson region. • The principal ore mineral is chalcocite, but significant bornite and chalcopyrite occur locally along with accessory carrollite, galena and sphalerite. Due to the saline surface environment, the copper chloride hydroxide atacamite is the principal oxide mineral. Shale-hosted mineralisation occurs in the Adelaidean Tapley Hill Formation where this unit is present between the Pandurra and Whyalla units. Sulphide mineralogy is similar but much finer-grained and not necessarily breccia-hosted.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* • *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.*	• Refer to the body of text of this report and Table 2 for information material to the understanding of the exploration results. • Exclusions within Table 2 relate to unmineralised or subgrade intervals (mostly within the mined pit outlined) have occurred but are represented in plans of drilling in Figures 4, 7 and 9- giving a context of location, and are not considered to detract from this report.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Typically 0.5m split samples are reported and simply averaged over the mineralised interval; typically with no top cut; the significant intersections with Table 2 and figures within the report use a minimum 2m interval > 0.5% Cu, with minimum 2m internal dilution. • Additional 'unmined' (i.e. remaining in situ) intervals between 0.5 and 2m width and >0.5 % Cu (i.e. lower tenor 'open' mineralisation are reported at the end of Table 2 and identified in certain figures. • N/A • N/A

Criteria	JORC Code explanation	Commentary
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• Reported downhole lengths are approximately true width. • Mineralisation occurs within sheet-like tabular bodies, sub-horizontal in dip, drilling is perpendicular to the target. • N/A, refer above
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• See plans and sections this report
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• See Table 2
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• In the Company's opinion this material has been adequately reported in previous production history over a mostly continuous period for the last 50 years, and the detail is not relevant for reporting of these exploration results. The Company continues to compile historic exploration data from a variety of sources, principally SARIG (the SA Government mines department resource) for meaningful exploration results and will report them in separate releases as significant detail comes to hand.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Planned extensional drilling is being considered. Other planned activities discussed in text. • Refer to figures in body of text.

9. INDEPENDENT LIMITED ASSURANCE REPORT

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6 December 2021

The Directors
Horseshoe Metals Limited
Level G, 24 Mumford Place
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Dear Directors

Independent Limited Assurance Report

1 Introduction

1.1 Stantons Corporate Finance Pty Ltd ("**Stantons**") was engaged by Horseshoe Metals Limited ("**Horseshoe**" or the "**Company**") to prepare this Independent Limited Assurance Report ("**Report**") in relation to certain financial information relating to the Company and its subsidiaries (the "**Group**"). The Report will be included in a Prospectus expected to be distributed in or around December 2021 (the "**Prospectus**").

1.2 Horseshoe is an Australian mineral exploration and development company that focuses on copper/gold projects in Western Australia and South Australia.

1.3 Horseshoe's shares were suspended from quotation on the Australian Securities Exchange ("**ASX**") on 16 December 2019 and have remained suspended pending the outcome of ASX queries relating to ASX Listing Rule 12.2.

1.4 One of the conditions imposed by the ASX for the reinstatement of Horseshoe's shares to official quotation is for the Company to release a full form Prospectus pursuant to Section 710 of the Corporation Act 2001.

1.5 This Report has been prepared for inclusion in the Prospectus. We disclaim any assumptions of responsibility for any reliance on this Report or on the historical financial information and pro forma historical financial information ("**Financial Information**") to which it relates for any purpose other than for which it was prepared.

1.6 Stantons holds an Australian Financial Services Licence (AFS Licence Number 448697), and our Financial Services Guide ("**FSG**") has been included in this Report in the event that you are a retail investor. Our FSG provides you with information on how to contact us, our services, remuneration, associations and relationships.

2 Scope

2.1 Horseshoe have requested Stantons perform a limited assurance engagement in relation to the Financial Information described below and disclosed in the Appendices to this Report.

2.2 The Financial Information is presented in the Appendices to this Report 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.

2.3 Stantons has not been requested to consider the prospects of Horseshoe, the securities on offer and related pricing issues, nor the merits and risks associated with becoming a shareholder in Horseshoe and accordingly, has not done so nor purports to do so.

Historical Financial Information

2.4 Stantons were requested to review the following historical financial information (the "**Historical Financial Information**") of Horseshoe:

- the historical Statements of Profit or Loss and Other Comprehensive Income and Statements of Cash Flows for the financial years ended 31 December 2019 and 31 December 2020 (audited) and for the half year ended 30 June 2021 (reviewed); and
- the consolidated historical Statements of Financial Position as at 31 December 2019 and 31 December 2020 (audited) and 30 June 2021 (reviewed).

2.5 The Historical Financial Information was prepared in accordance with the stated basis of preparation, being the recognition and measurement principles contained in Australian Accounting Standards and the Company's adopted accounting policies. The Historical Financial Information was extracted from the financial reports of Horseshoe for the financial years ended 31 December 2019 and 31 December 2020, which were audited in accordance with Australian Auditing Standards, and the interim report for the half year ended 30 June 2021.

2.6 The financial reports of Horseshoe contained unmodified audit opinions for the financial years ended 31 December 2019 and 31 December 2020 and half year ended 30 June 2021. The audit opinions contained an emphasis of matter regarding material uncertainty relating to going concern, on the basis that the ability of the Company to continue as a going concern is dependent on raising additional capital in the future. Should the Group not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business.

Pro Forma Historical Financial Information

2.7 Stantons were requested to review the following pro forma historical financial information (the "**Pro Forma Financial Information**") of Horseshoe:

- the pro forma historical Statement of Financial Position as at 30 June 2021 adjusted for subsequent events to 31 October 2021.

2.8 The Pro Forma Financial Information was derived from the Historical Financial Information of Horseshoe, after adjusting for the effects of the pro forma adjustments described in Appendix 5 to this Report. The Pro Forma Financial Information has been subject to review in accordance with the Standard on Assurance Engagements ASAE 3450 "*Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*" and the Auditing Standard on Review Engagements ASRE 2405 "*Review of Historical Financial Information Other than a Financial Report.*

2.9 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 Appendix 5 to this Report, as if those events or transactions had occurred as at the date of the Historical Financial Information. Due to its nature, the Pro Forma Financial Information does not represent the Company's actual or prospective financial position.

2.10 The Pro Forma Financial Information is presented to illustrate the impact of the events or transactions described in Appendix 5 to this Report on Horseshoe's financial position as at 30 June 2021.

2.11 The Historical Financial Information and the Pro Forma Financial Information are presented on a consolidated basis.

3 Directors' Responsibility

3.1 The directors of Horseshoe are responsible for the preparation of the Financial Information. This includes responsibility for such internal controls as the directors determine are necessary to enable the preparation of Financial Information to be free from material misstatement, whether due to fraud or error.

4 Our Responsibility

4.1 Our responsibility is to express limited assurance conclusions on the Historical Financial Information and the Pro Forma Financial Information. We conducted our engagement in accordance with the Auditing Standard on Review Engagements ASRE 2405 "*Review of Historical Financial Information Other than a Financial Report*" and the Standard on Assurance Engagements ASAE 3450 "*Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*".

4.2 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 a reasonable assurance engagement. Accordingly, we do not express an audit opinion.

4.3 Our engagement did not involve updating or re-issuing any previously issued audit or limited assurance reports on any financial information used as a source of the financial information.

5 Conclusion

Historical Financial Information

5.1 Based on our limited assurance engagement, which is not an audit, nothing has come to our attention that causes us to believe that the Historical Financial Information of Horseshoe, comprising:

- the Statements of Profit or Loss and Other Comprehensive Income and Statements of Cash Flow for the years ended 31 December 2019 and 31 December 2020, and the half year ended 30 June 2021; and
- the Statements of Financial Position as at 31 December 2019, 31 December 2020 and 30 June 2021;

is not presented fairly, in all material respects, in accordance with the stated basis of preparation.

5.2 To the best of our knowledge and belief, there have been no other material items, transactions or events involving Horseshoe subsequent to 30 June 2021 that have come to our attention during the course of our review which would cause the Historical Financial Information presented in the Appendices to this Report to be misleading.

Pro Forma Financial information

5.3 Based on our limited assurance engagement, which is not an audit, nothing has come to our attention that causes us to believe that the Pro Forma Financial Information, comprising:

- the pro forma historical Statement of Financial Position of Horseshoe as at 30 June 2021, adjusted for subsequent events to 31 October 2021;

is not presented fairly, in all material respects, in accordance with the stated basis of preparation.

5.4 To the best of our knowledge and belief, there have been no other material items, transactions or events involving Horseshoe subsequent to 30 June 2021, besides those disclosed in Appendix 5 to this Report, that have come to our attention during the course of our review which would cause the Pro Forma Financial Information presented in the Appendices to this report to be misleading.

Independence

5.5 At the date of this Report, Stantons does not have any interest in Horseshoe either directly or indirectly other than in connection with the preparation of this Report and participation in due diligence procedures, for which professional fees will be received.

Disclosures

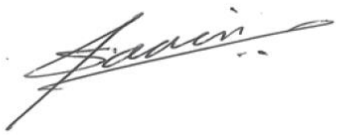
5.6 This Report has been prepared, and included in the Prospectus, to provide investors with general information only and does not consider the objectives, financial situation or needs of any specific investor. It is not intended to be a substitute for professional advice and potential investors should not make specific investment decisions in reliance on the information contained in this Report. Before acting or relying on any information, potential investors should consider whether it is appropriate for their objectives, financial situation or needs.

5.7 Without modifying our conclusions, we draw attention to Section 2 of this Report, which describes the purpose of the Historical Financial Information and Pro Forma Financial Information, being for inclusion in the Prospectus. As a result, the Historical Financial Information and Pro Forma Financial Information may not be suitable for use for another purpose.

5.8 Stantons consents to the inclusion of this Report (including Appendices 1 to 5) in the Prospectus in the form and context in which it is included. At the date of this Report this consent has not been withdrawn. However, Stantons has not authorised the issue of the Prospectus. Accordingly, Stantons makes no representation regarding, and takes no responsibility for, any other statements or material in or omissions from the Prospectus.

Yours faithfully

STANTONS CORPORATE FINANCE PTY LTD



Samir Tirodkar
West Perth
6 December 2021

APPENDIX 1 – HORSESHOE HISTORICAL STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Reviewed 6 months to 30 June 2021 ($)	Audited 12 months to 31 December 2020 ($)	Audited 12 months to 31 December 2019 ($)
Interest income	-	-	-
Other income	78,840	4,405	-
Administrative expenses	(135,613)	(284,439)	(102,379)
Care and maintenance	-	-	(979)
Consulting expenses	(98,566)	(194,416)	(188,606)
Depreciation expense	(2,940)	(5,131)	(10,293)
Directors' remuneration	(52,000)	(90,000)	(99,018)
Exploration expense	(575,920)	(489,169)	(261,596)
Interest expense	(63,885)	(113,242)	(84,030)
Occupancy expenses	(15,000)	-	-
Profit/(loss) before income tax	**(865,084)**	**(1,171,992)**	**(746,901)**
Income tax expense/(benefit)	-	-	-
Profit/(loss) after income tax	**(865,084)**	**(1,171,992)**	**(746,901)**
Other comprehensive income/(expenditure) net of tax			
Other comprehensive income	-	-	-
Total comprehensive income/(loss) for the period	**(865,084)**	**(1,171,992)**	**(746,901)**

APPENDIX 2 – HORSESHOE HISTORICAL STATEMENT OF FINANCIAL POSITION

	Reviewed as at 30 June 2021 ($)	Audited as at 31 December 2020 ($)	Audited as at 31 December 2019 ($)
Current assets			
Cash and cash equivalents	183,444	98,270	473
Trade and other receivables	88,035	72,037	79,195
Other assets	12,792	29,425	7,071
Total current assets	**284,271**	**199,732**	**86,739**
Non-current assets			
Property, plant and equipment	15,861	17,965	23,096
Exploration and evaluation expenditure	6,708,801	6,708,801	6,508,801
Investments	243,000	243,000	205,000
Total non-current assets	**6,967,662**	**6,969,766**	**6,736,897**
Total assets	**7,251,933**	**7,169,498**	**6,823,636**
Current liabilities			
Trade and other payables	(1,759,066)	(1,459,444)	(1,380,968)
Borrowings	(452,500)	-	-
Total current liabilities	**(2,211,566)**	**(1,459,444)**	**(1,380,968)**
Non-current liabilities			
Trade and other payables	(1,363,189)	(1,065,678)	(859,043)
Borrowings	(1,534,926)	(1,637,040)	(1,198,297)
Provisions	(5,812,890)	(5,812,890)	(5,812,890)
Total non-current liabilities	**(8,711,005)**	**(8,515,608)**	**(7,870,230)**
Total liabilities	**(10,922,571)**	**(9,975,052)**	**(9,251,198)**
Net assets/(liabilities)	**(3,670,638)**	**(2,805,554)**	**(2,427,562)**
Equity			
Issued capital	18,152,393	18,152,393	17,358,393
Accumulates losses	(21,823,031)	(20,957,947)	(19,785,955)
Total deficiency in equity	**(3,670,638)**	**(2,805,554)**	**(2,427,562)**

APPENDIX 3 – HORSESHOE HISTORICAL STATEMENT OF CASH FLOWS

	Reviewed 6 months to 30 June 2021 ($)	Audited 12 months to 31 December 2020 ($)	Audited 12 months to 31 December 2019 ($)
Cash flows from operating activities			
Receipts from customers	83,071	-	-
Payments for exploration and evaluation	(197,921)	(391,424)	(67,369)
Payments to suppliers and employees	(86,479)	(82,280)	(182,098)
Interest paid	(6,497)	(19,598)	(12,013)
Net cash flows used in operating activities	**(207,826)**	**(493,302)**	**(261,480)**
Cash flows from investing activities			
Payments for investments	-	(38,000)	(5,000)
Net cash flows used in investing activities	**-**	**(38,000)**	**(5,000)**
Cash flows from financing activities			
Proceeds from issue of shares	-	284,000	-
Proceeds from borrowings	293,000	345,099	263,360
Payment for costs of raising capital	-	-	-
Net cash flows used in financing activities	**293,000**	**629,099**	**263,360**
Net increase/(decrease) in cash and cash equivalents	**85,174**	**97,797**	**(3,120)**
Cash and cash equivalents at the beginning of the period	98,270	473	3,593
Cash and cash equivalents at the end of the period	**183,444**	**98,270**	**473**

APPENDIX 4 – HORSESHOE CONDENSED NOTES TO THE AUDITED HISTORICAL FINANCIAL STATEMENTS

Summary of Significant Accounting Policies

(a) Basis of Preparation

The Historical Financial Information was prepared in accordance with applicable accounting standards, the Corporations Act 2001 and mandatory professional reporting requirements in Australia (including the Australian equivalents of International Financial Reporting Standards) and we have made such disclosures as considered necessary.

(b) Going Concern

The Group's ability to continue as a going concern is dependent on the Group raising sufficient funds to pay its debts as and when they fall due.

(c) Compliance with IFRS

The Historical Financial Information complies with Australian Accounting Standards and International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**").

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

(d) New Accounting Standards and Interpretations

The Company has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("**AASB**") that are mandatory for each reporting period.

(e) Basis of consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Horseshoe Metals Limited at the end of each reporting period. A controlled entity is any entity over which Horseshoe Metals Limited has the power to govern the financial and operating policies so as to obtain benefits from its activities. Control will generally exist when the parent owns, directly or indirectly through subsidiaries, more than half of the voting power of an entity. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are also considered.

As at each reporting date, the assets and liabilities of all controlled entities have been incorporated into the consolidated financial statements as well as their results for the period then ended.

In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the Group have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

(f) Revenue and Other Income

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Specific recognition criteria must also be met before revenue is recognised.

Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

(g) Income Tax

The income tax expense for the period comprises current income tax expense and deferred tax expense.

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantively enacted, as at the end of the reporting period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance date.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets 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.

(h) Property, Plant and Equipment

Each class of property, plant and equipment is stated at historical cost, including any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, less accumulated depreciation and impairment.

The carrying amount of plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the Group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. Land is not depreciated.

The estimated useful lives used for each class of depreciable assets are:

- Plant and equipment: 5 – 15 years

The assets' residual values, depreciation methods and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

(i) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. For financial assets, this is the equivalent to the date that the Group commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs, except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately.

Classification and Subsequent Measurement

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method, or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties in arm's length transaction. Where available, quoted

prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

a) the amount at which the financial asset or financial liability is measured at initial recognition;

b) less principal repayments;

c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the *effective interest method*; and

d) less any reduction for impairment.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

The classification of financial instruments depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and at the end of each reporting period for held-to-maturity assets.

i) Financial assets at fair value through profit or loss

Financial assets are classified at 'fair value through profit or loss' when they are held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

The Group did not hold any fair value through profit or loss investments in the current or comparative financial year.

ii) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Fees payable on the establishment of loan facilities are recognised as transaction costs of the loan.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

When available-for-sale investments are sold, the accumulated fair value adjustments recognised in other comprehensive income are reclassified to profit or loss.

(j) Contributed Equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options for immediate are recognised as a deduction from equity, net of any tax effects.

Preference share capital is classified as equity if it is non-redeemable or redeemable only at the Company's option, and any dividends are discretionary.

Preference share capital is classified as financial liability if it is redeemable on a specific date or at the option of the shareholders, or if dividend payments are not discretionary.

(k) Impairment of Non-Financial Assets

At the end of each reporting period, the Group assesses whether there is any indication that an asset may be impaired. The assessment will include considering external sources of information and internal sources of information and dividends received from subsidiaries, associates or jointly controlled entities deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use to the asset's carrying value. Value in use is calculated by discounting the estimated future cash flows of the asset or cash-generating unit ("**CGU**") at a pre-tax discount rate reflecting the specific risks in the asset / CGU. Any excess of the asset's carrying value over its recoverable amount is expensed to the profit or loss.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the CGU to which the asset belongs.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the Group would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset. Impairment losses recognised in respect of CGU's are allocated first to reduce the carrying amount of goodwill to nil and then to the other assets in the unit in proportion to their carrying amount.

Impairment losses are recognised as an expense immediately.

(l) Exploration and Development Expenditure

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. As the asset is not available for use it is not depreciated or amortised.

Exploration and evaluation assets are initially measured at cost and include acquisition of mining tenements, studies, exploratory drilling, trenching and sampling and associated activities and an allocation of depreciation and amortisation of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Deferred exploration and evaluation accumulated costs in relation to an abandoned area are written off in full against profit or loss in the period in which the decision to abandon that area is made.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

The mining extraction and processing activities of the Group normally give rise to obligations for site closure or rehabilitation.

(m) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less which are convertible to a known amount of cash and subject to an insignificant risk of change in value.

n) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Group during the reporting period which remain unpaid. The balance includes both current and non-current liabilities.

(o) Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured at the present value of management's best estimate of the outflow required to settle the obligation at the end of the reporting period. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the unwinding of the discount is taken to finance costs in the consolidated statement of comprehensive income.

Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Provisions relating to the rehabilitation of land as the result of exploration and evaluation activities are expensed in the consolidated statement of comprehensive income rather than capitalised as deferred exploration expenditure.

(p) Employee Benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Equity-settled compensation

The Group operates equity-settled share-based payment share, right and option schemes. The fair value of the equity to which personnel become entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account. The fair value of shares is ascertained as the market bid price. The fair value of options is ascertained using a Black-Scholes pricing model which incorporates all market vesting conditions. The fair value of the performance rights issued are calculated via a hybrid share option pricing model that simulates the share price as at the expiry date using a Monte-Carlo model. The amount to be expensed is determined by reference to the fair value of the options, rights or shares granted. This expense takes in account any market performance conditions and the impact of any non-vesting conditions but ignores the effect of any service and non-market performance vesting conditions.

Non-market vesting conditions are taken into account when considering the number of options expected to vest. At the end of each reporting period, the Group revises its estimate of the number of options or rights which are expected to vest based on the non-market vesting conditions. Revisions to the prior period estimate are recognised in profit or loss and equity.

(q) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(r) 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 Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the consolidated statement of financial position are shown inclusive of GST.

Cash flows are presented in the consolidated 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.

(s) Critical Accounting Estimates and Judgements

The Horseshoe directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

Key estimates – impairment

The Group assesses impairment at the end of each reporting year by evaluating conditions specific to the Group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using calculations which incorporate various key assumptions.

Key estimates – provisions for rehabilitation

Included in liabilities at the end of each reporting period is an amount that represents an estimate of the cost to rehabilitate the land upon which the Group has carried out its exploration and evaluation for mineral resources. Provisions are measured at the present value of management's best estimate of the costs required to settle the obligation at the end of the reporting period. Actual costs incurred in future periods to settle these obligations could differ materially from these estimates. Additionally, future changes to environmental laws and regulations, life of mine estimates, and discount rates could affect the carrying amount of this provision.

Key judgements – exploration and evaluation expenditure

The Group capitalises expenditure relating to exploration and evaluation where it is considered likely to be recoverable or where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves. While there are certain areas of interest from which no reserves have been extracted, the directors are of the continued belief that such expenditure should not be written off since feasibility studies in such areas have not yet concluded.

(t) New Accounting Standards

New standards, interpretations and amendments

In each period, the Group has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 January 2020. As a result of this review the Horseshoe directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change necessary to Group accounting policies.

Impact of standards issued but not yet applied by the Group

The Group has also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the year ended 31 December 2020. Again, the result of this review determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change necessary to Group accounting policies.

APPENDIX 5 – HORSESHOE PRO FORMA FINANCIAL INFORMATION

ACTUAL AND PROPOSED TRANSACTIONS TO ARRIVE AT PRO FORMA STATEMENT OF FINANCIAL POSITION

Actual and proposed subsequent events to the 30 June 2021 reviewed Statement of Financial Position of Horseshoe include the following.

a) Balance Sheet movements to 31 October 2021 based on events subsequent to 30 June 2021.

Account	Movement ($)
Cash and Cash Equivalents	(438,878)
Trade and Other Receivables	5,838
Prepayments	(2,724)
Property Plant and Equipment	(1,403)
Trade and other payables (current)	(480,363)
Borrowings (current)	(60,626)
Borrowings (non-current)	(65,611)
Total Net Assets	**(1,043,767)**
Retained earnings/(losses)	(1,043,767)
Total Equity	**(1,043,767)**

b) A placement of 17,642,115 ordinary shares at a deemed issue price of $0.015 in satisfaction of $264,632 of payables and borrowings owed by the Company was approved by shareholders at the general meeting of shareholders on 25 November 2021, with the shares being issued on 26 November 2021. The borrowings relate to unsecured loans with an interest rate of 10% p.a. capitalised yearly and due in September 2022 (2-years from the date of signing each agreement). The borrowings total $159,500 from six lenders and the payables total $105,132 from two parties. Merchant Capital Partners Pty Ltd ("**Merchant**") will receive a 6% fee of $15,878 pursuant to a mandate with the Company (refer point d below).

c) The issue of up to 40,000,000 ordinary shares for nil consideration at a deemed issue price of $0.02 per share in satisfaction of $800,000 owed for advanced funds (the "**Advanced Funds**") received from certain investors that propose to subscribe for share under the Proposed Placement (see d below). The advanced funds were provided as unsecured loans with an interest rate of 10% p.a. capitalised yearly and repayable 2-years from signing each relevant loan agreement (various dates between May 2023 and July 2023). We note the issue was approved by shareholders at the general meeting held on 25 November 2021 and the shares were issued on 26 November 2021.

d) The issue of up to 75,000,000 ordinary shares at $0.02 per share to professional and sophisticated investors to raise a gross amount of up to $1,500,000 (the "**Proposed Placement**").

The Company has entered a mandate with Merchant to act as lead manager to the Proposed Placement. Pursuant to the mandate, Merchant will receive a fee of 6% of funds raised under the Proposed Placement and Lead Manager Options (see point f below). Accordingly, in relation to the Proposed Placement, Merchant will receive a fee of $90,000.

e) A pro rata non-renounceable entitlement offer of ordinary shares to eligible shareholders on a basis of one share for every 4 shares held at an issue price of $0.02, to raise up to approximately $2,181,972 million (gross) (the "**Entitlement Offer**"). Merchant will receive a 6% lead manager fee, being $40,918, and a settlement fee of $10,000.

f) Proposed issue of 10,000,000 options to Merchant each exercisable at $0.03 and expiring 3-years from the date of issue (the "**Lead Manager Options**"). The Lead Manager Options are included in

mandate with Merchant for acting as lead manager to the Proposed Placement. The Lead Manager Options have been valued using the Black Scholes option valuation methodology.

g) The issue of up to 46,500,000 ordinary shares and 20,000,000 options each exercisable at $0.05 and expiring 3-years from the issue date (the "**Lender Securities**"). The Company owes $752,871 under an unsecured loan agreement with a syndicate of lenders and $1,236,116 in trade payables to Delta Resource Management Pty Ltd ("**Delta**"). The Lender Securities will be issued to Delta as consideration for a reduction of $930,000 of amounts owed on the loans and trade payables and an extension of the loan repayment date by 24 months to 31 December 2023. Delta is to determine the allocation of the reduction between trade payables and borrowings. Horseshoe management has been advised by Delta that the debt reduction should be applied wholly to trade payables. We note Delta is an entity associated with the former director of Horseshoe, Michael Fotios (resigned on 30 April 2019), who is also associated with entities that are part of the syndicate of lenders.

h) Issue of 3,000,000 ordinary shares to Horseshoe directors Craig Hall, Alan Still and Kate Stoney (1,000,000 ordinary shares to each director) as a component of their respective remuneration packages.

i) Issue of 3,000,000 options to Horseshoe directors Craig Hall, Alan Still and Kate Stoney (1,000,000 options to each director) as a component of their respective remuneration packages (the "**Tranche 1 Options**"). We note a further 6,000,000 options are proposed to be issued to directors over 2 equal tranches (the "**Tranche 2 Options"** and "**Tranche 3 Options**") which have not been recognised in the pro forma financial position due to the accounting treatment of the vesting conditions under AASB 2: Share Based Payments. We note all the options are subject to the holder remaining in continuous service to the Company.

Options	Number	Exercise price	Expiry date	Vesting condition
Tranche 1 Options	3,000,000	$0.03	2 years from issue	n/a
Tranche 2 Options	3,000,000	$0.06	3 years from issue	Minimum 2 years' service from the date of issue
Tranche 3 Options	3,000,000	$0.09	4 years from issue	Minimum 3 years' service from the date of issue

HORSESHOE PRO FORMA STATEMENT OF FINANCIAL POSITION

	Audited as at 31 December 2020 ($)	Reviewed as at 30 June 2021 ($)	Adjustments ($)	Pro Forma 30 June 2021 ($)
Current assets				
Cash and cash equivalents	98,270	183,444	3,750,094	3,933,538
Trade and other receivables	72,037	88,035	5,838	93,873
Other assets	29,425	12,792	(2,724)	10,068
Total current assets	**199,732**	**284,271**	**3,753,208**	**4,037,479**
Non-current assets				
Property, plant and equipment	17,965	15,861	(1,403)	14,458
Exploration and evaluation expenditure	6,708,801	6,708,801	-	6,708,801
Investments	243,000	243,000	-	243,000
Total non-current assets	**6,969,766**	**6,967,662**	**(1,403)**	**6,966,259**
Total assets	**7,169,498**	**7,251,933**	**3,751,805**	**11,003,738**
Current liabilities				
Trade and other payables	(1,459,444)	(1,759,066)	(622,027)	(2,381,093)
Borrowings	-	(452,500)	452,500	-
Total current liabilities	**(1,459,444)**	**(2,211,566)**	**(169,527)**	**(2,381,093)**
Non-current liabilities				
Trade and other payables	(1,065,678)	(1,363,189)	869,374	(493,815)
Borrowings	(1,637,040)	(1,534,926)	(65,611)	(1,600,537)
Provisions	(5,812,890)	(5,812,890)	-	(5,812,890)
Total non-current liabilities	**(8,515,608)**	**(8,711,005)**	**803,763**	**(7,907,242)**
Total liabilities	**(9,975,052)**	**(10,922,571)**	**634,236**	**(10,288,335)**
Net assets/(liabilities)	**(2,805,554)**	**(3,670,638)**	**4,386,041**	**715,403**
Equity				
Issued capital	18,152,393	18,152,393	5,433,507	23,585,900
Option reserve	-	-	103,094	103,094
Accumulates losses	(20,957,947)	(21,823,031)	(1,150,560)	(22,973,591)
Total deficiency in equity	**(2,805,554)**	**(3,670,638)**	**4,386,041**	**715,403**

Cash and Cash Equivalents

	Note	Value ($)
Reviewed 30 June 2021		183,444
Movements to 31 October 2021	a	(438,878)
Resolution 4 advanced funds	c	507,000
Gross proceeds of Proposed Placement	d	1,500,000
Funds received under Entitlement Offer	e	2,181,972
Pro Forma Adjusted 30 June 2021		**3,933,538**

Trade and Other Receivables

	Note	Value ($)
Reviewed 30 June 2021		88,035
Movements to 31 October 2021	a	5,838
Pro Forma Adjusted 30 June 2021		**93,873**

Prepayments

	Note	Value ($)
Reviewed 30 June 2021		12,792
Movements to 31 October 2021	a	(2,724)
Pro Forma Adjusted 30 June 2021		**10,068**

Property, Plant and Equipment

	Note	Value ($)
Reviewed 30 June 2021		15,861
Movements to 31 October 2021	a	(1,403)
Pro Forma Adjusted 30 June 2021		**14,458**

Trade and Other Payables (Current)

	Note	Value ($)
Reviewed 30 June 2021		(1,759,066)
Movements to 31 October 2021	a	(480,363)
Placement issue - discharge of trade payables component	b	105,132
Merchant 6% fee for satisfaction of debt	b	(15,878)
Merchant 6% fee for Placement	e	(90,000)
Merchant 6% fee for Entitlement Offer and settlement fee	f	(140,918)
Pro Forma Adjusted 30 June 2021		**(2,381,093)**

Borrowings (Current)

	Note	Value ($)
Reviewed 30 June 2021		(452,500)
Placement issue – conversion of loans	b	159,500
Settlement of advance funds via share issue	c	293,000
Pro Forma Adjusted 30 June 2021		**-**

Trade and Other Payables (Non-Current)

	Note	Value ($)
Reviewed 30 June 2021		(1,363,189)
Movements to 31 October 2021	a	(60,626)
Delta trade payables settlement	g	930,000
Pro Forma Adjusted 30 June 2021		**(493,815)**

Borrowings (Non-Current)

	Note	Value ($)
Reviewed 30 June 2021		(1,534,926)
Movements to 31 October 2021	a	(65,611)
Pro Forma Adjusted 30 June 2021		**(1,600,537)**

Issued Capital

	Note	Value ($)
Reviewed 30 June 2021		18,152,393
17,642,115 ordinary shares issued in satisfaction of borrowings	b	248,754
40,000,000 ordinary shares issued to providers of Advanced Funds	c	800,000
75,000,000 ordinary shares issued under Proposed Placement	d	1,410,000
Entitlement Offer shares	e	2,041,054
10,000,000 Lead Manager Options	f	(32,301)
46,500,000 ordinary shares issued to Delta	g	930,000
3,000,000 ordinary shares issued to directors	h	36,000
Pro Forma Adjusted 30 June 2021		**23,585,900**

Option Reserve

	Note	Value ($)
Reviewed 30 June 2021		-
10,000,000 Lead Manager Options	f	32,301
20,000,000 options issued to Delta	g	64,602
3,000,000 tranche 1 options issued to directors	i	6,191
Pro Forma Adjusted 30 June 2021		**103,094**

Accumulated Losses

	Note	Value ($)
Reviewed 30 June 2021		(21,823,031)
Movements to 31 October 2021	a	(1,043,767)
Share based payment to Delta - options	g	(64,602)
Director remuneration - ordinary shares	h	(36,000)
Director remuneration - options	i	(6,191)
Pro Forma Adjusted 30 June 2021		**(22,973,591)**

Financial Services Guide

Dated 6 December 2021

Stantons Corporate Finance Pty Ltd (Trading as Stantons Corporate Finance)

Stantons Corporate Finance Pty Ltd (ABN 42 128 908 289 and AFSL Licence No 448697) (**"Stantons"** or **"we"** or **"us"** or **"ours"** as appropriate) has been engaged to issue general financial product advice in the form of a report to be provided to you.

Financial Services Guide

In the above circumstances, we are required to issue to you, as a retail client, a Financial Services Guide ("**FSG**"). This FSG is designed to help retail clients make a decision as to their use of the general financial product advice and to ensure that we comply with our obligations as financial services licensees.

This FSG includes information about:

a) who we are and how we can be contacted;

b) the services we are authorized to provide under our **Australian Financial Services Licence, Licence No: 448697;**

c) remuneration that we and/or our staff and any associated receive in connection with the general financial product advice;

d) any relevant associations or relationships we have; and

e) our complaints handling procedures and how you may access them.

Financial services we are licensed to provide

We hold an Australian Financial Services Licence which authorises us to provide financial product advice in relation to:

- Securities (such as shares, options and debt instruments)

We provide financial product advice by virtue of an engagement to issue a report in connection with a financial product of another person. Our report will include a description of the circumstances of our engagement and identify the person who has engaged us. You will not have engaged us directly but will be provided with a copy of the report as a retail client because of your connection to the matters in respect of which we have been engaged to report.

Any report we provide is provided on our own behalf as a financial services licensee authorised to provide the financial product advice contained in the report.

General Financial Product Advice

In our report, we provide general financial product advice, not personal financial product advice, because it has been prepared without taking into account your personal objectives, financial situation or needs. You should consider the appropriateness of this general advice having regard to your own objectives, financial situation and needs before you act on the advice. Where the advice relates to the acquisition or possible acquisition of a financial product, you should also obtain a product disclosure statement relating to the product and consider that statement before making any decision about whether to acquire the product. Where you do not understand the matters contained in the Independent Limited Assurance Report, you should seek advice from a registered financial adviser.

Benefits that we may receive

We charge fees for providing reports. These fees will be agreed with, and paid by, the person who engages us to provide the report. Fees will be agreed on either a fixed fee or time cost basis. Our fee for preparing this report is expected to be $8,000 exclusive of GST.

You have a right to request for further information in relation to the remuneration, the range of amounts or rates of remuneration and you can contact us for this information.

Except for the fees referred to above, neither Stantons, nor any of its directors, employees or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of the report.

Referrals

We do not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licensed to provide.

Associations and relationships

Stantons is ultimately a wholly owned subsidiary of SIAC, a professional advisory and accounting practice. From time to time, Stantons and SIAC (that trades as Stantons International) and/or their related entities may provide professional services, including audit, accounting and financial advisory services, to financial product issuers in the ordinary course of its business.

Remuneration or other benefits received by our employees and contractors

Stantons and SIAC employees and contractors are eligible for bonuses based on overall performance but not directly in connection with any engagement for the provision of a report.

Complaints resolution

Internal complaints resolution process

As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial product advice. All complaints must be in writing, addressed to:

The Complaints Officer
Stantons Corporate Finance Pty Ltd
Level 2
1 Walker Avenue
WEST PERTH WA 6005

When we receive a written complaint, we will record the complaint, acknowledge receipt of the complaints within 10 days and investigate the issues raised. As soon as practical, and not more than 45 days after receiving the written complaint, we will advise the complainant in writing of our determination.

Referral to External Dispute Resolution Scheme

A complainant not satisfied with the outcome of the above process, or our determination, has the right to refer the matter to the Australian Financial Complaints Authority ("**AFCA**"). AFCA has been established to provide free advice and assistance to consumers to help in resolving complaints relating to the financial services industry.

Further details about AFCA are available at the AFCA website www.afca.org.au or by contacting them directly via the details set out below.
Australian Financial Complaints Authority Limited
GPO Box 3
MELBOURNE VIC 3001

Telephone: 1800 931 678

Stantons confirms that it has arrangements in place to ensure it continues to maintain professional indemnity insurance in accordance with s.912B of the Corporations Act 2001 (as amended). In particular our Professional Indemnity insurance, subject to its terms and conditions, provides indemnity up to the sum insured for Stantons and our authorised representatives / representatives / employees in respect of our authorisations and obligations under our Australian Financial Services Licence. This insurance will continue

to provide such coverage for any authorised representative / representative / employee who has ceased work with Stantons for work done whilst engaged with us.

Contact details

You may contact us using the details set out at above or by phoning (08) 9481 3188 or faxing (08) 9321 1204.

10. SOLICITOR'S REPORT ON TENEMENTS

Mills Oakley
ABN: 51 493 069 734

15 December 2021

Your ref:
Our ref: DYKP:8085994

The Directors
Horseshoe Metals Limited
24 Mumford Place
Balcatta WA 6021

All correspondence to:
Perth St Georges Tce Post Shop
PO Box 5784
ST GEORGES TCE WA 6831

Partner
Daniel Kirk +61 8 6167 9800
Email: dkirk@millsoakley.com.au

Dear Directors,

SOLICTOR'S REPORT ON TENEMENTS – HORSESHOE METALS LIMITED

1. Introduction

This tenement report (**Report**) is prepared for inclusion in a prospectus (**Prospectus**) to be dated on or about 15 December 2021 for issue of fully paid ordinary shares (**Shares**) by Horseshoe Metals Limited ACN 123 133 166 (**Company**) in respect of a pro rata non-renounceable entitlement issue of approximately 109,098,576 Shares at an issue price of $0.02 per Share on the basis of one (1) Share for every four (4) Shares held by eligible shareholders.

2. Scope

This Report relates to tenements identified to us by the Company which comprise the Company's interests in the Horseshoe Lights Project, Kumarina Project and Glenloth Project (**Tenements**). The Tenements comprise twenty-two (22) tenements located in in Western Australia, and five (5) tenements located in South Australia. Details of the Tenements are set out in Schedule 1 of this Report.

Some of the Company's interests in the Tenements are held by Murchison Copper Mines Pty Ltd (**MCM**), a wholly owned subsidiary of the Company.

The scope of our review in this Report is limited to the due diligence investigations conducted upon the publicly available searches and enquiries listed in section 4 below (**Searches**). We have relied solely on the results of those searches, and we have not been requested by the Company to consider any other matters. In particular, this Report does not consider the commercial viability of the Tenements, all third-party rights that may exist in relation to the Tenements or all issues that may arise in respect of the Tenements.

No additional work was performed in preparing this Report, except as specifically stated in this Report and we have not conducted enquiries in relation to legal matters which may impact the Tenements beyond the scope of work described above.

3. Opinion

Based on our Searches, and subject to the scope in section 2 above and the assumptions and qualifications in section 7 below, we confirm at the date of the Searches that:

(a) the details of the Tenements referred to in the Schedule 1 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 Schedule 1;

(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) other than as disclosed in this Report, we did not identify any material issues in respect of the Tenements.

4. Executive Summary

Subject to the qualifications and assumptions in this Report, we consider the following to be material issues in relation to the Tenements:

(a) (**Royalty Agreements**): There are a number of royalty agreements that apply to the Tenements. These include a 3% net smelter return royalty in respect of some of the tenements comprising the Horseshoe Lights Project and 3 separate royalties in respect of the Glenloth Project. Refer to section 6 for further details.

(b) (**Mineral Rights**): The Company does not have a registered interest in ML5848, ML5849, ML5885 or MPL62 (being tenements comprising part of the Glenloth Project). The Company's interest in these tenements arises under the Mineral Rights Agreements summarised at section 12.3.4 of the Prospectus. Under the Mineral Rights Agreements the Company has been granted rights to explore, mine, develop, transport and sell minerals contained on the tenements, and a licence to access the tenements for that purpose.

(c) (**Third Party Rights in Tenements**): Under the Mineral Rights Agreements, the Company acknowledges that Stockworks Exploration & Mining Pty Ltd (**SEM**) has rights to explore and develop ML5848, ML5849, ML5885 and MPL62 with a right to conduct small-scale mining activities on the tenements. These competing rights have the potential to interfere with the rights granted to the Company.

(d) (**Mining Tenement Application**): One of the tenements comprising the Kumarina Project (MLA 52/1078) is an application for a Mining Lease. The area the subject of MLA 52/1078 is also overlapped 100% by E 52/3769 which is a competing tenement application lodged on 15 November 2019 by Element 25 Limited (which is pending). There is no guarantee that the application will be granted and result in a mining lease being granted to MCM. MCM will not have any rights to minerals on the tenement area until a valid tenement is granted.

(e) (**PEPR**): Part 10A of the *Mining Act 1971* (SA) (**SA Mining Act**) requires the holder of an exploration licence to have an approved program for environment protection and rehabilitation (**PEPR**) in place prior to the commencement of any exploration activities. The Company does not have an approved PEPR in respect of EL 6301 and will not be able to conduct exploration activities on the at tenement until a PEPR is approved.

(f) (**Renewal Application and Under Expenditure**): EL 6301 expired on 2 November 2021 and is subject to a renewal application submitted by the Company. EL 6301 was previously renewed under Renewal Instrument 50151 which provided for renewal of the licence from 3 November 2018 to 2 November 2021 subject to the Company meeting $320,000 in expenditure during the period 3 November 2020 to 2 November 2021. In addition, the Company was required to address expenditure shortfall of $110,050 from the previous licence term on renewal of the exploration licence. The Company has not met the expenditure requirements and accordingly the tenement may, if renewed, be reduced in size by up to 50% subject to ministerial discretion. The Company has advised that the expenditure shortfall is partially contributed to the requirement for the Company to have a PEPR in place prior to the commencement of exploration activities and its PEPR is pending approval. We do not express an opinion on the outcome of the renewal application. There is a risk that the renewal application will not be granted or, if granted, the area of the tenement may be substantial reduced.

(g) (**Contaminated Site**): The WA Department of Water and Environmental Regulation (**DWER**) has issued a Notice of Classification under the Contaminated Sites Act 2003 in respect of M 52/743 on which mining operations have previously been undertaken.

DWER has determined the mine site located on M 52/743 as "contaminated – remediation required". The Company will be required to remediate the site.

(h) (**Caveat 563719**): An absolute caveat has been lodged by Horseshoe Gold Mine Pty Ltd in respect of 100/100 shares held by MCM in M52/743. The Company has advised that this caveat relates to the Horseshoe Royalty described in section 6(c) of this Report.

(i) (**Caveats**): Caveat 500031 and Caveat 563719 are absolute caveats that have been lodged against M52/743. Caveat 623317 is an absolute caveat that has been lodged against M52/27. These caveats have the ability to affect the registration of any dealings, transfers, disposals or surrenders lodged in respect of the tenements. Refer to section 14 of this Report for further details.

(j) (**Compliance Directions & Determinations**): A number of Compliance Directions and Determinations have been registered against ML 5885 and MPL 62. We have not reviewed all the documents relating to these Compliance Directions and Determinations. Based on the Searches and our enquiries these appear to relate to a contravention of Section 70B of the SA Mining Act in respect of unauthorised activities (being unauthorised construction of a dam wall, sump, access track and pipeline) undertaken on ML 5885. The Compliance Directions relating to MPL 62 appear to have been revoked. The Compliance Directions and Determinations provide that the tenement holders were required to: (i) cease the unauthorised activities and not undertake other mining operations until appropriate approvals, authorisations and licences are obtained; and (ii) the tenement holders notify the Minister prior to re-commencement of mining operations and satisfy reasonable requests for payment of an environmental bond. The Company has advised that the necessary permits and approvals have not been obtained and the Company has no immediate plans to recommence mining activities on ML 5885. Failure to comply with the direction may result in prosecution proceedings against the tenement holders.

(k) (**Agreement 177H/923 and Agreement 88H/989**): Agreement 177H/923 Joint Venture between Barrack Mine Management Pty Ltd, Barrack Mines Ltd, BML Holdings Pty Ltd, Horseshoe Lights Gold Pty Ltd and Bamine Pty Ltd) and Agreement 88H/989 (between Grange Resources NL, Hestak Pty Ltd, CU DR Partnership and Horseshoe Gold Mine Pty Ltd) have been registered against a number of tenements. We have not reviewed these agreements or conducted any enquiries. Refer to Schedule 1 for details of the tenements affected by these agreements. The Company advises that to the best of its knowledge these agreements are not current and that it is not aware of any legacy obligations under those agreements.

(l) (**Agreement 29695 and Agreement 29696**): Agreement 29695 Glenloth Goldfield Option Agreement between Ian & Mark Filsell and Range River Gold Ltd has been registered against ML 5885. Agreement 29696 Glenloth Goldfield Option Agreement between Gawler Craton Resources Pty Ltd and Range River Gold Ltd has been registered against ML 5848, ML 5849 and MPL 62. The Company advises that to the best of its knowledge these agreements are not current and that it is not aware of any legacy obligations under these agreements.

5. Searches and enquiries

For the purpose of this Report, we have conducted the following searches and enquiries (**Searches**):

(a) obtained mining tenement register searches of the Tenements from the registers maintained by the Western Australian Department of Mines Industry Regulation and Safety (**DMIRS**) and the South Australian Department for Energy and Mining (**Tenement Searches**). These searches were conducted from 17 to 18 November 2021. Key details on the status of the Tenements are set out in Schedule 1 of this Report;

(b) obtained results of searches of the schedule of native title applications, register of native title claims, national native title register, register of indigenous land use agreements and national land use agreements as maintained by the National Native Title Tribunal (**NNTT**) for any native title claims (registered or unregistered), native title determinations and

indigenous land use agreements (**ILUAs**) that overlap or apply to the Tenements. This material was obtained on 30 November 2021. Details of any native title claims (registered or unregistered), native title determinations and ILUAs are set out in section 11 of this Report;

(c) we have obtained quick appraisal user searches of Tengraph which is maintained by the DMIRS to obtain details of features or interests affecting the Tenements located in Western Australia (**Tengraph Searches**). These searches were conducted on 30 November 2021. Details of any material items identified from the Tengraph Searches are set out in Schedule 2 of this Report;

(d) we have reviewed material agreements relating to the Tenements provided to us by the Company and have summarised the material terms (details of which are set out in section 6 of this Report); and

(e) general enquiries made with management of the Company.

6. Material agreements

Agreements may have been entered into by the Company in relation to the Tenements which, amongst other things, grant certain rights to third parties, or grant rights to the Company, in respect of the Tenements. Common agreements relating to mining tenements include (but are not limited to): access, native title, aboriginal heritage, royalty, mortgage, commodity split, tribute, licence or sub-lease arrangements.

The Company has confirmed the existence of the following material agreements in relation to the Tenements and provided us with copies of the same for our review, namely:

Horseshoe Lights Project

(a) (**Kopore Farm-in Agreement**): MCM has entered into the Kopore Farm-in Agreement which is summarised at Section 13.2.1 of the Prospectus. Under the agreement Kopore has the right to earn a 51% beneficial interest in E52/3759, P52/1542, P52/1543, P52/1544, P52/1545, P52/1546, P52/1547, P52/1548, P52/1549, P52/1550 and part of M52/743 (excluding the historical pit and existing copper resource) over a two-year period by completing $1,450,000 in expenditure. If Kopore earns its 51% interest the parties will form a joint venture and Kopore can elect to expend an additional $1.5 million within a further 2 years to earn into an additional 19% beneficial interest in the joint venture.

(b) (**Kopore Co-ordination Deed**): MCM and Kopore have also entered into a Co-ordination Deed summarised at Section 13.2.2 of the Prospectus. The Deed sets out the manner in MCM and Kopore will co-own their relevant mineral rights in respect M52/743 and will co-operate with each other with respect to their activities.

(c) (**Horseshoe Royalty**): MCM, Horseshoe Gold Mine Pty Ltd (**HGM**) and Grange Resources Limited entered into a Mining Tenement Option Agreement dated 22 October 2004 under which MCM exercised an option on 25 March 2005 to acquire, amongst other things, its initial interest in the Horseshoe Lights Project. The Option agreement relates to M52/743, L52/42, L52/43, L52/44, L52/45, L52/66, and two historical Mining Lease applications (MLA52/651 and MLA52/744) (**Royalty Tenements**).

There is a legacy royalty which provides that that MCM will pay each quarter a 3% net smelter return royalty (i.e. 3% of the gross revenue for the quarter less allowable deductions) from metal products derived from the treatment of ore mined from the Royalty Tenements (**Horseshoe Royalty**). MLA52/651 and MLA52/744 are no longer active tenements; P52/1542, P52/1543, P52/1544, P52/1545, and a portion of E52/3759, relate to the same area of land covered by the historic mining leases.

(d) (**Jidi Jidi Heritage Agreement**): All the tenements comprising the Horseshoe Lights Project fall within the native title area of the Nharnuwangga, Wjarri and Ngariawangga People (**NWN**) as determined by the Federal Court (WAD72/1998) (**Determination Area**). The Heritage Agreement governs the exercise of rights by MCM in respect of all tenements within the Determination Area. The Heritage Agreement is summarised in Schedule 3.

(e) (**Jidi Jidi Survey Process Agreement**): In addition to the Heritage Agreement, MCM has entered into a Survey Process Agreement which establishes terms on which MCM will carry out surveys in respect of tenements located on the Determination Area before any exploration or other activity can occur. The Heritage Agreement is summarised in Schedule 3.

Glenloth Project

(a) (**Glenloth Sale and Purchase Agreement - EL 6301**): The Company and SEM entered into the Glenloth Sale and Purchase Agreement under which the Company acquired its 100% interest in EL 6301 (summarised in Section 13.3.1 of the Prospectus). In the event the Company defines and announces a measured and indicated Mineral Resource of 500,000 ounces of gold in respect of EL 6301 (or subsequent mining tenements) then the Company is required to issued SEM 4,000,000 Shares.

(b) (**Mineral Rights Agreements**): The Company has entered into Mineral Rights Agreement with Gawler Craton Resources Pty Ltd (**Gawler**) and Mark and Ian Filsell (the **Filsells**) under which it has been granted rights to explore, mine, develop, transport and sell minerals contained on ML5848, ML5849, ML5885 and MPL62, and a licence to access the tenements for that purpose (**Mineral Rights**). The Company acknowledges SEM has secured rights to explore and develop the tenements and retains the right to conduct small-scale mining activities on the tenements. The Mineral Rights Agreements are summarised in Section 13.3.4 of the Prospectus.

(c) (**Glenloth Royalties**): The Company has entered into Royalty Agreements which each of SEM, Gawler, and the Filsells which are summarised at Sections 13.3.2 and 13.3.5 of the Prospectus. Under the Royalty Agreements the Company has agreed to the pay the following royalties in respect of EL 6301, ML5848, ML5849, ML5885 and MPL62 (**Glenloth Tenements**):

(i) A 1% gross revenue royalty payable to each of SEM, Gawler and the Filsells (being 3% aggregate) in respect of the Glenloth Tenements. The royalty commences from the date that 50,000 ounces of poured gold is derived from minerals extracted from the tenements and ceased on the date that 250,000 ounces of poured gold is produced.

(ii) A fixed royalty payable to each of Gawler and the Filsells of AUD 20 per ounce (being AUD 40 in aggregate) of poured gold produced from the Glenloth Tenements. The royalty commences on the date the Company defines a mineral resource (in relation to the Glenloth Tenements) in excess of 10,000 ounces Au (cut-off grade of 0.5 g/t Au), and less than 50,000 ounces Au. The royalty ceases on the date that 50,000 ounces of poured gold is derived from minerals extracted from the Glenloth Tenements.

(d) (**Right of First Refusal**): The Company and SEM have entered into the Right of First Refusal Agreement under which the Company grants SEM a right of first refusal with respect to EL 6301. The agreement is summarised in Section 13.3.3 of the Prospectus.

7. Assumptions and qualifications

This Report is subject to the following qualifications and assumptions:

(a) We have assumed the accuracy and completeness of results of the Searches set out in section 4 and all information obtained from the Company.

(b) We have assumed all contracts, agreements or arrangements, material or otherwise relating to the Tenements 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 1978 (WA) (**WA Mining Act**) or the SA Mining Act (together, the **Mining Acts**), or any other relevant legislation, we have assumed that Authorisation has been or will be granted in due course.

(d) This Report does not cover any third-party interests, including encumbrances, in relation to the Tenements that are not apparent from our Searches and the information provided to us by the Company.

(e) 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.

(f) We have assumed that the Company, and the registered holders of the Tenements, have complied with all applicable provisions of the Mining Acts and all other legislation relating to the Tenements.

(g) We have assumed that the Company has disclosed to us all material information it possesses in relation to the Tenements.

(h) We have not conducted searches of the Database of Contaminated Sites maintained by the Department of the Environment and Conservation.

(i) Native title may exist in the areas covered by the Tenements. Whilst we have conducted Searches to ascertain that native title claims and determinations, if any, have been lodged in the Federal Court in relation to the areas covered by the Tenements, we have not conducted any research on the likely existence or non-existence of native title rights and interests in respect of those areas. Further, the NTA contains no sunset provisions and it is possible that native title claims could be made in the future

(j) We have not researched the area of the Tenements to determine if there are any registered or unregistered sites of significance to aboriginal people within the area.

Schedule 1 sets out a brief description of the Tenements, a summary of any encumbrances, and a summary of any material (non-standard) conditions attaching to the Tenements. In relation to Schedule 1, 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 and a subsequent requirement that the area of the earlier mining tenement is 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 under the Mining Acts and the conditions specifically set out in the grant of the Tenements.

If any of the assumptions or qualifications set out above are not correct, this Report will need to be reviewed and may need to be amended.

8. Tenements

A list of the Tenements in which the Company has an interest is set out in Schedule 1.

(a) The Horseshoe Lights Project is located in Western Australia and comprises 1 mining lease, 9 prospecting licences, 5 exploration licences and 5 miscellaneous licences.

(b) The Kumarina Project is located in Western Australia and comprises 1 mining lease and one application for a mining lease (MLA 52/1078).

(c) The Glenloth Project is located in South Australia and comprises 1 exploration licence, 3 mining leases, and 1 miscellaneous purposes licence.

Western Australia Tenements

Set out below is a summary of the terms and rights attaching to exploration licences, prospecting licences, mining leases and miscellaneous licences granted under the WA Mining Act.

(a) **Exploration Licences**

Rights: The holder of an exploration licence is entitled to enter the land for the purposes of exploration for minerals with employees and contractors and such vehicles, machinery and equipment as may be necessary or expedient.

Term: An exploration licence has a term of 5 years from the date of grant. The Minister may extend the term by a further period of 5 years followed by a further period or periods of 2 years.

Retention status: The holder of an exploration licence granted after 10 February 2006 may apply for approval of retention status for the exploration licence. The Minister may approve the application where there is an identified mineral resource in or under the land the subject of the exploration licence, but it is impractical to mine the resource for prescribed reasons. Where retention status is granted, the minimum expenditure requirements are reduced in the year of grant and cease in future years. However, the Minister has the right to impose a programme of works or require the holder to apply for a mining lease.

Conditions: Exploration licences are granted subject to various standard conditions, including conditions relating to minimum expenditure, the payment of prescribed rent and royalties and observance of environmental protection and reporting requirements. These standard conditions are not detailed in Schedule 1 of this Report. A failure to comply with these conditions or obtain an exemption from compliance may lead to forfeiture of the exploration licence.

Relinquishment: The holder of an exploration licence applied for and granted after 10 February 2006 must relinquish not less than 40% of the blocks comprising the licence at the end of the fifth year. A failure to lodge the required partial surrender could render the tenement liable for forfeiture.

Priority to apply for mining lease: The holder of an exploration licence has priority to apply for a mining lease over any of the land subject to the exploration licence. Any application for a mining lease must be made prior to the expiry of the exploration licence. The exploration licence remains in force until the application for the mining lease is determined.

Transfer: No legal or equitable interest in an exploration licence can be transferred or otherwise dealt with during the first year of its term without the prior written consent of the Minister. Thereafter, there is no restriction on transfer or other dealings.

(b) **Prospecting Licence**

Application: A person may lodge an application for a prospecting licence in accordance with the WA Mining Act. The mining registrar or warden decides whether to grant an application for a prospecting licence. An application for a prospecting licence (unless a reversion application) cannot be legally transferred and continues in the name of the applicant.

Rights: The holder of a prospecting licence is entitled to enter upon land for the purposes of prospecting for minerals with employees and contractors, and such vehicles, machinery and equipment as may be necessary or expedient.

Term: A prospecting licence has a term of 4 years. Where the prospecting licence was applied for and granted after 10 February 2006, the Minister may extend the term by 4 years and if retention status is granted (as discussed below), by a further term or terms of 4 years. Where a prospecting licence is transferred before a renewal application has been determined, the transferee is deemed to be the applicant.

Retention status: The holder of a prospecting licence applied for and granted after 10 February 2006 may apply for approval of retention status for the prospecting licence. The Minister may approve the application where there is an identified mineral resource in or under the land the subject of the prospecting licence, but it is impractical to mine the resource for prescribed reasons. Where retention status is granted, the minimum expenditure requirements are reduced in the year of grant and cease in future years.

However, the Minister has the right to impose a program of works or require the holder to apply for a mining lease. The holder of a prospecting licence applied for or granted before 10 February 2006 can apply for a retention licence (see below), rather than retention status.

Conditions: Prospecting licences are granted subject to various standard conditions including conditions relating to minimum expenditure, the payment of rent and observance of environmental protection and reporting requirements. These standard conditions are not detailed in Schedule 1 of this Report. A failure to comply with these conditions or obtain an exemption from compliance may lead to forfeiture of the prospecting licence.

Relinquishment: There is no requirement to relinquish any portion of the prospecting licence.

Priority to apply for a mining lease: The holder of a prospecting licence has priority to apply for a mining lease over any of the land subject to the prospecting licence. An application for a mining lease must be made prior to the expiry of the prospecting licence. The prospecting licence remains in force until the application for the mining lease is determined.

Transfer: There is no restriction on transfer or other dealing in a prospecting licence.

(c) **Mining lease**

Application: Any person may lodge an application for a mining lease, although a holder of a prospecting licence, exploration licence or retention licence over the relevant area has priority. The Minister decides whether to grant an application for a mining lease. The application, where made after 10 February 2006, must be accompanied by either a mining proposal or a statement outlining mining intentions and a "mineralisation report" indicating there is significant mineralisation in the area over which a mining lease is sought. A mining lease accompanied by a "mineralisation report" will only be approved where the Director, Geological Survey considers that there is a reasonable prospect that the mineralisation identified will result in a mining operation.

Rights: The holder of a mining lease is entitled to mine for and dispose of any minerals on the land in respect of which the lease was granted. A mining lease entitles the holder to do all acts and things necessary to effectively carry out mining operations.

Term: A mining lease has a term of 21 years and may be renewed for successive periods of 21 years. Where a mining lease is transferred before a renewal application has been determined, the transferee is deemed to be the applicant.

Conditions: Mining leases are granted subject to various standard conditions, including conditions relating to expenditure, the payment of prescribed rent and royalties and observance of environmental protection and reporting requirements. An unconditional performance bond may be required to secure performance of these obligations. A failure to comply with these conditions may lead to forfeiture of the mining lease. These standard conditions are not detailed in Schedule 1 of this Report.

Transfer: The consent of the Minister is required to transfer a mining lease.

(d) **Miscellaneous licence**

Application: Any person may apply for a miscellaneous licence. The mining registrar or warden decides whether to grant an application for a miscellaneous licence. A miscellaneous licence may be granted for a prescribed purpose that is directly connected with mining operations. An application for a miscellaneous licence cannot be legally transferred and continues in the name of the applicant.

Rights: The holder of a miscellaneous licence is entitled to carry out the activities for the purpose specified in the miscellaneous licence.

Term: A miscellaneous licence granted or applied for before 6 June 1998 may be renewed for further terms of up to 5 years at a time, or if the licence has previously been renewed for a term of less than 5 years then renewals will be for the lesser period. A

miscellaneous licence applied for and granted after 6 June 1998 has a term of 21 years and the Minister may renew the licence for further terms of up to 21 years at a time, or if the licence has previously been renewed for a term of less than 21 years then renewals will be for the lesser period

Conditions: A miscellaneous licence is granted subject to various standard conditions. A failure to comply with these conditions may lead to forfeiture of the miscellaneous licence. These standard conditions are not detailed in Schedule 1 of this Report.

Transfer: The consent of the Minister is required to transfer a miscellaneous licence.

South Australian Tenements

Set out below is a summary of the terms and rights attaching to exploration licences, mining leases and miscellaneous purposes licences granted under the SA Mining Act and its regulations.

Substantial amendments to the SA Mining Act and its regulations came into force as at 1 January 2021. The amendments effect immediate changes to existing rights and obligations under granted tenements while others will apply at a later date and subject to certain transitional provisions contained in the amendments. In the following summaries, we have sought, where relevant, to draw a distinction between rights and obligations pre, and post the 1 January 2021 amendments by using the term **Old Act** (when referring to conditions applying prior to 1 January 2021, and **New Act** (when referring to conditions which apply after that date).

(a) **Exploration Licence**

Rights: An exploration licence granted under the SA Mining Act authorises the tenement holder to enter the area and undertake activities for the purpose of exploring for minerals. This general right to explore is subject to compliance with the SA Mining Act and its regulations and the grant of a number of other applicable permits and operational authorisations.

Term: An Old Act exploration licence was granted for successive periods up to a maximum of 5 years, whereafter the tenement holder had a right to apply for a subsequent licence. The application, extension and regrant process applied without limitation, subject only to the holder being in compliance with its obligations.

Exploration licences granted for the first time under the New Act will be granted for successive, renewable terms each of 6 years with a maximum 2 renewals (or a total term of 18 years)

For existing exploration licences (which have not previously been issued as a subsequent licence to the exiting holder) transitional provisions allow the grant of one New Act term of 6 years (following expiry of the Old Act term) plus an additional New Act 6-year term. For existing exploration licences (which have previously been issued as a subsequent tenement), transitional provisions allow only one New Act 6-year term to be granted.

Area Other than with Ministerial consent, an exploration licence cannot exceed 1,000km^2.

Expenditure and Relinquishment: The tenement holder is required to meet certain expenditure commitments during the term of an exploration licence. Mandatory relinquishments of a proportion of the area of the exploration licence will apply if expenditure requirements are not met.

Current policy provides that a 3-tiered penalty scheme will apply to expenditure non-compliance. Where the expenditure commitment for an individual licence has not been met over the expenditure period (with no deferment/variation being approved) then:

(i) for a first offence, a 25% area reduction is required;

(ii) for a second offence, a 50% area reduction is required; and

(iii) for a third offence, a recommendation will be made to cancel the licence.

The tenement holder is required to relinquish 50% of the area of the exploration licence when applying for a third New Act 6-year term. This relinquishment obligations does not apply in the case of exploration licences which were first granted and have been held under the Old Act for more than 10 years.

Amalgamation of Expenditure Commitments: the SA Mining Act and its regulations allow holders of multiple exploration licences to apply for an amalgamation (most often in order to reduce the aggregated total expenditure commitments across all tenements or groups of tenements). An existing amalgamation arrangement will be reviewed at the end of its term and extensions may be granted on a case-by-case basis dependant on satisfactory exploration performance as assessed by DEM.

Mining Rights: exploration licences do not provide the holder with a right to mine or develop a mineral deposit however, the exploration licence holder has the right to apply for a mining lease over any part of the area of its exploration licence, subject to the SA Mining Act. A third party may not apply for a mining lease on any part of the exploration licence without consent of the exploration licence holder (giving priority rights to the holder).

E-PEPR: Part 10A of the SA Mining Act sets out an additional operational approval (comprising a plan for environment protection and rehabilitation (**PEPR**)) that is required to be obtained prior to conducting exploration activities on an exploration licence. There are two tiers of PEPR applicable at the exploration stage:

(iv) a "Generic PEPR" relating to defined categories of 'low impact exploration'. The Generic PEPR consists of a standard set of conditions set out by gazetted Ministerial Determination from time to time and does not involve a separate application and approvals process; and

(v) a PEPR for advanced exploration activities (being all exploration that is not 'low impact'). Application for an advanced exploration PEPR is required to be made in relation to each specific program of works as documented in the PEPR application. A rehabilitation Bond may be required as part of the advanced exploration PEPR approval process, to guarantee rehabilitation obligations under the PEPR.

(b) **Mining Leases**

General Right to Mine: A mining lease granted under the SA Mining Act confers an exclusive right on the holder of the lease to carry out mining operations subject to the SA Mining Act and its regulations and the terms and conditions of the lease. It authorises the holder to recover minerals and sell, or dispose of, minerals recovered in the course of mining operations. This general right to mine is subject to compliance with the SA Mining Act and its regulations and the grant of a number of other applicable permits and operational authorisations.

Term: Under the New Act there is no longer any specified term for a mining lease. A mining lease may be granted for a term as determined by the Minister and specified in the lease document and may be renewed or extended for additional terms, subject to the SA Mining Act and its regulations.

Area: There is no specific limit to the size of a mining lease however, there needs to be a correlation between the area applied for and the area reasonably required to cover the orebody and for the proper and efficient mining of the mineral resource.

Conditions: A mining lease is granted subject to various standard conditions including conditions relating to the proper working of the mine; payment of prescribed rent and royalties and rehabilitation bond; environmental protection criteria, reporting obligation and the preparation of various plans relating to: mine operation, rehabilitation and closure; and environmental protection objectives and standards. Other specific conditions may be endorsed on the lease document.

M-PEPR: Part 10A of the SA Mining Act requires a PEPR to be obtained prior to conducting mining production activities on a mining lease. As part of a PEPR approval, a

rehabilitation bond may be required to guarantee the tenement holder's undertakings under the PEPR.

(c) **Miscellaneous Purpose Licences**

Purpose: A miscellaneous purpose licence is granted under the SA Mining Act for purposes which are ancillary to mining operations such as the construction or use of roads, airstrips, camps, water bore fields or other infrastructure associated with or necessary for the conduct of specific mining operations. While general in nature, most often a miscellaneous purpose licence will be granted for one (or more) specifically identified purpose.

Term: Under the New Act there is no longer any specified term for a miscellaneous purpose licence. A miscellaneous purpose licence may be granted for a term as determined by the Minister and as specified in the lease document and may be renewed or extended for additional terms, subject to the SA Mining Act and its regulations. Generally, a miscellaneous purpose licence will be granted with a term which reflects the term of the ML with which it is associated.

Area: A miscellaneous purpose licence may not be granted over an area exceeding 250ha unless otherwise determined by the Minister.

Conditions: there are no prescribed conditions on which a miscellaneous purpose licence may be granted. A miscellaneous purpose licence is granted on such terms and conditions as the Minister thinks fit and specifies in the licence.

9. Rehabilitation levies or environmental bonds

Western Australia

In Western Australia a mining rehabilitation levy system applies, although a company may in certain circumstances 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. In WA 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).

In South Australia environmental bonds may be required under section 62 of the SA Mining Act in respect of any civil or statutory liability likely to be incurred in the course of carrying out mining operations, as well as any present and future obligations in relation to the rehabilitation of the land disturbed by mining operations. Bond No 199 ($3,000 bank guarantee) has been lodged in respect of ML 5885 and is endorsed on the Mining Register as 'current'.

10. Native Title

This section of the Report examines the effect of native title on the Tenements.

Native title or claims for native title exist over large areas of Western Australia and South Australia and will likely affect the grant or renewal of mining tenements. Section 11 of this Report sets out relevant native title claims and determinations affecting the Tenements.

The *Native Title Act 1993* (Cth) (**NTA**) broadly provides as follows:

(a) It sets out a process for indigenous people to lodge claims for native title rights over land, for those claims to be registered by the National Native Title Tribunal (**NNTT**) and for the Courts to assess native title claims and determine if native title rights exist. Where a Court completes the assessment of a native title claim, it will issue a native title determination that specifies whether or not native title rights exist.

(b) It provides (together with associated State legislation) that any land tenures granted or renewed before 1 January 1994 were valid despite Mabo No. 2 (**Past Acts**). This retrospective validation of land tenure was subsequently extended by the NTA to include freehold and certain leasehold (including pastoral leases) granted or renewed before 23 December 1996 (**Intermediate Period Acts**). Broadly speaking, this means that native title is not extinguished, merely suspended, for the duration of the mining tenement.

(c) It provides that an act that may affect native title rights (such as the grant or renewal of a mining tenement) carried out after 23 December 1996 (a **Future Act**) must comply with certain requirements for the Future Act to be valid under the NTA. These requirements are called the "Future Act Provisions".

The grant or renewal of a mining tenement is a Future Act for the purposes of the NTA. The Future Act Provisions vary depending on the Future Act to be carried out. In the case of the grant of a mining tenement, typically there are four alternatives: the Right to Negotiate, an ILUA, the Infrastructure Process and the Expedited Procedure (each of which are summarised below).

Right to Negotiate

The Right to Negotiate involves a formal negotiation between the State, the applicant for the tenement and any registered native title claimants and holders of native title rights. The aim is to agree the terms on which the tenement can be granted. The applicant for the tenement is usually liable for any compensation that the parties agree to pay to the registered native title claimants and holders of native title. The parties may also agree on conditions that will apply to activities carried out on the tenement (eg in relation to heritage surveys).

If agreement is not reached to enable the tenement to be granted, the matter may be referred to arbitration before the NNTT, which has six (6) months to decide whether the State, the applicant for the tenement and any registered native title claimants and holders of native title rights have negotiated in good faith (only if the issue is raised by one of the parties) and then whether the tenement can be granted and if so, on what conditions. The earliest an application for arbitration can be made to the NNTT is six (6) months after the date of notification of commencement of negotiations.

If the Right to Negotiate procedure is not observed, the grant of the mining tenement will be invalid to the extent (if any) that it affects native title.

Indigenous Land Use Agreement (ILUA)

An indigenous land use agreement (**ILUA**) is a contractual arrangement governed by the NTA. Under the NTA, an ILUA must be negotiated with all registered native title claimants for a relevant area. The State and the applicant for the tenement are usually the other parties to the ILUA. Our Searches has revealed that ILUAs intersect the land the subject of the Tenements.

An ILUA must set out the terms on which a tenement can be granted. An ILUA will also specify conditions on which activities may be carried out within the tenement. The applicant for a tenement is usually liable for any compensation that the parties agree to pay to the registered native title claimants and holders of native title in return for the grant of the tenement being approved. These obligations pass to a transferee of the tenement.

Once an ILUA is agreed and registered, it binds the whole native title claimant group and all holders of native title in the area (including future claimants), even though they may not be parties to it.

Infrastructure Process

The NTA establishes a simplified process for the carrying out of a Future Act that is the creation of a right to mine for the sole purpose of the construction of an infrastructure facility (**Infrastructure Process**).

In Western Australia and South Australia, the Infrastructure Process generally applies to most miscellaneous licences (or miscellaneous purpose licence) and general purpose leases (depending on their purpose). For these types of tenements, an alternative consultation process applies, and in the absence of an agreement between the native title claimants and the applicant, the matter can be referred to an independent person for determination.

Expedited Procedure

The NTA establishes a simplified process for the carrying out of a Future Act that is unlikely to adversely affect native title rights (**Expedited Procedure**). The grant of a tenement can occur under the Expedited Procedure if:

- the grant will not interfere directly with the carrying on of the community or social activities of the persons who are the holders of native title in relation to the land;

- the grant is not likely to interfere with areas or sites of particular significance, in accordance with their traditions, to the persons who are holders of native title in relation to the land; and
- the grant is not likely to involve major disturbance to any land or waters concerned or create rights whose exercise is likely to involve major disturbance to any land.

If the State considers the above criteria are satisfied, it commences the Expedited Procedure by giving notice of the proposed grant of the tenement in accordance with the NTA.

If there is no objection lodged by a registered native title claimant or a native title holder within four (4) months of the notification date, the State may grant the tenement. If one or more registered native title claimants or native title holders object within that four (4) month notice period, the NNTT must determine whether the grant is an act attracting the Expedited Procedure. If the NNTT determines that the Expedited Procedure applies, the State may grant the tenement. Otherwise, the Future Act Provisions (eg Right to Negotiate or ILUA) must be followed before the tenement can be granted.

(a) **Western Australia**

The State of Western Australia currently follows a policy of granting mining leases, prospecting licences and exploration licences under the Expedited Procedure where the applicant has entered into a standard Aboriginal heritage agreement with the relevant registered native title claimants and native title holders. The standard Aboriginal heritage agreement provides a framework for the conduct of Aboriginal heritage surveys over the land the subject of a tenement prior to the conducting of ground-disturbing work and conditions that apply to activities carried out within the tenement.

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, it will be necessary to go through the right to negotiate process, unless the Company has earlier entered into an agreement with the claimants that incorporates such conversion.

There is native title determinations affecting the land underlying the Horseshoe Lights Project and Kumarina Project. Accordingly, native title issues will need to be considered by the holder of the Tenements.

(b) **South Australia**

South Australia has enacted an alternative to the Right to Negotiate scheme under the NTA. Part 9B of the SA Mining Act sets out the procedures that must be undertaken prior to conducting mining activities on native title land (being land where native title exists or may exist).

The South Australian Part 9B process is initiated by a proponent submitting a Form 27 to various parties including the relevant native title determinants or claimants that it wishes to negotiate towards a Native Title Mining Agreement (**NTMA**) for exploration or mining activities. If an agreement is not reached within 4 months for exploration activities and 6 months for all other activities, either party may apply to the ERD Court for a determination.

The terms of a NTMA must include how notice is given and principles of land rehabilitation. Other terms may include payments at signing of the agreement and at the decision to mine and a royalty payment based on mineral production. Further terms may include training, employment and contracting benefits to the registered native title party, funding for Aboriginal scholarships or traineeships, and business development assistance.

Exploration licences are granted by the State ahead of any right to negotiate processes however, Part 9B provides that an exploration licence does not confer a right to conduct mining operations unless: (a) the operations do not affect native title; (b) a declaration has been made at law that the land is not subject to native title; (c) the explorer has entered into an agreement with all native title parties having an interest in the area being an NTMA entered into after following the State's Part 9B alternative right to negotiate

process; or (d) a determination has been made by the relevant Court, authorising operations.

The Minister is not able to grant a mining lease until a NTMA, or determination, has been made with the relevant native title parties and registered in the Native Title Mining Register maintained by DEM. A proponent can negotiate an NTMA for exploration and production with determined native title holders, however where the native title claim is yet to be determined, NTMAs can be for exploration or mining only.

There is a native title determination affecting part of the land underlying EL 6301 in respect of the Glenloth Project. Accordingly, native title issues will need to be considered by the holder of the Tenement.

11. Validity of Tenements under the NTA

Our Searches indicate that the Tenements are within the external boundaries of the following native title claims, native title determinations and ILUAs:

Native Title Claim/Determination	Affected Tenements	ILUA
Short Name: Nharnuwangga Federal Court File No: WAD72/1998 Tribunal file no: WCD2000/001 Determination Outcome: Native title exists in parts of the determination area Determination Date: 29/08/2000	M 52/743, L 52/42, L 52/43, L 52/44, L 52/45, L 52/66, P 52/1542, P 52/1543, P 52/1544, P52/1545, P52/1546, P52/1547, P52/1548, P52/1549, P 52/1550, E 52/3759, E 52/3906, E52/3908, E 52/3909, E 52/3939	ILUA ID: WI2000/001 Registration Date: 05/07/2001
Short Name: Gingirana Federal Court File WAD6002/2003 Tribunal file no: WCD2017/011 Determination Outcome: Native title exists in the entire determination area Determination Date: 07/12/2017	M52/27 and M52/1078	ILUA ID: WI2011/009 Registration Date: 24/01/2012
Short Name: Gawler Ranges People Federal Court File No: SAD6020/1998 Tribunal file no: SCD2011/005 Determination Outcome: Native title exists in parts of the determination area Determination Date: 19/12/2011	EL 6301 (part of the tenement)	No ILUA - the Gawler Ranges Mineral Exploration ILUA (SI2004/004) has terminated, effective 28 February 2017.

The existence of any native title claims over the area covered by the Tenements, or a subsequent determination of native title over the area, will not impact the rights and interests of the holder under the Tenements provided they have been validly granted. However, the grant of any future tenure over areas that are covered by a registered claim or a positive determination of native title will require engagement with the relevant claimants or native title holders (as relevant) in accordance with the Native Title Act.

Tenements granted prior to 1 January 1994: Under the *Titles (Validation) and Native Title (Effect of Past Acts) Act 1995* (WA) and the *Native Title (South Australia) Act 1994* (SA) the grant of mining tenements in Western Australia and South Australia prior to 1 January 1994 has been validated to the extent that the grant may have been invalid as a result of the existence of native title. ML 5848, L52/42, L52/43, L52/44, L52/45 and ML52/27 were granted during this period and therefore the grant of such tenements is validated despite any native title claims.

Tenements granted between 1 January 1994 and 23 December 1996

The *Titles (Validation) and Native Title (Effect of Past Acts) Act 1995* (WA) and the *Native Title (South Australia) Act 1994* (SA) also confirm the validity of certain acts made by the States of Western Australia and South Australia between 1 January 1994 and 23 December 1996, provided such acts had met various conditions set out in the NTA. L52/66 and ML 5885 were granted during this period.

The renewal of any of the above mining tenements will be a Future Act for the purposes of the NTA and will need to comply with applicable processes under the Future Act Provisions.

ILUAS

Our searches indicate the following ILUAs overlap the Tenements:

(a) ILUA WI2000/001: this ILUA was registered on 5 July 2001 and covers the area of land in respect of the affected tenements (see above) which are subject to Native Title Deamination WAD72/1998. All applications for tenements, the grant of all general purpose leases, and all productive mining which is yet to commence within the agreed determination are dealt with under this agreement in place of the right to negotiate procedures and the right to claim compensation under the NTA.

(b) ILUA WI2011/009: this ILUA covers the area of land, in respect of M52/27 and M52/1078 which is subject to Native Title Deamination WAD6002/2003. This ILUA does not appear to apply in respect of MCM, and accordingly, the Right to Negotiate procedure must be followed in respect of M52/27 and M52/1078. The Searches indicate that the application by MCM in respect of M52/1078 is currently in the process of the Right to Negotiate procedure.

We have not reviewed the terms of the ILUAs in detail as the Company or MCM are not parties to the ILUAs.

12. Aboriginal Heritage

Aboriginal heritage is protected by both Commonwealth legislation as well as legislation in each State and Territory of Australia.

The *Aboriginal and Torres Strait Islander Heritage Protection Act 1984* (Cth) (**Commonwealth Heritage Act**) is aimed at the preservation and protection of any Aboriginal 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 have the potential to halt exploration activities. Compensation is payable by the Minister for Aboriginal Affairs to a person who is, or is likely to be, affected by a permanent declaration of preservation. It is an offence to contravene a declaration made under the Commonwealth Heritage Act. We have not undertaken any searches in respect of the Commonwealth Heritage Act for the purposes of this Report.

Western Australia Heritage

The provisions of the *Aboriginal Heritage Act 1972* (WA) (**WA Heritage Act**) are endorsed on all tenements in Western Australia.

The WA Heritage Act protects all Aboriginal sites in Western Australia which meet the criteria in section 5 of the WA Heritage Act.

It is an offence under the WA Heritage Act to excavate, destroy, damage, conceal or in any way alter an Aboriginal site or any object on or under an Aboriginal site, unless the person or company is acting with the authority of the registrar or the consent of the relevant Minister. The offence applies regardless of whether the Aboriginal site has been entered on the Register of Aboriginal sites. It is a defence if the person (or company) charged can prove that he did not know and could not reasonably be expected to have known, that the place or object was protected by the WA Heritage Act.

A holder of a Western Australian mining tenement has the legislative right to submit an application under the WA Heritage Act seeking approval to disturb or destroy an Aboriginal site.

The Aboriginal Cultural Heritage Bill 2021 (**ACH Bill**) was introduced to the WA Legislative Assembly during November 2021 and has been passed by the State Parliament (and is awaiting royal assent). The ACH Bill replaces the current WA Heritage Act. Some key changes associated with the ACH Bill include:

(a) No longer allowing tenement holders to apply to the Minister for approval to damage an Aboriginal site.

(b) Aboriginal knowledge holders themselves will be responsible for identifying Aboriginal cultural heritage (not the Aboriginal Cultural Material Committee).

(c) Due diligence assessments must be undertaken for all activities that may harm Aboriginal cultural heritage, other than exempt activities.

(d) Proponents of resources projects will (depending on the type of activity to be carried out on the tenements) need to apply for an Aboriginal Cultural Heritage Permit or obtain approval of an Aboriginal Cultural Heritage Management Plan.

South Australia Heritage

South Australia has enacted the Aboriginal Heritage Act 1988 (**AHA**) which provides for the identification of Sites and Objects of significance under Aboriginal tradition on a central register maintained under the AHA (**Register**). The AHA provides that it is an offence to damage destroy or interfere with an Aboriginal site, object or remains. The Register is not a complete record of all Aboriginal sites and objects. Protections under the AHA apply to sites, objects or remains whether or not they are entered on the Register. Heritage surveys conducted under NTMAs are the main risk mitigation toot used to protect against inadvertent breach of the AHA through damage, destruction or interference with unregistered sites or objects.

Access for exploration or mining in an area of a site which is on the Register may only be authorised through an application under section 23 of the AHA pursuant to which the Minister under the AHA may, after consultation with Traditional Owners, authorise damage, destruction or interference with that registered site.

We have not conducted specific heritage searches in respect of the Tenements, however the Searches in respect of EL 6301 indicate that a SA Heritage Place exists within the tenement area.

13. Aboriginal Heritage Agreements

Aboriginal heritage agreements will generally include a process of engagement between the parties to protect Aboriginal heritage. This process includes the undertaking of heritage surveys to identify Aboriginal sites. A procedure is usually included for the parties to consider the proposed works on the tenements, and decide on the best course of action given any potential impacts the proposed works may have on Aboriginal sites.

NWN Heritage Agreement

MCM entered into a Deed of Assumption and Assignment dated 21 March 2014 under which it has been assigned rights, and assumes liabilities, under a Heritage Agreement entered into between Jidi Jidi Aboriginal Corporation (**Jidi Jidi**) and Grange Resources Limited dated 21 July 2009 (**Heritage Agreement**).

As set out in section 11 of this Report a number of the Tenements are contained within the area the subject of Native Title Determination WAD72/1998 (in respect of the Nharnuwangga, Wjarri and Ngariawangga People (**NWN**)) (**Determination Area**).

The Heritage Agreement governs the exercise of rights by MCM in respect of Tenements within the Determination Area (**Jidi Jidi Tenements**). Refer to Schedule 3 for further details.

NWN Survey Process Agreement

MCM has also entered into the Survey Process Agreement with Jidi Jidi as summarised in Schedule 3. Under the agreement MCM agrees to carry out surveys in accordance with the Heritage Agreement and Survey Process Agreement before any exploration or other activity can occur on any part of the tenements.

14. Caveats

A caveat is a means of protecting an interest in land claimed under an unregistered instrument or equitable interest. There are different forms of caveats but, generally, caveats operate as statutory injunctions which freeze the register and preserve the status of interest to which the caveat realtes. A caveat does not substantiate an estate or interest claimed in the caveat but merely prevents a subsequent registration from extinguishing the interest claimed, if substantiated.

Section 122A of the WA Mining Act provides that any person claiming any interest in a mining tenement may lodge either one of the three different forms of caveats: an absolute caveat, a subject to claim caveat, or a consent caveat.

As set out in Schedule 1 the following caveats have been lodged in respect of the Tenements:

(a) An absolute caveat has been lodged by Horseshoe Gold Mine Pty Ltd in respect of 100/100 shares held by MCM in M52/743 (**Caveat 563719**). The Company has advised that this caveat relates to Horseshoe Royalty described in section 6(c) of this Report.

(b) An absolute caveat has been lodged by the Shire of Meekatharra in respect of 100/100 shares held by MCM in M52/743 **Caveat 500031**). The Company advises that this caveat relates to unpaid council rates as set out in Section 14.1 of the Prospectus.

(c) An absolute caveat has been lodged by the Shire of Meekatharra in respect of 100/100 shares held by MCM in M52/27 (**Caveat 500031**). The Company advises that this caveat relates to unpaid council rates as set out in Section 14.1 of the Prospectus.

An absolute caveat is the most powerful form of caveat under the WA Mining Act as it forbids the registration of a dealing or surrender affecting the mining tenement or interest. To lodge an absolute caveat over a mining tenement, a party must have an interest in that tenement, which is accepted to mean a proprietary or equitable interest in a tenement.

If a dealing or surrender is lodged over a tenement the subject of an absolute caveat, then the caveator will receive notice to this effect. The absolute caveat will expire 14 days from the date on which notice is given.

Accordingly, an absolute caveat essentially gives the caveator 14 days' notice if the tenement holder proposes to deal with the tenement in a way that is inconsistent with the caveator's interest.

15. Pastoral Lease and Access

As set out in Schedule 2, the following tenements encroach on one or more pastoral leases:

(a) The following tenements comprising a large portion of the Horseshoe Lights Project overlap the Milgun Pastoral Lease (PL N050318): M52/743 – (100%); L 52/42 – (100%); L 52/43 – (100%); L 52/44 – (100%); L 52/45 – (100%); L 52/66 – (93.14%); P 52/1543 – (96.69%); P 52/1544 – (100%); P 52/1545 – (100%); P 52/1546 – (100%); P 52/1547 – (10.7%); E 52/3759 – (70.51%); E52/3939 – (41.66%).

(b) The following tenements comprising a large portion of the Horseshoe Lights Project overlap the Milgun Pastoral Lease (PL N050317): L 52/66 – (6.86%); P 52/1542 – (100%); P 52/1543 – (3.31%); P 52/1547 – (89.3%); P 52/1548 – (72%); E 52/3759 – (29.49%); E52/3906 – (99.29%); E52/3908 – (100%); E52/3909 – (98.29%); E52/3939 – (58.34%).

(c) The following tenements overlap the Bryah Pastoral Lease (PL N049600): P 52/1548 – (28%); P 52/1549 – (100%); P 52/1550 – (100%).

The WA Mining Act prohibits the carrying out of mining activities on or near certain improvements and other features (such as livestock and crops) on pastoral leases without the consent of the lessee. In addition the WA Mining Act imposes certain restrictions on a mining tenement holder passing through a pastoral lease, including requiring that all necessary steps are taken to notify the occupier of any intention to pass over the pastoral lease and that all necessary steps are taken to prevent damage to improvements and livestock. The tenement holder must pay compensation to an occupier in certain circumstances, in particular to make good any damage to

improvements, and for any loss suffered by the occupier from that damage or for any substantial loss of earnings suffered by the occupier as a result of, or arising from, any exploration or mining activities, including the passing and re-passing over any land.

The consent of the occupier is commonly given under the terms of an access agreement whereby the tenement holder also agrees to pay compensation to the owner and/or occupier for losses including damage or disturbance caused to the surface of the land, damage to improvements or loss of earnings.

16. National Parks and Regional Reserves

Western Australia

E52/3909 overlaps by 1.71% with a "C" Class Water Reserve (R 1197). M52/27 (100%) and M52/1078 (99.75%) overlap with a "C" Class Common Reserve (R 16733).

Land reserved under Part 4 of the Land Administration Act 1997 (WA) (**Land Act**) is generally subject to a requirement that under section 24(5A) of the Mining Act that 'mining' (which term includes exploration and prospecting) on that land may be carried out with the written consent of the Minister who may refuse his consent or give consent subject to terms and conditions. This does not apply to Class A nature reserves (more stringent controls may apply), land reserved for mining or commons, land designated for public utility, or land that is a townsite.

Accordingly, holding a mining tenement does not of itself permit exploration or mining where a relevant reserve is involved. A further consent must be obtained. The procedure for obtaining such a consent varies depending on the nature of the reserve involved.

Sections 23 to 25A of the Mining Act impose a range of conditions to mining on public reserves and Crown land, breach of which makes the tenement liable to forfeiture.

South Australia

Various national parks, conservation parks and regional reserves have been created in South Australia under the National Parks and Wildlife Act 1972 (**NPWA**) Land declared as a park or reserve under the NPWA is vested in the Minister for Environment and Water (Environment Minister) and managed by the Department for Environment and Water (**DEW**).

The Lake Gairdner National Park was proclaimed under the NPWA in 1991. Mineral Exploration and development are not prohibited by virtue of the proclamation. Additional conditioning applies to activities both within and within proximity to Parks.

EL 6301 abuts Lake Harris, which is part of the Park but does not fall within the Park boundary itself. Tenements which lie outside, but within close proximity to, Parks and Reserves will include as a standard licence condition, the requirement to prepare a PEPR prior to conducting advanced exploration within a 100m buffer zone around the Park or Reserve.

Mining and exploration activities within Parks and Reserves continue to be authorised and managed under the SA Mining Act. However, approval of these activities will generally require prior consultation with the Environment Minister through DEW, who may require additional conditioning on approvals around environmental protection within the park.

17. Contaminated Sites

Under the *Contaminated Sites Act 2003* (WA) owners and occupiers of land which they know or suspect to be contaminated must report the suspected contamination to the DWER. A site is "contaminated" if it has a substance in it at above background concentration which either presents or has the potential to present a risk of harm to human health or to the environment.

DWER has issued a Notice of Classification under the Contaminated Sites Act 2003 in respect of M 52/743 on which mining operations have previously been undertaken. DWER has determined the mine site located on M 52/743 as "contaminated – remediation required". The Company will be required to remediate the site to acceptable levels.

18. Overlapping Tenure

Mining Interests

Our searches indicate that MLA 52/1078 (being an application) is overlapped 100% by E 52/3769 which is a competing application lodged on 15 November 2019 by Element 25 Limited (which is pending)).

Petroleum Interests

Our searches indicate that Petroleum Exploration Permit PGERA67 overlaps all of the tenements comprising the Horseshoe Lights Project and the Kumarina Project.

For the purposes of this Report, we have not conducted further searches in respect to the petroleum licences. However, the grant of any tenements may be subject to entering into suitable access and co-ordination agreements in relation to the interaction of rights in the encroachment area to effectively manage the access and interests of both parties. Such agreements may restrict the ability of the Company to undertake exploration and mining activities on certain parts of the Tenements

19. Benefit and Reliance

This Report is given solely for the benefit of the Company in connection with the issue of the Prospectus. This Report is not to be relied on used for any other purpose or quoted or referred to in any other public document or filed with any government body or other person without our prior written consent. To the maximum extent permitted by law, Mills Oakley expressly disclaims any liability in respect of this Report to any person other than the Company.

20. Consent

This Report is given on 15 December 2021 and unless specified to the contrary, speaks only to the relevant laws of Western Australia, South Australia and the Commonwealth of Australia in force on that date. Mills Oakley has consented to the inclusion of this Report in the Prospectus in the form and context in which it is included and have not withdrawn that consent before the lodgment of the Prospectus with ASIC.

21. Disclosure of Interest

Mills Oakley 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

MILLS OAKLEY

Schedule 1– Tenements

The below information has been extracted from mining tenement register searches of the Tenements dated 18 November 2021 and obtained from the registers maintained by DMIRS and South Australian Department for Energy and Mining. Accordingly, the information may not be accurate as at the date of this Report.

#	Tenement	Registered Holder	Shares Held	Status	Grant Date (Application Date)	Expiry Date	Area Size	Rent Commitments	Expenditure Commitments	Registered Dealings/ Encumbrances	Notes
Horseshoe Lights Project – Meekatharra, WA											
1.	M52/743	Murchison Copper Mines Pty Ltd	100/ 100	Live	27/09/2000	26/09/2042 (renewed term)	988.3 HA	Paid in full for Year End 26/09/2022 $21,758 for Year End 26/09/2023	Expended in full for 26/09/2021 $98,900 for Year End 26/09/2022	Caveat 500031 Caveat 563719	Endorsement 1 Conditions 1 - 6
2.	L52/42	Murchison Copper Mines Pty Ltd	100/ 100	Live	24/05/1990	23/05/2025	0.26 HA	Paid in full for Year End 23/05/2022 $19.70 for Year End 23/05/2023	N/A	Agreement 177H/923 Agreement 88H/989	Miscellaneous Licence relating to Pipeline Water
3.	L52/43	Murchison Copper Mines Pty Ltd	100/ 100	Live	24/05/1990	23/05/2025	2.3 HA	Paid in full for Year End 23/05/2022 $59.10 for Year End 23/05/2023	N/A	Agreement 177H/923 Agreement 88H/989	Miscellaneous Licence relating to Powerlines
4.	L52/44	Murchison Copper Mines Pty Ltd	100/ 100	Live	24/05/1990	23/05/2025	3.8 HA	Paid in full for Year End 23/05/2022 $78.80 for Year End 23/05/2023	N/A	Agreement 177H/923 Agreement 88H/989	Miscellaneous Licence relating to Water Pipeline

#	Tenement	Registered Holder	Shares Held	Status	Grant Date (Application Date)	Expiry Date	Area Size	Rent Commitments	Expenditure Commitments	Registered Dealings/ Encumbrances	Notes
5.	L52/45	Murchison Copper Mines Pty Ltd	100/ 100	Live	24/05/1990	23/05/2025	3 HA	Paid in full for Year End 23/05/2022 $59.10 for Year End 23/05/2023	N/A	Agreement 177H/923 Agreement 88H/989	Miscellaneous Licence relating to Water Pipeline
6.	L52/66	Murchison Copper Mines Pty Ltd	100/ 100	Live	07/02/1995	06/02/2025	15 HA	Paid in full for Year End 06/02/2022 $295.50 for Year End 06/02/2023	N/A	Agreement 88H/989	Miscellaneous Licence relating to Pipeline, Powerline, Road and Water Licence
7.	P52/1542	Murchison Copper Mines Pty Ltd	100/ 100	Live	17/05/2017	16/05/2025	172 HA	Paid in full for Year End 16/05/2022 $567.60 for Year End 16/05/2023	Expended in full for Year End 16/05/2021 $6,880 for Year End 16/05/2022	No material dealings	Endorsement 2
8.	P52/1543	Murchison Copper Mines Pty Ltd	100/ 100	Live	17/05/2017	16/05/2025	200 HA	Paid in full for Year End 16/05/2022 $660 for Year End 16/05/2023	Expended in full for Year End 16/05/2021 $8,000 for Year End 16/05/2022	No material dealings	Endorsement 3 Condition 7
9.	P52/1544	Murchison Copper Mines Pty Ltd	100/ 100	Live	17/05/2017	16/05/2025	194 HA	Paid in full for Year End 16/05/2022 $640.20 for Year End 16/05/2023	Expended in full for Year End 16/05/2021 $7,760 for Year End 16/05/2022	No material dealings	Standard conditions apply
10.	P52/1545	Murchison Copper Mines Pty	100/ 100	Live	17/05/2017	16/05/2025	191 HA	Paid in full for Year End 16/05/2022	Expended in full for Year End 16/05/2021	No material dealings	Standard conditions apply

#	Tenement	Registered Holder	Shares Held	Status	Grant Date (Application Date)	Expiry Date	Area Size	Rent Commitments	Expenditure Commitments	Registered Dealings/ Encumbrances	Notes
		Ltd						$630.30 for Year End 16/05/2023	$7,640 for Year End 16/05/2022		
11.	P52/1546	Murchison Copper Mines Pty Ltd	100/ 100	Live	17/05/2017	16/05/2025	196 HA	Paid in full for Year End 16/05/2022 $646.80 for Year End 16/05/2023	Expended in full for Year End 16/05/2021 $7,840 for Year End 16/05/2022	No material dealings	Standard conditions apply
12.	P52/1547	Murchison Copper Mines Pty Ltd	100/ 100	Live	17/05/2017	16/05/2025	195 HA	Paid in full for Year End 16/05/2022 $643.50 for Year End 16/05/2023	Expended in full for Year End 16/05/2021 $7,800 for Year End 16/05/2022	No material dealings	Standard conditions apply
13.	P52/1548	Murchison Copper Mines Pty Ltd	100/ 100	Live	17/05/2017	16/05/2025	170 HA	Paid in full for Year End 16/05/2022 $561 for Year End 16/05/2023	Expended in full for Year End 16/05/2021 $6,800 for Year End 16/05/2022	No material dealings	Standard conditions apply
14.	P52/1549	Murchison Copper Mines Pty Ltd	100/ 100	Live	17/05/2017	16/05/2025	199 HA	Paid in full for Year End 16/05/2022 $656.70 for Year End 16/05/2023	Expended in full for Year End 16/05/2021 $7,960 for Year End 16/05/2022	No material dealings	Standard conditions apply
15.	P52/1550	Murchison Copper Mines Pty Ltd	100/ 100	Live	17/05/2017	16/05/2025	195 HA	Paid in full for Year End 16/05/2022 $643.50 for Year End 16/05/2023	Expended in full for Year End 16/05/2021 $7,800 for Year End 16/05/2022	No material dealings	Standard conditions apply
16.	E52/3759	Murchison	100/	Live	25/02/2020	24/02/2025	6 Blocks	Paid in full for	Expended in full	No material dealings	Endorsement 3

#	Tenement	Registered Holder	Shares Held	Status	Grant Date (Application Date)	Expiry Date	Area Size	Rent Commitments	Expenditure Commitments	Registered Dealings/ Encumbrances	Notes
		Copper Mines Pty Ltd	100					Year End 24/02/2022 $876 for Year End 24/02/2023	for Year End 24/02/2021 $20,000 for Year End 24/02/2022		Condition 8 and 9
17.	E52/3906	Horseshoe Metals Limited	100/ 100	Live	17/03/2021	16/03/2026	13 Blocks	Paid in full for Year End 16/03/2022 $1,898 for Year End 16/03/2023	$20,000 for Year End 16/03/2022	No material dealings	Endorsement 3 Condition 10
18.	E52/3908	Horseshoe Metals Limited	100/ 100	Live	17/03/2021	16/03/2026	1 Block	Paid in full for Year End 16/03/2022 $406 for Year End 16/03/2023	$10,000 for Year End 16/03/2022	No material dealings	Endorsement 3 Condition 10
19.	E52/3909	Horseshoe Metals Limited	100/ 100	Live	15/03/2021	14/03/2026	39 Block	Paid in full for Year End 14/03/2022 $5,694 for Year End 14/03/2023	$39,000 for Year End 14/03/2022	No material dealings	Endorsement 3 Condition 10
20.	E52/3939	Horseshoe Metals Limited	100/ 100	Live	31/08/2021	30/08/2026	5 Blocks	Paid in full for Year End 30/08/2022 $730 for Year End 30/08/2023	$15,000 for Year End 30/08/2022	No material dealings	Endorsement 3 Condition 11
Kumarina Project – Meekatharra, WA											
21.	M52/27	Murchison Copper Mines Pty	96/96	Live	16/01/1985	15/01/2027	9.7 HA	Paid in full for Year End 15/01/2022	Expended in full for Year End 15/01/2021	Caveat 623317	Standard conditions apply

#	Tenement	Registered Holder	Shares Held	Status	Grant Date (Application Date)	Expiry Date	Area Size	Rent Commitments	Expenditure Commitments	Registered Dealings/ Encumbrances	Notes
		Ltd						$220 for Year End 15/01/2023	$10,000 for Year End 15/01/2022		
22.	MLA 52/1078	Murchison Copper Mines Pty Ltd	100/ 100	Pending	(10/07/2019)	N/A – tenement not granted	317.7 HA	N/A	N/A	No material dealings	N/A – tenement not granted
Glenloth – Tarcoola, South Australia											
23.	EL 6301	Horseshoe Metals Limited	100%	Active	03/11/2018	02/11/2021 (Renewal Submitted)	107km^2	Annual Rent: $178 plus $22.90 per km^2	Expenditure commitments for Year End 02/11/2021 is $320,000 plus the expenditure shortfall of $110,050 from the prior licence term. The Company did not meet the expenditure commitments.	Renewal Instrument 50151 Advanced Exploration Notice 50067	Conditions 12 and 13 ILUA: Gawler Ranges National Park: Lake Gairdner SCD2011/005: Gawler Ranges Aboriginal Corporation RNTBC Mining Production Tenement Regulation area SA Heritage Place
24.	ML 5848	Gawler Craton Resources Pty Ltd	100%	Active	05/07/1993	12/07/2024	28 HA	Annual Rent: $530 plus $266 per Ha	N/A	Agreement 29696	Condition 14
25.	ML 5849	Gawler Craton Resources Pty Ltd	100%	Active	12/07/2024	24/07/2024	24 HA	Annual Rent: $530 plus $266 per Ha	N/A	Agreement 29696	Condition 15
26.	ML 5885	Ian Robert	50%	Active	10/02/1994	12/07/2024	20.25 HA	Annual Rent:	N/A	Compliance Direction	Conditions 15 and 16

#	Tenement	Registered Holder	Shares Held	Status	Grant Date (Application Date)	Expiry Date	Area Size	Rent Commitments	Expenditure Commitments	Registered Dealings/ Encumbrances	Notes
		Filsell Mark Andrew Filsell	50%					$530 plus $266 per Ha		50178 Compliance Direction 50177 Court Determination 50174 Court Determination 41348 Compliance Direction 41309 Compliance Direction 41308 Agreement 29695 Bond No 199	
27.	MPL 62	Gawler Craton Resources Pty Ltd	100%	Active	09/06/2000	12/07/2024	16 HA	Annual Rent: $530 plus $266 per Ha	N/A	Compliance Direction 50176 Court Determination 50173 Court Determination 41347 Compliance Determination 41310 Compliance Determination 41308 Agreement 29696	Conditions 17-21

Tenement Types: E = WA Exploration Licence; EL = SA Exploration Licence; P = Prospecting Licence; M = Mining Lease; MLA = Mining Lease Application; L = WA Miscellaneous Licence; MPL = SA Miscellaneous Purposes Licence.

NOTES FOR TENEMENTS:

The notes below refer to particular conditions and endorsements of the Tenements. It is not an exhaustive list. For all conditions and endorsements attached to the Tenements.

Each of the Tenements are subject to standard conditions that must be complied with including rent payments, annual expenditure requirements and the requirement to lodge annual technical reports. Standard conditions also stipulate that a tenement holder obtain consents prior to conducting any ground disturbing work, basic environmental and rehabilitation conditions (such as the removal of all waste, capping of drill holes etc) and prohibitions or restrictions on disturbing existing infrastructure such as roads, powerlines, aerial landing ground, airstrips and geodetic survey stations.

In addition to these standard conditions and endorsements, the following applies:

Endorsements:

1. The grant of this lease or licence does not include land the subject of Prospecting Licence 52/663.
2. The grant of this Licence does not include land the subject portion of Exploration Licence 52/3453, graticular block 1136.
3. The grant of the Licence has been made in accordance with the Nharnuwanagga Wajarri and Ngarlawangga Indigenous Land Use Agreement WIA2000/001 between the State of Western Australia and the Native Title Holders registered under Section 24CL of the Native Title Act 1993 on 5 July 2001.

Conditions:

1. No interference with Geodetic Survey Station PKH4 and mining within 15 metres thereof being confined to below a depth of 15 metres from the natural surface
2. No interference with the use of the Aerial Landing Ground and mining thereon being confined to below a depth of 15 metres from the natural surface.
3. The rights of ingress to and egress from Miscellaneous Licence 52/42 to 52/45 and 52/66 being at all times preserved to the licensee and no interference with the purpose or installations connected to the licence.
4. The construction and operation of the project and measures to protect the environment being carried out generally in accordance with the document titled:
    - "385 Pit South Waste Dump" dated January 1990;
    - "Horseshoe Mine Joint Venture - Tailings Dam Extension Proposal and Support Document, Notice of Intent" undated but received July 1993;
    - Correspondence titled "Horseshoe Project" dated 17 August 1993,

    and retained on Department of Minerals and Energy File No. 669/89 and 2317/92. Where a difference exists between the above documents and the following conditions, then the following conditions shall prevail.
5. Prior to completion of operations and/or rehabilitation of the tailings facility a review by a geotechnical/engineering specialist of the tailings facility being submitted to the State Mining Engineer for his assessment and is required to include the status of the structure, its contained tailings, results of environmental monitoring and discussion of on-going remedial works.
6. "A Mine Closure Plan is to be submitted in the Annual Environmental Reporting month specified in tenement conditions in 2015, unless otherwise directed by an Environmental Officer, DMP. The Mine Closure Plan is to be prepared in accordance with the "Guidelines for Preparing Mine Closure Plans" available on DMP's website".
7. In respect to the area shown in 'red' on the plan filed as document number 5008530 on the Department of Mines and Petroleum Efile for Prospecting Licence 52/1543, the following conditions shall apply:
    A. The rights conferred by this Prospecting Licence may not be exercised until a Heritage Agreement (as defined in the Nharnuwangga Wajarri and Ngarlawangga Indigenous Land Use Agreement) has been entered into in respect of the Licence provided that this restriction only applies for so long as the Nharnuwangga Wajarri and Ngarlawangga Indigenous Land Use Agreement is in force.

B. The holder from time to time of this Prospecting Licence shall not so long as the Nharnuwangga Wajarri and Ngarlawangga Indigenous Land Use Agreement is in force carry out an exploration activity (as defined in the Nharnuwangga Wajarri and Ngarlawangga Indigenous Land Use Agreement) other than in accordance with the Heritage Agreement.

8. The rights of ingress to and egress from Miscellaneous Licence 52/42, 52/43 and 52/44 being at all times preserved to the licensee and no interference with the purpose or installations connected to the licence.

9. In respect to that portion of land coloured "red" on the plan filed as document number 7205610 on the Department of Mines, Industry Regulation and Safety Efile for Exploration Licence 52/3759, the following conditions shall apply:

   A. The rights conferred by this Exploration Licence may not be exercised until a Heritage Agreement (as defined in the Nharnuwangga Wajarri and Ngarlawangga Indigenous Land Use Agreement) has been entered into in respect of the Licence provided that this restriction only applies for so long as the Nharnuwangga Wajarri and Ngarlawangga Indigenous Land Use Agreement is in force.

   B. The holder from time to time of this Exploration Licence shall not so long as the Nharnuwangga Wajarri and Ngarlawangga Indigenous Land Use Agreement is in force carry out an exploration activity (as defined in the Nharnuwangga Wajarri and Ngarlawangga Indigenous Land Use Agreement) other than in accordance with the Heritage Agreement.

10. In respect to NWN ILUA the following conditions apply:

   A. The rights conferred by this Exploration Licence may not be exercised until a Heritage Agreement (as defined in the Nharnuwangga Wajarri and Ngarlawangga Indigenous Land Use Agreement) has been entered into in respect of the Licence provided that this restriction only applies for so long as the Nharnuwangga Wajarri and Ngarlawangga Indigenous Land Use Agreement is in force.

   B. The licensee from time to time of this Exploration Licence shall not so long as the Nharnuwangga Wajarri and Ngarlawangga Indigenous Land Use Agreement is in force carry out an exploration activity (as defined in the Nharnuwangga Wajarri and Ngarlawangga Indigenous Land Use Agreement) other than in accordance with the Heritage Agreement.

11. In respect to that portion of land coloured "red" on the plan filed as document number 8616152 on the Department of Mines, Industry Regulation and Safety Efile for Exploration Licence 52/3939, the following conditions apply:

   A. The rights conferred by this Exploration Licence may not be exercised until a Heritage Agreement (as defined in the Nharnuwangga Wajarri and Ngarlawangga Indigenous Land Use Agreement) has been entered into in respect of the Licence provided that this restriction only applies for so long as the Nharnuwangga Wajarri and Ngarlawangga Indigenous Land Use Agreement is in force.

   B. The licensee from time to time of this Exploration Licence shall not so long as the Nharnuwangga Wajarri and Ngarlawangga Indigenous Land Use Agreement is in force carry out an exploration activity (as defined in the Nharnuwangga Wajarri and Ngarlawangga Indigenous Land Use Agreement) other than in accordance with the Heritage Agreement.

12. **Area Reduction of 25% at the end of the term**: Unless the Minister otherwise determines, if the expenditure commitment of the Licence is not satisfied, the area of the land to which the current licence applies shall be reduced by at least 25% by the end of the current term.

13. **Within 100m of a Park**: Prior to commencing any exploration activity involving the intensive use of vehicles, the use of declared equipment or drilling equipment with 100m of the Lake Gardiner National Park, a PEPR shall be submitted and approved in writing by the Minister

14. Mining Operations for the recovery of gold may only be conducted over the area of the lease shown on the plan, and exploration operations may be conducted elsewhere.

15. Mining operations for the recovery of gold ore may be conducted on the lease.

16. Use of hazardous chemicals must be in accordance with the written approval of the Chief Inspector of Mines.
17. The operation of plant to crush and process ores from surrounding tenements and operations ancillary to mining and may be carried out on the licence
18. The licensee shall ensure that land disturbed by operations ancillary to mining is rehabilitated to achieve a regular landform, to minimise erosion, and return the land to grazing after-use.
19. The licensee shall, prior to commencing work any work, lodge a rehabilitation bond to ensure the land disturbed by processing operations will be rehabilitated.
20. The licensee shall ensure that land disturbed by mining operations on ML 5850 (nor replaced by this MPL, is rehabilitated to the satisfaction of the Chief Inspector of Mines.
21. The licensee shall ensure that topsoil is progressively stripped ahead of operations ancillary to mining and temporarily stockpiled and maintained for use in rehabilitation.

REGISTERED DEALINGS/ ENCUMBRANCES:

Caveat 500031:	This is an Absolute Caveat lodged by the Shire of Meekatharra in respect of 100/100 shares held by MCM.
Caveat 563719:	This is an Absolute Caveat lodged by Horseshoe Gold Mine Pty Ltd in respect of 100/100 shares held by MCM. The Company advises that this caveat relates to unpaid council rates as set out in Section 14.1 of the Prospectus.
Agreement 177H/923:	Agreement (Joint Venture) between Barrack Mine Management Pty Ltd, Barrack Mines Ltd, BML Holdings Pty Ltd, Horseshoe Lights Gold Pty Ltd and Bamine Pty Ltd.
Agreement 88H/989:	Agreement between Grange Resources NL, Hestak Pty Ltd, CU DR Partnership and Horseshoe Gold Mine Pty Ltd. The Company advises that this caveat relates to unpaid council rates as set out in Section 14.1 of the Prospectus.
Caveat 623317:	This is an Absolute Caveat lodged by the Shire of Meekatharra in respect of 96/96 shares held by MCM.
Renewal Instrument 50151	This relates to a renewal of the licence for a period of three years from 03/11/2018 to 02/11/2021 subject to the following conditions: • The conditions contained in the Exploration Licence with the following variation of Schedule B, 'The amount of $320,000 is to be spent on exploration during the period 03/11/2020 to 02/11/2021'. The expenditure shortfall of $110,050 from the previous licence term is deferred, and will be required to be addressed on renewal of the exploration licence. • Unless the minister otherwise determines, if the expenditure commitment of the licence is not satisfied, the area of land to which the current licence applies shall be reduced by at least 50% by the end of the current term. The boundaries of the reduced area must coincide with whole minutes of latitude and longitude
Advanced Exploration Notice 50067	Form 21B - Notice of Entry on land - Advanced exploration operations. Northwell Station - 02/04/2021.
Compliance Direction 50178	This document summarises Compliance Direction 50174 (as varied by Court Determination 50174).
Compliance Direction	This is a Compliance Direction Issued under Section 74AA of SA Mining Act (in force immediately prior to 1 January 2021) to Ian and Mark Filsell which

50177	was amended by Court Determination 50174 (see below for details).
Court Determination 50174	The Compliance Direction issued on 30 January 2018 pursuant to S 74AA of the Mining Act 1971 (SA) relating to ML 5885 is varied as per the order made by Honour Judge Costello (14/11/2019). This Compliance Direction (as amened) relates to a contravention of Section 70B of the SA Mining Act in respect of unauthorised activities (being unauthorised construction of a dam wall, sump, access track and pipeline) on ML 5885. Until the relevant activities are permitted by an approved PEPR, the tenement holders were required to cease the activities and comply with the following: • Not use the water pipeline until certain activities are undertaken in respect of the water pipeline (including installation of safety measures), certain approvals are obtained (water affecting activities permit, native vegetation clearance, and other authorisations relating to environmental activities). • Not use or operate the dam or the sump. • Not undertake other mining operations on the tenement until appropriate approvals, authorisations and licences have been obtained and the tenement holders notify the Minister prior to re-commencement of mining operations and satisfy reasonable requests for payment of an environmental bond. Failure to comply with the Direction mar result in prosecution proceedings against the tenement holders.
Compliance Direction 50176	This Compliance Direction was issued under Section 74AA of the Mining Act 1971 on 30/01/2018 to Gawler Craton Resources Pty Ltd. This Compliance Direction appears to have been revoked by Court Determination 50173 (See below).
Court Determination 50173	The Compliance Direction issued on 30 January 2018 (being Compliance Direction 50176) pursuant to S 74AA of the Mining Act 1971 (SA) relating to MPL 62 is revoked - His Honour Judge Costello (14/11/2019).
Court Determination 41347	This relates to ERD No 148 of 17 between Gawler Craton Resources Pty Ltd and Minister for Mineral Resources and Energy. ERD 148 of 17 relates to Court Determination 50174 which revoked Compliance Direction 50173.
Court Determination 41348	This relates to ERD No 148 of 17 between Mark Andrew Filsell (first applicant), Ian Robert Filsell (second applicant) and Minister for Mineral Resources and Energy (respondent). ERD 148 of 17 relates to Court Determination 50173 which amended Court Determination 50177.
Compliance Direction 41310	Compliance Direction issued pursuant to Section 74AA of the Mining Act 1971 to Gawler Craton Resources Pty Ltd
Compliance Direction 41309	Compliance Direction issued pursuant to Section 74AA of the Mining Act 1971 to Gawler Craton Resources Pty Ltd
Compliance Direction 41308	Compliance Direction issued pursuant to Section 74AA of the Mining Act 1971 to Mark and Ian Filsell
Agreement 29696	Glenloth Goldfield Option Agreement between Gawler Craton Resources Pty Ltd and Range River Gold Ltd – consented to on 02/06/2004

Agreement 29695	Glenloth Goldfield Option Agreement between Ian & Mark Filsell and Range River Gold Ltd – consented to on 02/06/2004
Bond No 199	This relates to $3,000 bank guarantee lodged as an environmental bond in respect of the tenement

SA Rent/Fee Commitments:

See below details of annual fees in respect South Australian mineral tenements (effective 1 July 2021) as established in the Regulations under the *Mining Act 1971 (SA):*

EL	Administration Fees: $178 Regulatory Fees: Zone 1 equals $13.60/km^2 (min $587); Zone 2 equals $18.10/km^2 (min $786); Zone 3 equals $22.90/km^2 (min $989)
ML or **MPL**	Administration Fees: $178 per tenement Regulatory Fees: $352 per tenement Rent: $266 per Ha (minimum of $70.50)

Schedule 2 – Tengraph Interests

	Land Type	Description
1.	Pastoral Leases	The WA Mining Act: (a) prohibits the carrying out of mining activities on or near certain improvements and other features (such as livestock and crops) on Crown land (which includes a pastoral lease) without the consent of the lessee; (b) imposes certain restrictions on a mining tenement holder passing through Crown land, including requiring that all necessary steps are taken to notify the occupier of any intention to pass over the Crown land and that all necessary steps are taken to prevent damage to improvements and livestock; and (c) provides that the holder of a mining tenement must pay compensation to an occupier of Crown land (ie the pastoral lessee) in certain circumstances, in particular to make good any damage to improvements, and for any loss suffered by the occupier from that damage or for any substantial loss of earnings suffered by the occupier as a result of, or arising from, any exploration or mining activities, including the passing and re-passing over any land. The following tenements comprising a large portion of the Horseshoe Lights Project overlap the Milgun Pastoral Lease (PL N050318): M52/743 – (100%); L 52/42 – (100%); L 52/43 – (100%); L 52/44 – (100%); L 52/45 – (100%); L 52/66 – (93.14%); P 52/1543 – (96.69%); P 52/1544 – (100%); P 52/1545 – (100%); P 52/1546 – (100%); P 52/1547 – (10.7%); E 52/3759 – (70.51%); E52/3939 – (41.66%). The following tenements comprising a large portion of the Horseshoe Lights Project overlap the Milgun Pastoral Lease (PL N050317): L 52/66 – (6.86%); P 52/1542 – (100%); P 52/1543 – (3.31%); P 52/1547 – (89.3%); P 52/1548 – (72%); E 52/3759 – (29.49%); E52/3906 – (99.29%); E52/3908 – (100%); E52/3909 – (98.29%); E52/3939 – (58.34%). The following tenements overlap the Bryah Pastoral Lease (PL N049600): P 52/1548 – (28%); P 52/1549 – (100%); P 52/1550 – (100%).
2.	Groundwater Area	Groundwater is a reserve of water beneath the earth's surface in pores and crevices of rocks and soil. Recharge of groundwater aquifers is slow and can take many years. Groundwater often supports wetland and stream ecosystems. Groundwater areas are proclaimed under the Rights in Water and Irrigation Act, 1914. There are 45 proclaimed groundwater areas in Western Australia where licences are required to construct or alter a well and to take groundwater. The Department of Water is responsible for managing proclaimed areas under the Act. Ground Water Area - GWA 15, Murchison was identified on, and overlaps 100% of, all the tenements comprising the Horseshoe Lights Project and the Kumarina Project.
3.	Surface Water Areas	The Rights in Water and Irrigation Act 1914 provides the Governor of Western Australia the power to proclaim, or prescribe through regulation, a Surface Water Area. A Surface Water Area is proclaimed for the purposes of regulating the taking of water from watercourses and wetlands. An area is proclaimed, or prescribed through regulations, where there is a need for systematic management of the use of water. Proclaiming or prescribing an area has the effect of allowing the use of water for commercial activity under a licence. Surface Water Area, Gascoyne River and Tributaries - SWA 16 was identified on, and overlaps 100% of, all the tenements comprising the Horseshoe

		Lights Project and the Kumarina Project.
4.	Mining Tenements	L 52/66 overlaps with the following mining tenements not held by the Company: E 52/3292-I (26.83%); E 52/3453 (70.32%); P 52/1566 (0.17%); and P 52/1566 (1.11%). M 52/27 is overlapped 100% by E 52/3769 which is an application lodged on 15 November 2019 by Element 25 Limited (which is pending). M 52/1078 is overlapped 100% by E 52/3769 which is an application lodged on 15 November 2019 by Element 25 Limited (which is pending).
5.	Petroleum/ Geothermal Title	Petroleum Exploration Permit PGERA67 overlaps all of the tenements comprising the Horseshoe Lights Project and the Kumarina Project.
6.	"C" Class Water Reserve	Under section 41 of the Land Administration Act 1997 the Minister may set aside Crown lands by Ministerial Order in the public interest. Every such reservation has its description and designated purpose registered on a Crown Land Title (CLT). Reservation action is normally initiated by the Department for Planning and Infrastructure following community or Government request, land planning decisions, or as a result of the subdivision of land. The Land Act 1933 provided for State reserves to be classified as Class A, B or C. There is no provision in the LAA to create new Class B reserves and there is no longer reference to Class C reserves. Class A affords the greatest degree of protection for reserved lands, requiring approval of Parliament to amend the reserve's purpose or area, or to cancel the reservation. The A classification is used solely to protect areas of high conservation or high community value. Class B reserves continue, but are no longer created under the LAA. The Minister for Lands may deal with Class B reserved lands as normal reserves, provided that, should the reservation be cancelled, a special report is made to both Houses of Parliament within 14 days from the cancellation or within 14 days after the commencement of the next session. Once created, a reserve is usually placed under the care, control and management of a State government department, local government or incorporated community group by way of a Management Order registered against the relevant CLT. A Management Order under the LAA does not convey ownership of the land – only as much control as is essential for the land's management. The following Tenements overlap with a "C" Class Water Reserve (R 1197): (a) E52/3909 – (1.71%) The following Tenements overlap with a "C" Class Common Reserve (R 16733): (b) M52/27 – (100%) (c) M52/1078 – (99.75%)

Schedule 3 – Material Contracts

The material contracts provided to us by the Company, or identified by us by the Searches, relating to the Tenements are set out below or otherwise summarised in Section 13 of the Prospectus:

JIDI JIDI HERITAGE AGREEMENT

A Heritage Agreement was entered into between Jidi Jidi Aboriginal Corporation (**Jidi Jidi**) and Grange Resources Limited (**Grange**) dated 21 July 2009 (**Heritage Agreement**). MCM entered into a Deed of Assumption and Assignment dated 21 March 2014 under which it has been assigned Grange's rights under the Heritage Agreement and assumes liabilities under the Heritage Agreement in the form of an indemnity.

Jidi Jidi assists the Nharnuwangga, Wjarri and Ngariawangga People (**NWN**) People with Aboriginal heritage protection and land management matters and is also the holder of native title on behalf of the NWN People over the area over which the Federal Court has determined native title to exist (**Determination Area**).

The Heritage Agreement governs the exercise of rights by MCM in respect of Tenements within the Determination Area (**Jidi Jidi Tenements**). The Searches indicate that all tenements comprising the Horseshoe Lights Project fall within the Determination Area and are therefore subject to the terms of the Heritage Agreement.

Pursuant to the Heritage Agreement, MCM acknowledges that the Jidi Jidi may have access to the Jidi Jidi Tenements in certain circumstances. In addition, MCM must notify the Jidi Jidi of its proposed programmes of activity on the Jidi Jidi Tenements and must carry out such Aboriginal heritage clearance surveys as are considered necessary before commencing any ground disturbing activities on the Jidi Jidi Tenements.

It is a requirement of the Heritage Agreement that, in the event of assignment of the Jidi Jidi Tenements to a third party, the third party must contemporaneously assign its interest under the Heritage Agreement to that third party. The Heritage Agreement further provides that, to the extent required by law, the Jidi Jidi must consent to such a proposed assignment.

JIDI JIDI SURVEY PROCESS AGREEMENT

MCM has entered into an agreement with Jidi Jidi dated 9 June 2015 (**Survey Process Agreement**) in respect of tenements located within the Determination Area.

MCM acknowledges that all of the land and waters within the Determination Area boundary is the traditional country of the NWN People, in relation to which the NWN People and JJAC have traditional cultural responsibilities to protect Aboriginal sites and to care for country.

MCM agrees to carry out surveys in accordance with the Heritage Agreement and Survey Process Agreement before any exploration or other activity can occur on any part of the tenements, irrespective of whether a tenement includes land where native title may have been extinguished.

Under the Survey Process Agreement MCM agrees that the following survey costs will be paid by MCM:

(a) Consultants to be appointed and paid directly by MCM.
(b) $600 per person per day for members of the NWN survey team (to be reviewed annually or as agreed between MCM and Jidi Jidi). Payments are made for each surveyor's time, which includes all preparation and travel time and other administrative and logistical tasks.
(c) The logistical costs including travel, accommodation, supplies, food for each survey.
(d) A JJAC heritage survey administration fee of 20% of the total costs of each survey, excluding all legal costs and costs paid directly by MCM, capped to a maximum of $3,000 (CPI adjusted each year).
(e) Jidi Jidi's reasonable legal costs of negotiations and for ongoing legal advice on matters arising under the Heritage Agreement (including these survey terms) in relation to the tenements, including the attendance a legal representative at meetings.

Other than the material agreements outlined above or in Section 13 of the Prospectus, we have not been provided with, instructed to examine, nor are we aware of any other material agreements relating to the Tenements.

11. BOARD, MANAGEMENT AND CORPORATE GOVERNANCE

11.1 Directors and key personnel

Craig Hall
Non-Executive Director

Mr Hall is an experienced geologist with over 30 years of minerals industry experience in exploration, development and production roles in a range of commodities, principally precious and base metals. He has held a variety of senior positions with mid-tier and junior sector resource companies within Australia and overseas. He is also a current non-executive director of ASX-listed companies Auris Minerals Limited and Scorpion Minerals Limited.

Alan Still
Non-Executive Director

Mr Still is an experienced metallurgist with over 40 years of experience in a variety of commodities. He is a Member of the Institute of Materials, Minerals and Mining (MIM). He has previously served as a non-executive director of ASX-listed companies Eastern Goldfields Limited, General Mining Corporation Limited, and Pegasus Metals Limited.

Kate Stoney
Non-Executive Director

Ms Stoney has over 15 years' experience working in accounting, administration and company secretarial positions in listed companies. She is a CPA qualified accountant who studied at Edith Cowan University holding a Bachelor of Business degree (Double Major in Accounting and Finance). She is also a current non-executive director of ASX-listed company Scorpion Minerals Limited.

Insolvent Companies Disclosure

Mr Craig Hall was a non-executive director of Target Energy Limited at the time it was placed into liquidation in December 2019. Mr Alan Still was a non-executive director of Investmet Limited at the time it was placed into liquidation in February 2020. He was also a non-executive director of Eastern Goldfields Limited within the 12-month period before it placed into voluntary administration in November 2018.

Management and Consultants

The Company is aware of the need to have sufficient management to properly supervise the exploration and (if successful) for the development of the projects in which the Company has, or will in the future have, an interest and the Board will continually monitor the management roles in the Company. As our projects require an increased level of involvement the Board will look to appoint additional management and/or consultants when and where appropriate to ensure proper management of the Company's projects.

11.2 Disclosure of Interests

Remuneration

The table below summarises the remuneration provided to the current Directors and their associated companies for the financial year ended 31 December 2020, and the anticipated remuneration payable for the financial year ending 31 December 2021, inclusive of directors' fees, consultancy fees, share-based payments and superannuation.

Director	FY ended 31 December 2020 ($)		FY ended 31 December 2021 (Anticipated) ($)	
	Director Fees & Consultancy	Share Based Payments	Fees & Consultancy	Share Based Payments[1]
Mr Alan Still	$ 53,725[1,2]	Nil	$75,125[1,2]	$14,063[4]
Mr Craig Hall	$24,000[1]	Nil	$36,000[1]	$14,063[4]
Ms Kate Stoney[3]	$18,000[3]	Nil	$49,500[1,3]	$14,063[4]

[1] No payments have been made in respect of Directors' fees for 2020 or 2021. Mr Alan Still and Mr Craig Hall were Directors for the entirety of 2020 and 2021, while Ms Kate Stoney was appointed as a Director on 16 February 2021.

[2] These figures include $29,725 invoiced in 2020 and $39,125 invoiced in 2021 by Zedsee Enterprises (Private) Ltd (**Zedsee**) in respect of metallurgical consultancy advice provided to the Company. A total of $8,225 was paid to Zedsee in 2020 and $33,075 in 2021 in respect of those invoices. Zedsee is a company that is controlled by Mr Alan Still.

[3] These figures include company secretarial fees for 2020 and 2021. No payments have been made in respect of these amounts.

[4] This relates to the issue of 1,000,000 Shares and 3,000,000 Options to each Director as approved by Shareholders at the Shareholder Meeting. This figure is based on based the Share price at the time of issue, being $0.012, and a Black Scholes valuation methodology for the Options. These were issued as to the Directors as incentive-based remuneration and were provided in addition to their director fees.

In addition to the above salary and fees provided by the Company, Ms Kate Stoney and Craig Hall are employed by Delta and receive a separate salary from Delta. Delta provides services to the Company as set out in Section 12.5.

Interest in Securities

As at the date of this Prospectus, the Directors have relevant interests in securities in the Company as follows:

Director	Shares[1]	Options[2]
Mr Alan Still	1,000,000	3,000,000
Mr Craig Hall	1,000,000	3,000,000
Ms Kate Stoney	1,000,000	3,000,000

[1] The issue of the Shares was approved by Shareholders under Resolutions 8, 10 and 12 at the Shareholder Meeting as incentive-based remuneration. These Shares were issued on 26 November 2021.

[2] The issue of the Options was approved by Shareholders under Resolutions 9, 11 and 13 at the Shareholder Meeting as incentive-based remuneration (3,000,000 are exercisable at $0.03 on or before 26 November 2023; 3,000,000 are exercisable at $0.06 on or before 26 November 2024; 3,000,000 are exercisable at $0.09 on or before 26 November 2025). These Options were issued on 26 November 2021.

11.3 Agreements with Directors or Related Parties

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

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

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

Director Appointment Letters

The Directors have entered into appointment letters with the Company in respect of their appointments as non-executive directors of the Company.

The letters provide that the remuneration of the Directors will be determined by the Board and must not exceed the maximum aggregate amount approved by Shareholders. The remuneration of the Directors is provided in a manner as the Board decides but must not include a commission or percentage of profit. Directors are also entitled to be reimbursed for out of pocket expenses.

Consultancy Services

The Company from time to time engages Zedsee to provide metallurgical consultancy advice on an ad hoc basis. There is no formal agreement in place however the Company is charged and invoiced by Zedsee at an hourly rate of $150.

Deeds of indemnity, insurance and access

The Company has entered into a deed of indemnity, insurance and access with each of its Directors. Under these deeds, the Company agrees 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 is also required to maintain insurance policies for the benefit of the relevant officer and must also allow the officers to inspect board papers in certain circumstances.

11.4 ASX Corporate Governance Council Principles and Recommendations

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

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

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

The Company's main corporate governance policies and practices as at the date of this Prospectus are outlined below and the Company's full Corporate Governance Plan is available in a dedicated corporate governance information section of the Company's website (https://horseshoemetals.com.au/corporate-governance/).

Board of directors

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

(a) maintain and increase Shareholder value;

(b) ensure a prudential and ethical basis for the Company's conduct and activities; and

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

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

(a) developing initiatives for profit and asset growth;

(b) reviewing the corporate, commercial and financial performance of the Company on a regular basis;

(c) acting on behalf of, and being accountable to, the Shareholders; and

(d) identifying business risks and implementing actions to manage those risks and corporate systems to assure quality.

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

Board composition

Election of Board members is substantially the province of the Shareholders in a general meeting. The Board currently consists only of non-Executive Directors.

The Board considers all the current Directors to be independent Directors.

The Board regularly reviews the balance of skills currently and as part of succession planning to ensure the appropriate level of skills, knowledge and experience along with diversity and independence are in place to best discharge its responsibilities for the shareholders in the most effective manner.

As the Company's activities develop in size, nature and scope, the composition of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

Risk identification and management

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

Ethical standards

The Board is committed to the establishment and maintenance of appropriate ethical standards.

Independent professional advice

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

Remuneration arrangements

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

The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed $250,000 per annum.

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

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

Trading policy

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

External audit

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

Audit committee

The Company will not have a separate audit committee until such time as the Board is of a sufficient size and structure, and the Company's operations are of a sufficient magnitude for a separate committee to be of benefit to the Company. In the meantime, the full Board will carry out the duties that would ordinarily be assigned to that committee under the written terms of reference for that committee, including but not limited to, monitoring and reviewing any matters of significance affecting financial reporting and compliance, the integrity of the financial reporting of the Company, the Company's internal financial control system and risk management systems and the external audit function.

Diversity Policy

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

11.5 Departures from Recommendations

The Company is required to report any departures from the Recommendations on an annual basis.

The Company's compliance and departures from the Recommendations as at 31 December 2020 are detailed in its Appendix 4G included in the Company's Annual Report for financial year ended 31 December 2020 announced on the ASX market announcements platform on 31 March 2021 and available on the Company's website at https://horseshoemetals.com.au/asx-announcements/.

12. MATERIAL CONTRACTS

12.1 Lead Manager Mandate

The Company has signed a mandate with Merchant Capital Partners Pty Ltd to act as Lead Manager in relation to the Public Offer, as well as the Placement. The final component of the Placement was finalised on 15 December 2021.

The Company has agreed that in consideration for the provision of Merchant's services as Lead Manager, upon completion of the Public Offer, the Company will:

(a) pay the Lead Manager a management and placement fee of 6% of the total amount raised under the Public Offer and the Placement;

(b) pay the Lead Manager a settlement fee of $10,000 (exclusive of GST); and

(c) issue to the Lead Manager (or its nominee) 10,000,000 Lead Manager Options.

The Lead Manager is also entitled to be reimbursed for out of pocket expenses reasonably incurred.

The Company indemnifies Merchant and its directors, employees, agents and contractors against any claim, demand, loss, cost, expense, liability or action arising directly from or relating to the Public Offer and Placement.

12.2 Horseshoe Lights Agreements

12.2.1 Kopore Lights Farm-In and Joint Venture Agreement

MCM has executed a binding farm-in and joint venture agreement dated 25 January 2021 (**Kopore Farm-in Agreement**) with Kopore (WA) Pty Ltd (**Kopore**), a wholly-owned subsidiary of Kopore Metals Limited (ASX:KMT) in respect of the following tenements (**Kopore Agreement Area**):

(a) E52/3759, P52/1542, P52/1543, P52/1544, P52/1545, P52/1546, P52/1547, P52/1548, P52/1549 and P52/1550; and

(b) Part of M52/743, with the area of the historical open pit and existing copper resource located on M52/743 being excluded from the Kopore Farm-in Agreement (**Excluded Zone**), as well as waste dumps and stockpiles tailings from the historical operation.

The material terms of the Kopore Farm-in Agreement are as follows:

(a) **(Upfront Payment**) Kopore must pay $50,000 to MCM upon E52/3759 being registered in the name of MCM. The Company received this payment on 1 February 2021.

(b) (**Stage One**) Kopore may earn a 51% beneficial interest in the Kopore Agreement Area over a two-year period by completing $1,450,000 in expenditure. Stage One includes a minimum expenditure amount of $250,000 to be spent in year 1 (in addition to the upfront payment referred to above). Kopore must expend this minimum expenditure amount before it can withdraw from the earn-in requirements under the Kopore Farm-in Agreement. During Stage One Kopore must keep the tenements in good standing (including satisfying expenditure obligations and paying all fees, rent, rates and other similar charges). Kopore has an exclusive right to access and explore the Kopore Agreement Area during Stage One.

(c) (**Joint Venture**) Upon completion of the Stage One earn-in, Kopore and MCM will form an unincorporated joint venture in relation to the exploration of the Kopore Agreement Area. The parties' initial respective interest in the Joint Venture will be Kopore 51% and MCM 49%.

(d) (**JV Manager**): Kopore will be the manager of the Joint Venture from the commencement of the Joint Venture.

(e) (**Stage Two**) Within 20 days of completing Stage One, Kopore can elect to expend an additional $1.5 million within a further 2 years to earn into an additional 19% beneficial interest in the Joint Venture and Kopore Agreement Area. If Kopore completes the Stage Two earn in, the parties' respective interest in the Joint Venture will be Kopore 70% and MCM 30%.

(f) (**Kopore Guarantee**) Kopore Metals Limited (the parent company) guarantees performance of Kopore's obligations under the Agreement and the Co-ordination Deed during the Stage One earn-in period.

(g) (**MCM Warranties**): MCM provides warranties to Kopore in respect of the tenements relating to tenure, encumbrances, forfeiture, third party rights in the tenements, and disputes or potential disputes.

(h) (**Indemnity**): MCM indemnifies Kopore and its officers, directors, employees, agents or contractors against claims and loses arising in connection with a breach of warranty or arising out of acts or omissions occurring prior to Stage One.

(i) (**Joint Venture Expenditure and Dilution**) Following the earn-in period, the parties must each contribute to Joint Venture expenses in proportion to their respective percentage interest in the Joint Venture or their interest will be diluted.

(j) (**Conversion of Interest to Royalty**): If the Joint Venture interest of a party reduces to less than 10% then that party is deemed to withdraw from the Joint Venture and convert its interest to a 1.5% net smelter return royalty.

(k) (**Pre-emptive Rights**): the parties have a right of pre-emption in respect of a sale of the whole or part of any Joint Venture interest.

(l) (**Change of Control**): if there is a change of control in respect of MCM or Kopore (being that either of those parties cease to be a wholly owned subsidiary) then the party in which the change of control has occurred will be deemed to offer its Joint Venture interest to the other party for fair market value.

(m) (**Withdrawal**): Either party may withdraw from the Joint Venture and this agreement, subject to meeting all of its obligations under the Joint Venture, including obligations in respect of environmental protection or rehabilitation obligations.

(n) (**Default**) If there is a material breach of any of material obligations under the agreement or the Co-ordination, or there is an insolvency event in relation to a party, then default event occurs. If a default event occurs, then the defaulting party must either remedy the default within 14 days of its receipt of notice, or pay adequate monetary compensation (if the default is incapable of being remedied). If the defaulting party fails to do the above, then the non-defaulting party may (but is not obliged to) acquire the whole (but not part) of the defaulting party's Joint Venture interest at 10% below market value.

12.2.2 Co-ordination Deed

In addition to the Kopore Farm-in Agreement MCM and Kopore have entered into a Co-ordination Deed dated 25 January 2021 (**Co-ordination Deed**). In the event that Kopore satisfies Stage One of the Kopore Farm-in Agreement then Kopore will earn into the tenements and the parties will co-own relevant mineral rights in respect M52/743 (not including the Excluded Zone).

The Deed sets out the manner in MCM and Kopore will co-own their relevant mineral rights in respect of M52/743, and will co-operate with each other and co-ordinate their respective activities in order to maintain M52/743 and properly exercise their respective rights in respect of the tenement. The terms of the Co-ordination Deed include but are not limited to:

(a) An obligation for the parties to co-operate and co-ordinate activities so as not to conflict or interfere with the activities of the other party. Where it is not possible to avoid interference, the parties will negotiate in good faith and seek to operate to minimise the conflict or the interference.

(b) Each party has notification requirements to the other in respect of its proposed activities on the tenement.

(c) While conducting activities the parties must comply with applicable laws including environmental and aboriginal heritage requirements, and generally not do anything which may result in a penalty being imposed or the tenement being subject to forfeiture.

(d) Each party will be responsible for the rehabilitation of all parts of the tenement which have been affected by their activities and indemnifies the other party against any loss suffered or incurred in relation to such rehabilitation obligations or environmental liabilities. The parties will be jointly responsible for the costs of any mining rehabilitation levy relating to the tenement on a proportionate basis determined by the level of ground disturbing activities conducted by each party.

(e) If a party wishes to relinquish its relevant mineral rights in a tenement (or any part of a tenement) it may relinquish those rights and the rights will automatically vest in the relevant tenement holder. The relinquishing party must complete all rehabilitation required as a result of activities it has undertaken on the tenement and comply with applicable laws as a consequence of ceasing to undertake activities.

12.2.3 Mining Tenement Option Agreement

Under an agreement between MCM, Horseshoe Gold Mine Pty Ltd (**HGM**) and Grange Resources Limited dated 22 October 2004 (**Option Agreement**), MCM exercised an option on 25 March 2005 to acquire, amongst other things, its initial interest in the Horseshoe Lights Project. The Option agreement relates to M52/743, L52/42, L52/43, L52/44, L52/45, L52/66, and two historical Mining Lease applications (MLA52/651 and MLA52/744) (**Royalty Tenements**). MLA52/651 and MLA52/744 are not active tenements, however P52/ 1542, P52/ 1543, P52/ 1544, P52/ 1545, and a portion of E52/ 3759, relate to the same area of land covered by the historic mining leases.

The Option Agreement provides that any other mining leases subsequently granted pursuant to the mining lease applications will be transferred to MCM.

There is a legacy royalty under the Option Agreement in respect of the Royalty Tenements which provides that that MCM will pay each quarter a 3% net smelter return royalty (i.e. 3% of the gross revenue for the quarter less allowable deductions) from metal products derived from the treatment of ore mined from the Royalty Tenements (**Horseshoe Royalty**).

MCM must not surrender, relinquish or fail to renew a tenement (or part of the tenement) without first offering the relevant area to the Royalty recipient for $1. MCM may not transfer all or part of the any of the tenements without the transferee signing a deed of covenant and assuming the relevant obligations under the Royalty.

12.3 Glenloth Project Agreements

12.3.1 Glenloth Sale and Purchase Agreement (EL 6301)

The Company and Stockworks Exploration & Mining Pty Ltd (**SEM**) have entered into the Glenloth Sale and Purchase Agreement dated 26 November 2019 (**Glenloth Sale and Purchase Agreement**) under which the Company agreed to purchase its 100% interest in EL 6301 (free from encumbrances) for the following consideration:

(a) The issue of 8,000,000 Shares which were issued by the Company on 8 July 2020. 6,000,000 Shares were issued to SEM, and 2,000,000 Shares to Seven Sickerdick as trustee for the Mines Trust as contemplated under the Placement Agreement (refer to Section 12.4.3 for further details).

(b) The Company providing replacement security in respect of EL 6301 to allow the release of the existing security provided by SEM in respect of EL 6301.

(c) The Company entering into the Stockworks Royalty Agreement and the Stockworks Right of First Refusal Agreement and granting the rights under those agreements (refer to Sections 12.3.2 and 12.3.3 for details of these agreements).

(d) Further share consideration of 4,000,000 Shares (**Further Share Consideration**) in the event the Company defines and announces a measured and indicated Mineral Resource of 500,000 ounces of gold in respect of EL 6301 (or subsequent mining tenements). This is subject to shareholder approval as required under the Corporations Act or the ASX Listing Rules.

The Company has an obligation to keep to EL 6301 in good standing and satisfy minimum statutory expenditure commitments.

As set out in the Solicitor's Report, the transfer of EL 6301 to the Company has occurred. As at the date of this Prospectus the Mineral Resource described in 12.3.1(d) has not been defined and the obligation to issue the Further Share Consideration remains in place the event the relevant Mineral Resource is defined.

12.3.2 Stockworks Royalty Agreement (EL 6301)

The Company has entered into a Royalty Agreement with SEM under which it grants a royalty to SEM in respect of EL 6301, ML 5848, ML 5849, ML 5885 and MPL 62 (**Stockworks Royalty Agreement**). The royalty applies to the area within the boundaries of the Glenloth Tenements existing at the date of the Stockworks Royalty Agreement (**Royalty Area**).

The Company agrees to pay SEM a gross revenue royalty of 1% of the gross proceeds received by the Company from the sale of disposal of gold or or metallic product recovered from gold from the Royalty Area less refining costs (**Gross Revenue Royalty**). The Gross revenue Royalty is payable on and from the date that 50,000 ounces of poured gold is derived from minerals extracted and recovered from the Glenloth Tenements (following the date of the Stockworks Royalty Agreement).

The Gross Revenue Royalty will cease on the date that 250,000 ounces of poured gold is derived from minerals extracted and recovered from the Glenloth Tenements (following the date of the Stockworks Royalty Agreement).

The Company must not sell, assign, transfer or otherwise dispose of its interests in EL 6301 or any rights relating to products extracted and recovered from the Royalty Area unless it is by way of an encumbrances which is subject to the Gross Revenue Royalty, or with the consent of SEM with the Company delivering an assumption deed in favour of SEM under which the incoming party agrees to the terms of the Gross Revenue Royalty.

12.3.3 Stockworks Right of First Refusal Agreement (EL 6301)

The Company and SEM have entered into the Stockworks Right of First Refusal Agreement (**Stockworks Right of First Refusal Agreement**) under which the Company grants SEM a first right of refusal in respect of EL 6301.

The Stockworks Right of First Refusal Agreement is conditional upon the Company defining a Mineral Resource in respect of EL 6301 (or subsequent mining tenements) and not having taken any development works in respect of the tenement.

The right of first refusal applies to a disposal (being a sale, transfer, assignment, or other divestment of ownership or control) or proposed disposal of EL 6301 (or subsequent mining tenements) and the Company must provide SEM the opportunity to acquire the tenement on similar terms and conditions including a cash equivalent amount in the event any consideration in respect of a proposed disposal by the Company is not cash.

The Company must give SEM notice of any intention to relinquish, surrender or not renew EL 6301 (or subsequent mining tenements). SEM will have a right to receive the tenement, or the part of the tenement, that is being relinquished for no consideration subject to the interest being capable of being conveyed.

If the Company (or its related body corporate) reacquires the whole or part of a relinquished tenement with 3 years of the relevant interest being relinquished, then the such part of the tenement reacquired by the Company will be subject to the terms of the Stockworks Right of First Refusal Agreement.

12.3.4 Glenloth Mineral Rights Agreements (ML 5848, ML 5849, ML 5885 and MPL 62)

The Company has entered into the following agreements under which it has been granted mineral access rights in respect of ML 5848, ML 5849, ML 5885 and MPL 62 by the registered holders of those tenements (**Registered Holders**):

(a) a Mineral Rights Agreement with Gawler Craton Resources Pty Ltd (ACN 008 083 234) (**Gawler**) dated 26 November 2019; and

(b) a Mineral Rights Agreement with Mark and Ian Filsell (**Filsells**) dated 26 November 2019,

(together, the **Mineral Rights Agreements**). The Mineral Rights Agreements are subject to the same material terms and conditions.

The Registered Holders grant the Company a right to explore, mine, develop, transport and sell minerals contained on ML 5848, ML 5849, ML 5885 and MPL 62, and a licence to access the tenements for that purpose (**Mineral Rights**). Separately, SEM has secured rights to explore and develop the tenements and retains the right to conduct small-scale mining activities on the tenements.

In consideration for the Company being granted the Mineral Rights the Company was required to:

(a) issue 2,000,000 Shares to the Registered Holders (1,800,000 Shares to Gawler and 200,000 Shares to the Filsells) which occurred on 8 July 2020; and

(b) enter into the Royalty Agreements summarised at Section 12.3.5.

The other materials terms of the Mineral Rights Agreements are as follows:

(a) The Registered Holders have a right to terminate the Mineral Rights Agreements in the event a change of control (as defined in section 50AA of the Corporations Act) occurs in respect of the Company. This includes a person who at the date of the agreement had control of the Company and ceases to have control, or did not have control at the date of the agreement and subsequentially acquires control.

(b) If the Company makes a decision to mine in respect of the tenements then the Company will have the right to develop a mine and the Registered Holders must facilitate the transfer of that part of the tenements containing the Mineral Resource.

(c) The Company is required to comply with relevant laws and conditions relating to the tenements and assist the Registered Holders with the preparation of filings and reports. The Company must also provide details of activities and expenditure, and generally carry out work on the tenements in accordance with industry practice.

(d) The Registered Holders must not dispose of, or relinquish, any interests in the tenements without providing the Company with a right of first refusal on such disposal or relinquishment (provided the interest being capable of being conveyed in event of relinquishment).

(e) If the Registered Holders (or their associates) reacquire the whole or part of a relinquished tenement with 3 years of the relevant interest being relinquished, then

the such part of the tenement reacquired will be subject to the terms of the Mineral Rights Agreement.

(f) The Registered Holders must not grant any third-party encumbrances over the tenements without the consent of the Company.

(g) The Company is liable for all rehabilitation and environmental obligations and expenses (including lodgement of any performance bonds) arising out of its exercise of the Mineral Rights.

12.3.5 Glenloth Royalty Agreements (EL 6301 and ML 5848, ML 5849, ML 5885 and MPL 62)

The Company has entered into the following agreements under which it grants a royalty to the Registered Holders in respect of EL 6301, ML 5848, ML 5849, ML 5885 and MPL 62:

(a) a Royalty Agreement with Gawler dated 26 November 2019; and

(b) a Royalty Agreement with the Filsells dated 26 November 2019 in respect of their interests in ML5885,

(together, the **Glenloth Royalty Agreements**). The Glenloth Royalty Agreements are subject to the same material terms and conditions (except as relating to different tenements).

The royalties under the Glenloth Royalty Agreements apply to the area within the boundaries of the Glenloth Tenements existing at the date of the Glenloth Royalty Agreements (**Royalty Area**).

Under the Glenloth Royalty Agreements, the Company agrees to pay each of Gawler and Filsells:

(a) A fixed royalty of AUD 20 dollars per ounce of poured gold derived from minerals extracted and recovered from the Royalty Area (**Fixed Royalty**). The Fixed Royalty is payable on and from the date the Company defines a Mineral Resource in relation to the Glenloth Tenements at a cut-off grade of 0.5 g/t Au in excess of 10,000 ounces Au, and less than 50,000 ounces Au.

(b) A gross revenue royalty of 1% of the gross proceeds received by the Company from the sale of disposal of minerals or metallic product recovered from the Royalty Area less refining costs (**Gross Revenue Royalty**). The Gross revenue Royalty is payable on and from the date that 50,000 ounces of poured gold is derived from minerals extracted and recovered from the Glenloth Tenements (following the date of this agreement).

(together, the Fixed Royalty and the Gross Revenue Royalty are the **Glenloth Royalty**).

The Fixed Royalty ceases to be payable on the date that 50,000 ounces of poured gold is derived from minerals extracted and recovered from the Glenloth Tenements (following the date of the Glenloth Royalty Agreements).

The Gross Revenue Royalty will cease on the date that 250,000 ounces of poured gold is derived from minerals extracted and recovered from the Glenloth Tenements (following the date of the Glenloth Royalty Agreements).

The Company must not sell, assign, transfer or otherwise dispose of its interests in ML5848, ML5849, ML5885 and MPL62 or any rights relating to products extracted and recovered from the Royalty Area unless it is by way of an encumbrances which is subject to the Royalty, or with the consent of the Registered Holders with the Company delivering an assumption deed in favour of the Registered Holders under which the incoming party agrees to the terms of the Royalty.

12.4 Mt Gunson Project Agreements

12.4.1 CMM Subscription Agreement

The Company entered into an agreement with CMM, and certain shareholders of CMM (Filsell Nominees Pty Ltd and Steven Sickerdick) (**CMM Shareholders**) dated 26 November 2019 under which the Company was granted a right to earn a 50% interest in CMM, and a right to receive 50% of all surplus cash flow from any copper production conducted by CMM during the Sole Funding Right (defined below) (**CMM Subscription Agreement**).

For a period of 4 years from the date of the agreement (**Sole Funding Term**), the Company is granted an exclusive right to provide CMM funding for exploration up to $5 million (**Sole Funding Right**) on MPL 1, ML 3717, ML 3718, ML 3719, ML 3720, ML 3721, ML 5598 and ML 5599 (**Mt Gunson Tenements**).

The CMM Shareholders represent and warrant at the date of the agreement (and at completion) that CMM holds the right to explore, develop and operate the copper deposits, stockpiles, and tailings on the Mt Gunson Tenements in accordance with the Licence to Operate.

During the Sole Funding Right:

(a) the directors appointed to CMM by the Company (**Nominee Directors**) may issue the Company with a funding notice requesting the Company to provide funding to CMM (with a minimum of $50,000 and maximum of $500,000 in any month) in respect of exploration activities (**Funding Request**); and

(b) the Nominee Directors will have the sole right, authority and responsibility for determining the administration, exploration, and development activities of CMM;

(c) the Company will receive 100 shares in CMM (representing 1% of CMM's existing issued capital) for every $50,000 of funding provided by the Company under a Funding Request, up to a maximum of 10,000 shares (representing 50% of CMM's share capital following issue of those shares and no other shares);

(d) the Company be entitled to receive 50% of all surplus cash flow from any copper production conducted by CMM; and

(e) the Company will procure CMM conducts exploration activities on the Mt Gunson Tenements in accordance with the relevant tenement conditions and relevant laws.

As at the date of this Prospectus the Company holds 400 shares in CMM but does not have any nominee directors appointed to CMM's board of directors.

The funding requirements in a Funding Request are not an obligation, however if the Company does not provide the relevant funding then Sole Funding Rights will terminate. The Company will provide minimum funding of $500,000 pursuant to the terms of the agreement (which is inclusive of the Mt Gunson Fee Amount satisfied by the Company via the issue of Shares as set out in Section 12.4.3) (**Minimum Funding**). The Company has satisfied the Mt Gunson Fee Amount and has otherwise spent $111,000 in respect of the Mt Gunson Tenements.

Other terms of the CMM Subscription Agreement include:

(a) CMM Director Mr Steven Sickerdick will be retained as Operations Manager at Mt Gunson, while the Company will manage administration, exploration and development.

(b) A limitation on making warranty claims against another party unless it provides written notice of that claim within 12 months of the date of the agreement. Each party indemnifies the other parties from any claims or liabilities which arise out of a breach of warranty.

(c) If a change of control (as defined in section 50AA of the Corporations Act) occurs in respect of the Company, then CMM may terminate the Sole Funding Right. This includes a person who at the date of the agreement had control of the Company and has ceased to have control, or did not have control at the date of the agreement and subsequentially acquires control.

(d) No party shall make a public announcement regarding the terms or existence of the agreement without the prior written consent of the parties. Any failure to provide such consent shall not prohibit the making of the announcement to the extent necessary to comply with applicable laws, rules, or regulations provided that the public announcement includes information which is advised by legal opinion is legally required and such opinion is provided to the other parties to allow comments to be received.

12.4.2 CMM Shareholder Agreement

The Company, CMM and the CMM Shareholders (as defined in Section 12.4.1 above and is not taken to mean all the shareholders of CMM) have entered into a Shareholder Agreement dated 26 November 2019 in respect of CMM (Shareholder Agreement) which records certain terms relating to the objectives and activities of CMM, the management of CMM and other corporate governance matters, and the funding requirements of the Company.

The parties agree that the Company and the CMM Shareholders (collectively) will each have the right to appoint up to two directors of CMM, and the parties must vote their shares accordingly. No director fees will be paid unless unanimously agreed to by the parties.

There is right of first refusal in respect of any disposal of shares in CMM by a party (subject to certain exemptions). If a party is the subject of a change of control or an insolvency event, or is generally in default under the agreement, the other parties will have a right of first refusal to acquire the relevant CMM shares at fair value.

The parties agree that certain decisions require unanimous approval from the board of CMM, which include (but are not limited to): (a) the issue of securities by CMM other than in accordance with the CMM Subscription Agreement; and (b) entry into any material agreement between CMM and any party to the Shareholder Agreement, or any other shareholders or related parties of CMM.

The Shareholder Agreement contains other provisions relating to the appointment of a chairperson, meeting requirements, quorum requirements, voting requirements in respect of other certain decisions of CMM, and the preparation of business plans and budgets.

The Shareholder Agreement terminates upon CMM being wound up, all parties ceasing to hold shares in CMM, or such earlier date as the parties agree. The Shareholder Agreement will terminate in respect of single party upon that party ceases to hold shares in CMM.

If there is a conflict between the terms of the Shareholder Agreement and the CMM Subscription Agreement, the terms of the CMM Subscription Agreement will prevail.

12.4.3 Stockworks Placement Agreement

The Company entered into a Placement Agreement dated 26 November 2019 with Mr Steven Sickerdick as trustee for The Mines Trust (**Mines Trust**), CMM and SEM (**Placement Agreement**).

Under the terms of the Placement Agreement the Company issued 10,000,000 Shares to the Mines Trust in consideration for:

(a) the Mines Trust releasing CMM from its obligation to pay $200,000 in fees owed to the Mines Trust by CMM (**Mt Gunson Fee Amount**); and

(b) CMM agreeing that the Company is deemed to have satisfied $200,000 of funding under the CMM Subscription Agreement (see Section 12.4.1) and will entitled to

receive 400 shares in CMM in accordance with the terms of the CMM Subscription Agreement.

The Company was required to apply for and use beast endeavours to obtain Official Quotation of the Shares as soon as possible after the date of issue. In addition, the Company was required to issue a cleansing notice under section 708A(6) of the Corporations Act. The Company issued 10,000,000 Shares to the Mines Trust and issued a cleansing notice on 10 December 2019 in satisfaction of its obligations under the agreement.

In addition to the above, the Company agreed to issue 2,000,000 Shares to the Mines Trust, and issued a cleansing notice under 708A(6) of the Corporations Act, in consideration for the discharge and satisfaction of $40,000 owed to the Mines Trust by SEM. These Shares were issued by the Company on 8 July 2020 in part consideration of the Company's interest in the Glenloth Project as set out in Section 12.3.1. The Company was unable to issue a cleansing notice.

The Company provided certain warranties which included a warranty that the Company was not insolvent on the date the relevant Shares were issued (this includes failing to comply with a statutory demand, suspending payments of debts or generally being unable to pay debts when they fall due, or an application being made to wind up the company and that application is not dismissed within 30 days).

A Notification of Application to Wind up the Company was lodged with ASIC on 27 November 2019. The Application was dismissed in January 2020.

12.4.4 Mt Gunson Licence to Operate

A & M J Musolino Pty Ltd (ACN 007 733 002) (**Licensor**) and CMM entered into a Licence to Operate dated 29 June 2017 (**Licence to Operate**) under which the Licensor granted CMM rights to explore, develop and operate oxide copper deposits, stockpiles and tailings on the tenements the subject of the Mt Gunson Project using all available surface infrastructure including camp, mains power/water supply, treatment plant and earthmoving equipment, with the exception of ML5599, where the licence allows unrestricted use of water and the right to re-process copper-bearing material on the floor of the site (but does permit excavation outside the cattlegrid open pit).

The Licence to Operate expired on 29 June 2020. The Company has been notified by CMM that it is in discussions with the tenement holders in relation to a renewal of the Licence to Operate.

Other material terms of the Licence to Operate are as follows:

(a) CMM is required to pay an on-going monthly fee of $80,000 per month. In addition, CMM is required to pay the Licensor 5% of the gross income derived from copper sales in excess of 5 tonnes per day.

(b) CMM shall manage and operate the tenements in accordance with applicable laws and the conditions contained in the Mining and Rehabilitation Program Mount Gunson Copper Mine.

(c) Upon signing the agreement, the parties will arrange for an environmental survey of the area. The Licensor shall be liable for rehabilitation in respect of the mining footprint as the date of the agreement. CMM is liable for rehabilitation in respect of any additional footprint created after the date of the agreement.

(d) CMM is responsible for maintaining plant and equipment in a fair and reasonable condition.

(e) The rights and obligations of the parties under the Licence to Operate cannot be disposed of, encumbered or otherwise dealt with without the consent of the other party.

(f) The Licensor is liable of rents and rates to keep the tenements in good standing.

(g) The Licensor remains liable for the payment of all royalties in respect of the Mt Gunson Tenements.

(h) The agreement automatically terminates upon an insolvency event occurring in respect of either the Licensor or CMM.

12.5 Delta Consultancy Agreement

The Company has entered into a Consultancy Agreement with Delta dated 31 October 2012 under which Delta has agreed to provide professional and consultancy services during the term of the agreement (**Delta Consultancy Agreement**).

The term of the Delta Consultancy Agreement expired on 31 October 2015. The agreement has not been formally extended or renewed by the parties, but Delta has continued to provide services to the Company on an ongoing basis since the expiry of the Delta Consultancy Agreement.

The fees and remuneration set out in the Delta Consultancy Agreement are as follows:

(a) Corporate and technical services at $187.50 (plus GST) per hour.

(b) Accounts payable services at $45 (plus GST) per hour.

(c) Geographic information system and geographical database services at $80 (plus GST) per hour.

(d) Data entry services at $35-45 (plus GST) per hour.

(e) Senior field technician services at $50 (plus GST) per hour or $500 per day.

(f) Secretarial services at $45 (plus GST) per hour.

Delta is also reimbursed for all business costs incurred by Delta in the provision of its services.

Delta agreed that during the term of the Delta Consultancy Agreement it would not undertake any activity which may conflict with the interests or business of the Company without Board approval.

Under the Delta Consultancy Agreement, the Company indemnified Delta for all claims and losses which Delta my become liable in carrying out its obligations under the Delta Consultancy Agreement expect to the extent such claims or losses are due to the negligence of Delta.

12.6 Loan Facility Agreement

The Company has entered into a Loan Facility Agreement with Michael Fotios as trustee for the Michael Fotios Family Trust, Investmet Limited (in liquidation), and Delta (**Lenders**) dated 30 March 2017 and varied by subsequent variation letters (**Loan Facility Agreement**).

Under the Loan Facility Agreement, the Company can make drawdown requests and one or more of the Lenders (as determined between them) will make advances to the Company up to a total amount of $2,000,000 (or such other greater amount as the parties may agree) (**Loan Advances**).

As at 31 October 2021 approximately $1,135,000 of the Loan Facility Agreement had been drawn down with approximately $293,000 of interest incurred, which comprises $753,000 owed to Delta (**Delta Outstanding Amount**) and $675,000 owed to Investmet (in liquidation) (**Investmet Outstanding Amount**).

In respect of the Delta Outstanding Amount, the Company is required to complete a capital raising of at least $1 million by 31 December 2021, and repay the Delta Outstanding Amount by 31 December 2023.

In respect of the Investmet Outstanding Amount, the terms for the repayment or conversion of the loans, as well as the charging of interest, are subject to renegotiation, as the original date for the completion of the capital raising in the Loan Facility Agreement has passed. The monies owed are due and payable at the discretion of Investmet (in liquidation) until those revised terms are agreed.

The other material terms of the Loan Facility Agreement are as follows:

(a) The Company must apply the Loan Advances for the sole purpose of funding its operations.

(b) An interest rate of 8% per annum will apply in respect of Loan Advances.

(c) Subject to required regulatory and/or shareholder approval, all or part of the Loan Advances (subject to a minimum conversion amount of $50,000) may be converted into Shares (at the Lenders' election) at a conversion price equal to the issue price of shares under any future capital raising (on the same terms as the capital raising).

12.7 Short Term Funding

The Company has entered into a number of loan agreements which date between September 2020 and November 2021 under which various third parties provided short-term funding to the Company (**Short-Term Funding**).

The Company received Shareholder approval at the Shareholder Meeting under Resolution 3, 4 and 5 to satisfy certain debts owed by the Company via the issue of Shares including the Short-Term Funding. The principal amounts loaned under the Short-Term Funding loans were satisfied via the issue of Shares on 26 November 2021.

As at the date of the Prospectus the Company owes approximately $60,000 under the Short-Term Funding, being accrued interest on the loans.

The material terms of the Short-Term Funding loan agreements are as follows:

(a) Interest Rate: 10% and capitalised yearly (with default interest of 15%).

(b) Repayment Date: repayment dates are two years after signing of the relevant loan agreement, or earlier at the Company's election.

(c) Security: unsecured.

(d) Capital Raising: if the Company conducts a capital raising by the issue of Shares for at least $0.015 per Share, then the lenders may (with the consent of the Company) take up Shares under the capital raising and elect to set off any amounts owed by the Company against the subscription price of the Shares under that capital raising (subject to required regulatory and/or shareholder approval).

(e) Restrictions: There are certain restrictions on selling, or encumbering, Company assets other than in the ordinary course of business or with consent of the lender.

(f) Events of Default: There are events of default for non-payment, failure to perform obligations, cross defaults under other loans, enforcement of security interests against Company assets, the Company is insolvent or suspends payments, there is a material adverse change to the Company, certain judgements are obtained against the Company, or warranties or representations made by the Company are false or misleading. Upon the occurrence of an event of default the lender demand early repayment of any funds.

13. ADDITIONAL INFORMATION

13.1 Litigation and Regulatory Issues

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

13.1.1 Shire of Meekatharra Rates

A writ of summons was filed against MCM on 31 May 2021 in the District Court of Western Australia by the Shire of Meekatharra which claims payment of unpaid council rates totalling $134,593, plus interest and costs (Case ID: CIV 1892 2021). Additionally, a general procedure claim was filed against MCM on 2 June 2021 in the Magistrates Court of Western Australia by the Shire of Meekatharra which claims separate unpaid council rates totalling $54,167, plus fees and costs (Case Number: 5503/2021).

MCM has filed an Admission of Debt with the Magistrates Court and District Court for both matters and has agreed a payment plan of $15,000 per month in respect of both matters. The debt recovery service provider acting on behalf of the Shire has confirmed that no further action will be taken providing the payment plan is complied with. As at the date of this Prospectus, the Company has paid $30,000 under the payment plan.

13.1.2 Regulatory

It is requirement under section 250N of the Corporations Act that a public company must hold an AGM at least once in each calendar year and within 5 months after the end of its financial year. The Company did not hold an Annual General Meeting in 2021 and accordingly the Company could be liable for penalties imposed under the Corporations Act. This is an offence of strict liability and cannot be remedied by the Company.

13.2 Rights attaching to Shares

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

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

(a) **General meetings**

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

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

(b) **Voting rights**

Every holder of shares present in person or by proxy, attorney or representative at a meeting of shareholders has one vote on a vote taken by a show of hands, and, on a poll every holder of shares who is present in person or by proxy, attorney or representative has one vote for every fully paid share held by him or her, and a proportionate vote for every partly paid share, registered in such shareholder's name on the Company's share register.

A poll may be demanded by the Chairman of the meeting, by any five shareholders present in person or by proxy, attorney or representative, or by any one or more shareholders who are together entitled to not less than five percent of the total voting rights of, or paid up value of, the shares of all those shareholders having the right to vote at that meeting.

(c) **Dividend rights**

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

The Board may set aside out of profits reserves to be applied, in the Board's discretion, for any purpose it decides, or carry forward any amount out of profits which the Board decides to distribute.

(d) **Winding-up**

The Company will have only one class of shares on issue, 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 shareholders divide the whole or any part of the remaining assets of the Company.

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

(e) **Shareholder liability**

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

(f) **Transfer of Shares**

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

(g) **Variation of rights**

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

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

(h) **Alteration of Constitution**

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

(i) **ASX Listing Rules**

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.

13.3 Lead Manager Options

The terms and conditions of the Lead Manager Options are as follows:

(a) **Entitlement**

Subject to paragraph (m), each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraphs (j) and (l), the amount payable upon exercise of each Option is $0.03 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on the date that is 3 years after the date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

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

(e) **Notice of Exercise**

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

(f) **Exercise Date**

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

(g) **Timing of issue of Shares on exercise**

As soon as practicable after the valid exercise of an Option, the Company will:

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

(ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and

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

(h) **Restrictions on transfer or disposal of Shares**

If the Company is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, Shares issued on conversion of the Options may not be traded until 12 months after their issue unless the Company, at its sole

discretion, elects to issue a prospectus pursuant to section 708A(11) of the Corporations Act.

(i) **Shares issued on exercise**

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

(j) **Quotation of Shares issued on exercise**

If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.

(k) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(l) **Participation in new issues**

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

(m) **Adjustment for rights issue**

In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to Shareholders after the date of issue of the Options, the Exercise Price may be reduced in accordance with the formula set out in ASX Listing Rule 6.22.2.

(n) **Adjustment for bonus issues of Shares**

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

(i) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Optionholder would have received if the Optionholder had exercised the Option before the record date for the bonus issue; and

(ii) no change will be made to the Exercise Price.

(o) **Unquoted**

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

(p) **Transferability**

The Options are only transferable with the prior written approval of the Board and subject to compliance with the Corporations Act and the ASX Listing Rules.

13.4 Employee Share Option Plan

The Company had adopted an Employee Share Option Plan (**Plan**) which was approved by Shareholders at the Shareholder Meeting. The key terms of the Plan are as follows:

(a) **(Eligibility)**: Persons who may participate in the Plan are those people who meet the requirements of an eligible participant under ASIC Class Order 14/1000, and whom the Board determines is eligible to participate in the Plan (**Eligible Participant**).

(b) (**Purpose**): The purpose of the Plan is to:

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

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

(iii) align the interests of Eligible Participants with Shareholders by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Options.

(c) (**Offer of Options**): The Board may offer Options to Eligible Participants in accordance with the Plan terms and conditions and subject to the Listing Rules. The Board may make an Invitation to an Eligible Participant to apply for Options on such terms and conditions as the Board decides, including as to:

(i) the number of Options for which that Eligible Participant may apply;

(ii) the grant date;

(iii) the amount payable (if any) for the grant of each Option or how such amount is calculated;

(iv) the Option exercise price;

(v) the vesting conditions (if any);

(vi) disposal restrictions attaching to Shares issued or transferred on conversion of the Options (**Plan Shares**) (if any);

(vii) whether cashless exercise of the Options is permitted;

(viii) any other supplementary terms and conditions.

(d) **(Acceptance)**: On receipt of an Invitation, an Eligible Participant may apply for the Options the subject of the Invitation by completing and returning an Application Form to the Company by the time and date specified in the Invitation.

(e) **(Refusal of Application)**: Unless otherwise determined by the Board, an Application Form will not be accepted if at the time the Company received the duly completed Application Form:

(i) the applicant is not an Eligible Participant;

(ii) notice of termination of the applicant's Engagement Arrangement has been given (whether by the applicant or by one or more members of the Group); or

(iii) the Board has determined that the applicant is no longer eligible to participate in the Plan.

(f) (**Participant Rights**): Prior to an Option being exercised:

(g) an Eligible Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Option; and

(h) a Participant is not entitled to:

(i) notice of, or to vote or attend at, a meeting of the shareholders of the Company; and

(ii) receive any dividends declared by the Company, by

virtue of holding the Option.

(i) (**Restriction of dealing**): Unless the relevant dealing is effected by force of law on death or legal incapacity to the Eligible Participant's legal personal representative, an Eligible Participant may not sell, assign, transfer, grant a security interest over or otherwise deal with an Option that has been granted to them. The Option is forfeited immediately on purported sale, assignment, transfer, dealing or grant of a security interest.

(j) (**Vesting**): If vesting conditions apply in respect of the Options, an Option will vest when a vesting notice in respect of that Option is given to the Eligible Participant. A vesting condition for an Option may, subject to applicable laws, be waived by the Board. An Option may not be exercised unless and until that Option has vested.

(k) (**Forfeiture**): An Eligible Participant will forfeit rights or interest in Options in the following circumstances:

(i) He or she ceases to be an Eligible Participant, unless the Board otherwise determines in its discretion to permit some or all of the Options to vest.

(ii) The Eligible Participant has in the opinion of the Board:

(A) acted fraudulently or dishonestly; or

(B) wilfully breached his or her duties to the Company,

and the Board in its discretion deems unvested Options to be forfeited.

(iii) Unless otherwise determined by the Board, an Option which has not vested will be forfeited immediately on the date that the Board determines that any applicable vesting conditions have not been met or cannot be met.

(iv) Unless otherwise stated in the Invitation or determined by the Board, Options will be forfeited immediately on the date that an Eligible Participant becomes insolvent.

(v) Unless the Board otherwise determines, or as otherwise set out in the terms of the Pan, any Options which have not vested on the expiry date will automatically be forfeited.

(vi) An Eligible Participant may by written notice to the Company voluntarily forfeit their Options for no consideration.

(l) **(Change of Control)**: if a change of control event occurs in respect of the Company, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any Options are dealt with, including, without limitation, in a manner that allows the Eligible Participant to participate in and/or benefit from any transaction arising from or in connection with the change of control event.

(m) **(Plan Shares)**: All Shares issued or transferred on exercise of the Options (Plan Shares) will rank pari passu in all respects with other fully paid ordinary shares in the Company.

(n) **(Disposal Restrictions on Plan Shares)**: If the Invitation provides that any Plan Shares are subject to any restrictions as to the disposal or other dealing by an Eligible Participant for a period, the Board may implement any procedure it deems appropriate to ensure compliance with this restriction.

(o) **(Reorganisation)**: If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Eligible Participant holding Options will be changed to the extent necessary to comply with

the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.

(p) **(Bonus Issue)**: If Shares are issued by the Company pro rata to Shareholders generally by way of bonus issue, the holder of Options is entitled, upon exercise of the Options, to receive, in addition to the Shares in respect of which the Options are exercised, an allotment of as many additional Shares as they would have been issued under the bonus issue.

(q) **Rights Issue**: Unless otherwise determined by the Board, a holder of Options does not have the right to participate in a pro rata issue of Shares made by the Company.

13.5 Interests of Directors

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

(a) the formation or promotion of the Company;

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

(i) its formation or promotion; or

(ii) the Offer; or

(c) the Offer,

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

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

(b) for services provided in connection with:

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

(ii) the Offer.

13.6 Interests of Experts and Advisers

(a) **No interest except as disclosed**

Other than as set out below or elsewhere in this Prospectus, no persons or entity 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 holds at the date of this Prospectus, or held at any time during the last 2 years, any interest in:

(i) the formation or promotion of the Company;

(ii) property acquired or proposed to be acquired by the Company in connection with its formation or promotion, or the Offers; or

(iii) the Offers,

and the Company has not paid any amount or provided any benefit, or agreed to do so, to any of those persons for services rendered by them in connection with the formation or promotion of the Company or the Offers.

(b) **Share Registry**

Advanced Share Registry Services has been appointed to conduct the Company's share registry functions and to provide administrative services in respect to the processing of Applications received pursuant to this Prospectus, and will be paid for these services on standard industry terms and conditions.

(c) **Independent Geologist**

Al Maynard & Associates Pty Ltd has acted as Independent Geologist and has prepared the Independent Geologist's Report which is included in Section 8 of this Prospectus. The Company estimates it will pay the Independent Geologist a total of $20,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, the Independent Geologist has not received fees from the Company for any other services.

(d) **Investigating Accountant**

Stantons Corporate Finance Pty Ltd has acted as Investigating Accountant and has prepared the Independent Limited Assurance Report which is included in Section 9 of this Prospectus. The Company estimates it will pay the Investigating Accountant a total of $8,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, the Investigating Accountant has not received any fees from the Company for any other services.

(e) **Solicitors**

Mills Oakley have acted as the solicitors to the Company in relation to the Public Offer and have prepared the Solicitors' Report on Tenements which is included in Section 10 of this Prospectus. The Company estimates it will pay Mills Oakley $90,000 (excluding GST) for these services. Subsequently, fees will be charged in accordance with normal charge out rates. During the 24 months preceding lodgement of this Prospectus with the ASIC, Mills Oakley have been paid fees of $69,036, and a further $260,539 has been incurred by the Company but not yet paid, for other legal services.

(f) **Lead Manager**

Merchant Capital Partners Pty Ltd has acted as lead manager to the Public Offer and for this is entitled to be paid fees in accordance with the Lead Manager Mandate summarised in Section 12.1. During the 24 months preceding lodgement of this Prospectus with ASIC, Merchant Capital Partners Pty Ltd has not provided any other services to the Company.

13.7 Consents

Each of the parties referred to in this Section:

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

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

Al Maynard & Associates Pty Ltd has given its written consent to being named as Independent Geologist in this Prospectus, the inclusion of the Independent Geologist's Report in Section 8 of this Prospectus in the form and context in which the report is included and the inclusion of statements contained in the Investment Overview in Section 4, Section 13.6, Section 13.7, Section 13.8 based on the report, and the Corporate Directory of this Prospectus in the form and context in which those statements are included. Al Maynard &

Associates Pty Ltd has not withdrawn its consent prior to lodgement of this Prospectus with the ASIC.

Stantons Corporate Finance Pty Ltd has given its written consent to being named as Investigating Accountant in this Prospectus and to the inclusion of the Independent Limited Assurance Report in Section 9 of this Prospectus in the form and context in which the report is included and the inclusion of statements contained in the Investment Overview in Section 4, Section 13.6, Section 13.7, Section 13.8 based on the report, and the Corporate Directory of this Prospectus in the form and context in which those statements are included. Stantons Corporate Finance Pty Ltd has not withdrawn its consent prior to lodgement of this Prospectus with the ASIC.

Mills Oakley has given its written consent to being named as the solicitors to the Company in this Prospectus and to the inclusion of the Solicitor's Report on Tenements in Section 10 of this Prospectus in the form and context in which the report is included and the inclusion of statements contained in the Investment Overview in Section 4, Section 13.6, Section 13.7, Section 13.8 based on the report, and the Corporate Directory of this Prospectus in the form and context in which those statements are included. Mills Oakley has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Merchant Capital Partners Pty Ltd has given its written consent to being named as the lead manager to the Company in this Prospectus. Merchant Capital Partners Pty Ltd has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Advanced Share Registry Services has given its written consent to being named as the share registry to the Company in this Prospectus. Advanced Share Registry Services has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

13.8 Expenses of the Offer

The total expenses of the Offer (excluding GST) are estimated to be approximately $281,550 and are expected to be applied towards the items set out in the table below:

Item of Expenditure	Estimated Costs ($)
ASIC fees	3,206
ASX fees	9,426
Lead Manager Fees*	140,918
Legal Fees	90,000
Independent Geologist's Fees	20,000
Investigating Accountant's Fees	8,000
Printing and Distribution	10,000
Miscellaneous	5,000
TOTAL	**281,550**

* Refer to Section 12.1 for a summary of the Lead Manager Mandate and the fees to be paid to the Lead Manager. In addition to these fees, the Lead Manager will be issued 10,000,000 Lead Manager Options.

13.9 Continuous disclosure obligations

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

Price sensitive information will be publicly released through ASX before it is disclosed to shareholders and market participants. Distribution of other information to shareholders and

market participants will also be managed through disclosure to the ASX. In addition, the Company will post this information on its website after the ASX confirms an announcement has been made, with the aim of making the information readily accessible to the widest audience.

13.10 Electronic Prospectus

The Corporations Act allows distribution of an electronic prospectus and electronic application form on the basis of a paper prospectus lodged with the ASIC, and the publication of notices referring to an electronic prospectus or electronic application form, subject to compliance with certain conditions.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please contact the Company and the Company will send you, for free, either a hard copy or a further electronic copy of this Prospectus or both. Alternatively, you may obtain a copy of this Prospectus from the website of the Company at http://horseshoemetals.com.au.

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

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

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

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

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

13.12 Privacy statement

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

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

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

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

14. DIRECTORS' AUTHORISATION

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

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

_____

Craig Hall
Non-Executive Director
For and on behalf of
Horseshoe Metals Limited

15. GLOSSARY

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

$ means an Australian dollar.

Application Form means the application form attached to or accompanying this Prospectus relating to the Offers.

Application Monies means money provided to the Company in accordance with an Application Form in respect of the subscription for Shares.

ASIC means Australian Securities & Investments Commission.

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

ASX Listing Rules means the official listing rules of ASX.

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

Closing Date means 5:00pm (WST) on the closing date of the Public Offer as set out in Section 3 (subject to the Company reserving the right to extend the Closing Date or close the Public Offer early).

CMM means Copper Mining and Metallurgy Pty Ltd (ACN 619 360 486).

Company means Horseshoe Metals Limited (ACN 123 133 166).

Constitution means the constitution of the Company.

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

Delta means Delta Resource Management Pty Ltd (ACN 118 613 175).

DWER means the WA Department of Water and Environmental Regulation.

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

Eligible Shareholder means a Shareholder who is eligible to participate in the Public Offer, being a Shareholder who satisfies the following:

- is a registered holder of one or more Share as at the Record Date; and
- has a registered address on the Company's register of members in Australia or New Zealand.

Entitlement means a Shareholder's pro-rata entitlement or right to take up Shares under the Public Offer in accordance with the terms and conditions of this Prospectus.

Entitlement and Acceptance Form means the entitlement and acceptance form accompanying this Prospectus which can be used by Eligible Shareholders to apply for Shares under the Public Offer.

Glenloth Project means the Glenloth Project located in South Australia and described in Section 6.3.4.

Glenloth Tenements mean EL 6301 and ML5848, ML5849, ML5885 and MPL62 (or any subsequent tenements).

Horseshoe Lights Project means the Horse Lights Project located in the Western Australia and described in Section 6.3.2.

Ineligible Shareholder has the meaning giving in Section 5.19.

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

Kopore means Kopore (WA) Pty Ltd (ACN 625 930 252), a wholly owned subsidiary of Kopore Metals Ltd (ACN 149 230 811).

Kopore Agreement Area means the Tenements and parts of Tenements listed in Section 12.2.1.

Kumarina Project means the Kumarina Project located in the Western Australia and described in Section 6.3.3.

Lead Manager means Merchant Capital Partners Pty Ltd (ACN 154 848 469).

Lead Manager Offer means the offer by the Company, pursuant to this Prospectus, of up to 10,000,000 Lead Manager Options to the Lead Manager (or its nominees) in consideration for lead manager services provided to the Company.

Lead Manager Option means an Option with an exercise price of $0.03 per Option and expiring 3 years after the date of issue, and otherwise on the terms and conditions set out in section 13.3 of this Prospectus, and **Lead Manager Options** has the corresponding meaning.

Licence to Operate is defined in Section 12.4.4.

MCM means the Company's wholly owned subsidiary, Murchison Copper Mines Pty Ltd (ACN 106 920 996).

Mineral Resource has the meaning given to that term in the JORC Code.

Mining Acts mean the WA Mining Act and SA Mining Act, and **Mining Act** refers to either one of them as the context requires.

Mt Gunson Project means the Mt Gunson Copper Project located in South Australia and described in Section 6.3.5.

Mt Gunson Tenements is defined in Section 12.4.1.

Notice of Meeting means the Notice of Meeting announced by the Company on ASX in respect of the Shareholder Meeting.

Offers means the Public Offer, the Shortfall Offer and/or the Lead Manager Offer, as the context requires.

Official List means the official list of ASX.

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

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Placement means the issue of 132,642,115 Shares by the Company as set out in Section 5.7(d).

Projects mean the Company's interests in the Horseshoe Lights Project, Kumarina Project, Glenloth Project and Mt Gunson Project and **Project** means any one of them (as the context requires).

Prospectus means this prospectus.

Public Offer means a pro rata non-renounceable entitlement issue of Shares under this Prospectus at an issue price of $0.02 per Share to Eligible Shareholders on the basis of one (1) Share for every four (4) Shares held as at the Record Date to raise up to approximately $2.182 million before costs.

Re-capitalisation means the proposed re-capitalisation of the Company as defined in Section 5.7.

Record Date is the date that Shareholders must be registered as a Shareholder in order to participate in the Public Offer, and is set out in the timetable in Section 3.

Reinstatement means the re-instatement of the Shares to trading on the ASX.

Reinstatement Conditions means each of the conditions of Reinstatement, as set out in Section 5.8.

SA Mining Act means the *Mining Act 1971* (SA), or any amendment or statutory replacement of that Act and includes the regulations and orders made under that Act.

Section means a section of this Prospectus.

Securities mean any securities, including Shares and Options, issued or granted by the Company.

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

Shareholder means a holder of one or more Shares.

Shareholder Meeting means the Shareholder meeting held on 25 November 2021, which considered (amongst other things) Resolutions relating to the Re-capitalisation and the Lead Manager Offer.

Shortfall Application Form means the Shortfall Offer application form accompanying this Prospectus.

Shortfall Offer means the offer of Shortfall Shares on the terms and conditions set out in Section 5.6.

Shortfall Shares means those Shares offered but not applied for under the Public Offer and offered by the Company under the Shortfall Offer.

Solicitor's Report means the Solicitor's Report on Tenements set out in Section 10 of this Prospectus.

Tenements means the mining tenements in which the Company has an interest as further described in the Solicitor's Report or any one of them as the context requires.

WA Mining Act means the *Mining Act 1978* (WA), or any amendment or statutory replacement of that Act and includes the regulations and orders made under that Act.

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