

**GoldOz Limited**

Level 1, 9 Bowman Street,
South Perth WA 6151
Mail: PO Box 840, South Perth WA 6951
Ph +61 (0) 8 9217 2400

29 April 2022

AGREEMENT - ACQUISITION OF HURRICANE PROJECT QUEENSLAND

HIGHLIGHTS

- GoldOz Limited (“GoldOz” or the “Company”) has entered into a new agreement to acquire 100% of Placer Gold Pty Ltd (“Placer Gold”), the holder of three granted gold-antimony Exploration Permits in Northern Queensland known as the Hurricane Project (the “Hurricane Project”).
- Consideration is made up of the following elements;
 - issue of 2,750,000 fully paid ordinary shares at Settlement;
 - payment of \$300,000 in cash in tranches as follows:
 - \$75,000 upon execution the Binding Term Sheet;
 - \$225,000 on Settlement;
 - payment of \$200,000 in cash payments, subject to achievement of the following milestones:
 - \$50,000 on the day of mobilisation of a maiden drill rig at the Tornado and Holmes prospects.
 - \$150,000 on the day the Company announces a maiden mineral resource (in accordance with the JORC Code 2012) at the Hurricane Project.
 - a royalty of 2% of the net smelter return on all minerals, mineral products and concentrates, produced and sold from the Tenements (“Royalty”).
- The Hurricane Project consists of three mineralised vein systems. The Project does not have a JORC-compliant resource. However, the physical extent of the identified mineralisation, coupled with rock chip sampling results supports G79’s intention of additional exploration and study work focussed on mine development.
- Staged exploration programme planned to commence in coming months with focus on resource drilling to obtain a JORC-compliant near surface, oxidised high grade gold deposit. Programme of exploration work to take place over a period of two to three years.
- On 28 February 2022, the Company obtained all necessary shareholder approvals in relation to the acquisition of the Hurricane Project and associated re-compliance with Chapters 1 and 2 of the ASX Listing Rules. Although the new agreement was struck on substantially similar terms as the previous agreement, the ASX has determined that the Company is required to seek fresh shareholder approval for the acquisition.
- The Company remains committed to completing the transaction so that the Company’s shares may be re-instated to trading on the ASX as soon as possible.
- As previously announced, in connection with the acquisition, the Company plans to undertake a capital raising of A\$5.5 million with work on the prospectus substantially completed and expected to be lodged with ASIC in the coming days.
- Substantial gold industry experienced Board.





PURCHASE OF HURRICANE GOLD PROJECT, NORTHERN QUEENSLAND

On 21 April 2022 the Company (ASX:G79) entered into a binding agreement with the shareholders of Placer Gold Pty Ltd ("**Placer Gold**") to acquire 100% of the issued shares of Placer Gold, the holder of three highly prospective gold - antimony tenements in Northern Queensland ("**Hurricane Project**").

As announced on 4 April 2022, the Company's previous agreement to acquire Placer Gold (first announced on 24 May 2021) expired on 31 March 2022. At the Company's Annual General Meeting on 28 February 2022, the Company obtained all necessary shareholder approvals in relation to the acquisition of the Hurricane Project and associated re-compliance with Chapters 1 and 2 of the ASX Listing Rules. As a result of the new agreement on 21 April 2022 the ASX has required the Company to seek fresh shareholder approval for the acquisition.

The Company will seek all necessary shareholder approvals at a general meeting to be held in early June (**June Meeting**) and remains committed to completing the transaction, so that its shares may be re-instated to trading on the ASX as soon as possible.

Details of the consideration for the Acquisition, subject to the terms and conditions of the Binding Term Sheet ("**Agreement**"), G79 agrees to:

- a) issue the Vendors, pro-rata to their existing shareholding in Placer Gold, 2,750,000 fully paid ordinary shares in the capital of G79 ("**Consideration Shares**") at settlement of the Acquisition ("**Settlement**"), subject to shareholder approval;
- b) pay the Vendors \$300,000 in cash, pro-rata to their existing shareholding in Placer Gold, in tranches as follows:
 - i. \$75,000 upon execution of the Agreement by all parties ("**Execution Date**");
 - ii. \$225,000 on Settlement;
- c) pay the Vendors \$200,000 in cash, pro-rata to their existing shareholding in Placer Gold, in tranches as the following Milestones are achieved:
 - i. \$50,000 on the day of mobilisation of a maiden drill rig at the Tornado and Holmes prospects ("**Drill Ready Milestone**").
 - ii. \$150,000 on the day the Company announces a maiden mineral resource (in accordance with the JORC Code 2012) at the Hurricane Project ("**JORC Milestone**").
- d) grant the Vendors a royalty of 2% of the net smelter return on all minerals, mineral products and concentrates, produced and sold from the Tenements ("**Royalty**") and includes a buy-back option and obligations on the Company to make royalty milestone payments in the event a mining lease is applied for and granted over the tenements.

Details of the Hurricane Project were previously outlined in full in the Company's ASX release dated 28 January 2022 entitled "Notice of Annual General Meeting". The Company will dispatch a new notice of meeting in the near future, to refresh the previously obtained shareholder approvals pertaining to the acquisition and re-compliance with Chapters 1 and 2 of the ASX Listing Rules.

The acquisition is subject to a number of conditions precedent and a summary of the material terms of the acquisition is set out in Annexure 1.

CAPITAL RAISING

To assist the Company to re-comply with Chapters 1 and 2 of the ASX Listing Rules, the Company proposes to undertake a capital raising via the issue of 27.5 million shares, at an issue price \$0.20 per share, to raise \$5.5 million ("**Capital Raising**"). The Company had previously obtained shareholder approval under Listing Rule 7.1 for the Capital Raising but will seek to refresh the approval at the June Meeting.

The Capital Raising comprises:

- a) a priority offer to eligible existing shareholders of the Company of up to 3,750,000 shares to raise up to \$750,000 ("**Priority Offer**"); and
- b) an offer to the general public of up to 23,750,000 shares to raise up to a further \$4,750,000, together with any shortfall not applied for under the Priority Offer ("**General Offer**").





If the Company receives Applications from Eligible Shareholders for more than 3,750,000 shares, the Company will scale back investments in proportion to eligible shareholders' holdings in the Company as at the record date, subject to a minimum investment of \$2,000. Any shares applied for in excess of scaled back allocations will be treated as applications additional under the General Offer.

As noted above, the Company is well advanced in relation to its prospectus, which is expected to be lodged with ASIC in the coming days.

Ventnor Securities have been engaged to act as lead manager to the Capital Raising. Further details of this engagement (including fees payable) are set out in the Company's Notice of Annual General Meeting dated 28 January 2022.

CAPITAL STRUCTURE

The indicative capital structure of the Company on re-admission to the ASX is expected to be as follows.

Description	Number
Shares currently on issue	6,482,429
Capital Raise shares at \$0.20 per Share*	27,500,000
Consideration Shares (for acquisition of Placer Gold shares)*	2,750,000
Introducer shares* ¹	875,000
Settlement of Arena Dispute (see use of funds section for details)* ^{2,3}	3,750,000
Shares to be issued to Managing Director under his Executive Services Agreement* ⁴	1,500,000
Shares to be issued to Lead Manager upon successful capital raise*	1,000,000
Shares to be issued on vesting of Performance Rights upon re-listing	900,000
Total shares on issue on re-admission	44,757,429
Options currently on issue ⁵	2,048,521
Options to be issued to the Lead Manager* ⁶	1,500,000
Total Options on issue on re-admission	3,548,521
Performance Rights currently on issue	4,380,000

* The Company had previously sought shareholder approval for this proposed issue of securities and will seek to refresh the prior approval at the June Meeting.

1. In connection with the Transaction, the Company has agreed to pay introducer fees comprising \$100,000 in shares to Empire Exploration Pty Ltd and \$75k in shares to Mr Alan Martin at a deemed issue price of \$0.20 per share.
2. Lock-up provisions will apply to the first equity tranche, so that Arena cannot sell more than: 25% of the shares in the first 3 months; 50% in the first 6 months; and 75% in the first 9 months, or such other escrow period as may be determined by ASX as a condition of re-listing.
3. In addition, under the settlement deed with Arena, the Company has agreed, subject to shareholder approval, to issue Arena \$600,000 in shares on the date which is 12 months after the relisting (or on such earlier date as mutually agreed by the parties), subject to any escrow period as may be determined by ASX. The price used to determine the number of shares issued is \$0.225.
4. Pursuant to his terms of appointment as Managing Director, the Company has agreed to issue Mr Andrew Haythorpe 1,500,000 shares as a sign-on bonus, subject to the Company re-listing on ASX.
5. Comprising:
 - a. 71,429 options exercisable at \$1.61 on or before 20 December 2022
 - b. 790,592 options exercisable at \$0.25 on or before 8 November 2024
 - c. 1,186,500 options exercisable at \$0.25 on or before 3 March 2025
6. Exercisable at \$0.25 and expiring 3 years from their date of issue.



**INDICATIVE TIMETABLE**

The indicative timetable for completion of the acquisition, Capital Raising and re-compliance with Chapters 1 and 2 of the ASX Listing Rules is as follows:

Event	Date
Lodgement of prospectus with ASIC	2 May 2022
Record date for Priority Offer	5:00pm (WST) 2 May 2022
Opening Date for General Offer	2 May 2022
Opening Date for Priority Offer	9 May 2022
Shareholder meeting to approve re-compliance transaction	8 June 2022
Closing Date for the Priority Offer	8 June 2022
Closing Date for General Offer	15 June 2022
Settlement of acquisition and issue of shares under Capital Raising	17 June 2022
Expected date of reinstatement to trading (subject to the Company re-complying with Chapters 1 & 2 of the Listing Rules)	23 June 2022
*The above table is an indication only and is subject to change.	

The Company confirms that this announcement has been authorised and approved by its Board.

FOR FURTHER INFORMATION, PLEASE CONTACT:

GoldOz Limited

Andrew Haythorpe

Managing Director

ahaythorpe@ouro.com.au

+ 61 407 737 973

08 9217 2400





ANNEXURE 1 – SUMMARY OF THE TERMS OF THE BINDING TERM SHEET

Terms	Summary
Parties	GoldOz Limited (as Purchaser) and Bannister Group Pty Ltd and Geoprospect Pty Ltd (as Vendors) as the legal and beneficial holders of 100% of the issued capital in Placer Gold Pty Ltd (Placer Gold).
Key Transaction Elements	<p>In consideration for the acquisition, subject to the terms and conditions of the term sheet, G79 agrees to:</p> <ul style="list-style-type: none"> (a) issue the Vendors, pro-rata to their existing shareholding in Placer Gold, 2,750,000 fully paid ordinary shares in the capital of G79 (Consideration Shares) at settlement of the Acquisition (Settlement); (b) pay the Vendors \$300,000 in cash, pro-rata to their existing shareholding in Placer Gold, in tranches as follows: <ul style="list-style-type: none"> (i) \$75,000 upon execution of this Agreement by all parties (Execution Date); (ii) \$225,000 on Settlement; (c) pay the Vendors \$200,000, pro-rata to their existing shareholding in Placer Gold, in tranches as the following milestones are achieved: <ul style="list-style-type: none"> (i) \$50,000 on the day of achieving the Drill Ready Milestone; and (ii) \$150,000 on the day of achieving the JORC Milestone; and (d) grant the Vendors the Royalty (subject to the buyback option and milestone payments noted below).
Conditions Precedent	<p>The acquisition remains conditional on:</p> <ul style="list-style-type: none"> (a) the parties receiving all necessary ASX, government and third party consents and approvals required to complete the acquisition; (b) the Company completing the Capital Raising; (c) the Company receiving a letter from ASX confirming that ASX will conditionally re-instate the Company's securities to the Official List of ASX, on terms acceptable to the Company; and (d) the Company making an application to the ASX to define the vendors as "vendors of a classified asset with < 10% interest, that are neither a related party or a promoter" and request for a 12 month escrow period for the Consideration Shares.
Maintaining Status Quo	<p>The Company will be responsible for the payment of \$39,995 project expenditure to Placer Gold on the Execution Date, as a reimbursement of development and other statutory mandated expenditure at the project.</p> <p>If reasonably requested by G79, Placer Gold must provide G79 with supporting documentation with respect to any of the abovementioned expenditures (if applicable and available) as soon as reasonably practicable following such request.</p>
Royalty buyback option and milestone payments	The Company may buyback 50% of the Royalty by paying the Vendors \$1 million and the remaining 50% of the Royalty by paying the Vendors \$1.4 million. Separately, in the event that the Company applies for a mining lease over the tenements, the Company must pay the Vendors \$250,000 and in the event a mining lease is granted over the tenements, the Company must pay the Vendors a further \$350,000.
Customary terms	The term sheet is on customary terms, including with respect to pre-completion obligations, warranties and indemnities and post-completion obligations, as would be expected for a transaction of this nature.





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