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ASX Announcement/Media Release

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RECAPITALISATION, RE-LISTING & REFOCUS ON BATTERY METALS

TARGETTING PROSPECTIVE BATTERY AND PRECIOUS METALS EXPLORATION PROSPECTS IN WA AND USA

1. HIGHLIGHTS

- Eon has entered into agreements to acquire an extensive portfolio of prospective **battery and precious metal exploration** projects in the Gascoyne and Meekatharra regions of WA which are close to / along strike from recent discoveries, including the Arrow Minerals (ASX:AMD) Malinda Lithium¹ and the Kingfisher Mining (ASX:KFM) Micks Well and Kingfisher Rare-Earth-Element (REE)² prospects.
- Large land holding of under-explored areas which are within and proximal to prolific geological belts.
- Eon to retain the Nevada USA **nickel-copper-cobalt** project – within past-producing Co, Ni, Au, Pb region on the doorstep of Tesla’s gigafactory in Nevada and where neighbouring explorer Global Energy Metals Corp. (TSX-V:GEMC) recently intersected Ni-Cu-Co mineralisation³.
- Company to raise \$4.5M via a re-compliance capital raising and acquire Monomatapa Coal Pty Ltd which will result in a further \$625,000 in cash reserves.
- Conversion of outstanding debts at same price of the capital raising, resulting in a debt free balance sheet.
- ASX in principle approval received for the re-compliance and waivers granted for a \$0.02 relisting price.
- Re-compliance deadline extended to 29 July 2022 to allow for Shareholder approvals, capital raising and transactions to be completed.
- Eon to seek Shareholder approval for the re-compliance, including a consolidation of capital on a 1 for 20 basis.
- Shareholders to participate in a \$1M priority offer in the re-compliance capital raising Public Offer.

2. BACKGROUND

Eon NRG Limited (ASX: E2E) (“**Eon**” or the “**Company**”) is pleased to announce that it has secured a portfolio of new exploration assets, targeting battery and precious metals, under a re-compliance plan that will see the Company’s Shares relist on the ASX in the coming months. The Company was previously focused on onshore USA oil and gas exploration in California and Wyoming and

¹ Arrow Minerals Limited, ASX release dated 23/08/2021, [LINK](#)

² Kingfisher Mining Limited, ASX release dated 16/05/2022, [LINK](#)

³ Global Energy Metals Corp., TSX-V release dated 07/04/2022, [LINK](#)

mineral exploration in Nevada. A renewed strategy is to focus solely on minerals exploration. The Company has received in principle approval from ASX for its re-compliance and it will seek Shareholder approval for the re-compliance. The Company anticipates sending a Notice of Meeting to Shareholders in the coming weeks.

Eon's securities are currently suspended following the request made by the Company to the ASX on 19 May 2020. The circumstances for the request of the voluntary suspension related to a default on the Company's loan from ANB Bank ("ANB") as a result of unprecedented disruption to oil and gas prices at the outset of the global COVID-19 pandemic. The Company successfully executed a workout arrangement with ANB which was settled in December 2020 and is seeking to resume quotation of its Shares on ASX under the re-compliance plan. ASX has approved an extension of the re-compliance deadline to 29 July 2022 in order for the Company to re-comply with the ASX Listing Rules.

The Directors are pleased to provide this opportunity to Shareholders to re-list its current Shares and target prospective mineral exploration assets in Western Australia as well as continue to explore its Nevada Cobalt project.

3. NEW STRATEGY

The Company has secured option agreements with multiple vendors to acquire a portfolio of West Australian exploration tenements (8 granted, 8 under application), which on completion and granting will comprise 13 exploration licences and 3 prospecting licences located in the Gascoyne and Meekatharra regions of WA (**Project Acquisitions**). These tenements (**Projects**) are prospective for gold, rare earths, lithium, and other battery metals.

A summary of the strategic minerals that the Company will be exploring for is provided in the illustration below.

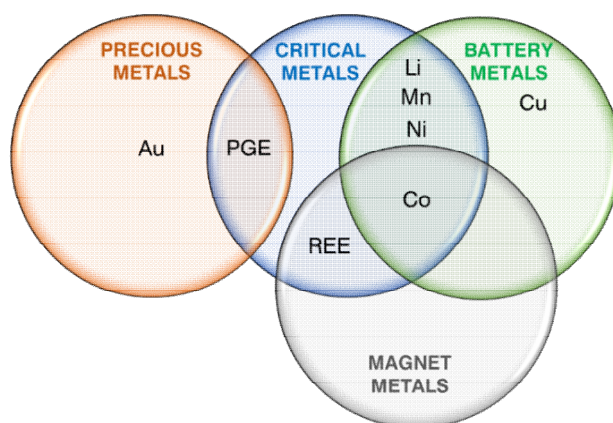


Figure 1: Illustration of the target minerals and their associated grouping

The Company has undertaken appropriate enquiries for the Board to be satisfied that the Project Acquisitions and change in strategic focus are in the best interests of the Company and its Shareholders. The Company's enquiries into the tenements comprising the Projects has consisted of a geological technical review of previous exploration and results in the areas of interest, and confirmation of the ownership interests. Based on the board's experience and background, it is considered that the Project Acquisitions compare favourably to other ASX-listed companies with exploration targets in these areas.

The Project Acquisitions are conditional on the Company obtaining all necessary regulatory and Shareholder approvals and the Company receiving conditional ASX approval for its re-compliance listing, on conditions which are reasonably able to be satisfied by the Company (among other things).

Annexure A provides a tenement schedule outlining the status of the tenements being acquired, the vendor and the area. **Annexure B** contains the material terms of the acquisition agreements for the tenements that make up the Project Acquisitions.

On completion, the Project Acquisitions will result in a significant change in the nature and scale of the Company's current activities which will require Shareholder approval. The Company will need to re-comply with Chapters 1 and 2 of the ASX Listing Rules.

As part of the re-compliance the Company plans, subject to Shareholder approval, to raise up to \$5.79M via:

- (a) a placement under the company's 15% placement capacity to raise up to \$115,483 (**Placement**);
- (b) a convertible note issue to raise \$500,000 with the notes converting to shares at the time of re-compliance at the re-compliance price (**Convertible Note Placement**);
- (c) the acquisition of Monomatapa Coal Pty Ltd, a company with \$625,000 in cash reserves; and
- (d) the re-compliance capital raising of \$4.5M (**Public Offer**), coupled with an offer of options to raise an addition \$50,000. Existing Shareholders will be offered to participate in a \$1M priority offer in the Public Offer.

CPS Capital Limited (**CPS**) has agreed to be the Lead Manager under a mandate with the Company to assist on a best endeavours basis in raising the above capital.

In addition to the above capital raisings, the Company intends to complete the following corporate actions as part of its re-compliance plan:

- (a) hold a Shareholder meeting to approve the re-compliance plan and associated issues of securities;
- (b) consolidate its capital on a 1:20 basis, bringing the Shares on issue post 15% Placement to 44,268,614 with a share price of \$0.02 (**Consolidation**);
- (c) issue of Options under the Placement (participants in the Placement will receive a 1 for 1, 3 year Option at a 50% premium to the re-listing price, the issue of which is subject to Shareholder approval) (**Placement Options**);
- (d) settle debts owed to current and previous Directors to the value of \$317,804 via the issue of Shares to the value of \$200,000;
- (e) issue previous employees 661,942 Shares owing under their previous employee agreements;
- (f) convert related party and unrelated party convertible notes to the value of \$730,000, convertible to both Shares and Options;
- (g) issue of 60,000,000 Shares at the re-listing price of \$0.02 and 26,250,000 Options exercisable at a 50% premium to the re-listing price with an expiry date of three years from re-compliance listing date, in consideration for the Project Acquisitions (refer to Annexure B for details);
- (h) acquire 100% of the issued shares in Monomatapa Coal Pty Ltd (**MCPL**) in consideration for the issue of 31,250,000 Company Shares to MCPL shareholders in order for the Company to access additional cash on hand of \$625,000 (refer to Annexure C for details of the acquisition agreement);
- (i) issue Options to Directors on the following terms:
 - (i) 10,000,000 Options exercisable at a 50% premium to the re-listing price and

expiring 3 years from the relisting date; and

- (ii) 10,000,000 Options exercisable at a 100% premium to the re-listing price and expiring 4 years from the relisting date; and
- (j) issue \$250,000 worth of Shares to nominees of CPS at \$0.02 with a 1 for 1, 3 year Option exercisable at a 50% premium to the re-listing price, forming part of the consideration under the lead manager mandate; and
- (k) adopt an Employee Share Option Plan and new Constitution.

4. PROPOSED CAPITAL STRUCTURE

The proposed capital structure of the Company following completion of the Proposed Acquisitions and issues of all Securities as part of its re-compliance plan is set out below.

Please note that all figures (other than the current Securities on issue and Placement Shares) are shown on a post-Consolidation basis.

Capital Structure Post Consolidation	Notes	Ordinary Shares	Issue Price	Options	Diluted	%
Existing shares		769,888,934	n/a	-	769,888,934	6.2%
15% Placement	1(a)	115,483,340	\$0.001	-	115,483,340	0.95%
Consolidation Factor	2	1:20		1:20		
Consolidated Securities on Issue						
		44,268,614	n/a	-	44,268,614	7.15%
Issue of 15% Placement Options	1(b)	-	n/a	5,774,167	5,774,167	0.95%
Conversion of Convertible Notes	3	11,500,000	\$0.02	11,500,000	23,000,000	3.7%
Creditors - Director settlement 2020	4	10,000,000	\$0.02	-	10,000,000	1.6%
Employees	5	661,942	\$0.02	-	661,942	0.1%
Con Note Placement Note Conversion	6	25,000,000	\$0.02	25,000,000	50,000,000	8.0%
Acquisition Consideration						
- Gascoyne Projects – Beau Resources	7	27,500,000	n/a	13,750,000	41,250,000	6.6%
- Paddys Well Gascoyne Projects – Nuclear	7	5,000,000	n/a	-	5,000,000	0.8%
- Meekatharra Gold – Jindalee	7	7,500,000	n/a	-	7,500,000	1.2%
- Meekatharra Gold – Arabella	7	5,000,000	n/a	5,000,000	10,000,000	1.6%
- Ti Tree Lithium – Beau Resources	7	15,000,000	n/a	7,500,000	22,500,000	3.6%
Re-compliance raising	8	225,000,000	\$0.02	-	225,000,000	36.2%
Option Issue	9	-	-	100,000,000	100,000,000	16.1%
Acquire Monomatapa Coal Pty Ltd	10	31,250,000	n/a	-	31,250,000	5.0%
Broker / Adviser issue	11	12,500,000	n/a	12,500,000	25,000,000	4.0%
Director Options	12	-	n/a	20,000,000	20,000,000	3.2%
Total		420,180,556		201,024,167	621,204,723	100.0%

Notes:

1. (a) 115,483,340 pre-Consolidation ordinary Shares offered at an issue price of \$0.001 per Share.
(b) Free attaching unlisted Placement Options exercisable at a 50% premium to the re-compliance capital raising price and expiring 3 years from the re-compliance listing date to raise \$115,483. The Placement Options will be subject to Shareholder approval and issued following the Consolidation, therefore a total of 5,774,167 Placement Options will be issued.
2. The Company will complete a 1:20 Consolidation of capital prior to its re-compliance, increasing the Share price to \$0.02.
3. Conversion of Convertible Notes on issue at a conversion price of \$0.02 per Share plus free unlisted Options exercisable at a 50% premium to the re-compliance capital raising price and expiring 3 years from the re-compliance listing date. Including interest, the notes on issue have a value of \$230,000.
Mr Hannaford, a Director of the Company holds Convertible Notes to the value of \$115,000 (including interest) that will be converted under the re-compliance plan.
4. An existing Director Debt facility to the value of \$200,000 will be converted to ordinary Shares under the proposed re-compliance plan. Shares will be issued at \$0.02 per share.
5. Shareholders previously approved the issue of Shares to employees. The Company will again seek Shareholder approval for these Shares to be issued as part of the re-compliance plan. Shares will be issued at \$0.02 per share.
6. Conversion of the Convertible Note Offer Convertible Notes by way of issue of 25,000,000 ordinary Shares (post Consolidation) with free 1-for-1 unlisted Options exercisable at a 50% premium to the re-compliance Capital Raising Price and expiring 3 years from the re-compliance listing date.
7. Under the Re-Compliance Plan, the Company is proposing to acquire a portfolio of lithium, gold, and battery metals projects from various vendors.
8. Issue of ordinary Shares at \$0.02 per Share to raise \$4,500,000 as part of a re-compliance prospectus.
9. Issue of unlisted Options exercisable at a 50% premium to the Re-Compliance Capital Raising Price at \$0.0005 per Option to raise \$50,000 as part of a re-compliance prospectus.
10. Acquisition of Monomatapa Coal Ltd by way of issue of 31,250,000 ordinary Shares (post Consolidation).
11. Issue of 12,500,000 post Consolidation ordinary Shares with free 1 for 1 unlisted Options exercisable at a 50% premium to the Re-Compliance Capital Raising Price and expiring 3 years from the re-compliance listing date as part of payments to the Lead Manager.
12. Issue of 20,000,000 Director Options to Messrs Adams, Hannaford, Reynolds and Izzard on the following terms:
 - (i) 10,000,000 Director Options have an exercise price set at a 50% premium to the Re-Compliance Capital Raising Price and expiring 3 years from the re-compliance listing date;
 - (ii) 10,000,000 Director Options have an exercise price set at a 100% premium to the Re-Compliance Capital Raising Price and expiring 4 years from the re-compliance listing date.

5. INDICATIVE TIMETABLE AND EXTENSION OF DELISTING DATE

The Company was to be delisted on 19 May 2022. The ASX has however agreed to extend the Company's re-compliance deadline to 29 July 2022 so that the Company can complete the items set out in the indicative timetable below:

Event	Date
Execution of the Acquisition Agreements	May 2022
Notice of Meeting Sent to Shareholders	13 June 2022
Lodgement of Prospectus for Public Offer with ASIC	17 June 2022
Opening date of Public Offer	28 June 2022
Shareholders Meeting to approve the Proposed Acquisitions	13 July 2022
Closing Date of Public Offer	8 July 2022
Settlement of the Public Offer and Proposed Acquisitions	22 July 2022
Re-quotations on ASX	29 July 2022

Please note that the timetable is indicative only and the Directors reserve the right to amend the timetable as required.

6. PROJECTS OVERVIEW

Following the Proposed Acquisitions, the Company's assets will comprise:

- Eight (8) projects in Western Australia covering a total area of 1,402 km² (Bluebird South, Bundie Bore, Cue, Kooline, Talga and Talga West, Ti Tree, Paddy's Well, and West Well (primary focus projects) (See Figure 2), and,
- One (1) project in Nevada USA covering a total area of 12.3 km² (secondary focus project) (see Figure 3).

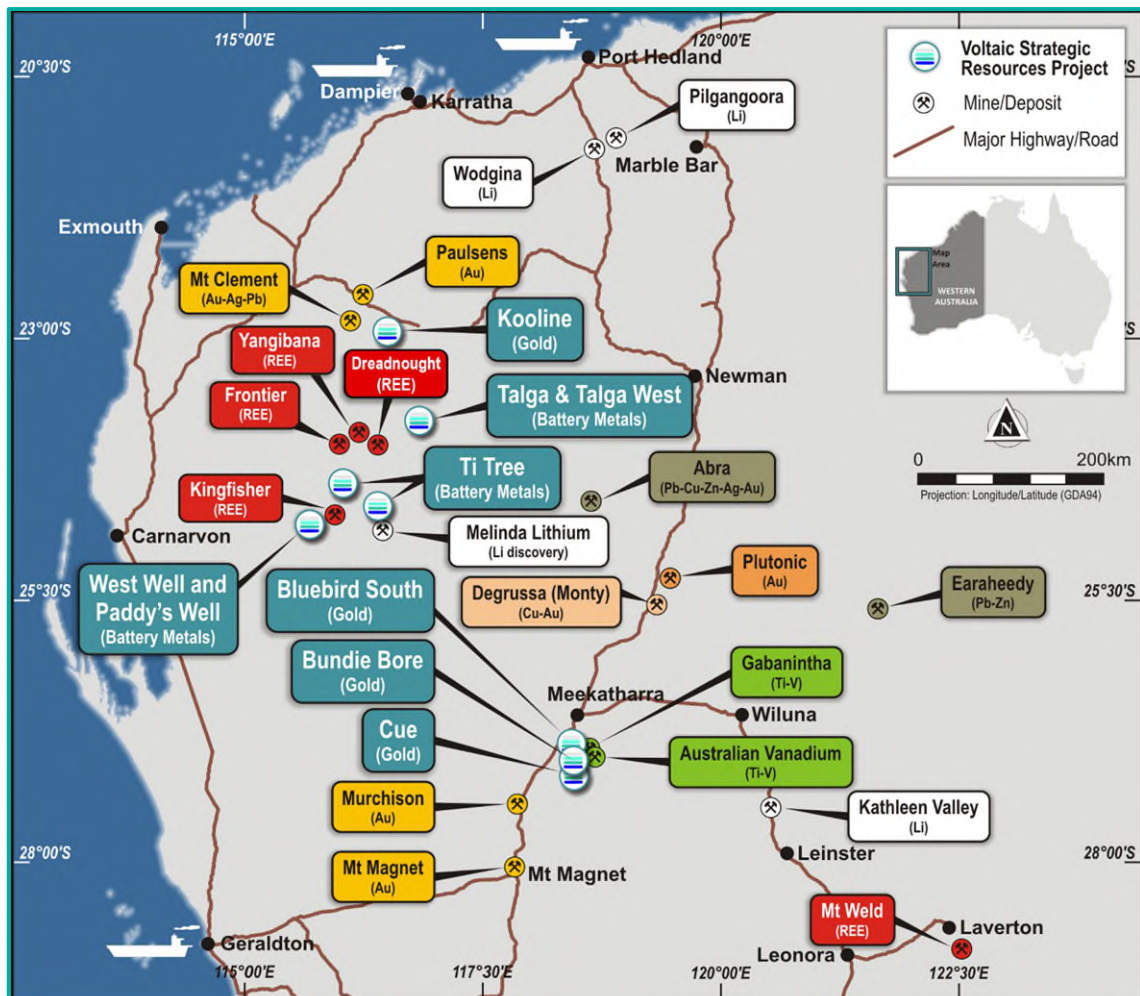


Figure 2: Location of Projects in Australia (Primary Focus Projects)



Figure 3: Location of Nevada Project (Secondary Focus Project)

The projects are prospective for various metals, as illustrated in **Table 2** below:

Table 2: Project Overview by Metal Prospectivity

PROJECT	LOCATION	PROSPECTIVITY	TENEMENTS	TOTAL AREA (km ²)	
PRIMARY FOCUS PROJECTS (AUSTRALIA)					
BATTERY METALS	WEST WELL	WA (Upper Gascoyne)	- REE	- E 09/2663 + E 09/2669 (Pending)	252
	PADDYS WELL	WA (Upper Gascoyne)	- REE	- E 09/2414 (Live)	40
	TALGA / TALGA WEST	WA (Upper Gascoyne)	- Ni-Cu-Co-PGE - Co-Mn	- E 08/3303 + E 08/3420 (Pending)	329
	TI TREE	WA (Upper Gascoyne)	- Li-Ta - REE	- E 09/2503 (Live), E 09/2522, E 09/2470 (Pending)	212
GOLD	BUNDIE BORE	WA (Meekatharra Region)	- Gold	- E 51/1909, E 51/1946, P 51/3145, P 51/3146, P 51/3147 (All Live)	126
	BLUEBIRD SOUTH	WA (Meekatharra Region)	- Gold	- E 51/2022 (Pending)	70
	CUE	WA (Meekatharra Region)	- Gold	- E 51/2057 (Live)	70
	KOOLINE	WA (Pilbara Ashburton Shire)	- Gold	- E 08/3314 (Pending)	303
SECONDARY FOCUS PROJECT (USA)					
BATTERY METALS	Nevada Lode Claim	Nevada (USA)	- Ni-Cu-Co - Gold	- 42 lode claims (100% owned by EON)	3.4

Details of the individual projects are provided in **Annexure D**.

7. COMPANY NAME

The Board believes that the name of the Company should be reflective of its new strategic direction. Accordingly, the Company plans to change its name to Voltaic Strategic Resources Limited which will trade under the ASX ticker code VSR. The Board proposes to adopt a new Constitution subject to Shareholder approval.

The origin and significance of the name 'Voltaic Strategic Resources' is twofold; the 'strategic resources' component reflects the company's purpose, which is to discover an economic mineral deposit of 'strategic' minerals ('battery', 'magnet', 'critical' or 'precious' minerals considered vital for the economy, see Figure 1 above), and the word 'voltaic' pays homage to Italian scientist Alessandro Volta, who is credited with the discovery of the first battery. Moreover, the new Voltaic Strategic Resources logo is a symbolic representation of Volta's original battery which comprised alternating discs of zinc and copper.



The Company has set up a new website www.voltaicstrategicresources.com.au which will be active at the time that the Company sends the Notice of Meeting to Shareholders.

8. BUSINESS MODEL OVERVIEW

Following completion of the Public Offer and the Proposed Acquisitions, the Company's proposed business model will be to further explore and develop the tenements that it will acquire through the Project Acquisitions and the Mineral Lode Claims in Nevada (Refer to **Annexure A**). Specifically, the Company's main objectives on completion of the Public Offer are to:

- (a) systemically explore the Meekatharra Gold project, Gascoyne Battery Metals project, Pilbara Gold project and the Nevada Lode Claims project through geological mapping, surface sampling and drilling on the projects;
- (b) identify preferred exploration targets and rationalise the Company's land holding based on likelihood of exploration success;
- (c) continue to pursue other acquisitions that have a strategic fit for the Company;
- (d) focus on mineral exploration or resource opportunities that have the potential to deliver growth for Shareholders;
- (e) implement a growth strategy to seek further exploration and acquisition opportunities; and
- (f) provide working capital for the Company.

9. KEY DEPENDENCIES

The key dependencies influencing the viability of the Company are:

- (a) the Company's capacity to re-comply with Chapters 1 and 2 of the Listing Rules to enable re-admission to quotation of the Company's Securities;
- (b) completion of the Proposed Acquisitions and Public Offer;
- (c) tenure and access to the projects;

- (d) commodity price volatility and exchange rate risk;
- (e) ability to meet resource and exploration targets;
- (f) raising sufficient funds to satisfy expenditure requirements, exploration and operating costs; and
- (g) minimising environmental impact and complying with health and safety requirements.

10. KEY RISKS

A summary of some of the key risks of the re-compliance plan are set out in **Annexure E**. These risks include:

- (a) Completion risk;
- (b) Dilution risk;
- (c) Suspension and delisting risk;
- (d) Exploration and operational risk;
- (e) Exploration success risk;
- (f) Tenure and renewal risk;
- (g) Capital requirement risk;
- (h) Reliance on key personnel risk.

11. BOARD AND MANAGEMENT

The Company has a corporate executive and board team with appropriate experience and expertise to manage the Company's critical metals exploration strategy.

Mr John Hannaford will continue in his role as Non-Executive Director and be appointed Chairman at the time of relisting of the Company's Shares. Mr Simon Adams will continue as Director and will carry out the role of Company Secretary and Chief Financial Officer (**CFO**). Recently appointed Mr Lachlan Reynolds will continue as an independent Non-Executive Technical Director.

As part of the re-compliance plan, the board will appoint Mr David Izzard as a Non-Executive Director. The current Chairman, Mr Matthew McCann, will resign from his role as Chairman and Director as part of the Company's re-compliance plan.

The Company will also appoint Mr Michael Walshe as Chief Executive Officer (**CEO**) of the Company to oversee the operations and manage the strategic objectives of the Company with its new portfolio of assets. Michael has over 15 years of international experience in engineering, operations, technology commercialisation, and project development roles across the minerals, chemicals, and renewable energy sectors. Prior to joining the Company, Michael spent 10 years with Metso Outotec, in various technical and senior management roles, covering all major commodities including lithium, rare earths, gold, and base metals. He has extensive expertise in process design, metallurgical flowsheet development, and structuring project finance packages for junior miners via export credit funding.

Michael holds a Bachelor of Chemical and Process Engineering (Hons.) from University College Dublin, Ireland, and a Master of Business Administration (Finance) from the Australian Institute of Business (AIB). He is a chartered professional engineer with both Engineers Australia and the Institution of Chemical Engineers (IChemE) and is a member of the Australasian Institute of Mining and Metallurgy (AusIMM).

12. USE OF FUNDS

A summary of capital that is expected to be raised through the recapitalisation process is as follows:

Funds Available	A\$'000
Cash Reserves	-
Placement	115
Convertible Note Placement	500
Acquisition of MCPL	625
Public Offer	4,500
Options Offer	50
Total Funds Available	5,790

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

Proposed use of funds	A\$'000
Exploration expenditure	2,895
Directors' fees	244
General administration fees and working capital ¹	1,580
Vendor Payments (cash)	240
Creditor Settlement (cash) ²	199
Estimated expenses of the Offer ³	632
Total funds allocated	5,790

Notes:

1. General administration and working capital include administrative costs of a listed company including secretarial, audits, insurance, ASX registry fees and general business running costs as well as available capital to assess ongoing opportunities.

Corporate Services Fees – Rockford Partners Pty Ltd, a company associated with Mr Izzard and Mr Hannaford has a corporate services mandate with the Company under which Rockford has been accruing service fees since 9 August 2020 of \$10,000 per month, and continuing for a further 6 months from March 2022. General administration and working capital in year-1 includes payment of these fees to Rockford.

2. Creditor Settlement includes outstanding liabilities to trade creditors plus \$59,500 in short term director working capital loans.
3. Estimated expenses of the offer include fees to CPS as lead manager of the capital raisings contemplated by the re-compliance plan.

Under the Lead Manager mandate, CPS Capital will be entitled to the following fees:

- a management fee of 2%, plus GST, for managing the Placement, the Convertible Note Placement and the Public Offer (**Management Fee**);
- a Placement fee of 4%, plus GST, for funds raised via the Placement, the Convertible Note Placement and the Public Offer (**Placing Fee**);
- from the Placing Fee received by CPS, CPS will pay a fee of 4%, or such lesser amount agreed between parties, for funds introduced to the Placement by other AFSL holders;

- subject to the Public Offer being completed in full, the Lead Manager will receive a monthly corporate advisory fee of AUD\$5,000 plus GST, per month, where applicable, payable in cash. The lead manager mandate is for a minimum term of twelve (12) months (Corporate Advisory Fee);
- CPS and or its nominees, will receive 12,500,000 ordinary fully paid Shares with a free attaching Option with an expiry date of three years from listing, with a 50% premium to the recapitalisation raise price, plus any GST where applicable, upon the successful relisting of Eon. These Shares will be issued at a cost price of \$0.0001.

13. PRO-FORMA FINANCIAL INFORMATION

The pro-forma balance sheet of the Company as at 31 Dec 2021 following completion of the Project Acquisitions and issues of all Securities contemplated under the re-compliance plan is set out in **Annexure F**. The pro-forma balance sheet has been prepared using the unaudited financial information of the Company and MCPL and shows the effect of the Project Acquisitions on the total assets, total liabilities and net assets of the Company. The historical and pro-forma information is presented in an abbreviated form, insofar as it does not include all of the disclosure required by the Australian Accounting Standards applicable to annual financial statements.

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

14. SHAREHOLDER APPROVALS AND RE-COMPLIANCE WITH ASX LISTING RULES (CHAPTERS 1 AND 2)

Since the Project Acquisitions will amount to a significant change in the nature and scale of the Company's activities, the Company is required to obtain Shareholder approval for the Project Acquisitions and must re-comply with Chapters 1 and 2 of the ASX Listing Rules.

A notice of meeting seeking Shareholder approval for the resolutions required to give effect to the Project Acquisitions will be sent to Shareholders in due course. It is expected that the Company will convene a general meeting to be held in June 2022 (**General Meeting**) to facilitate Shareholder approval for the following matters in respect of the Proposed Acquisitions and the Company's re-compliance plan:

- (a) ratification of the issue of 115,483,340 pre-consolidation Placement Shares;
- (b) a change in nature and/or scale of the Company's activities;
- (c) Consolidation of capital on a 1 for 20 basis;
- (d) issue of 5,774,167 post-Consolidation Placement Options exercisable at \$0.03 each and expiring 3 years from the date of the Company's re-compliance listing date;
- (e) issue of 10,000,000 post Consolidation Shares to previous Directors in settlement of outstanding debts;
- (f) issue of 661,942 post Consolidation Shares to prior employees in satisfaction of debts owed;
- (g) issue of up to 11,500,000 post Consolidation Shares and 11,500,000 post Consolidation Options (exercisable at \$0.03 each and expiring 3 years from the date of the Company's re-compliance listing date) to related parties on the conversion of convertible notes on issue;
- (h) issue of up to 25,000,000 post Consolidation Shares and 25,000,000 post Consolidation Options (exercisable at \$0.03 each and expiring 3 years from the date of the Company's re-compliance listing date) on conversion of convertible notes held by unrelated parties;

- (i) issue of up to 60,000,000 post Consolidation Shares and 26,250,000 post Consolidation Options (exercisable at \$0.03 each and expiring 3 years from the date of the Company's re-compliance listing date) to the vendors in relation to the Project Acquisitions, including related party vendor approval for Arabella Resources Pty Ltd;
- (j) issue of up to 31,250,000 post Consolidation Shares to the shareholders of MCPL, including related party approval for the issue of Shares to Mr John Hannaford;
- (k) issue of up to 225,000,000 post Consolidation Shares at an issue price of \$0.02 per Share and 100,000,000 post Consolidation options at an issue price of \$0.0005 (exercisable at \$0.03 each and expiring 3 years from the date of the Company's re-compliance listing date) under the Public Offer;
- (l) participation in the Public Offer by Directors of the Company;
- (m) issue of up to 12,500,000 post Consolidation Shares and 12,500,000 post Consolidation Options (exercisable at \$0.03 each and expiring 3 years from the date of the Company's re-compliance listing date) to CPS as lead manager;
- (n) election of Mr David Izzard to the Board;
- (o) change of the Company's name to Voltaic Strategic Resources Limited;
- (p) replacement of the Company's constitution;
- (q) set the Non-Executive Director remuneration cap at \$300,000;
- (r) issue of 20,000,000 Options to the Board on the following terms:
 - (i) 10,000,000 options exercisable at a 50% premium to the re-listing price and expiring 3 years from the relisting date, and
 - (ii) 10,000,000 options exercisable at a 100% premium to the re-listing price and expiring 4 years from the relisting date; and
- (s) adoption of an Employee Securities Incentive Plan.

15. ASX WAIVERS

Listing Rule 2.1, Condition 2 requires that for quotation of the main class of securities of an entity seeking admission to the Official List, the issue price or sale price of all the securities for which the entity seeks quotation (except options) must be at least 20 cents. Listing Rule 1.1, Condition 12 requires that if an entity has options on issue, the exercise price for each underlying security must be at least 20 cents in cash.

The Company sought waivers of both Listing Rule 2.1 Condition 2 and Listing Rule 1.1 Condition 12 in respect of the Shares and Options to be issued as consideration for the Project Acquisitions as well as those Shares and Options to be issued as part of the Company's re-compliance plan.

ASX granted the waivers on 12 May 2022 subject to various conditions as noted below:

Waiver Decision – Listing Rule 2.1, Condition 2

Based solely on the information provided, ASX granted the Company in connection with its proposed re-compliance with Chapters 1 and 2 of the Listing Rules and a proposed capital raising via a Public Offer at A\$0.02 per fully paid ordinary share to raise up to A\$4,500,000 on a post-consolidation basis (the '**Capital Raising**'), a waiver from Listing Rule 2.1, Condition 2 to the extent necessary to permit the Company to issue ordinary shares at an issue price of AUD\$0.02 (**Capital Raising Shares**), subject to the following conditions:

- (a) the issue price of the Capital Raising Shares is not less than A\$0.02 per share;
- (b) the terms of the waiver being disclosed to the market and, along with the terms and

conditions of the Capital Raising Shares, are clearly disclosed in the notice of meeting pursuant to which the Company will seek the approval required under Listing Rule 11.1.2 for the proposed acquisitions and in the prospectus to be issued in respect of the Capital Raising;

- (c) the Company's Shareholders approve the issue price of the Capital Raising Shares in conjunction with the approval obtained under Listing Rule 11.1.2 in respect of the proposed acquisitions; and
- (d) the Company completes a consolidation of its capital structure in conjunction with the proposed re-compliance with Chapters 1 and 2 of the Listing Rules such that its securities are consolidated at a ratio that will be sufficient, based on the lowest price at which the Company's securities traded over the 20 trading days preceding the date of the suspension of the Company's securities from official quotation, to achieve a market value for its securities of not less than the offer price.

Waiver Decision – Listing Rule 1.1, Condition 12

Based solely on the information provided, ASX granted the Company, in connection with its proposed re-compliance with Chapters 1 and 2 of the Listing Rules and its Capital Raising, a waiver from Listing Rule 1.1, Condition 11 to the extent necessary to permit the Company to issue up to 191,024,167 Options exercisable at A\$0.03 with an expiry date of three (3) years from the date of issue ("3 Cent Options") and 10,000,000 options exercisable at A\$0.04 with an expiry date of three (3) years from the date of issue ("4 Cent Options") subject to the following conditions:

- (e) the exercise price of the 3 Cent Options is A\$0.03 each and the 4 Cent Options is A\$0.04 each;
- (f) the terms of the waiver are disclosed to the market and, along with the terms and conditions of the Options, are clearly disclosed in the notice of meeting pursuant to which the Company will seek the approval required under Listing Rule 11.1.2 for the proposed re-compliance with Chapters 1 and 2 of the Listing Rules and a proposed Capital Raising and in the prospectus to be issued in respect of the Capital Raising; and
- (g) the Company's shareholders approve the issue of the options in conjunction with the approval obtained under listing rule 11.1.2 for the Proposed Acquisition.

16. REQUIREMENTS FOR REGULATORY AND SHAREHOLDER APPROVALS GENERALLY

The Company notes that:

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

Furthermore, the Company:

- (a) notes that ASX takes no responsibility for the contents of this announcement; and
- (b) confirms that it is in compliance with its continuous disclosure obligations under ASX Listing Rule 3.1.

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

Authorised by:

Board of Eon NRG Ltd

For further information, contact:

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COMPETENT PERSONS STATEMENT

The information in this announcement that relates to Exploration Results is based on and fairly represents information compiled by Mr Lachlan Reynolds. Mr Reynolds is the Technical Director of Eon NRG Limited and is a member of both the Australasian Institute of Mining and Metallurgy and the Australasian Institute of Geoscientists. Mr Reynolds has sufficient experience of relevance to the styles of mineralisation and types of deposits under consideration, and to the activities undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Reynolds consents to the inclusion in this announcement of the matters based on information in the form and context in which they appear.

ANNEXURE A – TENEMENTS

NEW TENEMENTS

The Company's New Tenements cover an area of approximately 1,402 km² in total. Details of the Tenements, which are considered by the Company to be prospective principally for gold, rare earths and battery metals are set out below:

PROJECT AREA	Tenement Number	Project Name	Status	Application Date	Grant Date	Expiry Date	Area (km ²)	Blocks
Meekatharra Gold	E 51/1909	Bundie Bore	Live	12/10/2018	19/11/2021	18/11/2026	101.7	35
	E 51/1946	Bundie Bore	Live	19/11/2019	9/02/2021	8/02/2026	18.7	9
	P 51/3145	Bundie Bore	Live	3/06/2019	28/08/2020	27/08/2025	1.5	-
	P 51/3146	Bundie Bore	Live	3/06/2019	28/08/2020	27/08/2025	2.0	-
	P 51/3147	Bundie Bore	Live	3/06/2019	28/08/2020	27/08/2025	1.6	-
	E 51/2057	Cue	Live	24/06/2021	3/02/2022	2/02/2027	70.1	23
	E 51/2022	Bluebird South	Pending	17/12/2020	-	-	70.4	23
Gascoyne Battery Metals	E 09/2663	West Well	Pending	09/12/2021	-	-	46.7	15
	E 09/2669	West Well	Pending	13/01/2022	-	-	205.3	66
	E 09/2414	Paddys Well	Live	25/05/2020	23/07/2021	27/07/2026	40.4	13
	E 08/3303	Talga / Talga West	Pending	25/11/2020	-	-	144.2	46
	E 08/3420	Talga / Talga West	Pending	23/08/2021	-	-	184.9	59
	E 09/2503	Ti Tree	Live	26/02/2021	24/02/2022	23/02/2027	59.2	19
	E 09/2522	Ti Tree	Pending	7/05/2021	-	-	109.2	35
	E 09/2470	Ti Tree	Pending	4/11/2020	-	-	43.6	14
E 08/3314	Kooline	Pending	14/12/2020	-	-	302.7	96	
TOTAL AREA (km²)							1402.1	453

EXISTING NEVADA MINERAL LOAD CLAIMS

Claim Name	Acreage	Claim Name	Acreage
EONCO#2	20.6600	EONCO#3	20.6600
EONCO#17	20.6600	EONCO#10	20.6600
EONCO#40	20.6600	EONCO#29	20.6600
EONCO#42	20.6600	ABAY#2	20.6600
EONCO#44	20.6600	EONCO#11	20.6600
ABAY#3	20.6600	ABAY#1	20.6600
EONCO#4	20.6600	ABAY#8	20.6600
EONCO#5	20.6600	EONCO#7	20.6600
EONCO#9	20.6600	EONCO#37	20.6600
EONCO#14	20.6600	EONCO#41	20.6600
EONCO#28	20.6600	EONCO#43	20.6600
EONCO#32	20.6600	EONCO#25	20.6600
EONCO#39	20.6600	EONCO#27	20.6600
ABAY#5	20.6600	EONCO#30	20.6600
ABAY#6	20.6600	ABAY#4	20.6600
EONCO#1	20.6600	EONCO#6	20.6600
EONCO#13	20.6600	EONCO#8	20.6600
EONCO#15	20.6600	EONCO#12	20.6600
EONCO#18	20.6600	EONCO#16	20.6600
EONCO#31	20.6600	EONCO#26	20.6600
EONCO#38	20.6600		

ANNEXURE B – KEY TERMS OF THE ACQUISITION AGREEMENTS

1. Summary of Acquisition Agreement – Nuclear Energy Pty Ltd

The Company has entered into a binding option agreement with Nuclear Energy Pty Ltd (ACN 640 847 623) (**Nuclear Energy**) (the **Nuclear Energy Acquisition Agreement**).

Pursuant to the Nuclear Energy Acquisition Agreement, Nuclear Energy agrees to grant the Company an exclusive option to acquire 100% legal and beneficial interest in E09/2414 (the **Nuclear Energy Tenement**), free from all encumbrances and third party rights (**Nuclear Energy Acquisition**).

The material terms and conditions of the Nuclear Energy Acquisition Agreement are set out below:

- (a) **(Option Fee)**: The Company has paid Nuclear Energy an option fee of \$15,000. Nuclear Energy has agreed to provide the Company with receipts and invoices to substantiate exploration expenditure on the Tenement to an amount equal to the Option Fee. Nuclear Energy agrees that should it not be able to verify that it has expended an amount equal to the Option Fee on the Tenement, then it will refund that portion of the Option Fee that cannot be verified against Tenement expenditure back to the Purchaser.
- (b) **(Grant of Exclusive Option)**: In consideration for the Company paying Nuclear Energy the Option Fee, Nuclear Energy grants the Company an exclusive option from the date of payment of the Option Fee (**Option Fee Date**) for a period of four (4) months (**Option Period**) to exercise the option to acquire 100% of Nuclear Energy's legal and beneficial interest in the Nuclear Energy Tenement (**Option**). For the avoidance of doubt, in the event that the Option Fee is to be refunded in accordance with sub-paragraph (a) above, the Purchaser will still be entitled to exercise the Option during the Option Period.
- (c) **(Exercise of Option)**:
 - (i) The Company may (in its sole discretion) exercise the Option at any time during the Option Period by emailing or delivering to Nuclear Energy written notice that it wishes to exercise the Option.
 - (ii) If the Option is not exercised by the Company during the Option Period in accordance with clause (c)(i) above, the Option shall automatically lapse (unless the Parties otherwise agree in writing) and neither Party will have any continuing rights or obligations to each other in respect of the Option or the Nuclear Energy Tenement.
- (d) **(Acquisition)**: subject to the Company exercising the Option and the satisfaction (or waiver by the Company) of the conditions precedent set out below, the Company will acquire a 100% legal and beneficial interest in the Nuclear Energy Tenement.
- (e) **(Conditions Precedent)**: Settlement of the Nuclear Energy Acquisition will occur subject to, and conditional upon, satisfaction of the following:
 - (i) the Company receiving conditional ASX approval for its re-compliance listing, on conditions which are reasonably able to be satisfied by the Company (**Listing Event**);
 - (ii) the Company obtaining all necessary consents and approvals necessary to give effect to the Nuclear Energy Acquisition and Listing Event;
 - (iii) the Parties obtaining all consents and third party approvals necessary to give effect to the acquisition; and
 - (iv) at Settlement, the Nuclear Energy Tenements being in good standing and no event, occurrence or other matter, which individually or when aggregated with all such events,

occurrences or matters of a similar kind, taking place at any time which has a material adverse effect on the value of the Nuclear Energy Tenements.

If the conditions set out above are not satisfied on or before 5.00pm (WST) on the date that is 12 months from the Option Fee Date, either Party may terminate the Nuclear Energy Acquisition Agreement by notice in writing to the other Party

- (f) **(Consideration)**: Subject to shareholder approval, the Company will issue Nuclear Energy (and/or its nominee) at settlement, AUD\$100,000 worth of fully paid ordinary shares at an issue price equal to the price of the shares being issued as part of the Company's re-compliance capital raising (**Consideration Shares**).
- (g) **(Escrow)**: Nuclear Energy acknowledges and agrees that:
 - (i) the escrow restrictions imposed on the Consideration Shares will be subject to the discretion and requirement of ASX; and
 - (ii) Nuclear Energy must (or procure that its nominees must) consent to, a trading lock being put in place by the Company's registry for such period of escrow as the ASX imposes pursuant to the ASX Listing Rules. As a prior condition of being issued the Consideration Shares, Nuclear Energy agrees to, and agrees to procure that the Nuclear Energy's nominees enter into, restriction agreements in the form specified in Appendix 9A of the ASX Listing Rules if requested to do so by the Company or the ASX.
- (h) **(Settlement)**: Will occur on the date within five (5) Business Days of satisfaction (or waiver) of the conditions precedent.

The Nuclear Energy Acquisition Agreement otherwise contains warranties and other provisions standard for agreements of this nature.

2. Summary of Acquisition Agreement – Arabella Resources Pty Ltd

The Company has entered into a binding option agreement with Arabella Resources Pty Ltd (ACN 645 291 621) (**Arabella Resources**) (the **Arabella Resources Acquisition Agreement**).

Pursuant to the Arabella Resources Acquisition Agreement, Arabella Resources agrees to grant the Company an exclusive option to acquire 100% legal and beneficial interest in E51/2057 and E51/2022 (the **Arabella Resources Tenements**), free from all encumbrances and third party rights (the **Arabella Resources Acquisition**).

The material terms and conditions of the Arabella Resources Acquisition Agreement are set out below:

- (a) **(Exclusive Option Fee)**: The Company has paid Arabella Resources an exclusive option fee of \$20,000 (being an early repayment of a portion of the reimbursable expenditure).
- (b) **(Grant of Exclusive Option)**: In consideration for the Company paying Arabella Resources the Exclusive Option Fee, Arabella Resources grants the Company an exclusive option from the date of payment of the Option Fee (**Option Fee Date**) for a period of six (6) months (**Option Period**) to exercise the option to acquire 100% of Arabella Resources' legal and beneficial interest in the Arabella Resources Tenement (**Option**). The Company may, by giving notice in writing to Arabella Resources (**Extension Notice**) elect, in its absolute discretion, to extend the Option Period for a further six (6) months (**Second Option Period**).
- (c) **(Exercise of Option)**:
 - (i) The Company may (in its sole discretion) exercise the Option at any time during the Option Period by emailing or delivering to Arabella Resources written notice that it

wishes to exercise the Option.

- (ii) If the Option is not exercised by the Company during the Option Period or the Second Option Period in accordance with clause (c)(i) above, the Option shall automatically lapse (unless the Parties otherwise agree in writing) and neither Party will have any continuing rights or obligations to each other in respect of the Option or the Arabella Resources Tenements.
- (d) **(Acquisition)**: subject to the Company exercising the Option and the satisfaction (or waiver by the Company) of the conditions precedent set out below, the Company will acquire a 100% legal and beneficial interest in the Arabella Resources Tenements.
- (e) **(Conditions Precedent)**: Settlement of the Arabella Resources Acquisition will occur subject to, and is conditional upon, satisfaction of the following:
- (i) the Company receiving conditional ASX approval for its re-compliance listing, on conditions which are reasonably able to be satisfied by the Company (**Listing Event**);
 - (ii) the Company obtaining all necessary consents and approvals (including shareholders' and regulatory approvals) necessary to give effect to the Arabella Resources Acquisition and Listing Event (if required);
 - (iii) the Parties obtaining all consents and third party approvals necessary to give effect to the Arabella Resources Acquisition; and
 - (iv) at Settlement the Arabella Resources Tenements being in good standing and no event, occurrence or other matter, which individually or when aggregated with all such events, occurrences or matters of a similar kind, taking place at any time which has a material adverse effect on the value of the Arabella Resources Tenements.

If the conditions set out above are not satisfied on or before 5.00pm (WST) on the date that is 12 months from the date of the Arabella Resources Acquisition Agreement, either Party may terminate the Arabella Resources Acquisition Agreement by notice in writing to the other Party

- (f) **(Consideration)**: Subject to shareholder approval, the Company will issue Arabella Resources (and/or its nominee) at Settlement:
- (i) AUD\$100,000 worth of fully paid ordinary shares at an issue price equal to the price of shares being issued as part of the Company's re-compliance capital raising on ASX (**Consideration Shares**); and
 - (ii) one (1) for one (1) unlisted options with an exercise price equal to 150% of the price of shares being issued as part of the Company's re-compliance capital raising (expiring 3 years from listing) (**Consideration Options**).

The Company will also pay Arabella Resources a further \$12,434 in cash at Settlement for reimbursement of previous expenditure in developing the Arabella Resources Tenements.

- (g) **(Escrow)**: Arabella Resources acknowledges and agrees that:
- (i) the escrow restrictions imposed on the Consideration Shares and Consideration Options will be subject to the discretion and requirement of ASX; and
 - (ii) Arabella Resources must (or procure that its nominees must) consent to, a trading lock being put in place by the Company's registry for such period of escrow as the ASX imposes pursuant to the ASX Listing Rules. As a prior condition of being issued the Consideration Shares and Consideration Options, Arabella Resources agrees to, and agrees to procure that its nominees enter into, restriction agreements in the form specified in Appendix 9A of the ASX Listing Rules if requested to do so by the Company or the ASX.

- (h) **(Settlement)**: Will occur on the date within five (5) Business Days of satisfaction (or waiver) of the conditions precedent, or such other date as agreed in writing between the Parties.

The Arabella Resources Acquisition Agreement otherwise contains provisions standard for agreements of this nature.

3. Summary of Acquisition Agreement – Beau Resources Pty Ltd

The Company has entered into a binding option agreement with Beau Resources Pty Ltd (ACN 140 289 336) (**Beau Resources**) (the **Beau Resources Acquisition Agreement**).

Pursuant to the Beau Resources Acquisition Agreement, Beau Resources agrees to grant the Company an exclusive option to acquire 100% legal and beneficial interest in E09/2663, E09/2669, E08/3303, E08/3420, E09/2503, E09/2522, E09/2470 and E08/3314 (the **Beau Resources Tenements**), free from all encumbrances and third party rights (the **Beau Resources Acquisition**).

The material terms and conditions of the Beau Resources Acquisition are set out below:

- (a) **(Exclusive Option Fee)**: The Company has paid Beau Resources an exclusive option fee of \$60,000 (being an early repayment of a portion of the reimbursable expenditure).
- (b) **(Grant of Exclusive Option)**: In consideration for the Company paying Beau Resources the Exclusive Option Fee, Beau Resources grants the Company an exclusive option from the date of payment of the Option Fee (**Option Fee Date**) for a period of four (4) months (**Option Period**) to exercise the option of acquire 100% of Beau Resources' legal and beneficial interest in the Beau Resources Tenements (**Option**). The Company may, by giving notice in writing to Beau Resources (**Extension Notice**) elect, in its absolute discretion, to extend the Option Period for a further four (4) months (**Second Option Period**).
- (c) **(Exercise of Option)**:
- (i) The Company may (in its sole discretion) exercise the Option at any time during the Option Period by emailing or delivering to Beau Resources written notice that it wishes to exercise the Option.
 - (ii) If the Option is not exercised by the Company during the Option Period or the Second Option Period in accordance with clause (c)(i) above, the Option shall automatically lapse (unless the Parties otherwise agree in writing) and neither Party will have any continuing rights or obligations to each other in respect of the Option or the Beau Resources Tenements.
- (d) **(Acquisition)**: Subject to the Company exercising the Option and the satisfaction (or waiver by the Company) of the conditions precedent set out below, the Company will acquire a 100% legal and beneficial interest in the Beau Resources Tenements.
- (e) **(Conditions Precedent)**: Settlement of the Beau Resources Acquisition will occur subject to, and is conditional upon, the satisfaction of the following conditions precedent:
- (i) the Company receiving conditional ASX approval for its re-compliance listing, on conditions which are reasonably able to be satisfied by the Company (**Listing Event**);
 - (ii) the Company obtaining all necessary consents and approvals (including shareholders' and regulatory approvals) necessary to give effect to the Beau Resources Acquisition and the Listing Event (if required);
 - (iii) the Parties obtaining all consents and third party approvals necessary to give effect to the Beau Resources Acquisition; and

- (iv) at Settlement, the Beau Resources Tenements being in good standing and no event, occurrence or other matter which individually or when aggregated with all such events, occurrences or matters of a similar kind, taking place at any time which has a material adverse effect on the value of the Beau Resources Tenements.

If the conditions set out above are not satisfied on or before 5.00pm (WST) on the date that is 12 months from the date of the Beau Resources Acquisition Agreement, either Party may terminate the Beau Resources Acquisition Agreement by notice in writing to the other Party

- (f) **(Consideration):** The Company will issue Beau Resources:
 - (i) AUD\$850,000 worth of fully paid ordinary shares based on an issue price of the Company re-listing on ASX (**Consideration Shares**); and
 - (ii) one (1) for two (2) unlisted options with an exercise price of \$0.03 (expiring three (3) years from listing) (**Consideration Options**).

The Company will also pay Beau Resources a further \$27,950 in cash within 7 days of exercise of the Option as reimbursement of previous expenditure in developing the Beau Resources Tenements.

- (g) **(Escrow):** Beau Resources acknowledges and agrees that:
 - (i) the escrow restrictions imposed on the Consideration Shares and Consideration Options will be subject to the discretion and requirement of ASX; and
 - (h) Beau Resources must (or procure that its nominees must) consent to, a trading lock being put in place by the Company's registry for such period of escrow as the ASX imposes pursuant to the ASX Listing Rules. As a prior condition of being issued the Consideration Shares and Consideration Options, Beau Resources agrees to, and agrees to procure that its nominees enter into, restriction agreements in the form specified in Appendix 9A of the ASX Listing Rules if requested to do so by the Company or the ASX.
- (i) **(Royalty):** On and from Settlement, the Company agrees to pay Beau Resources a two percent (2%) gross revenue royalty in respect of all mineral produced from the area within the boundaries of the Beau Resources Tenements, as those boundaries exist at Settlement and the Company will enter into a royalty agreement with Beau Resources on the terms and conditions based on the AMPLA Model Royalty Deed when requested by Beau Resources.
- (j) **(Settlement):** Will occur on the date within five (5) Business Days of satisfaction (or waiver) of the conditions precedent, or such other date as agreed in writing between the Parties.
- (k) **(Consulting):** Beau Resources or their nominee will be engaged by the Company on a 9 month consulting contract for a total work fee of \$10,000 per month. The consulting will be completed under a separate services agreement, with standard terms and conditions for the type of consulting being completed.

The Beau Resources Acquisition Agreement otherwise contains warranties and other provisions considered standard for agreements of this nature.

4. Summary of Acquisition Agreement – Jindalee Resources Limited (ACN 064 121 133)

The Company has entered into a binding option agreement with Jindalee Resources Limited (ACN 064 121 133) (**Jindalee Resources**) (the **Jindalee Resources Acquisition Agreement**).

Pursuant to the Jindalee Resources Acquisition Agreement, Jindalee Resources agrees to grant the Company an exclusive option to acquire 80% legal and beneficial interest in E51/1909, E51/1946, P51/3145, P51/3146, P51/3147 (the **Jindalee Resources Tenements**), free from all encumbrances and third party rights (the **Jindalee Resources Acquisition**).

The material terms and conditions of the Jindalee Resources Acquisition are set out below:

- (a) **(Option Fee)**: The Company agrees to pay Jindalee Resources an option fee of \$30,000 within 5 days of execution of the Jindalee Resources Acquisition Agreement.
- (b) **(Grant of Exclusive Option)**: In consideration for the Company paying Jindalee Resources the Option Fee, Jindalee Resources grants the Company an exclusive option from the date of payment of the Option Fee (**Option Fee Date**) for a period of six (6) months (**Option Period**) to exercise the option to acquire 80% of Jindalee Resources' legal and beneficial interest in the Jindalee Resources Tenements (**Option**). The Company may, by giving notice in writing to Jindalee Resources (**Extension Notice**) elect, in its absolute discretion, to extend the Option Period for a further six (6) months (**Second Option Period**), and by paying to Jindalee Resources a non-refundable fee of \$30,000.
- (c) **(Exercise of Option)**:
 - (i) The Company may (in its sole discretion) exercise the Option at any time during the Option Period by emailing or delivering to Jindalee Resources written notice that it wishes to exercise the Option.
 - (ii) If the Option is not exercised by the Company during the Option Period or the Second Option Period in accordance with clause (c)(i) above, the Option shall automatically lapse (unless the Parties otherwise agree in writing) and neither Party will have any continuing rights or obligations to each other in respect of the Option or the Jindalee Resources Tenements.
- (d) **(Acquisition)**: Subject to the Company exercising the Option and the satisfaction (or waiver by the Company) of the conditions precedent set out below, the Company will acquire a 80% legal and beneficial interest in the Jindalee Resources Tenements.
- (e) **(Conditions Precedent)**: Settlement of the Jindalee Resources Acquisition will occur subject to, and is conditional upon, the satisfaction of the following conditions precedent:
 - (i) receipt of a conditional approval letter from ASX in relation to the Company re-listing its shares on ASX (**Listing Event**);
 - (ii) the Company obtaining all necessary consents and approvals (including shareholders' and regulatory approvals) necessary to give effect to the Jindalee Resources Acquisition and the Listing Event (if required);
 - (iii) the Parties obtaining all consents and third party approvals necessary to give effect to the Jindalee Resources Acquisition; and
 - (iv) at Settlement, the Jindalee Resources Tenements being in good standing and no event, occurrence or other matter which individually or when aggregated with all such events, occurrences or matters of a similar kind, taking place at any time which has a material adverse effect on the value of the Jindalee Resources Tenements.

If the conditions set out above are not satisfied on or before 5.00pm (WST) on the date that is 12 months from the Option Fee Date, either Party may terminate the Jindalee Resources Acquisition Agreement by notice in writing to the other Party.

- (f) **(Consideration)**: The Company will issue Jindalee Resources:
 - (i) AUD\$150,000 worth of fully paid ordinary shares based on an issue price of the Company re-listing on ASX (**Consideration Shares**); and
 - (ii) up to AUD\$25,000 in cash to Jindalee Resources' nominated bank account, within seven (7) days of the Exercise of Option as reimbursement of previous expenditure in developing the Jindalee Resources Tenements (**Cash Consideration**).
- (g) **(Escrow)**: Jindalee Resources acknowledges and agrees that:
 - (i) the escrow restrictions imposed on the Consideration Shares will be subject to the discretion and requirement of ASX; and
 - (ii) Jindalee Resources must (or procure that its nominees must) consent to, a trading lock being put in place by the Company's registry for such period of escrow as the ASX imposes pursuant to the ASX Listing Rules. As a prior condition of being issued the Consideration Shares, Jindalee Resources agrees to, and agrees to procure that its nominees enter into, restriction agreements in the form specified in Appendix 9A of the ASX Listing Rules if requested to do so by the Company or the ASX.
- (h) **(Settlement)**: Will occur on the date within five (5) Business Days of satisfaction (or waiver) of the conditions precedent, or such other date as agreed in writing between the Parties.
- (i) **(Right of First Refusal)**: After Settlement, in the event that a party receives a bona fide offer from a third party to acquire some or all of that party's interest in one or all of the Jindalee Resources Tenements, the selling party must first offer the interest to the other party on the same terms offered by the third party.
- (j) **(Free Carried Interest)**: From settlement, until the Company completes a bankable feasibility study (**BFS**) in respect of all or any part of the Jindalee Resources Tenements, Jindalee Resources' interest in each of the Jindalee Resources Tenements (being 20%) will be free carried up to the date of completion of the BFS, and Jindalee Resources will not be responsible for contributing their percentage share of the Jindalee Resources Tenement costs up until the date of completion of the BFS.

On and from the date that the Company receives the completed BFS:

- (i) the Parties agree and acknowledge that Jindalee Resources and the Company must each contribute to all direct and indirect costs related to the Jindalee Resources Tenements on a pro-rata basis in accordance with their percentage interest in the Tenements, or otherwise a non-contributing party's percentage interest in the Jindalee Resources Tenements shall be diluted on a straight line basis; and
- (ii) Jindalee Resources and the Company will, acting in good faith, finalise and enter into a joint venture on terms not inconsistent with the agreement and AMPLA's standard joint venture commercial terms which will govern the exploration, expenditure, funding, dilution and maintenance of the Jindalee Resources Tenements going forward (**Joint Venture**).
- (iii) In the event that, as a result of dilution, Jindalee Resources' interest in the Jindalee Resources Tenements is equal to 5% (or less), Jindalee Resources must elect by written notice to the JV Committee to either:
 - (A) continue to contribute to the Joint Venture costs and expenses in accordance with its interest in the Jindalee Resources Tenement; or

- (B) convert its interest in the Jindalee Resources Tenements into a 2% net smelter return royalty on terms mutually agreed by the Company and Jindalee Resources (in full and final satisfaction of the Jindalee Resources' legal and beneficial interest in all the Jindalee Resources Tenements).
- (iv) The Company may at any time after Settlement, elect to and give written notice to the JV Committee that the Company does not wish to contribute any further funding to a work program under the Joint Venture for the Jindalee Resources Tenement (once such program is agreed upon by the JV Committee) (**JV Withdrawal Notice**)
- (v) On provision of a JV Withdrawal Notice, the Company may proceed to sell its interest in the Jindalee Resources Tenements, at its sole discretion and on terms and conditions it determines appropriate.

The Jindalee Resources Acquisition Agreement otherwise contains warranties and other provisions considered standard for agreements of this nature.

ANNEXURE C – SUMMARY OF MONOMATAPA COAL PTY LTD (MCPL) ACQUISITION AGREEMENT

The Company has entered into a share sale agreement with Monomatapa Coal Pty Ltd (ACN 150 539 549) (**MCPL**), the MCPL shareholders, Joe Graziano and Morgan James Barron (being the **MCPL Directors**) and Jason Peterson (being a Director of Sunset Capital Management Pty Ltd, which is MCPL's largest shareholder) to acquire 100% of the issued share capital of MCPL (**MCPL Acquisition Agreement**).

A summary of the material terms of the MCPL Acquisition Agreement is set out below:

- (k) **(Sale of Shares)**: Subject to the satisfaction (or waiver) of the conditions precedent (set out below), each MCPL shareholder agrees to sell the MCPL shares to the Company and the Company agrees to buy the MCPL shares from each of the MCPL shareholders on the terms and conditions contained in the MCPL Acquisition Agreement (**Acquisition**).
- (l) **(Conditions Precedent)**: Settlement of the Acquisition is conditional on each of the following conditions being satisfied or waived on or before date that is 6 months from the date of the MCPL Acquisition Agreement (**Conditions Precedent**):
 - (i) the Company receiving conditional ASX approval for its re-compliance listing, on conditions which the Company considers can and will be satisfied (referred to as a "**Listing Event**");
 - (ii) the Company obtaining all necessary consents and approvals (including Shareholders' and regulatory approvals) necessary to give effect to the Acquisition under the MCPL Agreement, including the issue of Company Shares as consideration, and the Listing Event; and
 - (iii) the Company completing commercial, legal and technical due diligence on the MCPL and the Company being satisfied with its due diligence findings.

The Conditions Precedent set out in this clause are for the benefit of the Company and may only be waived by the Company.

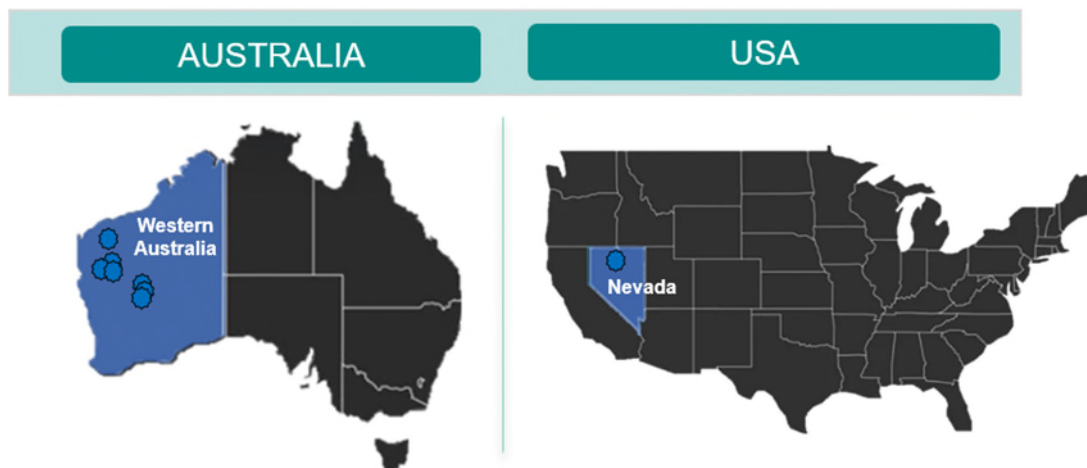
- (m) **(Consideration)**: The consideration for the Acquisition of the MCPL Shares will be
 - (i) the issue of a total of 31,250,000 fully paid ordinary shares in the Company to MCPL shareholders. The Company Shares will rank equally with all other Company Shares on issue (subject to any ASX imposed restriction);
 - (ii) The payment of an exclusivity fee of \$5,500 which grants an exclusivity period to 30 November 2022.
- (n) **(Restriction Agreements)**: The parties agree and acknowledge that the Company Shares may be subject to ASX imposed escrow as required under the ASX Listing Rules. The Company will use all reasonable endeavours to limit or reduce the application of the escrow restrictions under Chapter 9 and Appendix 9B of the ASX Listing Rules to the Company Shares. However, the MCPL shareholders agree that the issue of the Company Shares is subject and conditional to the MCPL shareholders (and/or their nominee/s as relevant) entering into restriction agreements in the form specified in Appendix 9A of the ASX Listing Rules if requested to do so by the Company or the ASX (**Restriction Agreements**).
- (o) **(Completion)**: Completion of the Acquisition shall occur on the date that is 5 business days after satisfaction (or waiver) of the conditions precedent.
- (p) **(Exclusivity)**: On and from the date of signing the MCPL Agreement, unless the Company has given prior written approval, the MCPL shareholders and MCPL must not offer to sell any interest in the MCPL Shares or continue or commence negotiations in respect of the disposal of any interest in the MCPL shares, to any third party (except the Buyer).

The MCPL Acquisition Agreement otherwise contains warranties and other terms considered standard for an agreement of this nature.

ANNEXURE D – PROJECT DETAILS

PROJECT REGIONS

The Company's primary focus is on the development of eight (8) Australian-based mineral exploration projects which are grouped by region (Gascoyne and Meekatharra). Additionally, there is one project in Nevada, USA (Nevada Project):



a) Gascoyne Project Area:



Two (2) granted exploration licences and seven (7) exploration licence applications, covering a total area of ~1,136 km², with the following main prospects:

- Paddys Well project
- West Well project
- Talga project
- Talga West project
- Ti Tree project
- Kooline project

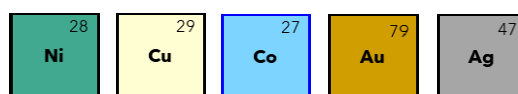
b) Meekatharra Project Area:



Three (3) granted exploration licences, three (3) granted prospecting licences, and one (1) exploration licence application, covering a total area of ~266 km², with the following main prospects:

- Bundie Bore project (80% interest)
- Bluebird South project
- Cue project

c) Nevada Project (USA):



42 lode claims (100% owned by VSR), covering an area of 3.4 km²

PROJECT DETAILS

a) GASCOYNE BATTERY METALS & PILBARA GOLD PROJECT AREAS

Highlights: An Emerging **Critical Metals Province**

Proximity to many recent discoveries and project developments

RARE EARTHS

- Hastings (ASX:HAS) Yangibana Rare Earth Element (REE) project
- Dreadnought (ASX:DRE): Mungaroon Project – REE identified from exploration⁴
- Frontier Resources (ASX:FNT): Gascoyne Project - REE identified from exploration⁵
- Kingfisher Mining (ASX:KFM): REE identified from Gascoyne projects exploration⁶

LITHIUM

- Arrow Minerals – Malinda Li project⁷
- Contiguous to VSR Ti Tree Project

Ni-Cu-Co-PGE

- Dreadnought / First Quantum Money Intrusion⁸

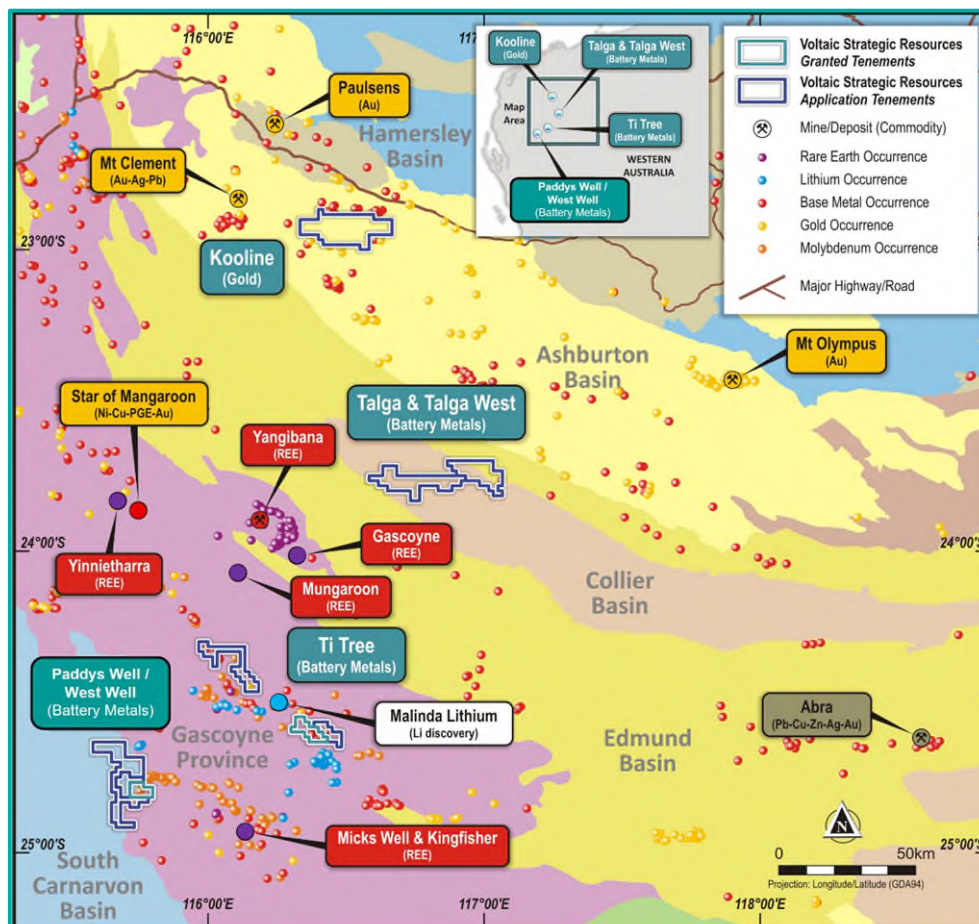


Figure 4: Gascoyne & Pilbara Project Areas - Project Location Map

⁴ Dreadnought Resources Limited, ASX release dated 16/05/2022, [LINK](#)

⁵ Frontier Resources Limited, ASX release dated 11/05/2022, [LINK](#)

⁶ Kingfisher Mining Limited, ASX release dated 16/05/2022, [LINK](#)

⁷ Arrow Minerals Limited, ASX release dated 23/08/2021, [LINK](#)

⁸ Dreadnought Resources Limited, ASX release dated 29/04/2022, [LINK](#)

Talga & Talga West Projects

The Talga and Talga West projects comprises two (2) exploration licence applications (E 08/3303 & E 08/3420, respectively) covering an area of 252 km² and are located approximately 350 km north-east of the town of Carnarvon in Western Australia, and approximately 50 km east of the Hastings Yangibana REE project (reported total resources of 21.0 Mt at 1.12% Total Rare Earths Oxides (TREO)⁹). The projects are situated in the Gascoyne region of Western Australia, 900 km north of Perth.

The project area covers the north-western extent of the Edmund Basin, and is underlain by rocks of the Capricorn Orogen, a major tectonic zone between the Archaean Yilgarn and Pilbara Cratons. The dominant structural feature is the 'Talga Fault Zone' (TFZ), a major NW-SE trending litho-structural contact (fault) zone interpreted to represent a suture zone between the Ashburton and Gascoyne Complex, a sequence of metasedimentary and meta-igneous rocks extensively intruded by large volumes of granite, forming the basement for the Edmund Basin sedimentation.

Previous exploration in the region of the tenements identified anomalous manganese and cobalt mineralization along the TFZ which is associated with a dolomitic unit parallel to the TFZ. Moreover, the Talga / Talga West project is prospective for magmatic Ni-Cu-Co-PGE mineralisation as previous historical sampling, whilst very limited, identified anomalous nickel, copper and cobalt associated with a large dolerite-gabbro dyke.

Paddys Well & West Well Projects

The Paddys Well and West Well projects comprises one (1) exploration licence (E 09/2414) and two (2) exploration licence applications (E 09/2663, E 09/2669), covering an area of 332 km² and are located approximately 200 km east of the town of Carnarvon in Western Australia, and approximately 100 km north-east of the Hastings Yangibana REE project. The tenements are situated in the Gascoyne region of Western Australia, 800 km north of Perth.

The project area encompasses a portion of the Gascoyne Province of the Capricorn Orogen, between the Archaean Yilgarn Craton to the south, and the Archaean Pilbara Craton to the north. The Gascoyne Province, which consists of a suite of Archaean to Proterozoic gneisses, granitic and metasedimentary rocks, is overlain by the Paleoproterozoic Ashburton Formation to the north, the Mesoproterozoic Edmund and Collier Basins to the east, and the Phanerozoic Carnarvon Basin to the west. REE discoveries in the Gascoyne Province are commonly located close to major crustal boundary faults and contained within iron-rich carbonatite dykes and intrusions.

The Paddys Well and West Well Projects are considered prospective for REE mineralisation hosted in iron-rich carbonatite dykes or intrusions. Historical exploration in the West Well project area has identified a large magnetic anomaly, coincident with a thorium radiometric anomaly, that deserves additional evaluation.



Figure 5: Outcropping Ironstones in Project Area

Ti Tree Project

The Ti Tree project comprises one (1) exploration licence (E 09/2503) and two (2) exploration licence applications (E 09/2522 & E 09/2470), covering an area of 212 km² and is located approximately 260 km north-east of the town of Carnarvon in Western Australia. The project is situated in the Gascoyne region of Western Australia, 830 km north of Perth.

The project area is located within a south-east trending belt in the Gascoyne Province of the Capricorn Orogen that is prospective for pegmatite-associated minerals and REEs. Recent exploration activity has indicated that the project area may reside within a prospective corridor of pegmatites where exploration efforts by others (Arrow Minerals (ASX:ARM) "Malinda Lithium" project) has identified the presence of highly anomalous Li and Ta from geochemical, geophysical, hyperspectral and drilling work. The Ti Tree tenements are contiguous to the Malinda Lithium project where lithium mineralisation has been intersected from drilling¹⁰. The project area is also prospective base metals (Cu, Pb, Zn) and gold.

Kooline Project

The Kooline project comprises a single exploration licence application (E 08/3314) covering an area of 303 km² and is located approximately 350 km north-east of the town of Carnarvon in Western Australia. Paulsens Gold Mine, owned by Northern Star Resources (ASX:NST), is 40 km north of the project area, and has produced over 900,000 oz of gold since 2005¹¹.

The project area lies within the west-northwest trending regional Wyloo anticlinal dome, which is prospective for mesothermal, orogenic lode style gold deposits, such as the Paulsen deposit, which has mineralisation occurring within structurally controlled quartz veins. Historical surface sampling by Northern Star Resources identified gold anomalism, which was followed up by a limited shallow drilling campaign that confirmed the presence of gold¹². This warrants further exploration. Moreover, neighbours Kingfisher Mining (ASX:KFM) and Cazaly Resources (ASX:CAZ) have had recent exploration success (Bootaloo¹³ and Ashburton¹⁴ Projects, respectively).

¹⁰ Arrow Minerals Limited, ASX release dated 23/08/2021, [LINK](#)

¹¹ Northern Star Resources Limited, Paulsens Gold Operations Fact Sheet, [LINK](#)

¹² Northern Star Resources, WAMEX report A115663-v1, Annual Report

¹³ Kingfisher Mining Limited, ASX release dated 27.01.2022, [LINK](#)

¹⁴ Cazaly Resources Limited, ASX release dated 14.03.2022, [LINK](#)

b) MEEKATHARRA GOLD PROJECT AREA

Proximity to many recent discoveries and established mines / mills.

Highlights: Prolific Gold and Critical Metals region

GOLD

- Prolific +35 Moz Gold Province
- Westgold Bluebird & Tuckabianna Mills (3.2 Mtpa capacity) within trucking distance¹⁵
- Paddy's Flat, Bluebird, South Emu, Triton, Big Bell, Comet mines: +270 koz Au/yr production rate¹⁵
- 150km to Mt Magnet (reported resources of 60 Mt @ 1.69 g/t Au) & Murchison Au Mines (reported resources of 89 Mt @ 2.18 g/t Au)¹⁶

VANADIUM-TITANIUM

- Australian Vanadium – Namesake Project – (reported total resource of 239Mt @ 0.73% V₂O₅)¹⁷
- Technology Metals Australia – Gabanintha Project – (reported global combined resource of 146Mt @ 0.8% V₂O₅)¹⁸

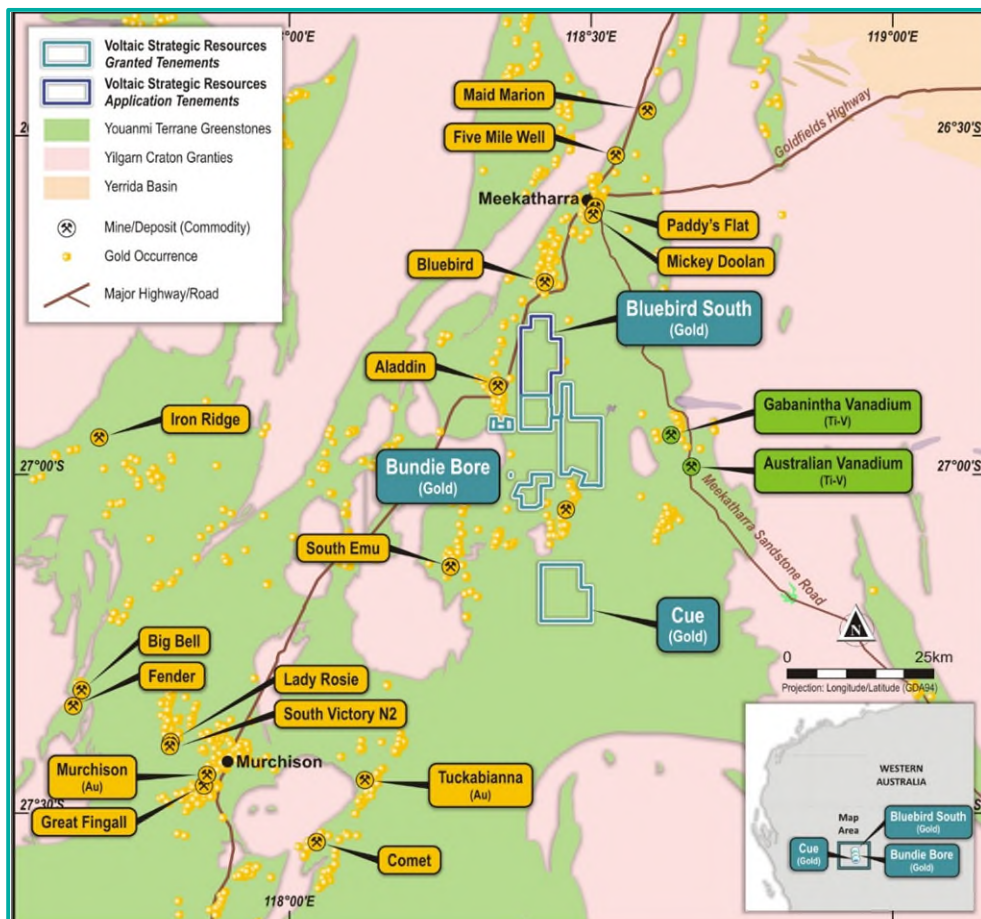


Figure 6: Meekatharra Gold - Project Location Map

¹⁵ Westgold Resources Ltd, *Mineral Resources and Ore Reserves*, 2022, [LINK](#)

¹⁶ Geological Survey of Western Australia, *Gold: investment opportunities*, Western Australia, 2022, [LINK](#)

¹⁷ Australian Vanadium Limited, ASX release dated 06/04/2022, [LINK](#)

¹⁸ Technology Metals Australia Limited, ASX release dated 27/04/2022, [LINK](#)

Bluebird South Project

The Bluebird South Project comprises a single exploration licence application (E 51/2022) covering an area of 70 km² and is located approximately 20 km south-west of the town of Meekatharra in Western Australia, and 5 km south of the Bluebird Gold Mine. Bluebird South is situated in the Mid-West region of Western Australia, 970 km north-east of Perth.

Bundie Bore Project

The Bundie Bore project comprises two (2) exploration licences (E 51/1909, E 51/1946) and three (3) prospecting licences (P 51/3145, P 51/3146, P 51/3147) covering an area of 126 km², and is located approximately 40 km south of the town of Meekatharra in Western Australia.

Cue Project

The Cue project comprises a single exploration licence (E 51/2057) covering an area of 70 km² and is located approximately 60 km north-east of the town of Cue in Western Australia.

The Meekatharra Gold project area is situated in the Mid-West region of Western Australia, 600 km north-east of Perth, and lies within the Yilgarn Craton, and encompasses a portion of the Archean Meekatharra-Wydege Greenstone Belt within the Murchison Province which, historically, it is one of the more productive gold-bearing greenstone belts in WA, hosting numerous +1.0 M oz gold mining 'camps' including Meekatharra, Cue, Yaloginda-Bluebird, Big Bell, and Mt Magnet¹⁹. Moreover, a 1-4 km wide, north-south trending Cenozoic paleochannel covers about 50% of the project area along its western half, and channels in the region are prospective for gold and uranium mineralisation.

All projects are considered prospective for paleochannel-hosted orogenic and intrusion-related gold mineralisation. Historical drilling has identified several low-level gold intersections that deserve additional evaluation.

¹⁹ Geological Survey of Western Australia, *Gold: investment opportunities*, Western Australia, 2022, [LINK](#)

c) NEVADA PROJECT (RETAINED PROJECT)

Proximity to a recent discovery and formerly producing mines.

Highlights: Historic **Critical Metals** region with recent active pegging

NICKEL-COPPER-COBALT

- Contains formerly producing Lovelock Cobalt Mine & Gilberts Gold-Silver-Lead mine
- The project area remains largely untested and is prospective for Ni, Cu, Co, Au, and Ag. A 2019 testing program identified high Ni values with anomalous values of associated minerals²⁰
- Neighbour **Global Energy Metals Limited** (TSX-V:GEMC) [recently intersected Ni-Cu-Co mineralization](#) with phase one drilling at their Lovelock mine property²¹

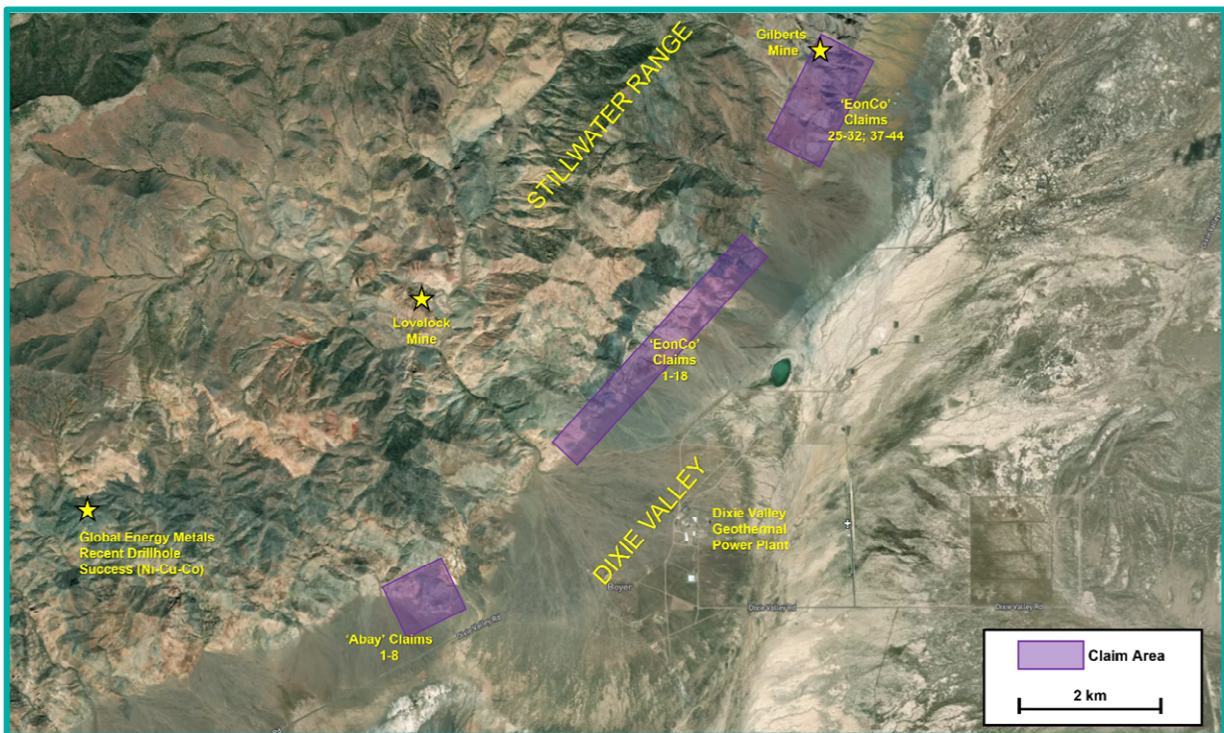


Figure 7: Location Map of the Nevada Lode Claims

²⁰ Eon NRG Limited, ASX release dated 15/04/2020, [LINK](#)

²¹ Global Energy Metals Limited, TSX-V release dated 07/04/2022, [LINK](#)



Figure 8: Lode Claims Setting within Stillwater Hills, Nevada

The Nevada project comprises 42 lode claims (100% owned by Eon), covering an area of 3.4 km² and is located approximately 50 km east of the city of Lovelock, Nevada, and 180 km east of the city of Reno, in the United States (See [Figure 7](#) & [Figure 8](#) above).

The project is situated in the Table Mountain district of the Stillwater Range and includes many historical mine workings, including the Gilberts silver, gold and lead mine. Moreover, the historic Lovelock nickel-cobalt mine is 5 km to the west and is reported to have produced over 500 tonnes of nickel and cobalt ore between 1883 - 1890²². Furthermore, neighbour Global Energy Metals Limited (TSX-V:GEMC) recently intersected Ni-Cu-Co mineralization with phase one drilling at their Lovelock mine property, which is in very close proximity to the VSR project area²³.

The project area is composed of a geologically complex suite of igneous, metamorphic, and sedimentary rocks and covers portions of the Humboldt igneous complex in west-central Nevada. A 2019 surface sampling program identified high nickel values with anomalous values of associated minerals²⁴. The project area remains largely untested and is prospective for Au, Ag, Ni, Cu and Co. The next phase of exploration of these assets will entail systematic field work and sampling of the limestone host rock, to determine the extent of mineralisation within the claims and identification of offset prospective unpegged acreage.

²² Nevada Sunrise Gold Corp (CVE:NEV), *Lovelock Cobalt Mine*, 2017, [LINK](#)

²³ Global Energy Metals Limited, TSX-V release dated 07/04/2022, [LINK](#)

²⁴ Eon NRG Limited, ASX release dated 15/04/2020, [LINK](#)

ANNEXURE E – RISKS ASSOCIATED WITH RE-COMPLIANCE PLAN

(i) Completion Risk

Pursuant to the Acquisition Agreements, the Company has a conditional right to acquire the New Tenements and a conditional right to acquire MCPL. The Project Acquisitions constitutes a significant change in the nature and scale of the Company's activities and the Company needs to re-comply with Chapters 1 and 2 of the Listing Rules as if it were seeking admission to the Official List of ASX. Trading in the Company's Shares is currently suspended and will remain suspended until the Company re-complies with Chapters 1 and 2 of the Listing Rules following settlement of the Project Acquisitions.

There is a risk that the conditions for settlement of the Project Acquisitions cannot be fulfilled, including where the Company is unable to meet the requirements of the ASX for re-quotations of its Securities on the ASX. If the Project Acquisitions are not completed, the Company will incur costs relating to advisors and other costs without any material benefit being achieved. Should this occur, it is likely that the Company will be de-listed.

(ii) Dilution Risk

The Company will have 44,268,614 Shares on issue post-Consolidation. As noted above, the Company proposes to issue several Securities as consideration for the Proposed Acquisitions and as part of its re-compliance plan.

Following the issue of these Securities, existing Shareholders' interests will be diluted. Refer to section 4 of the announcement for details of the holdings of existing Shareholders and other parties to be issued Securities as part of the Proposed Acquisitions and re-compliance plan.

(iii) Suspension and Delisting

The Company's Shares have been suspended from trading since 19 May 2020. As set out above, the Project Acquisitions constitutes a significant change in the nature and scale of the Company's activities and the Company needs to re-comply with Chapters 1 and 2 of the Listing Rules as if it were seeking admission to the Official List of ASX. Trading in the Company's Shares will remain suspended until the Company re-complies with Chapters 1 and 2 of the Listing Rules following settlement of the Project Acquisitions.

There can be no assurance that the Company will be able to meet the requirements of the ASX for re-quotations of its Securities on the ASX by the extended re-compliance date of 29 July 2022.

If the Company is unable to meet the requirements for its Re-Compliance, the Company's Shares will not be reinstated to trading, and the Company will be removed from the Official List of the ASX.

If the Company is delisted, Shareholders will be unable to trade their Shares on the ASX and the Company will need to re-comply with the ASX's listing requirements for its Shares to again become tradeable on the ASX. There can be no assurance that such a listing will be achievable in the near term or at all.

(iv) Exploration and Operating

The projects are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings.

The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns or adverse weather conditions, unanticipated operational and technical difficulties, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, industrial and environmental accidents, industrial disputes, unexpected shortages and increases in the costs of consumables, spare parts, plant, equipment and staff, native title process, changing government regulations and many other factors beyond the control of the Company.

The success of the Company will also depend upon the Company being able to maintain title to the mineral exploration licences comprising the projects and obtaining all required approvals for their contemplated activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the projects, a reduction in the cash reserves of the Company and possible relinquishment of one or more of the mineral exploration licences comprising the projects.

(v) Exploration Success

The mineral assets in which the Company will acquire an interest are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings. There can be no assurance that exploration of these assets, or any other assets that may be acquired in the future, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

(vi) Tenure and Renewal

Mining and exploration licences are subject to periodic renewal. There is no guarantee that current or future licences or future applications for production licences will be approved. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the licences comprising the Company's Projects. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.

(vii) Additional Requirements for Capital

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

In addition, should the Company consider that its exploration results justify commencement of production on any of its Projects, additional funding will be required to implement the Company's development plans, the quantum of which remain unknown at the date of this Notice.

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

(viii) Reliance on Key Personnel

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

ANNEXURE F – PRO FORMA BALANCE SHEET

Pro Forma Balance Sheet

(Based off the Unaudited Balance Sheet Statement as at 31 December 2021)

Minimum Raise - \$4.5M

		31 December 2021 Unaudited	Capital Raise Adjs	Pro-Forma (Seed + Re- Compliance)
Assets				
Current assets				
Cash at Bank		2,179	4,337,979	4,340,159
Sundry Receivables		8,283	-	8,283
Prepayments		4,622	-	4,622
Total current assets		15,084	4,337,979	4,353,064
Non-current assets				
Tenements		112,290	1,483,500	1,595,790
Total non-current assets		112,290	1,483,500	1,595,790
Total assets		127,375	5,771,863	5,899,238
Liabilities				
Current Liabilities				
Accounts payable		139,544	(139,544)	-
Accruals		1,398	-	1,398
Loans		38,500	(38,500)	-
Total Liabilities		179,441	(178,044)	1,398
Net Assets		(52,067)	5,999,523	5,947,456
Equity				
Paid up equity		34,809,173	7,633,722	42,442,895
Capital Raising Costs		-	(1,017,320)	(1,017,320)
Reserves		453,987	690,500	1,144,487
Debt Shares		200,000	(200,000)	-
Convertible Notes		220,000	(220,000)	-
Retained earnings		(35,735,227)	(887,379)	(36,622,606)
Total Equity		(52,067)	5,999,523	5,947,456

Notes:

The pro-forma balance sheet is based on the following assumptions:

1. Completion of a 15% Placement to raise \$115,483;
2. Completion of a Convertible Note Placement to raise \$500,000. The Conversion of these Notes result in the issue of Shares to the value of \$500,000 and a free 1 for 1 option;
3. A public offer of \$4,500,000;
4. Options offer of \$50,000;
5. \$625,000 cash acquired via the acquisition of Monomatapa Coal Ltd and the issue of ordinary shares to the same value;
6. Working Capital requirements to listing of \$119,043;
7. Acquisition Shares and Options to the value of \$1,200,000 and Options \$283,500 (Black & Scholes valuation) and repayment of expenditure commitments of \$190,384;
8. Payment of outstanding creditors to the value of \$234,756;
9. Director loan repayment to the value of \$59,000;
10. Payment of the accrued Corporate Services Fees due to Rockford Partners Pty Ltd ;
11. Conversion of Convertible Notes to the value of \$230,000 and Debt Shares to the value of \$200,000;
12. The issue of Shares previously approved by Shareholders to the value \$13,239;
13. The offset of costs of the offer of \$632,320, issue of adviser shares to the value of \$250,000 and options to the value of \$135,000; and.
14. Issue of 20 million Director Options to the value of \$222,000.
15. The value of the options has been determined using a Black & Scholes option pricing methodology that takes into account the exercise price, the term of the options, the impact of dilution, the non-tradeable nature of the options, the share price at grant date and expected volatility of the underlying security, the dividend yield and the risk-free interest rate for the term of the options.

The table below outlines the model inputs used for the valuation of the director options.

Model Input	\$0.03 Options	\$0.04 Options
Exercise Price	\$0.03	\$0.04
Option Life	3 years	4 years
Underlying security price	\$0.02	\$0.02
Expected price volatility of Company's Shares	100%	100%
Expected Dividend Yield	Nil	Nil
Risk Free Rate	3%	3%
Value	\$0.0108	\$0.0114