



## **DRAGON MOUNTAIN GOLD LIMITED**

### **ACN 111 005 282**

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## **PROSPECTUS**

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For an offer of up to 200,000,000 Shares at an issue price of \$0.02 per Share to raise up to \$4,000,000 (**Offer**).

The Offer is conditional upon satisfaction of the Offer Conditions, which are detailed further in Section 4.5. No Shares will be issued pursuant to this Prospectus until those Conditions are met.

### **IMPORTANT NOTICE**

This document is important and should be read in its entirety. If, after reading this Prospectus you have been questions about the Shares being offered under this Prospectus or any other matter, then you should consult your professional advisers without delay.

**The Shares offered by this Prospectus should be considered as highly speculative.**

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## IMPORTANT NOTICE

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This Prospectus is dated 16 June 2022 and was lodged with the ASIC on that date. The ASIC, the ASX and their officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

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

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

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

### Reinstatement Prospectus

This Prospectus is a reinstatement prospectus for the purposes of satisfying the ASX requirements for re-quotation to the Official List following the suspension of the Company's Shares from trading by the ASX on 13 June 2019.

### US securities law matters

This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the US. In particular, the Shares have not been, and will not be, registered under the United States Shares Act of 1933, as amended (the **US Securities Act**), and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act.

Each applicant will be taken to have represented, warranted and agreed as follows:

- (a) it understands that the Shares have not been, and will not be, registered under the US Securities Act and may not be offered, sold or resold in the US, except in a transaction exempt from, or not subject to, registration under the US Securities Act and any other applicable securities laws;

- (b) it is not in the United States;
- (c) it has not and will not send this Prospectus or any other material relating to the Offer to any person in the United States; and
- (d) it will not offer or resell the Shares in the United States or in any other jurisdiction outside Australia.

### Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at [www.dragonmountain.com.au](http://www.dragonmountain.com.au). If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian resident and must only access this Prospectus from within Australia.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. You may obtain a hard copy of this Prospectus free of charge by contacting the Company by phone on +61 8 6141 3500 during office hours or by emailing the Company at [info@dragonmountain.com.au](mailto:info@dragonmountain.com.au).

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

### Company Website

No document or other information available on the Company's website is incorporated into this Prospectus by reference.

### No cooling-off rights

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

### No Investment Advice

The information contained in this Prospectus is not financial product advice or investment advice and does not take into account your financial or investment objectives, financial situation or particular needs (including financial or taxation issues). You should seek professional advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding to subscribe for Shares under this Prospectus to determine whether it meets your objectives, financial situation and needs.

### Risks

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

### Forward-looking statements

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

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

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

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

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

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

#### **Financial Forecasts**

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

#### **Competent Persons statement**

The information in the Investment Overview Section of the Prospectus, included at Section 3, the Company and Projects Overview, included at Section 5, and the Independent Technical Assessment Report, included at Annexure A of the Prospectus, which relate to exploration targets, exploration results, mineral resources or ore reserves is based on information compiled by Malcolm Castle. Malcolm Castle has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the **JORC Code**). Malcolm Castle is a full-time employee of

Agricola Mining Consultants Pty Ltd. Malcolm Castle consents to the inclusion of the information in these Sections of the Prospectus in the form and context in which it appears.

#### **Continuous disclosure obligations**

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

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

#### **Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship**

The Company will apply to participate in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company.

Electronic sub-registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with statements (similar to a bank account statement) that set out the number of Shares issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Electronic sub-registers also mean ownership of securities can be transferred without having to rely upon paper documentation. Further monthly statements will be provided to holders if there have been any

changes in their security holding in the Company during the preceding month.

#### **Photographs and Diagrams**

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

#### **Definitions and Time**

Unless the contrary intention appears or the context otherwise requires, words and phrases contained in this Prospectus have the same meaning and interpretation as given in the Corporations Act and capitalised terms have the meaning given in the Glossary in Section 12.

All references to time in this Prospectus are references to Australian Western Standard Time.

#### **Privacy statement**

If you complete an Application Form, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder and to facilitate distribution payments and corporate communications to you as a Shareholder.

The information may also be used from time to time and disclosed to persons inspecting the register, including bidders for your Shares in the context of takeovers, regulatory bodies including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the share registry.

You can access, correct and update the personal information that we hold about you. If you wish to do so, please contact the share registry at the relevant contact number set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should

note that if you do not provide the information required on the application for Shares, the Company may not be able to accept or process your application.

#### **Enquiries**

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult with your broker or legal, financial or other

professional adviser without delay. Should you have any questions about the Offer or how to accept the Offer please call the Company Secretary on +61 8 6141 3500.

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## CORPORATE DIRECTORY

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### Directors

Robert Gardner  
*Executive Chairman*

Jay Stephenson  
*Non-Executive Director*

Dimitri Bacopanos  
*Non-Executive Director*

### Company Secretary

Jay Stephenson

### Proposed ASX Code

DMG

### Registered Office

182 Claisebrook Road  
PERTH WA 6000

Telephone: + 61 8 6141 3500  
Facsimile: +61 8 6141 3599

Email: [info@dragonmountain.com.au](mailto:info@dragonmountain.com.au)  
Website: [www.dragonmountain.com.au](http://www.dragonmountain.com.au)

### Legal advisers

Steinepreis Paganin  
Level 4, The Read Buildings  
16 Milligan Street  
PERTH WA 6000

### Investigating Accountant

Hall Chadwick Audit (WA) Pty Ltd  
283 Rokeby Road  
SUBIACO WA 6008

### Auditor\*

Crowe Perth  
Level 5  
45 St Georges Terrace  
PERTH WA 6000

### Independent Geologist

Agricola Mining Consultants Pty Ltd  
PO Box 473  
SOUTH PERTH WA 6951

### Share Registry\*

Computershare Investor Services Pty  
Limited  
Level 11  
172 St Georges Terrace  
PERTH WA 6000

Telephone: 1300 850 505

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

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## 1. CHAIRMAN'S LETTER

Dear Investor

On behalf of the directors of Dragon Mountain Gold Limited (**Company**), it gives me great pleasure to invite you to become a shareholder of the Company.

This Prospectus is seeking to raise a minimum of \$1,500,000 and a maximum of \$4,000,000 via the issue of Shares at an issue price of \$0.02 per Share under the Offer. The purpose of the Offer is to provide funds to implement the Company's business strategies (explained in Section 5).

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

Following a period of consultation with the Company, on 20 May 2022 the ASX confirmed that it was prepared to re-instate the Company's Shares to trading, subject to the satisfaction of several conditions, including the release of a full form prospectus pursuant to section 710 of the Corporations Act prior to reinstatement.

One of the purposes of this Prospectus is to satisfy this requirement. The Prospectus contains detailed information about the Company and its business, as well as the risks of investing in the Company.

I look forward to you joining us as a Shareholder and sharing in what we believe are exciting and prospective times ahead for the Company. Before you make your investment decision, I urge you to read this Prospectus in its entirety and seek professional advice if required.

Yours sincerely



**Robert Gardner**  
**Executive Chairman**

## 2. KEY OFFER AND REINSTATEMENT INFORMATION

### INDICATIVE TIMETABLE<sup>1</sup>

|  |              |
|--|--------------|
| Lodgement of Prospectus with the ASIC  | 17 June 2022 |
| Opening Date   | 17 June 2022 |
| Date of the General Meeting  | 14 July 2022 |
| Closing Date   | 14 July 2022 |
| Issue of Shares under the Offer  | 15 July 2022 |
| Despatch of holding statements   | 15 July 2022 |
| Satisfaction of Reinstatement Conditions   | 15 July 2022 |
| Anticipated date for re-quotation to ASX and suspension of trading lifted <sup>2</sup> | 18 July 2022 |

- The above dates are indicative only and may change without notice. The Company reserves the right to extend the Closing Date or close the Offer early without prior notice. The Company also reserves the right not to proceed with the Offer at any time before the issue of Shares to applicants.*
- If the Offer is cancelled or withdrawn before completion of the Offer, then all application monies will be refunded in full (without interest) as soon as possible in accordance with the requirements of the Corporations Act. Investors are encouraged to submit their applications as soon as possible after the Offer opens.*

### KEY STATISTICS OF THE OFFER

|   | Minimum Subscription <sup>1</sup> | Maximum Subscription <sup>2</sup> |
|---|-----------------------------------|-----------------------------------|
| Offer Price per Share   | \$0.02                            | \$0.02                            |
| Shares currently on issue   | 263,530,515                       | 263,530,515                       |
| Options currently on issue  | Nil                               | Nil                               |
| Shares to be issued under the Offer                                 | 75,000,000                        | 200,000,000                       |
| Share to be issued under the Debt Conversion Agreement <sup>4</sup> | 50,341,150                        | 50,341,150                        |
| Gross Proceeds of the Offer   | \$1,500,000                       | \$4,000,000                       |
| <b>Shares on issue Post-Listing</b>                                 | <b>388,871,665</b>                | <b>513,871,665</b>                |
| <b>Market Capitalisation Post-Listing<sup>3</sup></b>               | <b>\$7,777,433</b>                | <b>\$10,277,433</b>               |

#### Notes:

- Assuming the Minimum Subscription of \$1,500,000 is achieved under the Offer.
- Assuming the Maximum Subscription of \$4,000,000 is achieved under the Offer.
- Assuming a Share price of \$0.02, however the Company notes that the Shares may trade above or below this price.
- A summary of the material terms of the Debt Conversion Agreement is set out in Section 9.2.5.



## **REINSTATEMENT CONDITIONS**

The Company must satisfy all outstanding Reinstatement Conditions prior to reinstatement of the Company's Shares to trading on the Official List (**Reinstatement**), which include amongst other things, demonstrating compliance with Listing Rules 12.1 and 12.2, to the satisfaction of the ASX.

Further details of the outstanding Reinstatement Conditions are set out in Schedule 1 of this Prospectus. ASX requires the satisfaction of the Reinstatement Conditions by 18 July 2022.

As set out above in the above indicative timetable, the Company currently anticipates Reinstatement to occur on or about 18 July 2022 and accordingly, expects to meet the Reinstatement Conditions prior to the date required by ASX.

### 3. INVESTMENT OVERVIEW

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

| Item                                  | Summary  | Further information  |
|---------------------------------------|--|----------------------|
| <b>A. Company</b>                     |  |                      |
| Who is the issuer of this Prospectus? | Dragon Mountain Gold Limited (ACN 111 005 282) ( <b>DMG</b> or <b>Company</b> ), which was incorporated on 28 September 2004 and was admitted to the Official List on 31 July 2007.  | Section 5.1          |
| Who is the Company?                   | <p>The Company has an interest in the following mining tenements (<b>Tenements</b>), each of which are situated in Western Australia:</p> <p>(a) the Cawse Project, which comprises the 26 Tenements that are listed in Part A of Schedule 2; and</p> <p>(b) the Avalon Project, which comprises the 7 Tenements that are listed in Part B of Schedule 2, (together, the <b>Projects</b>).</p> <p>The Company has entered into farm-in agreements with Wingstar Investments Pty Ltd (<b>Wingstar</b>) that grant the Company the right to explore for minerals other than nickel or cobalt on the Projects (<b>Wingstar Agreements</b>). Under the Wingstar Agreements, the Company, subject to staged earn-in requirements, may earn up to an 80% interest in the Avalon Project and an 80% interest in the Tenements that partly comprise the Cawse Project (being the Tenements listed 5-26 in Part A of Schedule 2).</p> <p>The Company has also entered into a heads of agreement with Mesmeric Enterprises Pty Ltd, the wholly owned subsidiary of Wingstar, to acquire the mineral rights, excluding nickel and cobalt, in the Tenements that partly comprise the Cawse Project (being the Tenements listed 1-4 in Part A of Schedule 2) (<b>Mesmeric Agreement</b>).</p> | Sections 5.1 and 9.1 |

| Item  | Summary  | Further information |
|---|--|---------------------|
|   | <p>Under the Wingstar Agreements and the Mesmeric Agreement (together, the <b>Joint Venture Agreements</b>), once the Company has acquired a 51% participating interest in the Projects, Wingstar and Mesmeric may elect to:</p> <ul style="list-style-type: none"> <li>(a) maintain its 49% participating interest in the applicable Projects by contributing pro rata to the expenditure of the joint venture; or</li> <li>(b) grant the Company the right to increase its participating interest in the applicable Projects to 80%.</li> </ul> <p>The Joint Venture Agreements are further summarised in Section 9.1.</p> <p>The Company confirms that Mr Robert Gardner, a Company Director, has a material personal interest in:</p> <ul style="list-style-type: none"> <li>(a) Wingstar, Mr Gardner is Wingstar's sole shareholder and director; and</li> <li>(b) Mesmeric by virtue of the fact that it is the fully owned subsidiary of Wingstar and Mr Gardner is Mesmeric's sole director.</li> </ul> <p>The Company also has made nine applications (comprising one exploration licence application and eight prospecting licence applications) for tenements located in the Broad Arrow area of Western Australia (<b>Broad Arrow Applications</b>). The Tenements comprising the Broad Arrow Applications are listed in Part C of Schedule 2.</p> |                     |
| Why is the Company suspended from the Official List?        | On 13 June 2019, the Company's securities were suspended from Official Quotation, at the request of DMG, pending the release of an announcement regarding a potential acquisition. The Company did not proceed with the acquisition and has been suspended ever since.   | Section 5.1         |
| How will the Company's securities be reinstated to trading? | <p>The Company must satisfy the Reinstatement Conditions for reinstatement of the Company's Shares to trading on the Official List (<b>Reinstatement</b>) to occur, which includes, amongst other things, releasing this Prospectus.</p> <p>Further details of the outstanding Reinstatement Conditions are set out in Schedule 1 of this Prospectus.</p>  | Schedule 1          |

| Item   | Summary   | Further information |
|--|---|---------------------|
| <b>B. Business Model</b>                                       |   |                     |
| What is the Company's business model?                          | <p>Following completion of the Offer and Reinstatement occurring, the Company's proposed business model will be to further explore and develop the Projects as per the Company's intended exploration programs. The Company proposes to fund its exploration activities over the first two years following listing as outlined in the table at Section 5.3.</p> <p>A detailed explanation of the Company's business model is provided at Section 5.3 and a summary of the Company's proposed exploration programs is set out at Section 5.5.</p>  | Section 5.3         |
| What are the key business objectives of the Company?           | <p>The Company's main objectives on completion of the Offer and ASX listing are to:</p> <ul style="list-style-type: none"> <li>(a) focus on mineral exploration and other resource opportunities that have the potential to deliver growth for Shareholders;</li> <li>(b) continue to pursue other acquisitions that have a strategic fit for the Company; and</li> <li>(c) systematically explore the Company's Projects.</li> </ul>   | Section 5.3         |
| What are the key dependencies of the Company's business model? | <p>The key factors that the Company will depend on to meet its objectives following Reinstatement are:</p> <ul style="list-style-type: none"> <li>(a) maintaining title to the Projects;</li> <li>(b) retaining and recruiting key personnel skilled in the mining and resources sector;</li> <li>(c) sufficient worldwide demand for gold;</li> <li>(d) the market price of gold remaining higher than the Company's costs of any future production (assuming successful exploration by the Company); and</li> <li>(e) the Company's ability to meet resource and reserves and exploration targets.</li> </ul> | Section 5.4         |
| <b>C. Key Advantages</b>                                       |   |                     |
| What are the key advantages of an                              | The Directors are of the view that an investment in the Company provides the following non-exhaustive list of advantages:   | Section 5           |

| Item                       | Summary  | Further information |
|----------------------------|--|---------------------|
| investment in the Company? | <p>(a) a portfolio of quality assets in Western Australia considered by the Board to be highly prospective for gold; and</p> <p>(b) a highly credible and experienced team to progress exploration and accelerate potential development of the Projects.</p>   |                     |
| <b>D. Key Risks</b>        |  |                     |
| Reinstatement Risk         | <p>The Company is required to satisfy the Reinstatement Conditions for Reinstatement to occur. There is a risk that the Company may not be able to meet the Reinstatement Conditions within the time period required by ASX and should this occur, the Company would be removed from the Official List.</p> <p>No Shares will be issued under this Prospectus before ASX has confirmed that the Company has satisfied the other Reinstatement Conditions and Reinstatement has been unconditionally approved by ASX.</p>   | Section 7.2         |
| Conditional Prospectus     | <p>This Prospectus is conditional upon the Offer Conditions being satisfied or waived. The Offer Conditions are set out in Section 4.5.</p> <p>There is no certainty that the Offer Conditions will be satisfied. In the event that these conditions are not met then the listing of the Company on ASX will not proceed, and all application monies received will be returned to applicants without interest.</p>   | Section 7.2         |
| Going concern risk         | <p>The Company's financial report for the half year ending 31 December 2021 contained a note regarding the fact that Company and its subsidiary (together, the <b>Group</b>) incurred a net loss of \$438,238 during that half year ending 31 December 2021 and, as of that date, the Group had net liabilities of \$472,340 with a working capital deficit of \$847,534.</p> <p>The note stated that the ability of the Group to continue its planned activities and maintain its going concern status is dependent on being able to raise additional funds as required as well as continued support from related party creditors, including the conversion of related party debt to equity (which is subject to Shareholder approval being</p> | Section 7.2         |

| Item               | Summary  | Further information |
|--------------------|--|---------------------|
|                    | <p>obtained at the General Meeting that is to be held on 11 July 2022).</p> <p>The note concludes that, should the Group be unable to raise the amount of funding required and should the continued support from related party creditors not be forthcoming, there is material uncertainty that the Group will be able to continue as a going concern, and therefore whether it will be able to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts stated in the financial report. The financial report does not include any adjustments relating to the recoverability or classification of recorded asset amounts, nor the amounts or classification of liabilities that might be necessary should the Group not be able to continue as a going concern.</p>   |                     |
| Joint Venture Risk | <p>The Company is not the registered owner of the Tenements and therefore the Company's ability to achieve its objectives in respect of the Tenements is dependent upon it and the registered holder of the Tenements complying with their obligations under the relevant earn-in agreements giving rise to the Company's interest, and on the registered holder complying with the terms and conditions of the Tenements and any other applicable legislation. Any failure to comply with these obligations may result in the Company losing its interest in those Tenements, which may have a material adverse effect on the Company's operations and the performance and value of the Shares.</p> <p>The Company has no current reason to believe that the registered owners of the Tenements will not meet and satisfy their respective obligations under the relevant agreements, the tenement conditions and other applicable legislation.</p> <p>There is also a risk of financial failure or default under the joint venture arrangements by a participant in any joint venture to which the Company is, or may become, a party. The Company must satisfy certain expenditure commitments prior to 31 December 2022, or it will not earn-in an interest in the Projects. Any withdrawal by a joint venture party or any issues with their ability to perform the obligations due under the joint venture arrangements could have</p> | Section 7.2         |

| Item             | Summary  | Further information |
|------------------|--|---------------------|
|                  | <p>a material adverse impact on the financial position of the Company. There is also the risk of disputes arising with the Company's joint venture partners, the resolution of which could lead to delays in the Company's proposed development activities or financial loss.</p> <p>See Section 9.1 for further details relating to the Joint Venture Agreements.</p>   |                     |
| Control          | <p>Following completion of the Offer and the Debt Conversion, Mr Robert Gardner's voting power in the Company could be as high as 26.9%. Mr Gardner is the Company's Executive Chairman.</p> <p>Mr Gardner's significant interest in the capital of the Company could mean that he will be in a position to potentially influence the election of Directors and the financial decisions of the Company, and his interests may not align with those of all other Shareholders. Further details in respect of the Debt Conversion Agreement are set out in Section 9.2.5.</p> <p>As is further set out in Section 5.8, Mr Gardner may hold a relevant interest in more than 25% of the Company on completion of the Offer and the Debt Conversion. This would mean that Mr Gardner has the potential to prevent a special resolution from being passed by the Company (such resolution requiring at least 75% of the votes cast by members entitled to vote on the resolution). Special resolutions are required in relation to approve certain Company matters including potentially seeking the delisting of the Company, amending the Constitution, approving the voluntary winding up of the Company and, if at any time the share capital of the Company is divided into different classes of Shares, approving the variation of the rights attached to any such class.</p> | Section 7.2         |
| Ukraine Conflict | <p>The current evolving conflict between Ukraine and Russia (<b>Ukraine Conflict</b>) is impacting global economic markets. The nature and extent of the effect of the Ukraine Conflict on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by the</p>   | Section 7.2         |

| Item   | Summary  | Further information       |
|--|--|---------------------------|
|  | <p>Ukraine Conflict.</p> <p>The Directors are continuing to closely monitor the potential secondary and tertiary macroeconomic impacts of the unfolding events, including the changing pricing of commodity and energy markets and the potential of cyber activity impacting governments and businesses. Further, any governmental or industry measures taken in response to the Ukraine Conflict, including limitations on travel and changes to import/export restrictions and arrangements involving Russia, may adversely impact the Company's operations and are likely to be beyond the control of the Company. The Company is monitoring the situation closely and considers the impact of the Ukraine Conflict on the Company's business and financial performance to, at this stage, be limited. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain.</p> |                           |
| Other risks                                      | For additional specific risks please refer to Section 7.2. For other risks with respect to the industry in which the Company operates and general investment risks, many of which are largely beyond the control of the Company and its Directors, please refer to Sections 7.3 and 7.4.   | Sections 7.2, 7.3 and 7.4 |
| <b>E. Directors and Key Management Personnel</b> |  |                           |
| Who are the Directors?                           | <p>The Board consists of:</p> <p>(a) Robert Gardner – Executive Chairman;</p> <p>(b) Jay Stephenson – Non-Executive Director and Company Secretary; and</p> <p>(c) Dimitri Bacopanos – Non-Executive Director.</p> <p>Upon reinstatement, the Company is not proposing to make any changes to the composition of the Board as set out above. The profiles of each of the Directors are set out in Section 8.1.</p> <p>A summary of the material terms and conditions of the current employment or engagement of the above persons with the Company is set out in Section 9.2..</p>   | Sections 8.1 and 9.2      |



| Item  | Summary  | Further information      |
|---|--|--------------------------|
| What are the significant interests of Directors in the Company? | <p>Refer to Section 8.2 for tables setting out each Director's remuneration package and interests in Securities.</p> <p>Mr Gardner is the sole director and shareholder of Wingstar. Mr Gardner is the sole director of Mesmeric and is the fully owned subsidiary of Wingstar.</p> <p>Refer to Section 9.1 for a summary of the Joint Venture Agreement.</p>  | Sections 8.2 and 9.1     |
| <b>F. Financial Information</b>                                 |  |                          |
| How has the Company been performing?                            | The reviewed historical financial information of the Company (including its subsidiaries) as at 31 December 2021 is set out in Section 6 and Annexure C.   | Section 6 and Annexure C |
| What is the financial outlook for the Company?                  | <p>Given the current status of the Company's Projects and the speculative nature of its business, the Directors do not consider it appropriate to forecast future earnings.</p> <p>Any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection on a reasonable basis.</p> | Section 6 and Annexure C |
| <b>G. Offer</b>   |  |                          |
| What is the Offer?  | The Offer is an offer of up to 200,000,000 Shares at an issue price of \$0.02 per Share to raise up to \$4,000,000.  | Section 4.1              |
| Is there a minimum subscription under the Offer?                | The minimum amount to be raised under the Offer is \$1,500,000.  | Section 4.2              |
| What are the purposes of the Offer?                             | The purposes of the Offer are to assist the Company in satisfying certain Reinstatement Conditions to enable Reinstatement to occur, and to position the Company to seek to achieve the objectives stated at Section B of this Investment Overview Section A.  | Section 4                |
| Is the Offer underwritten?                                      | No, the Offer is not underwritten.   | Section 4.4              |
| Who is eligible to participate in the Offer?                    | This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and  | Section 4.11             |

| Item   | Summary   | Further information   |
|--|---|-----------------------|
|  | persons who come into possession of this Prospectus should observe any of these restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.  |                       |
| How do I apply for Shares under the Offer?                                     | Applications for Shares under the Offer must be made by completing the Application Form attached to this Prospectus in accordance with the instructions set out in the Application Form.  | See Section 4.7       |
| What is the allocation policy?   | The Company retains an absolute discretion to allocate Shares under the Offer and will be influenced by the factors set out in Section 4.8.<br><br>There is no assurance that any applicant will be allocated any Shares, or the number of Shares for which it has applied. | Section 4.8           |
| What will the Company's capital structure look like on completion of the Offer | The Company's capital structure on a post-Offer basis is set out in Section 5.7.  | Section 5.7           |
| What are the terms of the Shares offered under the Offer?                      | A summary of the material rights and liabilities attaching to the Shares offered under the Offer are set out in Section 10.2.   | Section 10.2          |
| Will any Shares be subject to escrow?  | No Shares issued pursuant to this Offer will be subject to any escrow requirement by the ASX.   | Section 5.9           |
| Will the Shares be quoted on ASX?  | Application for quotation of all Shares to be issued under the Offer will be made to ASX no later than 7 days after the date of this Prospectus.  | Section 4.9           |
| What are the key dates of the Offer?   | The key dates of the Offer are set out in the indicative timetable in the Key Offer Information Section.  | Key Offer Information |
| What is the minimum investment size under the Offer?                           | Applications under the Offer must be for a minimum of \$2,000 worth of Shares (100,000 Shares) and thereafter, in multiples of \$500 worth of Shares (25,000 Shares).   | Section 4.7           |
| Are there any conditions to the Offer?   | Yes, the Offer is conditional on:<br>(a) the Minimum Subscription being raised;<br>(b) the Company obtaining shareholder approval to:<br>(i) undertake the Offer;   | Section 4.5           |

| Item   | Summary   | Further information |
|--|---|---------------------|
|  | <p>(ii) undertake the Debt Conversion; and</p> <p>(iii) remedy breach of Listing 10.1 in relation to the Lease Agreement.</p> <p>These approvals are being sought at a General Meeting to be held on 11 July 2022; and</p> <p>(c) the Company receiving ASX approval for Reinstatement and quotation of the Shares, (together, the <b>Offer Conditions</b>).</p> <p>The Offer will only proceed if all of the Offer Conditions are satisfied. Further details are set out in Section 4.5.</p> |                     |
| <b>H. Use of funds</b>   |   |                     |
| How will the proceeds of the Offer be used?                          | <p>The Offer proceeds and the Company's existing cash reserves will be used for:</p> <p>(a) implementing the Company's business objectives and exploration programs as set out in Part C of Investment Overview;</p> <p>(b) expenses of the Offer; and</p> <p>(c) administration costs and working capital,</p> <p>further details of which are set out in Section 5.6.</p>   | Section 5.6         |
| Will the Company be adequately funded after completion of the Offer? | <p>The Directors are satisfied that on completion of the Offer, the Company will have sufficient working capital to carry out its objectives as stated in this Prospectus.</p>  | Section 5.3         |
| <b>I. Additional information</b>                                     |   |                     |
| Is there any brokerage, commission or duty payable by applicants?    | <p>No brokerage, commission or duty is payable by applicants on the acquisition of Shares under the Offer.</p>  |                     |
| Can the Offer be withdrawn?  | <p>The Company reserves the right not to proceed with the Offer at any time before the issue or transfer of Shares to successful applicants.</p> <p>If the Offer does not proceed, application monies will be refunded (without interest).</p>  | Section 4.14        |

| Item  | Summary   | Further information |
|---|---|---------------------|
| What are the tax implications of investing in Shares?                     | <p>Holders of Shares may be subject to Australian tax on dividends and possibly capital gains tax on a future disposal of Shares subscribed for under this Prospectus.</p> <p>The tax consequences of any investment in Shares will depend upon an investor's particular circumstances. Applicants should obtain their own tax advice prior to deciding whether to subscribe for Shares offered under this Prospectus.</p>  | Section 4.13        |
| What is the Company's Dividend Policy?                                    | <p>The Company anticipates that significant expenditure will be incurred in the evaluation and development of the Company's Projects. These activities, together with the possible acquisition of interests in other projects, are expected to dominate at least, the first two-year period following the date of this Prospectus. Accordingly, the Company does not expect to declare any dividends during that period.</p> <p>Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the availability of distributable earnings and operating results and financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.</p> | Section 5.11        |
| What are the corporate governance principles and policies of the Company? | <p>To the extent applicable, in light of the Company's size and nature, the Company has adopted <i>The Corporate Governance Principles and Recommendations (4<sup>th</sup> Edition)</i> as published by ASX Corporate Governance Council (<b>Recommendations</b>).</p> <p>In addition, the Company's full Corporate Governance Plan is available from the Company's website (<a href="http://www.dragonmountain.com.au/corporate-governance">www.dragonmountain.com.au/corporate-governance</a>).</p>   | Section 8.4         |
| Where can I find more information?  | <p>(a) By speaking to your sharebroker, solicitor, accountant or other independent professional adviser;</p> <p>(b) By contacting the Company Secretary, on +61 (0)3 9415 4000; or</p> <p>(c) By contacting the Share Registry on 1300 850 505.</p>   |                     |

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

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## **4. DETAILS OF THE OFFER**

### **4.1 The Offer**

The Offer is a public offering of 200,000,000 Shares at an issue price of \$0.02 per Share to raise up to \$4,000,000 (**Maximum Subscription**).

The Shares issued under the Offer will be fully paid and will rank equally with all other existing Shares currently on issue. A summary of the material rights and liabilities attaching to the Shares is set out in Section 10.2.

### **4.2 Minimum subscription**

The minimum subscription for the Offer is \$1,500,000 (75,000,000 Shares) (**Minimum Subscription**). Outstanding debts owed by the Company that are converted into Shares pursuant to a Debt Offset are included in the Minimum Subscription.

If the Minimum Subscription has not been raised within four (4) months after the date of this Prospectus or such period as varied by the ASIC, the Company will not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

### **4.3 Oversubscriptions**

No oversubscriptions above the Maximum Subscription will be accepted by the Company under the Offer.

### **4.4 Underwriter**

The Offer is not underwritten.

### **4.5 Conditions of the Offer**

The Offer is conditional upon the following events occurring:

- (a) the Minimum Subscription to the Offer being reached;
- (b) the Company obtaining shareholder approval to:
  - (i) undertake the Offer;
  - (ii) undertake the Debt Conversion; and
  - (iii) remedy breach of Listing 10.1 in relation to the Lease Agreement.

These approvals are being sought at a General Meeting to be held on 11 July 2022; and

- (c) the Company receiving conditional approval for re-admission to the Official List, subject to the satisfaction of certain Reinstatement Conditions (and the Company being satisfied that it can satisfy those Reinstatement Conditions),

(together the **Offer Conditions**).

If these Conditions are not satisfied then the Offer will not proceed and the Company will repay all application monies received under the Offer within the time prescribed under the Corporations Act, without interest.

#### **4.6 Purpose of the Offer**

The primary purposes of the Offer are to:

- (a) assist the Company in satisfying certain Reinstatement Conditions to enable Reinstatement to occur;
- (b) provide the Company with additional funding for:
  - (i) the proposed exploration programs at the Projects (as further detailed in Section 5.5);
  - (ii) considering acquisition opportunities that may be presented to the Board from time to time; and
  - (iii) the Company's working capital requirements while it is implementing the above; and
- (c) remove the need for an additional disclosure document to be issued upon the sale of any Shares that are to be issued under the Offer.

The Company intends on applying the funds raised under the Offer together with its existing cash reserves in the manner detailed in Section 5.3.

#### **4.7 Applications**

##### **(a) General**

Applications for Shares under the Offer must be made by completing a paper-based application using the Application Form attached to, or accompanying, this Prospectus or a printed copy of the Application Form attached to the electronic version of this Prospectus.

By completing an Application Form, each applicant under the Offer will be taken to have declared that all details and statements made by them are complete and accurate and that they have personally received the Application Form together with a complete and unaltered copy of the Prospectus.

Applications for Shares under the Offer must be for a minimum of \$2,000 worth of Shares (100,000 Shares) and thereafter in multiples of 25,000 Shares and payment for the Shares must be made in full at the issue price of \$0.02 per Share.

The Company's decision to treat an application as valid, or how to construe, amend or complete it, will be final.

The Company reserves the right to close the Offer early.

##### **(b) Electronic Funds Transfers**

For payment by Electronic Funds Transfer (**EFT**), please follow the instructions on the Application Form. You can only make a payment via EFT if you are the holder of an account that supports EFT transactions to

an Australian bank account. Please note that should you choose to pay by EFT:

- (i) you do not need to submit the Application Form but are taken to have made the declarations on that Application Form ; and
- (ii) you will be deemed to have applied for such whole number of Shares which is covered in full by your application monies.

Applicants using EFT should be aware of their financial institution's cut-off time (the time payment must be made to be processed overnight) and ensure payment is processed by their financial institution on or before the day prior to the Closing Date of the Offer.

(c) **Debt Offsets**

The Company has entered into loan agreements (**Loan Agreements**) with certain unrelated professional and sophisticated investors (**Lenders**), pursuant to which the Lenders have agreed for the Company to apply the loaned amounts towards the Lender's subscription for Shares as part of the Offer (**Debt Offset**). No interest is payable on these loans. The funds raised under the Loan Agreements are currently held on trust and have not been expended by the Company.

Under the Loan Agreements, the Lenders have agreed to apply for Shares under the Offer by way of a Debt Offset by completing the applicable Application Form.

#### **4.8 Allocation policy under the Offer**

The Company retains an absolute discretion to allocate Shares under the Offer and reserves the right, in its absolute discretion, to allot to an applicant a lesser number of Shares than the number for which the applicant applies or to reject an Application Form. If the number of Shares allotted is fewer than the number applied for, surplus application money will be refunded without interest as soon as practicable.

No applicant under the Offer has any assurance of being allocated all or any Shares applied for. The allocation of Shares by Directors will be influenced by the following factors:

- (a) the number of Shares applied for;
- (b) the overall level of demand for the Offer;
- (c) the desire for a spread of investors, including institutional investors; and
- (d) the desire for an informed and active market for trading Shares following completion of the Offer.

The Company will not be liable to any person not allocated Shares or not allocated the full amount applied for.

#### **4.9 ASX listing**

Application for Official Quotation by ASX of the Shares offered pursuant to this Prospectus will be made within 7 days after the date of this Prospectus. However, applicants should be aware that ASX will not commence Official Quotation of any



Shares until the Company has complied with Chapters 1 and 2 of the ASX Listing Rules and has received the approval of ASX for Reinstatement to occur. As such, the Shares may not be able to be traded for some time after the close of the Offer.

If the Shares are not admitted to Official Quotation by ASX before the expiration of three (3) months after the date of this Prospectus, or such period as varied by the ASIC, the Company will not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

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

#### **4.10 Issue**

Subject to the Offer Conditions set out in Section 4.5 being met, the issue of Shares offered by this Prospectus will take place as soon as practicable after the Closing Date.

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

The Directors will determine the recipients of the issued Shares in their sole discretion in accordance with the allocation policy detailed in Section 4.8). The Directors reserve the right to reject any application or to allocate any applicant fewer Shares than the number applied for. Where the number of Shares issued is less than the number applied for, or where no issue is made, surplus application monies will be refunded without any interest to the applicant as soon as practicable after the Closing Date.

Holding statements for Shares issued to the issuer sponsored subregister and confirmation of issue for Clearing House Electronic Subregister System (CHES) holders will be mailed to applicants being issued Shares pursuant to the Offer as soon as practicable after their issue.

#### **4.11 Applicants outside Australia**

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

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should observe any of these restrictions, including those outlined below. In particular, this Prospectus may not be distributed in the United States or elsewhere outside Australia. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by you that you have complied with these restrictions.

#### **4.12 Commissions payable**

The Company reserves the right to pay a commission of up to 6% (exclusive of goods and services tax) of amounts subscribed through any licensed securities

dealers or Australian financial services licensee in respect of any valid applications lodged and accepted by the Company and bearing the stamp of the licensed securities dealer or Australian financial services licensee. Payments will be subject to the receipt of a proper tax invoice from the licensed securities dealer or Australian financial services licensee.

#### **4.13 Taxation**

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor.

It is not possible to provide a comprehensive summary of the possible taxation positions of all potential applicants. As such, all potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus or the reliance of any applicant on any part of the summary contained in this Section.

No brokerage, commission or duty is payable by applicants on the acquisition of Shares under the Offer.

#### **4.14 Withdrawal of Offer**

The Offer may be withdrawn at any time. In this event, the Company will return all application monies (without interest) in accordance with applicable laws.

#### **4.15 Reinstatement Conditions**

On completion of the Offer, the Company believes that it will be in a position to seek Reinstatement. Reinstatement is subject to the discretion of the ASX. However, the Company has received confirmation from the ASX that it will, subject to satisfaction of the Reinstatement Conditions, allow Reinstatement to occur.

The outstanding Reinstatement Conditions are set out in Schedule 1.

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## 5. COMPANY AND PROJECTS OVERVIEW

### 5.1 Background

Dragon Mountain Gold Limited (ACN 111 005 282) (**DMG** or **Company**) was incorporated on 28 September 2004 and was admitted to the Official List on 31 July 2007.

The Company holds an interest in the following mining tenements (**Tenements**), each of which are situated in Western Australia:

- (a) the Cawse Project, which comprises the 26 Tenements that are listed in Part A of Schedule 2 and
- (b) the Avalon Project, which comprises the 7 Tenements that are listed in Part B of Schedule 2,

(together, the **Projects**).

Further information regarding the Projects is set out in:

- (a) Section 5.2 below;
- (b) the Independent Technical Assessment Report in Annexure A (for further details about the geology, location and mineral potential of the Projects); and
- (c) the Solicitor's Report on Tenements in Annexure B (for further details in respect to the Company's interests in the Tenements).

The Company has entered into farm-in agreements with Wingstar Investments Pty Ltd (**Wingstar**) that grant the Company the right to explore for minerals other than nickel or cobalt on the Projects (**Wingstar Agreements**). Under the Wingstar Agreements, the Company, subject to staged earn-in requirements, may earn up to an 80% interest in the Avalon Project and an 80% interest in the Tenements that partly comprise the Cawse Project (being the Tenements listed 5-26 in Part A of Schedule 2).

The Company has also entered into a head of agreement with Mesmeric Enterprises Pty Ltd, the wholly owned subsidiary of Wingstar, to acquire the mineral rights, excluding nickel and cobalt, in the Tenements that partly comprise the Cawse Project (being the Tenements listed 1-4 in Part A of Schedule 2 (**Mesmeric Agreement**)).

Under the Wingstar Agreements and the Mesmeric Agreement (together, the **Joint Venture Agreements**), once the Company has acquired a 51% participating interest in the Projects, Wingstar and Mesmeric may elect to:

- (a) maintain its 49% participating interest in the applicable Projects by contributing pro rata to the expenditure of the joint venture; or
- (b) grant the Company the right to increase its participating interest in the applicable Projects to 80%.

The Joint Venture Agreements are further summarised in Section 9.1.

Mr Robert Gardner, a Company Director, is the sole director and shareholder of Wingstar. Mr Gardner is the sole director of Mesmeric, which is the fully owned subsidiary of Wingstar.

The Company has also recently made nine applications (comprising one exploration licence application and eight prospecting licence applications) for tenements located in the Broad Arrow area of Western Australia (**Broad Arrow Applications**). The Tenements comprising the Broad Arrow Applications are listed in Part C of Schedule 2. It is uncertain if the Broad Arrow Applications will be granted and accordingly are not considered material to this Offer.

On 13 June 2019, the Company's securities were suspended from Official Quotation, at the request of DMG, pending the release of an announcement regarding a potential acquisition. The Company did not proceed with the acquisition and has been suspended ever since.

The Company must satisfy the Reinstatement Conditions for Reinstatement to occur, which includes, amongst other things, releasing this Prospectus.

Further details of the outstanding Reinstatement Conditions are set out in Section 4.15 and Schedule 1 of this Prospectus.

## **5.2 Overview of the Projects**

As at the date of this Projects, the Company has earned-in a 25% interest in the Projects under the Joint Venture Agreements.

Immediately following Reinstatement, the Company's focus will be on the Avalon Project (7 Tenements) and the Cawse Project (26 Tenements).

### **5.2.1 Cawse Project**

The Cawse Project is located in the Eastern Goldfields region of Western Australia, approximately 60 kilometres northwest of Kalgoorlie. There is good access to the area, with various haul roads and exploration tracks traversing the tenements.

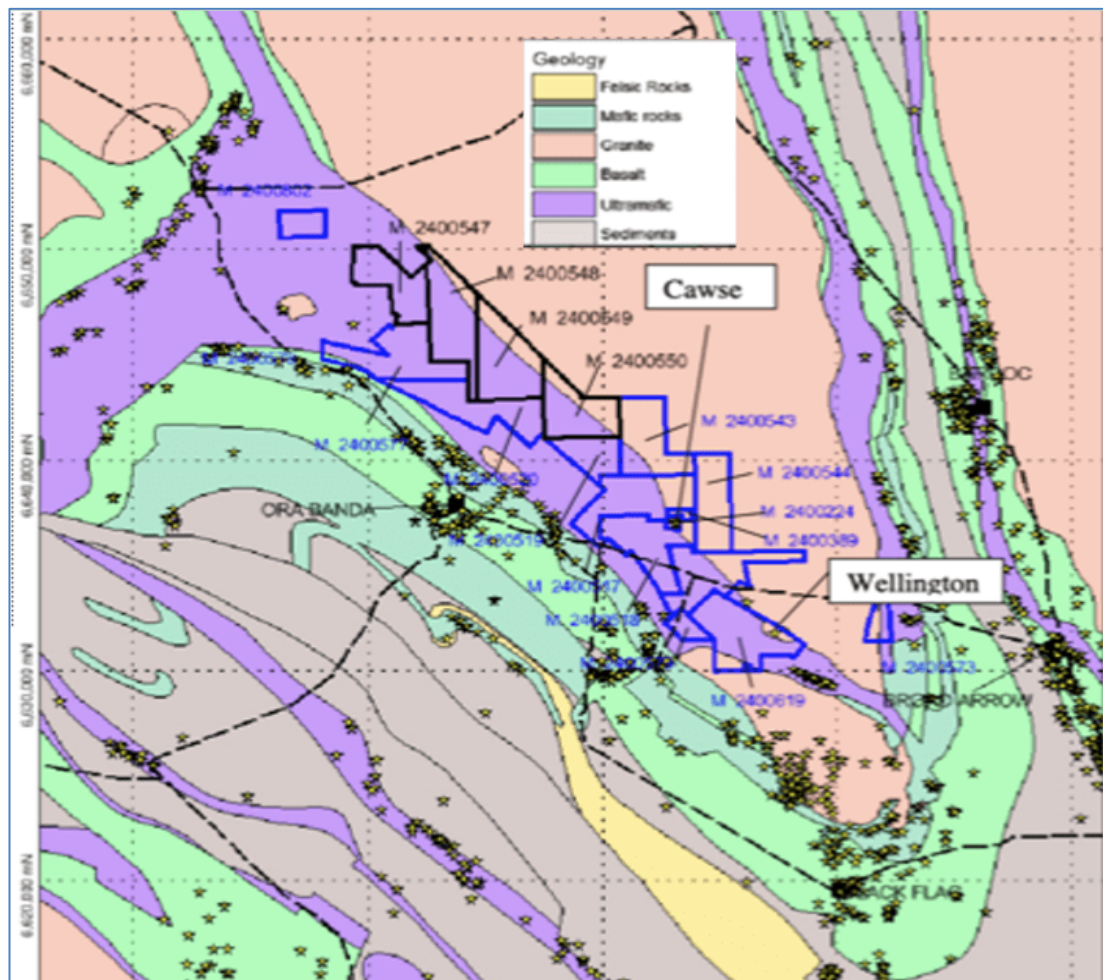
The Company's Cawse Project comprise 26 granted Tenements of approximately 115.3 square kilometres in Ora Banda, WA.

The tenement group is host to the Walter Williams Formation (WWF), over which an extensive laterite profile is developed, resulting in enrichments of nickel and cobalt that have been the focus of exploration and mining in the area. Cawse was initially developed by Centaur Mining and Exploration Limited, though operation did not commence until February 1998 under Centaur Nickel Pty Ltd (CTR), which was the first project in Australia to commercially produce nickel metal and cobalt sulphide through pressure acid leach (PAL) technology.

Newcrest Mining (WA) Limited conducted exploration through geological studies of the Bunyip Dam (M24/224) tenement from 1991 to 1995, though drilling would not be conducted until 1998 by Centaur Mining, where the best gold result was eight metres at 4.62 g/t gold, including four metres at 8.86 g/t gold, from a depth of 24 metres. The Company recommenced gold exploration in 2016, completing three drill holes in 2018.



Regional Geological Setting of the Cawse Project (Source: Wingstar, 2015)



Cawse Tenements (Blue), Cawse Extended (Black) and historical gold locations (Stars) over GSWA solid geology interpretation (Source: Moffitt 1996)

The target at Cawse Find Project is a repetition of the Cawse Find deposit (previous production of 22,000t mined at 4.55 g/t gold) where mineralisation remains open. Historical drilling has identified shallow high-grade mineralisation with potential for open pit mining.



The Company's short term exploration strategy involves a proposed drill campaign that will consist of four drill holes. Three of the holes will be oriented south, drilling at right angles to the monzogranite contact and parallel to the strike of the mineralised veins at Cawse Find.

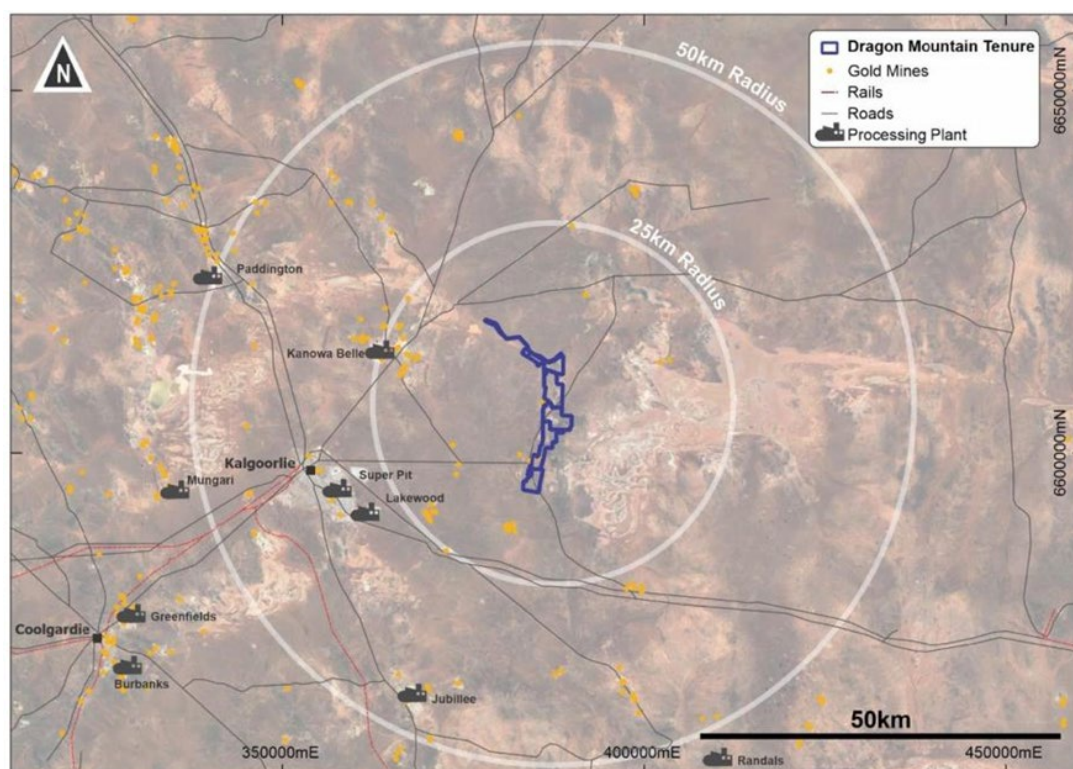
### 5.2.2 Avalon Project

The Avalon Project is located approximately 35kms east of Kalgoorlie, Western Australia. There is excellent access to the area, with mains electricity passing through, several gold processing plants available for potential toll treatment of gold ore, and mostly flat physiography.

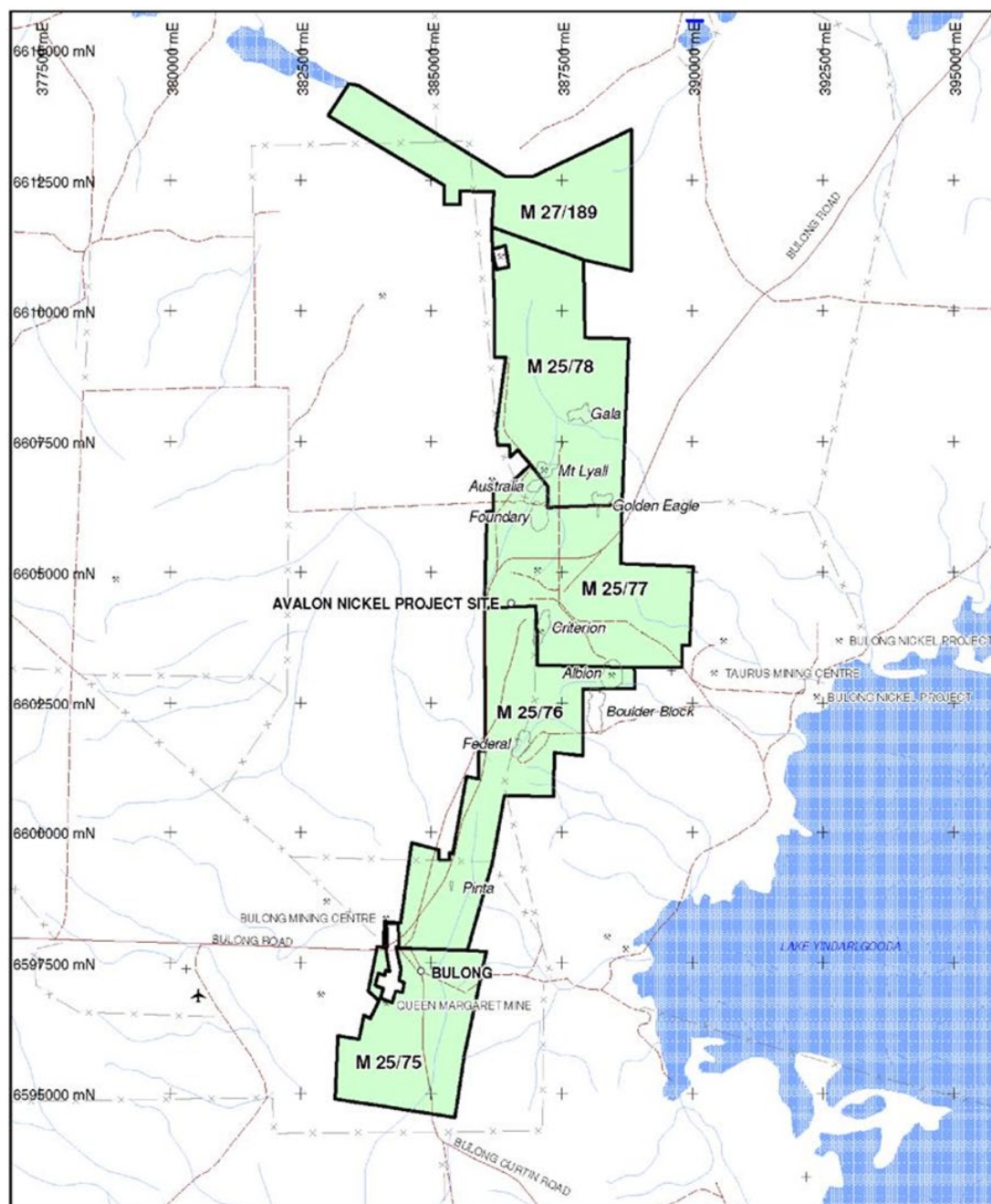
The Company's Avalon Project comprise five granted Mining Leases of approximately 43.4 square kilometres in Bulong, WA.

The tenement group is host to the Bulong Nickel laterite deposits that were mined in the past. Bulong was initially developed and operated by Resolute Resources using a high temperature acid pressure leaching (HPAL) followed by solvent extraction and electrowinning (SX-EW), process based on reserves of 140 Mt of ore.

The Avalon Project is contained within the Bulong Nickel Operation area and as a result, there has been virtually no exploration at depth for gold since the 1990s. Almost all drilling in the area in the ensuing years, when the focus was on nickel, was vertical and gridded, providing limited useable information for gold. Exploration for gold recommenced in 2013 though no drilling was included in this work.



*Location of Avalon Project and surrounding processing centres*



Tenements in the Avalon Project (Source: Wingstar, 2015)

The Company's short-term exploration strategy is to undertake extensional RC drilling at the more advanced prospects to develop Mineral Resources with the view to develop near-term production.

### 5.3 Business model

The Company's business model is focussed on achieving exploration success and discovery of a potentially economic mineral deposit capable of being developed in Australia and is currently targeting gold.

The Company will commence exploring the Avalon Project initially, followed by the Cawse Project, taking advantage of substantial historic datasets and integrating these with the latest exploration techniques and mineralisation models.

The Company does not consider the Broad Arrow Applications to be material to its business model on the basis that the underlying tenement have not yet been granted and there is no certainty that they ever will.

The Company will also continue to assess and review other opportunities for tenement applications or acquisitions that are deemed appropriate or in the interests of Shareholders, the Company may expand its tenure holdings around its existing Projects or in other areas inside or outside Western Australia.

#### **5.4 Key Dependencies**

The success of the Company's business strategy (set out above) is dependent on the following factors:

- (a) the Shares being reinstated to trading;
- (b) maintaining title to the Projects;
- (c) retaining and recruiting key personnel skilled in the mining and resources sector;
- (d) sufficient worldwide demand for gold;
- (e) the market price of gold remaining higher than the Company's costs of any future production (assuming successful exploration by the Company);
- (f) the Company's ability to meet resource and reserves and exploration targets; and
- (g) raising sufficient funds to satisfy expenditure requirements, exploration and operating costs in respect of the Projects.

#### **5.5 Proposed Exploration Program and Development Plan**

The short-term exploration strategy by the Company is extensional RC drilling at the more advanced prospects to develop mineral resources, with a view to develop near-term production. The initial drilling completed at these advanced prospects (Anomaly 38 and Woodline) provided information for follow-up drilling, and the area contains one of WA's largest alluvial goldfields and has the potential to host multiple high-grade deposits, with several gold areas of interest. The Company proposes to test these areas with a series of RC drill programs and will investigate both shallow (<50m) and deeper (>50m) targets, with plans to drill below historical workings to test at depth for continuation and repetitions of mineralisation.

The Company is planning to explore the following areas of interest:

- (a) Extension of Anomaly 38 Mineralisation;
- (b) Extension of Woodline Mineralisation;
- (c) Jarvis Porphyry areas;
- (d) Norilsk Soil Anomaly M25/75 (800m by 450m);
- (e) Norilsk Soil Anomaly M25/78 (800m by 300m); and



(f) Nickel Sulphides Potential.

The Avalon Project budget is to be spent on the granted tenements across the project and is subject to ongoing modification, depending on the results of exploration and development activities as they progress.

The Projects' exploration budget for the two years following Reinstatement is as follows:

***If the Minimum Subscription is raised***

|                           | Year 1           | Year 2           | Total              |
|---------------------------|------------------|------------------|--------------------|
| Data Review and Planning  | \$26,000         | -                | \$26,000           |
| Field Office and Overhead | \$131,000        | \$131,000        | \$262,000          |
| Surface Exploration       | \$113,000        | \$49,000         | \$162,000          |
| Drilling - RAB, RC and DD | \$230,000        | \$420,000        | \$650,000          |
| <b>Total Exploration</b>  | <b>\$500,000</b> | <b>\$600,000</b> | <b>\$1,100,000</b> |

***If the Maximum Subscription is raised***

|                           | Year 1             | Year 2             | Total              |
|---------------------------|--------------------|--------------------|--------------------|
| Data Review and Planning  | \$26,000           | -                  | \$26,000           |
| Field Office and Overhead | \$131,000          | \$131,000          | \$262,000          |
| Surface Exploration       | \$312,000          | \$150,000          | \$462,000          |
| Drilling - RAB, RC and DD | \$780,000          | \$970,000          | \$1,750,000        |
| <b>Total Exploration</b>  | <b>\$1,249,000</b> | <b>\$1,251,000</b> | <b>\$2,500,000</b> |

In its Independent Technical Assessment Report, Agricola Mining Consultants considers:

- (a) the mineral properties to be prospective, although subject to varying degrees of risk, and further exploration and development is warranted for their mineral potential;
- (b) the Company's proposed exploration strategy and programs are consistent with the mineral potential and status of the Projects; and
- (c) The proposed expenditure is sufficient to meet statutory tenement expenditure requirements.

## 5.6 Use of funds

The Company intends to apply funds raised from the Offer, together with existing cash reserves post-admission, over the first two years following Reinstatement as follows:

| Funds available                              | Minimum Subscription (\$) | Percentage of Funds (%) | Maximum Subscription (\$) | Percentage of Funds (%) |
|--|---------------------------|-------------------------|---------------------------|-------------------------|
| Existing cash reserves <sup>1</sup>          | \$716,828                 | 32.3%                   | \$716,828                 | 15.2%                   |
| Funds raised from the Offer                  | \$1,500,000               | 67.7%                   | \$4,000,000               | 84.8%                   |
| <b>Total</b>                                 | <b>\$2,216,828</b>        | <b>100%</b>             | <b>\$4,716,828</b>        | <b>100%</b>             |
| <b>Allocation of funds</b>                   |                           |                         |                           |                         |
| Exploration at Cawse Project <sup>2,3</sup>  | \$450,000                 | 20.3%                   | \$1,000,000               | 21.2%                   |
| Exploration at Avalon Project <sup>2,3</sup> | \$650,000                 | 29.3%                   | \$1,500,000               | 31.8%                   |
| Expenses of the Offer <sup>4</sup>           | \$217,824                 | 9.8%                    | \$375,209                 | 8.0%                    |
| Working capital <sup>3</sup>                 | \$399,004                 | 18.0%                   | \$1,341,619               | 28.4%                   |
| Administration costs <sup>5</sup>            | \$500,000                 | 22.6%                   | \$500,000                 | 10.6%                   |
| <b>Total</b>                                 | <b>\$2,216,828</b>        | <b>100%</b>             | <b>\$4,716,828</b>        | <b>100%</b>             |

### Notes:

1. Refer to the Financial Information set out in Section 6 for further details. The Company intends to apply these funds towards the purposes set out in this table, including the payment of the expenses of the Offer of which various amounts will be payable prior to completion of the Offer. Since 31 December 2021, the Company has expended approximately \$35,000 in preparing the Prospectus.
2. Refer to Section 5.5 and the Independent Technical Assessment Report in Annexure A for further details with respect to the Company's proposed exploration programs at the Projects.
3. To the extent that:
  - (a) the Company's exploration activities warrant further exploration activities; or
  - (b) the Company is presented with additional acquisition opportunities,
 the Company's working capital will fund such further exploration and acquisition costs (including due diligence investigations and expert's fees in relation to such acquisitions). Any amounts not so expended will be applied toward administration costs for the period following the initial 2-year period following Reinstatement.
4. Refer to Section 10.6 for further details.
5. Administration costs include the general costs associated with the management and operation of the Company's business including administration expenses, management salaries, directors' fees, rent and other associated costs.

It is anticipated that the funds raised under the Offer will enable 2 years of full operations (if the Minimum Subscription is raised). It should be noted that the Company may not be fully self-funding through its own operational cash flow at

the end of this period. Accordingly, the Company may require additional capital beyond this point, which will likely involve the use of additional debt or equity funding. Future capital needs will also depend on the success or failure of the Projects. The use of further debt or equity funding will be considered by the Board where it is appropriate to fund additional exploration on the Projects or to capitalise on acquisition opportunities in the resources sector.

In the event the Company raises more than the Minimum Subscription of \$1,500,000 under the Offer but less than the Maximum Subscription, the additional funds raised will be first applied towards the expenses of the Offer and then proportionally to the other line items in the above table.

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

The Directors consider that following completion of the Offer, the Company will have sufficient working capital to carry out its stated objectives. It should however be noted that an investment in the Company is speculative, and investors are encouraged to read the risk factors outlined in Section 7.

## 5.7 Capital structure

The capital structure of the Company following completion of the Offer (assuming both Minimum Subscription and Maximum Subscription under the Offer) is summarised below:

### Shares<sup>1</sup>

|  | Minimum Subscription | Maximum Subscription |
|--|----------------------|----------------------|
| Shares currently on issue  | 263,530,515          | 263,530,515          |
| Shares to be issued pursuant to the Offer                                  | 75,000,000           | 200,000,000          |
| Shares to be issued pursuant to the Debt Conversion Agreement <sup>2</sup> | 50,341,150           | 50,341,150           |
| <b>Total Shares on completion of the Offer</b>                             | <b>388,871,665</b>   | <b>513,871,665</b>   |

### Notes:

1. The rights attaching to the Shares are summarised in Section 10.2.
2. Refer to Section 9.2.4 for further information with respect of the Debt Conversion Agreement.

## 5.8 Substantial Shareholders

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

**As at the date of the Prospectus**

| Shareholder   | Shares     | Percentage (%) |
|---|------------|----------------|
| Fastwitch Enterprises Pty Ltd ATF NC A/C <sup>1</sup> | 54,316,817 | 20.61%         |
| RJ & JG Holdings Pty Ltd ATF Swan Exec Super Fund A/C | 24,276,792 | 9.21%          |
| Dromana Holdings Pty Ltd                              | 13,982,301 | 5.31%          |
| Bellray Holdings Pty Ltd                              | 13,709,372 | 5.20%          |
| Coolcat Enterprises Pty Ltd                           | 13,175,000 | 5.00%          |
| Delta Hotel Pty Ltd                                   | 13,175,000 | 5.00%          |
| Swiftlylink Pty Ltd                                   | 13,175,000 | 5.00%          |

**On completion of the issue of Shares under the Offer with Minimum Subscription and completion of the Debt Conversion Agreement (assuming no existing substantial Shareholder subscribes and receives additional Shares pursuant to the Offer)**

| Shareholder   | Shares      | Options | Percentage (%) (undiluted) | Percentage (%) (fully diluted) |
|---|-------------|---------|----------------------------|--------------------------------|
| Fastwitch Enterprises Pty Ltd ATF NC A/C <sup>1,2</sup> | 104,657,967 | Nil     | 26.91%                     | 26.91%                         |
| RJ & JG Holdings Pty Ltd ATF Swan Exec Super Fund A/C   | 24,276,792  | Nil     | 6.24%                      | 6.24%                          |

**On completion of the issue of Shares under the Offer with Maximum Subscription and completion of the Debt Conversion Agreement (assuming no existing substantial Shareholder subscribes and receives additional Shares pursuant to the Offer)**

| Shareholder   | Shares      | Options | Percentage (%) (undiluted) | Percentage (%) (fully diluted) |
|---|-------------|---------|----------------------------|--------------------------------|
| Fastwitch Enterprises Pty Ltd ATF NC A/C <sup>1,2</sup> | 104,657,967 | Nil     | 20.37%                     | 20.37%                         |

**Notes:**

1. An entity controlled by Mr Robert Gardner, the Company's Executive Chairman.
2. A summary of the material terms of the Debt Conversion Agreement is set out in Section 9.2.4.

## 5.9 Restricted Securities

Upon reinstatement to trading (which is subject to ASX's discretion and approval), no securities will be classified by ASX as restricted securities and will be required to be held in escrow.

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

#### **5.10 Additional Information**

Prospective investors are referred to and encouraged to read in its entirety both the:

- (a) the Independent Technical Assessment Report in Annexure A for further details about the geology, location and mineral potential of the Company's Projects;
- (b) the Solicitor's Report on Tenements in Annexure B for further details in respect to the Company's interests in the Tenements; and
- (c) the Independent Limited Assurance Report in Annexure C for further details about the Company's pro-forma financial information to 31 December 2021 and for further details in respect to the financial position of the Company.

#### **5.11 Dividend policy**

The Company anticipates that significant expenditure will be incurred in the evaluation and development of the Company's Projects. These activities, together with the possible acquisition of interests in other projects, are expected to dominate at least, the first two-year period following the date of this Prospectus. Accordingly, the Company does not expect to declare any dividends during that period.

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the availability of distributable earnings and the operating results and financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

#### **5.12 Top 20 Shareholders**

Reinstatement is conditional on, among other things, the Company releasing details of its top 20 Shareholders to the ASX.

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## 6. FINANCIAL INFORMATION

### 6.1 Preparation of the Financial Information

#### Preparation of the Historical Financial Information

The Historical Financial Information of the Company has been derived from the audited financial statements of Dragon Mountain Gold Limited for the years ending 30 June 2020, 30 June 2021 and the reviewed half year report for the period from 30 June 2021 to 31 December 2021; which were audited/reviewed by Crowe Perth in accordance with the Australian Auditing Standards. Crowe Perth issued unmodified audit opinions and review conclusions on these financial statements.

#### Preparation of the Pro Forma Historical Financial Information

The Pro Forma Historical Financial Information has been prepared solely for the purposes of inclusion in this Prospectus. The **Pro Forma Historical Financial Information** has been derived from the Historical Financial Information, adjusted to reflect the:

- (a) The minimum subscription for the Offer is 75,000,000 Shares at an issue price of \$0.02 per Share to raise \$1,500,000 before costs (Minimum Subscription);
- (b) The issue of up to 200,000,000 Shares at an issue price of \$0.02 per Share to raise \$4,000,000 before costs, pursuant to the Public Offer (Maximum Subscription);
- (c) Professional fees and Broker fees related to the Offer of \$217,824 ("Minimum Subscription") and \$375,209 ("Maximum Subscription");
- (d) Converting of existing debts owing to entities controlled by Robert Gardner, a Director of the Company, totalling \$1,006,823 at a deemed issue price of \$0.02 per share pursuant to the signed Conversion Agreement; and
- (e) Return of cash held in trust of \$233,000.

No adjustments have been made in the Pro Forma Historical Financial Information for any one-off or non-recurring costs, other than those set out in the pro forma adjustments. Investors should note that past results are not a guarantee of future performance.

### 6.2 Historical and Pro Forma Historical Financial Information

The tables and notes below set out the pro forma adjustments that have been made to the Historical Financial Information in order to prepare the Pro Forma Historical Financial Information. These adjustments reflect the events and assumptions disclosed in the notes to the tables including the proceeds of the Offer and the impact of the capital structure that will be in place following Completion of the Offer as if they had occurred or were in place as at 31 December 2021.

As the Proposed Transaction, if implemented, will be affected at a future date, the actual financial position of the Company/Group post completion will differ from that presented below.

| Statement of Profit or Loss and other Comprehensive Income |           | Group Reviewed Half Year Ending 31/12/2021 | Group Audited Year Ending 30/06/2021 | Group Audited Year Ending 30/06/2020 | Unaudited Pro forma Minimum | Unaudited Pro forma Maximum |
|--|-----------|--|--------------------------------------|--------------------------------------|-----------------------------|-----------------------------|
|  |           | \$   | \$                                   | \$                                   | \$                          | \$                          |
| Revenue  |           | 1,553                                      | 9,011                                | 31,696                               | -                           | -                           |
| Total Revenue  | 1,553     | 9,011                                      | 31,696                               | -                                    | -                           | -                           |
| Total Expenses   | (439,791) | (691,202)                                  | (754,613)                            | (111,403)                            | (88,699)                    | (88,699)                    |
| Loss before income tax                                     | (438,238) | (682,191)                                  | (722,917)                            | (111,403)                            | (88,699)                    | (88,699)                    |
| Income tax expenses  | -         | -  | -                                    | -                                    | -                           | -                           |
| <b>Loss for the period/year</b>                            | (438,238) | (682,191)                                  | (722,917)                            | (111,403)                            | (88,699)                    | (88,699)                    |

Pro Forma adjustments include:

- (a) Professional fees and Broker fees related to the Offer of \$217,824 ("Minimum Subscription") and \$375,209 ("Maximum Subscription")

| Statement of Financial Position   | Note | Group Reviewed 31/12/2021 | Group Audited 30/06/2021 | Group Audited 30/06/2020 | Unaudited Group Pro forma Minimum | Unaudited Group Pro forma Maximum |
|-----------------------------------|------|---------------------------|--------------------------|--------------------------|-----------------------------------|-----------------------------------|
|                                   |      | \$                        | \$                       | \$                       | \$                                | \$                                |
| <b>Current Assets</b>             |      |                           |                          |                          |                                   |                                   |
| Cash and cash equivalents         |      | 716,828                   | 818,599                  | 1,237,986                | 1,766,004                         | 4,108,619                         |
| Trade and other receivables       |      | 51,980                    | 59,323                   | 32,646                   | 51,980                            | 51,980                            |
| Other Current Assets              |      | 13,855                    | 9,323                    | 5,515                    | 13,855                            | 13,855                            |
| <b>Total Current Assets</b>       |      | <b>782,663</b>            | <b>887,245</b>           | <b>1,276,147</b>         | <b>1,831,839</b>                  | <b>4,174,454</b>                  |
| <b>Non-Current Assets</b>         |      |                           |                          |                          |                                   |                                   |
| Exploration and evaluation assets |      | 280,745                   | -                        | -                        | 280,745                           | 280,745                           |
| Property, plant and equipment     |      | 3,139                     | 3,518                    | 4,272                    | 3,139                             | 3,139                             |
| Right-of-use assets               |      | 91,310                    | 136,964                  | 228,272                  | 91,310                            | 91,310                            |
| <b>Total Non-Current Assets</b>   |      | <b>375,194</b>            | <b>140,482</b>           | <b>232,544</b>           | <b>375,194</b>                    | <b>375,194</b>                    |
| <b>Total Assets</b>               |      | <b>1,157,857</b>          | <b>1,027,727</b>         | <b>1,508,691</b>         | <b>2,207,033</b>                  | <b>4,549,648</b>                  |
| <b>Current Liabilities</b>        |      |                           |                          |                          |                                   |                                   |
| Trade and other payables          |      | 1,522,440                 | 898,590                  | 598,721                  | 282,617                           | 282,617                           |
| Short-term lease liabilities      |      | 107,757                   | 105,722                  | 97,584                   | 107,757                           | 107,757                           |
| Insurance Premium Funding         |      | -                         | 3,125                    | -                        | -                                 | -                                 |

| Statement of Financial Position      | Note | Group Reviewed<br>31/12/2021<br>\$ | Group Audited<br>30/06/2021<br>\$ | Group Audited<br>30/06/2020<br>\$ | Unaudited Group<br>Pro forma<br>Minimum<br>\$ | Unaudited Group<br>Pro forma<br>Maximum<br>\$ |
|--------------------------------------|------|------------------------------------|-----------------------------------|-----------------------------------|---|---|
| <b>Total Current Liabilities</b>     |      | <b>1,630,197</b>                   | <b>1,007,437</b>                  | <b>696,305</b>                    | <b>390,374</b>                                | <b>390,374</b>                                |
| <b>Non-Current Liabilities</b>       |      |                                    |                                   |                                   |   |   |
| Long-term lease liabilities          |      | -                                  | 54,392                            | 164,297                           | -   | -   |
| <b>Total Non-Current Liabilities</b> |      | <b>-</b>                           | <b>54,392</b>                     | <b>164,297</b>                    | <b>-</b>                                      | <b>-</b>                                      |
| <b>Total Liabilities</b>             |      | <b>1,630,197</b>                   | <b>1,061,829</b>                  | <b>860,602</b>                    | <b>390,374</b>                                | <b>390,374</b>                                |
| <b>Net Assets / (Liabilities)</b>    |      | <b>(472,340)</b>                   | <b>(34,102)</b>                   | <b>648,089</b>                    | <b>1,816,659</b>                              | <b>4,159,274</b>                              |
|                                      |      |                                    |                                   |                                   |   |   |
| <b>Equity</b>                        |      |                                    |                                   |                                   |   |   |
| Issued Capital                       | 1    | 33,081,803                         | 33,081,803                        | 33,081,803                        | 35,482,205                                    | 37,802,116                                    |
| Reserves                             |      | 1,040                              | 1,040                             | 1,040                             | 1,040   | 1,040   |
| Accumulated losses                   |      | (33,555,183)                       | (33,116,945)                      | (32,434,754)                      | (33,666,586)                                  | (33,643,882)                                  |
| <b>Total Equity</b>                  |      | <b>(472,340)</b>                   | <b>(34,102)</b>                   | <b>648,089</b>                    | <b>1,816,659</b>                              | <b>4,159,274</b>                              |

Pro Forma adjustments include:

- (i) The minimum subscription for the Offer is 75,000,000 Shares at an issue price of \$0.02 per Share to raise \$1,500,000 before costs (Minimum Subscription);
- (ii) The issue of up to 200,000,000 Shares at an issue price of \$0.02 per Share to raise \$4,000,000 before costs, pursuant to the Public Offer (Maximum Subscription);
- (iii) Professional fees and Broker fees related to the Offer of \$217,824 ("Minimum Subscription") and \$375,209 ("Maximum Subscription")
- (iv) Converting of existing debts owing to entities controlled by Robert Gardner, a Director of the Company, totalling \$1,006,823 at a deemed issue price of \$0.02 per share pursuant to the signed Conversion Agreement; and
- (v) Return of cash held in trust of \$233,000.

#### Note 1

| Pro Forma Issued Capital               | Minimum          | Minimum    | Maximum          | Maximum    |
|--|------------------|------------|------------------|------------|
|  | Number of shares | \$         | Number of shares | \$         |
| <b>Balance at 31 December 2021</b>     | 263,530,515      | 33,081,803 | 263,530,515      | 33,081,803 |
| Issued shares pursuant to Public Offer | 75,000,000       | 1,500,000  | 200,000,000      | 4,000,000  |



| Pro Forma Issued Capital               | Minimum<br>Number of<br>shares | Minimum<br>\$     | Maximum<br>Number of<br>shares | Maximum<br>\$     |
|--|--------------------------------|-------------------|--------------------------------|-------------------|
| Shares Issued on<br>Conversion of debt | 50,341,150                     | 1,006,823         | 50,341,150                     | 1,006,823         |
| Allocation of costs of the<br>Offer    | -                              | (106,421)         | -                              | (286,510)         |
| <b>Pro Forma Balance</b>               | <b>388,871,665</b>             | <b>35,482,205</b> | <b>513,871,665</b>             | <b>37,802,116</b> |

#### **Note 2 – Commitments**

No commitments exist as at the date of this report.

#### **Note 3 – Contingent assets and contingent liabilities**

No contingent assets nor contingent liabilities exist as at the date of this report.

### **Summary of Significant Accounting Policies**

The financial information presented herein has been prepared in accordance with the measurement and recognition (but not all disclosure) requirements of applicable International Accounting Standards. The financial information is presented in abbreviated form as it does not comply with all disclosure requirements set out in the Australian Accounting Standards and Interpretations and the Corporations Act. Australian Accounting Standards include Australian Equivalents to International Financial Reporting Standards ("AIFRS").

The financial information has been prepared on the basis of historical cost and on a going concern basis. Cost is based on the fair values of the consideration given in exchange for assets. In the view of the Directors of the company, the omitted disclosures provide limited relevant information to potential investors.

The following significant accounting policies have been adopted in the preparation and presentation of the historical and Pro Forma financial information.

#### **(a) Critical accounting estimates and judgements**

The application of accounting policies requires the use of judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

#### **(b) Exploration and evaluation assets**

Exploration and evaluation costs are carried forward where the right of tenure of the area of interest is current. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which a decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the areas according to the rate of depletion of economically recoverable reserves. A regular review is undertaken in each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

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## 7. RISK FACTORS

### 7.1 Introduction

The Shares offered under this Prospectus should be considered as highly speculative and an investment in the Company is not risk free.

The future performance of the Company and the value of the Shares may be influenced by a range of factors, many of which are largely beyond the control of the Company and the Directors. The key risks that have a direct influence on the Company, its Projects and activities are set out in Section 3. Those key risks as well as other risks associated with the Company's business, the industry in which it operates and general risks applicable to all investments in listed securities and financial markets generally are described below.

The risks factors set out in this Section 7, or other risk factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Shares. This Section 7 is not intended to provide an exhaustive list of the risk factors to which the Company is exposed.

The Directors strongly recommend that prospective investors consider the risk factors set out in this Section 7, together with all other information contained in this Prospectus.

Before determining whether to invest in the Company you should ensure that you have a sufficient understanding of the risks described in this Section 7 and all of the other information set out in this Prospectus and consider whether an investment in the Company is suitable for you, taking into account your objectives, financial situation and needs.

If you do not understand any matters contained in this Prospectus or have any queries about whether to invest in the Company, you should consult your accountant, financial adviser, stockbroker, lawyer or other professional adviser.

### 7.2 Company specific risks

| Risk Category                 | Risk   |
|-------------------------------|--|
| <b>Reinstatement Risk</b>     | The Company is required to satisfy the Reinstatement Conditions for Reinstatement to occur (details of the outstanding Reinstatement Conditions are set out in Schedule 1). There is a risk that the Company may not be able to meet the Reinstatement Conditions and should this occur, the Company will be removed from the Official List. Following a delisting, there may be little to no market for the Company's Shares. In this instance, the Company would immediately withdraw the Offer. |
| <b>Conditional Prospectus</b> | <p>This Prospectus is conditional upon the Offer Conditions being satisfied or waived. The Offer Conditions are set out in Section 4.5.</p> <p>There is no certainty that the Offer Conditions will be satisfied. In the event that these conditions are not met then the listing of the Company on ASX will not proceed and all application monies received will be returned to applicants without interest.</p>  |

| Risk Category             | Risk   |
|---------------------------|--|
| <b>Going concern risk</b> | <p>The Company's financial report for the half year ending 31 December 2021 contained a note regarding the fact that Company and its subsidiary (together, the <b>Group</b>) Group incurred a net loss of \$438,238 during that half year ending 31 December 2021 and, as of that date, the Group had net liabilities of \$472,340 with a working capital deficit of \$847,534.</p> <p>The note stated that the ability of the Group to continue its planned activities and maintain its going concern status is dependent on being able to raise additional funds as required as well as continued support from related party creditors, including the conversion of related party debt to equity (which is subject to Shareholder approval being obtained at the General Meeting that is to be held on 11 July 2022).</p> <p>The note concludes that, should the Group be unable to raise the amount of funding required and should the continued support from related party creditors not be forthcoming, there is material uncertainty that the Group will be able to continue as a going concern, and therefore whether it will be able to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts stated in the financial report. The financial report does not include any adjustments relating to the recoverability or classification of recorded asset amounts, nor the amounts or classification of liabilities that might be necessary should the Group not be able to continue as a going concern.</p> |
| <b>Joint Venture Risk</b> | <p>The Company is not the registered owner of the Tenements and therefore the Company's ability to achieve its objectives in respect of the Tenements is dependent upon it and the registered holder of the Tenements complying with their obligations under the relevant earn-in agreements giving rise to the Company's interest, and on the registered holder complying with the terms and conditions of the Tenements and any other applicable legislation. Any failure to comply with these obligations may result in the Company losing its interest in those Tenements, which may have a material adverse effect on the Company's operations and the performance and value of the Shares.</p> <p>The Company has no current reason to believe that the registered owners of the Tenements will not meet and satisfy their respective obligations under the relevant agreements, the tenement conditions and other applicable legislation.</p> <p>There is also a risk of financial failure or default under the joint venture arrangements by a participant in any joint venture to which the Company is, or may become, a party. The Company must satisfy certain expenditure commitments prior to 31 December 2022 or it will not earn-in an interest in the Projects. Any withdrawal by a</p>  |

| Risk Category           | Risk   |
|-------------------------|--|
|                         | <p>joint venture party or any issues with their ability to perform the obligations due under the joint venture arrangements could have a material adverse impact on the financial position of the Company. There is also the risk of disputes arising with the Company's joint venture partners, the resolution of which could lead to delays in the Company's proposed development activities or financial loss.</p> <p>See Section 9.1 for further details relating to the Joint Venture Agreements.</p>   |
| <b>Control</b>          | <p>Following completion of the Offer and the Debt Conversion, Mr Robert Gardner's voting power in the Company could be as high as 26.9%. Mr Gardner is the Company's Executive Chairman.</p> <p>Mr Gardner's significant interest in the capital of the Company could mean that he will be in a position to potentially influence the election of directors and the financial decisions of the Company, and its interests may not align with those of all other Shareholders. Further details in respect of the Debt Conversion are set out in Section 9.2.5.</p> <p>As is further set out in Section 5.8, Mr Gardner may hold a relevant interest in more than 25% of the Company on completion of the Offer and the Debt Conversion. This would mean that Mr Gardner has the potential to prevent a special resolution from being passed by the Company (such resolution requiring at least 75% of the votes cast by members entitled to vote on the resolution). Special resolutions are required in relation to approve certain Company matters including potentially seeking the delisting of the Company, amending the Constitution, approving the voluntary winding up of the Company and, if at any time the share capital of the Company is divided into different classes of Shares, approving the variation of the rights attached to any such class.</p> |
| <b>Ukraine Conflict</b> | <p>The current evolving conflict between Ukraine and Russia (<b>Ukraine Conflict</b>) is impacting global economic markets. The nature and extent of the effect of the Ukraine Conflict on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by the Ukraine Conflict.</p> <p>The Directors are continuing to closely monitor the potential secondary and tertiary macroeconomic impacts of the unfolding events, including the changing pricing of commodity and energy markets and the potential of cyber activity impacting governments and businesses. Further, any governmental or industry measures taken in response to the Ukraine Conflict, including limitations on travel and changes to import/export restrictions and arrangements involving Russia, may adversely impact the Company's</p>   |

| Risk Category  | Risk   |
|--|--|
|  | <p>operations and are likely to be beyond the control of the Company. The Company is monitoring the situation closely and considers the impact of the Ukraine Conflict on the Company's business and financial performance to, at this stage, be limited. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain.</p>   |
| <p><b>Exploration and operating</b></p>                | <p>The mineral exploration licences comprising the Projects are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings.</p> <p>There can be no assurance that future exploration of these licences, or any other mineral licences that may be acquired in the future, will result in the discovery of an economic resource. Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited.</p> <p>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.</p> <p>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.</p> |
| <p><b>Tenure, access and grant of applications</b></p> | <p><b>Applications</b></p> <p>The Tenements are at various stages of application and grant, specifically the Broad Arrow Applications remain under application. There can be no assurance that the tenement applications that are currently pending will be granted. There can be no assurance that when the tenement is granted, it will be granted in its entirety. Additionally, some of the tenement areas applied for may be excluded. The Company is unaware of any circumstances that would prevent the tenement application from being granted, other than the competing applications, however the consequence of</p>  |

| Risk Category              | Risk  |
|----------------------------|---|
|                            | <p>being denied the applications for reasons beyond the control of the Company could be significant.</p> <p>Refer to the Solicitor's Report on Tenements in Annexure B for further information on the Company's tenement applications.</p> <p><b>Renewal</b></p> <p>Mining and exploration tenements are subject to periodic renewal. The renewal of the term of granted tenements is subject to compliance with the applicable mining legislation and regulations and the discretion of the relevant mining authority. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements. 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. The Company considers the likelihood of tenure forfeiture to be low given the laws and regulations governing exploration in Western Australia and the ongoing expenditure budgeted for by the Company. However, the consequence of forfeiture or involuntary surrender of a granted tenements for reasons beyond the control of the Company could be significant.</p> <p><b>Access</b></p> <p>A number of the Tenements overlap certain third-party interests that may limit the Company's ability to conduct exploration and mining activities including private land, Crown Reserves and pastoral leases.</p> <p>Two of the Tenements that comprise the Avalon Project overlap less than 1% with private land. The Company's operations are not restricted by these overlaps with private land.</p> <p>Please refer to the Solicitor's Report on Tenements in Annexure B for further details.</p> |
| <p><b>Climate risk</b></p> | <p>There are a number of climate-related factors that may affect the operations and proposed activities of the Company. The climate change risks particularly attributable to the Company include:</p> <p>(a) the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can</p>  |

| Risk Category        | Risk   |
|----------------------|--|
|                      | <p>be no guarantee that the Company will not be impacted by these occurrences; and</p> <p>(b) climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.</p>   |
| <b>COVID-19 risk</b> | <p>The outbreak of the coronavirus disease (<b>COVID-19</b>) is impacting global economic markets. The nature and extent of the effect of the outbreak on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19. Further, any governmental or industry measures taken in response to COVID-19 may adversely impact the Company's operations and are likely to be beyond the control of the Company.</p> <p>The COVID-19 pandemic may also give rise to issues, delays or restrictions in product processing and packaging and the Company's ability to deliver products to customers, which may result in cost increases or adverse impacts on sales. In addition, the effects of COVID-19 on the Company's Share price and global financial markets generally may also affect the Company's ability to raise equity or debt or require the Company to issue capital at a discount, which may in turn cause dilution to Shareholders./ The COVID-19 pandemic may also give rise to issues, delays or restrictions in relation to land access and the Company's ability to freely move people and equipment to and from exploration projects and may cause delays or cost increases. The effects of COVID -19 on the Company's Share price and global financial markets generally may also affect the Company's ability to raise equity or debt or require the Company to issue capital at a discount, which may in turn cause dilution to Shareholders.</p> |

### 7.3 Industry specific risks

| Risk Category                               | Risk   |
|---|--|
| <b>Native title and Aboriginal Heritage</b> | <p>In relation to tenements which the Company has an interest in or will in the future acquire such an interest, there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. If native title rights do exist, the ability of the Company to gain access to tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations may be adversely affected.</p> |



| Risk Category   | Risk   |
|---|--|
|   | <p>There are currently registered native title claims over all of the Tenements.</p> <p>Further to this, it is possible that an Indigenous Land Use Agreement (<b>ILUA</b>) may be registered against one or more of the Tenements. The terms and conditions of any such ILUA may be unfavourable for, or restrictive against, the Company.</p> <p>In addition, seven Tenements contain Aboriginal heritage sites of significance which have been registered with the Department of Indigenous Affairs. The existence of the Aboriginal heritage sites within certain of the Tenements may lead to restrictions on the areas that the Company will be able to explore and mine.</p> <p>The Directors will closely monitor the potential effect of native title claims or Aboriginal heritage matters involving tenements in which the Company has or may have an interest.</p> <p>Please refer to the Solicitor's Report on Tenements in Annexure B of this Prospectus for further details.</p>  |
| <b>Exploration costs</b>                                  | <p>The exploration costs of the Company as summarised in Section 5.5 are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainty, and accordingly, the actual costs may materially differ from the estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely impact the Company's viability.</p>  |
| <b>Resource and reserves and exploration targets</b>      | <p>The Company has identified a number of exploration targets based on geological interpretations and limited geophysical data, geochemical sampling and historical drilling. However, insufficient data exists to provide certainty over the extent of the mineralisation. Whilst the Company intends to undertake additional exploratory work with the aim of defining a resource, no assurances can be given that additional exploration will result in the determination of a resource on any of the exploration targets identified. Even if a resource is identified no assurance can be provided that this can be economically extracted.</p> <p>Reserve and resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when initially calculated may alter significantly when new information or techniques become available. In addition, by their very nature resource and reserve estimates are imprecise and depend to some extent on interpretations which may prove to be inaccurate.</p> |
| <b>Grant of future authorisations to explore and mine</b> | <p>If the Company discovers an economically viable mineral deposit that it then intends to develop, it will, among other things, require various approvals, licence and permits</p>  |

| Risk Category                  | Risk   |
|--------------------------------|--|
|                                | <p>before it will be able to mine the deposit. There is no guarantee that the Company will be able to obtain all required approvals, licenses and permits. To the extent that required authorisations are not obtained or are delayed, the Company's operational and financial performance may be materially adversely affected.</p>   |
| <p><b>Mine development</b></p> | <p>Possible future development of mining operations at the Projects is dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk from third parties providing essential services.</p> <p>If the Company commences production on one of the Projects, its operations may be disrupted by a variety of risks and hazards which are beyond the control of the Company. No assurance can be given that the Company will achieve commercial viability through the development of the Projects.</p> <p>The risks associated with the development of a mine will be considered in full should the Projects reach that stage and will be managed with ongoing consideration of stakeholder interests.</p> |
| <p><b>Environmental</b></p>    | <p>The operations and proposed activities of the Company are subject to State and Federal laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.</p> <p>Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or bushfires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with</p>            |

| Risk Category                | Risk   |
|------------------------------|--|
|                              | <p>environmental laws or regulations.</p> <p>The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous making the Company's operations more expensive.</p> <p>Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programmes or mining activities.</p>  |
| <b>Regulatory Compliance</b> | <p><b>Regulatory Risks</b></p> <p>The Company's operating activities are subject to extensive laws and regulations relating to numerous matters including resource licence consent, environmental compliance and rehabilitation, taxation, employee relations, health and worker safety, waste disposal, protection of the environment, native title and heritage matters, protection of endangered and protected species and other matters. The Company requires permits from regulatory authorities to authorise the Company's operations. These permits relate to exploration, development, production and rehabilitation activities.</p> <p>While the Company believes that it is in substantial compliance with all material current laws and regulations, agreements or changes in their enforcement or regulatory interpretation could result in changes in legal requirements or in the terms of existing permits and agreements applicable to the Company or its properties, which could have a material adverse impact on the Company's current operations or planned development projects.</p> <p>Obtaining necessary permits can be a time-consuming process and there is a risk that Company will not obtain these permits on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could materially delay or restrict the Company from proceeding with the development of a project or the operation or development of a mine. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in material fines, penalties or other liabilities. In extreme cases, failure could result in suspension of the Company's activities or forfeiture of one or more of the Tenements.</p> |

## 7.4 General risks

| Risk Category                              | Risk   |
|--|--|
| <b>Additional requirements for capital</b> | <p>The Company's capital requirements depend on numerous factors. The Company may require further financing in addition to amounts raised under the Offer. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.</p>  |
| <b>Reliance on key personnel</b>           | <p>The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.</p> <p>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.</p> <p>The Company may not be able to replace its senior management or key personnel with persons of equivalent expertise and experience within a reasonable period of time or at all and the Company may incur additional expenses to recruit, train and retain personnel. Loss of such personnel may also have an adverse effect on the performance of the Company pending replacements being identified and retained.</p> |
| <b>Economic</b>                            | <p>General economic conditions, introduction of tax reform, new legislation, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities. If activities cannot be funded, there is a risk that the Projects may have to be surrendered or not renewed. General economic conditions may also affect the value of the Company and its valuation regardless of its actual performance.</p>   |

| Risk Category   | Risk   |
|---|--|
| <b>Competition risk</b>                                   | <p>The industry in which the Company will be involved is subject to domestic and global competition. Although the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company's projects and business.</p>   |
| <b>Market conditions</b>                                  | <p>Share market conditions may affect the value of the Company's Shares regardless of the Company's operating performance. Share market conditions are affected by many factors such as:</p> <ul style="list-style-type: none"> <li>(a) general economic outlook;</li> <li>(b) introduction of tax reform or other new legislation;</li> <li>(c) interest rates and inflation rates;</li> <li>(d) changes in investor sentiment toward particular market sectors;</li> <li>(e) the demand for, and supply of, capital; and</li> <li>(f) terrorism or other hostilities.</li> </ul> <p>The market price of Shares can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.</p> <p>Applicants should be aware that there are risks associated with any securities investment. Securities listed on the stock market, and in particular securities of exploration companies experience extreme price and volume fluctuations that have often been unrelated to the operating performance of such companies. These factors may materially affect the market price of the shares regardless of the Company's performance.</p> |
| <b>Commodity price volatility and exchange rate risks</b> | <p>If the Company achieves success leading to mineral production, the revenue it will derive through the sale of product exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for precious and base metals, technological advancements, forward selling activities and other macro-economic factors.</p> <p>Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.</p>   |

| Risk Category                    | Risk   |
|----------------------------------|--|
| <b>Government policy changes</b> | Adverse changes in government policies or legislation may affect ownership of mineral interests, taxation, royalties, land access, labour relations, and mining and exploration activities of the Company. It is possible that the current system of exploration and mine permitting in Western Australia may change, resulting in impairment of rights and possibly expropriation of the Company's properties without adequate compensation.  |
| <b>Insurance</b>                 | <p>The Company intends to insure its operations in accordance with industry practice. However, in certain circumstances the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.</p> <p>Insurance of all risks associated with mineral exploration and production is not always available and where available the costs can be prohibitive.</p>                   |
| <b>Force Majeure</b>             | The Company's projects now or in the future may be adversely affected by risks outside the control of the Company including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.  |
| <b>Taxation</b>                  | <p>The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.</p> <p>To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus.</p> |
| <b>Litigation Risks</b>          | The Company is exposed to possible litigation risks including native title claims, tenure disputes, environmental claims, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, reputation, financial performance and financial position. The Company is not currently engaged in any litigation.  |

## 7.5 Investment speculative

The risk factors described above, and other risks factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Shares.

Prospective investors should consider that an investment in the Company is highly speculative.

There is no guarantee that the Shares offered under this Prospectus will provide a return on capital, payment of dividends or increases in the market value of those Shares.

Before deciding whether to subscribe for Shares under this Prospectus you should read this Prospectus in its entirety and consider all factors, taking into account your objectives, financial situation and needs.

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## 8. BOARD, MANAGEMENT AND CORPORATE GOVERNANCE

### 8.1 Directors and key personnel

The Board of the Company consists of:

(a) **Robert Gardner** – *Executive Chairman*

Mr Gardner is a Perth based business proprietor, with over 27 years' experience in the mining industry. Mr Gardner has developed a number of projects that are now major assets of ASX listed companies and has extensive experience in the China region. He was the original founder and funder of the Lixian Project, prior to its acquisition by the Company. Mr Gardner is also a major shareholder in the Company.

Mr Gardner is also the Executive Chairman of Stonehorse Energy Limited.

The Board considers that Mr Gardner is not an independent Director.

(b) **Jay Stephenson** – *Non-Executive Director and Company Secretary*

Mr Stephenson has been involved in business development for over 25 years, including approximately 21 years as director, Chief Executive Officer, and Company Secretary of various listed and unlisted entities in resources, manufacturing, wine, hotels and property.

Mr Stephenson has been involved in business acquisitions, mergers, initial public offerings, capital raisings, and business restructuring, as well as managing all areas of finance for companies.

Mr Stephenson is currently a director of Stonehorse Energy Limited and in the previous four years has also been a director of Drake Resources Limited, Blina Minerals Limited, Doray Minerals Limited, Fiji Kava Limited and Auctus Alternative Investments Limited.

The Board considers that Mr Stephenson is an independent Director.

(c) **Dimitri Bacopanos** – *Non-Executive Director*

Mr Bacopanos has extensive experience in mergers and acquisitions, most recently as Executive Director in the Transaction Advisory Services team at EY.

Mr Bacopanos has more than 20 years' commercial experience in both private and ASX listed companies and has worked across a number of major transactions, including in the mining, technology, industrial, and agriculture sectors. His expertise extends to a wide range of corporate advisory roles covering operational reviews, feasibility analyses, strategic planning and implementation.

Mr Bacopanos is currently a director of Threat Protect Limited.

The Board considers that Mr Bacopanos is an independent Director.



## 8.2 Disclosure of interests

### Remuneration

Details of the Directors' remuneration for the previous two completed and the current financial year are set out in the table below:

| Director                       | Remuneration for the year ending 30 June 2021 | Remuneration for the year ending 30 June 2022 | Proposed remuneration for year ending 30 June 2023 |
|--------------------------------|---|---|--|
| <b>Directors</b>               |   |   |  |
| Robert Gardner                 | \$354,256                                     | \$354,250                                     | \$354,250  |
| Jay Stephenson                 | \$35,000                                      | \$35,000                                      | \$35,000   |
| Dimitri Bacopanos <sup>1</sup> | \$0   | \$35,000                                      | \$35,000   |

#### Notes:

1. Mr Bacopanos was appointed as a Director on 2 July 2021.

### Interests in Securities

#### As at the date of this Prospectus

Directors are not required under the Company's Constitution to hold any Shares to be eligible to act as a director. As at the date of this Prospectus, the Directors have relevant interests in securities as follows:

| Director                    | Shares     | Percentage (%) |
|-----------------------------|------------|----------------|
| Robert Gardner <sup>1</sup> | 54,316,817 | 20.61%         |
| Jay Stephenson              | Nil        | 0%             |
| Dimitri Bacopanos           | Nil        | 0%             |

#### Post-completion of the Offer and the Debt Conversion – Minimum Subscription

| Director                    | Shares                   | Percentage (%) |
|-----------------------------|--------------------------|----------------|
| Robert Gardner <sup>1</sup> | 104,657,967 <sup>2</sup> | 26.91%         |
| Jay Stephenson              | Nil                      | 0%             |
| Dimitri Bacopanos           | Nil                      | 0%             |

#### Post-completion of the Offer and the Debt Conversion – Maximum Subscription

| Director                    | Shares                   | Percentage (%) |
|-----------------------------|--------------------------|----------------|
| Robert Gardner <sup>1</sup> | 104,657,967 <sup>2</sup> | 20.37%         |
| Jay Stephenson              | Nil                      | 0%             |
| Dimitri Bacopanos           | Nil                      | 0%             |

**Notes:**

1. Held by Fastwitch Enterprises Pty Ltd ATF NC A/C, an entity controlled by Mr Gardner.
2. 50,341,150 Shares to be issued pursuant to the Debt Conversion Agreement to Fastwitch Enterprises Pty Ltd ATF NC A/C, an entity controlled by Mr Gardner. Refer to Section 9.2.4 for further detail on the Debt Conversion Agreement.

### **8.3 Agreements with Directors and related parties**

The Company's policy in respect of related party arrangements is:

- (a) a Director with a material personal interest in a matter is required to give notice to the other Directors before such a matter is considered by the Board; and
- (b) for the Board to consider such a matter, the Director who has a material personal interest is not present while the matter is being considered at the meeting and does not vote on the matter.

The agreements between the Company and related parties are summarised in Section 9.

### **8.4 Corporate governance**

(a) **ASX Corporate Governance Council Principles and Recommendations**

The Company has adopted comprehensive systems of control and accountability as the basis for the administration of corporate governance. The Board is committed to administering the policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs.

To the extent applicable, the Company has adopted *The Corporate Governance Principles and Recommendations (4<sup>th</sup> Edition)* as published by ASX Corporate Governance Council (**Recommendations**).

In light of the Company's size and nature, the Board considers that the current board is a cost effective and practical method of directing and managing the Company. As the Company's activities develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

The Company's main corporate governance policies and practices as at the date of this Prospectus are outlined below and the Company's full Corporate Governance Plan is available in a dedicated corporate governance information section of the Company's website [www.dragonmountain.com.au](http://www.dragonmountain.com.au)

(b) **Board of Directors**

The Board is responsible for corporate governance of the Company. The Board develops strategies for the Company, reviews strategic objectives and monitors performance against those objectives. The goals of the corporate governance processes are to:

- (i) maintain and increase Shareholder value;

- (ii) ensure a prudential and ethical basis for the Company's conduct and activities consistent with the Company's stated values; and
- (iii) ensure compliance with the Company's legal and regulatory objectives.

Consistent with these goals, the Board assumes the following responsibilities:

- (i) leading and setting the strategic direction, values and objectives of the Company;
- (ii) appointing the Chairman of the Board, Managing Director or Chief Executive Officer and approving the appointment of senior executives and the Company Secretary;
- (iii) overseeing the implementation of the Company's strategic objectives, values, code of conduct and performance generally;
- (iv) approving operating budgets, major capital expenditure and significant acquisitions and divestitures;
- (v) overseeing the integrity of the Company's accounting and corporate reporting systems, including any external audit (satisfying itself financial statements released to the market fairly and accurately reflect the Company's financial position and performance);
- (vi) establishing procedures for verifying the integrity of those periodic reports which are not audited or reviewed by an external auditor, to ensure that each periodic report is materially accurate, balanced and provides investors with appropriate information to make informed investment decisions;
- (vii) overseeing the Company's procedures and processes for making timely and balanced disclosure of all material information that a reasonable person would expect to have a material effect on the price or value of the Company's securities;
- (viii) reviewing, ratifying and monitoring the effectiveness of the Company's risk management framework, corporate governance policies and systems designed to ensure legal compliance; and
- (ix) approving the Company's remuneration framework.

The Company is committed to the circulation of relevant materials to Directors in a timely manner to facilitate Directors' participation in the Board discussions on a fully-informed basis.

#### (c) **Composition of the Board**

Election of Board members is substantially the province of the Shareholders in general meeting, subject to the following:

- (i) membership of the Board of Directors will be reviewed regularly to ensure the mix of skills and expertise is appropriate; and

- (ii) the composition of the Board has been structured so as to provide the Company with an adequate mix of directors with industry knowledge, technical, commercial and financial skills together with integrity and judgment considered necessary to represent Shareholders and fulfil the business objectives and values of the Company as well as to deal with new and emerging business and governance issues.

The Board currently consists of three Directors (two non-executive Directors and one executive Director) of whom Jay Stephenson and Dimitri Bacopanos are considered independent. The Board considers the current balance of skills and expertise to be appropriate given the Company for its currently planned level of activity.

To assist in evaluating the appropriateness of the Board's mix of qualifications, experience and expertise, the Board intends to maintain a Board Skills Matrix to ensure that the Board has the skills to discharge its obligations effectively and to add value.

The Board undertakes appropriate checks before appointing a person as a Director or putting forward to Shareholders a candidate for election as a Director or senior executive.

The Board ensures that Shareholders are provided with all material information in the Board's possession relevant to a decision on whether or not to elect or re-elect a Director.

The Company shall develop and implement a formal induction program for Directors, which is tailored to their existing skills, knowledge and experience. The purpose of this program is to allow new directors to participate fully and actively in Board decision-making at the earliest opportunity, and to enable new directors to gain an understanding of the Company's policies and procedures.

The Board maintains oversight and responsibility for the Company's continual monitoring of its diversity practices. The Company's Diversity Policy provides a framework for the Company to achieve enhanced recruitment practices whereby the best person for the job is employed, which requires the consideration of a broad and diverse pool of talent.

(d) **Identification and management of risk**

The Board's collective experience will enable accurate identification of the principal risks that may affect the Company's business. Key operational risks and their management will be recurring items for deliberation at Board meetings.

(e) **Ethical standards**

The Board is committed to the establishment and maintenance of appropriate ethical standards and to conducting all of the Company's business activities fairly, honestly with integrity, and in compliance with all applicable laws, rules and regulations. In particular, the Company and the Board are committed to preventing any form of bribery or corruption and to upholding all laws relevant to these issues as set out in the Company's Anti-Bribery and Anti-Corruption Policy. In addition, the Company encourages reporting of actual and suspected violations of the Company's Code of Conduct or other instances of illegal, unethical

or improper conduct. The Company and the Board provide effective protection from victimisation or dismissal to those reporting such conduct as set out in its Whistleblower Protection Policy.

(f) **Independent professional advice**

Subject to the Chairman's approval (not to be unreasonably withheld), the Directors, at the Company's expense, may obtain independent professional advice on issues arising in the course of their duties.

(g) **Remuneration arrangements**

The remuneration of an executive Director will be decided by the Board, without the affected executive Director participating in that decision-making process.

In accordance with the Constitution, the total maximum remuneration of non-executive Directors is initially set by the Board and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$400,000 per annum.

In addition, a Director may be paid fees or other amounts for example, and subject to any necessary Shareholder approval, non-cash performance incentives such as Options) as the Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director.

Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in the performance of their duties as Directors.

The Board reviews and approves the remuneration policy to enable the Company to attract and retain executives and Directors who will create value for Shareholders having regard to the amount considered to be commensurate for a company of its size and level of activity as well as the relevant Directors' time, commitment and responsibility. The Board is also responsible for reviewing any employee incentive and equity-based plans including the appropriateness of performance hurdles and total payments proposed.

(h) **Trading policy**

The Board has adopted a policy that sets out the guidelines on the sale and purchase of securities in the Company by its key management personnel (i.e. Directors and, if applicable, any employees reporting directly to the managing director). The policy generally provides that, the written acknowledgement of the Chair (or the Board in the case of the Chairman) must be obtained prior to trading.

(i) **External audit**

The Company in general meetings is responsible for the appointment of the external auditors of the Company. From time to time, the Board will review the scope, performance and fees of those external auditors.

(j) **Audit committee**

The Company will not have a separate audit committee until such time as the Board is of a sufficient size and structure, and the Company's operations are of a sufficient magnitude for a separate committee to be of benefit to the Company. In the meantime, the full Board will carry out the duties that would ordinarily be assigned to that committee under the written terms of reference for that committee, including but not limited to:

- (i) monitoring and reviewing any matters of significance affecting financial reporting and compliance;
- (ii) verifying the integrity of those periodic reports which are not audited or reviewed by an external auditor;
- (iii) monitoring and reviewing the Company's internal audit and financial control system, risk management systems; and
- (iv) management of the Company's relationships with external auditors.

(k) **Diversity policy**

The Company is committed to workplace diversity. The Company is committed to inclusion at all levels of the organisation, regardless of gender, marital or family status, sexual orientation, gender identity, age, disabilities, ethnicity, religious beliefs, cultural background, socio-economic background, perspective and experience.

The Board has adopted a diversity policy which provides a framework for the Company to achieve, amongst other things, a diverse and skilled workforce, a workplace culture characterised by inclusive practices and behaviours for the benefit of all staff, improved employment and career development opportunities for women and a work environment that values and utilises the contributions of employees with diverse backgrounds, experiences and perspectives.

(l) **Departures from Recommendations**

Under the ASX Listing Rules the Company will be required to provide a statement in its annual financial report or on its website disclosing the extent to which it has followed the Recommendations during each reporting period. Where the Company has not followed a Recommendation, it must identify the Recommendation that has not been followed and give reasons for not following it.

## 9. MATERIAL CONTRACTS

Set out below is a brief summary of the certain contracts to which the Company is a party and which the Directors have identified as material to the Company or are of such a nature that an investor may wish to have details of particulars of them when making an assessment of whether to apply for Shares.

To fully understand all rights and obligations of a material contract, it would be necessary to review it in full and these summaries should be read in this light.

### 9.1 Joint Venture Agreements

#### 9.1.1 Wingstar Avalon Agreement

On 10 July 2016, the Company entered into a binding share purchase agreement with Wingstar Investments Pty Ltd (ACN 073 571 927) (**Wingstar**), under which the Company has the right to earn up to an 80% interest in the mineral rights (excluding nickel and cobalt) of the Avalon Project (**Wingstar Avalon Agreement**).

Mr Robert Gardner, a Company Director, is the sole director and shareholder of Wingstar.

The material terms and conditions of the Wingstar Avalon Agreement, as amended, are summarised below:

| Earn-in   | The Company has the right to earn up to an 80% interest in the Avalon Project from Wingstar.  |  |            |           |         |
|---|---|--|------------|-----------|---------|
| Earn-in obligations and right to participating interest | On or before 31 December 2022, the Company can earn up to an 80% interest in the Avalon Project in four stages in accordance with the following earn in schedule: |  |            |           |         |
|   | Stage   | Work Commitment  | Status     | Earn-in % | Total % |
|   | 1   | DMG must sole fund an exploration programme for the Project for minerals other than nickel and cobalt ( <b>Minerals</b> ) of its choosing, a minimum amount of \$50,000                                      | Complete   | 0%        | 0%      |
|   | 2   | On completion of Stage 1 and DMG electing to proceed with Stage 2, DMG must sole fund for the Project an exploration programme for the Minerals of its choosing for a further amount of at least \$150,000   | Complete   | 25%       | 25%     |
|   | 3   | On completion of Stage 2 and DMG electing to proceed with Stage 3, DMG must sole fund for the Project an exploration programme, for the Minerals, of its choosing for a further amount of at least \$250,000 | Incomplete | 26%       | 51%     |

|  | Stage | Work Commitment   | Status     | Earn-in % | Total % |
|--|-------|---|------------|-----------|---------|
|  | 4     | Wingstar, at the completion of Stage 3, may elect within 30 days following the presentation by DMG to Wingstar of the results from Stages 1 to 3 programmes whether it wishes to maintain its 49% participating interest by contributing pro rata to the expenditure of the JV or to give DMG the right to increase its participating interest to 80%.  | Incomplete | 29%       | 80%     |
| <b>Stage 4</b>                           | (a)   | <p>If Wingstar elects to give DMG the right to increase its participating interest to 80%, DMG shall have the right to elect to earn the additional interest in the Mineral Rights, in the Project by sole funding at least \$300,000 within the Project on an exploration programme of its choosing (<b>Stage 4 Funding</b>), within 15 months of the first annual anniversary of the DMG obtaining its 51% joint venture interest in the Project (<b>Stage 4 End Date</b>). If DMG satisfies the Stage 4 Funding requirement prior to the Stage 4 End Date, then:</p> <p>(i) Wingstar's participating interest in the joint will be reduced to 20%; and</p> <p>(ii) DMG's participating interest in the joint venture will be increased to 80%.</p> |            |           |         |
|  | (b)   | <p>If DMG has increased its participating interest to 80% in the manner set out in (a) above, or otherwise via the dilution of Wingstar's participating interest in the joint venture, then Wingstar (and its 20% participating interest) will be free carried by DMG through to the first to occur of:</p> <p>(i) the completion of a pre-feasibility study in respect of a potential mine within the Project (<b>PFS</b>); or</p> <p>(ii) the expenditure of a cumulative \$4,000,000 (cumulative from the commencement of Stage 1) on exploration programs or development activities with the Project,</p> <p>after which point, the parties will contribute pro-rata.</p>   |            |           |         |
|  | (c)   | <p>If DMG is entitled to, but does not make, the election to increase its participating interest to 80%, then the parties must contribute to all future expenditure of the joint pro-rata to their participating interests.</p>   |            |           |         |
| <b>Mining rehabilitation fund levies</b> | (a)   | <p>While it is sole funding the Project, DMG must pay any mining rehabilitation fund levy (<b>MRF Levy</b>), if required by legislation, for additional disturbances caused by its exploration programmes.</p>  |            |           |         |
|  | (b)   | <p>While it is contributing to a joint venture programme, the parties will pay its pro-rata share of a MRF Levy, if required by legislation, for additional disturbances</p>  |            |           |         |
| <b>Joint Venture contributions</b>       | (a)   | <p>On completion of Stage 2, an unincorporated joint venture arose between DMG and Wingstar in respect of the Minerals.</p>   |            |           |         |



|                               |     |   |
|-------------------------------|-----|---|
|                               | (b) | Unless otherwise provided for in this summary, the parties must contribute to all future expenditure of the joint venture pro-rata to their participating interests.  |
| <b>Joint venture dilution</b> | (a) | If a party fails to pay its required contribution, that party's participating interest shall be diluted in accordance with an agreed formula which must be in accordance industry norms applicable to a default.  |
|                               | (b) | Once a party has been diluted to less than a 10% participating interest, that interest of that party will convert to a 1% mine gate revenue royalty, payable quarterly in arrears, and that party's funding obligations will cease at that point.   |
| <b>Mineral rights</b>         | (a) | The mineral rights covered under the Wingstar Avalon Agreement encompass the Minerals.  |
|                               | (b) | Prior to Wingstar relinquishing or disposing of any of the Tenements the comprise the Project or a portion of those Tenements, it must first offer the Tenements or portion of the Tenements to DMG, or if this is not possible, notify DMG of its intentions.  |
|                               | (c) | Should Wingstar sell its nickel and cobalt rights in an arms length transaction to a third party, and that party requires all the mineral rights (including the non-nickel and cobalt rights), then DMG will agree to the sale of the non-nickel and cobalt rights to that party subject to the following: <ul style="list-style-type: none"> <li>(i) prior to the commencement of the PFS, the payment of five times the expenditure, and any MRF Levy, made by DMG under this agreement and the Full Form Agreement; or</li> <li>(ii) if the PFS has commenced: <ul style="list-style-type: none"> <li>(A) the payment of the net present value of DMG's interest in the JV, plus five times the expenditure by DMG within the tenements, but not included in the area not covered by the PFS or mining operation; and</li> <li>(B) the minimum payment under this scenario would be five times the expenditure, and any mining rehabilitation fund levy, made by DMG under this agreement and the Full Form Agreement (if any).</li> </ul> </li> </ul> <p>This right only applies on the first change of control for Wingstar or within 60 days of Wingstar selling or disposing of any of the Tenements that comprise the Avalon Project.</p> |

The Wingstar Avalon Agreement otherwise contains provisions considered standard for agreement of its nature.

### 9.1.2 Wingstar Cawse Agreement

On 10 July 2016, the Company entered into a binding share purchase agreement with Wingstar, under which the Company has the right to earn up to an 80% interest in Tenements that partly comprise the Cawse Project (being the Tenements listed 5-26 in Part A of Schedule 2) (**Wingstar Cawse Tenements**) (**Wingstar Cawse Agreement**).

The material terms and conditions of the Wingstar Cawse Agreement, as amended, are summarised below:

|  |  |  |               |                  |                |
|--|--|--|---------------|------------------|----------------|
| <b>Earn-in</b>   | The Company has the right to earn up to an 80% interest in the Wingstar Cawse Tenements from Wingstar.   |  |               |                  |                |
| <b>Earn-in obligations and right to participating interest</b> | On or before 31 December 2022, the Company can earn up to an 80% interest in the Wingstar Cawse Tenements in four stages in accordance with the following earn in schedule:  |  |               |                  |                |
|  | <b>Stage</b>   | <b>Work Commitment</b>   | <b>Status</b> | <b>Earn-in %</b> | <b>Total %</b> |
|  | 1  | DMG must sole fund an exploration programme for the Project for minerals other than nickel and cobalt ( <b>Minerals</b> ) of its choosing, a minimum amount of \$50,000  | Complete      | 0%               | 0%             |
|  | 2  | On completion of Stage 1 and DMG electing to proceed with Stage 2, DMG must sole fund for the Project an exploration programme for the Minerals of its choosing for a further amount of at least \$150,000   | Complete      | 25%              | 25%            |
|  | 3  | On completion of Stage 2 and DMG electing to proceed with Stage 3, DMG must sole fund for the Project an exploration programme, for the Minerals, of its choosing for a further amount of at least \$250,000   | Incomplete    | 26%              | 51%            |
|  | 4  | Wingstar, at the completion of Stage 3, may elect within 30 days following the presentation by DMG to Wingstar of the results from Stages 1 to 3 programmes whether it wishes to maintain its 49% participating interest by contributing pro rata to the expenditure of the JV or to give DMG the right to increase its participating interest to 80%. | Incomplete    | 29%              | 80%            |
| <b>Stage 4</b>   | (a) If Wingstar elects to give DMG the right to increase its participating interest to 80%, DMG shall have the right to elect to earn the additional interest in the Mineral Rights, in the Project by sole funding at least \$300,000 within the Project on an exploration programme of its choosing ( <b>Stage 4 Funding</b> ), within 15 months of the DMG obtaining its 51% joint venture interest in the Project ( <b>Stage 4 End Date</b> ). If DMG satisfies the Stage 4 Funding requirement prior to the Stage 4 End Date, then: |  |               |                  |                |

|  |   |
|--|---|
|  | <p>(i) Wingstar's participating interest in the joint will be reduced to 20%; and</p> <p>(ii) DMG's participating interest in the joint venture will be increased to 80%.</p> <p>(b) If DMG has increased its participating interest to 80% in the manner set out in (a) above, or otherwise via the dilution of Wingstar's participating interest in the joint venture, then Wingstar (and its 20% participating interest) will be free carried by DMG through to the first to occur of:</p> <p>(i) the completion of a pre-feasibility study in respect of a potential mine within the Project (<b>PFS</b>); or</p> <p>(ii) the expenditure of a cumulative \$4,000,000 (cumulative from the commencement of Stage 1) on exploration programs or development activities with the Project,</p> <p>after which point, the parties will contribute pro-rata.</p> <p>(c) If DMG is entitled to, but does not make, the election to increase its participating interest to 80%, then the parties must contribute to all future expenditure of the joint pro-rata to their participating interests.</p> |
| <b>Mining rehabilitation fund levies</b> | <p>(a) While it is sole funding the Project, DMG must pay any mining rehabilitation fund levy (<b>MRF Levy</b>), if required by legislation, for additional disturbances caused by its exploration programmes.</p> <p>(b) While it is contributing to a joint venture programme, the parties will pay its pro-rata share of a MRF Levy, if required by legislation, for additional disturbances</p>   |
| <b>Joint Venture contributions</b>       | <p>(a) On completion of Stage 2, an unincorporated joint venture arose between DMG and Wingstar in respect of the Minerals.</p> <p>(b) Unless otherwise provided for in this summary, the parties must contribute to all future expenditure of the joint venture pro-rata to their participating interests.</p>   |
| <b>Joint venture dilution</b>            | <p>(a) If a party fails to pay its required contribution, that party's participating interest shall be diluted in accordance with an agreed formula which must be in accordance industry norms applicable to a default.</p> <p>(b) Once a party has been diluted to less than a 10% participating interest, that interest of that party will convert to a 1% mine gate revenue royalty, payable quarterly in arrears, and that party's funding obligations will cease at that point.</p>  |
| <b>Mineral rights</b>                    | <p>(a) The mineral rights covered under the Wingstar Cawse Agreement encompass the Minerals.</p> <p>(b) Prior to Wingstar relinquishing or disposing of any of the Tenements the comprise the Project or a portion of those Tenements, it must first offer the Tenements or portion of the Tenements to DMG, or if this is not possible, notify DMG of its intentions.</p> <p>(c) Should Wingstar sell its nickel and cobalt rights in an arm's length transaction to a third party, and that party requires all the mineral rights (including the non-nickel and cobalt rights), then Dragon Mountain will agree to the sale of the non-nickel and cobalt rights to that party subject to the following:</p> <p>(i) prior to the commencement of the PFS, the payment of five times the expenditure, and any MRF Levy, made by DMG under this agreement and the Full Form Agreement; or</p>  |

|  |  |   |
|--|--|---|
|  | (ii)   | if the PFS has commenced:   |
|  | (A)  | the payment of the net present value of DMG's interest in the JV, plus five times the expenditure by DMG within the tenements, but not included in the area not covered by the PFS or mining operation; and |
|  | (B)  | the minimum payment under this scenario would be five times the expenditure, and any mining rehabilitation fund levy, made by DMG under this agreement and the Full Form Agreement (if any).                |
|  | This right only applies on the first change of control for Wingstar or within 60 days of Wingstar selling or disposing of any of Wingstar Cawse Tenements. |   |

The Wingstar Cawse Agreement otherwise contains provisions considered standard for an agreement of its nature.

### 9.1.3 Mesmeric Agreement

On 10 July 2016, the Company has entered into a heads of agreement in respect of the mineral rights, excluding nickel and cobalt (**Minerals**), pertaining to the joint venture between Mesmeric Enterprises Pty Ltd (ACN 168 445 743) (a wholly owned subsidiary of Wingstar) (**Mesmeric**) and Enigma Mining Limited in relation to the Tenements that partially comprise the Cawse Project (being the Tenements that are listed 1-4 in Part A of Schedule 2) (**Mesmeric Cawse Tenements**) (**Mesmeric Agreement**).

Mr Robert Gardner, a Company Director, is the sole director of Mesmeric, which is the fully owned subsidiary of Wingstar.

Under the Mesmeric Agreement, DMG has the right to earn up to an 80% interest into the Mesmeric Cawse Tenements on or before 31 December 2022 on substantially the same terms as the Wingstar Agreements.

As of the date of this Prospectus, the Company has earned a 25% interest in the Mesmeric Cawse Tenements.

The Mesmeric Agreement otherwise contains provisions considered standard for an agreement of its nature.

## 9.2 Agreements with Directors

### 9.2.1 Robert Gardner Consulting Agreement

Mr Gardner, through his entity Fastwitch Enterprises Pty Ltd (ABN 71 366 173 032) (**Consultant**) has been engaged by the Company as the Company's managing director and chief executive officer (**Engagement**). The terms of the Engagement were agreed under a consulting agreement, the material terms of which are set out below:

|                     |  |
|---------------------|--|
| <b>Remuneration</b> | <p>The Company has agreed to pay the Consultant a remuneration fee of \$354,250 per annum (<b>Remuneration</b>).</p> <p>At the option of the Consultant, the Remuneration may be reduced by an amount to be agreed by the Consultant and the Company in consideration of the provision by the Company to the Consultant of other benefits.</p> |
|---------------------|--|

|                                      |  |
|--------------------------------------|--|
| <b>Term</b>                          | <p>The Engagement was effective from 1 July 2012 (<b>Commencement Date</b>), with the term running for a period of 1 year unless terminated earlier.</p> <p>Within a period commencing 4 months before the end of the Term, the Company has the right to seek an additional 1-year extension to the Term and this right is to be exercised by notice in writing to the Consultant.</p> <p>From the date of the notice of the Company's intention to extend the Term, the Consultant has 7 days to provide an objection to any extension. Where the Consultant does not object, the Term shall be deemed extended by the period referred to in the notice from the Company. Where the Consultant does object, the Term shall not be extended except as may be mutually agreed between the Company and the Consultant.</p>   |
| <b>Expenses</b>                      | <p>The Company shall pay or reimburse the Consultant for all reasonable expenses, including all miscellaneous expenses incurred by the Consultant:</p> <ul style="list-style-type: none"> <li>(a) arising as a result of the discharge of the Consultant's obligations under this Agreement; or</li> <li>(b) otherwise at the request of the Company with the approval of the Board.</li> </ul>  |
| <b>Termination by the Company</b>    | <p>This agreement and the Consultant's employment may be terminated at any time by the Company by written notice effective immediately upon the giving of such notice in the event of the Consultant:</p> <ul style="list-style-type: none"> <li>(a) becoming bankrupt or insolvent;</li> <li>(b) being guilty of gross misconduct;</li> <li>(c) refusing or neglecting to comply with any lawful reasonable direction or order given to him by the Company which the Consultant after receipt of prior notice has failed to rectify to the reasonable satisfaction of the Company which gave the notice within 7 Business Days</li> <li>(d) becoming of unsound mind;</li> <li>(e) committing any other act or omission which is referred to in this Agreement and which gives the Company the right to terminate this Agreement; or</li> <li>(f) immediately upon the Consultant dying.</li> </ul> <p>The Company can also terminate the Consultant's employment by providing to the Consultant:</p> <ul style="list-style-type: none"> <li>(a) not less than 3 months prior written notice; and</li> <li>(b) on termination by the Company paying to the Consultant a sum equal to 3 months Remuneration if termination occurs within 12 months of the Commencement Date and all Remuneration payable under the agreement up to and including the date of termination and any payments due pursuant to any relevant statute.</li> </ul> |
| <b>Termination by the Consultant</b> | <p>The Consultant may terminate the agreement at any time by giving written notice in the event of any breach or non-observance or non-performance by the Company of any provision of the agreement and the failure by the Company to remedy or adequately respond to breach, non-observance or non-performance within 14 Business Days of written notice requiring it to remedy such breach.</p> <p>The Consultant may also terminate by the agreement at any time by giving the Company at least 3 months written notice.</p>  |

This agreement otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties and confidentiality provisions).

## 9.2.2 Non-executive Director appointments

Mr Jay Stephenson and Mr Dimitri Bacopanos have entered into appointment letters with the Company to act in the capacity of non-executive Directors. These Directors will receive the remuneration set out in Section 8.2.

## 9.2.3 Deeds of indemnity, insurance and access

The Company will enter into a deed of indemnity, insurance and access with each of its Directors. Under these deeds, the Company will agree to indemnify each officer to the extent permitted by the Corporations Act against any liability arising as a result of the officer acting as an officer of the Company. The Company will also be required to maintain insurance policies for the benefit of the relevant officer and allow the officers to inspect board papers in certain circumstances.

## 9.2.4 Lease Agreement

On 1 January 2013, the Company entered into a standard commercial lease agreement with Comarnd Pty Ltd (**Comarnd**), an entity controlled by Company Director Robert Gardner, for the lease of commercial office space at 182 Claisebrook Road, Perth 6000, WA (**Lease**).

The material terms and conditions of this agreement (**Lease Agreement**) are summarised below:

|                              |   |
|------------------------------|---|
| <b>Term/ Option to Renew</b> | The Lease had an initial term commencing on 1 January 2013 ( <b>Commencement Date</b> ) until 31 December 2013.<br>The Lease provided an option for a further four (4) year term which commenced on and from 1 January 2014 and expired on 31 December 2018, which was exercised. |
| <b>Rent</b>                  | \$110,000 (plus GST) per annum, payable by equal monthly instalments of \$9,166.666 (plus GST).   |
| <b>Security Bond</b>         | There is no security bond held over the Lease for the property  |

The Lease Agreement otherwise contains provisions considered standard for an agreement of its nature.

In 2013, the Lease was assigned to Sunplus Holdings Pty Ltd (**Sunplus**), an entity controlled by Mr Gardner. On 11 January 2019, Sunplus consented to the continuation of the Lease on a month-by-month basis.

The Company is seeking Shareholder approval for the terms of the Lease Agreement at the General Meeting to be held on 11 July 2022.

## 9.2.5 Debt Conversion Agreement

As at the date of this Prospectus, the Company has existing debts owing to entities controlled by Robert Gardner, a Director of the Company, totalling \$1,006,823 (**Existing Debt**).

In summary, the Existing Debt is owed to Robert Gardner's controlled entities as follows:

| Party                         | Amount Owed        | Debt Conversion Shares to be issued |
|-------------------------------|--------------------|-------------------------------------|
| Fastwitch Enterprises Pty Ltd | \$714,406          | 35,720,300                          |
| Sunplus Holdings Pty Ltd      | \$292,417          | 14,620,850                          |
| <b>Total</b>                  | <b>\$1,006,823</b> | <b>50,341,150</b>                   |

The Company has entered into an agreement with Robert Gardner (**Debt Conversion Agreement**) pursuant to which Robert Gardner has agreed that the Existing Debt owed will be satisfied by the Company issuing that number of Shares which is equal to the amount owing divided by \$0.02 (**Debt Conversion Shares**) to Fastwitch Enterprises Pty Ltd ATF NC A/C (**Fastwitch**), an entity controlled by Mr Gardner (**Debt Conversion**).

The issue of the Debt Conversion Shares is subject to:

- (a) the Minimum Subscription being raised under the Offer; and
- (b) the Company obtaining the required Shareholder approvals to undertake the Offer and to allow the Company to issue the Debt Conversion Shares.

Upon the issue of the Debt Conversion Shares, the Company will be released from any further payment obligations owing in respect of the portion of the Existing Debt which has been converted and shall be released from any claims in relation to the converted portion of the Existing Debt owed to Mr Gardner's entities.

The Company is seeking Shareholder approval to undertake the Offer and issue the Debt Conversion Shares on 11 July 2022.

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## **10. ADDITIONAL INFORMATION**

### **10.1 Litigation**

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

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

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

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

#### **(a) General meetings**

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

#### **(b) Voting rights**

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

#### **(c) Dividend rights**

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the



amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

(e) **Shareholder liability**

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of shares**

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

(g) **Future increase in capital**

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

(h) **Variation of rights**

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(i) **Alteration of constitution**

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

### **10.3 Interests of Directors**

Other than as set out in this Prospectus, no Director or proposed Director holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
  - (i) its formation or promotion; or
  - (ii) the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed Director:

- (d) as an inducement to become, or to qualify as, a Director; or
- (e) for services provided in connection with:
  - (i) the formation or promotion of the Company; or
  - (ii) the Offer.

### **10.4 Interests of Experts and Advisers**

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or

- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (d) the formation or promotion of the Company;
- (e) any property acquired or proposed to be acquired by the Company in connection with:
  - (i) its formation or promotion; or
  - (ii) the Offer; or
- (f) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (g) the formation or promotion of the Company; or
- (h) the Offer.

Agricola Mining Consultants Pty Ltd has acted as Independent Geologist and has prepared the Independent Technical Assessment Report which is included in Annexure A. The Company estimates it will pay Agricola Mining Consultants Pty Ltd a total of \$12,500 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Agricola Mining Consultants Pty Ltd has not received fees from the Company for any other services.

Hall Chadwick Audit (WA) Pty Ltd has acted as Investigating Accountant and has prepared the Independent Limited Assurance Report which is included in Annexure C. The Company estimates it will pay Hall Chadwick Audit (WA) Pty Ltd a total of \$8,500 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Hall Chadwick Audit (WA) Pty Ltd has received no fees from the Company.

Steinepreis Paganin has acted as the Australian legal advisers to the Company in relation to the Offer. The Company estimates it will pay Steinepreis Paganin \$80,000 (excluding GST) for these services. Subsequently, fees will be charged in accordance with normal charge out rates. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has received \$1,926.00 in fees from the Company.

## 10.5 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offer or of the Shares), the Directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section;
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section; and
- (c) has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Agricola Mining Consultants Pty Ltd has given its written consent to being named as Independent Geologist in this Prospectus, the inclusion of the Independent Technical Assessment Report in Annexure A in the form and context in which the report is included and the inclusion of the information with respect to the Projects contained in Section 5 that was extracted from the Technical Assessment Report in the form and context in which it appears. In addition, Mr Malcolm Castle has consented to being referenced as the Competent Person for JORC statements contained in this Prospectus.

Hall Chadwick Audit (WA) Pty Ltd has given its written consent to being named as Investigating Accountant in this Prospectus and to the inclusion of the Independent Limited Assurance Report in Annexure C in the form and context in which the information and report is included.

Crowe Perth has given its written consent to being named as auditor of the Company in this Prospectus and the inclusion of the audited financial information of the Company contained in the Section 6 and in the Independent Limited Assurance Report included in Annexure C to this Prospectus in the form and context in which it appears.

Steinepreis Paganin has given its written consent to being named as the Australian legal advisers to the Company in relation to the Offer in this Prospectus and to the inclusion of the Solicitor's Report on Tenements in Annexure B in the form and context in which the information and report is included.

## 10.6 Expenses of the Offer

The total expenses of the Offer (excluding GST) are estimated to be approximately \$217,824 for the Minimum Subscription and \$375,209 for the Maximum Subscription and are expected to be applied towards the items set out in the table below:

| Item of Expenditure             | Minimum Subscription (\$) | Maximum Subscription (\$) |
|---------------------------------|---------------------------|---------------------------|
| ASIC fees                       | 3,206                     | 3,206                     |
| ASX fees                        | 5,118                     | 12,503                    |
| Legal Fees                      | 80,000                    | 80,000                    |
| Broker Fees <sup>1</sup>        | 90,000                    | 240,000                   |
| Independent Geologist's Fees    | 16,500                    | 16,500                    |
| Investigating Accountant's Fees | 12,500                    | 12,500                    |

| Item of Expenditure | Minimum Subscription (\$) | Maximum Subscription (\$) |
|---------------------|---------------------------|---------------------------|
| Miscellaneous       | 10,500                    | 10,500                    |
| <b>TOTAL</b>        | <b>217,824</b>            | <b>375,209</b>            |

**Notes:**

1. The Company reserves the right to pay a commission of up to 6% (exclusive of goods and services tax) of amounts subscribed through any licensed securities dealers or Australian financial services licensee in respect of any valid applications lodged and accepted by the Company and bearing the stamp of the licensed securities dealer or Australian financial services licensee. Payments will be subject to the receipt of a proper tax invoice from the licensed securities dealer or Australian financial services licensee.

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**11. DIRECTORS' AUTHORISATION**

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.



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**Robert Gardner**  
**Executive Chairman**  
**For and on behalf of**  
**Dragon Mountain Gold Limited**

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## 12. GLOSSARY

Where the following terms are used in this Prospectus, they have the following meanings:

**\$** means an Australian dollar.

**Application Form** means the application form attached to or accompanying this Prospectus relating to the Offer.

**ASIC** means Australian Securities & Investments Commission.

**ASX** means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

**ASX Listing Rules** means the official listing rules of ASX.

**Board** means the board of Directors as constituted from time to time.

**Business Days** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

**CHESS** means the Clearing House Electronic Subregister System operated by ASX Settlement.

**Closing Date** means the closing date of the Offer as set out in the indicative timetable in the Key Offer Information Section (subject to the Company reserving the right to extend the Closing Date or close the Offer early).

**Company** means Dragon Mountain Gold Limited (ACN 111 005 282).

**Constitution** means the constitution of the Company.

**Corporations Act** means *the Corporations Act 2001* (Cth).

**Debt Conversion** has the meaning given in Section 9.2.5.

**Debt Conversion Agreement** means the agreement pursuant to which the Company has agreed to convert existing debts owed to Mr Robert Gardner, a Director, which is summarised in Section 9.2.5.

**Debt Offset** has the meaning given in Section 4.7(c).

**Directors** means the directors of the Company at the date of this Prospectus.

**EFT** means Electronic Funds Transfer.

**Joint Venture Agreements** means the Mesmeric Agreement and the Wingstar Agreements.

**JORC Code** has the meaning given in the Important Notice Section.

**Maximum Subscription** means the maximum amount to be raised under the Offer, being \$4,000,000.

**Mesmeric** means Mesmeric Enterprises Pty (ACN 168 445 743).

**Mesmeric Agreement** means the head of agreement between the Company and Mesmeric that is summarised in Section 9.1.3.

**Minimum Subscription** means the minimum amount to be raised under the Offer, being \$1,500,000.

**Offer** means the offer of Shares pursuant to this Prospectus as set out in Section 4.1.

**Offer Conditions** means the conditions to the Offer that are set out in Section 4.5.

**Official List** means the official list of ASX.

**Official Quotation** means official quotation by ASX in accordance with the ASX Listing Rules.

**Prospectus** means this prospectus.

**Recommendations** has the meaning set out in Section 8.4.

**Reinstatement** means the reinstatement of the Shares to trading on the Official List.

**Reinstatement Conditions** are the conditions that the Company must satisfy for reinstatement of the Company's Shares to trading on the Official List to occur, the outstanding conditions are set out in Schedule 1.

**Section** means a Section of this Prospectus.

**Securities** means Shares and Options.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a holder of Shares.

**Tenements** means the mining tenements (including applications) in which the Company has an interest as set out in Schedule 2 and further described in the Independent Technical Assessment Report at Annexure A and the Solicitor's Tenement Report at Annexure B or any one of them as the context requires.

**US** means United States of America.

**Wingstar** means Wingstar Investments Pty Ltd (ACN 073 571 927).

**Wingstar Agreements** means the Wingstar Avalon Agreement and the Wingstar Cawse Agreement.

**Wingstar Avalon Agreement** means the farm-in agreement between the Company and Wingstar Investments Pty Ltd that is summarised in Section 9.1.1.

**Wingstar Cawse Agreement** means the farm-in agreement between the Company and Wingstar that is summarised in Section 9.1.2.

**WST** means Western Standard Time as observed in Perth, Western Australia.



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## SCHEDULE 1 – OUTSTANDING REINSTATEMENT CONDITIONS

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1. DMG remedying the Listing Rule 10.1 breach disclosed in the ASX Query Letter, DMG's response and the further announcement entitled 'General Meeting Rescheduled and Listing Rules 10.1 breach', all of which were released to the market on 18 February 2022, to the satisfaction of ASX.
2. DMG's level of operations remains satisfactory to ASX and in compliance with Listing Rule 12.1 at the time of reinstatement.
3. DMG demonstrating compliance with Listing Rule 12.2, to the satisfaction of the ASX, as set out below.
  - (a) DMG's financial condition satisfies the requirements of listing rule 12.2 by completion of the Capital Raising such that, after payment of the costs of the placement DMG can demonstrate to ASX that it has a working capital of \$1,500,000.
  - (b) DMG's financial condition remains satisfactory to ASX and in compliance with listing rule 12.2 at the time of reinstatement.
4. Lodgement of all necessary Appendices 3B with ASX for issues of new securities.
5. Lodgement of any outstanding reports for the period since DMG's securities were suspended and any other outstanding documents required by Listing Rule 17.5, that are not subject to a disclaimer of opinion or qualified opinion.
6. In relation to the Capital Raising:
  - (a) DMG's shareholders approving any resolutions required to effect the Capital Raising, to be considered at a general meeting of shareholders.
  - (b) DMG releasing a full form prospectus pursuant to section 710 of the Corporations Act (**Prospectus**) in relation to the Capital Raising.
  - (c) Completion of the Capital Raising, closure of the Prospectus and confirmation that DMG has reached minimum subscription.
  - (d) Confirmation in a form acceptable to ASX that DMG has received cleared funds for the complete amount of the issue price of every security allotted and issued to every successful applicant for securities under the Capital Raising.
  - (e) Confirmation the securities to be issued pursuant to the Capital Raising have been issued, and despatch of each of the following has occurred.
    - (i) In relation to all holdings on the CHESS sub-register, a notice from DMG under ASX Settlement Operating Rule 8.9.1.
    - (ii) In relation to all other holdings, issuer sponsored holding statements.
    - (iii) Any refund money.
7. Following completion of the Capital Raising, provision to ASX of the following documents, in a form suitable for release to the market.

- (a) A statement setting out the names of the 20 largest holders of each class of securities to be quoted, including the number and percentage of each class of securities held by those holders.
- (b) A distribution schedule of the numbers of holders in each class of security to be quoted, setting out the number of holders in the following categories.
  - (i) 1 - 1,000
  - (ii) 1,001 - 5,000
  - (iii) 5,001 - 10,000
  - (iv) 10,001 - 100,000
  - (v) 100,001 and over
- (c) A statement confirming completion of the Capital Raising, closure of the Prospectus and that DMG reached its minimum subscription.
- (d) A statement outlining DMG's capital structure on a post-issue basis.
- (e) DMG's pro forma balance sheet based on actual funds raised.
- (f) DMG's updated statement of commitments based on actual funds raised.
- (g) A consolidated activities report setting out the proposed business strategy for DMG (including an update on the status of DMG's assets and the current activities with respect thereto).
- (h) Full terms and conditions of any options on issue.
- (i) A statement confirming that there are no legal, regulatory or contractual impediments to DMG undertaking the activities the subject of the commitments disclosed in the Prospectus.
- (j) Confirmation that DMG is in compliance with the listing rules and in particular listing rule 3.1.
- (k) Provision of any other information required or requested by ASX including, but not limiting the generality of the foregoing, in relation to any issues that may arise (1) from ASX's review of the Prospectus and (2) DMG's financial reports.

8. Payment of any ASX fees, including listing fees, applicable and outstanding.

## SCHEDULE 2 – TENEMENTS

| Part A – The Cawse Project |          | Part B – The Avalon Project | Part C – Broad Arrow Applications |
|----------------------------|----------|-----------------------------|-----------------------------------|
| 1.                         | M24/0547 | L 27/0055                   | E16/0586                          |
| 2.                         | M24/0548 | L 27/0056                   | P16/3347                          |
| 3.                         | M24/0549 | M 25/0075                   | P16/3349                          |
| 4.                         | M24/0550 | M 25/0076                   | P16/3350                          |
| 5.                         | L24/0030 | M 25/0077                   | P16/3351                          |
| 6.                         | L24/0076 | M 25/0078                   | P16/3352                          |
| 7.                         | L24/0113 | M 27/0189                   | P16/3353                          |
| 8.                         | L24/0140 |                             | P16/3354                          |
| 9.                         | L24/0141 |                             | P16/3355                          |
| 10                         | L24/0142 |                             |                                   |
| 11                         | L24/0152 |                             |                                   |
| 12                         | L24/0153 |                             |                                   |
| 13                         | L24/0159 |                             |                                   |
| 14                         | L24/0167 |                             |                                   |
| 15                         | L24/0168 |                             |                                   |
| 16                         | L24/0185 |                             |                                   |
| 17                         | L24/0193 |                             |                                   |
| 18                         | L24/0194 |                             |                                   |
| 19                         | M24/0224 |                             |                                   |
| 20                         | M24/0389 |                             |                                   |
| 21                         | M24/0517 |                             |                                   |
| 22                         | M24/0518 |                             |                                   |
| 23                         | M24/0519 |                             |                                   |
| 24                         | M24/0520 |                             |                                   |
| 25                         | M24/0543 |                             |                                   |
| 26                         | M24/0544 |                             |                                   |





**AGRICOLA MINING CONSULTANTS PTY LTD - ABN: 84 274 218 871**  
**P.O. Box 473, South Perth, WA 6951 - Mobile: 61 (4) 1234 7511**  
**Email: [mcastle@castleconsulting.com.au](mailto:mcastle@castleconsulting.com.au)**  
**Principal Consultant – MALCOLM CASTLE**

16 June 2022

The Directors

Dragon Mountain Gold Ltd

Dear Sirs,

**Re: INDEPENDENT TECHNICAL ASSESSMENT REPORT on the AVALON GOLD PROJECT and the CAWSE GOLD PROJECT in WESTERN AUSTRALIA**

Agricola Mining Consultants Pty Ltd (“Agricola”) was commissioned by the Directors of Dragon Mountain Gold Ltd (“Dragon Mountain” or the “Company”) to provide an Independent Technical Assessment Report (the “Report”) on the Avalon Gold Project and the Cawse Gold Project in Western Australia (the “Projects”). This Report will be included in a Prospectus to be lodged with the Australian Securities and Investments Commission (“ASIC”).

The Projects are classified as early-stage exploration projects where mineralisation may or may not be defined, but where Mineral Resources have not been identified. The properties are sufficiently prospective, subject to varying degrees of risk, to warrant further exploration and development of their economic potential, consistent with the programs proposed by Dragon Mountain.

Agricola completed a compilation and review of technical aspects of the Projects, including regional geological setting, local geology, mineralisation, and previous work. The objectives of this Report are to provide a geological overview covering pertinent aspects in detail, to provide comments on the exploration potential for further discovery of mineralisation and discuss planned exploration by the Company.

This Independent Technical Assessment Report has been compiled based on, and fairly represents, information and supporting documentation available up to and including the date of this Report. This Report was prepared by Malcolm Castle, a Competent Person and Member of the Australasian Institute for Mining and Metallurgy (MAusIMM), in accordance with the Code for the *Technical Assessment and Valuation of Mineral and Petroleum Assets and Securities for Independent Expert Reports (VALMIN Code 2015 Edition)* and the *Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves*



(JORC Code 2012 Edition). Malcolm Castle is the principal consultant for Agricola. Exploration results in the Report are based on, and fairly represent, information and supporting documentation prepared by Malcolm Castle. Agricola is not aware of any exploration activities that have materially changed the review of the data.

The Company has prepared staged exploration programs, specific to the exploration potential of the individual licences, which are consistent with its budget allocations. Agricola considers that the Projects are prospective for the target mineralisation subject to varying degrees of risk and warrant further exploration and development of their mineral potential. The exploration strategy and programs proposed by the Company are consistent with the mineral potential and status of the Projects. The proposed expenditure is sufficient to meet statutory tenement expenditure requirements.

This review is based upon information provided by the Company, along with published and unpublished data for the exploration properties, and personal knowledge of the areas by the Independent Geologist. A listing of the principal sources of information is included in this Report. Agricola has endeavoured, by making all reasonable enquiries, to confirm the authenticity, accuracy, and completeness of the technical data upon which this Report is based.

Agricola, its employees, and associates are not, nor intend to be, directors, officers, or employees of the Company and have no material interest in the Projects or the Company. The relationship with the Company is solely one of professional association between client and independent consultant. The review work and this report are prepared in return for professional fees based upon agreed commercial rates and the payment of these fees is in no way contingent on the descriptions and findings of this Report.

Agricola and Mr Malcolm Castle consent to the inclusion in the Report in the Company's Prospectus in the form and context in which it appears.

|   |   |
|---|---|
|  <p><b>Malcolm Castle</b><br/>CONSULTING GEOLOGIST</p> |  <p><b>Malcolm Castle</b><br/>B.Sc.(Hons) MAusIMM, GCertAppFin (Sec Inst)<br/>Agricola Mining Consultants Pty Ltd</p> |
|---|---|

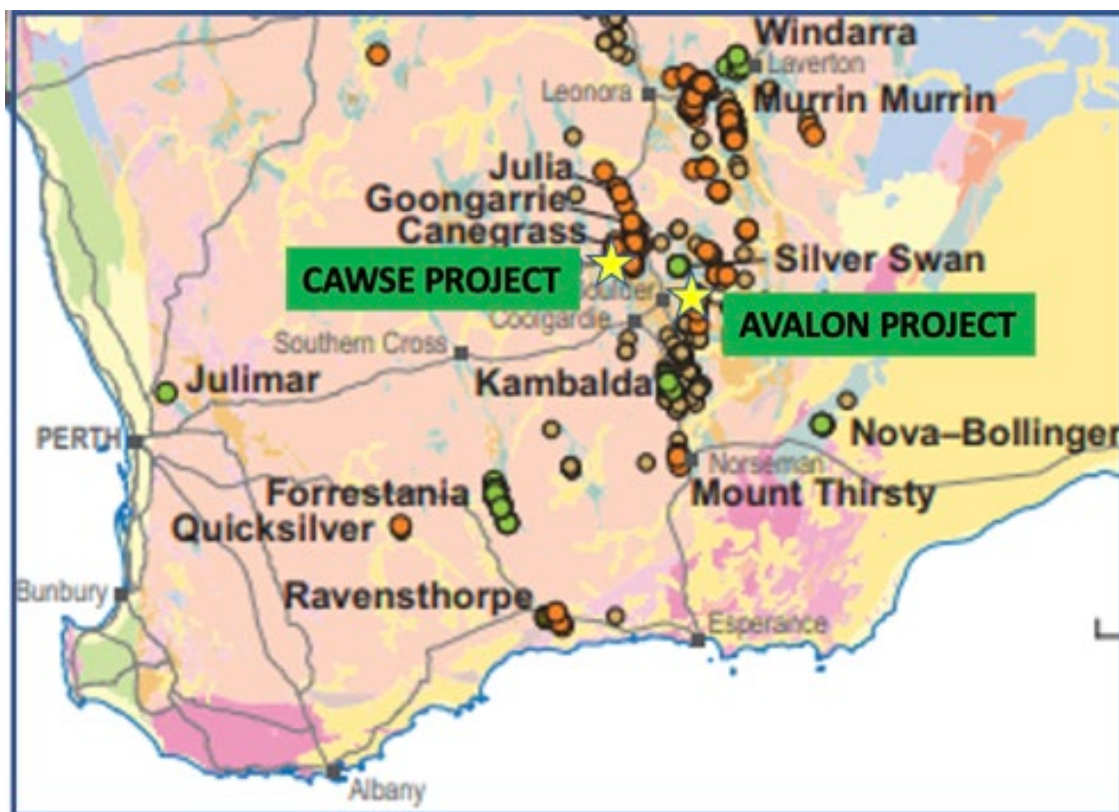
## **INDEPENDENT TECHNICAL ASSESSMENT REPORT on the AVALON GOLD PROJECT and the CAWSE GOLD PROJECT in WESTERN AUSTRALIA**

### **THE MINERAL ASSETS**

The Company has acquired the gold and other mineral rights, excluding nickel and cobalt, covering the Cawse and Avalon tenement packages. The Company has entered into Farm in Agreements with Wingstar Investments Pty Ltd (“Wingstar”) granting the Company the right to earn up to an 80% interest in the tenements comprising the Avalon Project and the tenements that comprise the Cawse Project (with 4 tenements comprising the Cawse Project acquired from Mesmeric Enterprises Pty Ltd, a wholly owned subsidiary of Wingstar).

The Cawse and Avalon tenements have been held primarily for nickel laterite exploration since the 1970s and more recently by the Cawse and Avalon nickel laterite operations. Since the 1970s there has been little or no systematic exploration for gold except for a small open cut mine at the Cawse Find deposit operated by Newcrest Mining in 1991. In the historical records, there are multiple gold occurrences at the contacts of the ultramafic units that host the nickel laterite.

The Company’s Projects includes five granted Mining Leases covering approximately 43.4 square kilometres in the Bulong area and twelve granted Mining Leases covering approximately 81.00 square kilometres in the Cawse area together with miscellaneous licences northeast and northwest of Kalgoorlie respectively in Western Australia.



*Location of Avalon and Cawse Projects (Map showing Nickel Deposits)*

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## AVALON GOLD PROJECT

The most prospective areas are on the western side of the tenement package with known historical gold mineralisation on adjacent tenure. The primary areas of interest are on the ~18km contact between the ultramafic units and mafic and sedimentary rocks. The zone extends from the south with mineralisation at Golden Celt, Troyton, Green Harp Extended, Bulls Eye and Night and Day northwards to Patch Dam, Anomaly 38 and the old workings outside the western boundary of the tenements at the northern end of the tenure.

Both alluvial and bedrock gold mineralisation is known from the larger Bulong area from which 2,500 kg of gold has been reportedly produced. Mineralisation occurs in quartz veins and veined brittle–ductile sheared contacts between metamorphosed felsic volcanoclastic rocks and intensely carbonated ultramafic rocks.

At Bulong, there are two main sub-parallel lines of workings on an adjacent tenement held by Black Cat Syndicate Ltd. Most gold production was from the eastern of these two lines, which contains the Queen Margaret mine (2,200 kg Au). Mine development is almost continuous for about 1,500 m on a north-trending shear zone. The eastern line of workings which trend onto the Avalon Gold Project appears to be controlled by several shorter, en-echelon shear zones, which produced more than 250 kg Au, principally from the Great Oversight and Green Harp groups of mines. The Great Oversight group, to the south, lies on the eastern and western contacts of a thin metamorphosed felsic volcanoclastic unit within carbonated ultramafic rock. The Green Harp workings are also on the contact between carbonated ultramafic rock and felsic schist. Workings are scattered for several kilometres to the north of the Green Harp group.

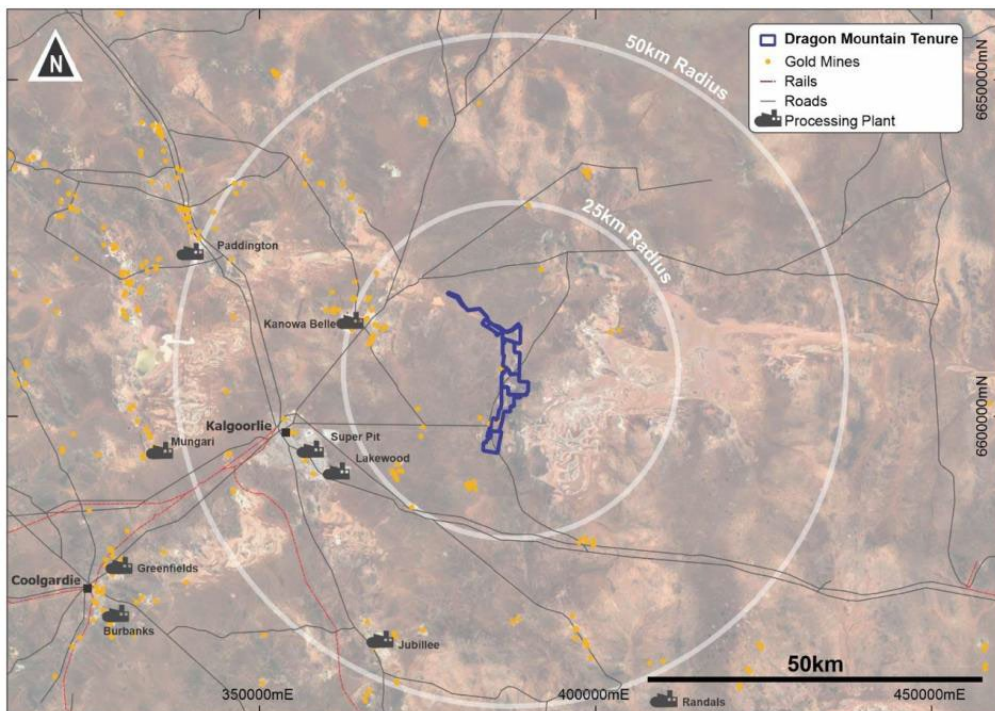
The tenement group is host to the Bulong Nickel laterite deposits that were mined in the past. Bulong Nickel Mine was initially developed and operated by Resolute Resources using a high temperature acid pressure leaching (HPAL) followed by solvent extraction and electrowinning (SX-EW), process based on reserves of 140 Mt of ore.

The Project is contained within the Bulong Nickel Operation area and as a result, there has been virtually no exploration at depth for gold since the 1990s. Almost all drilling in the area in the ensuing years, when the focus was on nickel, was vertical and gridded, providing limited

useable information for gold. Exploration for gold recommenced in 2013 though no drilling was included in this work.

### ***Location, Access, and Tenure***

The Avalon Gold Project is located approximately 35km to the east of Kalgoorlie WA. Access is via the sealed Bulong Road and an extensive network of previous mining and exploration roads. Mains electricity passes through the Project area. There are several gold processing plants in the area available for the potential toll treatment of gold ore. The physiography is mostly flat, with occasional low hills and is thinly vegetated by scrub and a few larger trees. Most of the Project is located on the Hampton Hill pastoral lease with part of one tenement on the Black Flag pastoral lease. The current land use is predominantly for cattle production.



*Location of Avalon Project and surrounding processing centres (Source: Dragon, 2021)*

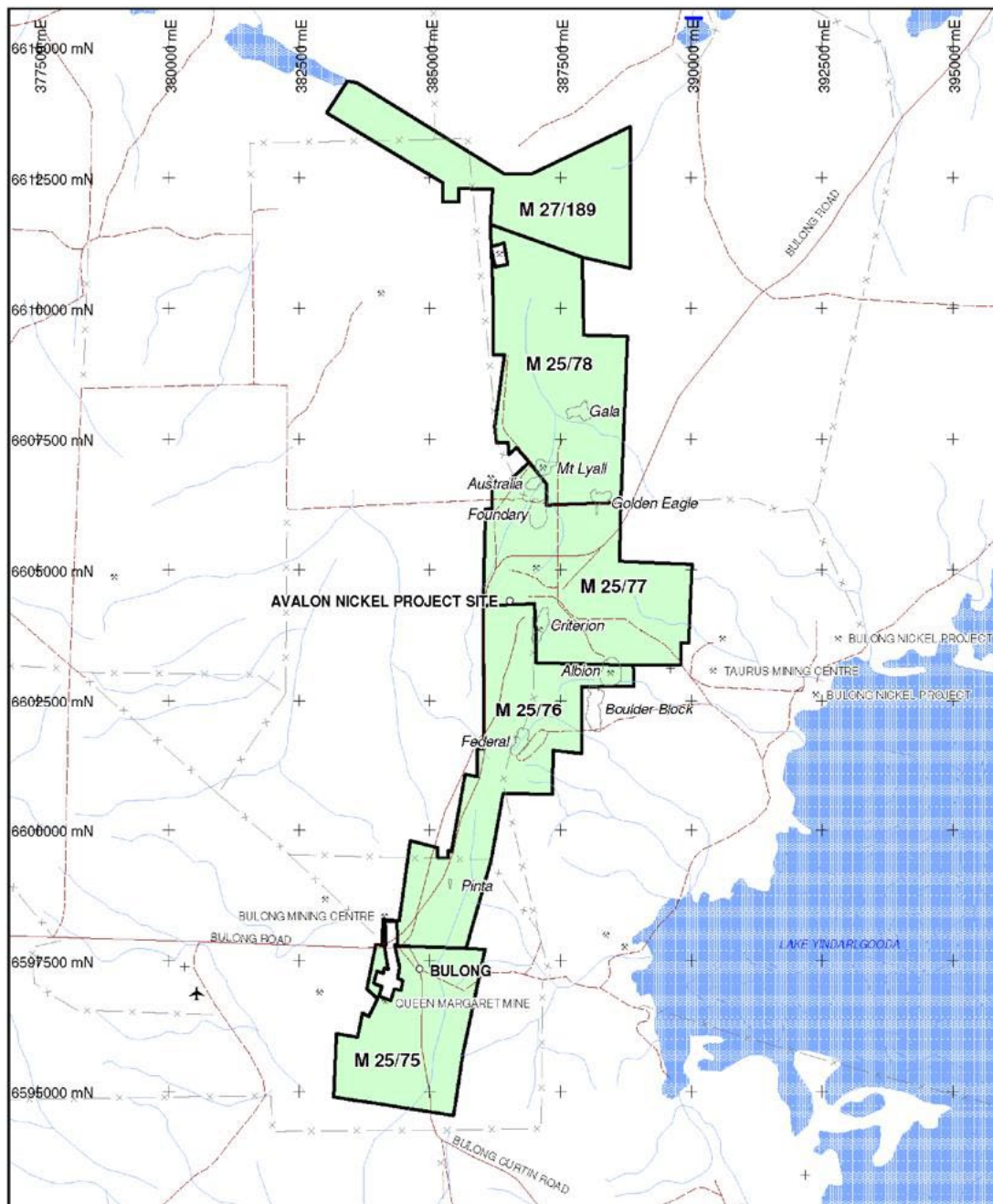
### ***Tenure***

The tenement group was purchased (in part) by LionOre with the transfer of certain tenements and assets in 2004. In 2007, LionOre Australia was taken over by Norilsk Nickel Australia. The project was then managed by Norilsk Nickel Australia and remained on care and maintenance. Norilsk undertook limited exploration for gold in the area and withdrew in 2015. The tenements were registered to Wingstar Investments Pty Ltd in 2016 and cover an area of 43.4 square kilometres.

The Company has acquired the gold and other mineral rights, excluding nickel and cobalt, covering the Cawse and Avalon tenement packages. The Company has entered into Farm in Agreements with Wingstar Investments Pty Ltd (“Wingstar”) granting the Company the right to earn up to an 80% interest in the tenements comprising the Avalon Project and the tenements that comprise the Cawse Project (with 4 tenements comprising the Cawse Project acquired from Mesmeric Enterprises Pty Ltd, a wholly owned subsidiary of Wingstar).

| DRAGON MOUNTAIN GOLD LTD |                              |          |          |          |  |
|--------------------------|------------------------------|----------|----------|----------|--|
| Mining Lease Details     |                              |          |          |          |  |
| Tenement                 | Holder                       | Granted  | Expiry   | Area, Ha |  |
| Avalon Gold Project      |                              |          |          |          |  |
| M25/75                   | Wingstar Investments Pty Ltd | 28/3/90  | 27/3/32  | 641.50   |  |
| M25/76                   | Wingstar Investments Pty Ltd | 28/3/90  | 27/3/32  | 978.75   |  |
| M25/77                   | Wingstar Investments Pty Ltd | 28/3/90  | 27/3/32  | 991.80   |  |
| M25/78                   | Wingstar Investments Pty Ltd | 28/3/90  | 27/3/32  | 999.35   |  |
| M27/189                  | Wingstar Investments Pty Ltd | 16/12/94 | 15/12/36 | 725.20   |  |
| Total Area               |                              |          |          | 4,336.60 |  |

*Total Area is 43.37 square kilometres*



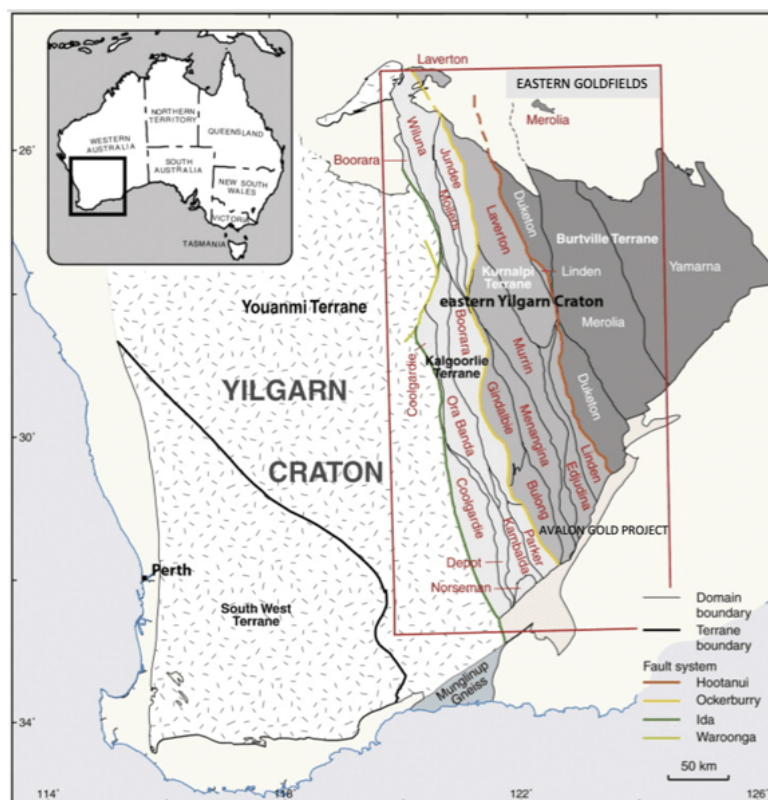
*Tenements in the Avalon Gold Project (Source: Wingstar, 2015)*

## Regional Geological Setting

The Eastern Goldfields have been divided into a series of domains. The Avalon Gold Project is within the Gindalbie-Bulong Domain, which occurs within the Kurnalpi Terrane where overall stratigraphy can be divided into several sequences: the Minerie sequence comprises mafic-ultramafic rocks and the Gindalbie sequence comprises felsic and mafic or andesitic volcanic centres. Overlying these, and structurally controlled, are late siliciclastic basins, varying from fine-grained siltstones to coarse clastic conglomerates. Locally, Banded Iron Formations (BIFs) also occur.

These rocks have been variably deformed, depending on formational/depositional age. Six deformation events have been defined and summarised as:

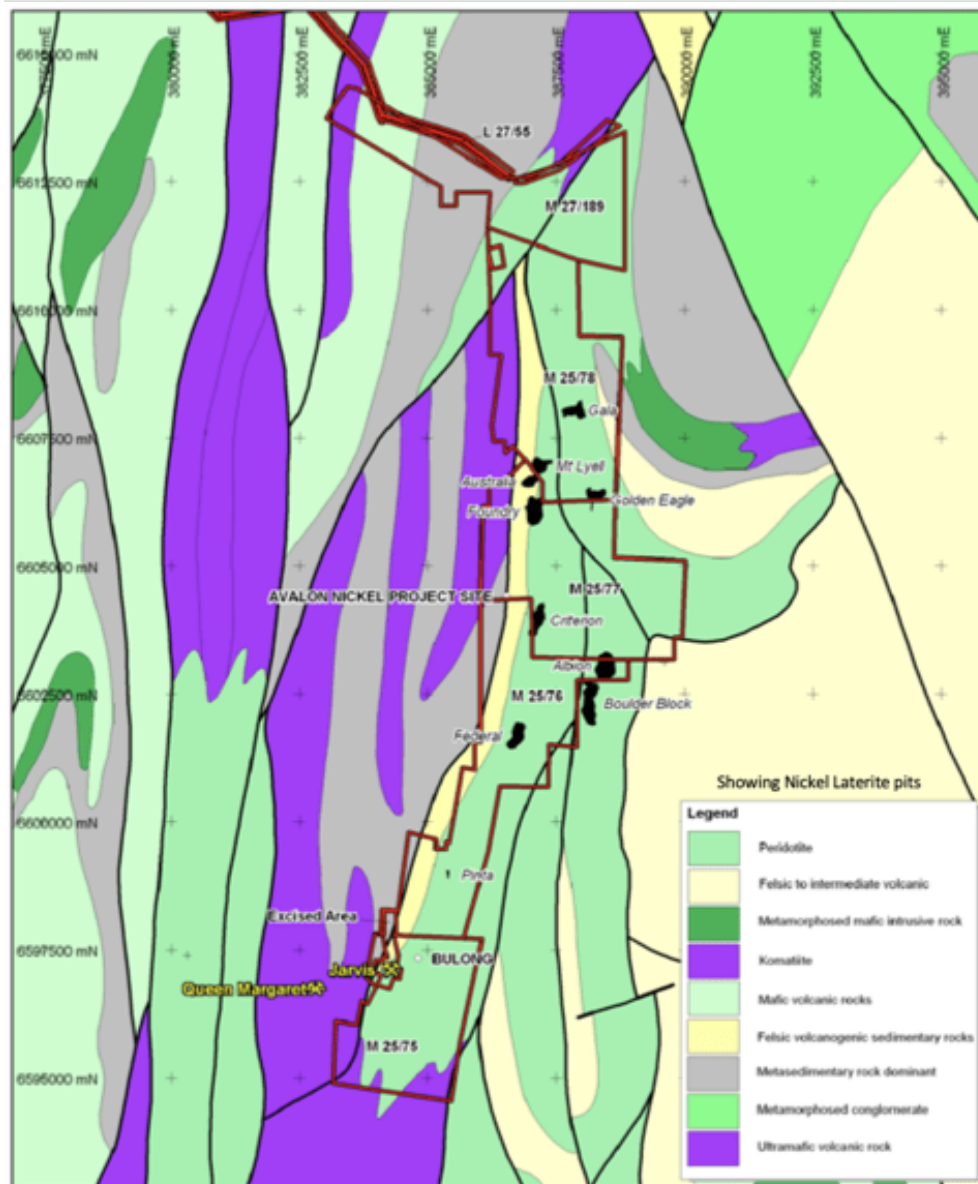
1. Early Arc related deformation switching between extension and thickening/mountain building, occurring between approximately 2,690 Ma and 2,680 Ma.
2. Arc closure with resultant folding and faulting with crustal thickening, occurring at approximately 2,670 Ma.
3. Extensional doming event with resultant late basin formation, and local orogenic escape perpendicular to compression, occurring at approximately 2,660 Ma.
4. Sinistral transpression resulting in regional folding, including late basins, with formation of significant reverse (thrust) faults. Heterogeneous stress resulted in sinistral strike slip movement along north-northwest trending faults.
5. Late dextral strike slip faulting, because of transtensional deformation, along north to north-northeast oriented faults, occurring at between approximately 2,650 Ma and 2,630 Ma.
6. Late, unknown timing orogenic collapse, with radial doming.



*Eastern Goldfields Domains (Source: Czarnota 2010)*



While there is evidence for multiple gold mineralisation events through this period of deformation, it is generally accepted that most of the mineralisation occurs during phase four and five deformation, represented by numerous styles and types of deposits, including narrow high-grade vein, sheeted vein array type, endo-skarn associated mineralisation, and shear hosted, amongst others.



*Regional Geological Setting of the Avalon Gold Project (Source: Wingstar, 2015)*

In the Bulong area, the lithology is an olivine distal lateral flow equivalent of the Walter Williams Formation (WWF), characterised by more linear and discontinuous ultramafic flow units. The dominant ore style is iron rich clays, with a goethitic overprint in the upper laterite profile. Where discrete lava channels occur, olivine adcumulate is present, forming discrete mesas of siliceous ore.

The Bulong Ultramafic Complex is a mafic to ultramafic layered intrusion that covers an area of 200 km<sup>2</sup>. The complex is about 37 km long with a maximum stratigraphic thickness of 1100 m (outcrop width is up to 3 km) and has been emplaced essentially concordantly into felsic

metavolcanic or volcanoclastic country rocks. The region has been folded and metamorphosed to the middle greenschist facies; the layering in the complex now dips steeply and is locally overturned. Despite regional metamorphism, igneous textures and some relict igneous minerals are preserved. Several sills, up to 400 m thick, are separated by sheets of country rock. Spinifex-textured basal chilled zones 1 to 3 m thick, are overlain by serpentinized olivine peridotite to dunite (olivine-chromite cumulates) and capped by thin layers of metamorphosed orthopyroxene, orthopyroxene-clinopyroxene and finally plagioclase-clinopyroxene-orthopyroxene cumulate rocks. In the olivine cumulates the (silicate) nickel content decreases upwards from 3500 to 1000 ppm. The complex has komatiitic affinities.

Weathering of the basal cumulate sections of the Bulong Ultramafic Complex has created a variable mineralised laterite profile via oxidation of the bedrock minerals, leaching of the soluble components and accumulation of relatively insoluble elements, including nickel and cobalt. The lateritic nickel- cobalt deposits identified in the Bulong Ultramafic Complex occur in multiple locations over a 20 km section of the complex. The laterite profile is typically zoned and comprises up to four horizons namely a surficial ferricrete horizon-the overburden, transitional limonite and ferruginous clays, green nontronite clays (the main ore bearing horizon), and the basal saprolite horizon. The vertical extent of these horizons varies widely depending on the bedrock composition and degree of fracturing and serpentinisation. The weathered ore zone rarely exceeds 35m in depth although the lateritic profile can reach up to 100 m thickness.

### ***Local Geology and Mining***

The **Avalon Gold Project** covers part of the eastern basal section of the large Bulong Ultramafic Complex in the Gindalbie Terrane east of Kalgoorlie. The project lies in a belt of north- trending greenstones that dip moderately to steeply to the west. They are located on the western limb of the Bulong Anticline and are within 11km of the north-north-westerly striking Kanowna Shear Zone – a major regional structure in the area. Ultramafic rocks of the Bulong Complex are interleaved with mafic rocks and metamorphosed felsic volcanoclastic rocks. The metamorphic grade in this area is mid- to upper greenschist facies. The greenstones are dissected by numerous north-trending faults, some of which originated as early structures, although they were almost certainly active during the later stages of regional deformation, probably as splay off the Kanowna Shear.

The dominant rock types consist of north-northwest trending ultramafic (komatiites) and sedimentary successions, which dip steeply west, away from the Bulong Anticline axis. Intercalated felsic-intermediate volcanoclastics are also major rock types.

### ***Bulong Complex***

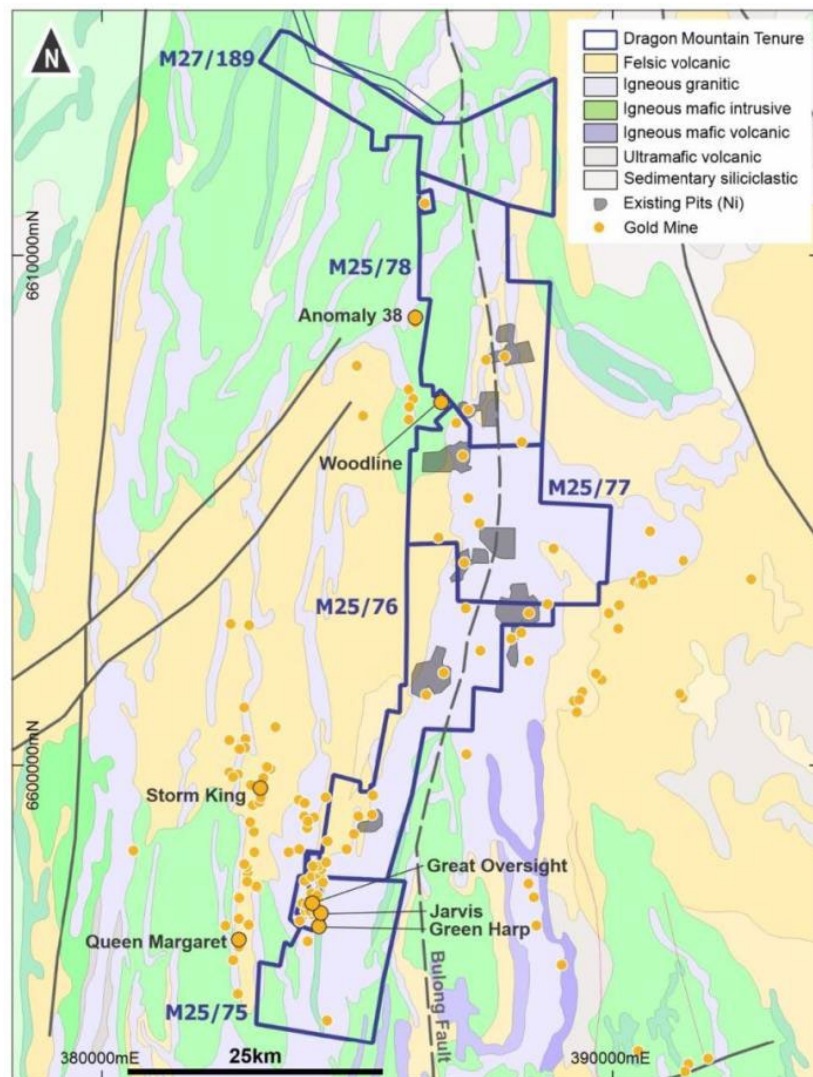
The Bulong Complex is a 37 kilometre long, folded, and metamorphosed acid volcanoclastic, with an extensive tightly folded ultramafic rich sill zone. The structure has two opposite plunging synforms separated by an extensive saddle. Most of the sills are altered layered olivine rich rocks, with a few sills and rare dykes of altered pyroxenitic, gabbroic, dioritic and granophyric rocks. Large magma pulses produced olivine cumulate, and thin zones of pyroxene and pyroxene-plagioclase cumulate.

The altered layers are cumulate olivine and accessory cumulus chromite, in association with varying amounts of clinopyroxene, orthopyroxene, and plagioclase. Metaserpentinites form

mesh textures, parallel vein texture, primary texture preservation, fibro-lamellar intergrowths, veins associated with magnetite, and abundant non-fibrous serpentine rich veins containing minor talc, carbonate, chlorite, amphibole, magnetite, and sulphide, associated with vesicular looking patches of dark green translucent serpentine. Antigorite is the dominant species with some chrysotile in weathered serpentine veins after relict olivine.

Several shallow laterite nickel pits are located north of the main processing plant. The North prospect shows unusual replacement type sulphides, found in a shallow supergene zone, in altered unlayered olivine rocks, immediately above a thin sheet-like intrusion of country rock. The primary assemblage is pyrrhotite-magnetite-pyrite-chalcocopyrite-pentlandite, unusual as it is pseudomorphic after primary olivine grains of irregular fracture networks.

Later during metamorphism, recrystallization of serpentine and the growth of fibrous tremolite and chlorite penetrated the assemblage. In the supergene zone, pyrrhotite has been locally altered to pyrite and marcasite, with pentlandite largely replaced by cupriferous violarite. In the oxidised zone above, chalcocopyrite has been replaced to varying degrees by microcrystalline chalcocite-covellite-goethite aggregates and magnetite replaced by hematite.



*The Avalon Gold Project Geology and historical workings and open pits from the Bulong Ni laterite operations (Source: Dragon, 2021)*

## ***Mineralisation***

### ***Nickel Mineralisation***

Nickel was the focus of attention at Bulong in the late 1990s. The nickel laterites have been formed from weathering of olivine rich ultramafic/komatiite of the Archaean basal Walter Williams Formation (WWF) flow unit. The WWF covers an area of 150 x 35 km and is up to 600m thick. The weathered WWF typically assays 0.5% Ni as a background and forms siliceous ore. In zones of more intense lateritic weathering, related to faulting and bedrock alteration, ore grades exceeding 1% Ni are generated. The ultramafic lithotype strongly influences the lateritic ore style.

The Bulong ultramafic complex east of Kalgoorlie was the first laterite project to be investigated with HPAL technology in mind. The ore is a laterite nickel deposit hosted in a nontronite clay zone. Originally explored by WMC, the project was purchased by Resolute Resources, which carried out successful pressure leaching tests and embarked on a project feasibility study. Bulong, with a capacity of 9000 tpa Ni, was one of three HPAL nickel laterite operations to come on-stream in quick succession in 1998 and 1999.

Bulong nickel project was initially developed and operated by Resolute Resources using a high temperature acid pressure leaching followed by solvent extraction and electrowinning process, based on reserves of 140 Mt of ore. In 1998 Preston Resources purchased the Bulong nickel project from Resolute Resources.

### ***Gold Mineralisation***

The principal mineralisation style associated with the Project area is Archaean Lode gold, also referred to as orogenic gold. This type of mineralisation occurs worldwide in Archaean Greenstone belts of similar age to the Eastern Goldfields Province of WA. It is typified by fault and shear related, structurally controlled complex mineralisation that can occur in a spectrum of styles ranging from narrow, high-grade vein associated (e.g., Kundana and Daisy Milano near Kalgoorlie), to shear hosted disseminated (e.g., Thunderbox near Leonora), to sheeted vein or stockwork mineralisation (e.g., Mount Charlotte in Kalgoorlie). The exploration model for this area is based on standard Archaean Lode orogenic gold models.

The Bulong area has produced over 70,000 ounces of gold from both alluvial and bedrock mineralisation. Mineralisation is thought to have formed during late-tectonic east–west compression within quartz veins along brittle–ductile sheared contacts between metamorphosed felsic volcanoclastic rocks and intensely carbonated ultramafic rocks. These contact parallel shears are interpreted as splay off the Kanowna Shear – Mount Monger Fault system. Most gold production was from Queen Margaret mine where mining is almost continuous for about 1,500 m on a north-trending shear zone, but there are further workings, including Storm King, on the same structure some 4 kilometres to the north. Historical workings such as Green Harp and Great Oversight appear to be controlled by en-echelon shear zones and the contact between ultramafic and felsic rocks.



## ***Mining and Exploration History***

### **Historical Mining**

Gold was first discovered in the Bulong area in 1893. There have been two phases of historical gold mining, the main activity between 1897 and 1912 and small-scale production 1923 to 1935 by small syndicates. In 1934, there was an unsuccessful attempt to resurrect the Queen Margaret Mine. The historical gold production from the entire Bulong District is believed to be 119,617 ounces of gold produced from 153,991 tonnes of ore, equating to an average grade of 24.9 g/t. In addition, 41,531 ounces of gold were recovered from alluvial workings.

The most prospective areas within the Avalon Gold Project are on the western side of the tenement package with known historical gold mineralisation on adjacent tenements held by Black Cat Syndicate Ltd. The primary targets are on an 18km contact zone between the ultramafic units, and mafic and sedimentary rocks. Targets extend from the south with mineralisation within the tenement holdings at Golden Celt, Green Harp Extended, Bulls Eye and Night and Day northwards to Patch Dam, Anomaly 38, and the Unknown mines outside the western boundary of the tenements at the northern end of the leases.

Both alluvial and bedrock gold mineralisation is known from the larger Bulong area. Mineralisation occurs in quartz veins and veined brittle–ductile sheared contacts between metamorphosed felsic volcanoclastic rocks and intensely carbonated ultramafic rocks. At Bulong, there are two main sub-parallel lines of workings. Most gold production was from the western of these two lines, which contains the Queen Margaret mine.

Mine development is almost continuous for about 1,500 m on a north-trending shear zone. The eastern line of workings which trend onto the Avalon leases appears to be controlled by several shorter, en-echelon shear zones, which produced more than 250 kg Au, principally from the Great Oversight and Green Harp groups of mines.

The Great Oversight group, to the south, lies on the eastern and western contacts of a thin metamorphosed felsic volcanoclastic unit within carbonated ultramafic rock. The Green Harp workings are also on the contact between carbonated ultramafic rock and felsic schist. Workings are scattered for several kilometres to the north of the Green Harp group.

### **Exploration History**

The Bulong area has had an extensive exploration history, with multiple owners and joint ventures. The exploration history is primarily divided up between the areas surrounding the Queen Margaret line of workings (to the west of the Avalon Gold Project) and the Virgin Dam to Woodline area on adjacent ground.

Most exploration activities occurred during the 1980s and 1990s when different economic conditions prevailed; these economic conditions influenced the decision making of the companies at that time. References by past companies to the potential economics of the prospects were relevant at the time, to that company. There is not enough information to make an assessment as to the potential economics of the prospects under current economic conditions.

Little drilling has effectively tested for gold mineralisation within fresh rock at the various prospects. The Project area is deeply weathered, up to 90–100 m deep in places, with variable thicknesses of transported material from 0 to 30 m. Historically, complete sampling and assaying of drillholes was not routine. Significant alluvial gold has been recovered from the Project area. In many instances, the transported cover was not sampled. The average depth

of drilling at the Queen Margaret, Boundary, Trump, Strathfield, and Woodline prospects on adjacent ground to the west is less than 50 m in depth. Many holes at these prospects historically targeted potential shallow gold mineralisation, with deeper mineralised intersections not followed up. Difficulties in the drilling were noted in deeper diamond drilling, with poor core recovery an issue.

Newmont undertook exploration for nickel sulphides in the Bulong area between 1967 and 1969. The Hampton Company then reassessed Newmont's data and drilled some 150 widely spaced, shallow (to 15m depth) rotary percussion drillholes to test for lateritic nickel mineralisation.

In 1981 Western Mining Corporation (WMC) reported a potential nickel resource from four principal deposits (Golden Hind, Gropa, Pinta and Half Moon) concluding that approximately 75% of the resource would be amenable to hydrometallurgical processes.

Amber Gold (subsequently renamed Resolute Resources Ltd) purchased the tenements for their gold and platinoid potential in 1987. Higher nickel prices rekindled interest in the lateritic ores and following laboratory tests of the pressure-acid process, Resolute entered the Bulong Joint Venture with WMC in late 1990.

WMC funded drilling programs for lateritic nickel concentrations, the mining of a 33,500t test pit, extensive metallurgical studies, and a re-evaluation of the resource potential. In mid-1994 WMC withdrew from the project and Resolute resumed 100% control continuing with the metallurgical test work and resource evaluation.

In March 1995 Resolute commissioned a project feasibility study and in 1996 sought statutory approvals for a nickel laterite mining and processing operation. Approvals were obtained in February 1997 for construction of the Bulong Project. Resolute then sold the project to Preston Resources Limited in November 1998. Preston Resources Limited and Preston Nickel Holdings Pty Ltd were the parent companies of Bulong Nickel Operation (BNO). The BNO plant operated from 1998 to 2003.

Nickel laterite ore mined from Bulong was variably sourced from up to seven shallow open pits. Pits with thinner overburden and/or short haulage distances to the processing plant were targeted early in the mine schedule. The operation used a cut-off grade of 1.6% Ni for a target head grade of 1.8% Ni. The material blend comprised approximately 10% limonite, 65% nontronite and 25% serpentinite (sapolite). Additional plant metallurgical constraints included a maximum allowable blended MgO grade of 8% and copper grades not exceeding 100ppm. The Bulong HPAL plant processed up to 60,000 tonnes of ore per month and produced approximately 8,500 tonnes of nickel metal per year.

On 27 May 2003, the directors of the BNO companies appointed voluntary administrators. The site then went into receivership, until its purchase (in part) by LionOre and the transfer of certain tenements and assets on 6 May 2004. In 2007 LionOre Australia was taken over by Norilsk Nickel Australia.

When LionOre acquired the project consideration was being given to modifying and re-commissioning the processing facility to treat nickel sulphide concentrate produced by the Honeymoon Well Project, located approximately 40km south of Wiluna. In the years the project was operated by LionOre and Norilsk the project remained under care and maintenance with most exploration work being focused on ore-type metallurgy, and in recent years gold exploration. Seven RC drill holes were completed in 2011.

Test work for leaching using nitric acid was undertaken in 2012-2013. Rock chip sampling for gold exploration was undertaken as well as re-processing of magnetic data.

A significant percentage of project expenditure over the period from 2004 to the present was allocated to care and maintenance activities on the Bulong project to maintain existing infrastructure.

Exploration by Norilsk in 2012 included bulk sampling and sample characterization for metallurgical test work, reverse circulation drilling and rock chip sampling. Three holes completed on M25/76 were dominated by medium-grained serpentine-talc altered cumulate ultramafic. NAVC0003 intersected 2m at 0.34% Ni and 140ppm Co from 26m, while NAVC0004 intersected 22m of subgrade lateritic mineralisation averaging 0.47% Ni and 200 ppm Co from 8m. NAVC0005 intersected 30m of subgrade lateritic mineralisation averaging 0.47% Ni and 186 ppm Co from 4m.

Two holes completed on M25/75 intersected transported alluvials, limonitic clays with smectite, and clay serpentine- limonite altered ultramafic. NAVC0006 intersected 22m of low-grade lateritic mineralisation averaging 0.59% Ni and 239ppm Co from 6m, while NAVC0007 intersected 16m of low-grade lateritic mineralisation averaging 0.54% Ni and 186 ppm Co from 6m. Elevated gold assays were recorded from two surface calcrete samples, while elevated arsenic was noted in two samples of weathered ultramafic

#### Gold Exploration, 2013

Geological reviews of the entire Avalon project were undertaken during 2013 by Norilsk with the emphasis on gold potential. This included reconnaissance field trips as a prelude to Niton and BLEG soil geochemical surveying.

#### *Soil Geochemical Surveys*

As part of an ongoing gold prospectivity assessment, bulk leach extractable gold (BLEG) and handheld XRF soil surveys were conducted on M27/189, M25/75, M25/76, M25/77 and M25/78 in the 2013-14 reporting year. A total of 1145 BLEG samples were collected and analysed at Bureau Veritas Ultra Trace, Canning Vale, WA using the 2 kg BLEG assay method on un-sieved samples. All BLEG data is given in the Appendix to this report.

The two BLEG surveys were completed in December 2013 and February 2014, respectively. Sample points were variably spaced depending on their location; however, the majority of stations were at 50m intervals on lines spaced 50m apart. Each tenement is discussed in turn below.

#### *M25/77*

In total, 230 stations at 50m intervals on lines spaced 50m apart were completed over the south-east corner of this tenement. This area is along strike from historic Au workings further to the south, and stations were focussed over the same faulted contact between mixed sediments/volcanics and ultramafic rocks. Overall results were low, returning an average Au value of 15ppb for the tenement. Maximum Au recorded was 196ppb. Elevated Au levels are interpreted to coincide with the lithological boundary, with most >50ppb values occurring within a short distance from the interpreted boundary.

### *M25/76*

There were two survey areas on M25/76. The western part of the tenement included 154 stations at 25m spacing on lines spaced 50m apart focussing on the same lithological contact as the stations on tenement M25/77 (located to the north). The historic Au workings to the east of the tenement appear to be aligned with this lithological contact. Average Au recorded for this section was 21ppb. One standout reading was recorded in the south-west with Au of 2190ppb. Further south, at the Bulong mining centre, NNW trending faults are known to control Au mineralisation on which multiple historic Au workings are focussed. A linear NNW trend of Au elevation can be interpreted through this part of the survey, which may also control mineralisation further to the north into tenement M25/77.

The eastern part of the survey contained 104 stations at 50m intervals on lines spaced 50m apart and designed to test a set of interpreted NW-SE faults. No anomalism was recorded, with an average Au value of 4ppb for this section of the tenement.

### *M25/75*

In total, 383 stations at 50m intervals on lines spaced 50m apart were completed on the western side of the tenement focussing over the area south of the historic Queen Margaret open pit mine at Bulong. An average value of 18ppb Au was recorded during the survey, with a highest result of 278ppb Au for the tenement. Elevated Au levels clearly define the historic 'Golden Celt' workings, where mineralisation appears to be controlled by a N-S lithological boundary.

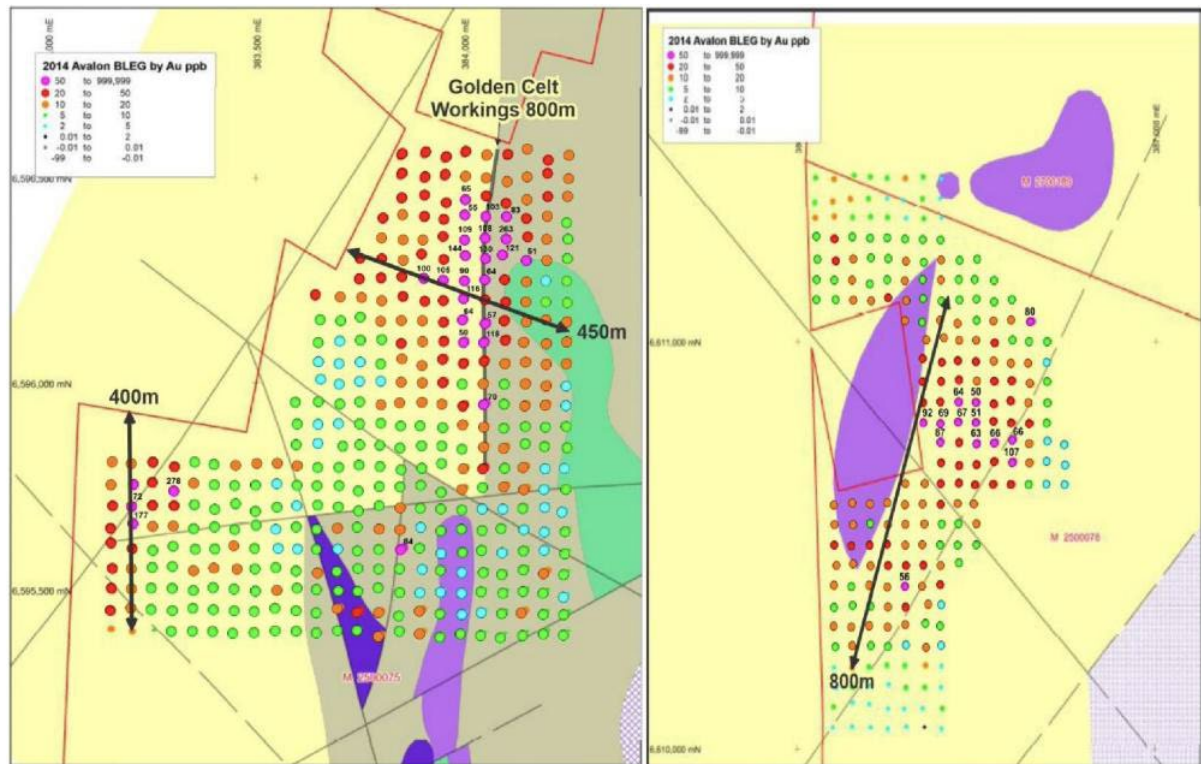
### *M25/78 and M27/189*

In total, 230 stations at 50m intervals on lines spaced 50m apart were completed on the northern end of M25/78, with 11 points crossing over into the southern end of M27/189. The stations were designed to test a set of interpreted cross-cutting structures considered to be prospective for Au. An average value of 16ppb Au was recorded over the two tenements, with a maximum value of 107ppb Au recorded within an elevated area towards the apex of the two converging faults, bordering the historic workings on tenement P27/2005 (excluded).

A separate BLEG survey consisting of 48 sample points was conducted at the northern end of M27/189 in November 2013. Results returned for this survey were relatively low, with an average Au value for the survey of 4ppb. The maximum reading for the survey was 9.9ppb Au and a correlation between higher Au values and an ultramafic contact position is interpreted.

### *M27/189 Hand-held XRF survey*

Two hand-held XRF soil surveys were conducted on part of M27/189 in October 2013. A total of 235 stations were sampled at a depth of 5-10cm using a Niton XL3t 500, followed by a later survey in which 220 stations were sampled using a *Niton XL3t 980 GOLDD+* instrument set in 'soil mode'. A maximum reading of 2763ppm Nickel was recorded, with an average over the southwest of the magnetic high of 887ppm Nickel. The highest Arsenic recorded over the same sample area was 113ppm with an average of 21ppm.



Left: M25/75 BLEG survey stations by Au over interpreted geology Right: M25/78 and M27/189 BLEG survey stations by Au over interpreted geology (Source: Norilsk, 2014)

### Exploration Potential

- The Anomaly 38 mineralisation is held by Black Cat Syndicate Ltd (Black Cat) and is not included in the Avalon Gold Project area. The mineralisation represents the style of mineralisation that may be encountered on the Company's project.
- Woodline (E25/520) is 100% Owned by Black Cat. It lies adjacent to M25/78 held by the Wingstar. Recent interpretations suggest the mineralisation here may extend into the Company's tenure.
- Wingstar holds a granted mining Lease (M25/78) adjacent to the Anomaly 38 and Woodline mineralised zones.
- While there is a reasonable level of geological confidence associated with the style of mineralisation and the prospectivity of the Project there is no certainty that further exploration work will result in the determination of similar styles of mineralisation.

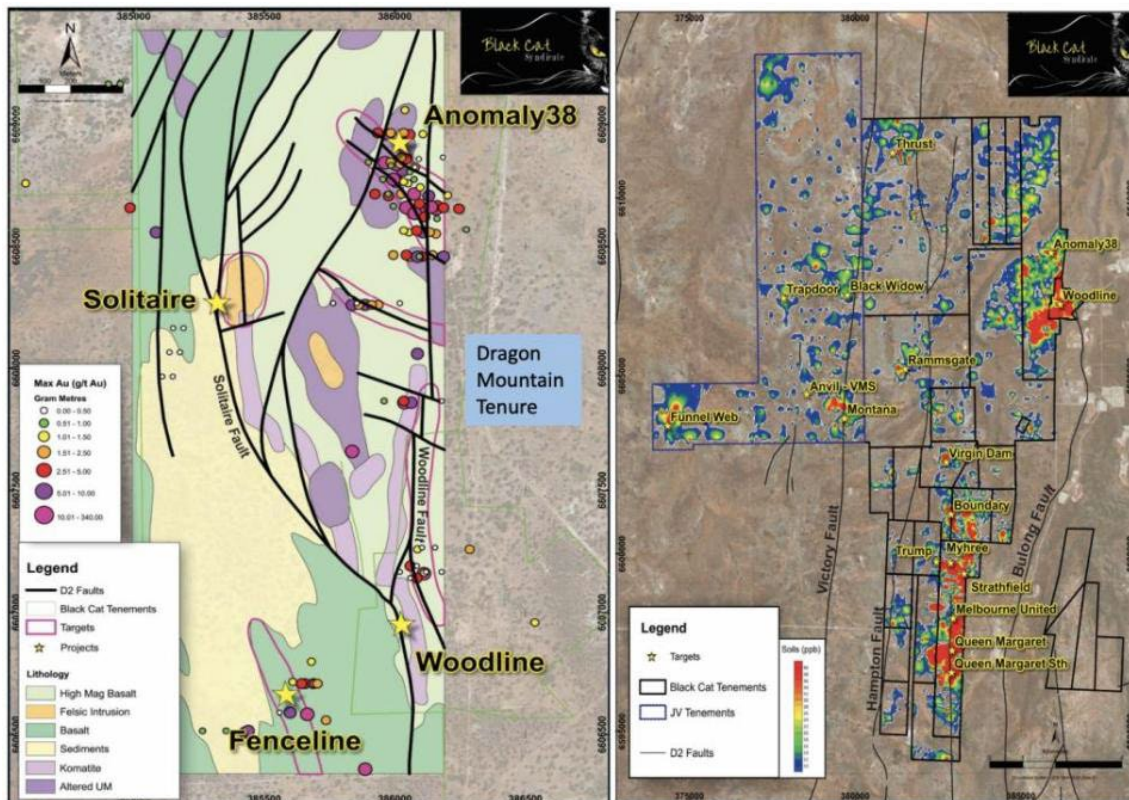
### Anomaly 38

Anomaly 38 is part of the historic Greater Woodline alluvial gold field, where nuggets more than 100 ounces were prospected. There are two gold mineralisation styles observed at Anomaly 38.

- Alluvial Gold: being sub-horizontal lenses with alluvial gold hosted within Quaternary sediments ("paleochannel"); and
- Primary Gold: N-S subvertical primary gold mineralisation hosted within ultramafic rocks.

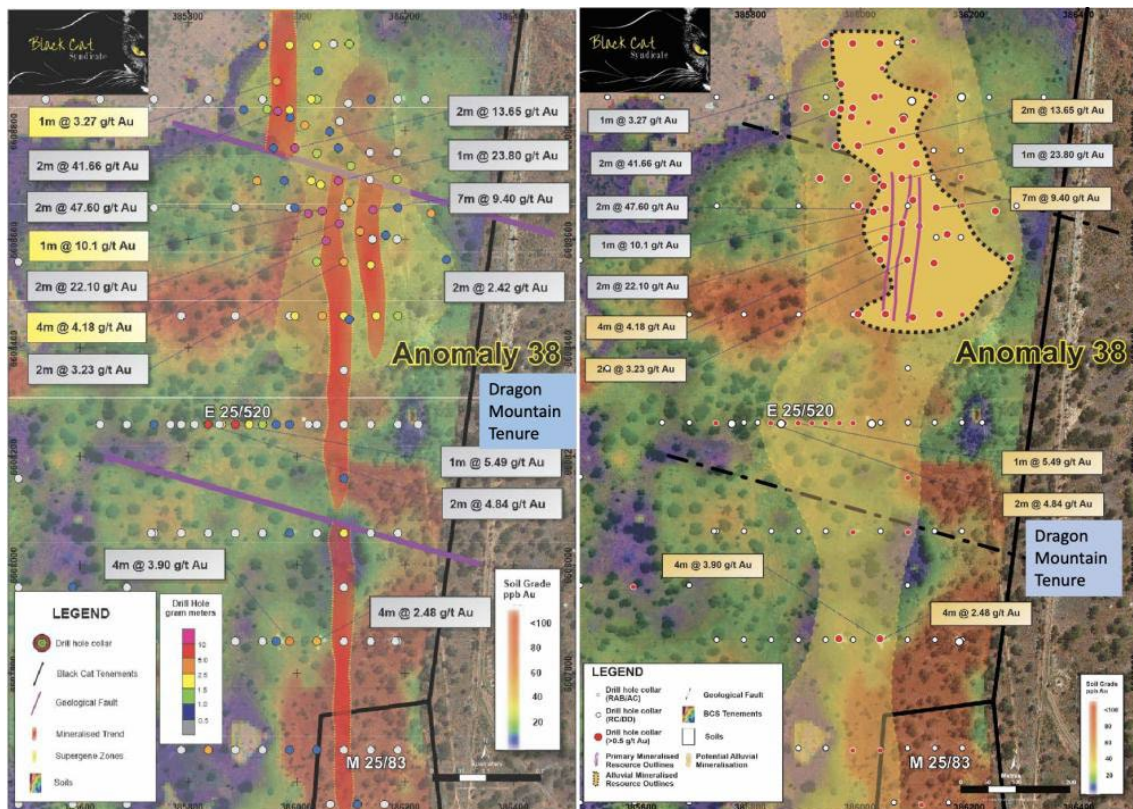
The alluvial gold is open to the north and south, with intersections from historical aircore drilling delineating a large prospective paleochannel. The primary mineralisation is open to the south and remains poorly tested to the north.





Areas of Interest over gold in soil anomalism ( $>10\text{ppb Au}$ ) at the Bulong Gold Project held by Black Cat Syndicate Ltd. The Company's tenure abuts this ground to the east.

(Source: Black Cat, 2019)



Plan over Anomaly 38 showing drill hole collars colour by grade over soil anomalism.

(Source: Black Cat, 2019)

Anomaly 38 is hosted in sheared, highly altered (haematite and sericite) ultramafic rock. The Woodline Fault is interpreted to lie along the east of the mineralisation, with cross-cutting NW structures located in the vicinity of the higher-grade mineralisation.

Recent exploration RC drilling consisted of 5 holes for 810m. The drilling was designed to test the current interpretation of multiple north-south mineralised lenses identified in historic results. Drilling intersected mineralisation in all holes including:

- 4m @ 4.18 g/t Au from 36m (19AARC001);
- 3m @ 1.79 g/t Au from 26m and 1m @ 10.1 g/t Au from 194m (19AARC002); and
- 1m @ 3.27 g/t Au from 86m (19AARC005).

Mineralised intersections correlate to historic results and provide numerous additional targets for follow up drilling. A mineralisation model is currently being created and will define follow up drill targets. Anomaly 38 is an early-stage target and remains -prospective for high grade mineralisation.

#### Woodline

Woodline is located approximately 2km directly south of Anomaly 38 and is defined by a 1,300m long (>50 ppb Au) soil anomaly. gold grades are localised along the Woodline Fault, parallel to the major, regional Bulong Fault. The Bulong Fault separates deeply weathered ultramafic sequences to the east from mafic/ultramafic rocks on the west. First pass RC drilling completed in the 1990's, intersected both gold and nickel mineralisation. Better results included:

- 12m @ 8.86 g/t Au from 66m (BUR149); and
- 14m @ 1.67% Ni from 70m (BURC017).

Recent drilling was designed to test the continuation of the mineralised structure along strike to the north. Mineralisation was intersected in two of the five holes drilled and confirmed the continuation of the mineralised structure along strike. Results include:

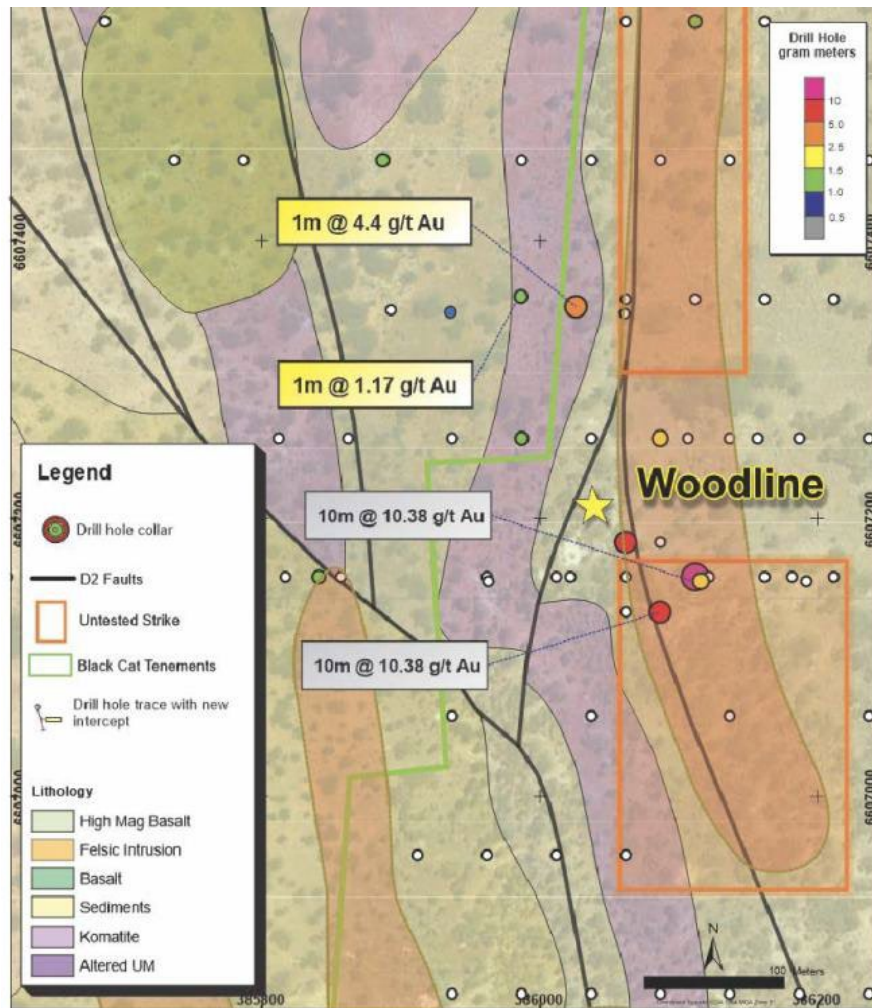
- 1m @ 4.4 g/t Au from 73m (19WLRC004).

The remaining strike of the Woodline Fault toward Anomaly 38 is ineffectively tested with only historic vertical RAB and AC drilling.

The Company's short-term exploration strategy is to undertake extensional RC drilling at the more advanced prospects (extensions to Anomaly 38 and Woodline) to develop Mineral Resources with the view to develop near-term production.

The initial drilling completed at Anomaly 38 and Woodline projects has provided information for follow up drilling. This area contains one of the largest alluvial goldfields in WA (source of 100oz nuggets) and has the potential to host multiple high-grade deposits. A review of the areas historical exploration results, the geology and geophysics identified several gold areas of interest. DMG proposes to test these areas with a series of RC drill programs. The Company will investigate both shallow targets (<50 m) and deeper targets (>50 m) and plans to drill below historical workings to test for continuation of and repetitions of mineralisation at depth.





*Woodline showing drill hole collars colour by grade over SAM (sub-audio magnetic survey) interpreted geology. (Source: Black Cat, 2019)*

The Company plans to explore the following areas of interest

#### *Extension of Anomaly 38 Mineralisation*

An area up to the Bulong Fault (to the northeast) with up to 1,000m RC drilling. Drill lines will be spaced 100m with 40m spaced holes to a depth of 60m. This is aimed to test the paleochannel and the steeply dipping primary mineralisation observed at Anomaly 38. A diamond hole has been budgeted to gather important structural data and potentially, material for bench-scale metallurgical testwork.

#### *Extension of Woodline Mineralisation*

As the mineralisation is closely associated with the fault, complete up to 6 RC holes for 500m to confirm the fault trace and potential continuity of mineralisation.

#### *Jarvis Porphyry areas*

Test these areas initially with up to 5 RC holes for 400m RC.

#### *Norilsk Soil Anomaly M25/75 (800m by 450m)*

Test this anomaly with a series of RC holes for up to 1,200m with some diamond drilling to gather structural data and metallurgical material for gold recovery testwork

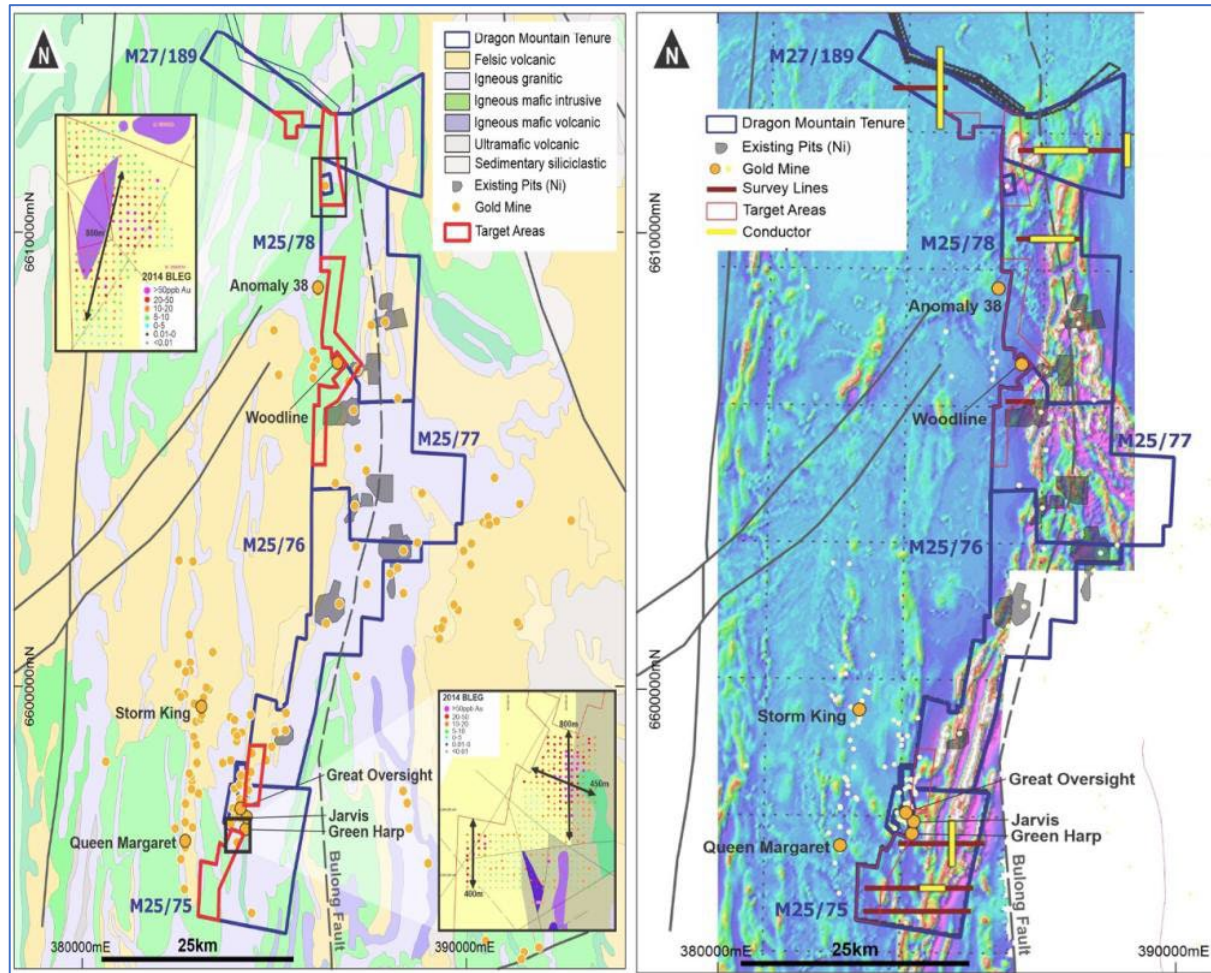


### Norilsk Soil Anomaly M25/78 (800m by 300m)

Follow up and test this soil anomaly with a series of RC lines for up to 15000m and if successful in identifying mineralisation to follow up with diamond drilling to gather structural information and metallurgical material for gold recovery test work.

### Nickel Sulphides Potential

Re-visit these survey results and follow up with RC and potential DD drilling if the warranted.



Left: Exploration areas of interest within the Avalon Gold Project, Right: Levelled airborne magnetic data (TMI-1VD) over the Avalon tenements and MLTEM responses that remain untested. (Source: Dragon, 2021)

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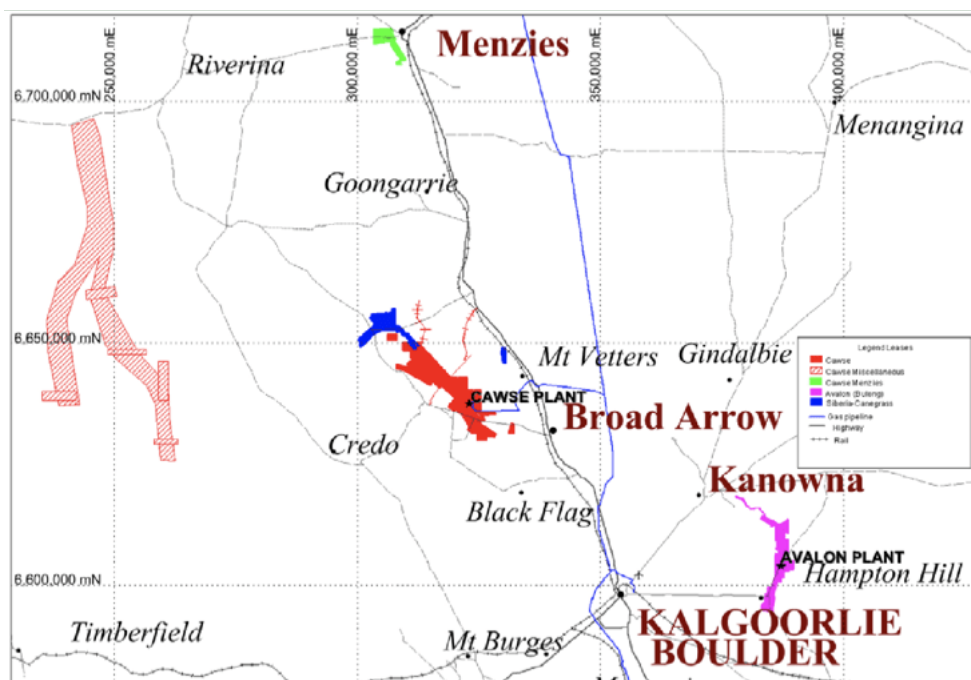
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## CAWSE GOLD PROJECT

The main areas of interest for exploration within the Cawse tenements will be the approximately 20km of ultramafic / granite contact. Initially five locations along the ultramafic / granite contact have been identified as anomalous for gold from historical geochemical sampling, drill holes and workings. These include the Cawse Find and Wellington areas as discussed above. Importantly large areas that may be prospective have not been drilled, or if they have been drilled have not been assayed for gold. A substantial quantity of drilling pulps is available on site at Cawse and can be re-assayed for gold.

Additional zones may occur within the ultramafic unit where aeromagnetic data indicates discrete magnetic anomalism, possibly related to magnetite destruction from alteration associated with gold bearing fluids along fault structures.



*Location of the Cawse Project (Source: Dragon, 2021)*

### **Location, Access, and Tenure**

The Cawse Project is in the Eastern Goldfields region of Western Australia approximately 60 kilometres northwest of Kalgoorlie. Access from Kalgoorlie is north along the Kalgoorlie - Menzies Highway, then west along the Broad Arrow - Ora Banda Road to Ora Banda and north along the Cawse access road to the processing plant site. Various haul roads and exploration tracks traverse the tenements.

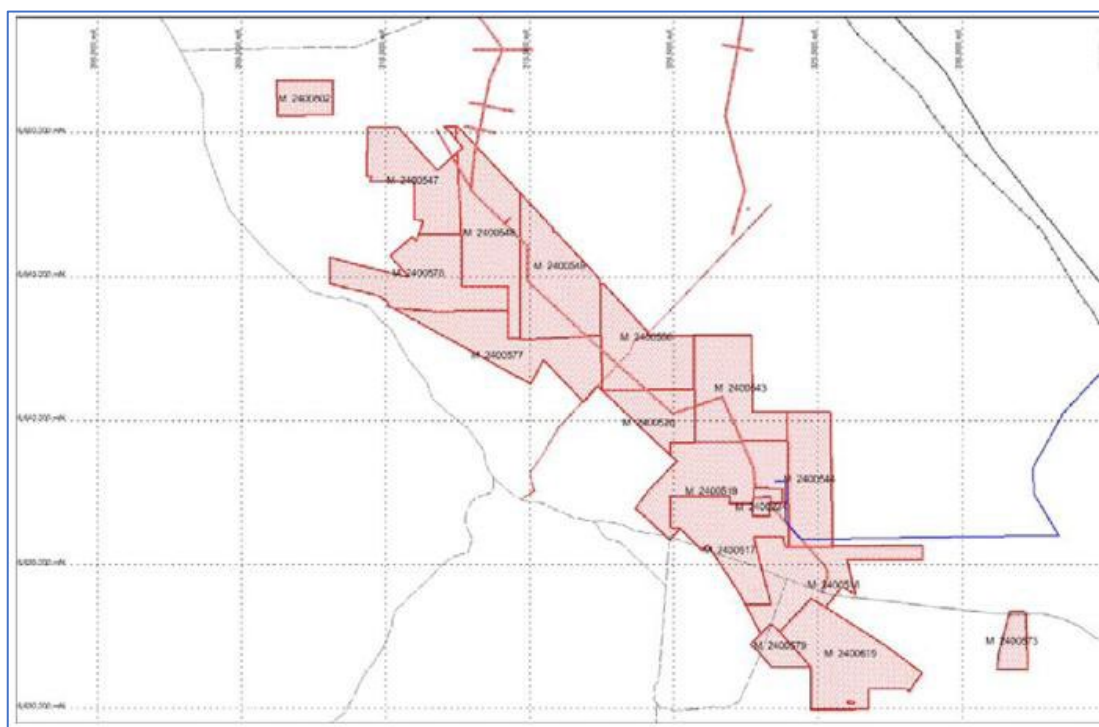
The Cawse Nickel Project covers part of the Walter Williams Ultramafic Complex. Lateritic and silicified lateritic profiles are developed over the ultramafic components of this complex, particularly along its basal margin. Nickel has been produced from open cut mining and HPAL processing. The Cawse operations were worked from 1998 to 2008 and have been on care and maintenance since then.

The Company has acquired the gold and other mineral rights, excluding nickel and cobalt, covering the Cawse and Avalon tenement packages. The Company has entered into Farm in

Agreements with Wingstar Investments Pty Ltd (“Wingstar”) granting the Company the right to earn up to an 80% interest in the tenements comprising the Avalon Project and the tenements that comprise the Cawse Project (with 4 tenements comprising the Cawse Project acquired from Mesmeric Enterprises Pty Ltd, a wholly owned subsidiary of Wingstar).

| DRAGON MOUNTAIN GOLD LTD                                      |                              |          |          |          |  |
|---|------------------------------|----------|----------|----------|--|
| Mining Lease Details  |                              |          |          |          |  |
| Tenement  | Holder                       | Granted  | Expiry   | Area, Ha |  |
| Cawse Gold Project  |                              |          |          |          |  |
| M24/224   | Wingstar Investments Pty Ltd | 30/5/88  | 29/5/30  | 38.56    |  |
| M24/389   | Wingstar Investments Pty Ltd | 15/10/91 | 14/10/33 | 39.96    |  |
| M24/517   | Wingstar Investments Pty Ltd | 3/1/97   | 2/1/39   | 818.25   |  |
| M24/518   | Wingstar Investments Pty Ltd | 3/10/97  | 2/10/39  | 855.80   |  |
| M24/519   | Wingstar Investments Pty Ltd | 3/1/97   | 2/1/39   | 936.25   |  |
| M24/520   | Wingstar Investments Pty Ltd | 3/1/97   | 2/1/39   | 427.30   |  |
| M24/543   | Wingstar Investments Pty Ltd | 3/1/97   | 2/1/39   | 859.95   |  |
| M24/544   | Wingstar Investments Pty Ltd | 3/1/97   | 2/1/39   | 703.30   |  |
| M24/547   | Mesmeric 80%/Enigma 20%      | 3/10/97  | 2/10/39  | 689.75   |  |
| M24/548   | Mesmeric 80%/Enigma 20%      | 3/10/97  | 2/10/39  | 993.85   |  |
| M24/549   | Mesmeric 80%/Enigma 20%      | 14/4/03  | 13/4/24  | 969.75   |  |
| M25/550   | Mesmeric 80%/Enigma 20%      | 14/4/03  | 13/4/24  | 767.60   |  |
| Total Area  |                              |          |          | 8,100.32 |  |
| Mesmeric Enterprises Pty Ltd, Enigma Mining Ltd Joint Venture |                              |          |          |          |  |

*Total Area is 81.00 square kilometres*



Cawse Tenements (Source: Dragon, 2021)



## ***Regional Geological Setting***

The Cawse Nickel Operations lie on the western limb of the Goongarrie - Mt Pleasant anticline in the Ora Banda Domain of the Kalgoorlie Terrane.

### ***Stratigraphy***

The regional stratigraphic unit that hosts the mineralisation at Cawse is the Walter Williams Formation (WWF), the basal unit of the Linger and Die Group within the Ora Banda Domain. The lower tholeiitic and high-Mg basalts of the Pole Group are absent from the stratigraphic sequence in the Cawse region, with the adjacent granitoid abutting the Walter Williams Formation. The Linger and Die Group comprises two formations, the WWF, and Siberia Komatiite.

The Walter Williams Formation is up to 300 metres thick and a coarse-grained, (2-10 mm) olivine adcumulate composed of fresh olivine and minor Chromite. A thin orthocumulate occurs at the base and top of the formation with an upper orthocumulate separated from the underlying adcumulate by a thin harrisitic olivine layer. The unit has a typical high MgO content up to 46% and between 0.17 to 0.37% nickel in the silicate phase. It has undergone serpentinisation in the Cawse area

The Siberia Komatiite overlies the Walter Williams Formation, separated from the upper orthocumulate by a zone of pyroxene, gabbro and Mg rich leucogabbro characterised by thin spinifex-textured komatiite flow units.

Overlying the Siberia Komatiite are high-Mg basalts intercalated with tholeiitic basalts and the sequence is completed by succession of epiclastic sedimentary rocks. Intrusive layered mafic-ultramafic sills occur above Siberia Komatiite (Ora Banda Sill, Mt Pleasant Sill).



Regional Geological Setting of the Cause Project (*Source: Wingstar 2015*)

### *Structure*

The first deformation recognised in the area is the weak regional D2 structure called the Goongarrie- Mt Pleasant Anticline. The granite-greenstone contact in the Cawse region is offset by north-trending strike faults and is displaced by north-east-trending regional (D3) strike-slip faulting, trending 060- 240 degrees, having a small dextral component. These structures are also the focus of mineralisation at the Cawse gold mine.

The area has undergone low to middle greenschist metamorphism, with local upper greenschist to lower amphibole grade facies associated with a high strain deformation aureole close to the granite margins.

### *Regolith*

The Cawse region is approximately 400m above sea level and characterised by low topographic relief (< 50 m), with hills formed by greenstone strike ridges and breakaways. A northeast-trending alluvial system transects the region and locally incises the landscape.

The landscape comprises relict (10%), erosional (30 %) and depositional (60 %) regimes. Locally developed quartz sand palaeochannels and kaolin rich transported clays are developed in the granite terrain and in the adjoining WWF.

Poorly sorted, locally sourced, iron-rich, immature gravels and clays also occur in the transported regime over the WWF. Terrain inversion has occurred with channels now occupying the highest elevation and adjacent outcropping saprock on low ground.

### ***Local Geology and Mining***

Serpentinised olivine mesocumulates and adcumulates of the WWF form the protolith to the Cawse deposits. The WWF strikes northwest south of Cawse Central, then north-northwest to north at Cawse Central and northwest at Cawse Extended.

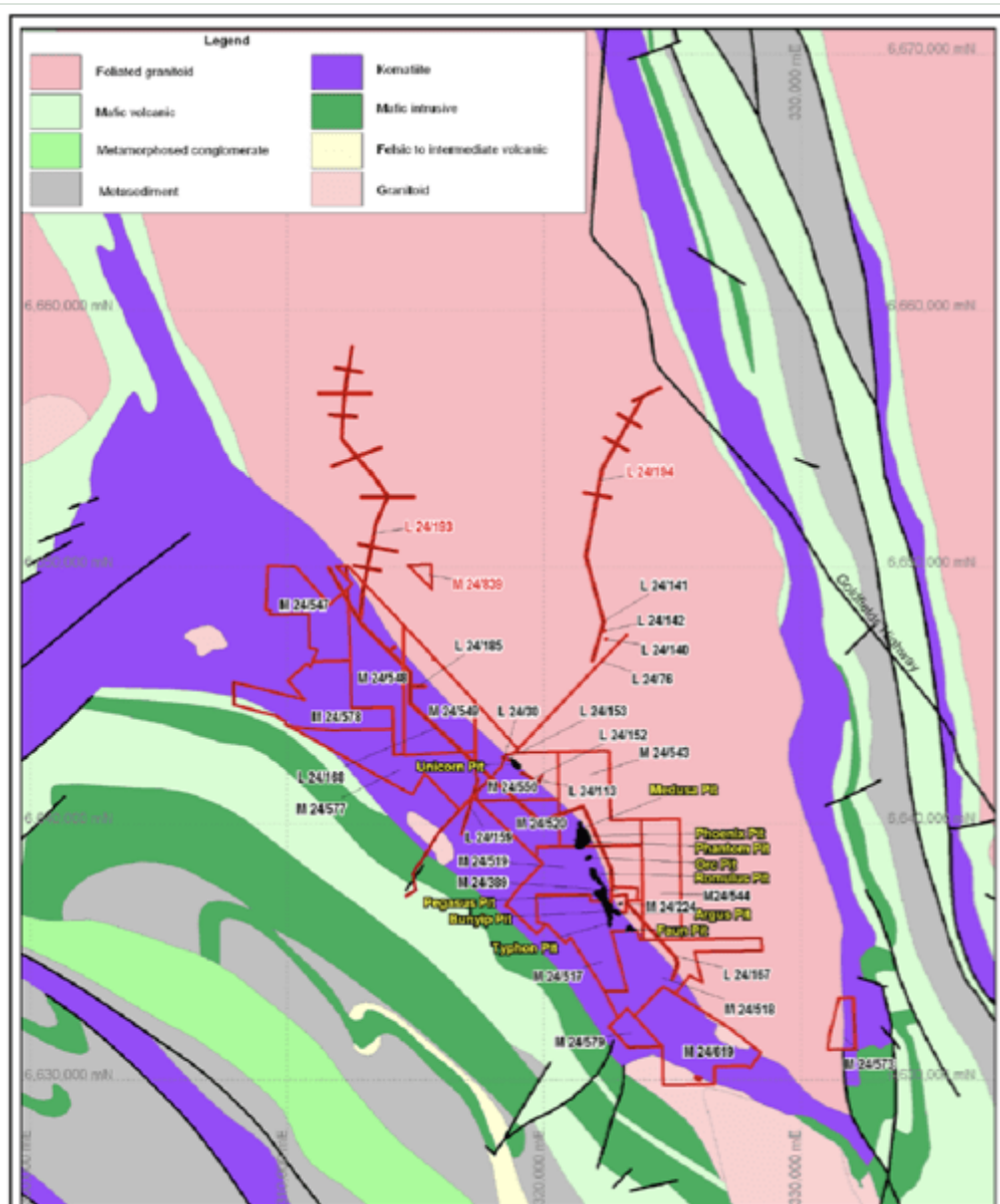
An olivine orthocumulate has been identified from limited bedrock data at the lower and upper margins of the adcumulate. It also forms occasional zones internal to the main adcumulate dunitic protore.

The irregular eastern margin of the WWF abuts the granite and is a faulted contact, with associated shearing and talc-carbonate alteration. The ultramafic is dominated by forsterite that has been variably serpentinised, together with minor magnetite, brucite and hydroxycarbonates. Minor chromite, magnesite dolomite, talc, chlorite and silica are also locally present.

An extensive laterite profile is developed over the WWF, resulting in enrichments in nickel and cobalt, and this lateritic mineralisation has been the focus of exploration and mining in the area.

A veneer of lateritic duricrust, up to 5m deep and averaging 2m, is developed as the upper horizon of the region. It is dusky red and composed of iron rich pisoliths and nodules (commonly magnetic in the first metre), set in a loam matrix with occasional fragments of silica and rounded quartz grains. The siliceous fragments commonly show dissolution fabrics which may be rimmed with secondary iron oxides. Pedogenic carbonates are present in the top metre, decreasing with depth. In diamond core, the soil shows a gradational boundary to weakly mottled clays. A mottled zone is generally restricted to the upper few metres of the

regolith, with (occasionally) deeper zones adjacent to the structures. Mottles are composed of bleached, green, and red-brown clays.



Cawse Project Location Plan and Local Geology (Source: Wingstar, 2015)

Local transported mottled zones are restricted from the upper few metres of the regolith to a maximum depth of 20 metres with (occasionally) deeper zones adjacent to structures. Mottles are composed of bleached, green and red-brown clays and contain round iron-rich pisoliths. The clays at Phoenix and Bunyip are also hematitic containing mega-mottles. They form a sharp contact with saprolite at the Bunyip Dam deposit.

Channel fill at the main channel at Bunyip is poorly sorted with grain size ranges from fine to very coarse. The clay matrix contains an assortment of sub- rounded to angular clasts of pebbles, cobbles and boulders. The base of the channel at Bunyip is commonly pisolitic with manganese staining and coating of the pisolites.

The boundary between the saprolite and overlying ferruginous saprolite is marked by a sharp colour change from a light brown colour to a yellow brown. The base of the ferruginous

saprolite zone is marked by vuggy silica banding and a loss of the gravelly ferruginous saprolite. Goethite clay, secondary silica, minor magnetite, and Fe - Mg silicates are the dominant minerals, with occasional bands of silica. Goethite forms as micron platelets or sub-rounded balls containing up to 2% nickel with manganese oxides coating silica grains.

Silica "gravels", closely resembling the form of the underlying cumulate fabric, characterise this zone and may be partly silicified. Iron-Mg silicates, goethite and magnetite grains form the interstitial material to the silica "gravels", with goethite forming a "chicken wire" fabric with voids infilled by silica. Goethite becomes more abundant towards the surface and contains up to 2.2% Ni. Magnetite becomes less abundant towards the surface and is lost just below the upper ferruginous saprolite - mottled zone boundary. Chromite grains within this zone are euhedral, highly fractured, and typically appear larger and more abundant than those in the protore, with Cr-rich magnetite alteration found along internal fractures. Cr-rich magnetite may or may not be present on chromite rims.

Saprolite is typically developed below 50-55m depth, with an average thickness of the upper saprolite of 20m. The lower saprolite still maintains an adcumulate fabric which is becoming progressively destroyed through the upper saprolite. The antigorite is brown-yellow to yellowish brown and becomes progressively pseudomorphed by Mg- Fe silicates and silica. Sub-horizontal silica veining is randomly distributed through the zone with veinlets commonly following the interstitial partings of the cumulate fabric and preserving magnesite as micron inclusions.

Interstitial magnetite and euhedral grains of chromite rimmed by Cr-rich magnetite are associated with Mg-Fe silicates, which form a dendritic and 'chain mail' fabric in the central parting of the mesh texture.

Carbonate veinlets, rimmed with magnetite and maghemite, are still present in the lower saprolite. This magnetite alters to secondary goethite in the upper saprolite. Zones of silicified saprolite with adcumulate fabrics are preserved throughout the saprolite and associated with a minor coating of manganese oxide. The top of the saprolitic clay zone is marked by a thin accumulation of soft green and bleached Fe - Mg silicates. These Fe - Mg silicates still maintain a crystallographic structure (antigorite) when analysed by XRD. The saprolite is capped by a zone (up to 2m thick) of vuggy secondary silica.

The lower boundary of the saprock zone is marked by oxidation of joints filled by carbonate veins, which forms weathering aureoles of brown stained serpentine partly altered to secondary iron oxides. The carbonate veining is 0.5 - 4.0 cm thick and sub-horizontal. Occasional olive-green serpentine veins are present, up to 1 cm thick, with isolated internal magnetite grains and these veins are rimmed by a thin magnetite layer. At approximately 70m, the grey coloured, joint oxidised adcumulate serpentinite becomes bleached to a light brown. Veins of carbonate increase in thickness and abundance, up to 8 cm thick, destroying their adjacent adcumulate texture.

Primary serpentine mesh and crackle breccia texture is preserved, with magnetite more abundant and larger (1-10  $\mu\text{m}$ ) in the central parting to the mesh texture but typically absent from serpentine meshes. The central parting to the mesh texture shows an initial stage of dissolution, forming voids that increase the porosity of the rock and reduce its density. Magnesite and dolomite are found in microveinlets and infill serpentine mesh cores. Chromite grains are typically fractured and are rimmed with Cr-rich magnetite.



## ***Mineralisation***

### ***Nickel Mineralisation***

Four main types of mineralisation have been identified at Cawse. These are the oxide ores of limonite, talc, and siliceous cobalt and the smectite-saprolite ore (locally termed nontronite). The identification of these types, their grade ranges and physical characteristics proved crucial in the subsequent metallurgical sampling due to their differing metallurgical properties.

Limonite mineralisation comprises approximately 75% of the global resource. Limonitic clays with variable proportions of vuggy, goethitic silica typically contain grades of 0.4% to 1.5% nickel. Nickel grade decreases as the proportion of silica increases. Cobalt content is between 0.01% and 0.3% at which point manganese staining of the silica occurs. The ore type is upgradeable by screening out the coarse silica fraction. This ore type comprises the bulk of the upgrade ore.

Siliceous cobalt (SiCO) mineralisation comprises approximately 5% of measured resources. It occurs as 1 metre to 6 metre thick, sub-horizontal layers in the upper 20 metres of the weathering profile. The ore is characterised by dark blue to black siliceous rock with abundant cobalt-rich manganese oxides such as todorokite, chalcophanite and cryptomelane, which carry cobalt grades from 0.3% to 7% and nickel grades from 0.5% to 5% in the rock mass. The ore is not upgradeable due to the association of nickel and cobalt to manganese, which is then associated to coarse chalcedonic silica.

Talc mineralisation comprises approximately 10% of the global resource and is located throughout the weathering profile proximal to penetrating talc-chlorite shear structures. It typically contains high nickel grades, generally between 1% and 2% and high magnesium levels between 8% and 15%.

Iron and nickel enriched smectite clays and saprolite form a minor constituent of the Cawse mineralisation. They are generally higher in aluminium (>3%) and magnesium (>5%). A minor ore type is alluvial ore which is also non-upgradeable due to its high aluminium (> 4%).

### ***Gold Mineralisation***

Gold has been produced on the Cawse tenements from a small trial pit at the Cawse Find prospect on M24/224. Newcrest reported a total of 23,000 tonnes of ore produced and milled at its then Ora Banda processing plant. Of this ore 10,500 tonnes were reported mined at a grade of 4.55 g/t gold with no records of the grade of the remaining ore treated. The trial pit was mined to a depth of 35 metres over a length of 100 metres.

Gold was sourced from quartz veining, striking 060 to 090 degrees, and dipping north at 30 to 60 degrees, with associated pyrite alteration in a late stage monzogranite in contact with the footwall contact of the Walter Williams Formation, a thick ultramafic rock unit.

Drilling prior to Newcrest by King Mining and Majestic Resources tested the Cawse Find structure to approximately 70 metres below ground level in drill hole BCRC 118 with 4 metres at 1.82 g/t gold from 79 metres down hole.

Centaur Mining, as operators of the Cawse Nickel plant, drilled the ultramafic - monzogranite contact to the north and south of the Cawse Find pit. Anomalous gold was intersected in both

locations. Results included 10 metres at 3.9 g/t gold from 46 metres in CWC 1830, 6 metres at 5.7 g/t gold from 96 metres in CWC 1922 and 14 metres at 2.02 g/t gold from 82 metres in CWC1940. These holes are located 400 metres north of the Cawse Find pit and test the granite - ultramafic contact rather than the east west quartz veins as mined at Cawse Find.

Anomalous gold results from the historical drilling by Centaur Mining at Cawse Find are included in the Report. The Majestic /King mining drilling is not included due to doubts of the hole co-ordinates (historic local grid data).

The abandoned gold workings at Wellington, 7 kilometres to the south of the Cawse nickel plant has a similar style of mineralisation as seen at Cawse Find. The gold mineralisation is associated with quartz and pyrite seen with shearing along the ultramafic - granite contact. The workings at Wellington generally straddle the contact and occur over a length of approximately 1,800 metres.

### ***Mining and Exploration History***

#### **Historical Mining**

The Cawse nickel mine is 9 kilometres east of Ora Banda, and 1 kilometre north of the Ora Banda-Broad Arrow Road. The site contains a High-Pressure Acid Leach processing plant, several shallow to 60-metre-deep pits on a north-south trend, a small pit one kilometre further north called Cawse North.

The location is on the western limb of the Googarrie-Mt Pleasant Anticline in the Ora Banda Domain. Oxide ores are found in limonite, talc, and siliceous cobalt, and smectite-saprolite ore (nontronite).

Limonitic clay contains variable proportions of vuggy goethitic silica containing 0.4% to 1.5% Ni. The higher the silica content the lower the Ni grades. Cobalt is 0.01% to 0.3%, at which point manganese stains the silica.

Siliceous cobalt mineralisation is 5% of the measured resource, occurring in a 1- to 6-metre-thick horizontal layers in the upper weathered zone, characterised by dark blue to black siliceous rock with abundant manganese oxides such as todorokite, chalcophanite and cryptomelane. The cobalt grade is 0.3 to 0.7%, and Ni 0.5% to 5 %.

Talc mineralisation is found throughout the weathered profile proximal to the talc chlorite shear structures. Ni is 1 to 2%, with high Mg level at 8 to 15%.

The mine was developed by Centaur Mining and Exploration Limited. Much has been written about the initial failure of the processing of laterite nickel in Western Australia, particularly at Murrin Murrin and Bulong. The process involves subjecting the ore to high temperature and pressure sulphuric acid. The dry nontronite clays have a habit of clogging the system, precipitating gypsum requiring the plant to be closed to clean clogged pipes of calcium, and the acid corrodes parts of the plants. Cawse did better than the other two locations, but Centaur still sank under a sea of debt.

The OM Group purchased the mine. Cawse became part of Russian based Norilsk Nickel in March 2007, as part of its acquisition of the OM Group. Nickel concentrates were being shipped to its Harjavalta refinery in Finland. 1400 tonnes of nickel concentrate were produced in 2008, but operations have since been suspended due to low nickel prices.

## Exploration History

In 1895, a prospector named Cawse discovered gold in quartz veins from granite outcrop in an area now called Bunyip. In the late 1970s, Western Mining Corporation (WMC) outlined a laterite resource of approximately 30Mt grading 1.3% Ni and 0.08% Co at Siberia (now part of the Wingstar-Nickelore Canegrass Project), approximately 20km NW of Cawse and hosted within the same geological unit as the Cawse deposit (Loftus-Hills 1975). Small pits were developed in this area from 1978-1980, supplying feed and silica flux to the Kalgoorlie nickel smelter (Marston 1984). Newcrest Mining mined gold from a small open pit adjacent to historic gold workings in the late 1980's.

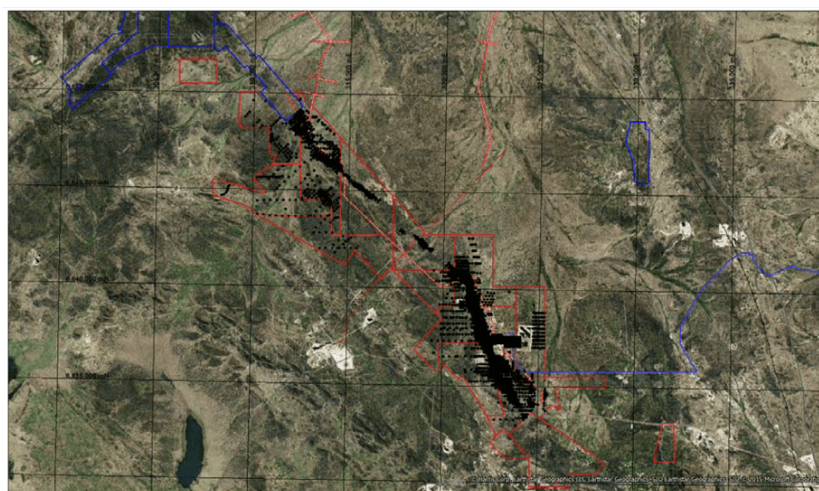
In 1992, Centaur Mining and Exploration Ltd applied for a group of prospecting licenses to explore for gold in palaeochannels, as mined at its Lady Bountiful Extended Operations since 1988. Drilling commenced at Cawse in March 1993 with assays returning significant Ni values. Analysis for nickel, cobalt and copper returned a best intercept of 8m at 2.2% Ni from an area now called Orc pit some 2.5km north of the current Bunyip pit. The recognition of laterite potential led to further drilling in the area during 1994-1995, resulting in definition of a resource of 50Mt at 1.0% Ni. A fast-tracked project incorporated infill drilling and metallurgical test work, culminating in a successful bankable feasibility study in 1997. (Bywater and Denn, 2000)

Mining commenced in February 1998. The project, then owned and operated by Centaur Nickel Pty Ltd (CTR) was the first in Australia to commercially produce nickel metal and cobalt sulphide through pressure acid leach (PAL) technology.

The operation undertook ongoing exploration resource drilling, mining, and processing from 1998 to 2008 when the operation was put on care and maintenance.

Total ore production for the life of mine to the end of December 2008 was 12,781,807 tonnes at 0.83%Ni and 0.07%Co (106,654t Ni and 8,852t Co metal). This reconciled against 18,756,257 tonnes at 0.84% Ni and 0.06% Co (157,052t Ni and 10,936t Co metal) from the resource model based on a 0.5%Ni cut off for upgrade ore and 0.8% cut off for grind ore.

Since the Project shut down, work has been confined to plant and other operations maintenance, environmental work, and exploration. Some metallurgical testwork has also been undertaken.



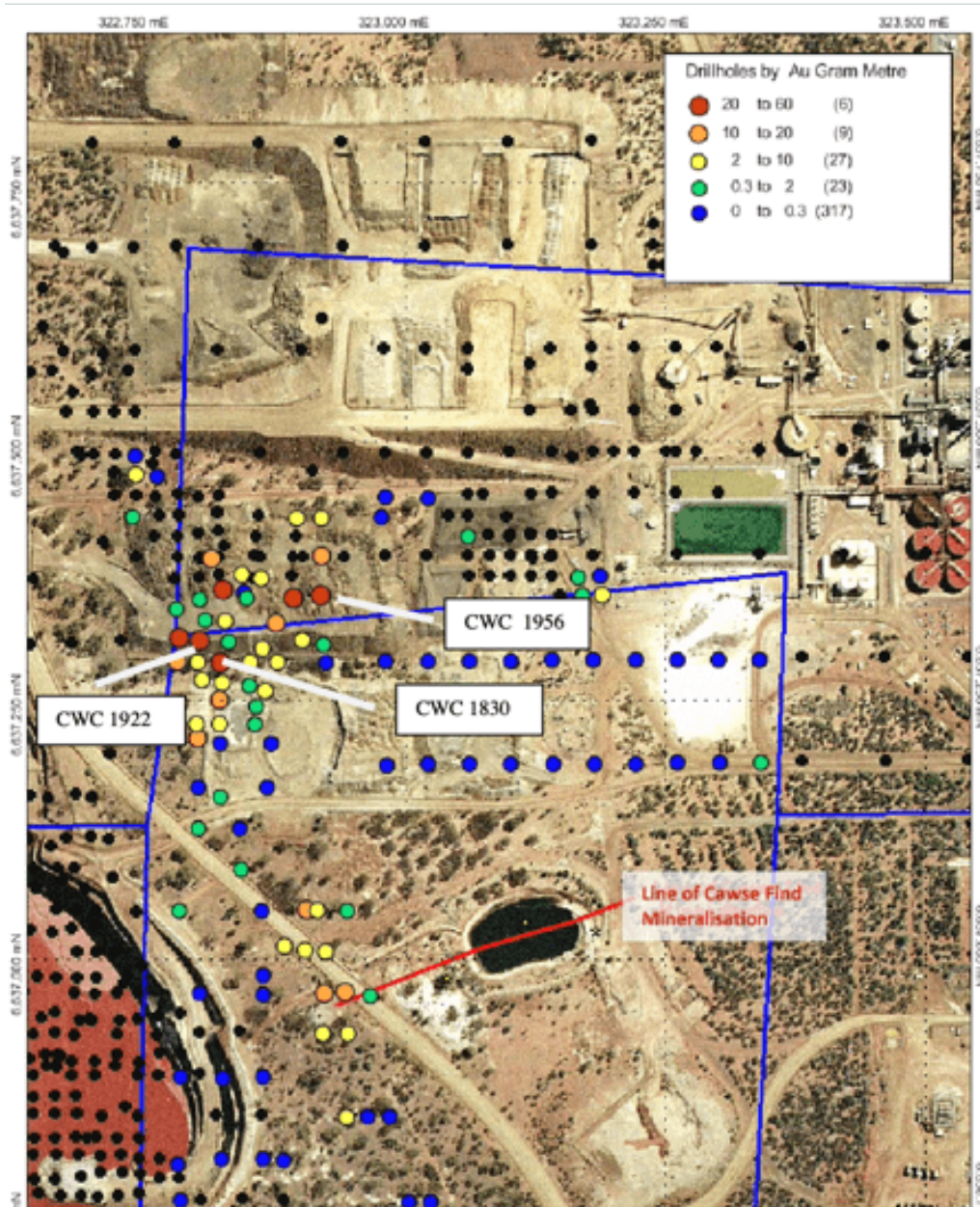
*Historic Drilling on the Cawse Project (Source: Wingstar 2015)*



## Gold Exploration

### *Newcrest 1991 - 1995*

Newcrest Mining (WA) Limited explored the Cawse tenements from 1991 to 1995. The Bunyip Dam mining lease M24/224 lies 54 km northwest of Kalgoorlie and 8km east of Ora Banda. The mining lease contains several old workings (Cawse Find) and open pit mining completed during early 1991. Remaining low-grade stockpile were carted and milled at Ora Banda, together with rehabilitation of the mine area prior to this reporting period.

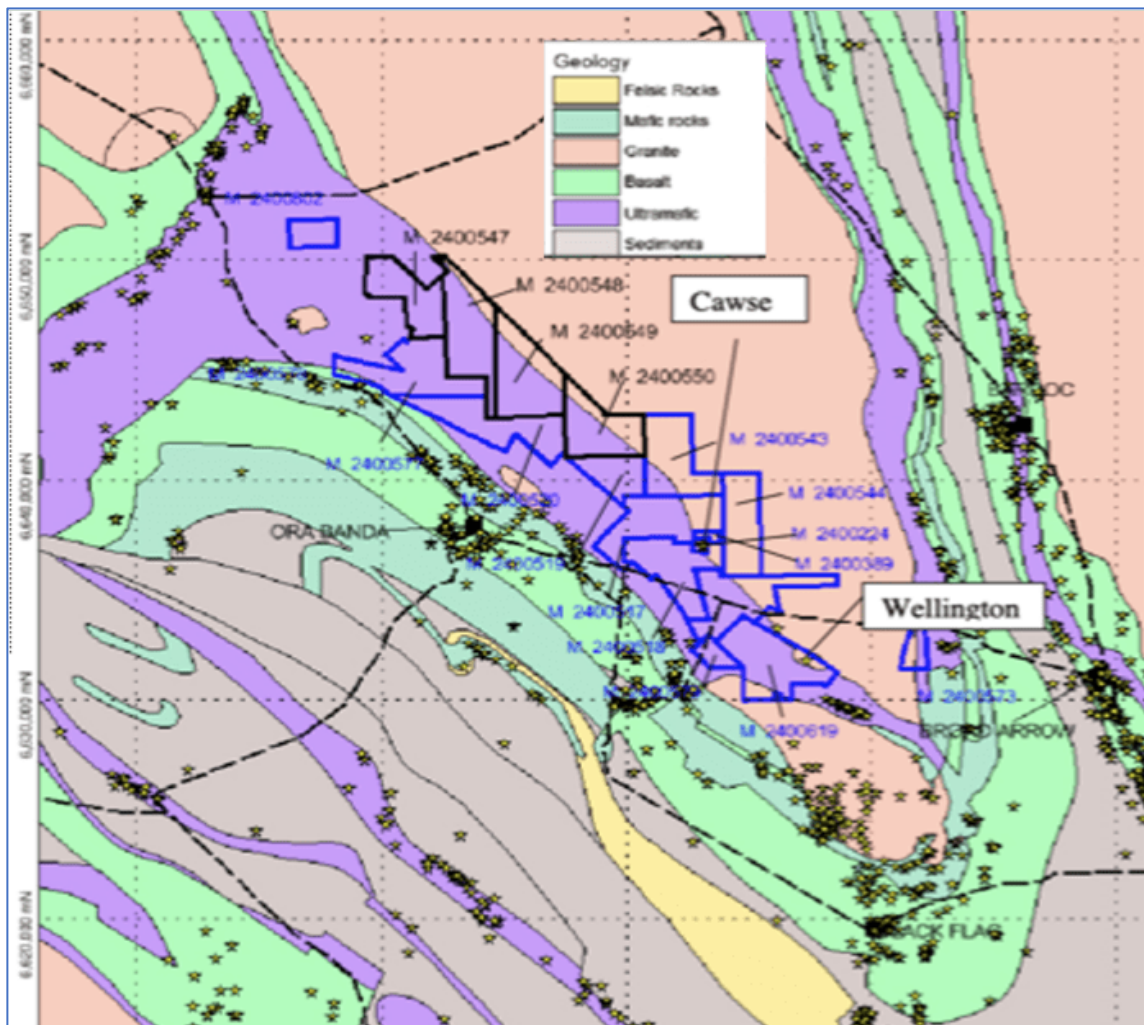


### *Cawse Find - Centaur Mining historical drilling and gold results on M24/224 and M24/389*

The Bunyip Dam tenement, M24/224 is located on the western margin of the Goongarrie - Mt Pleasant Anticline. Ultramafic flows, basalts and sediments mantle the basement granite. The eastern portion of the tenement area is comprised of biotite rich granites and coarse grained leucogranites. Preferred orientations of micaceous minerals are found near areas of

intense shearing. The contact between the ultramafic and granite rocks has a northwest-southeast trend and is the loci for shear zone-controlled quartz vein mineralisation in the more competent granitic rocks.

The Bunyip Dam tenement was the last remaining lease in a much larger group of leases that were purchased from Majestic Resources by BHP Gold Ltd in March 1989. Newcrest Mining (WA) Ltd took over management of the leases because of a merger with BHP Gold Ltd in December 1990. Work undertaken by BHP and Newcrest on the leases consisted primarily of 400 x 100m grid and infill soil sampling and follow up RAB drilling which was confined in and around the Cawse Find area. Soil samples were mostly assayed for gold, but some 120 samples were also analysed for nickel and copper.



*Cawse Tenements (Blue), Cawse Extended (Black) and historical gold locations (Stars) over GSWA solid geology interpretation (Source: Moffitt 1006)*

Exploration activity conducted on Bunyip Dam M24/224 was specific to geological studies only. Inspection of mine dumps, open pit walls and historical workings indicate that the predominant host rock is a monzogranite of the Goongarrie-Mt Pleasant dome with minor production associated with ultramafic flows of the Walter Williams Formation.

Mineralisation is confined to a moderately brittle 55° N. Quartz veins are prominent but adjacent monzogranite is weakly to moderately sheared. Quartz veins trend parallel to the

main structure. Mineralised quartz veins exhibit extensive wall rock alteration including sericitisation of biotite and feldspar, with minor pyrite development.

The predominantly E-W trending structure is interpreted to continue westwards to other prospects of the Ora Banda operations namely Lady Evelyn, Stewart and more recently Kontiki and spatially coincident with an E-W Proterozoic dolerite dyke depicting reactivated structural deformation.

#### *Centaur 1996 - 1999*

The best gold result for this period was recorded in 1998, being eight metres at 4.62 g/t gold, including four metres at 8.86 g/t gold, from a depth of 24 metres. The best gold results are listed below for >0.2 g/t Au.

| HOLE ID  | East   | North   | R L | Depth<br>(m) | Dip | Azi | Max Au<br>in hole<br>(g/t) | Depth<br>Fom (m) | Downhole<br>Interval (m) | Average<br>grade<br>(min>0.3)<br>(g/t) | Gram<br>metres |
|----------|--------|---------|-----|--------------|-----|-----|----------------------------|------------------|--------------------------|--|----------------|
| CWC01830 | 322684 | 6637131 | 416 | 81           | -60 | 90  | 5.6                        | 40               | 30                       | 1.9                                    | 57.3           |
| CWC01922 | 322644 | 6637154 | 416 | 111          | -60 | 90  | 11.4                       | 96               | 10                       | 3.8                                    | 37.8           |
| CWC01956 | 322781 | 6637195 | 417 | 99           |     |     | 15.0                       | 24               | 8                        | 4.6                                    | 37.0           |
| CWC01774 | 322686 | 6637201 | 416 | 75           | -60 | 90  | 4.5                        | 28               | 24                       | 1.4                                    | 34.3           |
| CWC01940 | 322664 | 6637151 | 416 | 99           | -60 | 90  | 4.5                        | 82               | 14                       | 2.0                                    | 28.3           |
| CWC01885 | 322755 | 6637192 | 419 | 96           | -60 | 180 | 1.8                        | 36               | 30                       | 0.7                                    | 21.9           |
| CWC01925 | 322676 | 6637229 | 416 | 99           |     |     | 4.0                        | 78               | 16                       | 1.1                                    | 17.9           |
| CWC01831 | 322684 | 6637094 | 416 | 117          | -60 | 90  | 1.5                        | 62               | 38                       | 0.4                                    | 15.2           |
| CWC01936 | 322785 | 6636810 | 419 | 90           | -60 | 90  | 1.9                        | 42               | 28                       | 0.5                                    | 14.0           |
| CWC01935 | 322804 | 6636811 | 419 | 70           | -60 | 90  | 1.9                        | 52               | 18                       | 0.7                                    | 13.3           |
| CWC01837 | 322663 | 6637057 | 416 | 78           | -60 | 90  | 3.0                        | 56               | 14                       | 0.9                                    | 12.6           |
| CWC01942 | 322783 | 6637232 | 417 | 99           |     |     | 2.3                        | 56               | 14                       | 0.9                                    | 12.6           |
| CWC01826 | 322739 | 6637167 | 416 | 99           | -60 | 180 | 1.8                        | 30               | 14                       | 0.8                                    | 11.2           |
| CWC01918 | 322643 | 6637131 | 416 | 110          | -60 | 90  | 3.0                        | 86               | 6                        | 1.8                                    | 11.0           |
| CWC01932 | 322768 | 6636891 | 418 | 90           | -60 | 90  | 2.7                        | 46               | 10                       | 1.0                                    | 10.3           |
| CWC01864 | 322747 | 6636857 | 418 | 96           | -60 | 90  | 2.7                        | 82               | 12                       | 0.8                                    | 10.0           |
| CWC01862 | 322767 | 6636853 | 417 | 72           | -60 | 90  | 2.0                        | 54               | 18                       | 0.5                                    | 9.4            |
| CWC01933 | 322786 | 6636851 | 417 | 70           | -60 | 90  | 4.3                        | 50               | 4                        | 2.3                                    | 9.3            |
| CWC01923 | 322705 | 6637215 | 418 | 85           |     |     | 1.7                        | 48               | 8                        | 1.1                                    | 9.0            |
| CWC01926 | 322725 | 6637144 | 416 | 90           | -60 | 90  | 2.0                        | 56               | 6                        | 1.5                                    | 8.9            |
| CWC01824 | 322690 | 6637171 | 416 | 93           | -60 | 90  | 1.3                        | 72               | 12                       | 0.7                                    | 7.9            |
| CWC01931 | 322779 | 6636891 | 418 | 90           | -60 | 90  | 2.1                        | 40               | 12                       | 0.6                                    | 7.3            |
| CWC01943 | 322758 | 6637269 | 417 | 99           |     |     | 1.5                        | 86               | 8                        | 0.9                                    | 7.3            |
| CWC01858 | 322662 | 6637071 | 416 | 90           | -60 | 90  | 1.5                        | 46               | 16                       | 0.5                                    | 7.2            |
| CWC01827 | 322740 | 6637131 | 416 | 88           | -60 | 90  | 1.3                        | 10               | 10                       | 0.7                                    | 7.2            |
| CWC01871 | 322664 | 6637131 | 416 | 108          | -60 | 90  | 1.9                        | 16               | 8                        | 0.9                                    | 6.9            |
| CWC01951 | 322604 | 6637312 | 416 | 99           |     |     | 1.3                        | 46               | 10                       | 0.6                                    | 6.1            |
| CWC01965 | 322667 | 6637113 | 416 | 120          | -60 | 90  | 1.9                        | 34               | 6                        | 1.0                                    | 5.9            |
| CWC01920 | 322686 | 6637111 | 416 | 90           | -60 | 90  | 0.7                        | 58               | 10                       | 0.6                                    | 5.8            |
| CWC01860 | 322807 | 6636771 | 419 | 66           | -60 | 90  | 0.6                        | 48               | 16                       | 0.4                                    | 5.6            |
| CWC01867 | 322805 | 6636692 | 422 | 96           | -60 | 90  | 0.9                        | 0                | 8                        | 0.6                                    | 4.7            |



|          |        |         |     |     |     |     |     |    |   |     |     |
|----------|--------|---------|-----|-----|-----|-----|-----|----|---|-----|-----|
| CWC01919 | 322646 | 6637091 | 416 | 120 | -60 | 90  | 0.8 | 78 | 8 | 0.5 | 4.0 |
| CWC01828 | 322714 | 6637131 | 416 | 69  | -60 | 90  | 0.8 | 30 | 8 | 0.5 | 4.0 |
| CWC01861 | 322783 | 6636771 | 417 | 96  | -60 | 90  | 1.2 | 38 | 4 | 1.0 | 3.8 |
| CWC01958 | 322763 | 6637151 | 416 | 99  | -60 | 180 | 1.2 | 36 | 6 | 0.6 | 3.7 |
| CWC02389 | 324119 | 6635542 | 419 | 50  | -90 | 0   | 1.6 | 20 | 2 | 1.6 | 3.3 |
| CWC01924 | 322724 | 6637212 | 418 | 96  |     |     | 0.9 | 66 | 4 | 0.8 | 3.2 |
| CWC01928 | 322728 | 6637102 | 416 | 90  | -60 | 90  | 0.5 | 26 | 8 | 0.4 | 2.9 |
| CWC01859 | 322685 | 6637071 | 416 | 78  | -60 | 90  | 0.8 | 20 | 6 | 0.4 | 2.4 |
| CWC01948 | 323052 | 6637195 | 418 | 30  |     |     | 0.6 | 22 | 6 | 0.4 | 2.2 |
| CWC01941 | 322782 | 6637270 | 418 | 99  |     |     | 1.1 | 74 | 2 | 1.1 | 2.1 |
| CWC02254 | 324663 | 6634099 | 415 | 50  | -90 | 0   | 1.0 | 8  | 2 | 1.0 | 2.0 |

*Cawse historical drilling results for gold (Source: Howland 2000)*

**Notes:**

- Where no azimuth or dips are reported the data is still to be ascertained from historical data. (The dip is believed to be – 60 and azimuth 090, but requires confirmation)
- All intervals quoted are downhole intervals and do not represent the true width of the intersection as the orebody geometry is unknown at this time
- Co-ordinates in the table are in their original surveyed grid (AMG 84-51)
- Insufficient information is included in the historical drilling to allow compilation of JORC (2012) Table 1

### ***Dragon Mountain 2016 - 2021***

Wingstar Investments Pty Ltd, has undertaken significant Due Diligence work over the Cawse and Avalon projects. Wingstar's program included three RC holes for 318 metres. The drill holes targeted the contact between the Cawse Monzogranite and the thick ultramafic sequence of the Walter Williams Formation which hosts the Cawse lateritic nickel orebodies. In the historical records there are multiple gold occurrences for around 20km along the contact between the granite and the ultramafic units that host the nickel laterite within the Cawse Project.

The Company completed three drill holes in 2018 The best results were detected 20-30 metres into the Monzogranite. All holes were collared in or on top of the lateritised komatiite of the Walter Williams Formation, intersected the contact and continued into the Cawse Monzogranite. Significant gold values were intersected in the two southernmost holes, not at the contact but 10-20m into the Monzogranite.

One drill hole DMGC002, had elevated gold (0.5 g/t) at the base of lateritisation. This may be the margin of an inferred "paleochannel" identified from an earlier TEM survey

DMGC003 intersected 3m @ 1.72 g/t Au just below an anomalous manganese layer, another potential indicator of a paleochannel regime.

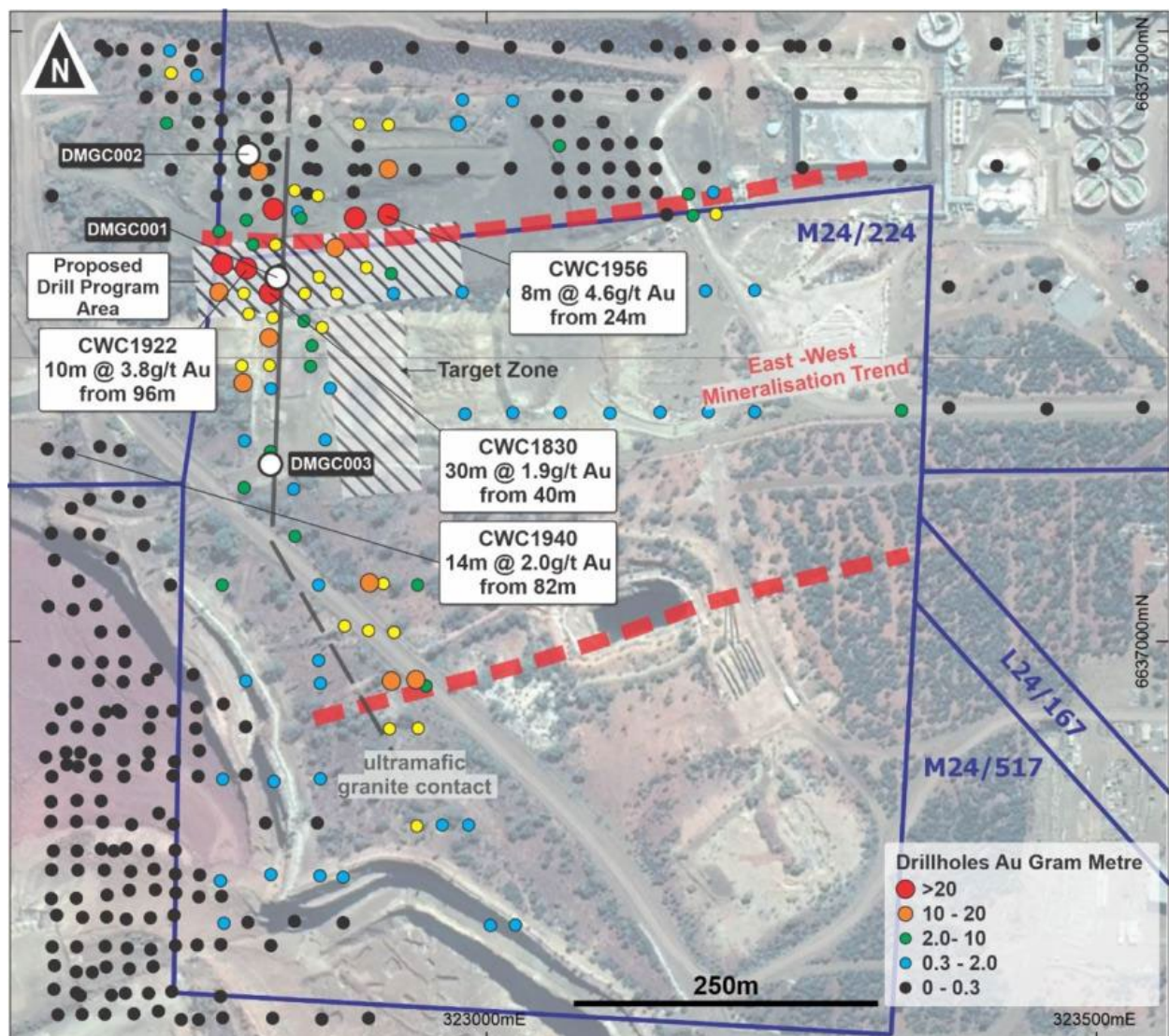
### ***Exploration Potential***

The target at Cawse Find Project is a repetition of the Cawse Find deposit where mineralisation remains open. Historical drilling has identified shallow high-grade mineralisation with potential for open pit mining.

The area of interest is a repetition of the Cawse Find deposit (previous production of 22,000t mined at 4.55 g/t Au). Mineralisation tends to run east west and remains open. Historical drilling has identified shallow high-grade mineralisation with intersections such as:

- Hole CWC1830 30m @ 1.9 g/t Au from 40m
- Hole CWC1922 10m @ 3.8 g/t Au from 96m
- Hole CWC1956 8m @ 4.6 g/t Au from 24m

The proposed drill campaign will consist of four drill holes. Three of the holes will be oriented south, drilling at right angles to the monzogranite contact and parallel to the strike of the mineralised veins at Cawse Find. At this point there is insufficient work to accurately predict/confirm the paleochannel sufficiently to drill test that area and further examination of logs and assays is required.



*DMG plan to complete a drill program that targets a mineralised lode with a similar orientation to that mined in the Cawse Find Open Pit. (Source: Dragon, 2021)*



| Priority | Easting | Northing  | Azimuth | Dip | Depth | Comments  |
|----------|---------|-----------|---------|-----|-------|---|
| 1        | 322,840 | 6,637,270 | 340     | -60 | 100   | 90 degree redrill of DMGC002 mineralised zone inside the granite. Northing dependent on dump outline. |
| 1        | 322,810 | 6,637,335 | 160     | -60 | 100   | 90 degree redrill of DMGC002 mineralised zone inside the granite. Northing dependent on dump outline  |
| 1        | 322,840 | 6,637,210 | 160     | -60 | 100   | Area untested but adjacent to high grade-drill a bit deeper.  |
| 2        | 322,740 | 6,637,330 | 160     | -60 | 100   | Subject to priority 1 results   |

*Proposed Drill collars*

## **References**

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Moffitt, P, 1996, Newcrest Mining (WA) Limited Ora Banda Gold Mine Bunyip Dam Project, Report on Exploration Activities On M24/224 (Cawse Find) for the period May 30 1995 TO May 29 1996

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Grguric, B, Dawson, R, 2013, Annual Report To the Department of Mines and Petroleum For the period 8th January 2012 to 7th January 2013 Vol. 1: Cawse Nickel Project Combined Reporting Number C257/1997 M24/224, M24/389, M24/517, M24/518, M24/519, M24/520, M24/543, M24/544, M24/573, M24/577, M24/578, M24/579, M24/619, M24/802, Norilsk Nickel Cawse Pty Ltd, 2013, February 2013

## SCOTIA PROJECT

The Company has recently made nine applications (comprising one exploration licence application and eight prospecting licence applications) for tenements located in the Broad Arrow area of Western Australia ("Broad Arrow Applications"). It is uncertain if the Broad Arrow Applications will be granted.

| DRAGON MOUNTAIN GOLD LTD |                              |             |          |
|--------------------------|------------------------------|-------------|----------|
| Tenement Details         |                              |             |          |
| Tenement                 | Holder                       | Status      | Area, Ha |
| <b>Scotia Project</b>    |                              |             |          |
| E16/0586                 | Dragon Mountain Gold Limited | Application | 3BL      |
| P16/3347                 | Dragon Mountain Gold Limited | Application | 199Ha    |
| P16/3349                 | Dragon Mountain Gold Limited | Application | 199Ha    |
| P16/3350                 | Dragon Mountain Gold Limited | Application | 200Ha    |
| P16/3351                 | Dragon Mountain Gold Limited | Application | 200Ha    |
| P16/3352                 | Dragon Mountain Gold Limited | Application | 200Ha    |
| P16/3353                 | Dragon Mountain Gold Limited | Application | 200Ha    |
| P16/3354                 | Dragon Mountain Gold Limited | Application | 200Ha    |
| P16/3355                 | Dragon Mountain Gold Limited | Application | 200Ha    |

### *Broad Arrow Applications*

The Broad Arrow tenement applications were applied for in September 2021 in the name of Dragon Mountain Gold Ltd. They do not form part of the Heads of Agreements entered into for the Cawse, Cawse Extended and Avalon Gold Projects. They cover an area of approximately 25 km<sup>2</sup> and are located several kilometres to the west of the Cawse group.

The Broad Arrow tenement applications are included as part of the Mineral Assets held by Dragon Mountain on the basis that they will be granted at some future date.

## PROPOSED EXPLORATION BUDGET

The budget will be spent on the granted tenements across the project. The exploration budget will be subject to modification on an on-going basis depending on the results obtained from exploration and development activities as they progress.

*Minimum subscription - \$1.5 million*

| 2 Year Exploration Expenditure - Minimum Subscription (\$1.5 million) |     |         |         | AUD       |
|---|-----|---------|---------|-----------|
| AVALON and CAWSE GOLD PROJECTS  |     |         |         |           |
|   |     | Year 1  | Year 2  | Total     |
| Data Review and Planning  |     | 26,000  | -       | 26,000    |
| Field Office and Overhead   |     | 131,000 | 131,000 | 262,000   |
| Surface Exploration   |     | 113,000 | 49,000  | 162,000   |
| Drilling - RAB, RC and DD   | 59% | 230,000 | 420,000 | 650,000   |
| Total Exploration   |     | 500,000 | 600,000 | 1,100,000 |

Exploration on the Cawse Gold Project is estimated at \$450,000 and \$650,000 for the Avalon Gold Project over the two-year period.

*Maximum subscription - \$4 million*

| 2 Year Exploration Expenditure - Maximum Subscription (\$4.0 million) |     |           |           | AUD       |
|---|-----|-----------|-----------|-----------|
| AVALON and CAWSE GOLD PROJECTS  |     |           |           |           |
|   |     | Year 1    | Year 2    | Total     |
| Data Review and Planning  |     | 26,000    | -         | 26,000    |
| Field Office and Overhead   |     | 131,000   | 131,000   | 262,000   |
| Surface Exploration   |     | 312,000   | 150,000   | 462,000   |
| Drilling - RAB, RC and DD   | 68% | 780,000   | 970,000   | 1,750,000 |
| Total Exploration   |     | 1,249,000 | 1,251,000 | 2,500,000 |

Exploration on the Cawse Gold Project is estimated at \$1,000,000 and \$1,500,000 for the Avalon Gold Project over the two-year period.

*Agricola considers that the mineral properties are prospective, although subject to varying degrees of risk, and warrant further exploration and development of their mineral potential. The exploration strategy and programs proposed by the Company are consistent with the mineral potential and status of the Projects. The proposed expenditure is sufficient to meet statutory tenement expenditure requirements.*

## MINING LEASE SCHEDULE

The present status of the tenements is based on information independently verified by Agricola. The Report has been prepared on the assumption that the tenements are lawfully accessible for evaluation.

A determination of the Status of Tenure is necessary and must be based on a sufficiently recent inquiry to ensure that the information is accurate for the purposes of the Report. Tenure that is Material must be or recently have been verified independently of the Commissioning Entity. *(Adapted from VALMIN Code 2015, Clause 7.2)*

| DRAGON MOUNTAIN GOLD LTD                                      |                              |          |          |           |
|---|------------------------------|----------|----------|-----------|
| Mining Lease Details  |                              |          |          |           |
| Tenement  | Holder                       | Granted  | Expiry   | Area, Ha  |
| <b>Avalon Gold Project</b>                                    |                              |          |          |           |
| M25/75  | Wingstar Investments Pty Ltd | 28/3/90  | 27/3/32  | 641.50    |
| M25/76  | Wingstar Investments Pty Ltd | 28/3/90  | 27/3/32  | 978.75    |
| M25/77  | Wingstar Investments Pty Ltd | 28/3/90  | 27/3/32  | 991.80    |
| M25/78  | Wingstar Investments Pty Ltd | 28/3/90  | 27/3/32  | 999.35    |
| M27/189   | Wingstar Investments Pty Ltd | 16/12/94 | 15/12/36 | 725.20    |
| Total Area  |                              |          |          | 4,336.60  |
| <b>Cawse Gold Project</b>                                     |                              |          |          |           |
| M24/224   | Wingstar Investments Pty Ltd | 30/5/88  | 29/5/30  | 38.56     |
| M24/389   | Wingstar Investments Pty Ltd | 15/10/91 | 14/10/33 | 39.96     |
| M24/517   | Wingstar Investments Pty Ltd | 3/1/97   | 2/1/39   | 818.25    |
| M24/518   | Wingstar Investments Pty Ltd | 3/10/97  | 2/10/39  | 855.80    |
| M24/519   | Wingstar Investments Pty Ltd | 3/1/97   | 2/1/39   | 936.25    |
| M24/520   | Wingstar Investments Pty Ltd | 3/1/97   | 2/1/39   | 427.30    |
| M24/543   | Wingstar Investments Pty Ltd | 3/1/97   | 2/1/39   | 859.95    |
| M24/544   | Wingstar Investments Pty Ltd | 3/1/97   | 2/1/39   | 703.30    |
| M25/75  | Wingstar Investments Pty Ltd | 28/3/90  | 27/3/32  | 641.50    |
| M25/76  | Wingstar Investments Pty Ltd | 28/3/90  | 27/3/32  | 978.75    |
| M25/77  | Wingstar Investments Pty Ltd | 28/3/90  | 27/3/32  | 991.80    |
| M25/78  | Wingstar Investments Pty Ltd | 28/3/90  | 27/3/32  | 99.35     |
| M27/189   | Wingstar Investments Pty Ltd | 16/12/95 | 15/12/36 | 725.20    |
| M24/547   | Mesmeric 80%/Enigma 20%      | 3/10/97  | 2/10/39  | 689.75    |
| M24/548   | Mesmeric 80%/Enigma 20%      | 3/10/97  | 2/10/39  | 993.85    |
| M24/549   | Mesmeric 80%/Enigma 20%      | 14/4/03  | 13/4/24  | 969.75    |
| M25/550   | Mesmeric 80%/Enigma 20%      | 14/4/03  | 13/4/24  | 767.60    |
| Total Area  |                              |          |          | 11,536.92 |
| Mesmeric Enterprises Pty Ltd, Enigma Mining Ltd Joint Venture |                              |          |          |           |

*The Company's Mining Lease Schedule.*

| DRAGON MOUNTAIN GOLD LTD |                              |             |          |
|--------------------------|------------------------------|-------------|----------|
| Tenement Details         |                              |             |          |
| Tenement                 | Holder                       | Status      | Area, Ha |
| <b>Scotia Project</b>    |                              |             |          |
| E16/0586                 | Dragon Mountain Gold Limited | Application | 3BL      |
| P16/3347                 | Dragon Mountain Gold Limited | Application | 199Ha    |
| P16/3349                 | Dragon Mountain Gold Limited | Application | 199Ha    |
| P16/3350                 | Dragon Mountain Gold Limited | Application | 200Ha    |
| P16/3351                 | Dragon Mountain Gold Limited | Application | 200Ha    |
| P16/3352                 | Dragon Mountain Gold Limited | Application | 200Ha    |
| P16/3353                 | Dragon Mountain Gold Limited | Application | 200Ha    |
| P16/3354                 | Dragon Mountain Gold Limited | Application | 200Ha    |
| P16/3355                 | Dragon Mountain Gold Limited | Application | 200Ha    |

*The Company's Tenement Application Schedule*

The Company's Projects include five granted Mining Leases covering approximately 43.4 square kilometres in the Bulong area and seventeen granted Mining Leases covering approximately 81.00 square kilometres in the Cawse area of Western Australia.

The status of the tenements has been verified based on a recent independent inquiry of the Department of Mines and Petroleum, WA, by Agricola, pursuant to section 7.2 of the Valmin Code, 2015. The tenements are believed to be in good standing based on this inquiry. Expenditure commitments have been expended in full and rent payments are up to date. Agricola is not aware of any outstanding matters that may affect the conduct of exploration on the tenements in a timely manner.

## **RISKS FOR EXPLORATION COMPANIES**

Agricola has identified a range of risk elements or risk factors, which may affect the exploration outcomes of the Company's Projects. There are specific risks associated with the activities of the Company and general risks which are largely beyond the control of the Company and the Directors. The risks identified below, or other risk factors, may have a material impact on the future exploration performance. The risks outlined below are not exhaustive but are the minimum exposure areas.

### **Climate Change Risk**

Under the 2015 Paris Agreement, 195 countries pledged to limit global warming to well below 2.0°C, and ideally not more than 1.5°C above preindustrial levels. That target, if pursued, would manifest in decarbonization across industries, creating major shifts in commodity demand for the mining industry.

The mining sector itself will also face pressure from governments, investors, and society to reduce emissions. Mining is currently responsible for 4 to 7 percent of greenhouse-gas (GHG) emissions globally. Scope 1 and Scope 2 CO<sub>2</sub> emissions from the sector (those incurred through mining operations and power consumption, respectively) amount to 1 percent, and fugitive-methane emissions from coal mining are estimated at 3 to 6 percent. A significant share of global emissions—28 percent—would be considered Scope 3 (indirect) emissions, including the combustion of coal.

The mining and minerals processing sector is a capital-intensive sector with many long-life fixed assets, long supply chains and significant water requirements to enable operations. The mining sector in Australia and globally has always been vulnerable to extreme weather with flooding events and changes to water availability through drought.

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

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

*Reference: Smith. M, Assessing Climate Change Risks and Opportunities for Investors Mining and Minerals Processing Sector, ANU*

## Security of Tenure

This may specifically cover mining tenure whereby country specific mining laws and legislation apply. Any opportunity in Australia and overseas will be subject to risks associated with operating in Australia or the respective foreign country.

These risks may include economic, social or political instability or change, hyperinflation, currency non-convertibility or instability and changes of law affecting foreign ownership, exchange control, exploration licensing, export duties, investment into a foreign country and repatriation of income or return of capital, environmental protection, land access and environmental regulation, mine safety, labour relations as well as government control over mineral properties or government regulations that require the employment of local staff or contractors or require other benefits be provided to local residents.

- The Dragon Mining Tenements comprise five granted Mining Leases in Western Australia. The status of the tenements has been independently verified pursuant to section 7.2 of the Valmin Code, 2015.
- The tenements are believed to be in good standing based on this inquiry and held with 100% equity by the company.
- Risks are associated with obtaining the renewal of tenements upon expiry of their current term, including the grant of subsequent titles applied for over the same ground.
- The grant or refusal of tenements is subject to ministerial discretion and there is no certainty that the exploration licence applications will be granted.

## Exploration Risk

Mineral exploration and development are high risk undertakings due to the high level of inherent uncertainty. There can be no assurance that exploration of the Company's tenements will result in the discovery of economic mineralisation. Even if economic mineralisation is discovered there is no guarantee that it can be commercially exploited.

Any future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, native title process, changing government regulations and many other factors beyond the control of the Company. Risks inherent in exploration and mining include, among other things, successful exploration, and identification of Mineral Resources; satisfactory performance of mining operations if a mineable deposit is discovered; and competent management.

## Resource Estimates

The Company's projects may contain JORC Code compliant resources. There is no guarantee that a JORC Code compliant resource will be discovered on any of the Company's other tenements. Resource estimates are expressions of judgement based on knowledge, experience, and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis the estimates are likely to change. This may result in alterations to development and mining plans which may, in turn, adversely affect the Company's operations.

- No mineral Resource estimates in accordance with the JORC Code (2012) have been compiled for the Project.
- While there is a reasonable level of geological confidence associated with future exploration there is no certainty that further exploration work will result in the determination of mineral resources to the JORC 2012 standard.

## Access Risks – Cultural Heritage and Native Title

The Company must comply with various country specific cultural heritage and native title legislation including access agreements which require various commitments, such as base studies and compliant survey work, to be undertaken ahead of the commencement of mining operations.

It is possible that some areas of those tenements may not be available for exploration due to cultural heritage and native title legislation or invalid access agreements. The Company may need to obtain the consent of the holders of such interests before commencing activities on affected areas of the tenements. These consents may be delayed or may be given on conditions which are not satisfactory to the Company.

### Land Access

- Risks arising because of the rights of indigenous groups in domestic and overseas jurisdictions which may affect the ability to gain access to prospective exploration areas and to obtain exploration titles and access, and to obtain production titles for mining if exploration is successful. If negotiations for such access are successful, compensation may be necessary in settling indigenous title claims lodged over any of the tenements held or acquired by the Company. The level of impact of these matters will depend, in part, on the location and status of the tenements.
- The risks associated with being able to negotiate access to land, including by conducting heritage and environmental surveys, to allow for prospecting, exploration, and mining, is time and capital consuming and may be over budget and is not guaranteed of success.

### Native Title

- Native title rights and interests are those rights in relation to land or waters that are held by Aboriginal or Torres Strait Islander peoples under their traditional laws and customs and recognized by the common law. Native title was first accepted into the common law of Australia by the High Court of Australia's decision in *Mabo (No 2)* in 1992.
- Australian law recognizes that, except where native title had been wholly extinguished by the historical grant of freehold, leasehold, and other interests, native title exists where Aboriginal people have maintained a traditional connection to their land and waters substantially uninterrupted since sovereignty.
- The rights and interests vary from case to case but may include the right to live and camp in the area, conduct ceremonies, hunt, and fish, build shelter, and visit places of cultural importance. Some native title holders may also have the right to control access.
- Australian law also requires that native title approval be obtained before mining applications can commence. All agreements with the Traditional Owners are carried out by negotiation, with bespoke arrangements being concluded in each individual case.

### Equipment and Management

- Poor access to exploration areas because of remoteness or difficult terrain.
- Poor weather conditions over a prolonged period which might adversely affect mining and exploration activities and the timing of earning revenues.
- Unforeseen major failures, breakdowns or repairs required to key items of exploration equipment and vehicles, mining plant and equipment or mine structure resulting in significant delays, notwithstanding regular programs of repair, maintenance, and upkeep.
- The availability and high cost of quality management, contractors and equipment for exploration, mining, and the corporate and administration functions in the current economic climate and the cost of identifying, negotiating with and engaging the right people.

### Environmental Risks

The operations and proposed activities of the Company are subject to each project's jurisdiction, laws and regulations concerning the environment. As with most exploration projects and mining

operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. Future legislation and regulations governing exploration, development and possible production may impose significant environmental obligations on the Company.

The cost and complexity of complying with the applicable environmental laws and regulations may prevent the Company from being able to develop potential economically viable mineral deposits. The Company may require approval from the relevant authorities before it can undertake activities that are likely to impact the environment. Failure to obtain such approvals or to obtain them on terms acceptable to the Company may prevent the Company from undertaking its desired activities.

The Company is unable to predict the effect of additional environmental laws and regulations, which may be adopted in the future, including whether any such laws or regulations would materially increase the Company's cost of doing business or affect its operations in any area. There can be no assurances that new environmental laws, regulations, or stricter enforcement policies, once implemented, will not oblige the Company to incur significant expenses and undertake significant investments in such respect which could have a material adverse effect on the Company's business, financial condition, and results of operations.

- The risk of material adverse changes in the government policies or legislation of the host country affect the level and practicality of mining and exploration activities.
- Environmental management issues with which the holder may be required to comply from time to time. There are very substantive legislative and regulatory regimes with which the holder needs to comply for land access, exploration and mining that can lead to significant delays.

#### JV and Contractual Risk

The Company may have additional options where it can increase its holding in the selective assets by achieving or undertaking selected milestones. The Company's ability to achieve its objectives and earn or maintain an interest in these projects is dependent upon it and the registered holders of those tenements complying with their respective contractual obligations under joint venture agreements in respect of those tenements, and the registered holders complying with the terms and conditions of the tenements and any other relevant legislation.

#### Economic

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

#### Sovereign and Political Risk

The Company's Projects are within Western Australia. The Company's interests are subject to the risks associated with operating in Western Australia. These risks may include economic, social, or political instability or change, hyperinflation, currency non-convertibility or instability and changes of law affecting foreign ownership, exchange control, exploration licensing, land access and environmental regulation, mine safety, labour relations as well as government control.

## DECLARATIONS, COMPETENCE, and INDEPENDENCE

### *Relevant codes and guidelines*

This Report has been prepared as an Independent Technical Assessment Report in accordance with the Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets (the "VALMIN Code", 2015 Edition), which is binding upon Members of the Australasian Institute of Mining and Metallurgy ("AusIMM") and the Australian Institute of Geoscientists ("AIG"), as well as the



rules and guidelines issued by the ASIC which pertain to Independent Expert Reports (Regulatory Guides RG111 and RG112, March 2011). Agricola regards guidelines of RG112.31 to be in compliance whereby there are no business or professional relationships or interests, which would affect the expert's ability to present an unbiased opinion within this report.

Where exploration results and mineral resources have been referred to in this report, the information was prepared in accordance with the *Australasian Code for Reporting of Exploration Results, Mineral resources and Ore Reserves* ("JORC Code" 2012), prepared by the Joint Ore Reserves Committee of the AusIMM, the AIG and the Minerals Council of Australia.<sup>1</sup>

### **Sources of Information**

The statements and opinion contained in this report are given in good faith and this review is based on information provided by the title holders, along with technical reports by consultants, previous tenements holders and other relevant published and unpublished data for the area. Agricola has endeavoured, by making all reasonable enquiries, to confirm the authenticity, accuracy, and completeness of the technical data upon which this report is based. A final draft of this report was provided to the Company, along with a written request to identify any material errors or omissions in the technical information prior to lodgement.

In compiling this report, Agricola did not carry out a site visit to the Project areas. Based on its professional knowledge, lack of surface expression of geological attributes, experience and the availability of extensive databases and technical reports made available by various Government Agencies and the early stage of exploration, Agricola considers that sufficient current information is available to allow an informed appraisal to be made without such a visit.

This Report may contain statements that are made in or based on statements made in previous geological reports that are publicly available from either a government department or the ASX. These statements are included in accordance with ASIC Corporations (Consents to Statements) Instrument 2016/72 (clauses 6 and 7).<sup>2</sup>

The independent technical assessment report has been compiled based on information available up to and including the date of this report. The information has been evaluated through analysis, enquiry, and review for the purposes of forming an opinion. However, Agricola does not warrant that its enquiries have identified or verified all the matters that an audit, extensive examination or "due diligence" investigation might disclose.

Agricola or Malcolm Castle is not aware of any new information or data, other than that disclosed in this Report, that materially affects the assessments included in this Report and that all material assumptions and parameters underpinning Exploration Results and Mineral Resource Estimates continue to apply and have not materially changed.

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<sup>1</sup> ASIC, 2011, Content of Expert Reports, Regulatory Guideline 111, March 2011.

ASIC, 2011, Independence of Experts, Regulatory Guideline 112, March 2011.

JORC, 2012. Australasian Code for Reporting of Exploration Results, Mineral resources and Ore Reserves (The JORC Code) [online].

VALMIN, 2015, Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets (The VALMIN Code) [online].

<sup>2</sup> ASIC Corporations (Consents to Statements) Instrument 2016/72, 11 March 2016. Available online from: <https://www.legislation.gov.au/Details/F2016L00326>

## Data Sources and References to External Sources

Agricola has relied on several sources of information, including relevant published and unpublished third-party information, and public domain data. Agricola has accepted the data provided by the Company and in the public domain, subject to these checks, at face value.

General descriptions of regional, project geology and previous exploration are based on documented sources that are available in the public domain. The external reports are listed in the 'References' sections and those reports contain the detailed references to the information presented here and include competent person's statements and JORC Table 1 where appropriate. The descriptions in this Report are consistent with the external sources.

## Figures in the Report

The figures included in this report are selected from published reports prepared by Wingstar, Norilsk and Black Cat and listed in the references. The reports include a statement by a Competent Person and updated to the date of the Report. All figures have been reviewed and are the responsibility of the Competent Person for Agricola.

## Qualifications and Experience

The Competent Person responsible for the preparation of this report is:

Malcolm Castle, B.Sc. (Hons), GCertAppFin (Sec Inst), MAusIMM

Mr Castle completed studies in Applied Geology with the University of New South Wales in 1965 and was awarded a B.Sc. (Hons) degree. He has completed postgraduate studies with the Securities Institute of Australia in 2001 and was awarded a Graduate Certificate in Applied Finance and Investment in 2004. He has been a Member of the Australasian Institute for Mining and Metallurgy (AusIMM) for over 50 years.

Malcolm Castle has over 50 years' experience in exploration geology and property evaluation, working as an independent consultant, and for major and minor companies for throughout his career as an exploration geologist including Kennecott, Amoco, Esso, Plutonic, Laverton Gold, Transcontinental Resource Group, Fortescue Metals Group and BMG Ltd.

He established a consulting company over 30 years ago and specializes in exploration management, technical audit, due diligence, and property valuation at early stages of development. He has wide experience in several commodities including precious metals, base metals, nickel, cobalt, iron ore, coal, mineral sands, uranium, sulphate of phosphate, specialty metals including rare earths, scandium, lithium, and vanadium over his professional career. He has been responsible for project discovery and exploration through to feasibility study in Papua New Guinea, Australia, Fiji, South Africa, Indonesia and Brazil and technical audits in many overseas locations.

He has completed numerous Independent Technical Assessment Reports and Mineral Asset Valuation Reports on properties in several countries over the last two decades as part of his consulting business.

## Competence

Mr Castle is the Principal Consultant for Agricola Mining Consultants Pty Ltd, an independent geological consultancy.

- Mr Castle is appropriately qualified geologist and is a member of a relevant recognized professional association (Member of Australasian Institute of Mining and Metallurgy),

- He has the necessary technical and securities qualifications, expertise, competence, and experience appropriate to the subject matter of the report (B.Sc. (Hons), GCertAppFin (Sec Inst), and
- He has at least ten years of suitable and recent experience in the technical or commercial field in which he is to report.

*Declaration – VALMIN Code:* The information in this report that relates to Technical Assessment and Valuation of Mineral Assets reflects information compiled and conclusions derived by Malcolm Castle, who is a Member of The Australasian Institute of Mining and Metallurgy. Malcolm Castle is not a permanent employee of the Company. Malcolm Castle has sufficient experience relevant to the Technical Assessment and Valuation of the Mineral Assets under consideration and to the activity, which he is undertaking to qualify as a Practitioner as defined in the 2015 edition of the 'Australasian Code for the Public Reporting of Technical Assessments and Valuations of Mineral Assets'. Malcolm Castle consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

*Competent Persons Statement – JORC Code:* The information in this report that relates to Exploration Results and Mineral resources of the Company is based on, and fairly represents, information and supporting documentation reviewed by Malcolm Castle, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Castle has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which they are undertaking to qualify as an Expert and Competent Person as defined under the VALMIN Code and in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Castle consents to the inclusion in this report of the matters based on the information and supporting documentation in the form and context in which they appear.

### Independence

Agricola or its employees and associates are not, nor intend to be a director, officer or other direct employee of the Company and have no material interest in the projects. The relationship with the Company is solely one of professional association between client and independent consultant.

Agricola has had no material association during the previous two years with the owners/promoters of the mineral assets, the company acquiring the assets or any of the assets to be acquired and has no material interest in the projects.

There are no business relationships between Agricola and the Company. Agricola or its employees and associates are not, nor intend to be a director, officer, or other direct employee of the Company. The relationship with the Company is solely one of professional association between client and independent consultant.

Agricola does not hold, and has no interest in, the securities of the Company under review; Agricola has no relevant pecuniary interest, association or employment relationship with the Company and its subsidiaries; Agricola has no interest in the material tenements, the subject of the Report; Agricola is not a substantial creditor of an interested party or has a financial interest in the outcome of the proposal.

The Independent Technical Assessment Report is prepared in return for professional fees of \$12,500 plus GST based upon agreed commercial rates and the payment of these fees is in no way contingent on the results of this Report.

### **Reasonableness Statement**

The data used for the technical assessment comprises mainly public company announcements, annual reports, annual information forms, management discussions and analysis, news releases and statutory technical reports.

This technical assessment complies with the VALMIN Code (2015 Edition) in its entirety. The author has taken due note of Regulatory Guide (RG) 111 "Content of Expert Reports" (22 October 2020) and RG 112 "Independence of Experts" (30 March 2011) promulgated by the Australian Securities and Investments Commission (ASIC) and this report meets the guidelines set out in RG 111 and RG 112.

In undertaking this technical assessment Agricola has assessed the technical inputs pertaining to the projects in an impartial, rational, realistic, and logical manner. Agricola believes that the inputs, assumptions, and overall Technical Assessment is in line with industry standards and meet the Reasonable Grounds Requirement of the VALMIN Code 2015.

### **Consent**

For the purposes of the Corporations Act 2001 Section 720, Agricola Mining Consultants Pty Ltd consents to the inclusion of this Independent Technical Assessment Report in the form and context as set out in the formal agreement with the Company.

Agricola provides its consent on the understanding that the assessment expressed in the individual sections of this report will be considered with, and not independently of, the information set out in full in this Report. Agricola consents to the use and reliance upon this specialist technical assessment report on the Mineral Assets in preparation of an Independent Expert's Report if appropriate. Agricola has no reason to doubt the authenticity or substance of the information provided.

Agricola Mining Consultants Pty Ltd has not withdrawn this consent prior to the lodgement of the Report.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Malcolm Castle', is written over a light grey, textured background.

**Malcolm Castle**

B.Sc.(Hons) MAusIMM, GCertAppFin (Sec Inst)

Agricola Mining Consultants Pty Ltd

## GLOSSARY OF TECHNICAL TERMS

|                           |  |
|---------------------------|--|
| aerial photography        | Photographs of the earth's surface taken from an aircraft.   |
| aeromagnetic              | A survey undertaken by helicopter or fixed-wing aircraft for the purpose of recording magnetic characteristics of rocks by measuring deviations of the earth's magnetic field.   |
| airborne geophysical data | Data pertaining to the physical properties of the earth's crust at or near surface and collected from an aircraft.   |
| aircore                   | Drilling method employing a drill bit that yields sample material which is delivered to the surface inside the rod string by compressed air.   |
| alluvial                  | Pertaining to silt, sand, and gravel material, transported, and deposited by a river.  |
| alluvium                  | Clay silt, sand, gravel, or other rock materials transported by flowing water and deposited in comparatively recent geologic time as sorted or semi-sorted sediments in riverbeds, estuaries, and flood plains, on lakes, shores and in fans at the base of mountain slopes and estuaries. |
| alteration                | The change in the mineral composition of a rock, commonly due to hydrothermal activity.  |
| andesite                  | An intermediate volcanic rock composed of andesine and one or more mafic minerals.   |
| anomalies                 | An area where exploration has revealed results higher than the local background level.   |
| anticline                 | A fold in the rocks in which strata dip in opposite directions away from the central axis.   |
| antiformal                | An anticline-like structure.   |
| Archaean                  | The oldest rocks of the Precambrian era, older than about 2,500 million years.   |
| assayed                   | The testing and quantification metals of interest within a sample.   |
| auger sampling            | A drill sampling method using an auger to penetrate upper horizons and obtain a sample from lower in the hole.   |
| axial plane               | The plane that intersects the crest or trough of a fold, about which the limbs are more or less symmetrically arranged.  |
| basalts                   | A volcanic rock of low silica (<55%) and high iron and magnesium composition, composed primarily of plagioclase and pyroxene.  |
| polymetallics             | A non-precious metal, usually referring to copper, lead and zinc.  |
| bedrock                   | Any solid rock underlying unconsolidated material.   |
| BIF                       | A rock consisting essentially of iron oxides and cherty silica and possessing a marked banded appearance.  |
| brittle                   | Rock deformation characterised by brittle fracturing and brecciation.  |
| Cainozoic                 | An era of geological time spanning the period from 65 million years ago to the present.  |

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| carbonate          | Rock of sedimentary or hydrothermal origin, composed primarily of calcium, magnesium, or iron and CO <sub>3</sub> . Essential component of limestones and marbles. |
| chemical symbols   | Gold (Au), silver (Ag), barium (Ba), copper Cu), zinc (Zn), lead (Pb) antimony (As), Antimony (Sb).  |
| chert              | Fine grained sedimentary rock composed of cryptocrystalline silica.  |
| chlorite           | A green coloured hydrated aluminium-iron-magnesium silicate mineral (mica) common in metamorphic rocks.  |
| clastic            | Pertaining to a rock made up of fragments or pebbles (clasts).   |
| clays              | A fine-grained, natural, earthy material composed primarily of hydrous aluminium silicates.  |
| colluvium          | A loose, heterogeneous, and incoherent mass of soil material deposited by slope processes.   |
| conduits           | The main pathways that facilitate the movement of hydrothermal fluids.   |
| conglomerate       | A rock type composed predominantly of rounded pebbles, cobbles or boulders deposited by the action of water.   |
| dacite             | An extrusive rock composed mainly of plagioclase, quartz and pyroxene or hornblende or both.   |
| depletion          | The lack of gold in the near-surface environment due to leaching processes during weathering.  |
| diamond drill hole | Mineral exploration hole completed using a diamond set or diamond impregnated bit for retrieving a cylindrical core of rock.                                       |
| dilational         | Open space within a rock mass commonly produced in response to folding or faulting.  |
| dolerite           | A medium grained mafic intrusive rock composed mostly of pyroxenes and sodium-calcium feldspar.  |
| ductile            | Deformation of rocks or rock structures involving stretching or bending in a plastic manner without breaking.  |
| dykes              | A tabular body of intrusive igneous rock, crosscutting the host strata at a high angle.  |
| en-echelon         | Repeating parallel, but offset, occurrences of lenticular bodies such as ore veins.  |
| erosional          | The group of physical and chemical processes by which earth or rock material is loosened or dissolved and removed from any part of the earth's surface.            |
| fault zone         | A wide zone of structural dislocation and faulting.  |
| feldspar           | A group of rock forming minerals.  |
| felsic             | An adjective indicating that a rock contains abundant feldspar and silica.   |
| folding            | A term applied to the bending of strata or a planar feature about an axis.   |

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| foliated            | Banded rocks, usually due to crystal differentiation as a result of metamorphic processes.  |
| follow-up           | A term used to describe more detailed exploration work over areas of interest generated by regional exploration.                  |
| g/t                 | Grams per tonne, a standard volumetric unit for demonstrating the concentration of precious metals in a rock.                     |
| gabbro              | A fine to coarse grained, dark coloured, igneous rock composed mainly of calcic plagioclase, clinopyroxene and sometimes olivine. |
| geochemical         | Pertains to the concentration of an element.  |
| geophysical         | Pertains to the physical properties of a rock mass.   |
| GIS database        | A system devised to present partial data in a series of compatible and interactive layers.  |
| gneissic            | Coarse grained metamorphic rocks characterised by mineral banding of the light and dark coloured constituent minerals.            |
| granite             | A coarse-grained igneous rock containing mainly quartz and feldspar minerals and subordinate micas.                               |
| granoblastic        | A term describing the texture of a metamorphic rock in which the crystals are of equal size.                                      |
| granodiorite        | A coarse-grained igneous rock composed of quartz, feldspar, and hornblende and/or biotite.  |
| greenschist         | A metamorphosed basic igneous rock which owes its colour and schistosity to abundant chlorite.                                    |
| greenstone belt     | A broad term used to describe an elongate belt of rocks that have undergone regional metamorphism to greenschist facies.          |
| greywackes          | A sandstone like rock, with grains derived from a dominantly volcanic origin.   |
| GSWA                | Geological Survey of Western Australia.   |
| gypsum              | Mineral of hydrated, or water-containing, calcium sulphate.   |
| halite              | Impure salt deposit formed by evaporation.  |
| hangingwall         | The mass of rock above a fault, vein, or zone of mineralisation.  |
| hematite            | Iron oxide mineral, $\text{Fe}_2\text{O}_3$ .   |
| hinge zone          | A zone along a fold where the curvature is at a maximum.  |
| hydrothermal fluids | Pertaining to hot aqueous solutions, usually of magmatic origin, which may transport metals and minerals in solution.             |
| igneous             | Rocks that have solidified from a magma.  |
| infill              | Refers to sampling or drilling undertaken between pre-existing sample points.   |
| insitu              | In the natural or original position.  |
| interflow           | Refers to the occurrence of other rock types between individual lava flows within a stratigraphic sequence.                       |



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| intermediate          | A rock unit which contains a mix of felsic and mafic minerals.  |
| intrusions            | A body of igneous rock which has forced itself into pre-existing rocks.   |
| intrusive contact     | The zone around the margins of an intrusive rock.   |
| ironstone             | A rock formed by cemented iron oxides.  |
| isoclinal             | A series of folds that dip in the same direction at the same angle.   |
| joint venture         | A business agreement between two or more commercial entities.   |
| komatiitic            | Magnesium-rich mafic to ultramafic extrusive rock.  |
| laterite              | A cemented residuum of weathering, generally leached in silica with a high alumina and/or iron content.   |
| lineament             | A significant linear feature of the earth's crust, usually equating a major fault or shear structure.   |
| lithological contacts | The contacts between different rock types.  |
| lithotypes            | Rock types.   |
| metamorphic           | A rock that has been altered by physical and chemical processes involving heat, pressure, and derived fluids.   |
| metasedimentary       | A rock formed by metamorphism of sedimentary rocks.   |
| monzogranite          | A granular plutonic rock containing approximately equal amounts of orthoclase and plagioclase feldspar, but usually with a low quartz content.            |
| nickel laterite       | Nickel ore hosted within the laterite profile, usually derived from the weathering of olivine-rich ultramafic rocks.                                      |
| open pit              | A mine working or excavation open to the surface.   |
| Orthoimage            | A geographically located composite plan using aerial photography as a base.   |
| outcrops              | Surface expression of underlying rocks.   |
| palaeochannels        | An ancient, preserved stream or river.  |
| pegmatite             | A very coarse grained intrusive igneous rock which commonly occurs in dyke-like bodies containing lithium-boron-fluorine-rare earth bearing minerals.     |
| pisolitic             | Describes the prevalence of rounded manganese, iron or alumina-rich chemical concretions, frequently comprising the upper portions of a laterite profile. |
| playa lake            | Broad shallow lakes that quickly fill with water and quickly evaporate, characteristic of deserts.  |
| polymictic            | Referring to coarse sedimentary rocks, typically conglomerate, containing clasts of many different rock types.  |
| porphyries            | Felsic intrusive or sub-volcanic rock with larger crystals set in a fine groundmass.  |
| ppb                   | Parts per billion; a measure of low-level concentration.  |

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| Proterozoic        | An era of geological time spanning the period from 2,500 million years to 570 million years before present.  |
| pyroxenite         | A coarse grained igneous intrusive rock dominated by the mineral pyroxene.   |
| quartz reefs       | Old mining term used to describe large quartz veins.   |
| quartzofeldspathic | Compositional term relating to rocks containing abundant quartz and feldspar, commonly applied to metamorphic and sedimentary rocks.   |
| quartzose          | Quartz-rich, usually relating to clastic sedimentary rocks.  |
| RAB drilling       | A relatively inexpensive and less accurate drilling technique involving the collection of samples returned by compressed air from outside the drill rods.  |
| RC drilling        | A drilling method in which the fragmented sample is brought to the surface inside the drill rods, thereby reducing contamination.  |
| regolith           | The layer of unconsolidated material which overlies or covers insitu basement rock.  |
| residual           | Soil and regolith which has not been transported from its point or origin.   |
| resources          | Insitu mineral occurrence from which valuable or useful minerals may be recovered.   |
| rhyolite           | Fine-grained felsic igneous rock containing high proportion of silica and feldspar.  |
| rock chip sampling | The collection of rock specimens for mineral analysis.   |
| saprolite          | Disintegrated, in-situ rock, partially decomposed by the chemical and physical processes of oxidation and weathering.  |
| satellite imagery  | The images produced by photography of the earth's surface from satellites.   |
| schist             | A crystalline metamorphic rock having a foliated or parallel structure due to the recrystallisation of the constituent minerals.   |
| scree              | The rubble composed of rocks that have formed down the slope of a hill or mountain by physical erosion.  |
| sedimentary        | A term describing a rock formed from sediment.   |
| sericite           | A white or pale apple green potassium mica, very common as an alteration product in metamorphic and hydrothermally altered rocks.  |
| shale              | A fine grained, laminated sedimentary rock formed from clay, mud, and silt.  |
| sheared            | A zone in which rocks have been deformed primarily in a ductile manner in response to applied stress.  |
| sheet wash         | Referring to sediment, usually sand size, deposited over broad areas characterised by sheet flood during storm or rain events. Superficial deposit formed by low temperature chemical processes associated with ground waters, and composed of fine grained, water-bearing minerals of silica. |
| silcrete           | Superficial deposit formed by low temperature chemical processes associated with ground waters, and composed of fine grained, water-bearing minerals of silica.  |

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| silica                   | Dioxide of silicon, SiO <sub>2</sub> , usually found as the various forms of quartz.  |
| sills                    | Sheets of igneous rock which is flat lying or has intruded parallel to stratigraphy.  |
| silts                    | Fine-grained sediments, with a grain size between those of sand and clay.   |
| soil sampling            | The collection of soil specimens for mineral analysis.  |
| stocks                   | A small intrusive mass of igneous rock, usually possessing a circular or elliptical shape in plan view.                     |
| strata                   | Sedimentary rock layers.  |
| stratigraphic            | Composition, sequence, and correlation of stratified rocks.   |
| stream sediment sampling | The collection of samples of stream sediment with the intention of analysing them for trace elements.                       |
| strike                   | Horizontal direction or trend of a geological structure.  |
| subcrop                  | Poorly exposed bedrock.   |
| sulphide                 | A general term to cover minerals containing sulphur and commonly associated with mineralisation.                            |
| supergene                | Process of mineral enrichment produced by the chemical remobilisation of metals in an oxidised or transitional environment. |
| syenite                  | An intrusive igneous rock composed essentially of alkali feldspar and little or no quartz and ferromagnesian minerals.      |
| syncline                 | A fold in rocks in which the strata dip inward from both sides towards the axis.  |
| talc                     | A hydrous magnesium silicate, usually formed due to weathering of magnesium silicate rocks.                                 |
| tectonic                 | Pertaining to the forces involved in or the resulting structures of movement in the earth's crust.                          |
| tholeiitic               | A descriptive term for a basalt with little or no olivine.  |
| thrust fault             | A reverse fault or shear that has a low angle inclination to the horizontal.  |
| tremolite                | A grey or white metamorphic mica of the amphibole group, usually occurring as bladed crystals or fibrous aggregates.        |
| ultramafic               | Igneous rocks consisting essentially of ferromagnesian minerals with trace quartz and feldspar.                             |
| veins                    | A thin infill of a fissure or crack, commonly bearing quartz.   |
| volcaniclastics          | Pertaining to clastic rock containing volcanic material.  |
| volcanics                | Formed or derived from a volcano.   |
| zinc                     | A lustrous, blueish-white metallic element used in many alloys including brass and bronze.                                  |

## JORC Code, 2012 Edition – Table 1 report template

### Section 1 Sampling Techniques and Data – CAWSE RC Drilling, Gold Exploration by Centaur 1996 - 1999

(Criteria in this section apply to all succeeding sections.)

| Criteria              | JORC Code explanation   | Commentary   |
|-----------------------|---|--|
| Sampling techniques   | <ul style="list-style-type: none"> <li><i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i></li> <li><i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></li> <li><i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></li> <li><i>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i></li> </ul> | <p>Sampling protocols for historical holes is not recorded in the historical reports.</p> <p>Historical records show some QA/QC measures were undertaken with the inclusion of standard samples to the analytical stream, however the results of this QA/QC work is unknown.</p> <p>The distribution of mineralisation observed in some of the historic holes by Centaur geologists is considered unlikely to result in grade biasing during sampling.</p> |
| Drilling techniques   | <ul style="list-style-type: none"> <li><i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i></li> </ul>  | Historical drilling was by the Reverse Circulation method  |
| Drill sample recovery | <ul style="list-style-type: none"> <li><i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></li> <li><i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></li> <li><i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i></li> </ul>   | Drill sample recovery was not commented on in the available reports  |
| Logging               | <ul style="list-style-type: none"> <li><i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical</i></li> </ul>   | Geological logs are not available in the historic records for all holes; however it is known that geological logging was qualitative.  |

| Criteria                                       | JORC Code explanation  | Commentary   |
|--|--|--|
|  | <p>studies.</p> <ul style="list-style-type: none"> <li>• <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i></li> <li>• <i>The total length and percentage of the relevant intersections logged.</i></li> </ul>  | There are no records of geotechnical logging of historical holes in the reports.   |
| Sub-sampling techniques and sample preparation | <ul style="list-style-type: none"> <li>• <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></li> <li>• <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></li> <li>• <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></li> <li>• <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></li> <li>• <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i></li> <li>• <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></li> </ul> | sub-sampling methods and sample preparation methods for historical holes is unknown  |
| Quality of assay data and laboratory tests     | <ul style="list-style-type: none"> <li>• <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></li> <li>• <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i></li> <li>• <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i></li> </ul>  | <p>The nature, quality and appropriateness of the assaying and laboratory procedures for historical holes is unknown, however the Centaur is considered to have been a competent group.</p> <p>The Centaur introduced standards into the assay sample stream however the results of this QA/QC exercise is not reported.</p> |
| Verification of sampling and assaying          | <ul style="list-style-type: none"> <li>• <i>The verification of significant intersections by either independent or alternative Centaur personnel.</i></li> <li>• <i>The use of twinned holes.</i></li> <li>• <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> <li>• <i>Discuss any adjustment to assay data.</i></li> </ul>  | <p>Historical assay data has been digitised by the Centaur and verified internally</p> <p>Historical data was hand or type written but is now resident as digital data in the Centaur's database.</p> <p>No adjustments have been made to any historical assays.</p>   |
| Location of data points                        | <ul style="list-style-type: none"> <li>• <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i></li> </ul>   | Drill hole collar locations are reported by the Centaur in Mines Department reports converted to GDA94 (Zone 53) datum and are   |

| Criteria   | JORC Code explanation  | Commentary  |
|--|--|---|
|  | <ul style="list-style-type: none"> <li>• <i>Specification of the grid system used.</i></li> <li>• <i>Quality and adequacy of topographic control.</i></li> </ul>   | considered to be accurate to +/- 25 metres. Collar RLs were not recorded.   |
| <i>Data spacing and distribution</i>                           | <ul style="list-style-type: none"> <li>• <i>Data spacing for reporting of Exploration Results.</i></li> <li>• <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i></li> <li>• <i>Whether sample compositing has been applied.</i></li> </ul>                        | Spacing of historical drilling is considered adequate to allow confident interpretation of lithological and grade continuity of mineralisation envelopes. No sample compositing has been applied. |
| <i>Orientation of data in relation to geological structure</i> | <ul style="list-style-type: none"> <li>• <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></li> <li>• <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i></li> </ul> | <p>Most of the historical holes were drilled on several azimuths that approximate an across-strike orientation.</p> <p>The angle of incidence is not considered to result in biased sampling.</p> |
| <i>Sample security</i>   | <ul style="list-style-type: none"> <li>• <i>The measures taken to ensure sample security.</i></li> </ul>   | No sample security measures are recorded in the historical reports.   |
| <i>Audits or reviews</i>                                       | <ul style="list-style-type: none"> <li>• <i>The results of any audits or reviews of sampling techniques and data.</i></li> </ul>   | There have not been any audits or reviews of the WMC/NBH sampling techniques and data.  |

## **Section 2 Reporting of Exploration Results**

(Criteria listed in the preceding section also apply to this section.)

| Criteria                                       | JORC Code explanation  | Commentary   |
|--|--|--|
| <i>Mineral tenement and land tenure status</i> | <ul style="list-style-type: none"> <li>• <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i></li> <li>• <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i></li> </ul> | The historical RC drilling was within the tenements described in the body of the Report                            |
| <i>Exploration done by other parties</i>       | <ul style="list-style-type: none"> <li>• <i>Acknowledgment and appraisal of exploration by other parties.</i></li> </ul>   | The report deals principally with exploration completed by the Centaur, with this fact acknowledged in the report. |

| Criteria   | JORC Code explanation  | Commentary  |
|--|--|---|
| Geology  | <ul style="list-style-type: none"> <li>• <i>Deposit type, geological setting and style of mineralisation.</i></li> </ul>   | Deposits in the general region are considered to be. Cu-Au mineralisation is structurally controlled and associated with significant metasomatic alteration of host rocks   |
| Drill hole Information   | <ul style="list-style-type: none"> <li>• <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> <ul style="list-style-type: none"> <li>○ <i>easting and northing of the drill hole collar</i></li> <li>○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i></li> <li>○ <i>dip and azimuth of the hole</i></li> <li>○ <i>down hole length and interception depth</i></li> <li>○ <i>hole length.</i></li> </ul> </li> <li>• <i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i></li> </ul> | <p>The summary information on drill holes which returned material intersections is included in Table 1 of the report.</p> <p>The collar locations of all drill holes the subject of the report are shown in the tables within the Report.</p> |
| Data aggregation methods   | <ul style="list-style-type: none"> <li>• <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i></li> <li>• <i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i></li> <li>• <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></li> </ul>   | <ul style="list-style-type: none"> <li>• Results are reported as weighted averages of the interval reported.</li> </ul>   |
| Relationship between mineralisation widths and intercept lengths | <ul style="list-style-type: none"> <li>• <i>These relationships are particularly important in the reporting of Exploration Results.</i></li> <li>• <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></li> <li>• <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i></li> </ul>   | <ul style="list-style-type: none"> <li>• The mineralized intervals are reported as down hole widths. There is insufficient information to estimate true width.</li> </ul>   |
| Diagrams   | <ul style="list-style-type: none"> <li>• <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i></li> </ul>   | <ul style="list-style-type: none"> <li>• Appropriate plans with scales appear in the report.</li> </ul>   |
| Balanced reporting   | <ul style="list-style-type: none"> <li>• <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades</i></li> </ul>   | <ul style="list-style-type: none"> <li>• All weighted average results are reported. Best or significant results have not been reported out of context.</li> </ul>   |



| Criteria                                  | JORC Code explanation  | Commentary   |
|---|--|--|
|   | <i>and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i>   |  |
| <i>Other substantive exploration data</i> | <ul style="list-style-type: none"> <li>• <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i></li> </ul> | <ul style="list-style-type: none"> <li>• Observations on basement geology, weathering, alteration, geochemistry, and mineralisation have been included in the report.</li> </ul> |
| <i>Further work</i>                       | <ul style="list-style-type: none"> <li>• <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></li> <li>• <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></li> </ul>                              | <ul style="list-style-type: none"> <li>• The report includes a forward plan for further exploration of the anomalous areas.</li> </ul>   |

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## **ANNEXURE B – SOLICITOR'S REPORT ON TENEMENTS**

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16 June 2022

Your Ref:  
Our Ref: JPM:MPF:3495-05  
Contact: Mark Foster  
Partner  
mfoster@steinpag.com.au

Dragon Mountain Gold Limited  
ACN 111 005 282  
182 Claisebrook Road  
Perth WA 6000

Dear Sirs

### **SOLICITOR'S REPORT ON TENEMENTS**

This Report is prepared for inclusion in a prospectus for a public offer of 200,000,000 shares in the capital of Dragon Mountain Gold Limited (ACN 111 005 282) (**Company**) at an issue price of \$0.02 per share to raise up to \$4,000,000 (**Prospectus**).

#### **1. SCOPE**

We have been requested to report on certain mining tenements in which the Company has an interest (the **Tenements**).

The Tenements are located in Western Australia. These consist of nine pending applications and 33 licences granted pursuant to the *Mining Act 1978* (WA) (**Mining Act WA**).

Details of the non-standard conditions relating to the Tenements are set out in Schedule 1 of this Report.

This Report is limited to the Searches set out in Section 2 of this Report.

#### **2. SEARCHES**

For the purposes of this Report, we have conducted searches and made enquiries in respect of all of the Tenements as follows (**Searches**):

- (a) we have obtained mining tenement register searches of the Tenements from the registers maintained by the Western Australian Department of Mines, Industry Regulation and Safety (**DMIRS**) (**Tenement Searches**). These searches were conducted on 10 June 2022. Key details on the status of the Tenements are set out in Schedule 1 of this Report;
- (b) we have obtained results of searches of the schedule of native title applications, register of native title claims, national native title register, register of indigenous land use agreements and national land use agreements as maintained by the National Native Title Tribunal (**NNTT**) for any native title claims (registered or unregistered), native title determinations and indigenous land use agreements (**ILUAs**) that overlap or apply to the Tenements. This material was obtained on 13 June 2022. Details of any native title claims (registered or unregistered), native title determinations and ILUAs are set out in Section 7 of this Report and Schedule 2 of this Report;
- (c) we have obtained searches from the online Aboriginal Heritage Inquiry System maintained by the Department of Planning, Lands and Heritage (**DPLH**) for any Aboriginal sites registered on the Western Australian Register of Aboriginal sites and other heritage places over the Tenements (**Heritage Searches**). These searches were conducted on 10 June 2022. Details of any Aboriginal Sites are set out in Schedule 2 of this Report;
- (d) we have obtained quick appraisal user searches of Tengraph which is maintained by the DMIRS to obtain details of features or interests affecting the Tenements (**Tengraph Searches**). These searches were conducted on 10 June 2022. Details of any material issues identified from the Tengraph Searches are set out in the notes to Schedule 1 of this Report; and
- (e) we have reviewed all agreements relating to the Tenements provided to us or registered as dealings against the Tenements as at the date of the Tenement Searches. Those that we consider material to the Tenements are summarised in section 9.2 of the Prospectus.

### 3. **OPINION**

As a result of our Searches, but subject to the assumptions and qualifications set out in this Report, we are of the view that, as at the date of the relevant Searches this Report provides an accurate statement as to:

- (a) The Company's interest in the Tenements.
- (b) The validity and good standing of the Tenements.
- (c) Third party interests, including encumbrances and private land, in relation to the Tenements.

### 4. **EXECUTIVE SUMMARY**

Subject to the qualifications and assumptions in this Report, we consider the following to be material issues in relation to the Tenements:

- (a) **Crown land**

All land the subject of the Tenements overlaps Crown land. Further details are provided in Section 8 of this Report. The Mining Act imposes prohibitions on

prospecting, exploration and mining activities and restrictions on access to certain parts of mining tenements that overlap Crown land without the prior agreement of the occupier which commonly involves the tenement holder paying compensation to the occupier of the Crown land. Although the Company will be able to undertake its proposed activities on those parts of the granted Tenements not covered by the prohibitions and pass over those parts of the Tenements to which the restrictions do not apply immediately upon listing on ASX, the Company should consider entering into access and compensation agreements with the occupiers of the Crown land upon commencement of those activities in the event further activities are required on other areas of the Tenements which are subject to prohibitions or restrictions.

(b) **Company's interest**

As of the date of this Report, the Company has earned a 25% interest in the Tenements that are listed 1-33 in Schedule 1 (**Joint Venture Tenements**) under joint venture agreements with Wingstar Investments Pty Ltd and Mesmeric Enterprises Pty Ltd (**Joint Venture Agreements**). Under the Joint Venture Agreements, the Company can earn up to an 80% interest in the Joint Venture Tenements.

Under the the Joint Venture Agreements, once the Company has acquired a 51% participating interest in the Projects, the Company's joint venture partners may elect to:

- (i) maintain its 49% participating interest in the applicable Projects by contributing pro rata to the expenditure of the joint venture; or
- (ii) grant the Company the right to increase its participating interest in the applicable Projects to 80%.

The Joint Venture Agreements are further summarised in section 9.1 of the Prospectus,

(c) **Applications for forfeiture**

Applications for forfeiture for failure to comply with the minimum expenditure conditions have been lodged by Wayne Van Blitterswyk over Tenements, M25/75, M25/76, M25/77, M25/78, M27/189. We do not express an opinion on the outcome of any hearing in relation to the applications. There is a risk that if the applications are successful that the Tenements could be subject to forfeiture.

## 5. DESCRIPTION OF THE TENEMENTS

The Joint Venture Tenements comprise Mining Leases and Miscellaneous Licenses granted under the *Mining Act 1978* (WA) (**Mining Act**).

The Company has also applied for nine Prospecting Licenses to be granted under the Mining Act (**Applications**).

Schedule 1 of this Report provides a list of the Tenements. Sections 5.1, 5.2, 5.3 and 5.4 of this Report provide a description of the nature and key terms of these types of mining tenements.

## **5.1 Prospecting licence**

### **(a) Application**

A person may lodge an application for a prospecting licence in accordance with the Mining Act. The mining registrar or warden decides whether to grant an application for a prospecting licence. An application for a prospecting licence (unless a reversion application) cannot be legally transferred and continues in the name of the applicant.

### **(b) Rights**

The holder of a prospecting licence is entitled to enter upon land for the purposes of prospecting for minerals with employees and contractors, and such vehicles, machinery and equipment as may be necessary or expedient.

### **(c) Term**

A prospecting licence has a term of 4 years. Where the prospecting licence was applied for and granted after 10 February 2006, the Minister may extend the term by 4 years and if retention status is granted (as discussed below), by a further term or terms of 4 years. Where a prospecting licence is transferred before a renewal application has been determined, the transferee is deemed to be the applicant.

### **(d) Retention status**

The holder of a prospecting licence applied for and granted after 10 February 2006 may apply for approval of retention status for the prospecting licence. The Minister may approve the application where there is an identified mineral resource in or under the land the subject of the prospecting licence, but it is impractical to mine the resource for prescribed reasons. Where retention status is granted, the minimum expenditure requirements are reduced in the year of grant and cease in future years. However, the Minister has the right to impose a program of works or require the holder to apply for a mining lease. The holder of a prospecting licence applied for or granted before 10 February 2006 can apply for a retention licence (see below), rather than retention status.

### **(e) Conditions**

Prospecting licences are granted subject to various standard conditions including conditions relating to minimum expenditure, the payment of rent and observance of environmental protection and reporting requirements. These standard conditions are not detailed in Part 1 of this Report. A failure to comply with these conditions or obtain an exemption from compliance may lead to forfeiture of the prospecting licence.

### **(f) Relinquishment**

There is no requirement to relinquish any portion of the prospecting licence.

### **(g) Priority to apply for a mining lease**

The holder of a prospecting licence has priority to apply for a mining lease over any of the land subject to the prospecting licence. An application for a

mining lease must be made prior to the expiry of the prospecting licence. The prospecting licence remains in force until the application for the mining lease is determined.

(h) **Transfer**

There is no restriction on transfer or other dealing in a prospecting licence.

## 5.2 **Exploration Licence**

(a) **Rights**

The holder of an exploration licence is entitled to enter the land for the purposes of exploration for minerals with employees and contractors and such vehicles, machinery and equipment as may be necessary or expedient.

(b) **Term**

An exploration licence has a term of 5 years from the date of grant. The Minister may extend the term by a further period of 5 years followed by a further period or periods of 2 years.

(c) **Retention status**

The holder of an exploration licence granted after 10 February 2006 may apply for approval of retention status for the exploration licence. The Minister may approve the application where there is an identified mineral resource in or under the land the subject of the exploration licence but it is impractical to mine the resource for prescribed reasons. Where retention status is granted, the minimum expenditure requirements are reduced in the year of grant and cease in future years. However, the Minister has the right to impose a programme of works or require the holder to apply for a mining lease.

(d) **Conditions**

Exploration licences are granted subject to various standard conditions, including conditions relating to minimum expenditure, the payment of prescribed rent and royalties and observance of environmental protection and reporting requirements. These standard conditions are not detailed in Part 1 of this Report. A failure to comply with these conditions or obtain an exemption from compliance may lead to forfeiture of the exploration licence.

(e) **Relinquishment**

The holder of an exploration licence applied for and granted after 10 February 2006 must relinquish not less than 40% of the blocks comprising the licence at the end of the fifth year. A failure to lodge the required partial surrender could render the tenement liable for forfeiture.

(f) **Priority to apply for mining lease**

The holder of an exploration licence has priority to apply for a mining lease over any of the land subject to the exploration licence. Any application for a mining lease must be made prior to the expiry of the exploration licence. The exploration licence remains in force until the application for the mining lease is determined.



(g) **Transfer**

No legal or equitable interest in an exploration licence can be transferred or otherwise dealt with during the first year of its term without the prior written consent of the Minister. Thereafter, there is no restriction on transfer or other dealings.

### **5.3 Mining lease**

(a) **Application**

Any person may lodge an application for a mining lease, although a holder of a prospecting licence, exploration licence or retention licence over the relevant area has priority. The Minister decides whether to grant an application for a mining lease.

The application, where made after 10 February 2006, must be accompanied by either a mining proposal or a statement outlining mining intentions and a "mineralisation report" indicating there is significant mineralisation in the area over which a mining lease is sought. A mining lease accompanied by a "mineralisation report" will only be approved where the Director, Geological Survey considers that there is a reasonable prospect that the mineralisation identified will result in a mining operation.

(b) **Rights**

The holder of a mining lease is entitled to mine for and dispose of any minerals on the land in respect of which the lease was granted. A mining lease entitles the holder to do all acts and things necessary to effectively carry out mining operations.

(c) **Term**

A mining lease has a term of 21 years and may be renewed for successive periods of 21 years. Where a mining lease is transferred before a renewal application has been determined, the transferee is deemed to be the applicant.

(d) **Conditions**

Mining leases are granted subject to various standard conditions, including conditions relating to expenditure, the payment of prescribed rent and royalties and observance of environmental protection and reporting requirements. An unconditional performance bond may be required to secure performance of these obligations. A failure to comply with these conditions may lead to forfeiture of the mining lease. These standard conditions are not detailed in Schedule 1 of this Report.

(e) **Transfer**

The consent of the Minister is required to transfer a mining lease.

### **5.4 Miscellaneous licence**

(a) **Application**

Any person may apply for a miscellaneous licence. The mining registrar or warden decides whether to grant an application for a miscellaneous licence. A miscellaneous licence may be granted for a prescribed purpose that is directly connected with mining operations. An application for a miscellaneous licence cannot be legally transferred and continues in the name of the applicant.

(b) **Rights**

The holder of a miscellaneous licence is entitled to carry out the activities for the purpose specified in the miscellaneous licence.

(c) **Term**

A miscellaneous licence granted or applied for before 6 June 1998 has a term of 5 years and the Minister may renew it for a further term of 5 years and if so, must renew for a further term or terms of 5 years. A miscellaneous licence applied for and granted after 6 June 1998 has a term of 21 years and the Minister may renew for a further term of 21 years and if so, must renew for a further term or terms of 21 years. Where a miscellaneous licence is transferred before a renewal application has been determined, the transferee is deemed to be the applicant.

(d) **Conditions**

A miscellaneous licence is granted subject to various standard conditions. A failure to comply with these conditions may lead to forfeiture of the miscellaneous licence. These standard conditions are not detailed in Schedule 1 of this Report.

(e) **Transfer**

The consent of the Minister is required to transfer a miscellaneous licence.

## **6. ABORIGINAL HERITAGE**

There may be areas or objects of Aboriginal heritage located on the Tenements

Aboriginal sites were identified from the Heritage Searches (as noted in Schedule 2 of this Report).

It is noted that a standard Aboriginal heritage agreement has been entered into in respect of the Tenements (as noted in Schedule 2 of this Report) which sets out the obligations of the parties holding an interest in the Tenements (whether title or mineral rights only) in protecting Aboriginal heritage in areas where exploration takes place in a manner that is transparent, timely, certain and cost effective.

Under Aboriginal heritage agreements parties holding an interest in a tenement (whether title or mineral rights only) may dispose of any or all of its rights with respect to their interest in the tenement, but must first procure an executed deed of assumption in favour of the relevant native title group by which the assignee (purchaser) agrees to be bound by the provisions of the heritage agreement and to assume, observe and perform the obligations of the assignor (vendor) under the heritage agreement insofar as they relate to the interest being acquired by the assignee (purchaser). In the case of the Company such an assumption would be

restricted to the obligations relating to the mineral rights (excluding iron ore) on the Tenements.

As heritage agreements relate to the process of 'clearing' areas of land on tenements in order to conduct exploration activities it is possible a purchaser may rely on surveys previously completed by a vendor where it wishes to conduct activities on areas within tenements previously cleared of heritage sites without the requirements to repeat the process and incur additional costs.

## 6.1 Commonwealth legislation

The *Aboriginal and Torres Strait Islander Heritage Protection Act 1984* (Cth) (**Commonwealth Heritage Act**) is aimed at the preservation and protection of any Aboriginal areas and objects that may be located on the Tenements.

Under the Commonwealth Heritage Act, the Minister for Indigenous Australians may make interim or permanent declarations of preservation in relation to significant Aboriginal areas or objects, which have the potential to halt exploration activities. Compensation is payable by the Minister for Indigenous Australians to a person who is, or is likely to be, affected by a permanent declaration of preservation.

It is an offence to contravene a declaration made under the Commonwealth Heritage Act.

## 6.2 Western Australian legislation

Tenements located in Western Australia are granted subject to a condition requiring observance of the *Aboriginal Heritage Act 1972* (WA) (**WA Heritage Act**).

The WA Heritage Act makes it an offence to alter or damage sacred ritual or ceremonial Aboriginal sites and areas of significance to Aboriginal persons (whether or not they are recorded on the register or otherwise known to the Register of Aboriginal Sites, DPLH or the Aboriginal Cultural Material Committee).

An Aboriginal site is defined under the WA Heritage Act to include any sacred, ritual or ceremonial site which is of importance and special significance to persons of Aboriginal descent. Aboriginal sites may be registered under the WA Heritage Act. However, there is no requirement for a site to be registered. The WA Heritage Act protects all registered and unregistered sites. Tenement holders customarily consult with Aboriginal traditional owners of the tenement land and undertake Aboriginal heritage surveys to ascertain whether any aboriginal sites exist and to avoid inadvertent disruption of these sites.

Aboriginal sites and other heritage places were identified from the Heritage Searches (as noted in Schedule 2 of this Report).

We note, however, that there may be unregistered or otherwise undiscovered Aboriginal heritage sites on the Tenements.

The consent of the Minister for Aboriginal Affairs (WA) is required where any use of land is likely to result in the excavation, alteration or damage to an Aboriginal site or any objects on or under that site. This requires submissions from the tenement holder to the DPLH on the proposed activities, the possible impact on the Aboriginal sites, any negotiations conducted with Aboriginal traditional owners of the lands and any measures that will be taken to minimise the interference.

## 7. NATIVE TITLE

### 7.1 General

The law of Australia recognises the existence of native title rights held by indigenous Australians over their traditional lands<sup>1</sup>. Native title exists where an indigenous group has maintained a continuous traditional connection with the land, and those rights have not been extinguished.

Native title may be extinguished:

- (a) in whole by the grant of an interest in land conferring “exclusive possession” such as a freehold interest in the land; or
- (b) in part by the grant of an interest conferring “non-exclusive possession” including the grant of pastoral leases and mining leases, or the creation of certain reserves. In this case, the native title will co-exist with the other rights to the land.

The *Native Title Act 1993* (Cth) (**NTA**):

- (a) provides a process for indigenous people to claim native title rights<sup>2</sup> and compensation<sup>3</sup>;
- (b) confirms the validity of past actions (including grants of land tenure) by the Commonwealth and State governments<sup>4</sup>; and
- (c) specifies the procedures which must be complied with to ensure that acts that may affect native title rights (such as the grant or renewal of a mining tenement) are valid.

The NTA has been adopted in Western Australia by the enactment of the Titles (Validation) and Native Title (Effect of Past Acts) Act 1995.

### 7.2 Native title claim process

Persons claiming to hold native title may lodge an application for determination of native title with the Federal Court. The application is then referred to the NNTT to assess whether the claim meets the registration requirements in the NTA, and if so, the native title claim will be entered on the register of native title claims (**RNTC**) maintained by the NNTT.

Native title claimants have certain procedural rights, including the rights to negotiation and compensation, in relation to the grant of mining tenements if their native title claim is registered at the time the State issues a notice of the proposed grant of the mining tenement (**Section 29 Notice**), or if their claim becomes registered within four months after the Section 29 Notice.

Once a claim is registered, a claimant must prove its claim in the Federal Court in order to have native title determined and the claim entered on the National Native Title Register (**NNTR**).

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<sup>1</sup> *Mabo v Queensland (No 2)* (1992) 175 CLR 1

<sup>2</sup> Parts 3 and 4 of the NTA

<sup>3</sup> Part 3, Division 5 of the NTA

<sup>4</sup> Part 2, Division 2 of the NTA

### 7.3 Grant of tenements and compliance with the NTA

The grant of any mining tenement after 23 December 1996 must comply with the applicable NTA procedures in order to be valid. The exception to this is where native title has never existed over the land covered by the tenement or has been extinguished prior to the grant of the tenement.

The absence of a claim does not necessarily indicate that there is no native title over an area, as native title claims could be made in the future.

Unless it is clear that native title does not exist (such as where the land the subject of a tenement application is freehold land), the usual practice of the State is to comply with the NTA when granting a tenement. This ensures the grant will be valid if a court subsequently determines that native title rights exist over the land subject to the tenement.

The procedural requirements in the NTA relating to the grant of a mining tenement (referred to as the “**Future Act**” procedures) include four alternatives:

- (a) the right to negotiate, which is the primary Future Act procedure prescribed by the NTA;
- (b) the expedited procedure, which may be used in relation to the grant of exploration and prospecting licences;
- (c) an indigenous land use agreement; and
- (d) the infrastructure process.

Future Act procedures are provided below.

### 7.4 Right to negotiate

The primary Future Act procedure prescribed by the NTA is the “right to negotiate”.

The right to negotiate involves a negotiation between the registered native title claimants, the tenement applicant and the State government, the aim of which is to agree the terms on which the tenement may be granted.

The applicant for the tenement is usually liable for any compensation that the parties agree to pay to the native title claimants. The parties may also agree on conditions that will apply to activities carried out on the tenement.

The initial negotiation period is six months from the date on which the State issues a Section 29 Notice.

If the parties cannot reach an agreement within the initial six-month period, any party may refer the matter to arbitration before the NNTT, which then has six (6) months to determine whether the tenement can be granted and if so, on what conditions.

### 7.5 Expedited procedure

Where the grant of a tenement is unlikely to directly interfere with community or social activities or areas or sites of particular significance, or involve major disturbance to land or waters, the NTA permits the State to follow an expedited procedure for the grant of a tenement.

The State applies the expedited procedure to the grant of exploration and prospecting tenements.

Registered native title parties can lodge an objection to the use of the expedited procedure within the period of four months following the issue of the Section 29 Notice by the State (**Objection Period**).

If no objections are lodged or if the objections are withdrawn, the State may grant the tenement at the expiry of the Objection Period without undertaking a negotiation process.

If an objection is lodged, the NNTT must determine whether the grant of the tenement is an act attracting the Expedited Procedure. If the NNTT determines the expedited procedure does not apply, the parties must follow the right to negotiate procedure or enter into an indigenous land use agreement.

The DMIRS currently has a policy of requiring applicants for prospecting licences and exploration licences to sign and send a Regional Standard Heritage Agreement (**RSHA**) to the registered native title claimant, or prove they have an existing RSHA or Alternative Heritage Agreement in place.

The RSHA provides a framework for the conduct of Aboriginal heritage surveys over the land the subject of a tenement prior to the conducting of ground-disturbing work and conditions that apply to activities carried out within the tenement.

If the registered native title claimant does not execute the RSHA within the Objection Period (and no objections are otherwise lodged), the tenement may still be granted at the expiry of the Objection Period. If the tenement applicant refuses or fails to execute or send the RSHA to the registered native title holder, the DMIRS will process the application under the right to negotiate procedure.

## **7.6 Indigenous land use agreement**

The right to negotiate and expedited procedures do not have to be followed if an indigenous land use agreement (**ILUA**) has been registered with the NNTT.

An ILUA is a voluntary contractual arrangement negotiated with all registered native title claimants for a relevant area. The State and the applicant for the tenement are usually the other parties to the ILUA.

An ILUA must set out the terms on which the relevant mining tenement may be granted. An ILUA will also specify conditions on which activities may be carried out within the tenement. The applicant for a tenement is usually liable for any compensation that the parties agree to pay to the registered native title claimants in return for the grant of the tenement being approved. These obligations pass to a transferee of the tenement.

Once an ILUA is agreed and registered, it binds the whole native title claimant group and all holders of native title in the area (including future claimants), even though they may not be parties to it.

## **7.7 Infrastructure process**

The right to negotiate and expedited procedures also do not apply for grants of tenements for the sole purpose of the construction of an infrastructure facility.

In Western Australia, the DMIRS applies the infrastructure process to most miscellaneous licences and general purpose leases, depending on their purpose. For these types of tenements, an alternative consultation process applies, and in the absence of an agreement between the native title claimants and the applicant, the matter can be referred to an independent person for determination.

## 7.8 Renewals

Renewals of mining tenements made after 23 December 1996 must comply with the Future Act provisions in order to be valid under the NTA, except where:

- (a) the area to which the mining tenement applies is not extended;
- (b) the term of the renewed mining tenement is not longer than the term of the earlier mining tenement; and
- (c) the rights to be created are not greater than the rights conferred by the earlier mining tenement.

## 7.9 Native title claims and determinations affecting the Tenements

Our searches indicate that some of the Tenements are within the external boundaries of the native title claims and determinations as specified in Schedule 2 of this Report.

## 7.10 Indigenous land use agreements affecting the Tenements

As at the date of this Report, there are no registered ILUA's in respect of the Tenements.

## 8. CROWN LAND

As set out in Schedule 1 of this Report, land the subject of the Tenements overlaps Crown land as set out in the table below.

| Crown land                       | Tenement | % overlap |
|----------------------------------|----------|-----------|
| "C" Class Reserve Public Utility | M24/577  | 23.80%    |
|                                  | M24/550  | 35.08%    |
|                                  | M24/520  | 73.92%    |
|                                  | L24/30   | 46.26%    |
|                                  | L24/113  | 100%      |
|                                  | L24/152  | 79.59%    |
|                                  | L24/159  | 100%      |
|                                  | L24/168  | 15.41%    |
|                                  | L24/193  | 7.08%     |
|                                  | M24/0519 | 12.04%    |
|                                  | M25/76   | 0.02%     |
|                                  | M25/75   | 0.02%     |
|                                  | M25/75   | 0.34%     |
|                                  | M25/75   | 0.34%     |



| Crown land   | Tenement | % overlap |
|--|----------|-----------|
|  | M25/76   | 0.02%     |
|  | M25/75   | 0.03%     |
|  | M25/75   | 0.02%     |
|  | M25/75   | 0.05%     |
| "C" Class Reserve Water                                | M24/518  | 41.60%    |
|  | M24/517  | 27.83%    |
|  | L24/167  | 86.81%    |
|  | M24/544  | 23.89%    |
| "C" Class Reserve Common                               | M24/802  | 4.13%     |
| "C" Class Reserve Public Buildings                     | M25/75   | 0.05%     |
| "C" Class Reserve Church Site Methodist                | M25/75   | 0.03%     |
| "C" Class Reserve Camping                              | M25/75   | 6.11%     |
|  | M25/76   | 2.41%     |
| "C" Class Reserve Salvation Army                       | M25/75   | 0.03%     |
| "C" Class Reserve Presbyterian Church                  | M25/75   | 0.03%     |
| "C" Class Reserve Extension of Townsite                | M25/76   | 4.53%     |
|  | M25/75   | 12.87%    |
|  | M25/76   | 0.29%     |
|  | M25/75   | 1.27%     |
| "C" Class Reserve Water                                | M25/75   | 0.05%     |
| "C" Class Reserve Court House                          | M25/75   | 0.05%     |
| "C" Class Reserve Temporary Use of Bulong Tennis Club  | M25/75   | 0.03%     |
| "C" Class Reserve Drain                                | M25/75   | <0.01%    |
|  | M25/75   | <0.01%    |
| "C" Class Reserve Excepted from Sale                   | M25/75   | 0.45%     |
| "C" Class Reserve Shire Offices                        | M25/75   | 0.02%     |
| "C" Class Reserve Hall Site Caledonian                 | M25/75   | 0.02%     |
| "C" Class Reserve Amalgamated Miners Association Of WA | M25/75   | 0.02%     |
| "C" Class Reserve Parklands                            | M25/75   | 1.34%     |
| "C" Class Reserve Recreation & Racecourse              | M25/76   | 1.47%     |
|  | M25/75   | 1.19%     |
| "C" Class Reserve Roman Catholic Church                | M25/76   | 0.02%     |
| Unallocated Crown Land                                 | M24/519  | 0.79%     |
|  | M24/517  | <0.01%    |
|  | P16/3353 | 100%      |

| Crown land | Tenement | % overlap |
|------------|----------|-----------|
|            | P16/3354 | 100%      |
|            | P16/3355 | 100%      |
|            | P16/3347 | 100%      |
|            | P16/3349 | 100%      |
|            | P16/3350 | 100%      |
|            | P16/3351 | 100%      |
|            | P16/3352 | 100%      |
|            | E16/586  | 95.65%    |

The Mining Act:

- (a) prohibits the carrying out of prospecting, exploration or mining activities on Crown land that is less than 30 metres below the lowest part of the natural surface of the land and:
- (i) for the time being under crop (or within 100 metres of that crop);
  - (ii) used as or situated within 100 metres of a yard, stockyard, garden, cultivated field, orchard vineyard, plantation, airstrip or airfield;
  - (iii) situated within 100 metres of any land that is an actual occupation and on which a house or other substantial building is erected;
  - (iv) the site of or situated within 100 metres of any cemetery or burial ground; or
  - (v) if the Crown land is a pastoral lease, the site of or situated within 400 metres of any water works, race, dam, well or bore not being an excavation previously made and used for purposes by a person other than the pastoral lessee,
- without the written consent of the occupier, unless the warden by order otherwise directs.
- (b) imposes restrictions on a tenement holder passing over Crown land referred to in section 8(a), including:
- (i) taking all necessary steps to notify the occupier of any intention to pass over the Crown land;
  - (ii) the sole purpose for passing over the Crown land must be to gain access to other land not covered by section 8(a) to carry out prospecting, exploration or mining activities;
  - (iii) taking all necessary steps to prevent fire, damage to trees, damage to property or damage to livestock by the presence of dogs, the discharge of firearms, the use of vehicles or otherwise; and
  - (iv) causing as little inconvenience as possible to the occupier by keeping the number of occasions of passing over the Crown land to

a minimum and complying with any reasonable request by the occupier as to the manner of passage; and

- (c) requires a tenement holder to compensate the occupier of Crown land:
  - (i) by making good any damage to any improvements or livestock caused by passing over Crown land referred to in section 8(a) or otherwise compensate the occupier for any such damage not made good; and
  - (ii) in respect of land under cultivation, for any substantial loss of earnings suffered by the occupier caused by passing over Crown land referred to in section 8(a).

The warden may not give the order referred to in section 8(a) that dispenses with the occupier's consent in respect of Crown land covered by section 8(a)(iii). In respect of other areas of Crown land covered by the prohibition in section 8(a), the warden may not make such an order unless he is satisfied that the land is genuinely required for mining purposes and that compensation in accordance with the Mining Act for all loss or damage suffered or likely to be suffered by the occupier has been agreed between the occupier and the tenement holder or assessed by the warden under the Mining Act.

Although the Company will be able to undertake its proposed activities on those parts of the Tenements not covered by the prohibitions and pass over those parts of the Tenements to which the restrictions do not apply immediately upon listing on ASX, the Company should consider entering into access and compensation agreements with the occupiers of the Crown land upon commencement of those activities in the event further activities are required on other areas of the Tenements which are subject to prohibitions or restrictions.

### **Reserves**

As set out in Schedule 1 to this Report, certain Tenements are subject to Crown land and reserves of different types.

Land reserved under Part 4 of the *Land Administration Act* 1997 (WA) (**Land Act**) is generally subject to a requirement that under section 24(5A) of the Mining Act that 'mining' (which term includes exploration and prospecting) on that land may be carried out with the written consent of the Minister who may refuse his consent or give consent subject to terms and conditions. This does not apply to:

- (a) certain national parks and certain Class A nature reserves in relation to which more stringent controls may apply;
- (b) land reserved for mining or commons;
- (c) land reserved and designated for public utility for any purpose pursuant to that part; or
- (d) land that is a townsite within the meaning of the Land Administration Act.

Accordingly, holding a mining tenement does not of itself permit exploration or mining where a relevant reserve is involved. A further consent must be obtained. The procedure for obtaining such a consent varies depending on the nature of the reserve involved.

Mining may be carried out on any of the following types of land with the written consent of the Minister who may refuse his consent or who may give his consent subject to such terms and conditions as the Minister specifies in the consent:

- (a) land that is in the South-West Division of the State as described in Schedule 1 of this Report to the Land Act, or in the local government district of Esperance or Ravensthorpe and that is reserved under Part 4 of the Land Act and classified as a class A reserve pursuant to that Part or so classified pursuant to any other Act;
- (b) any land comprised within:
  - (i) a national park, being land to which section 6(3) of the *Conservation and Land Management Act 1984* applies;
  - (ii) a nature reserve, being land to which section 6(5) of the *Conservation and Land Management Act 1984* applies and which is reserved under Part 4 of the Land Act and classified as a class A reserve pursuant to that Part or so classified pursuant to any other Act; or
  - (iii) a nature reserve, not being land to which section 6(5) of the *Conservation and Land Management Act 1984* applies but which is reserved under Part 4 of the Land Act for the conservation of flora or fauna, or both flora and fauna, and classified as a class A reserve pursuant to that Part or so classified pursuant to any other Act.

Importantly, section 24(4) of the Mining Act provides that no mining lease or general purpose lease may be granted over any land referred above unless both Houses of the Western Australia Parliament by resolution consent thereto, and then only on such terms and conditions as are specified in the resolution.

Generally, the Minister responsible for the administration of the Mining Act must obtain the concurrence of the responsible Minister under other legislation before giving consent to mining in a reserve.

Other categories of reserves specified in sections 24 of the Mining Act (i.e. other than those outlined above) have less stringent requirements but still require Ministerial consent for exploration or mining after consulting with the responsible Minister and, in some cases, local government public body or trustees or other persons in control and management of the such land and obtain its recommendation thereon.

Sections 23 to 25A of the Mining Act impose a range of conditions to mining on public reserves and Crown land, breach of which makes the tenement liable to forfeiture.

We have not been instructed to undertake the necessary research and enquiries to ascertain, or express an opinion as to, whether any of these other categories of reserve would attract a requirement for Ministerial consent or other requirements for mining activities. It is noted, therefore, that it is possible that some of the other categories of reserve applicable to some of the Tenements may attract a requirement for ministerial approval or other requirements should the holder wish to conduct mining activities on the relevant reserve area.

It should also be noted that additional reserves may be established in the future of the areas affected by the Tenements.

## 9. ABORIGINAL RESERVES

There are areas or objects of Aboriginal heritage located on the Tenements which were identified from the Heritage Searches (as noted in Schedule 2 of this Report).

The *Aboriginal Affairs Planning Authority Act 1972* (WA) (**AAPA**) governs the establishment, management and access to areas of land in Western Australia designated as Aboriginal reserves. The AAPA Act established a statutory body, the Aboriginal Lands Trust (**ALT**), to be responsible for the overall management of Aboriginal reserves. A permit is required to enter onto or pass through a number of the reserves administered by the ALT. The ALT administers the issue of permits for entry onto those designated reserves.

### Entry Permit

A mining access entry permit is required for any mining activity on any Aboriginal reserve. Mining activity includes surveying and/or marking out of tenements, fossicking, prospecting, exploring and mining. A mining related access entry permit also covers travelling through such Aboriginal reserves to access mining tenements outside the reserve for the purpose of mining activities.

The Minister for Aboriginal Affairs issues mining access entry permits after seeking the views of the ALT, which in turn must be satisfied there has been adequate consultation with any resident Aboriginal community and relevant native title interests.

An application for a mining access entry permit consists of the following actions:

- (a) submitting a written request to the Legal Project Officer, Department of Planning, Lands and Heritage requesting advice on the grant of mining access entry permits. The request must include tenement details (number, holder, grant status), details of the relevant Aboriginal reserve and brief details about what works are proposed;
- (b) completing the requirements set out in the response provided by the Department of Planning, Lands and Heritage which usually includes consultation with the parties nominated by the ALT (usually the resident communities and native title interests) and obtaining an agreement from the consulted parties; and
- (c) the Department of Planning, Lands and Heritage prepares a submission for consideration by the ALT and the Minister for Aboriginal Affairs based on the results of the consultation process.

In addition, mining may not take place on a tenement located within an Aboriginal reserve without the written consent of the Minister for Mines and Petroleum who will consult with the Minister for Indigenous Affairs, and obtain a recommendation from him or her as to whether mining should be allowed. Mining in this context is consistent with the broader definition applied to mining access entry permits in that it includes prospecting and exploration and is therefore required before the grant of prospecting licences and exploration licences, not just mining leases.

If the Company proceeds to mining operations on any of its Tenements that overlap any of the Reserves the Company will need to apply for a mining access entry permit for mining and mining related activities in relation to the relevant Reserves.

## 10. PASTORAL LEASES

As set out in Schedule 1 of this Report the following tenements overlap with pastoral leases as follows:

| Pastoral Lease       | Tenement | % overlap |
|----------------------|----------|-----------|
| Black Flag N049574   | M24/518  | 30.21%    |
|                      | M24/517  | 13.41%    |
|                      | L27/55   | 34.92%    |
|                      | M27/189  | 17.17%    |
|                      | M24/573  | 96.95%    |
|                      | L27/56   | 100%      |
| Hampton Hill N049710 | L27/55   | 64.85%    |
|                      | M25/77   | 99.63%    |
|                      | M25/76   | 83.74%    |
|                      | M25/75   | 51.81%    |
|                      | M27/189  | 82.83%    |
|                      | M25/78   | 100%      |
| Mt Burges N050354    | L24/224  | 98.67%    |
|                      | L24/193  | 75.31%    |
|                      | L24/185  | 100%      |
|                      | L24/168  | 46.47%    |
|                      | M24/802  | 95.87%    |
|                      | M24/578  | 100%      |
|                      | M24/577  | 65.36%    |
|                      | M24/548  | 100%      |
|                      | M24/547  | 100%      |
|                      | M24/549  | 71.66%    |
|                      | E16/586  | 4.35%     |
| Mt Vettors N050272   | M24/519  | 86.79%    |
|                      | M24/518  | 25.37%    |
|                      | M24/517  | 56.06%    |
|                      | M24/389  | 100%      |
|                      | L24/194  | 100%      |
|                      | L24/193  | 17.53%    |
|                      | L24/168  | 38.11%    |
|                      | L24/167  | 10.97%    |
|                      | L24/153  | 100%      |

| Pastoral Lease | Tenement | % overlap |
|----------------|----------|-----------|
|                | L24/152  | 20.41%    |
|                | L24/142  | 100%      |
|                | L24/141  | 100%      |
|                | L24/140  | 100%      |
|                | L24/76   | 100%      |
|                | L24/30   | 53.36%    |
|                | M24/577  | 10.85%    |
|                | M24/550  | 64.92%    |
|                | M24/520  | 26.08%    |
|                | M24/549  | 28.34%    |
|                | M24/544  | 75.47%    |
|                | M24/543  | 100%      |

The Mining Act:

- (a) prohibits the carrying out of mining activities on or near certain improvements and other features (such as livestock and crops) on Crown land (which includes a pastoral lease) without the consent of the lessee;
- (b) imposes certain restrictions on a mining tenement holder passing through Crown land, including requiring that all necessary steps are taken to notify the occupier of any intention to pass over the Crown land and that all necessary steps are taken to prevent damage to improvements and livestock; and
- (c) provides that the holder of a mining tenement must pay compensation to an occupier of Crown land (i.e. the pastoral lessee) in certain circumstances, in particular to make good any damage to improvements, and for any loss suffered by the occupier from that damage or for any substantial loss of earnings suffered by the occupier as a result of, or arising from, any exploration or mining activities, including the passing and re-passing over any land.

Upon commencing mining operations on any of the Tenements, the Company should consider entering into a compensation and access agreement with the pastoral lease holders to ensure the requirements of the Mining Act are satisfied and to avoid any disputes arising. In the absence of agreement, the Warden's Court may determine compensation payable.

The DMIRS imposes standard conditions on mining tenements that overlay pastoral leases. Other than as detailed in Schedule 1, the Tenements incorporate the standard conditions.

## 11. PRIVATE LAND

Generally and subject to certain exceptions and limitations, private land which is not already subject to a mining tenement is considered open for mining under the Mining Act, and a mining tenement may be issued in relation to such land, entitling the



holder to the rights granted thereby. However, a tenement may not be granted in respect of private land which is:

- (a) in *bona fide* and regular use as a yard, stockyard, garden, orchard, vineyard, plant nursery or plantation or is land under cultivation or within 100m of that site;
- (b) the site of a cemetery or burial ground or within 100 metres of that site;
- (c) the site of a dam, bore, well or spring or within 100 metres of that site;
- (d) on which there is erected a substantial improvement or within 100 metres of that improvement; or
- (e) a parcel of land with an area of 2,000 square metres or less,

unless the written consent of the private landholder and any other occupier is obtained or the tenement is only granted in respect of the land below 30 metres from the surface of the private land. If the tenement is only granted in respect of the land below 30 metres from the surface of the private land, the tenement holder can apply to the Minister for the land between the surface and 30 metres depth to be included in the tenement, which application may be granted provided that the private landowner has consented to such land being included in the tenement.

Key details relating to the Private Land, are provided in Schedule 3 of this Report. Certain Tenements overlap with private land as follows:

- (a) M25/75 with private land equalling 0.77% of the tenement; and
- (b) M25/76 with private land equalling 0.52% of the tenement.

The owners and occupiers of any land where mining takes place are entitled according to their respective interests to compensation for all loss and damage suffered or likely to be suffered by them resulting or arising from the mining, whether or not lawfully carried out. The tenement holder may not commence mining on the surface or within a depth of 30 metres from the surface until compensation has been agreed with the private landowner or paid in accordance with the Mining Act. Compensation may be determined by agreement between the tenement holder and private landowner or occupier, or by the warden.

The owner and any other occupier may be entitled to compensation for:

- (a) deprivation of the possession or use of the natural surface or any part of the land;
- (b) damage to the land or any part of the land;
- (c) severance of the land or any part of the land from other land of, or used by, the owner or occupier;
- (d) loss or restriction of a right of way or other easement or right;
- (e) loss of, or damage to, improvements;
- (f) social disruption;

- (g) in the case of private land that is land under cultivation, any substantial loss of earnings, delay, loss of time, reasonable legal or other costs of negotiation, disruption to agricultural activities, disturbance of the balance of the agricultural holding, the failure on the part of a person concerned in the mining to observe the same laws or requirements in relation to that land as regards the spread of weeds, pests, disease, fire or erosion, or as to soil conservation practices, as are observed by the owner or occupier of that land; and
- (h) any reasonable expenses properly arising from the need to reduce or control the damage resulting or arising from the mining.

## 12. ENCROACHMENTS

Where an application is encroached upon by a live tenement, the application as granted will be for a tenement reduced by that amount of land which falls under the live tenement licence. The following tenements are being encroached:

| Company Tenement | Other Tenement | % overlap |
|------------------|----------------|-----------|
| L24/113          | L 24/152       | 1.37%     |
|                  | M 24/550       | 100%      |
| L24/140          | E 24/210       | 100%      |
| L24/141          | E 24/210       | 100%      |
|                  | L 24/194       | 100%      |
| L24/142          | E 24/210       | 100%      |
| L24/152          | L 24/113       | 0.99%     |
|                  | M 24/550       | 100%      |
| L24/153          | L 24/30        | 1.97%     |
|                  | M 24/550       | 100%      |
| L24/159          | L 24/30        | 0.98%     |
|                  | M 24/550       | 10.12%    |
|                  | P 24/5187      | 22.02%    |
|                  | P 24/5503      | 67.86%    |
| L24/167          | L 24/178       | 0.05%     |
|                  | L 24/247       | 16.40%    |
|                  | M 24/517       | 25.53%    |
|                  | M 24/518       | 48.69%    |
|                  | M 24/544       | 25.77%    |
| L24/168          | L 24/30        | 0.05%     |
|                  | L 24/193       | 99.34%    |
|                  | M 24/36        | 5.99%     |
|                  | M 24/519       | 9.05%     |
|                  | M 24/520       | 10.91%    |

| Company Tenement | Other Tenement | % overlap |
|------------------|----------------|-----------|
|                  | M 24/543       | 14.32%    |
|                  | M 24/547       | 2%        |
|                  | M 24/548       | 19.33%    |
|                  | M 24/549       | 23.40%    |
|                  | M 24/550       | 11.28%    |
|                  | P 24/5187      | 3.29%     |
| L24/185          | M24/549        | 100%      |
| L24/193          | E 24/211       | 42.84%    |
|                  | E 29/1039      | 5.75%     |
|                  | L 24/30        | 0.02%     |
|                  | L 24/168       | 45.65%    |
|                  | M 24/36        | 2.69%     |
|                  | M 24/389       | 0.01%     |
|                  | M 24/519       | 4.17%     |
|                  | M 24/520       | 5.01%     |
|                  | M 24/543       | 6.58%     |
|                  | M 24/547       | 0.87%     |
|                  | M 24/548       | 12.34%    |
|                  | M 24/549       | 10.75%    |
|                  | M 24/550       | 5.18%     |
|                  | P 24/5187      | 1.51%     |
| L24/194          | E 24/210       | 12.59%    |
|                  | E 24/211       | 22.05%    |
|                  | L 24/141       | 0.11%     |
|                  | L 24/225       | 86.88%    |
|                  | L 24/244       | 13.37%    |
| L24/224          | M 24/960       | 3.26%     |
|                  | P 24/5384      | 52.16%    |
| L24/30           | E 24/210       | 43.96%    |
|                  | L 24/153       | 0.13%     |
|                  | L 24/159       | 0.31%     |
|                  | L 24/168       | 0.35%     |
|                  | L 24/193       | 0.35%     |
|                  | M 24/29        | 3.17%     |
|                  | M 24/170       | 24.95%    |
|                  | M 24/550       | 15.96%    |

| Company Tenement | Other Tenement | % overlap |
|------------------|----------------|-----------|
|                  | P 24/5177      | 4.99%     |
|                  | P 24/5187      | 6.97%     |
| L24/76           | E 24/210       | 100%      |
| L27/55           | E 25/530       | 52.32%    |
|                  | E 27/431       | 5.01%     |
|                  | E 27/449       | 16.06%    |
|                  | L 27/77        | 46.01%    |
|                  | M 27/189       | 26.61%    |
| L27/56           | E 27/431       | 4.33%     |
|                  | E 27/555       | 95.67%    |
|                  | L 27/77        | 7.52%     |
| M24/389          | L 24/193       | 0.03%     |
| M24/517          | L 24/167       | 0.59%     |
|                  | L 24/247       | 0.50%     |
| M24/518          | L 24/167       | 1.08%     |
|                  | L 24/178       | 0.11%     |
|                  | M 24/993       | <0.01%    |
| M24/519          | L 24/168       | 0.90%     |
|                  | L 24/193       | 0.90%     |
|                  | L 24/247       | 0.60%     |
| M24/520          | L 24/168       | 2.38%     |
|                  | L 24/193       | 2.38%     |
| M24/543          | L 24/168       | 1.55%     |
|                  | L 24/193       | 1.55%     |
| M24/544          | L 24/167       | 0.70%     |
|                  | L 24/247       | 1.22%     |
| M24/547          | E 24/211       | 0.06%     |
|                  | L 24/168       | 0.27%     |
|                  | L 24/193       | 0.26%     |
| M24/548          | E 24/211       | 0.68%     |
|                  | L 24/168       | 1.82%     |
|                  | L 24/193       | 2.52%     |
| M24/549          | L 24/168       | 2.25%     |
|                  | L 24/185       | 0.29%     |
|                  | L 24/193       | 2.25%     |
| M24/550          | L 24/30        | 0.29%     |

| Company Tenement | Other Tenement | % overlap |
|------------------|----------------|-----------|
|                  | L 24/113       | 0.15%     |
|                  | L 24/152       | 0.20%     |
|                  | L 24/153       | 0.12%     |
|                  | L 24/159       | 0.06%     |
|                  | L 24/168       | 1.37%     |
|                  | L 24/193       | 1.37%     |
| M24/577          | E 24/210       | 0.09%     |
|                  | L 24/30        | 0.11%     |
|                  | L 24/159       | 0.11%     |
|                  | L 24/168       | 0.38%     |
|                  | L 24/193       | 0.38%     |
|                  | P 24/5187      | 21.67%    |
|                  | P 24/5188      | 20.64%    |
|                  | P 24/5189      | 22.09%    |
|                  | P 24/5190      | 22.11%    |
|                  | P 24/5191      | 12.64%    |
|                  | P 24/5206      | 0.01%     |
| M24/578          | P 24/5207      | 0.03%     |
|                  | M 24/968       | <0.01%    |
|                  | P 24/5203      | 21.28%    |
|                  | P 24/5204      | 17.23%    |
|                  | P 24/5205      | 21.36%    |
|                  | P 24/5206      | 18.74%    |
| M24/802          | P 24/5207      | 21.38%    |
|                  | P 24/5235      | 50%       |
|                  | P 24/5236      | 50%       |
| M25/75           | L 25/43        | <0.01%    |
| M25/78           | E 25/552       | 0.01%     |
| M27/189          | L 27/55        | 2.27%     |
|                  | L 27/77        | 2.64%     |
| P16/3353         | L24/210        | 1.40%     |
| P16/3354         | M24/847        | 0.07%     |
| P16/3355         | L24/210        | 1.56%     |
| P16/3352         | L24/210        | 0.92%     |

### 13. QUALIFICATIONS AND ASSUMPTIONS

This Report is subject to the following qualifications and assumptions:

- (a) we have assumed the accuracy and completeness of all Searches, register extracts and other information or responses which were obtained from the relevant department or authority including the NNTT;
- (b) we assume that the registered holder of a Tenement has valid legal title to the Tenement;
- (c) this Report does not cover any third party interests, including encumbrances, in relation to the Tenements that are not apparent from our Searches and the information provided to us;
- (d) we have assumed that any agreements provided to us in relation to the Tenements are authentic, were within the powers and capacity of those who executed them, were duly authorised, executed and delivered and are binding on the parties to them;
- (e) with respect to the granting of the Tenements, we have assumed that the State and the applicant for the Tenements have complied with, or will comply with, the applicable Future Act Provisions;
- (f) we have assumed the accuracy and completeness of any instructions or information which we have received from the Company or any of its officers, agents and representatives;
- (g) unless apparent from our Searches or the information provided to us, we have assumed compliance with the requirements necessary to maintain a Tenement in good standing;
- (h) with respect to an application for the grant of a Tenement, we express no opinion as to whether such application will ultimately be granted and that reasonable conditions will be imposed upon grant, although we have no reason to believe that any application will be refused or that unreasonable conditions will be imposed;
- (i) references in Schedule 1 and Schedule 2 of this Report to any area of land are taken from details shown on searches obtained from the relevant department. It is not possible to verify the accuracy of those areas without conducting a survey;
- (j) the information in Schedule 1 and Schedule 2 of this Report is accurate as at the date the relevant Searches were obtained. We cannot comment on whether any changes have occurred in respect of the Tenements between the date of the Searches and the date of this Report;
- (k) where Ministerial consent is required in relation to the transfer of any Tenement, we express no opinion as to whether such consent will be granted, or the consequences of consent being refused, although we are not aware of any matter which would cause consent to be refused;

- (l) we have not conducted searches of the Database of Contaminated Sites maintained by the Department of the Environment and Conservation;
- (m) native title may exist in the areas covered by the Tenements. Whilst we have conducted Searches to ascertain that native title claims and determinations, if any, have been lodged in the Federal Court in relation to the areas covered by the Tenements, we have not conducted any research on the likely existence or non-existence of native title rights and interests in respect of those areas. Further, the NTA contains no sunset provisions and it is possible that native title claims could be made in the future; and
- (n) Aboriginal heritage sites or objects (as defined in the WA Heritage Act or under the Commonwealth Heritage Act) may exist in the areas covered by the Tenements regardless of whether or not that site has been entered on the Register of Aboriginal Sites established by the WA Heritage Act or is the subject of a declaration under the Commonwealth Heritage Act. We have not conducted any legal, historical, anthropological or ethnographic research regarding the existence or likely existence of any such Aboriginal heritage sites or objects within the area of the Tenements.

#### **14. CONSENT**

This report is given for the benefit of the Company and the directors of the Company in connection with the issue of the Prospectus and is not to be disclosed to any other person or used for any other purpose or quoted or referred to in any public document or filed with any government body or other person without our prior consent.

Yours sincerely

**STEINEPREIS PAGANIN**

## SCHEDULE 1 – TENEMENT SCHEDULE

|    | TENEMENT | REGISTERED HOLDER / APPLICANT | SHARES HELD | GRANT DATE (APPLICATION DATE) | EXPIRY DATE | AREA SIZE (Hectares) | ANNUAL RENT (Next rental year) | MINIMUM ANNUAL EXPENDITURE | REGISTERED DEALINGS / ENCUMBRANCES  | NOTES   | NATIVE TITLE AND ABORIGINAL HERITAGE              |
|----|----------|-------------------------------|-------------|-------------------------------|-------------|----------------------|--------------------------------|----------------------------|---|---|---|
| 1. | L24/30   | Wingstar Investments Pty Ltd  | 100/100     | 19/02/1985                    | 03/01/2026  | 13.7 HA              | \$275.80                       | N/A                        | Refer to notes: 1,18, 49 of Table 4 below.                                    | Endorsements:<br>Refer to note 10 of Table 1 below.<br><br>Conditions:<br>Refer to note 6, 7, 17, 19, 23, 42, 57, 90,93 of Table 2 below. | Refer to section 6 and Schedule 2 of this Report. |
| 2. | L24/76   | Wingstar Investments Pty Ltd  | 100/100     | 15/12/1987                    | 14/12/2022  | 0.01 HA              | \$19.70                        | N/A                        | Refer to notes: 1,15, 19, 49, 61, 79, 92, 119, 127, 136 of Table 4 below.     | Conditions:<br>Refer to note 18, 22, 29, 41, 45, 46, 96 of Table 2 below.   | Refer to section 6 and Schedule 2 of this Report. |
| 3. | L24/113  | Wingstar Investments Pty Ltd  | 100/100     | 25/10/1988                    | 24/10/2023  | 1.12 HA              | \$39.40                        | N/A                        | Refer to notes: 1, 20, 49, 65, 83, 104, 109, 121, 126, 171, of Table 4 below. | Conditions:<br>Refer to note 14, 18, 41, 55 of Table 2 below.   | Refer to section 6 and Schedule 2 of this Report. |
| 4. | L24/140  | Wingstar Investments Pty Ltd  | 100/100     | 28/03/1991                    | 27/03/2026  | 0.19680 HA           | \$19.70                        | N/A                        | Refer to notes: 1, 21, 49, 72, 86, 106, 113, 123, 128 of Table 4 below.       | Conditions:<br>Refer to note 14, 18, 41 of Table 2 below.   | Refer to section 6 and Schedule 2 of this Report. |
| 5. | L24/141  | Wingstar Investments Pty Ltd  | 100/100     | 28/03/1991                    | 27/03/2026  | 0.08 HA              | \$19.70                        | N/A                        | Refer to notes: 1, 22, 49, 73, 87, 108, 114, 124, 129 of Table 4 below.       | Conditions:<br>Refer to note 14, 18, 41 of Table 2 below.   | Refer to section 6 and Schedule 2 of this Report. |
| 6. | L24/142  | Wingstar Investments Pty Ltd  | 100/100     | 28/03/1991                    | 27/03/2026  | 0.17560 HA           | \$19.70                        | N/A                        | Refer to notes: 1, 23, 49, 74, 88, 107, 115, 125, 130 of Table 4 below.       | Conditions:<br>Refer to note 14, 18, 41 of Table 2 below.   | Refer to section 6 and Schedule 2 of this Report. |



|     | TENEMENT | REGISTERED HOLDER / APPLICANT | SHARES HELD | GRANT DATE (APPLICATION DATE) | EXPIRY DATE | AREA SIZE (Hectares) | ANNUAL RENT (Next rental year) | MINIMUM ANNUAL EXPENDITURE | REGISTERED DEALINGS / ENCUMBRANCES  | NOTES   | NATIVE TITLE AND ABORIGINAL HERITAGE              |
|-----|----------|-------------------------------|-------------|-------------------------------|-------------|----------------------|--------------------------------|----------------------------|---|---|---|
| 7.  | L24/152  | Wingstar Investments Pty Ltd  | 100/100     | 10/05/1993                    | 09/05/2023  | 2 HA                 | \$39.40                        | N/A                        | Refer to notes: 1, 24, 49, 63, 80, 99, 132, 134 of Table 4 below.         | Conditions:<br>Refer to note 15, 18, 41 of Table 2 below.   | Refer to section 6 and Schedule 2 of this Report. |
| 8.  | L24/153  | Wingstar Investments Pty Ltd  | 100/100     | 10/05/1993                    | 09/05/2023  | 1 HA                 | \$19.70                        | N/A                        | Refer to notes: 1, 25, 49, 64, 81, 100, 133, 135 of Table 4 below.        | Conditions:<br>Refer to note 15, 18, 41 of Table 2 below.   | Refer to section 6 and Schedule 2 of this Report. |
| 9.  | L24/159  | Wingstar Investments Pty Ltd  | 100/100     | 19/01/1996                    | 18/01/2026  | 4.4 HA               | \$98.50                        | N/A                        | Refer to notes: 1, 26, 49, 67, 85, 105, 110, 116, 182 of Table 4 below.   | Conditions:<br>Refer to note 15, 41 of Table 2 below.   | Refer to section 6 and Schedule 2 of this Report. |
| 10. | L24/167  | Wingstar Investments Pty Ltd  | 100/100     | 25/11/1996                    | 24/11/2026  | 19 HA                | \$374.30                       | N/A                        | Refer to notes: 27, 49, 77, 91, 118, 122, 169, 174, 186 of Table 4 below. | Conditions:<br>Refer to note 3, 5, 10, 56, 88, 91 of Table 2 below.   | Refer to section 6 and Schedule 2 of this Report. |
| 11. | L24/168  | Wingstar Investments Pty Ltd  | 100/100     | 17/04/1998                    | 16/04/2023  | 94 HA                | \$1,851.80                     | N/A                        | Refer to notes: 28, 49, 62, 82, 98, 131 of Table 4 below.                 | Endorsements:<br>Refer to notes 3, 6 of Table 1 below.<br><br>Conditions:<br>Refer to note 15, 41, 55, 87 of Table 2 below. | Refer to section 6 and Schedule 2 of this Report. |
| 12. | L24/185  | Wingstar Investments Pty Ltd  | 100/100     | 28/09/2001                    | 27/09/2022  | 3 HA                 | \$59.10                        | N/A                        | Refer to notes: 29, 49 of Table 4 below.                                  | Conditions:<br>Refer to note 16, 41 of Table 2 below.   | Refer to section 6 and Schedule 2 of this Report. |
| 13. | L24/193  | Wingstar Investments Pty Ltd  | 100/100     | 17/08/2012                    | 16/08/2033  | 203.11050 HA         | \$4,018.80                     | N/A                        | Refer to notes: 16, 43, 49, 139, 140 of Table 4 below.                    | Endorsements:<br>Refer to note 1 of Table 1 below.  | Refer to section 6 and Schedule 2 of this Report. |

|     | TENEMENT | REGISTERED HOLDER / APPLICANT | SHARES HELD | GRANT DATE (APPLICATION DATE) | EXPIRY DATE | AREA SIZE (Hectares) | ANNUAL RENT (Next rental year) | MINIMUM ANNUAL EXPENDITURE  | REGISTERED DEALINGS / ENCUMBRANCES                             | NOTES   | NATIVE TITLE AND ABORIGINAL HERITAGE              |
|-----|----------|-------------------------------|-------------|-------------------------------|-------------|----------------------|--------------------------------|---|--|---|---|
|     |          |                               |             |                               |             |                      |                                |   |  | Conditions:<br>Refer to note 41, 87 of Table 2 below.   |   |
| 14. | L24/194  | Wingstar Investments Pty Ltd  | 100/100     | 17/08/2012                    | 16/08/2033  | 75.633 HA            | \$1,497.20                     | N/A   | Refer to notes: 17, 44, 49, 139, 140 of Table 4 below.         | Endorsements:<br>Refer to note 1 of Table 1 below.<br><br>Conditions:<br>Refer to note 42, 99 of Table 2 below. | Refer to section 6 and Schedule 2 of this Report. |
| 15. | M24/224  | Wingstar Investments Pty Ltd  | 100/100     | 30/05/1988                    | 29/05/2030  | 38.56 HA             | \$858.00                       | Previous Tenement Year - \$10,000.00<br>Current Tenement Year - \$10,000.00 | Refer to notes: 1, 2, 3, 30, 47, 66 of Table 4 below.          | Conditions:<br>Refer to note 8, 18, 20, 30, 31, 32, 33, 40, 59, 89 of Table 2 below.                            | Refer to section 6 and Schedule 2 of this Report. |
| 16. | M24/389  | Wingstar Investments Pty Ltd  | 96/96       | 15/10/1991                    | 14/10/2033  | 39.96 HA             | \$880.00                       | Previous Tenement Year - \$10,000.00<br>Current Tenement Year - \$10,000.00 | Refer to notes: 31, 47, 78 of Table 4 below.                   | Conditions:<br>Refer to note 18, 28, 60 of Table 2 below.   | Refer to section 6 and Schedule 2 of this Report. |
| 17. | M24/517  | Wingstar Investments Pty Ltd  | 100/100     | 03/01/1997                    | 02/01/2039  | 818.25 HA            | \$18,018.00                    | Previous Tenement Year - \$ N/A<br>Current Tenement Year - \$81,900.00      | Refer to notes: 4, 32, 47, 93, 152, 163, 172 of Table 4 below. | Conditions:<br>Refer to note 8, 9, 21, 28, 61, 79, 85, 92, 95, 97 of Table 2 below.                             | Refer to section 6 and Schedule 2 of this Report. |

|     | TENEMENT | REGISTERED<br>HOLDER /<br>APPLICANT | SHARES<br>HELD | GRANT DATE<br>(APPLICATION<br>DATE) | EXPIRY<br>DATE | AREA SIZE<br>(Hectares) | ANNUAL<br>RENT<br>(Next rental<br>year) | MINIMUM<br>ANNUAL<br>EXPENDITURE  | REGISTERED<br>DEALINGS /<br>ENCUMBRANCES  | NOTES  | NATIVE TITLE<br>AND<br>ABORIGINAL<br>HERITAGE              |
|-----|----------|-------------------------------------|----------------|-------------------------------------|----------------|-------------------------|---|---|---|--|--|
| 18. | M24/518  | Wingstar<br>Investments<br>Pty Ltd  | 100/100        | 03/10/1997                          | 02/10/2039     | 855.80 HA               | \$18,832.00                             | Previous<br>Tenement<br>Year -<br>\$85,600.00<br>Current<br>Tenement<br>Year –<br>\$85,600.00 | Refer to notes:<br>33, 47, 101, 142,<br>146, 150, 168, 173<br>of Table 4 below. | Endorsements:<br>Refer to notes 2, 4<br>of Table 1 below.<br><br>Conditions:<br>Refer to note 9, 21,<br>75, 79, 84, 92, 95,<br>97 of Table 2<br>below. | Refer to<br>section 6 and<br>Schedule 2 of<br>this Report. |
| 19. | M24/519  | Wingstar<br>Investments<br>Pty Ltd  | 100/100        | 03/01/1997                          | 02/01/2039     | 936.25 HA               | \$20,614.00                             | Previous<br>Tenement<br>Year - \$ N/A<br>Current<br>Tenement<br>Year –<br>\$93,700.00         | Refer to notes: 5,<br>34, 47, 94, 152,<br>164, 172 of Table<br>4 below.         | Endorsements:<br>Refer to notes 3, 6<br>of Table 1 below.<br><br>Conditions:<br>Refer to note 8, 28,<br>62, 79, 86 of Table<br>2 below.                | Refer to<br>section 6 and<br>Schedule 2 of<br>this Report. |
| 20. | M24/520  | Wingstar<br>Investments<br>Pty Ltd  | 100/100        | 03/01/1997                          | 02/01/2039     | 427.30 HA               | \$9,416.00                              | Previous<br>Tenement<br>Year - \$ N/A<br>Current<br>Tenement<br>Year –<br>\$42,800.00         | Refer to notes: 6,<br>35, 47, 95, 152,<br>165, 172 of Table<br>4 below.         | Endorsements:<br>Refer to note 3 of<br>Table 1 below.<br><br>Conditions:<br>Refer to note 63,<br>79, 87 of Table 2<br>below.                           | Refer to<br>section 6 and<br>Schedule 2 of<br>this Report. |
| 21. | M24/543  | Wingstar<br>Investments<br>Pty Ltd  | 100/100        | 03/01/1997                          | 02/01/2039     | 859.95 HA               | \$18,920.00                             | Previous<br>Tenement<br>Year - \$ N/A<br>Current<br>Tenement<br>Year –<br>\$86,000.00         | Refer to notes: 7,<br>36, 47, 96, 152,<br>156, 166, 172 of<br>Table 4 below.    | Endorsements:<br>Refer to notes 2, 3<br>of Table 1 below.<br><br>Conditions:<br>Refer to note 64,<br>79, 87 of Table 2<br>below.                       | Refer to<br>section 6 and<br>Schedule 2 of<br>this Report. |
| 22. | M24/544  | Wingstar                            | 100/100        | 03/01/1997                          | 02/01/2039     | 703.3 HA                | \$15,488.00                             | Previous  | Refer to notes: 8,  | Endorsements:  | Refer to   |

|     | TENEMENT | REGISTERED<br>HOLDER /<br>APPLICANT | SHARES<br>HELD | GRANT DATE<br>(APPLICATION<br>DATE) | EXPIRY<br>DATE | AREA SIZE<br>(Hectares) | ANNUAL<br>RENT<br>(Next rental<br>year) | MINIMUM<br>ANNUAL<br>EXPENDITURE  | REGISTERED<br>DEALINGS /<br>ENCUMBRANCES   | NOTES   | NATIVE TITLE<br>AND<br>ABORIGINAL<br>HERITAGE              |
|-----|----------|-------------------------------------|----------------|-------------------------------------|----------------|-------------------------|---|---|--|---|--|
|     |          | Investments<br>Pty Ltd              |                |                                     |                |                         |   | Tenement<br>Year - \$ N/A<br>Current<br>Tenement<br>Year –<br>\$70,400.00             | 37, 47, 97, 141,<br>152, 167, 172 of<br>Table 4 below.   | Refer to note 3 of<br>Table 1 below.<br><br>Conditions:<br>Refer to note 21,<br>26, 65, 79, 84, 95 of<br>Table 2 below.   | section 6 and<br>Schedule 2 of<br>this Report.             |
| 23. | L27/55   | Wingstar<br>Investments<br>Pty Ltd  | 100/100        | 31/10/1996                          | 30/10/2026     | 61.12                   | \$1,221.40                              | N/A   | Refer to notes:<br>52, 54, 75, 89,<br>111, 117, 175,<br>176, 177, 180,<br>181, 182, 185 of<br>Table 4 below. | Conditions:<br>Refer to note 2, 4,<br>15, 24, 25, 41, 43,<br>48, 58, 76, 77, 78,<br>83 of Table 2<br>below.   | Refer to<br>section 6 and<br>Schedule 2 of<br>this Report. |
| 24. | L27/56   | Wingstar<br>Investments<br>Pty Ltd  | 100/100        | 25/11/1996                          | 24/11/2026     | 69.30 HA                | \$1,379.00                              | N/A   | Refer to notes:<br>52, 76, 90, 112,<br>120, 170, 174,<br>175, 176, 178,<br>183, 184 of Table<br>4 below.     | Conditions:<br>Refer to note 13,<br>15, 24, 48, 58 of<br>Table 2 below.   | Refer to<br>section 6 and<br>Schedule 2 of<br>this Report. |
| 25. | M25/75   | Wingstar<br>Investments<br>Pty Ltd  | 100/100        | 28/03/1990                          | 27/03/2032     | 641.50 HA               | \$14,124.00                             | Previous<br>Tenement<br>Year - \$ N/A<br>Current<br>Tenement<br>Year –<br>\$64,200.00 | Refer to notes: 9,<br>50, 55, 68, 138,<br>149, 151, 160,<br>175, 176, 177 of<br>Table 4 below.               | Conditions:<br>Refer to note 1, 11,<br>18, 24, 27, 35, 37,<br>39, 47, 48, 53, 54,<br>70, 71 of Table 2<br>below.  | Refer to<br>section 6 and<br>Schedule 2 of<br>this Report. |
| 26. | M25/76   | Wingstar<br>Investments<br>Pty Ltd  | 100/100        | 28/03/1990                          | 27/03/2032     | 978.75 HA               | \$21,538.00                             | Previous<br>Tenement<br>Year - \$ N/A<br>Current<br>Tenement<br>Year –<br>\$97,900.00 | Refer to notes:<br>10, 50, 53, 56, 69,<br>149, 151, 175,<br>176, 177 of Table<br>4 below.                    | Endorsements:<br>Refer to note 9 of<br>Table 1 below.<br><br>Conditions:<br>Refer to note 1, 11,<br>18, 24, 35, 38, 44,<br>47, 48, 50, 52, 72,<br>80, 81, 82, 94 of<br>Table 2 below. | Refer to<br>section 6 and<br>Schedule 2 of<br>this Report. |

|     | TENEMENT | REGISTERED<br>HOLDER /<br>APPLICANT                        | SHARES<br>HELD   | GRANT DATE<br>(APPLICATION<br>DATE) | EXPIRY<br>DATE | AREA SIZE<br>(Hectares) | ANNUAL<br>RENT<br>(Next rental<br>year) | MINIMUM<br>ANNUAL<br>EXPENDITURE  | REGISTERED<br>DEALINGS /<br>ENCUMBRANCES  | NOTES  | NATIVE TITLE<br>AND<br>ABORIGINAL<br>HERITAGE              |
|-----|----------|--|------------------|-------------------------------------|----------------|-------------------------|---|---|---|--|--|
| 27. | M25/77   | Wingstar<br>Investments<br>Pty Ltd                         | 100/100          | 28/03/1990                          | 27/03/2032     | 991.80 HA               | \$21,824.00                             | Previous<br>Tenement<br>Year - \$ N/A<br>Current<br>Tenement<br>Year –<br>\$99,200.00         | Refer to notes:<br>11, 50, 57, 70,<br>149, 151, 160,<br>175, 176, 177 of<br>Table 4 below.              | Conditions:<br>Refer to note 11,<br>18, 24, 28, 35, 54,<br>57, 58, 90, 91, 92,<br>111 of Table 2<br>below.                           | Refer to<br>section 6 and<br>Schedule 2 of<br>this Report. |
| 28. | M25/78   | Wingstar<br>Investments<br>Pty Ltd                         | 100/100          | 28/03/1990                          | 27/03/2032     | 999.35 HA               | \$22,000.00                             | Previous<br>Tenement<br>Year - \$ N/A<br>Current<br>Tenement<br>Year –<br>\$100,000.00        | Refer to notes:<br>12, 50, 55, 68,<br>138, 149, 151,<br>161, 175, 176,<br>177, 178 of Table<br>4 below. | Conditions:<br>Refer to note 11,<br>18, 24, 48, 51, 73 of<br>Table 2 below.  | Refer to<br>section 6 and<br>Schedule 2 of<br>this Report. |
| 29. | M27/189  | Wingstar<br>Investments<br>Pty Ltd                         | 100/100          | 16/12/1994                          | 15/12/2036     | 725.20 HA               | \$15,972.00                             | Previous<br>Tenement<br>Year - \$ N/A<br>Current<br>Tenement<br>Year –<br>\$72,600.00         | Refer to notes:<br>13, 51, 59, 84,<br>175, 176, 177 of<br>Table 4 below.                                | Endorsements:<br>Refer to note 8 of<br>Table 1 below.<br><br>Conditions:<br>Refer to note 24,<br>34, 48, 74 of Table<br>2 below.     | Refer to<br>section 6 and<br>Schedule 2 of<br>this Report. |
| 30. | M24/547  | Mesmeric<br>Enterprises<br>Pty Ltd<br>Enigma<br>Mining Ltd | 80/100<br>20/100 | 03/10/1997                          | 02/10/2039     | 689.75 HA               | \$15,180.00                             | Previous<br>Tenement<br>Year -<br>\$69,000.00<br>Current<br>Tenement<br>Year –<br>\$69,000.00 | Refer to notes:<br>14, 38, 45, 46, 48,<br>102, 143, 145,<br>150, 187 of Table<br>4 below.               | Endorsements:<br>Refer to notes 2, 7<br>of Table 1 below.<br><br>Conditions:<br>Refer to note 36,<br>66, 79, 87 of Table<br>2 below. | Refer to<br>section 6 and<br>Schedule 2 of<br>this Report. |
| 31. | M24/548  | Mesmeric<br>Enterprises<br>Pty Ltd<br>Enigma<br>Mining Ltd | 80/100<br>20/100 | 03/10/1997                          | 02/10/2039     | 993.85 HA               | \$21,868.00                             | Previous<br>Tenement<br>Year -<br>\$99,400.00<br>Current                                      | Refer to notes:<br>14, 39, 45, 46, 48,<br>103, 144, 145,<br>150, 187 of Table<br>4 below.               | Endorsements:<br>Refer to notes 2, 7<br>of Table 1 below.  | Refer to<br>section 6 and<br>Schedule 2 of<br>this Report. |

|     | TENEMENT | REGISTERED HOLDER / APPLICANT                     | SHARES HELD      | GRANT DATE (APPLICATION DATE) | EXPIRY DATE | AREA SIZE (Hectares) | ANNUAL RENT (Next rental year) | MINIMUM ANNUAL EXPENDITURE  | REGISTERED DEALINGS / ENCUMBRANCES                                   | NOTES   | NATIVE TITLE AND ABORIGINAL HERITAGE              |
|-----|----------|---|------------------|-------------------------------|-------------|----------------------|--------------------------------|---|--|---|---|
|     |          |   |                  |                               |             |                      |                                | Tenement Year – \$99,400.00   |  | Conditions:<br>Refer to note 12, 67, 79, 87 of Table 2 below.   |   |
| 32. | M24/549  | Mesmeric Enterprises Pty Ltd<br>Enigma Mining Ltd | 80/100<br>20/100 | 14/04/2003                    | 13/04/2024  | 969.65 HA            | \$21,340.00                    | Previous Tenement Year - \$97,000.00<br>Current Tenement Year – \$97,000.00 | Refer to notes: 14, 40, 45, 48, 154, 158, 187 of Table 4 below.      | Endorsements:<br>Refer to notes 2, 5, 11 of Table 1 below.<br><br>Conditions:<br>Refer to note 68, 87 of Table 2 below. | Refer to section 6 and Schedule 2 of this Report. |
| 33. | M24/550  | Mesmeric Enterprises Pty Ltd<br>Enigma Mining Ltd | 80/100<br>20/100 | 14/04/2003                    | 13/04/2024  | 767.60 HA            | \$16,896.00                    | Previous Tenement Year - \$76,800.00<br>Current Tenement Year – \$76,800.00 | Refer to notes: 14, 41, 45, 48, 155, 157, 159, 187 of Table 4 below. | Endorsements:<br>Refer to notes 2, 5, 11 of Table 1 below.<br><br>Conditions:<br>Refer to note 69, 87 of Table 2 below. | Refer to section 6 and Schedule 2 of this Report. |
| 34. | P16/3349 | Dragon Mountain Gold Limited                      | 100/100          | (23/09/21)                    | -           | 199 HA               | \$656.70                       | N/A   | N/A  | N/A   | Refer to section 6 and Schedule 2 of this Report. |
| 35. | P16/3347 | Dragon Mountain Gold Limited                      | 100/100          | (23/09/21)                    | -           | 199 HA               | \$656.70                       | N/A   | N/A  | N/A   | Refer to section 6 and Schedule 2 of this Report. |
| 36. | E16/586  | Dragon Mountain Gold Limited                      | 100/100          | (23/09/21)                    | -           | 3 BL                 | \$438.00                       | N/A   | N/A  | N/A   | Refer to section 6 and Schedule 2 of this Report. |

|     | TENEMENT | REGISTERED HOLDER / APPLICANT | SHARES HELD | GRANT DATE (APPLICATION DATE) | EXPIRY DATE | AREA SIZE (Hectares) | ANNUAL RENT (Next rental year) | MINIMUM ANNUAL EXPENDITURE | REGISTERED DEALINGS / ENCUMBRANCES | NOTES | NATIVE TITLE AND ABORIGINAL HERITAGE              |
|-----|----------|-------------------------------|-------------|-------------------------------|-------------|----------------------|--------------------------------|----------------------------|------------------------------------|-------|---|
| 37. | P16/3354 | Dragon Mountain Gold Limited  | 100/100     | (23/09/21)                    | -           | 200 HA               | \$660.00                       | N/A                        | N/A                                | N/A   | Refer to section 6 and Schedule 2 of this Report. |
| 38. | P16/3353 | Dragon Mountain Gold Limited  | 100/100     | (23/09/21)                    | -           | 200 HA               | \$660.00                       | N/A                        | N/A                                | N/A   | Refer to section 6 and Schedule 2 of this Report. |
| 39. | P16/3352 | Dragon Mountain Gold Limited  | 100/100     | (23/09/21)                    | -           | 200 HA               | \$660.00                       | N/A                        | N/A                                | N/A   | Refer to section 6 and Schedule 2 of this Report. |
| 40. | P16/3351 | Dragon Mountain Gold Limited  | 100/100     | (23/09/21)                    | -           | 200 HA               | \$660.00                       | N/A                        | N/A                                | N/A   | Refer to section 6 and Schedule 2 of this Report. |
| 41. | P16/3350 | Dragon Mountain Gold Limited  | 100/100     | (23/09/21)                    | -           | 200 HA               | \$660.00                       | N/A                        | N/A                                | N/A   | Refer to section 6 and Schedule 2 of this Report. |
| 42. | P16/3355 | Dragon Mountain Gold Limited  | 100/100     | (23/09/21)                    | -           | 200 HA               | \$660.00                       | N/A                        | N/A                                | N/A   | Refer to section 6 and Schedule 2 of this Report. |

#### Key to Tenement Schedule

L – Miscellaneous Licence

M – Mining Lease

P – Prospecting Licence

E – Exploration Licence

References to numbers in the “Notes” column refers to the notes following this table.

Unless otherwise indicated, capitalised terms have the same meaning given to them in the Prospectus.

Please refer to Schedule 2 of this Report for further details on native title and Aboriginal heritage matters.

**Table 1 – Non-standard Endorsements**

|     | Endorsements  |
|-----|---|
| 1.  | Advice shall be sought from the DoW if proposing any activity in respect to licence purpose within a defined waterway and within a lateral distance of:<br>(a) 50 metres from the outer-most water dependent vegetation of any perennial waterway, and<br>(b) 30 metres from the outer-most water dependent vegetation of any seasonal waterway.          |
| 2.  | Advice shall be sought from the DoW if proposing any mining/activity in respect to mining operations within a defined waterway and within a lateral distance of:<br>(a) 50 metres from the outer-most water dependent vegetation of any perennial waterway, and<br>(b) 30 metres from the outer-most water dependent vegetation of any seasonal waterway. |
| 3.  | An agreement pursuant to Section 34 of the Native Title Act 1993 has been lodged with the National Native Title Tribunal.   |
| 4.  | The grant of this lease does not include land the subject of late Prospecting Licence 24/3021.  |
| 5.  | The grant of this Lease does not include land the subject of Late Exploration Licence 24/95.  |
| 6.  | The grant of this lease does not include land the subject of Prospecting Licence 24/2648.   |
| 7.  | The grant of this lease does not include the land the subject of Mining Lease 24/36.  |
| 8.  | The grant of this lease does not include the land the subject of Prospecting Licence 27/1312  |
| 9.  | The lessees attention is drawn to the royalty provisions of the Mining Act and the requirement to submit production reports and royalty returns.  |
| 10. | This Licence shall remain in force until the surrender, forfeiture or expiry of Mining Lease 24/29 in respect of which it was granted and shall then expire.  |
| 11. | This mining lease authorises the mining of the land for all minerals as defined in Section 8 of the Mining Act 1978 with the exception of:<br>(a) Uranium ore;<br>(b) Iron ore, unless specifically authorised under Section 111 of the Act.  |

**Table 2 - Non-standard Tenement conditions**

|    | Condition   |
|----|---|
| 1. | Access to the surface of land within Bulong Townsite for mining purposes being subject to the approval of the local Authority or relevant reserve |



|     | Condition  |
|-----|--|
|     | vestees, and mining activities within the first 100 metres below the surface of the land being limited to such exploration activities as may be approved by the State Mining Engineer.   |
| 2.  | All activities under the licence to be conducted so as to conform with the environmental protection requirements of the Environmental Protection Authority and the Department of Minerals and Energy.  |
| 3.  | All intersections with public roads should be at 90 degrees or as close as possible to maintain visibility and such intersections are to be maintained at the licence holder's expense.  |
| 4.  | All pits used for drilling fluids are to be filled in and levelled on completion of drilling activities.   |
| 5.  | All traffic on the road must give way to traffic on public roads.  |
| 6.  | An inspection of the whole of the pipeline is to be carried out on one occasion during each and every consecutive periods of two days for the whole duration of this Pipeline Licence.   |
| 7.  | An officer of any Government Department may pass in or out or about the ground the subject of this Pipeline Licence and remain on the ground for any purpose from time to time.  |
| 8.  | Any saline water spills or environmental incidents are to be reported to the Environmental Officer, Department of Mines and Petroleum (DMP) within 48 hours of occurrence.   |
| 9.  | Any significant waterway (flowing or not), wetland or its fringing vegetation that may exist on site not being disturbed or removed without prior written approval from the Department of Environment.   |
| 10. | Any water use by pastoralists and others is to be maintained and protected.  |
| 11. | At the completion of operation all buildings and structures being removed from site or demolished and buried and the sites rehabilitated.  |
| 12. | At the completion of operations or progressively where possible, waste dump outcrops being battered down to an angle of no greater than 18 degrees. For every 10m in vertical height, the waste dump having a backsloping berm of no less than 4m in width to minimise erosion and the dump being covered with topsoil, deep ripped on the contour and revegetated with local native grasses, shrubs and trees to the satisfaction of the State Mining Engineer. Maximum waste dump height not exceeding 20m.  |
| 13. | At the completion of the life of the mining operations in connection with Miscellaneous Licence 27/56 the holder shall: <ul style="list-style-type: none"> <li>(a) remove all installations constructed pursuant to this licence; and</li> <li>(b) on such areas cleared of natural growth by the holder or any of its agents, the holder shall plant trees and/or shrubs and/or any other plant as shall conform to the general pattern and type of growth in the area and as directed by the Inspector and properly maintain same until the inspector advises regrowth is self-supporting Unless the Mining Registrar or Minister for Mines orders or consents otherwise.</li> </ul> |
| 14. | At the direction of the Inspector the applicant/ holder shall clear such area about any pipeline as determined by the Inspector of any dry or other growth considered by the Inspector to be likely to impede access to the pipeline and/or to be a potential risk for fire or for any other reason the Inspector may deem it necessary.   |

|     | Condition   |
|-----|---|
| 15. | At the direction of the Inspector the applicant/holder shall clear such area about any pipeline and/or about any powerline as determined by the Inspector of any dry or other growth considered by the Inspector to be likely to impede access to the pipeline and/or to be a potential risk for fire or for any other reason the Inspector may deem is necessary.            |
| 16. | At the direction of the Inspector the holder shall clear such area about any powerline as determined by the Inspector of any dry or other growth considered by the Inspector to be a potential risk for fire or for any other reason the Inspector may deem is necessary.   |
| 17. | At the direction of the Inspector the holder shall clear such area about any pipeline and/or about any aboveground transmission lines as determined by the Inspector of any dry or other growth considered by the Inspector to be likely to impede access to the pipeline and/or to be a potential risk for fire or for any other reason the Inspector may deem is necessary. |
| 18. | Compliance with the provisions of the Aboriginal Heritage Act, 1972 to ensure that no action is taken which is likely to interfere with or damage any Aboriginal Site.  |
| 19. | Comply with the provisions of the Aboriginal Heritage Act, 1972-80 as amended to ensure that no action is taken which is likely to interfere with or damage any Aboriginal Site and further ensure that no such interference is likely as a consequence of any inaction by the applicant/ holder or any of its agents.  |
| 20. | Employees of the Water Authority of Western Australia having unrestricted access to the reserve to conduct its business.  |
| 21. | For best management practices, it is where applicable and appropriate for mining activities to be carried out in accordance with Water and Rivers Commission Draft Water Quality Protection Guidelines for Mining and Mineral Processing (1999).  |
| 22. | Forthwith upon receipt of the Instrument of Licence and the terms and conditions relating to such Licence or a copy or copies of same, securely affix a copy of such Instrument of Licence and such terms and conditions on the datum post and protect such documentation from the weather by plastic or some other suitable substance.                                       |
| 23. | Further to Clause 2 hereof, a log book shall be kept setting out the times and dates of all such inspections and the person who conducted same together with details of observations made during such inspection and such log book shall be made available to the Inspector for inspection from time to time forthwith upon demand by the Inspector.                          |
| 24. | Identify and eradicate any species in the Genus Tamarix. Eradication must use the methods in the document titled "Control Methods to be used for Eradication of Tamarix Species from the Avalon Project (J00461)" and retained on Department of Mines, Industry Regulation and Safety File No. J00461 as Doc ID 8437867.  |
| 25. | If requested by the pastoralists the holders will bury the pipelines.   |
| 26. | If the TSF embankments are to be raised above the level of the started bund, then further stability analyses are required. These stability analyses should incorporate material strengths typical of all critical materials sited in the TSF and should be provided to the Department before raising begins.  |
| 27. | In the event of the Explosive Reserve 3752 being utilized for storage and/or manufacture of explosives;<br>(a) mining on the reserve being confined to below a depth of 15 metres from the natural surface.   |

|     | Condition   |
|-----|---|
|     | <p>(b) no mining whatsoever being conducted within such distance of the explosives storage area within the reserve as may be determined by the Chief Inspector of Explosives.</p> <p>(c) all excavations and other disturbances to the surface of the land within the reserve made in the course of prospecting being filled in to the satisfaction of the Regional Mining Engineer.</p>  |
| 28. | Lined storage dams will be fitted with appropriate fauna egress points to ensure that fauna does not become entrapped.  |
| 29. | Minimum disturbance to natural vegetation   |
| 30. | No action being carried out that will affect the water availability for general and authorised use from any existing bore, well or dam.   |
| 31. | No action being carried out within a radius of 30 metres of any bore, well or dam.  |
| 32. | No action being taken that will damage any improvements on Water Reserve 17774.   |
| 33. | No action being taken that will interfere with the natural drainage or causing pollution within the catchment area of any bore, well or dam located within the water reserve.   |
| 34. | No interference with Geodetic Survey Station G27-1 and mining within 15 metres thereof being confined to below a depth of 15 metres from the natural surface.   |
| 35. | No interference with the telegraph line or the installations in connection therewith.   |
| 36. | No interference with the use of the Aerial Landing Ground and mining thereon being confined to below a depth of 15 metres from the natural surface.   |
| 37. | No mining on Camping Reserve 3751, Bulong Townsite and Nightsoil Depot Reserve 2841 without the prior written consent of the Minister for Mines.  |
| 38. | No mining on Camping Reserve 3794 and Bulong Townsite without the prior written consent of the Minister for Mines.  |
| 39. | No mining on Cemetery Reserve No.3978 and mining within a distance of 140 metres laterally from the Reserve being confined to below a depth of 50 metres from the lowest part of the surface of the land with rights of ingress to and egress from the said Reserve being at all times preserved to the public.   |
| 40. | No mining on Water Reserve 17774 without the prior written consent of the Minister for Mines.   |
| 41. | <p>On the completion of the life of mining operations in connection with the Miscellaneous Licence the holder shall forthwith commence and within a reasonable time:</p> <p>(a) remove all installations constructed pursuant to this licence and</p> <p>(b) cover over all wells and holes in the ground to such degree of safety as shall be determined by the Inspector.</p> <p>(c) on such areas as cleared of natural growth by the holder or any of its agents, the holder shall plant trees and/or shrubs and/or any other plant as shall conform to the general pattern and type of growth in the area and as directed by the Inspector and properly maintain same until such time as the Department of Conservation and Land Management advises the Inspector that the whole of such regrowth is self-supporting and the Inspector so advises the holder of same. Unless the Warden or Minister for Mines or consents otherwise.</p> |

|     | Condition   |
|-----|---|
| 42. | On the completion of the life of mining operations on the parent tenement hereto or upon any abandonment of mining operations on such parent tenement by the applicant/holder, it shall forthwith commence and within a reasonable time:<br>(a) remove all pipes and pipelines constructed pursuant to this Pipeline Licence or having been constructed prior to the grant of this Pipeline Licence and being the subject of this Pipeline Licence and<br>(b) on such areas as cleared of natural growth by the holder or any of its agents, the holder shall plant trees and/or shrubs and/or any other plant as shall conform to the general pattern and type of growth in the area and as directed by the Inspector and properly maintain same until such time as the Forests Department advises the Inspector that the whole of such regrowth is self supporting and the Inspector so advises the holder of same, unless the Warden or Minister for Minerals and Energy orders or consents otherwise. |
| 43. | (a) Pipeline design and pumping facilities must be licensed in accordance with DEP regulations and must be designed so as to contain any accidental spillage.   |
| 44. | (b) Pipelines carrying dewatering effluent, saline groundwater from borefields, or process waters to and from tailings impoundment's being fitted with automatic shutoff devices to prevent flow of effluent and waters to the environment in the event of systems failure.   |
| 45. | (c) Properly maintain the documentation on the datum post as provided in Clause 2 hereof.   |
| 46. | (d) Reinstatement of roads and natural surfaces to the satisfaction of Council.   |
| 47. | (e) Rights of ingress to and egress from the telegraph line being at all times preserved to employees of the Australian Telecommunications Commission.  |
| 48. | (a) Submit a management plan for ongoing management of environmental weeds by 31 August 2021.   |
| 49. | The applicant/holder shall notify the Inspector of any intention to alter or modify the existing pipeline or add to it or construct another pipeline prior to carrying out any such alteration, modification, addition or construction shall be completed using such materials and to be of<br>(b) such a standard as determined by the Inspector.  |
| 50. | (a) The complete excision of any portion encroaching on Gold Mining Lease 25/1342 and Mining Lease 25/21.   |
| 51. | The complete excision of any portion encroaching on Gold Mining Lease 27/1709.  |
| 52. | (a) The complete excision of any portion encroaching on Mining Lease 25/67.   |
| 53. | The complete excision of any portion encroaching on that portion of Prospecting Licence 25/906 that was contained within former Gold Mining Lease 25/1408.  |
| 54. | The complete excision of Gold Mining Leases 25/1338, 25/1379, 25/1380, 25/1410, 25/1413, and 25/1414 with rights of ingress to and egress from the ground comprised therein being at all times preserved to the lessee thereof any portion encroaching on that portion of Prospecting Licence 25/906 that was contained within former Gold Mining Lease 25/1408.  |
| 55. | The construction and operation of the project and measures to protect the environment to be carried out in accordance with the document titled:   |

|     | Condition   |
|-----|---|
|     | <p>(a) (MCP Reg ID 70048) "Cawse Nickel Operation Mine Closure Plan" dated 29 September 2017 signed by Robert Gardner – Executive Chairman, and retained on Department of Mines and Petroleum File No. EARS-MCP-70048 as Doc ID 5294454</p> <p>Where a difference exists between the above document(s) and the following conditions, then the following conditions shall prevail.</p>   |
| 56. | <p>The construction and operation of the project and measures to protect the environment being carried out generally in accordance with the documents titled:</p> <p>(a) "Cawse Nickel Project - Construction Environmental Management Plan" dated January 1997;</p> <p>(b) "Letter containing additional information titled "Cawse Nickel Project Construction EMP" dated 4 December 1996, signed by Mr A D Burvill - General Manager Development and both retained on Department of Minerals and Energy File No. 2179/96.</p> <p>(c) (MCP Reg ID 70048) "Cawse Nickel Operation Mine Closure Plan" dated 29 September 2017 signed by Robert Gardner – Executive Chairman, and retained on Department of Mines and Petroleum File No. EARS-MCP-70048 as Doc ID 5294454</p> <p>Where a difference exists between the above documents and the following conditions, then the following conditions shall prevail.</p>       |
| 57. | <p>The construction and operation of the project and measures to protect the environment to be carried out in accordance with the document titled:</p> <p>(a) (MCP Reg ID 70048) "Cawse Nickel Operation Mine Closure Plan" dated 29 September 2017 signed by Robert Gardner – Executive Chairman, and retained on Department of Mines and Petroleum File No. EARS-MCP-70048 as Doc ID 5294454</p> <p>Where a difference exists between the above document(s) and the following conditions, then the following conditions shall prevail.</p>  |
| 58. | <p>The construction and operation of the project and measures to protect the environment being carried out generally in accordance with the documents titled:</p> <p>(a) "The Bulong Nickel Project Environmental Management Implementation Manual" dated December 1996</p> <p>(b) "Letter titled "Bulong Nickel Project Construction Stage 1 - Plant and Infrastructure" dated 14 January 1997, signed by Mr R G Cant - Consultant to Resolute Limited and retained on Department of Minerals and Energy File No. 2028/97.</p> <p>(c) (Reg ID 52298) "Avalon Nickel Project Mine Closure Plan" signed by Vaughan J Fumer – Director and Company Secretary dated 21 August 2014 and retained on Department of Mines and Petroleum file no. EARS-MCP-52298 as Doc ID: 3112155.</p> <p>Where a difference exists between the above documents and the following conditions, then the following conditions shall prevail.</p> |
| 59. | <p>The construction and operation of the project and measures to protect the environment being carried out generally in accordance with the documents titled:</p> <p>(a) "BHP Gold Mines Ltd, Notice of Intent, Ora Banda Satellite Orebody, Bunyip Dam, February 1990 and retained on Mines Department File No 674/90;</p> <p>(b) "Cawse Nickel Project - Construction Environmental Management Plan" dated January 1997; and retained on Department of Minerals and Energy File No 2179/96;</p> <p>(c) "Letter containing additional information" dated 14 November 1996, signed by Mr A D Burvill - General Manager Development;</p> <p>(d) "Letter containing additional information titled "Cawse Nickel Project Construction EMP" dated 4 December 1996, signed by Mr A D Burvill - General Manager Development.</p>  |

|     | Condition  |
|-----|--|
|     | <p>and both retained on Department of Minerals and Energy File No 2179/96.</p> <p>(e) "Cawse Nickel Project Operations Environmental Management Plan" dated 9 February 1998; and</p> <p>(f) Letter titled "Cawse Nickel Project Notice to Clear Land" dated 23 February 1998 and signed by Mr A D Burvill, General Manager Development.</p> <p>and both retained on Department of Minerals and Energy File No 2316/97.</p> <p>(g) "Bunyip Input Tailings Storage" dated 17 December 2002 (NOI 4164) technically certified by Mr Chris Lane and corporately endorsed by Mr James Stewart, Resident Manager and retained on Department of Industry and Resources File No. 5386/02.</p> <p>(h) "Notice of Intent to Commencing mining operations on M24/224 and M24/517 – Argus Pit and other clearing on M24/519 (NOI 4599)" dated January 2004, compiled by Jake Fitzsimmons and subsequent correspondence dated 26 July 2004 - "Reduction in clearing area" signed by Mr James Stewart and retained on Department of Industry and Resources File No. E2598/200301.</p> <p>(i) "Mining Proposal titled: "Mining Proposal to Clear Power-Line Corridor on Mining Leases 24/224, 24/517 and 24/519" (MP 5456) dated August 2006 and signed by Gary Bungard-OMG Cawse Nickel Pty Ltd and retained on Department of Industry and Resources file No. E2598/200306;</p> <p>(j) (MCP Reg ID 70048) "Cawse Nickel Operation Mine Closure Plan" dated 29 September 2017 signed by Robert Gardner - Executive Chairman, and retained on Department of Mines and Petroleum File No. EARS-MCP-70048 as Doc ID 5294454</p> <p>Where a difference exists between the above documents and the following conditions, then the following conditions shall prevail.</p> |
| 60. | <p>The construction and operation of the project and measures to protect the environment being carried out generally in accordance with the documents titled:</p> <p>(a) "Cawse Nickel Project - Construction Environmental Management Plan" dated January 1997;</p> <p>(b) "Letter containing additional information" dated 14 November 1996, signed by Mr A D Burvill General Manager Development;</p> <p>(c) "Letter containing additional information titled 'Cawse Nickel Project Construction EMP' " dated 4 December 1996, signed by Mr A D Burvill - General Manager Development;</p> <p>and all retained on Department of Minerals and Energy File No. 2179/96.</p> <p>(d) "Cawse Nickel Project Operations Environmental Management Plan" dated 9 February 1998;</p> <p>(e) Letter titled "Cawse Nickel Project Notice to Clear Land" dated 23 February 1998 and signed by Mr A D Burville, General Manager Development.</p> <p>(f) "Cawse Nickel Project Notice of Intent to Clear Land Process Water Supply" dated March 1998. and all retained on Department of Minerals and Energy File No. 2316/97;</p> <p>(g) (MCP Reg ID 70048) "Cawse Nickel Operation Mine Closure Plan" dated 29 September 2017 signed by Robert Gardner – Executive Chairman, and retained on Department of Mines and Petroleum File No. EARS-MCP-70048 as Doc ID 5294454</p> <p>Where a difference exists between the above documents and the following conditions, then the following conditions shall prevail.</p>   |
| 61. | <p>The construction and operation of the project and measures to protect the environment being carried out generally in accordance with the document titled:</p> <p>(a) "Cawse Nickel Project - Construction of Fresh Water Pipeline to Mt Vettors Station and Cawse Plant Site" dated 7 January 1997, signed by Mr</p>  |

|  | Condition  |
|--|--|
|  | <p>A D Burvill – General Manager Development, Centaur Mining &amp; Exploration;</p> <p>(b) "Cawse Nickel Project - Construction Environmental Management Plan" dated January 1997;</p> <p>(c) Letter containing additional information titled "Cawse Nickel Project Construction EMP" dated 4 December 1996, signed by Mr A D Burvill - General Manager Development;</p> <p>(d) Letter titled "Cawse Nickel Project - Notice of Proposed Land Clearing" dated 8 January 1997, signed by Mr A D Burvill - General Manager Development;</p> <p>(e) "Centaur Mining and Exploration Limited Cawse Nickel Project - Trial Mining Notice of Intent" dated 8 October 1997.</p> <p>(f) "Cawse Nickel Project clearing associated with Plant construction" dated 10 July 1997, signed by Mr A D Burvill, General Manager Development Centaur Mining and Exploration Limited;</p> <p>(g) "Cawse Nickel Project clearing for Borrow Pits - M24/517, M24/519" dated 22 July 1997, signed by Mr A D Burvill - General Manager Development Centaur Mining and Exploration Limited.</p> <p>and all retained on Department of Minerals and Energy File Nos. 2179/96 and 2221/97.</p> <p>(h) "Cawse Nickel Project Operations Environmental Management Plan" dated 9 February 1998;</p> <p>(i) Letter titled "Cawse Nickel Project Notice to Clear Land" dated 23 February 1998 and signed by Mr A D Burvill - General Manager Development;</p> <p>and both retained on Department of Minerals and Energy File Nos. 2316/97;</p> <p>(j) "Notice of Intent to Expand Mining Operations on M24/517, M24/519, M24/520 and M24/543, Pegasus Pit, Phantom Pit and Medus Pit, dated May 1999 and retained on Department of Minerals and Energy File No 2222/99;</p> <p>(k) document titled "Re: Minor extension to the Southern Waste Dump at Cawse" dated 5 May 2000 and signed by Mr Mark Robertson - Environmental Officer - NOI 3343</p> <p>and retained on Department of Minerals and Energy File No 2223/99;</p> <p>(l) "Notice of Intent - Romulus Pit" dated September 2001 and signed by Mr Tim Tucker, Environmental Superintendent for Cawse Nickel Operations (NOI 3795) and retained on Department of Mineral and Petroleum Resources File No. 4241/01.</p> <p>(m) "Bunyip Input Tailings Storage" dated 17 December 2002 (NOI 4164) technically certified by Mr Chris Lane and corporately endorsed by Mr James Stewart, Resident Manager and retained on Department of Industry and Resources File No. 5386/02.</p> <p>(n) "Notice of Intent to commence mining operations on M24/224 and M24/517 – Argus Pit and other clearing on M24/519 (NOI 4599)" dated January 2004, compiled by Jake Fitzsimons and subsequent correspondence dated 26 July 2004 - "Reduction in clearing areas" signed by Mr James Stewart and retained on Department of Industry and Resources File No. E2598/200301.</p> <p>(o) "Notice of Intent to commence Mining Operations on M24/517 and M24/519 Bunyip South (NOI 4714)" dated June 2004 and corporately endorsed by Mr James Stewart and retained on Department of Industry and Resources File No. 2598/200302.</p> <p>(p) "Mining Proposal titled: "Mining Proposal to Clear Power-Line Corridor on Mining Leases 24/224, 24/517 and 24/519" (MP 5456) dated August 2006 and signed by Gary Bungard-OMG Cawse Nickel Pty Ltd and retained on Department of Industry and Resources file No. E2598/200306.</p> <p>(q) "Mining Proposal to Develop Faun Pit on ML24/517, ML24/518 East Typhoon Pit" (MP 5615) dated 23 January 2007, signed by Jim Tucker and retained on Department of Industry and Resources File No. E2598/200307</p> <p>(r) "Mining Proposal to Develop Faun Pit on ML24/517, ML24/518 East of Typhon Pit" (MP 5615) dated 23 January 2007, signed by Jim Tucker and</p> |



|     | Condition   |
|-----|---|
|     | <p>retained on Department of Industry and Resources File E2598/200807;</p> <p>(s) (MCP Reg ID 70048) "Cawse Nickel Operation Mine Closure Plan" dated 29 September 2017 signed by Robert Gardner – Executive Chairman, and retained on Department of Mines and Petroleum File No. EARS-MCP-70048 as Doc ID 5294454</p> <p>Where a difference exists between the above documents and the following conditions, then the following conditions shall prevail.</p>  |
| 62. | <p>The construction and operation of the project and measures to protect the environment being carried out generally in accordance with the document titled:</p> <p>(a) "Cawse Nickel Project - Construction of Fresh Water Pipeline to Mt Vettors Station and Cawse Plant Site" dated 7 January 1997, signed by Mr A D Burvill – General Manager Development, Centaur Mining &amp; Exploration;</p> <p>(b) "Cawse Nickel Project - Construction Environmental Management Plan" dated January 1997;</p> <p>(c) Letter containing additional information titled "Cawse Nickel Project Construction EMP" dated 4 December 1996, signed by Mr A D Burvill - General Manager Development;</p> <p>(d) Letter titled "Cawse Nickel Project - Notice of Proposed Land Clearing" dated 8 January 1997, signed by Mr A D Burvill - General Manager Development;</p> <p>(e) "Centaur Mining and Exploration Limited Cawse Nickel Project - Trial Mining Notice of Intent" dated 8 October 1997.</p> <p>(f) "Cawse Nickel Project clearing associated with Plant construction" dated 10 July 1997, signed by Mr A D Burvill, General Manager Development Centaur Mining and Exploration Limited;</p> <p>(g) "Cawse Nickel Project clearing for Borrow Pits - M24/517, M24/519" dated 22 July 1997, signed by Mr A D Burvill - General Manager Development Centaur Mining and Exploration Limited.</p> <p>and all retained on Department of Minerals and Energy File Nos. 2179/96 and 2221/97.</p> <p>(h) "Cawse Nickel Project Operations Environmental Management Plan" dated 9 February 1998;</p> <p>(i) Letter titled "Cawse Nickel Project Notice to Clear Land" dated 23 February 1998 and signed by Mr A D Burvill - General Manager Development;</p> <p>(j) "Cawse Nickel Project Notice of Intent to Clear Land Process Water Supply" dated March 1998;</p> <p>and all retained on Department of Minerals and Energy File Nos. 2316/97; and</p> <p>(k) "Notice of Intent to Expand Mining Operations on M24/517, M24/519, M24/520 and M24/543, Pegasus Pit, Phantom Pit and Medus Pit, dated May 1999 and retained on Department of Minerals and Energy File No 2222/99;</p> <p>(l) "Notice of Intent - Romulus Pit" dated September 2001 and signed by Mr Tim Tucker, Environmental Superintendent for Cawse Nickel Operations (NOI 3795) and retained on Department of Mineral and Petroleum Resources File No. 4241/01.</p> <p>(m) "Bunyip Input Tailings Storage" dated 17 December 2002 (NOI 4164) technically certified by Mr Chris Lane and corporately endorsed by Mr James Stewart, Resident Manager and retained on Department of Industry and Resources File No. 5386/02.</p> <p>(n) "Notice of Intent to commence mining operations on M24/224 and M24/517 – Argus Pit and other clearing on M24/519 (NOi 4599)" dated January 2004, compiled by Jake Fitzsimons and subsequent correspondence dated 26 July 2004 - "Reduction in clearing area" signed by Mr James Stewart and retained on Department of Industry and Resources File No. E2598/200301.</p> <p>(o) "Notice of Intent to commence Mining Operations on M24/517 and M24/519 Bunyip South (NOI 4714)" dated June 2004 and corporately</p> |



|     | Condition  |
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|     | <p>endorsed by Mr James Stewart and retained on Department of Industry and Resources File No. E2598/200302.</p> <p>(p) "Notice of Intent - Pegasus Pit (Extension to Bunyip Pit) Tailings Storage Facility Cawse Nickel Operations" dated 27 May 2005 and signed by Ian Grieve (NOI 5024)</p> <p>and retained on Department of Industry and Resources File No. E2598/200304</p> <p>(q) Mining Proposal titled "Extension of Rejects Waste Dump" dated 17 May 2006 "Response to Queries regarding Extension of Rejects Waste Dump" (MP 5335) dated 9 June 2006 and signed by Mark Cronin Mine Planning Superintendent and retained on Department of Industry and Resources file No. E2598/200305.</p> <p>(r) "Mining Proposal titled: "Mining Proposal to Clear Power-Line Corridor on Mining Leases 24/224, 24/517 and 24/519" (MP 5456) dated August 2006 and signed by Gary Bungard-OMG Cawse Nickel Pty Ltd and retained on Department of Industry and Resources file No. E2598/200306.</p> <p>(s) "Mining Proposal for Eastern Waste Dump on ML24/543 and ML24/519" (MP 5708) dated May 2007, signed by Mark Cronin - Mine Planning Superintendent and retained on Department of Industry and Resources file no. E2598/200307;</p> <p>(t) (MCP Reg ID 70048) "Cawse Nickel Operation Mine Closure Plan" dated 29 September 2017 signed by Robert Gardner – Executive Chairman, and retained on Department of Mines and Petroleum File No. EARS-MCP-70048 as Doc ID 5294454</p> <p>Where a difference exists between the above documents and the following conditions, then the following conditions shall prevail.</p> |
| 63. | <p>The construction and operation of the project and measures to protect the environment being carried out generally in accordance with the document titled:</p> <p>(a) "Cawse Nickel Operations Environmental Management Plan" dated 9 February 1998</p> <p>(b) Letter titled "Cawse Nickel Project Notice to Clear Land" dated 23 February 1998 and signed by Mr A D Burvill, General Manager Development;</p> <p>(c) "Cawse Nickel Project Notice of Intent to Clear Land Process Water Supply" dated March 1998; and all retained on Department of Minerals and Energy File Nos. 2316/97; and</p> <p>(d) "Notice of Intent to Expand Mining Operations on M24/517, M24/519, M24/520 and M24/543, Pegasus Pit, Phantom Pit and Medus Pit, dated May 1999 and retained on Department of Minerals and Energy File No 2222/99;</p> <p>(e) "Notice of Intent - Romulus Pit" dated September 2001 and signed by Mr Tim Tucker, Environmental Superintendent for Cawse Nickel Operations (NOI 3795) and retained on Department of Mineral and Petroleum Resources File No. 4241/01;</p> <p>(f) (MCP Reg ID 70048) "Cawse Nickel Operation Mine Closure Plan" dated 29 September 2017 signed by Robert Gardner – Executive Chairman, and retained on Department of Mines and Petroleum File No. EARS-MCP-70048 as Doc ID 5294454</p> <p>Where a difference exists between the above documents and the following conditions, then the following conditions shall prevail.</p>   |
| 64. | <p>The construction and operation of the project and measures to protect the environment being carried out generally in accordance with the document titled:</p> <p>(a) "Cawse Nickel Project - Construction of Fresh Water Pipeline to Mt Vettors Station and Cawse Plant Site" dated 7 January 1997, signed by Mr AD Burvill – General Manager Development, Centaur Mining &amp; Exploration;</p> <p>(b) "Cawse Nickel Project - Construction Environmental Management Plan" dated January 1997;</p> <p>(c) Letter containing additional information titled "Cawse Nickel Project Construction EMP" dated 4 December 1996, aigned by MR A D Burvill -</p>  |

|     | Condition  |
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|     | <p>General Manager Development;</p> <p>(d) Letter titled "Cawse Nickel Project - Notice of Proposed Land Clearing" dated 8 January 1997, signed by Mr A D Burvill - General Manager Development; and</p> <p>(e) "Centaur Mining and Exploration Limited Cawse Nickel Project - Trial Mining Notice of Intent" dated 8 October 1997. and all retained on Department of Minerals and Energy File No. 2179/96 and 2221/97.</p> <p>(f) "Cawse Nickel Project Operations Environmental Management Plan" dated 9 February 1998; and</p> <p>(g) Letter titled "Cawse Nickel Project Notice to Clear Land" dated 23 February 1998 and signed by Mr A D Burvill, General Manager Development.</p> <p>(h) "Cawse Nickel Project Notice of Intent to Clear Land Process Water Supply" dated March 1998;</p> <p>and all retained on Department of Minerals and Energy File Nos. 2316/97; and</p> <p>(i) "Notice of Intent to Expand Mining Operations on M24/517, M24/519, M24/520 and M24/543, Pegasus Pit, Phantom Pit and Medus Pit, dated May 1999 and retained on Department of Minerals and Energy File No 2222/99.</p> <p>(j) "Mining Proposal for Eastern Waste Dump on ML24/543 and ML24/519" (MP 5708) dated May 2007, signed by Mark Cronin - Mine Planning Superintendent and</p> <p>retained on Department of Industry and Resources file no. E2598/200307;</p> <p>(k) (MCP Reg ID 70048) "Cawse Nickel Operation Mine Closure Plan" dated 29 September 2017 signed by Robert Gardner – Executive Chairman, and retained on Department of Mines and Petroleum File No. EARS-MCP-70048 as Doc ID 5294454</p> <p>Where a difference exists between the above documents and the following conditions, then the following conditions shall prevail.</p> |
| 65. | <p>The construction and operation of the project and measures to protect the environment being carried out generally in accordance with the document titled:</p> <p>(a) "Cawse Nickel Project Operations Environmental Management Plan" dated 9 February 1998; and</p> <p>(b) Letter titled "Cawse Nickel Project Notice to Clear Land" dated 23 February 1998 and signed by Mr A D Burvill, General Manager Development.</p> <p>and both retained on Department of Minerals and Energy File No. 2316/97;</p> <p>(c) "Cawse Nickel Project Tailings storages 1 and 2 evaporation pond. Notice of Intent Application " dated September 1997 and letter from Centaur Mining and Exploration Limited dated February 5, 1998 and retained on Department of Minerals and Energy File No. 2316/97.</p> <p>(d) "Cawse Nickel Operations Tailings Storage 1 and 2 New Evaporation Pond 1 Notice of Intent Documentation" dated July 2000 NOI 3503 and being retained on Department of Minerals and Energy File No. 4330-00.</p> <p>(e) "Notice of Intent - Tailings Storage Facility Contingency Plan" (NOI 3650) dated 2 March 2001 and signed by Mr Jim Tucker, Environmental Superintendent for Cawse Nickel Operations and retained on Department of Minerals and Energy File No..4319/00.</p> <p>(f) "Notice of Intent - Design Review Staged Embankment Raising" dated 6 November 2002 and prepared by Soil and Rock Engineering (NOI 4169) and retained on Department of Mineral and Petroleum Resources File No. 5386/02.</p> <p>(g) "Letter of Intent - Seepage Trench TSF 2: (NOI 5037) dated 28 June 2005 signed by Mr Robert Young Development Manager and retained on Department of Industry and Resources File No. E2598/200305;</p>           |

|     | Condition  |
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|     | <p>(h) (MCP Reg ID 70048) "Cawse Nickel Operation Mine Closure Plan" dated 29 September 2017 signed by Robert Gardner – Executive Chairman, and retained on Department of Mines and Petroleum File No. EARS-MCP-70048 as Doc ID 5294454</p> <p>Where a difference exists between the above documents and the following conditions, then the following conditions shall prevail.</p>  |
| 66. | <p>The construction and operation of the project and measures to protect the environment being carried out generally in accordance with the document titled:</p> <p>(a) "Cawse Nickel Project Operations Environmental Management Plan" dated 9 February 1998; and</p> <p>(b) Letter titled "Cawse Nickel Project Notice to Clear Land" dated 23 February 1998 and signed by Mr A D Burvill, General Manager Development.</p> <p>(c) "Cawse Nickel Project Notice of Intent to Clear Land Process Water Supply" dated March 1998; and both retained on Department of Minerals and Energy File No. 2316/97;</p> <p>(d) (MCP Reg ID 70048) "Cawse Nickel Operation Mine Closure Plan" dated 29 September 2017 signed by Robert Gardner – Executive Chairman, and retained on Department of Mines and Petroleum File No. EARS-MCP-70048 as Doc ID 5294454</p> <p>Where a difference exists between the above documents and the following conditions, then the following conditions shall prevail.</p> |
| 67. | <p>The construction and operation of the project and measures to protect the environment being carried out generally in accordance with the document titled:</p> <p>(a) "Cawse Nickel Project Operations Environmental Management Plan" dated 9 February 1998;</p> <p>(b) Letter titled "Cawse Nickel Project Notice to Clear Land" dated 23 February 1998 and signed by Mr A D Burvill, General Manager Development.</p> <p>(c) "Cawse Nickel Project Notice of Intent to Clear Land Process Water Supply" dated March 1998; and both retained on Department of Minerals and Energy File No. 2316/97;</p> <p>(d) (MCP Reg ID 70048) "Cawse Nickel Operation Mine Closure Plan" dated 29 September 2017 signed by Robert Gardner – Executive Chairman, and retained on Department of Mines and Petroleum File No. EARS-MCP-70048 as Doc ID 5294454</p> <p>Where a difference exists between the above documents and the following conditions, then the following conditions shall prevail.</p>     |
| 68. | <p>The construction and operation of the project and measures to protect the environment being carried out generally in accordance with the document titled:</p> <p>(a) "Ground Disturbance Approval application - Exploration on Mining Lease 24/549" dated 27 November 2003 and signed by Mr Keith Jenkins, Geologist and retained on Department of Industry and Resources File No. 5827/96.</p> <p>(b) "Programme of Works for Exp 8744 on Mining Lease 24/549" dated 3 April 2008 signed by Petina Wallace" and retained on Department of Industry and Resources File No. T4683/200501</p> <p>Where a difference exists between the above document(s) and the following conditions, then the following conditions shall prevail.</p>   |
| 69. | <p>The construction and operation of the project and measures to protect the environment being carried out generally in accordance with the document titled:</p> <p>(a) "Notice of Intent to continue Mining Operations on MLA24/550 Unicorn Pit" dated June 2005 and signed by Jake Fitzsimons (NOI 5038) and</p>   |

|     | Condition   |
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|     | <p>retained on Department of Industry and Resources File No. E2598/200305; (MCP Reg ID 70048) "Cawse Nickel Operation Mine Closure Plan" dated 29 September 2017 signed by Robert Gardner – Executive Chairman, and retained on Department of Mines and Petroleum File No. EARS-MCP-70048 as Doc ID 5294454</p> <p>Where a difference exists between the above document(s) and the following conditions, then the following conditions shall prevail</p>  |
| 70. | <p>The construction and operation of the project and measures to protect the environment being carried out generally in accordance with the documents titled:</p> <p>(a) "The Bulong Nickel Project Environmental Management Implementation Manual" dated December 1996;</p> <p>(b) Letter titled "Bulong Nickel Project Construction Stage 1 - Plant and Infrastructure" dated 14 January 1997 signed by Mr R G Cant - Consultant to Resolute Limited.</p> <p>and both retained on Department of Minerals and Energy File No. 2028/97.</p> <p>(c) "Bulong Nickel Project Construction Stage 11 Mining Areas, Stockpiles and Waste Dumps" dated 5 August 1997, signed by Mr R G Cant Consultant;</p> <p>(d) "Notice of Intention to Clear Land" dated 12 August 1997, and signed by Mr R G Cant Consultant; and both retained on Department of Minerals and Energy File No. 2028/97; and</p> <p>(e) "Bulong Nickel Project Notice of Intention to Clear Land Leach Residue Facility Access Road" dated 8 September 1997 signed by Mr R G Cant - Consultant and retained on Department of Minerals and Energy File No. 2028/97;</p> <p>(f) "Bulong Nickel Project - Leach Residue Storage Facility Notice of Intent" dated October 1997 Ref. 656/19 and retained on Department of Minerals and Energy File No.2236/97.</p> <p>(g) "Re: Bulong Nickel Operations Tailings Dam Road Extension" (NOI 3533) dated 1 November 2000, signed by Ms Carolyn Vivian - Rehabilitation Officer and being retained on Department of Minerals and Energy File No. 2567 - 99.</p> <p>(h) "Re: Cleaning for Haul Road Access to the Albion Pit Cut Back" (NOI 3660) dated 20 March 2001 signed by Mr Brett Fowler, Operations Manager and being retained on Department of Minerals and Energy File No. 4055/01.</p> <p>(i) "Re: Inspection of Bulong Nickel Operation Processing Plant Mining Lease 25/77" dated 21 May 2001 signed by Mr Brett Fowler, Operations Manager and being retained on Department of Minerals and Energy File No. 4055/01.</p> <p>(j) "Request for Approval to Construct a Water Reprocessing Facility" dated 2 July 2001 signed by Mr Brett Fowler - Operations Manager, Bulong Operations (NOI 3742) and retained on Department of Minerals and Energy File No. 4222/01.</p> <p>(k) "Re: Proposed Clearing for Waste Dump at Foundary Pit Mining Lease 25/77" dated 22 July 2002 signed by Mr Peter Rowe, Registered Manager (NOI 4039) and retained on Department of Mineral and Petroleum Resources File No. 5277/02.</p> <p>(l) "Addendum to Notice of Intent - Australia North Pit Development on M25/77 and M25/78" received by the Kalgoorlie Inspectorate Office on 3 December 2002 (NOI 4156) and being retained on Department of Mineral and Petroleum Resources File No. 5277/02.</p> <p>(m) "Re: Unconditional Performance Bonding Adjustments for Mining Leases 25/76, 25/77, 25/78 and 25/187" dated 9 September 2002 signed by Mr Peter Rowe - Registered Manager Bulong Operations (NOI 4116) and retained on Department of Industry and Resources File No. 5277/02.</p> <p>(n) "Addendum to Notice of Intent Golden Eagle Pit Development on M25/77, 25/78 and 25/127 received by the Kalgoorlie Inspectorate office on 31 March 2003 (NOI 4250) and retained on Department of Industry and Resources File No. 2543/03.</p> <p>(o) "Letter of Intent - Proposal to Clear Land; Powerline Corridor" dated 15 August 2003, signed by Mr James Hesford, Environmental Officer (NOI</p> |

|     | Condition   |
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|     | <p>4352) and retained on Department of Industry and Resources File No. E2649/200301.</p> <p>(p) (Reg ID 52298) "Avalon Nickel Project Mine Closure Plan" signed by Vaughan J Fumer – Director and Company Secretary dated 21 August 2014 and retained on Department of Mines and Petroleum file no. EARS-MCP-52298 as Doc ID: 3112155.</p> <p>Where a difference exists between the above document(s) and the following conditions, then the following conditions shall prevail.</p>  |
| 71. | <p>The construction and operation of the project and measures to protect the environment being carried out generally in accordance with the documents titled:</p> <p>(a) "The Bulong Nickel Project Environmental Management Implementation Manual" dated December 1996;</p> <p>(b) Letter titled "Bulong Nickel Project Construction Stage 1 - Plant and Infrastructure" dated 14 January 1997 signed by Mr R G Cant - Consultant to Resolute Limited.</p> <p>and retained on Department of Minerals and Energy File No. 2028/97.</p> <p>(c) "Bulong Green Valley Alluvial Gold Project Notice of Intent - Low Impact" dated 21 June 2001 and retained on Department of Mineral and Petroleum Resources File No. 4224/01;</p> <p>(d) (Reg ID 52298) "Avalon Nickel Project Mine Closure Plan" signed by Vaughan J Fumer – Director and Company Secretary dated 21 August 2014 and retained on Department of Mines and Petroleum file no. EARS-MCP-52298 as Doc ID: 3112155.</p> <p>Where a difference exists between the above documents and the following conditions, then the following conditions shall prevail.</p>  |
| 72. | <p>The construction and operation of the project and measures to protect the environment being carried out generally in accordance with the documents titled:</p> <p>(a) "Notice of Intent Bulong Nickel Project, Research Mining Proposal" March 1992, "Revision to Notice of Intent, Bulong Nickel Project" dated 29 April 1992, both retained on Mines Department File No. 566/89;</p> <p>(b) "The Bulong Nickel Project Environmental Management Implementation Manual" dated December 1996;</p> <p>(c) Letter titled "Bulong Nickel Project Construction Stage 1 - Plant and Infrastructure" dated 14 January 1997 signed by Mr R G Cant - Consultant to Resolute Limited.</p> <p>and both retained on Department of Minerals and Energy File No. 2028/97.</p> <p>(d) "Bulong Nickel Project Construction Stage 11 Mining Areas, Stockpiles and Waste Dumps" dated 5 August 1997, signed by Mr R G Cant Consultant;</p> <p>(e) "Notice of Intent to Clear Land" dated 12 August 1997, and signed by Mr R G Cant Consultant;</p> <p>and both retained on Department of Minerals and Energy File No. 2028/97; and</p> <p>(f) "Notice of Intent - Low Impact Mining Operation" dated 23 June 1999 and signed by Mr Scott Wilson and retained on Department of Minerals and Energy File No.2324/99</p> <p>(g) Clearing for SCATS Stockpile Area" dated 25 January 2001, signed by Mr Brett Fowler - Operations Manager (NOI 3630), and retained on Department of Minerals and Energy File No. 4055/01.</p> <p>(h) "Notice of Intent - Low Impact Mining Operation - Scraping and Detecting on Mining Lease 25/76" dated 12 November 2002 and signed by Mr Scott Wilson and Mr Peter Rowe, and retained on Department of Mineral and Petroleum Resources File No. 4224/01.</p> <p>(i) "Re: Unconditional Performance Bonding Adjustments for Mining Leases 25/76, 25/77, 25/78 and 25/187" dated 9 September 2002 signed by</p> |

|     | Condition   |
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|     | <p>Mr Peter Rowe - Registered Manager Bulong Operations (NOI 4116) and retained on Department of Industry and Resources File No. 5277/02.</p> <p>(j) "Inpit Leach Residue Strage Federal Pit Bulong Nickel Project Notice of Intent" dated 13 September 2002 (NOI 4101) and retained on Department of Industry and Resources File No. 5277/02.</p> <p>(k) "Letter of Intent - Proposal to Clear Land; Powerline Corridor" dated 15 August 2003, signed by Mr James Hesford, Environmental Officer (NOI 4352) and retained on Department of Industry and Resources File No. E2649/200301.</p> <p>(l) (Reg ID 52298) "Avalon Nickel Project Mine Closure Plan" signed by Vaughan J Fumer – Director and Company Secretary dated 21 August 2014 and retained on Department of Mines and Petroleum file no. EARS-MCP-52298 as Doc ID: 3112155.</p> <p>Where a difference exists between the above documents and the following conditions, then the following conditions shall prevail.</p>  |
| 73. | <p>The construction and operation of the project and measures to protect the environment being carried out generally in accordance with the documents titled:</p> <p>(a) "The Bulong Nickel Project Environmental Management Implementation Manual" dated December 1996;</p> <p>(b) Letter titled "Bulong Nickel Project Construction Stage 1 - Plant and Infrastructure" dated 14 January 1997 signed by Mr R G Cant - Consultant to Resolute Limited. and both retained on Department of Minerals and Energy File No. 2028/97.</p> <p>(c) "Bulong Nickel Project Construction Stage 11 Mining Areas, Stockpiles and Waste Dumps" dated 5 August 1997, signed by Mr R G Cant Consultant;</p> <p>(d) " Notice of Intention to Clear Land" dated 12 August 1997, and signed by Mr R G Cant Consultant; and both retained on Department of Minerals and Energy File No. 2028/97;</p> <p>(e) "Bulong Nickel Operation - Proposed Mining Areas, Stockpiles and Waste Dumps 1999/2000; and</p> <p>(f) Mining Lease 25/78 dated 30 August 1999 signed by Mr Brett Fowler – Mining Manager, Bulong Operations Pty Ltd ( NOI 3158 ); and both retained on Department of Minerals and Energy File No. 2567/99.</p> <p>(g) "Addendum to Notice of Intent - Australia North Pit Development on M25/77 and M25/78" received by the Kalgoorlie Inspectorate Office on 3 December 2002 (NOI 4156) and being retained on Department of Mineral and Petroleum Resources File No. 5277/02.</p> <p>(h) "Re: Unconditional Performance Bonding Adjustments for Mining Leases 25/76, 25/77, 25/78 and 25/187" dated 9 September 2002 signed by Mr Peter Rowe - Registered Manager Bulong Operations (NOI 4116) and retained on Department of Industry and Resources File No. 5277/02.</p> <p>(i) "Addendum to Notice of Intent Golden Eagle Pit Development on M25/77, M25/78 and M25/127 received by the Kalgoorlie Inspectorate office on 31 March 2003 (NOI 4250) and retained on Department of Industry and Resources File No. 2543/03.</p> <p>(j) (Reg ID 52298) "Avalon Nickel Project Mine Closure Plan" signed by Vaughan J Fumer – Director and Company Secretary dated 21 August 2014 and retained on Department of Mines and Petroleum file no. EARS-MCP-52298 as Doc ID: 3112155.</p> <p>Where a difference exists between the above documents and the following conditions, then the following conditions shall prevail.</p> |
| 74. | <p>The construction and operation of the project and measures to protect the environment being carried out generally in accordance with the documents titled:</p> <p>(a) "The Bulong Nickel Project Environmental Management Implementation Manual" dated December 1996</p> <p>(b) Letter titled " Bulong Nickel Project Construction Stage 1 - Plant and Infrastructure" dated 14 January 1997, signed by Mr R G Cant - Consultant to Resolute Limited and retained on Department of Minerals and Energy File No. 2028/97.</p>   |



|     | Condition   |
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|     | <p>(c) (Reg ID 52298) "Avalon Nickel Project Mine Closure Plan" signed by Vaughan J Fumer – Director and Company Secretary dated 21 August 2014 and retained on Department of Mines and Petroleum file no. EARS-MCP-52298 as Doc ID: 3112155.</p> <p>Where a difference exists between the above documents and the following conditions, then the following conditions shall prevail.</p>   |
| 75. | <p>The development and operation of the project and measures to protect the environment to be carried out generally in accordance with the document titled:</p> <p>(a) "Mining Proposal to Develop Faun Pit on ML24/517, ML24/518 East of Typhon Pit" (MP 5615) dated 23 January 2007, signed by Jim Tucker and retained on Department of Industry and Resources File E2598/200807;</p> <p>(b) (MCP Reg ID 70048) "Cawse Nickel Operation Mine Closure Plan" dated 29 September 2017 signed by Robert Gardner – Executive Chairman, and retained on Department of Mines and Petroleum File No. EARS-MCP-70048 as Doc ID 5294454</p> <p>Where a difference exists between the above document(s) and the following conditions, then the following conditions shall prevail.</p> |
| 76. | The holders shall arrange for the paleochannel to be geophysically surveyed by their consultant hydrogeologist to define the limits of the palaeochannel. Within 6 months after the grant of the licence, the area of the licence shall be reduced to not more than 2000 hectares.  |
| 77. | The holders shall notify the pastoralists of the location, scope and timing of their proposed activities under this licence and shall use all reasonable endeavours to accommodate any reasonable request made by the pastoralists to minimise the impact of those proposed activities upon the pastoral lease and the pastoralists' pastoral operations.   |
| 78. | The holders shall then define the borefield and pipeline configuration by drilling and testing. Within 18 months after the grant of the licence, the area of the licence shall be reduced to the minimum practicable size (and in any event to not more than 400 hectares) to accommodate an area 10m x 10m around each bore and areas 10m wide on each side of the pipelines (or such further width as may be necessary to allow for the access track, recognising that topographical features may prevent the track from running straight along the pipelines).   |
| 79. | The lessee being liable for the payment of any compensation under the Native Title Act 1993 and in accordance with Section 123 of the Mining Act 1978 and payable to a native title holder in respect of any land comprised in the lease, as a result of the grant of the lease or any activities conducted by the lessee in connection with the lease. (The term "native title holder" has the same meanings as that term in the Native Title Act 1993).   |
| 80. | The lessee installing and maintaining monitoring facilities in such locations and to the specification approved by the State Mining Engineer, Department of Mineral and Petroleum Resources, if there is concern that waters utilised by the project may be lost other than by evaporative processes.   |
| 81. | The lessee visually inspecting for evidence of pipeline failure to the ground surrounding the dewatering effluent and saline groundwater supply pipelines at a minimum frequency of once per week.  |
| 82. | The lessee visually inspecting for evidence of pipeline failure to the ground surrounding the pipelines discharging to the tailings dam(s) and return process water pipelines at a minimum frequency of once per day.   |
| 83. | The locations of the water containment structures are to be discussed with the pastoralist. Those structures must be adequately designed and must be rehabilitated after use.   |
| 84. | The prior consent of the Minister for Mines being obtained before commencing mining on Water Reserve 16555.   |

|     | Condition   |
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| 85. | The prior written consent of the Minister for Mines being obtained before commencing mining on Water Reserves 3470 and 16555.   |
| 86. | The prior written consent of the Minister for Mines being obtained before commencing mining on Water Reserve 3470.  |
| 87. | The rights of ingress to and egress from the Miscellaneous Licences being at all times preserved to the licensees and no interference with the purpose or installations connected to the licences.  |
| 88. | The road is to be clearly signposted as a private road and the signposting is to be regularly maintained at the licence holder's expense.   |
| 89. | The travelling public and the employees of the Water Authority of Western Australia being allowed free access to and free water from the reserve at all times.  |
| 90. | To properly maintain the pipeline and to comply with all of the directions of the Mining Engineer-District Inspector for Mines ("the Inspector") made for the purpose of properly maintaining the pipeline.   |
| 91. | Truck warning signs must be installed at a distance of 200 metres both north and south (or east and west as the case requires) of any intersection, to warn traffic on public roads of entering traffic from the road.  |
| 92. | Unless permission is first obtained from the Department of Environment ground breaking activities are prohibited within the floodway and within a lateral distance of:<br>(a) 50 metres from a perennial waterway; and<br>30 metres from a seasonal waterway. |
| 93. | Upon the detection of any leak from or damage to the pipeline, the applicant/holder shall forthwith:-<br>(a) notify the Inspector; and<br>carry out all necessary repairs to rectify same, such repairs to be completed to the satisfaction of the Inspector. |
| 94. | Waste retention facilities not being constructed upstream or within catchments or surface impoundment's used for human stock or irrigation water supply purposes.   |
| 95. | Water usage by the pastoralist or others being maintained and protected.  |
| 96. | Where a pipeline or other service is to be laid near or adjacent to an existing cleared line or road, as far as possible, the already cleared line or road is to be utilised.   |
| 97. | Written notification, where practicable, of the time frame, type and extent of proposed ground disturbing activities being forwarded to the Department of Environment Karratha seven days prior to commencement of those activities.                          |



**Table 3 - Tengraph interests**

|    | Land Type                                    | Description  |
|----|--|--|
| 1. | Crown Reserve (see section 8 of this Report) | <p>Under section 41 of the Land Administration Act 1997 the Minister may set aside Crown lands by Ministerial Order in the public interest. Every such reservation has its description and designated purpose registered on a Crown Land Title (CLT) and is depicted on an authenticated map held by Landgate.</p> <p>Reservation action is normally initiated by the Department for Planning and Infrastructure following community or Government request, land planning decisions, or as a result of the subdivision of land.</p> <p>The Land Act 1933 provided for State reserves to be classified as Class A, B or C. There is no provision in the LAA to create new Class B reserves and there is no longer reference to Class C reserves. Class A affords the greatest degree of protection for reserved lands, requiring approval of Parliament to amend the reserve's purpose or area, or to cancel the reservation. The A classification is used solely to protect areas of high conservation or high community value. Class B reserves continue, but are no longer created under the LAA. The Minister for Lands may deal with Class B reserved lands as normal reserves, provided that, should the reservation be cancelled, a special report is made to both Houses of Parliament within 14 days from the cancellation or within 14 days after the commencement of the next session.</p> <p>Once created, a reserve is usually placed under the care, control and management of a State government department, local government or incorporated community group by way of a Management Order registered against the relevant CLT. A Management Order under the LAA does not convey ownership of the land – only as much control as is essential for the land's management.</p> <p>The following Tenements overlap with the C" Class Reserve Public Utility:</p> <ul style="list-style-type: none"> <li>(a) M24/577 – (23.80%)</li> <li>(b) M24/550 – (35.08%)</li> <li>(c) M24/520- (73.92%)</li> <li>(d) L24/30 – (46.26%)</li> <li>(e) L24/113 – (100%)</li> <li>(f) L24/152 – (79.59%)</li> <li>(g) L24/159 – (100%)</li> <li>(h) L24/168 – (15.41%)</li> <li>(i) L24/193 – (7.08%)</li> <li>(j) M24/0519 – (12.04%)</li> <li>(k) M25/76 – (0.02%)</li> <li>(l) M25/75 – (0.02%)</li> <li>(m) M25/75 – (0.34%)</li> <li>(n) M25/75 – (0.34%)</li> </ul> |

|  | Land Type | Description   |
|--|-----------|---|
|  |           | <p>(o) M25/76 – (0.02%)</p> <p>(p) M25/75 – (0.03%)</p> <p>(q) M25/75 – (0.02%)</p> <p>(r) M25/75 – (0.05%)</p> <p>The following Tenements overlap with the "C" Class Reserve Water:</p> <p>(a) M24/518 – (41.60%)</p> <p>(b) M24/517 – (27.83%)</p> <p>(c) L24/167 – (86.81%)</p> <p>(d) M24/544 – (23.89%)</p> <p>The following Tenements overlap with the "C" Class Reserve Common:</p> <p>(a) M24/802 – (4.13%)</p> <p>The following Tenements overlap with the "C" Class Reserve Public Buildings:</p> <p>(a) M25/75 – (0.05%)</p> <p>The following Tenements overlap with the "C" Class Reserve Church Site Methodist:</p> <p>(a) M25/75 – (0.03%)</p> <p>The following Tenements overlap with the "C" Class Reserve Camping:</p> <p>(a) M25/75 – (6.11%)</p> <p>(b) M25/76 – (2.41%)</p> <p>The following Tenements overlap with the "C" Class Reserve Salvation Army:</p> <p>(a) M25/75 – (0.03%)</p> <p>The following Tenements overlap with the "C" Class Reserve Presbyterian Church:</p> <p>(a) M25/75 – (0.03%)</p> <p>The following Tenements overlap with the "C" Class Reserve Extension of Townsite:</p> <p>(a) M25/76 – (4.53%)</p> |

|  | Land Type | Description  |
|--|-----------|--|
|  |           | <p>(b) M25/75 – (12.87%)</p> <p>(c) M25/76 – (0.29%)</p> <p>(d) M25/75 – (1.27%)</p> <p>The following Tenements overlap with the "C" Class Reserve Water:</p> <p>(a) M25/75 – (0.05%)</p> <p>The following Tenements overlap with the "C" Class Reserve Court House:</p> <p>(b) M25/75 – (0.05%)</p> <p>The following Tenements overlap with the "C" Class Reserve Temporary Use of Bulong Tennis Club:</p> <p>(a) M25/75 – (0.03%)</p> <p>The following Tenements overlap with the "C" Class Reserve Drain:</p> <p>(a) M25/75 – (&lt;0.01%)</p> <p>(b) M25/75 – (&lt;0.01%)</p> <p>The following Tenements overlap with the "C" Class Reserve Excepted from Sale:</p> <p>(a) M25/75 – (0.45%)</p> <p>The following Tenements overlap with the "C" Class Reserve Shire Offices:</p> <p>(a) M25/75 – (0.02%)</p> <p>The following Tenements overlap with the "C" Class Reserve Hall Site Caledonian:</p> <p>(a) M25/75 – (0.02%)</p> <p>The following Tenements overlap with the "C" Class Reserve Amalgamated Miners Association Of WA:</p> <p>(a) M25/75 – (0.02%)</p> <p>The following Tenements overlap with the "C" Class Reserve Parklands:</p> <p>(a) M25/75 – (1.34%)</p> |

|    | Land Type  | Description   |
|----|--|---|
|    |  | <p>The following Tenements overlap with the "C" Class Reserve Recreation &amp; Racecourse:</p> <p>(a) M25/76 – (1.47%)</p> <p>(b) M25/75 – (1.19%)</p> <p>The following Tenements overlap with the "C" Class Reserve Roman Catholic Church:</p> <p>(a) M25/76 – (0.02%)</p> <p>The following Tenements overlap with the Unallocated Crown Land:</p> <p>(a) M24/519 – (0.79%)</p> <p>(b) M24/517 – (&lt;0.01%)</p> <p>(c) P16/3353 – (100%)</p> <p>(d) P16/3354 – (100%)</p> <p>(e) P16/3355 – (100%)</p> <p>(f) P16/3347 – (100%)</p> <p>(g) P16/3349 – (100%)</p> <p>(h) P16/3350 – (100%)</p> <p>(i) P16/3351 – (100%)</p> <p>(j) P16/3352 – (100%)</p> <p>(k) E16/586 – (95.65%)</p> |
| 2. | Private/Freehold Land<br>(see section 11 of this Report) | <p>Tenement M25/76 overlaps the following Private Land:</p> <p>(a) Lot: 25 on DP222208<br/>Certificate of Title: 103/157 – (0.01%)</p> <p>(b) Lot: 32 on DP222208<br/>Certificate of Title: 110/185 – (0.01%)</p> <p>(c) Lot: 335 on DP254130<br/>Certificate of Title: 213/122 – (0.50%)</p> <p>Tenement M25/75 overlaps the following Private Land:</p> <p>(a) Lot: 63 on DP255773<br/>Certificate of Title: 212/138 – (0.63%)</p> <p>(b) Lot: 69 on DP222208</p>   |

|    | Land Type                                       | Description   |
|----|---|---|
|    |   | <p>Certificate of Title: 121/183 – (0.02%)</p> <p>(c) Lot: 70 on DP222208<br/>Certificate of Title: 121/183 – (0.02%)</p> <p>(d) Lot: 71 on DP222208<br/>Certificate of Title: 121/184 – (0.02%)</p> <p>(e) Lot: 72 on DP222208<br/>Certificate of Title: 121/184 – (0.02%)</p> <p>(f) Lot: 73 on DP222208<br/>Certificate of Title: 121/185 – (0.02%)</p> <p>(g) Lot: 74 on DP222208<br/>Certificate of Title: 121/185 – (0.02%)</p> <p>(h) Lot: 75 on DP222208<br/>Certificate of Title: 121/185 – (0.02%)</p>  |
| 3. | Pastoral Leases (see section 10 of this Report) | <p>The Mining Act: -</p> <p>(a) prohibits the carrying out of mining activities on or near certain improvements and other features (such as livestock and crops) on Crown land (which includes a pastoral lease) without the consent of the lessee;</p> <p>(b) imposes certain restrictions on a mining tenement holder passing through Crown land, including requiring that all necessary steps are taken to notify the occupier of any intention to pass over the Crown land and that all necessary steps are taken to prevent damage to improvements and livestock; and</p> <p>(c) provides that the holder of a mining tenement must pay compensation to an occupier of Crown land (ie the pastoral lessee) in certain circumstances, in particular to make good any damage to improvements, and for any loss suffered by the occupier from that damage or for any substantial loss of earnings suffered by the occupier as a result of, or arising from, any exploration or mining activities, including the passing and re-passing over any land.</p> <p>The following Tenements overlap the Black Flag N049574:</p> <p>(a) M24/518 – (30.21%)</p> <p>(b) M24/517 - (13.41%)</p> <p>(c) L27/55 - (34.92%)</p> <p>(d) M27/189 – (17.17%)</p> <p>(e) L27/56 – (100%)</p> <p>The following Tenements overlap the Hampton Hill N049710:</p> |

|  | Land Type | Description  |
|--|-----------|--|
|  |           | <p>(a) L27/55 – (64.85%)</p> <p>(b) M25/77 – (99.63%)</p> <p>(c) M25/76 – (83.74%)</p> <p>(d) M25/75 – (51.81%)</p> <p>(e) M27/189 – (82.83%)</p> <p>(f) M25/78 – (100%)</p> <p>The following Tenements overlap the Mt Burges N050354:</p> <p>(a) L24/224 – (98.67%)</p> <p>(b) L24/193 – (75.31%)</p> <p>(c) L24/185 – (100%)</p> <p>(d) L24/168 – (46.47%)</p> <p>(e) M24/802 – (95.87%)</p> <p>(f) M24/578 – (100%)</p> <p>(g) M24/577 – (65.36%)</p> <p>(h) M24/548 – (100%)</p> <p>(i) M24/547 – (100%)</p> <p>(j) M24/549 – (71.66%)</p> <p>(k) E16/586 – (4.35%)</p> <p>The following Tenements overlap the Mt Vettors N050272:</p> <p>(a) M24/519 – (86.79%)</p> <p>(b) M24/518 – (25.37%)</p> <p>(c) M24/517 – (56.06%)</p> <p>(d) M24/389 – (100%)</p> <p>(e) L24/194 – (100%)</p> <p>(f) L24/193 – (17.53%)</p> <p>(g) L24/168 – (38.11%)</p> <p>(h) L24/167 – (10.97%)</p> <p>(i) L24/153 – (100%)</p> <p>(j) L24/152 – (20.41%)</p> <p>(k) L24/142 – (100%)</p> |

|    | Land Type                 | Description   |
|----|---------------------------|---|
|    |                           | (l) L24/141 – (100%)<br>(m) L24/140 – (100%)<br>(n) L24/76 – (100%)<br>(o) L24/30 – (53.36%)<br>(p) M24/577 – (10.85%)<br>(q) M24/550 – (64.92%)<br>(r) M24/520 – (26.08%)<br>(s) M24/549 – (28.34%)<br>(t) M24/544 – (75.47%)<br>(u) M24/543 – (100%)  |
| 4. | DAA Heritage Survey Areas | <p>Tenement L24/113 overlaps the following DAA Heritage Survey Areas:</p> (a) HSA 21691 1 – (94.08%)<br><br><p>Tenement L24/152 overlaps the following DAA Heritage Survey Areas:</p> (a) HSA 21691 1 – (20.33%)<br><br><p>Tenement L24/167 overlaps the following DAA Heritage Survey Areas:</p> (a) HSA 17376 1 – (99.84%)<br>(b) HSA 21691 1 – (53.49%)<br><br><p>Tenement L24/168 overlaps the following DAA Heritage Survey Areas:</p> (a) HSA 104374 1 – (9.94%)<br>(b) HSA 104486 1 - (9.94%)<br>(c) HSA 105589 2 – (0.54%)<br>(d) HSA 105591 1 – (0.54%)<br>(e) HSA 105592 1 - (0.54%)<br>(f) HSA 17369 1 – (4.03%)<br>(g) HSA 17376 1 – (8.61%)<br>(h) HSA 20606 1 - (0.54%)<br>(i) HSA 21691 1 – (40.65%) |

|  | Land Type | Description  |
|--|-----------|--|
|  |           | <p>Tenement L24/185 overlaps the following DAA Heritage Survey Areas:</p> <p>(a) HSA 21691 1- (100%)</p> <p>Tenement L24/193 overlaps the following DAA Heritage Survey Areas:</p> <p>(a) HSA 104374 1 – (4.58%)</p> <p>(b) HSA 104486 1– (4.58%)</p> <p>(c) HSA 105589 2 – (48.84%)</p> <p>(d) HSA 17369 1 – (1.85%)</p> <p>(e) HSA 17376 1 – (3.96%)</p> <p>(f) HSA 20606 1– (48.84%)</p> <p>(g) HSA 21691 1 – (23.91%)</p> <p>Tenement L24/194 overlaps the following DAA Heritage Survey Areas:</p> <p>(a) HSA 105589 2 – (61.95%)</p> <p>(b) HSA 105591 1– (61.95%)</p> <p>(c) HSA 105592 1– (61.95%)</p> <p>(d) HSA 20606 1– (61.95%)</p> <p>Tenement L24/224 overlaps the following DAA Heritage Survey Areas:</p> <p>(a) HSA 105639 1 – (3.32%)</p> <p>Tenement L24/30 overlaps the following DAA Heritage Survey Areas:</p> <p>(a) HSA 21691 1 – (5.74%)</p> <p>Tenement L27/55 overlaps the following DAA Heritage Survey Areas:</p> <p>(a) HSA 19223 1 – (100%)</p> <p>(b) HSA 19224 1– (100%)</p> <p>(c) HSA 19224 2 – (8.66%)</p> <p>(d) HSA 200957 1 – (52.32%)</p> <p>(e) HSA 21773 1 – (100%)</p> <p>Tenement L27/56 overlaps the following DAA Heritage Survey Areas:</p> |



|  | Land Type | Description   |
|--|-----------|---|
|  |           | <p>(a) HSA 19223 1 – (100%)</p> <p>(b) HSA 19224 1– (0.86%)</p> <p>(c) HSA 19224 2 – (4.51%)</p> <p>(d) HSA 200957 1 – (95.67%)</p> <p>(e) HSA 21773 1 – (0.86%)</p> <p>Tenement M24/389 overlaps the following DAA Heritage Survey Areas:</p> <p>(a) HSA 104374 1 – (40.30%)</p> <p>(b) HSA 104486 1– (40.30%)</p> <p>(c) HSA 17376 1 – (59.69%)</p> <p>(d) HSA 21691 1 – (90.07%)</p> <p>Tenement M24/517 overlaps the following DAA Heritage Survey Areas:</p> <p>(a) HSA 104374 1 – (26.20%)</p> <p>(b) HSA 104486 1 – (26.20%)</p> <p>(c) HSA 17376 1 – (9.92%)</p> <p>(d) HSA 21691 1 – (9.31%)</p> <p>Tenement M24/518 overlaps the following DAA Heritage Survey Areas:</p> <p>(a) HSA 104374 1 – (4.79%)</p> <p>(b) HSA 104486 1 – (4.79%)</p> <p>(c) HSA 17376 1 – (1.95%)</p> <p>(d) HSA 21691 1 – (1.95%)</p> <p>Tenement M24/519 overlaps the following DAA Heritage Survey Areas:</p> <p>(a) HSA 104374 1 – (43.90%)</p> <p>(b) HSA 104486 1 – (43.90%)</p> <p>(c) HSA 17376 1 – (4.40%)</p> <p>(d) HSA 21691 1 – (27.35%)</p> <p>Tenement M24/520 overlaps the following DAA Heritage Survey Areas:</p> <p>(a) HSA 17369 1 – (4.66%)</p> |

|  | Land Type | Description  |
|--|-----------|--|
|  |           | <p>(b) HSA 17376 1 – (3.27%)</p> <p>(c) HSA 21691 1 – (1.32%)</p> <p>Tenement M24/543 overlaps the following DAA Heritage Survey Areas:</p> <p>(a) HSA 104374 1 – (2.82%)</p> <p>(b) HSA 104486 1 – (2.82%)</p> <p>(c) HSA 17369 1 – (8.50%)</p> <p>(d) HSA 17376 1 – (24.61%)</p> <p>(e) HSA 21691 1 – (53.16%)</p> <p>Tenement M24/544 overlaps the following DAA Heritage Survey Areas:</p> <p>(a) HSA 104374 1 – (0.93%)</p> <p>(b) HSA 104486 1 – (0.93%)</p> <p>(c) HSA 17376 1 – (11.68%)</p> <p>(d) HSA 21691 1 – (48.92%)</p> <p>Tenement M24/547 overlaps the following DAA Heritage Survey Areas:</p> <p>(a) HSA 105589 2 – (0.68%)</p> <p>(b) HSA 105591 1 – (0.68%)</p> <p>(c) HSA 105592 1 – (0.68%)</p> <p>(d) HSA 20606 1 – (0.68%)</p> <p>(e) HSA 21691 1 – (1.38%)</p> <p>Tenement M24/548 overlaps the following DAA Heritage Survey Areas:</p> <p>(a) HSA 105589 2 – (0.20%)</p> <p>(b) HSA 105591 1 – (0.20%)</p> <p>(c) HSA 105592 1 – (0.20%)</p> <p>(d) HSA 20606 1 – (0.20%)</p> <p>(e) HSA 21691 1 – (0.20%)</p> <p>Tenement M24/549 overlaps the following DAA Heritage Survey Areas:</p> <p>(a) HSA 105589 2 – (1.22%)</p> |

|  | Land Type | Description   |
|--|-----------|---|
|  |           | <p>(b) HSA 105591 1 – (1.22%)</p> <p>(c) HSA 105592 1 – (1.22%)</p> <p>(d) HSA 20606 1 – (1.22%)</p> <p>(e) HSA 21691 1 – (54.58 %)</p> <p>Tenement M25/75 overlaps the following DAA Heritage Survey Areas:</p> <p>(a) HSA 19223 1 – (99.99%)</p> <p>(b) HSA 19224 1 – (8.22%)</p> <p>(c) HSA 19224 2 – (2.88%)</p> <p>(d) HSA 21773 1 – (8.22%)</p> <p>Tenement M25/76 overlaps the following DAA Heritage Survey Areas:</p> <p>(a) HSA 105334 1 – (&lt;0.01%)</p> <p>(b) HSA 19223 1 – (99.99%)</p> <p>(c) HSA 19224 1 – (25.70%)</p> <p>(d) HSA 19224 2 – (2.61%)</p> <p>(e) HSA 21773 1 – (25.70%)</p> <p>Tenement M25/77 overlaps the following DAA Heritage Survey Areas:</p> <p>(a) HSA 19223 1 – (99.99%)</p> <p>(b) HSA 19224 1 – (73.17%)</p> <p>(c) HSA 19224 2 – (2.93%)</p> <p>(d) HSA 21773 1 – (73.17%)</p> <p>Tenement M25/78 overlaps the following DAA Heritage Survey Areas:</p> <p>(a) HSA 19223 1 – (99.99%)</p> <p>(b) HSA 19224 1 – (28.56%)</p> <p>(c) HSA 19224 2 – (3.92%)</p> <p>(d) HSA 21773 1 – (28.56%)</p> <p>Tenement M27/189 overlaps the following DAA Heritage Survey Areas:</p> <p>(a) HSA 19223 1 – (100%)</p> |

|    | Land Type        | Description  |
|----|------------------|--|
|    |                  | <p>(b) HSA 19224 1 – (48.97%)</p> <p>(c) HSA 19224 2 – (3.47%)</p> <p>(d) HSA 21773 1 – (48.97%)</p>   |
| 5. | Groundwater Area | <p>Groundwater is a reserve of water beneath the earth's surface in pores and crevices of rocks and soil. Recharge of groundwater aquifers is slow and can take many years. Groundwater often supports wetland and stream ecosystems. Groundwater areas are proclaimed under the Rights in Water and Irrigation Act, 1914.</p> <p>There are 45 proclaimed groundwater areas in Western Australia where licences are required to construct or alter a well and to take groundwater. The Department of Water is responsible for managing proclaimed areas under the Act.</p> <p>Ground Water Area - GWA 21, Goldfields was identified on all Tenements listed in Schedule 1 overlapping 100% of all the Tenements.</p> |
| 6. | Reserves         | <p>Tenement L24/167 overlaps the following Reserves:</p> <p>(a) Broad Arrow Ora Banda Road</p> <p>Tenement L24/224 overlaps the following Reserves:</p> <p>(a) Davyhurst-Ora Banda Road</p> <p>Tenement L24/30 overlaps the following Reserves:</p> <p>(a) Davyhurst-Ora Banda Road</p> <p>Tenement L27/55 overlaps the following Reserves:</p> <p>(a) No 1050</p> <p>Tenement M24/517 overlaps the following Reserves:</p> <p>(a) Broad Arrow Ora Banda Road</p> <p>Tenement M24/518 overlaps the following Reserves:</p> <p>(a) Grants Patch Road</p> <p>Tenement M24/519 overlaps the following Reserves:</p> <p>(a) Broad Arrow Ora Banda Road</p> <p>Tenement M25/75 overlaps the following Reserves:</p>       |

|  | Land Type | Description  |
|--|-----------|--|
|  |           | (a) Bulong Curtin Road<br>(b) Bulong Road<br><br>Tenement M25/76 overlaps the following Reserves:<br>(a) Bulong Road |

**Table 4 - Registered Dealings and Encumbrances**

|    | Dealing/Encumbrance               | Description   |
|----|-----------------------------------|---|
| 1. | Agreement 111H/967                | "Agreement (Sale and Purchase) NEWCREST MINING (WA) LTD, CENTAUR MINING AND EXPLORATION LTD and NEWCREST MINING LTD Lodged 9:00:00 AM on 24 Jan 1997<br>REGISTERED 9:00 AM 24 Jan 1997" |
| 2. | Agreement 171H/889                | "Agreement KING MINING CORPORATION LTD and MAJESTIC RESOURCES LTD Lodged 9:30 AM on 03 Oct 1988<br>REGISTERED 9:30 AM 03 Oct 1988"  |
| 3. | Agreement 629H/889                | Agreement BHP GOLD MINES LTD, MAJESTIC RESOURCES LTD and KING MINING CORPORATION LTD Lodged 3:50:00 PM on 15 May 1989<br>REGISTERED 3:50 PM 15 May 1989                                 |
| 4. | Application for Forfeiture 533061 | Lodged: 16:05 18 June 2018<br>Applicant: VAN BLITTERSWYK, Wayne Craig<br>Respondent: WINGSTAR INVESTMENTS PTY LTD<br>RECORDED: 16:05 18 June 2018                                       |
| 5. | Application for Forfeiture 533062 | Lodged: 16:05 18 June 2018<br>Applicant: VAN BLITTERSWYK, Wayne Craig<br>Respondent: WINGSTAR INVESTMENTS PTY LTD<br>RECORDED: 16:05 18 June 2018                                       |
| 6. | Application for Forfeiture 533063 | Lodged: 16:05 18 June 2018<br>Applicant: VAN BLITTERSWYK, Wayne Craig   |

|     | Dealing/Encumbrance                  | Description   |
|-----|--------------------------------------|---|
|     |                                      | Respondent: WINGSTAR INVESTMENTS PTY LTD<br>RECORDED: 16:05 18 June 2018  |
| 7.  | Application for Forfeiture<br>533064 | Lodged: 16:05 18 June 2018<br>Applicant: VAN BLITTERSWYK, Wayne Craig<br>Respondent: WINGSTAR INVESTMENTS PTY LTD<br>RECORDED: 16:05 18 June 2018   |
| 8.  | Application for Forfeiture<br>533065 | Lodged: 16:05 18 June 2018<br>Respondent: WINGSTAR INVESTMENTS PTY LTD<br>Applicant: VAN BLITTERSWYK, Wayne Craig<br>RECORDED: 16:05 18 June 2018   |
| 9.  | Application for Forfeiture<br>533066 | Lodged: 16:05 18 June 2018<br>Applicant: VAN BLITTERSWYK, Wayne Craig<br>Respondent: WINGSTAR INVESTMENTS PTY LTD<br>RECORDED: 16:05 18 June 2018   |
| 10. | Application for Forfeiture<br>533067 | Lodged: 16:05 18 June 2018<br>Applicant: VAN BLITTERSWYK, Wayne Craig<br>Respondent: WINGSTAR INVESTMENTS PTY LTD<br>RECORDED: 16:05 18 June 2018   |
| 11. | Application for Forfeiture<br>533068 | Lodged: 16:05 18 June 2018<br>Applicant: VAN BLITTERSWYK, Wayne Craig<br>Respondent: WINGSTAR INVESTMENTS PTY LTD<br>RECORDED: 16:05 18 June 2018   |
| 12. | Application for Forfeiture<br>533069 | Lodged: 16:05 18 June 2018<br>Applicant: VAN BLITTERSWYK, Wayne Craig<br>Respondent: WINGSTAR INVESTMENTS PTY LTD<br>RECORDED: 16:05 18 June 2018   |
| 13. | Application for Forfeiture<br>533070 | Lodged: 16:05 18 June 2018<br>Respondent: WINGSTAR INVESTMENTS PTY LTD<br>Applicant: VAN BLITTERSWYK, Wayne Craig<br>RECORDED: 16:05 18 June 2018   |
| 14. | Application to Amend<br>244H/023     | Lodged 4:05 PM on 15 Jan 2003 amending address of Hallmark<br>Mining Ltd to read: " C/- Tenement Administration Services Pty Ltd<br>Level 2, 326 Hay Street EAST PERTH WA 6004"<br>REGISTERED 4:05 PM 15 Jan 2003 |

|     | Dealing/Encumbrance           | Description   |
|-----|-------------------------------|---|
| 15. | Application to Amend 279H/923 | Lodged 11:29:00 AM on 16 Mar 1993 amending total number of shares to "100"<br>REGISTERED 11:29 AM 16 Mar 1993   |
| 16. | Application to Amend 294911   | Lodged 8:50:00 AM on 04 Jul 2008 amending purpose from "Water Abstraction" to "Water management facility and pipeline".<br>RECORDED 8:50 AM 04 Jul 2008                             |
| 17. | Application to Amend 294912   | Lodged 8:58:00 AM on 04 Jul 2008 amending purpose from "Water Abstraction" to "Water management facility and pipeline".<br>RECORDED 8:58 AM 04 Jul 2008                             |
| 18. | Application to Amend 297449   | Lodged 3:50 PM on 11 Aug 2008 amending address of Norilsk Nickel Cawse Pty Ltd to read "c/- Western Tenement Services PO Box 428 Greenwood WA 6924"<br>RECORDED 3:50 PM 11 Aug 2008 |
| 19. | Application to Amend 297450   | Lodged 3:50 PM on 11 Aug 2008 amending address of Norilsk Nickel Cawse Pty Ltd to read "c/- Western Tenement Services PO Box 428 Greenwood WA 6924"<br>RECORDED 3:50 PM 11 Aug 2008 |
| 20. | Application to Amend 297451   | Lodged 3:50 PM on 11 Aug 2008 amending address of Norilsk Nickel Cawse Pty Ltd to read "c/- Western Tenement Services PO Box 428 Greenwood WA 6924"<br>RECORDED 3:50 PM 11 Aug 2008 |
| 21. | Application to Amend 297452   | Lodged 3:50 PM on 11 Aug 2008 amending address of Norilsk Nickel Cawse Pty Ltd to read "c/- Western Tenement Services PO Box 428 Greenwood WA 6924"<br>RECORDED 3:50 PM 11 Aug 2008 |
| 22. | Application to Amend 297453   | Lodged 3:50 PM on 11 Aug 2008 amending address of Norilsk Nickel Cawse Pty Ltd to read "c/- Western Tenement Services PO Box 428 Greenwood WA 6924"<br>RECORDED 3:50 PM 11 Aug 2008 |
| 23. | Application to Amend 297454   | Lodged 3:50 PM on 11 Aug 2008 amending address of Norilsk Nickel Cawse Pty Ltd to read "c/- Western Tenement Services PO Box 428 Greenwood WA 6924"<br>RECORDED 3:50 PM 11 Aug 2008 |

|     | Dealing/Encumbrance         | Description   |
|-----|-----------------------------|---|
| 24. | Application to Amend 297455 | Lodged 3:50 PM on 11 Aug 2008 amending address of Norilsk Nickel Cawse Pty Ltd to read "c/- Western Tenement Services PO Box 428 Greenwood WA 6924"<br>RECORDED 3:50 PM 11 Aug 2008 |
| 25. | Application to Amend 297456 | Lodged 3:50 PM on 11 Aug 2008 amending address of Norilsk Nickel Cawse Pty Ltd to read "c/- Western Tenement Services PO Box 428 Greenwood WA 6924"<br>RECORDED 3:50 PM 11 Aug 2008 |
| 26. | Application to Amend 297457 | Lodged 3:50 PM on 11 Aug 2008 amending address of Norilsk Nickel Cawse Pty Ltd to read "c/- Western Tenement Services PO Box 428 Greenwood WA 6924"<br>RECORDED 3:50 PM 11 Aug 2008 |
| 27. | Application to Amend 297458 | Lodged 3:50 PM on 11 Aug 2008 amending address of Norilsk Nickel Cawse Pty Ltd to read "c/- Western Tenement Services PO Box 428 Greenwood WA 6924"<br>RECORDED 3:50 PM 11 Aug 2008 |
| 28. | Application to Amend 297459 | Lodged 3:50 PM on 11 Aug 2008 amending address of Norilsk Nickel Cawse Pty Ltd to read "c/- Western Tenement Services PO Box 428 Greenwood WA 6924"<br>RECORDED 3:50 PM 11 Aug 2008 |
| 29. | Application to Amend 297460 | Lodged 3:50 PM on 11 Aug 2008 amending address of Norilsk Nickel Cawse Pty Ltd to read "c/- Western Tenement Services PO Box 428 Greenwood WA 6924"<br>RECORDED 3:50 PM 11 Aug 2008 |
| 30. | Application to Amend 297469 | Lodged 3:50 PM on 11 Aug 2008 amending address of Norilsk Nickel Cawse Pty Ltd to read "c/- Western Tenement Services PO Box 428 Greenwood WA 6924"<br>RECORDED 3:50 PM 11 Aug 2008 |
| 31. | Application to Amend 297471 | Lodged 3:50 PM on 11 Aug 2008 amending address of Norilsk Nickel Cawse Pty Ltd to read "c/- Western Tenement Services PO Box 428 Greenwood WA 6924"<br>RECORDED 3:50 PM 11 Aug 2008 |
| 32. | Application to Amend 297472 | Lodged 3:50 PM on 11 Aug 2008 amending address of Norilsk Nickel Cawse Pty Ltd to read "c/- Western Tenement Services PO Box 428  |



|     | Dealing/Encumbrance            | Description   |
|-----|--------------------------------|---|
|     |                                | Greenwood WA 6924"<br>RECORDED 3:50 PM 11 Aug 2008  |
| 33. | Application to Amend<br>297473 | Lodged 3:50 PM on 11 Aug 2008 amending address of Norilsk Nickel<br>Cawse Pty Ltd to read "c/- Western Tenement Services PO Box 428<br>Greenwood WA 6924"<br>RECORDED 3:50 PM 11 Aug 2008 |
| 34. | Application to Amend<br>297477 | Lodged 3:50 PM on 11 Aug 2008 amending address of Norilsk Nickel<br>Cawse Pty Ltd to read "c/- Western Tenement Services PO Box 428<br>Greenwood WA 6924"<br>RECORDED 3:50 PM 11 Aug 2008 |
| 35. | Application to Amend<br>297478 | Lodged 3:50 PM on 11 Aug 2008 amending address of Norilsk Nickel<br>Cawse Pty Ltd to read "c/- Western Tenement Services PO Box 428<br>Greenwood WA 6924"<br>RECORDED 3:50 PM 11 Aug 2008 |
| 36. | Application to Amend<br>297479 | Lodged 3:50 PM on 11 Aug 2008 amending address of Norilsk Nickel<br>Cawse Pty Ltd to read "c/- Western Tenement Services PO Box 428<br>Greenwood WA 6924"<br>RECORDED 3:50 PM 11 Aug 2008 |
| 37. | Application to Amend<br>297480 | Lodged 3:50 PM on 11 Aug 2008 amending address of Norilsk Nickel<br>Cawse Pty Ltd to read "c/- Western Tenement Services PO Box 428<br>Greenwood WA 6924"<br>RECORDED 3:50 PM 11 Aug 2008 |
| 38. | Application to Amend<br>297481 | Lodged 3:50 PM on 11 Aug 2008 amending address of Norilsk Nickel<br>Cawse Pty Ltd to read "c/- Western Tenement Services PO Box 428<br>Greenwood WA 6924"<br>RECORDED 3:50 PM 11 Aug 2008 |
| 39. | Application to Amend<br>297482 | Lodged 3:50 PM on 11 Aug 2008 amending address of Norilsk Nickel<br>Cawse Pty Ltd to read "c/- Western Tenement Services PO Box 428<br>Greenwood WA 6924"<br>RECORDED 3:50 PM 11 Aug 2008 |
| 40. | Application to Amend<br>297483 | Lodged 3:50 PM on 11 Aug 2008 amending address of Norilsk Nickel<br>Cawse Pty Ltd to read "c/- Western Tenement Services PO Box 428<br>Greenwood WA 6924"<br>RECORDED 3:50 PM 11 Aug 2008 |

|     | Dealing/Encumbrance            | Description   |
|-----|--------------------------------|---|
| 41. | Application to Amend<br>297484 | Lodged 3:50 PM on 11 Aug 2008 amending address of Norilsk Nickel Cawse Pty Ltd to read "c/- Western Tenement Services PO Box 428 Greenwood WA 6924"<br>RECORDED 3:50 PM 11 Aug 2008   |
| 42. | Application to Amend<br>297486 | Lodged 3:50 PM on 11 Aug 2008 amending address of Norilsk Nickel Cawse Pty Ltd to read "c/- Western Tenement Services PO Box 428 Greenwood WA 6924"<br>RECORDED 3:50 PM 11 Aug 2008   |
| 43. | Application to Amend<br>297963 | Lodged 2:50 PM on 19 Aug 2008 amending address of Norilsk Nickel Cawse Pty Ltd to read " c/- Western Tenement Services PO Box 428 Greenwood WA 6924 "<br>RECORDED 2:50 PM 19 Aug 2008   |
| 44. | Application to Amend<br>301556 | Lodged: 09:30 22 December 2010<br>Amending: Address<br>From: ENIGMA MINING LTD, C/- TENEMENT ADMINISTRATION SERVICES, LEVEL 2 326 HAY ST, EAST PERTH, WA, 6004<br>To: ENIGMA MINING LTD, PO BOX 1126, SUBIACO, WA, 6904<br>RECORDED: 09:30 22 December 2010               |
| 45. | Application to Amend<br>362025 | Lodged: 14:10 27 June 2014<br>Amending: Address<br>From: NORILSK NICKEL CAWSE PTY LTD, LEVEL 1, 88 COLIN STREET, WEST PERTH, WA, 6005<br>To: NORILSK NICKEL CAWSE PTY LTD, C/- WESTERN TENEMENT SERVICES, PO BOX 428, GREENWOOD, WA, 6924<br>RECORDED: 14:10 27 June 2014 |
| 46. | Application to Amend<br>449817 | "Lodged: 14:10 27 June 2014<br>Amending: Address<br>From: NORILSK NICKEL CAWSE PTY LTD, LEVEL 1, 88 COLIN STREET, WEST PERTH, WA, 6005<br>To: NORILSK NICKEL CAWSE PTY LTD, C/- WESTERN TENEMENT SERVICES, PO BOX   |

|     | Dealing/Encumbrance            | Description  |
|-----|--------------------------------|--|
|     |                                | 428, GREENWOOD, WA, 6924<br>RECORDED: 14:10 27 June 2014"  |
| 47. | Application to Amend<br>460087 | "Lodged: 12:50 08 January 2015<br>Amending: Address<br>From: NORILSK NICKEL CAWSE PTY LTD, C/-<br>WESTERN TENEMENT SERVICES, PO BOX<br>428, GREENWOOD, WA, 6924<br>To: NORILSK NICKEL CAWSE PTY LTD, C/- GETS,<br>PO BOX 10939, KALGOORLIE, WA, 6433<br>RECORDED: 12:50 08 January 2015" |
| 48. | Application to Amend<br>460088 | "Lodged: 12:50 08 January 2015<br>Amending: Address<br>From: NORILSK NICKEL CAWSE PTY LTD, C/-<br>WESTERN TENEMENT SERVICES, PO BOX<br>428, GREENWOOD, WA, 6924<br>To: NORILSK NICKEL CAWSE PTY LTD, C/- GETS,<br>PO BOX 10939, KALGOORLIE, WA, 6433<br>RECORDED: 12:50 08 January 2015" |
| 49. | Application to Amend<br>460090 | "Lodged: 12:50 08 January 2015<br>Amending: Address<br>From: NORILSK NICKEL CAWSE PTY LTD, C/-<br>WESTERN TENEMENT SERVICES, PO BOX<br>428, GREENWOOD, WA, 6924"   |
| 50. | Application to Amend<br>460092 | "Lodged: 12:50 08 January 2015<br>Amending: Address<br>From: NORILSK NICKEL AVALON PTY LTD, C/-<br>WESTERN TENEMENT SERVICES, PO BOX<br>428, GREENWOOD, WA, 6924<br>To: NORILSK NICKEL AVALON PTY LTD, C/- GETS,<br>PO BOX 10939, KALGOORLIE, WA, 6433                                   |

|     | Dealing/Encumbrance              | Description  |
|-----|----------------------------------|--|
|     |                                  | RECORDED: 12:50 08 January 2015"   |
| 51. | Application to Amend<br>460093   | "Lodged: 12:50 08 January 2015<br>Amending: Address<br>From: NORILSK NICKEL AVALON PTY LTD, C/-<br>WESTERN TENEMENT SERVICES, PO BOX<br>428, GREENWOOD, WA, 6924<br>To: NORILSK NICKEL AVALON PTY LTD, C/- GETS,<br>PO BOX 10939, KALGOORLIE, WA, 6433<br>RECORDED: 12:50 08 January 2015" |
| 52. | Application to Amend<br>460094   | "Lodged: 12:50 08 January 2015<br>Amending: Address<br>From: NORILSK NICKEL AVALON PTY LTD, C/-<br>WESTERN TENEMENT SERVICES, PO BOX<br>428, GREENWOOD, WA, 6924<br>To: NORILSK NICKEL AVALON PTY LTD, C/- GETS,<br>PO BOX 10939, KALGOORLIE, WA, 6433<br>RECORDED: 12:50 08 January 2015" |
| 53. | Application to Amend<br>KA26/890 | "Lodged 3:50:00 PM on 01 Aug 1989 amending the description of the<br>datum to read: 'from a datum situated in the North West corner of late<br>surveyed Mineral Claim MC 25/1222.'<br>REGISTERED 3:50 PM 01 Aug 1989"  |
| 54. | Application to Amend<br>KA80/956 | "Lodged 3:10 PM on 09 May 1996 amending purpose to include "roads"<br>REGISTERED 3:10 PM 09 May 1996"  |
| 55. | Caveat 496336                    | "Lodged: 16:19:54 01 November 2016<br>Caveat Type: Absolute Caveat<br>Caveator: JONES, John Load Cecil<br>JONES, Burchell Francis Cecil<br>JONES, Barton Cecil<br>Shares Caveated: 100/100 shares WINGSTAR INVESTMENTS PTY LTD<br>RECORDED: 16:19:54 01 November 2016"                     |

|     | Dealing/Encumbrance | Description  |
|-----|---------------------|--|
| 56. | Caveat 496337       | "Lodged: 16:19:54 01 November 2016<br>Caveat Type: Absolute Caveat<br>Caveator: JONES, John Load Cecil<br>JONES, Burchell Francis Cecil<br>JONES, Barton Cecil<br>Shares Caveated: 100/100 shares WINGSTAR INVESTMENTS PTY LTD<br>RECORDED: 16:19:54 01 November 2016" |
| 57. | Caveat 496338       | "Lodged: 16:19:54 01 November 2016<br>Caveat Type: Absolute Caveat<br>Caveator: JONES, John Load Cecil<br>JONES, Burchell Francis Cecil<br>JONES, Barton Cecil<br>Shares Caveated: 100/100 shares WINGSTAR INVESTMENTS PTY LTD<br>RECORDED: 16:19:54 01 November 2016" |
| 58. | Caveat 496339       | "Lodged: 16:19:54 01 November 2016<br>Caveat Type: Absolute Caveat<br>Caveator: JONES, John Load Cecil<br>JONES, Burchell Francis Cecil<br>JONES, Barton Cecil<br>Shares Caveated: 100/100 shares WINGSTAR INVESTMENTS PTY LTD<br>RECORDED: 16:19:54 01 November 2016" |
| 59. | Caveat 496340       | "Lodged: 16:19:54 01 November 2016<br>Caveat Type: Absolute Caveat<br>Caveator: JONES, Barton Cecil<br>JONES, John Load Cecil<br>JONES, Burchell Francis Cecil<br>Shares Caveated: 100/100 shares WINGSTAR INVESTMENTS PTY LTD<br>RECORDED: 16:19:54 01 November 2016" |
| 60. | Caveat 497977       | "Lodged: 16:19:54 01 November 2016<br>Caveat Type: Absolute Caveat   |

|     | Dealing/Encumbrance                | Description  |
|-----|------------------------------------|--|
|     |                                    | Caveator: JONES, John Load Cecil<br>JONES, Burchell Francis Cecil<br>JONES, Barton Cecil<br>Shares Caveated: 100/100 shares WINGSTAR INVESTMENTS PTY LTD<br>RECORDED: 16:19:54 01 November 2016" |
| 61. | Extension / Renewal of Term 280169 | "Lodged 9:08:00 AM on 14 Dec 2007 for a further period of 5 Years<br>RECORDED 9:08 AM 14 Dec 2007<br>GRANTED 27 Dec 2007"  |
| 62. | Extension / Renewal of Term 288629 | "Lodged 9:14:00 AM on 15 Apr 2008 applied for a period of 5 Years<br>RECORDED 9:14 AM 15 Apr 2008<br>GRANTED 8:30 AM 05 May 2008"  |
| 63. | Extension / Renewal of Term 290802 | "Lodged 2:50:00 PM on 09 May 2008 applied for a period of 5 Years<br>RECORDED 2:50 PM 09 May 2008<br>GRANTED 8:30 AM 26 May 2008"  |
| 64. | Extension / Renewal of Term 290803 | "Lodged 2:50:00 PM on 09 May 2008 applied for a period of 5 Years<br>RECORDED 2:50 PM 09 May 2008<br>GRANTED 8:30 AM 26 May 2008"  |
| 65. | Extension / Renewal of Term 301018 | "Lodged 9:15:00 AM on 06 Oct 2008 applied for a period of 5 Years<br>RECORDED 9:15 AM 06 Oct 2008<br>A further period of 5 Years<br>GRANTED 8:30 AM 29 Oct 2008"                                 |
| 66. | Extension / Renewal of Term 319505 | "Lodged: 08:45 04 May 2009<br>Applied For Period: 21 Years<br>RECORDED: 08:45 04 May 2009<br>Granted Period: 21 Years<br>Term Renewed To: 29/05/2030<br>GRANTED: 22 May 2009"                    |
| 67. | Extension / Renewal of Term 361360 | "Lodged: 08:30 14 December 2010<br>Applied For Period: 5 Years   |

|     | Dealing/Encumbrance                | Description   |
|-----|------------------------------------|---|
|     |                                    | RECORDED: 08:30 14 December 2010<br>GRANTED: 19 January 2011<br>Granted Period: 5 Years<br>Term Renewed To: 18/01/2016"   |
| 68. | Extension / Renewal of Term 366936 | "Lodged: 08:44 04 March 2011<br>Applied For Period: 21 Years<br>RECORDED: 08:44 04 March 2011<br>GRANTED: 22 March 2011<br>Granted Period: 21 Years<br>Term Renewed To: 27/03/2032" |
| 69. | Extension / Renewal of Term 366941 | "Lodged: 08:44 04 March 2011<br>Applied For Period: 21 Years<br>RECORDED: 08:44 04 March 2011<br>GRANTED: 22 March 2011<br>Granted Period: 21 Years<br>Term Renewed To: 27/03/2032" |
| 70. | Extension / Renewal of Term 366942 | "Lodged: 08:44 04 March 2011<br>Applied For Period: 21 Years<br>RECORDED: 08:44 04 March 2011<br>GRANTED: 22 March 2011<br>Granted Period: 21 Years<br>Term Renewed To: 27/03/2032" |
| 71. | Extension / Renewal of Term 366945 | "Lodged: 08:44 04 March 2011<br>Applied For Period: 21 Years<br>RECORDED: 08:44 04 March 2011<br>GRANTED: 22 March 2011<br>Granted Period: 21 Years<br>Term Renewed To: 27/03/2032" |
| 72. | Extension / Renewal of Term 367130 | "Lodged: 08:37 08 March 2011<br>Applied For Period: 5 Years   |

|     | Dealing/Encumbrance                | Description   |
|-----|------------------------------------|---|
|     |                                    | RECORDED: 08:37 08 March 2011<br>GRANTED: 28 March 2011<br>Granted Period: 5 Years<br>Term Renewed To: 27/03/2016"  |
| 73. | Extension / Renewal of Term 367131 | "Lodged: 08:37 08 March 2011<br>Applied For Period: 5 Years<br>RECORDED: 08:37 08 March 2011<br>GRANTED: 28 March 2011<br>Granted Period: 5 Years<br>Term Renewed To: 27/03/2016" |
| 74. | Extension / Renewal of Term 367132 | "Lodged: 08:37 08 March 2011<br>Applied For Period: 5 Years<br>RECORDED: 08:37 08 March 2011<br>GRANTED: 28 March 2011<br>Granted Period: 5 Years<br>Term Renewed To: 27/03/2016" |
| 75. | Extension / Renewal of Term 370756 | "Lodged: 16:00 03 May 2011<br>Applied For Period: 5 Years<br>RECORDED: 16:00 03 May 2011<br>GRANTED: 18 May 2011<br>Granted Period: 5 Years<br>Term Renewed To: 30/10/2016"       |
| 76. | Extension / Renewal of Term 370757 | "Lodged: 16:00 03 May 2011<br>Applied For Period: 5 Years<br>RECORDED: 16:00 03 May 2011<br>GRANTED: 18 May 2011<br>Granted Period: 5 Years<br>Term Renewed To: 24/11/2016"       |
| 77. | Extension / Renewal of Term 385480 | "Lodged: 16:20 17 November 2011<br>Applied For Period: 5 Years  |



|     | Dealing/Encumbrance                | Description  |
|-----|------------------------------------|--|
|     |                                    | RECORDED: 16:20 17 November 2011<br>GRANTED: 28 November 2011<br>Granted Period: 5 Years<br>Term Renewed To:24/11/2016"  |
| 78. | Extension / Renewal of Term 407342 | "Lodged: 15:50 03 October 2012<br>Applied For Period: 21 Years<br>RECORDED: 15:50 03 October 2012<br>GRANTED: 17 October 2012<br>Granted Period: 21 Years<br>Term Renewed To:14/10/2033"   |
| 79. | Extension / Renewal of Term 411371 | "Lodged: 14:05 21 November 2012<br>Applied For Period: 5 Years<br>RECORDED: 14:05 21 November 2012<br>GRANTED: 14 December 2012<br>Granted Period: 5 Years<br>Term Renewed To: 14/12/2017" |
| 80. | Extension / Renewal of Term 419522 | "Lodged: 15:35 22 March 2013<br>Applied For Period: 5 Years<br>RECORDED: 15:35 22 March 2013<br>GRANTED: 22 April 2013<br>Granted Period: 5 Years<br>Term Renewed To: 09/05/2018"          |
| 81. | Extension / Renewal of Term 419523 | "Lodged: 15:35 22 March 2013<br>Applied For Period: 5 Years<br>RECORDED: 15:35 22 March 2013<br>GRANTED: 22 April 2013<br>Granted Period: 5 Years<br>Term Renewed To: 09/05/2018"          |
| 82. | Extension / Renewal of Term 419524 | "Lodged: 15:35 22 March 2013<br>Applied For Period: 5 Years  |

|     | Dealing/Encumbrance                | Description  |
|-----|------------------------------------|--|
|     |                                    | RECORDED: 15:35 22 March 2013<br>GRANTED: 22 April 2013<br>Granted Period: 5 Years<br>Term Renewed To: 16/04/2018"   |
| 83. | Extension / Renewal of Term 430975 | "Lodged: 14:03:58 10 September 2013<br>Applied For Period: 5 Years<br>RECORDED: 14:03:58 10 September 2013<br>GRANTED: 18 October 2013<br>Granted Period: 5 Years<br>Term Renewed To: 24/10/2018"  |
| 84. | Extension / Renewal of Term 478570 | "Lodged: 09:49:37 08 December 2015<br>Applied For Period: 21 Years<br>RECORDED: 09:49:37 08 December 2015<br>GRANTED: 17 December 2015<br>Granted Period: 21 Years<br>Term Renewed To: 15/12/2036" |
| 85. | Extension / Renewal of Term 480144 | "Lodged: 14:29:08 13 January 2016<br>Applied For Period: 5 Years<br>RECORDED: 14:29:08 13 January 2016<br>GRANTED: 19 January 2016<br>Granted Period: 5 Years<br>Term Renewed To: 18/01/2021"      |
| 86. | Extension / Renewal of Term 483529 | "Lodged: 14:14 21 March 2016<br>Applied For Period: 5 Years<br>RECORDED: 14:14 21 March 2016<br>GRANTED: 24 March 2016<br>Granted Period: 5 Years<br>Term Renewed To: 27/03/2021"                  |
| 87. | Extension / Renewal of Term 483530 | "Lodged: 14:14 21 March 2016<br>Applied For Period: 5 Years  |

|     | Dealing/Encumbrance                | Description  |
|-----|------------------------------------|--|
|     |                                    | RECORDED: 14:14 21 March 2016<br>GRANTED: 24 March 2016<br>Granted Period: 5 Years<br>Term Renewed To:27/03/2021"  |
| 88. | Extension / Renewal of Term 483531 | Lodged: 14:14 21 March 2016<br>Applied For Period: 5 Years<br>RECORDED: 14:14 21 March 2016<br>GRANTED: 24 March 2016<br>Granted Period: 5 Years<br>Term Renewed To: 27/03/2021                |
| 89. | Extension / Renewal of Term 495136 | "Lodged: 09:44:56 10 October 2016<br>Applied For Period: 5 Years<br>RECORDED: 09:44:56 10 October 2016<br>GRANTED: 04 November 2016<br>Granted Period: 5 Years<br>Term Renewed To: 30/10/2021" |
| 90. | Extension / Renewal of Term 497568 | "Lodged: 08:30 24 November 2016<br>Applied For Period: 5 Years<br>RECORDED: 08:30 24 November 2016<br>GRANTED: 19 December 2016<br>Granted Period: 5 Years<br>Term Renewed To: 24/11/2021"     |
| 91. | Extension / Renewal of Term 497569 | "Lodged: 08:30 24 November 2016<br>Applied For Period: 5 Years<br>RECORDED: 08:30 24 November 2016<br>GRANTED: 19 December 2016<br>Granted Period: 5 Years<br>Term Renewed To: 24/11/2021"     |
| 92. | Extension / Renewal of Term 519950 | "Lodged: 11:14:29 12 December 2017<br>Applied For Period: 5 Years<br>RECORDED: 11:14:29 12 December 2017   |

|     | Dealing/Encumbrance                | Description  |
|-----|------------------------------------|--|
|     |                                    | GRANTED: 19 December 2017<br>Granted Period: 5 Years<br>Term Extended To:14/12/2022"   |
| 93. | Extension / Renewal of Term 520782 | "Lodged: 10:02:07 22 December 2017<br>Applied For Period: 21 Years<br>RECORDED: 10:02:07 22 December 2017<br>GRANTED: 08 February 2018<br>Granted Period: 21 Years<br>Term Renewed To:02/01/2039   |
| 94. | Extension / Renewal of Term 520783 | "Lodged: 10:03:33 22 December 2017<br>Applied For Period: 21 Years<br>RECORDED: 10:03:33 22 December 2017<br>GRANTED: 08 February 2018<br>Granted Period: 21 Years<br>Term Renewed To: 02/01/2039" |
| 95. | Extension / Renewal of Term 520784 | "Lodged: 10:04:57 22 December 2017<br>Applied For Period: 21 Years<br>RECORDED: 10:04:57 22 December 2017<br>GRANTED: 08 February 2018<br>Granted Period: 21 Years<br>Term Renewed To: 02/01/2039" |
| 96. | Extension / Renewal of Term 520785 | "Lodged: 10:06:18 22 December 2017<br>Applied For Period: 21 Years<br>RECORDED: 10:06:18 22 December 2017<br>GRANTED: 08 February 2018<br>Granted Period: 21 Years<br>Term Renewed To: 02/01/2039" |
| 97. | Extension / Renewal of Term 520786 | "Lodged: 10:07:42 22 December 2017<br>Applied For Period: 21 Years<br>RECORDED: 10:07:42 22 December 2017  |

|      | Dealing/Encumbrance                   | Description  |
|------|---------------------------------------|--|
|      |                                       | GRANTED: 08 February 2018<br>Granted Period: 21 Years<br>Term Renewed To: 02/01/2039"  |
| 98.  | Extension / Renewal of<br>Term 527928 | "Lodged: 12:19:04 13 April 2018<br>Applied For Period: 5 Years<br>RECORDED: 12:19:04 13 April 2018<br>GRANTED: 14 May 2018<br>Granted Period: 5 Years<br>Term Renewed To: 16/04/2023"            |
| 99.  | Extension / Renewal of<br>Term 529649 | "Lodged: 15:27:08 08 May 2018<br>Applied For Period: 5 Years<br>RECORDED: 15:27:08 08 May 2018<br>GRANTED: 25 May 2018<br>Granted Period: 5 Years<br>Term Renewed To: 09/05/2023"                |
| 100. | Extension / Renewal of<br>Term 529651 | "Lodged: 15:30:26 08 May 2018<br>Applied For Period: 5 Years<br>RECORDED: 15:30:26 08 May 2018<br>GRANTED: 25 May 2018<br>Granted Period: 5 Years<br>Term Renewed To: 09/05/2023"                |
| 101. | Extension / Renewal of<br>Term 539886 | "Lodged: 15:50:34 01 October 2018<br>Applied For Period: 21 Years<br>RECORDED: 15:50:34 01 October 2018<br>GRANTED: 20 December 2018<br>Granted Period: 21 Years<br>Term Renewed To: 02/10/2039" |
| 102. | Extension / Renewal of<br>Term 539887 | "Lodged: 15:52:37 01 October 2018<br>Applied For Period: 21 Years<br>RECORDED: 15:52:37 01 October 2018  |

|      | Dealing/Encumbrance                | Description  |
|------|------------------------------------|--|
|      |                                    | GRANTED: 20 December 2018<br>Granted Period: 21 Years<br>Term Renewed To: 02/10/2039"  |
| 103. | Extension / Renewal of Term 539888 | "Lodged: 15:53:20 01 October 2018<br>Applied For Period: 21 Years<br>RECORDED: 15:53:20 01 October 2018<br>GRANTED: 20 December 2018<br>Granted Period: 21 Years<br>Term Renewed To: 02/10/2039" |
| 104. | Extension / Renewal of Term 539889 | "Lodged: 15:55:56 01 October 2018<br>Applied For Period: 21 Years<br>RECORDED: 15:55:56 01 October 2018<br>GRANTED: 02 October 2018<br>Granted Period: 5 Years<br>Term Renewed To: 24/10/2023"   |
| 105. | Extension / Renewal of Term 593703 | "Lodged: 15:36:13 12 January 2021<br>Applied For Period: 5 Years<br>RECORDED: 15:36:13 12 January 2021<br>GRANTED: 28 January 2021<br>Granted Period: 5 Years<br>Term Renewed To: 18/01/2026"    |
| 106. | Extension / Renewal of Term 618633 | "Lodged: 10:12:12 24 March 2021<br>Applied For Period: 5 Years<br>RECORDED: 10:12:12 24 March 2021<br>GRANTED: 26 March 2021<br>Granted Period: 5 Years<br>Term Renewed To: 27/03/2026"          |
| 107. | Extension / Renewal of Term 618634 | "Lodged: 10:13:52 24 March 2021<br>Applied For Period: 5 Years<br>RECORDED: 10:13:52 24 March 2021   |

|      | Dealing/Encumbrance                      | Description   |
|------|--|---|
|      |  | GRANTED: 26 March 2021<br>Granted Period: 5 Years<br>Term Renewed To: 27/03/2026"   |
| 108. | Extension / Renewal of<br>Term 618635    | "Lodged: 10:14:42 24 March 2021<br>Applied For Period: 5 Years<br>RECORDED: 10:14:42 24 March 2021<br>GRANTED: 26 March 2021<br>Granted Period: 5 Years<br>Term Renewed To: 27/03/2026" |
| 109. | Extension / Renewal of<br>Term KA106/934 | "Lodged 10:00:00 AM on 13 Sep 1993 for a further period of 5 Years<br>RECORDED 10:00 AM 13 Sep 1993<br>GRANTED by the Minister for Mines on 08 Oct 1993"                                |
| 110. | Extension / Renewal of<br>Term KA20/056  | "Lodged 10:12:00 AM on 18 Jan 2006 applied for a period of 5 Years<br>RECORDED 10:12 AM 18 Jan 2006<br>GRANTED 8:30 AM 27 Jan 2006"   |
| 111. | Extension / Renewal of<br>Term KA29/067  | "Lodged 9:07:00 AM on 09 Oct 2006 applied for a period of 5 Years<br>RECORDED 9:07 AM 09 Oct 2006<br>GRANTED 8:30 AM 31 Oct 2006"   |
| 112. | Extension / Renewal of<br>Term KA30/067  | "Lodged 9:07:00 AM on 09 Oct 2006 applied for a period of 5 Years<br>RECORDED 9:07 AM 09 Oct 2006<br>GRANTED 8:30 AM 27 Nov 2006"   |
| 113. | Extension / Renewal of<br>Term KA303/956 | "Lodged 10:00:00 AM on 02 Feb 1996 for a further period of 5 Years<br>RECORDED 10:00 AM 02 Feb 1996<br>GRANTED by the Minister for Mines on 20 Aug 1996"                                |
| 114. | Extension / Renewal of<br>Term KA304/956 | "Lodged 10:00:00 AM on 02 Feb 1996 for a further period of 5 Years<br>RECORDED 10:00 AM 02 Feb 1996<br>GRANTED by the Minister for Mines on 20 Aug 1996"                                |
| 115. | Extension / Renewal of<br>Term KA305/956 | "Lodged 10:00:00 AM on 02 Feb 1996 for a further period of 5 Years<br>RECORDED 10:00 AM 02 Feb 1996"  |

|      | Dealing/Encumbrance                  | Description  |
|------|--------------------------------------|--|
|      |                                      | GRANTED by the Minister for Mines on 20 Aug 1996"  |
| 116. | Extension / Renewal of Term KA36/001 | "Lodged 3:05:00 PM on 17 Jan 2001 for a further period of 5 Years<br>RECORDED 3:05 PM 17 Jan 2001<br>GRANTED 3:05 PM 02 Mar 2001"                              |
| 117. | Extension / Renewal of Term KA36/012 | "Lodged 12:30 PM on 26 Oct 2001 for a further period of 5 Years<br>RECORDED 12:30 PM 26 Oct 2001<br>GRANTED by the Minister for State Development 07 Nov 2001" |
| 118. | Extension / Renewal of Term KA37/067 | Lodged 9:39:00 AM on 24 Nov 2006 applied for a period of 5 Years<br>RECORDED 9:39 AM 24 Nov 2006<br>GRANTED 8:30 AM 01 Dec 2006                                |
| 119. | Extension / Renewal of Term KA39/023 | "Lodged 9:50 AM on 12 Dec 2002 for a further period of 5 Years<br>RECORDED 9:50 AM 12 Dec 2002<br>GRANTED 8:30 AM 16 Dec 2002"                                 |
| 120. | Extension / Renewal of Term KA41/012 | "Lodged 11:40:00 AM on 21 Nov 2001 for a further period of 5 Years<br>RECORDED 11:40 AM 21 Nov 2001<br>GRANTED 8:30 AM 29 Nov 2001"                            |
| 121. | Extension / Renewal of Term KA41/034 | "Lodged 10:00:00 AM on 24 Oct 2003 for a further period of 5 Years<br>RECORDED 10:00 AM 24 Oct 2003<br>GRANTED 8:30 AM 28 Oct 2003"                            |
| 122. | Extension / Renewal of Term KA42/012 | "Lodged 9:45:00 AM on 23 Nov 2001 for a further period of 5 Years<br>RECORDED 9:45 AM 23 Nov 2001<br>GRANTED 10:00 AM 21 Dec 2001"                             |
| 123. | Extension / Renewal of Term KA42/056 | "Lodged 9:35:00 AM on 27 Mar 2006 applied for a period of 5 Years<br>RECORDED 9:35 AM 27 Mar 2006<br>GRANTED 8:30 AM 31 Mar 2006"                              |
| 124. | Extension / Renewal of Term KA43/056 | "Lodged 9:35:00 AM on 27 Mar 2006 applied for a period of 5 Years<br>RECORDED 9:35 AM 27 Mar 2006<br>GRANTED 8:30 AM 31 Mar 2006"                              |



|      | Dealing/Encumbrance                  | Description  |
|------|--------------------------------------|--|
| 125. | Extension / Renewal of Term KA44/056 | "Lodged 9:35:00 AM on 27 Mar 2006 applied for a period of 5 Years<br>RECORDED 9:35 AM 27 Mar 2006<br>GRANTED 8:30 AM 31 Mar 2006"                      |
| 126. | Extension / Renewal of Term KA44/989 | "Lodged 9:30:00 AM on 08 Oct 1998 for a further period of 5 Years<br>RECORDED 9:30 AM 08 Oct 1998<br>GRANTED by the Minister for Mines on 15 Oct 1998" |
| 127. | Extension / Renewal of Term KA47/978 | "Lodged 12:05:00 PM on 12 Dec 1997 for a further period of 5 years<br>RECORDED 12:05 PM 12 Dec 1997<br>GRANTED 11 Nov 1998"                            |
| 128. | Extension / Renewal of Term KA63/001 | "Lodged 10:05:00 AM on 21 Mar 2001 for a further period of 5 Years<br>RECORDED 10:05 AM 21 Mar 2001<br>GRANTED 28 May 2001"                            |
| 129. | Extension / Renewal of Term KA64/001 | "Lodged 10:05:00 AM on 21 Mar 2001 for a further period of 5 Years<br>RECORDED 10:05 AM 21 Mar 2001<br>GRANTED 28 May 2001"                            |
| 130. | Extension / Renewal of Term KA65/001 | "Lodged 10:05:00 AM on 21 Mar 2001 for a further period of 5 Years<br>RECORDED 10:05 AM 21 Mar 2001<br>GRANTED 28 May 2001"                            |
| 131. | Extension / Renewal of Term KA68/023 | "Lodged 9:40:00 AM on 14 Apr 2003 applied for a period of 5 Years<br>RECORDED 9:40 AM 14 Apr 2003<br>GRANTED 8:30 AM 28 Apr 2003"                      |
| 132. | Extension / Renewal of Term KA75/023 | "Lodged 10:00:00 AM on 08 May 2003 for a further period of 5 Years<br>RECORDED 10:00 AM 08 May 2003<br>GRANTED 12 May 2003"                            |
| 133. | Extension / Renewal of Term KA76/023 | "Lodged 10:00:00 AM on 08 May 2003 for a further period of 5 Years<br>RECORDED 10:00 AM 08 May 2003<br>GRANTED 12 May 2003"                            |
| 134. | Extension / Renewal of               | "Lodged on 23 Apr 1998 for a further period of 5 Years   |

|      | Dealing/Encumbrance                     | Description  |
|------|---|--|
|      | Term KA82/978                           | RECORDED 23 Apr 1998<br>GRANTED by the Minister for Mines on 11 Nov 1998"  |
| 135. | Extension / Renewal of<br>Term KA84/978 | "Lodged on 23 Apr 1998 for a further period of 5 Years<br>RECORDED 23 Apr 1998<br>GRANTED by the Minister for Mines on 25 Sep 1998"  |
| 136. | Extension / Renewal of<br>Term KA88/923 | "Lodged 10:00:00 AM on 12 Nov 1992 for a further period of 5 Years<br>RECORDED 10:00 AM 12 Nov 1992<br>GRANTED 19 Feb 1993"  |
| 137. | Extension of Time 238077                | "Lodged 13:01 PM on 19 Apr 2006 to extend time of lodgement of<br>Form 5 to 24 Apr 2006.<br>Approved on 19 Apr 2006"   |
| 138. | Extension of Time 241215                | "Lodged 4:06 PM on 15 Jun 2006 to extend the time to lodge a<br>statutory declaration in support of an exemption from expenditure<br>application KA579/056<br>Approved on 16 Jun 2006" |
| 139. | Extension of Time 280257                | "Lodged 9:00 AM on 13 Dec 2007 to lodge late advertisement<br>Approved by the Warden on 17 Dec 2007"   |
| 140. | Extension of Time 282355                | "Lodged on 21 Jan 2008 to lodge Security, serve Native Title<br>Claimants and lodge Sec 37(3) report.<br>Approved by the Warden on 21 Jan 2008"  |
| 141. | Extension of Time 315376                | "Lodged: 08:44 13 March 2009<br>Type: Exemption from Expenditure<br>RECORDED: 08:44 13 March 2009<br>APPROVED: 11:05 18 March 2009"  |
| 142. | Extension of Time 336331                | "Lodged: 09:07 09 December 2009<br>Type: Exemption from Expenditure<br>RECORDED: 09:07 09 December 2009<br>APPROVED: 08:45 11 December 2009"   |

|      | Dealing/Encumbrance      | Description   |
|------|--------------------------|---|
| 143. | Extension of Time 336335 | "Lodged: 09:07 09 December 2009<br>Type: Exemption from Expenditure<br>RECORDED: 09:07 09 December 2009<br>APPROVED: 16:30 09 December 2009"  |
| 144. | Extension of Time 336337 | "Lodged: 09:07 09 December 2009<br>Type: Exemption from Expenditure<br>RECORDED: 09:07 09 December 2009<br>APPROVED: 16:30 09 December 2009"  |
| 145. | Extension of Time 338141 | "Lodged: 15:31 06 January 2010<br>Type: Stat Dec<br>RECORDED: 15:31 06 January 2010<br>APPROVED: 08:14:02 07 January 2010<br>Extension of time until 13 January 2010 to lodge statutory declaration<br>in support of Application for Exemption No. 337265 & 337267"                                 |
| 146. | Extension of Time 338270 | "Lodged: 12:47 08 January 2010<br>Type: Stat Dec<br>RECORDED: 12:47 08 January 2010<br>APPROVED: 14:02:46 08 January 2010<br>Extension of time until 15 January 2010 to lodge statutory declaration<br>in support of Application for Exemption No. 337134"  |
| 147. | Extension of Time 346575 | "Lodged: 15:58 10 May 2010<br>Type: Stat Dec<br>RECORDED: 15:58 10 May 2010<br>Extension of time until 24 May 2010 to lodge statutory declaration in<br>support of Appln 344555 for exemption from expenditure condition for<br>the year ending 18 February 2010<br>APPROVED: 15:23:44 11 May 2010" |
| 148. | Extension of Time 466052 | "Lodged: 12:37 20 April 2015<br>Type: Form 5<br>RECORDED: 12:37 20 April 2015"  |

|      | Dealing/Encumbrance            | Description  |
|------|--------------------------------|--|
|      |                                | APPROVED: 12:34 21 April 2015<br>Time extended to 4 May 2015"  |
| 149. | Extension of Time 468096       | "Lodged: 14:53 25 May 2015<br>Type: Form 5<br>RECORDED: 14:53 25 May 2015<br>APPROVED: 12:17:59 26 May 2015<br>Time extended to 9 June 2015"                                     |
| 150. | Extension of Time 478065       | "Lodged: 10:46 30 November 2015<br>Type: Form 5<br>RECORDED: 10:46 30 November 2015<br>APPROVED: 15:11:57 30 November 2015<br>Time extended to 21 December 2015"                 |
| 151. | Extension of Time 487169       | "Lodged: 10:00 18 May 2016<br>Type: Form 5<br>RECORDED: 10:00 18 May 2016<br>APPROVED: 13:15:15 24 May 2016<br>Extension of time to 20 June 2016 to lodge Form 5."               |
| 152. | Extension of Time 502085       | "Lodged: 14:04:53 03 March 2017<br>Type: Form 5<br>RECORDED: 14:04:53 03 March 2017<br>APPROVED: 13:35:09 08 March 2017<br>Time extended to 17 March 2017 for year ending 2017." |
| 153. | Extension of Time<br>KA542/056 | "Lodged 10:15 AM on 03 May 2006 to lodge late Exemption from<br>Expenditure<br>Approved by the Warden on 04 May 2006"  |
| 154. | Fine 224710                    | "Penalties of \$300 imposed pursuant to Section 97(5)<br>Date Due: 03 Nov 2005 Date Paid: 02 Nov 2005<br>RECORDED 03 Oct 2005"   |
| 155. | Fine 224711                    | "Penalties of \$300 imposed pursuant to Section 97(5)  |

|      | Dealing/Encumbrance | Description  |
|------|---------------------|--|
|      |                     | Date Due: 03 Nov 2005 Date Paid: 02 Nov 2005<br>RECORDED 03 Oct 2005"  |
| 156. | Fine 226011         | "Penalties of \$3,300 imposed pursuant to section 97(5)<br>Date Due: 24 Nov 2005 Date Paid: 16 Nov 2005<br>RECORDED 28 Oct 2005"   |
| 157. | Fine 226013         | "Penalties of \$13,800 imposed pursuant to Section 97(5).<br>Date Due: 24 Nov 2005 Date Paid: 16 Nov 2005<br>RECORDED 28 Oct 2005"   |
| 158. | Fine 250582         | "Penalty of \$100 imposed pursuant to Section 97(5) for late lodgement<br>of Form 5.<br>Date Due: 06 Dec 2006 Date Paid: 06 Dec 2006<br>RECORDED 03 Nov 2006"                                  |
| 159. | Fine 250583         | "Penalty of \$100 imposed pursuant to section 97(5) for late lodgement<br>of Form 5.<br>Date Due: 06 Dec 2006 Date Paid: 13 Nov 2006<br>RECORDED 03 Nov 2006"                                  |
| 160. | Fine 268490         | "Penalty of \$1,515 imposed pursuant to section 97(5) for noncompliance<br>with the expenditure requirements.<br>Date Due: 19 Jul 2007 Date Paid: 05 Jul 2007<br>RECORDED 20 Jun 2007"         |
| 161. | Fine 268491         | "Penalty of \$2,459 imposed pursuant to section 97(5) for noncompliance<br>with the expenditure requirements.<br>Date Due: 19 Jul 2007 Date Paid: 05 Jul 2007<br>RECORDED 20 Jun 2007"         |
| 162. | Fine 326906         | "Fine in respect to: Forfeiture Process 322020<br>Fine reason: Non-compliance with expenditure obligations<br>Penalty amount: \$90.00<br>Notification date: 03/08/2009<br>Due date: 02/09/2009 |

|      | Dealing/Encumbrance | Description  |
|------|---------------------|--|
|      |                     | <p>Pursuant to: Section 97(5)<br/> RECORDED: 04 August 2009<br/> PAYMENT<br/> RECEIVED:<br/> 17 August 2009<br/> Receipt Number: 68526<br/> Amount: \$90.00<br/> Remaining<br/> balance:<br/> \$0.00<br/> FINALISED: 17 August 2009"</p>   |
| 163. | Fine 351223         | <p>"Fine in respect to: Forfeiture Process 345159<br/> Fine reason: Non-compliance with mineral exploration<br/> reporting provisions<br/> Penalty amount: \$180.00<br/> Notification date: 15/07/2010<br/> Due date: 16/08/2010<br/> Pursuant to: Section 97(5)<br/> RECORDED: 15 July 2010<br/> PAYMENT<br/> RECEIVED:<br/> 23 July 2010<br/> Receipt Number: 82123<br/> Amount: \$180.00<br/> Remaining<br/> balance:<br/> \$0.00<br/> FINALISED: 23 July 2010"</p> |
| 164. | Fine 351224         | <p>"Fine in respect to: Forfeiture Process 345159<br/> Fine reason: Non-compliance with mineral exploration<br/> reporting provisions</p>  |

|      | Dealing/Encumbrance | Description   |
|------|---------------------|---|
|      |                     | Penalty amount: \$180.00<br>Notification date: 15/07/2010<br>Due date: 16/08/2010<br>Pursuant to: Section 97(5)<br>RECORDED: 15 July 2010<br>PAYMENT<br>RECEIVED:<br>23 July 2010<br>Receipt Number: 82123<br>Amount: \$180.00<br>Remaining<br>balance:<br>\$0.00<br>FINALISED: 23 July 2010"   |
| 165. | Fine 351225         | "Fine in respect to: Forfeiture Process 345159<br>Fine reason: Non-compliance with mineral exploration<br>reporting provisions<br>Penalty amount: \$180.00<br>Notification date: 15/07/2010<br>Due date: 16/08/2010<br>Pursuant to: Section 97(5)<br>RECORDED: 15 July 2010<br>PAYMENT<br>RECEIVED:<br>23 July 2010<br>Receipt Number: 82123<br>Amount: \$180.00<br>Remaining<br>balance:<br>\$0.00<br>FINALISED: 23 July 2010" |

|      | Dealing/Encumbrance | Description   |
|------|---------------------|---|
| 166. | Fine 351227         | "Fine in respect to: Forfeiture Process 345159<br>Fine reason: Non-compliance with mineral exploration reporting provisions<br>Penalty amount: \$180.00<br>Notification date: 15/07/2010<br>Due date: 16/08/2010<br>Pursuant to: Section 97(5)<br>RECORDED: 15 July 2010<br>PAYMENT<br>RECEIVED:<br>23 July 2010"   |
| 167. | Fine 351228         | "Fine in respect to: Forfeiture Process 345159<br>Fine reason: Non-compliance with mineral exploration reporting provisions<br>Penalty amount: \$180.00<br>Notification date: 15/07/2010<br>Due date: 16/08/2010<br>Pursuant to: Section 97(5)<br>RECORDED: 15 July 2010<br>PAYMENT<br>RECEIVED:<br>23 July 2010<br>Receipt Number: 82123<br>Amount: \$180.00<br>Remaining balance:<br>\$0.00<br>FINALISED: 23 July 2010" |
| 168. | Fine 502588         | "Fine in respect to: Forfeiture Process 499855<br>Fine reason: Non-compliance with expenditure obligations<br>Penalty amount: \$90.00"  |



|      | Dealing/Encumbrance | Description  |
|------|---------------------|--|
|      |                     | <p>Notification date: 09/03/2017<br/> Due date: 13/04/2017<br/> Pursuant to: Section 97(5)<br/> RECORDED: 14 March 2017<br/> PAYMENT<br/> RECEIVED:<br/> 11 April 2017<br/> FINALISED: 11 April 2017<br/> Receipt Number: 01-029917<br/> Amount: \$90.00<br/> Remaining<br/> balance:<br/> \$0.00"</p>   |
| 169. | Fine 525245         | <p>"Fine in respect to: Forfeiture Process 521850<br/> Fine reason: Non-compliance with rent obligations<br/> Penalty amount: \$120.00<br/> Notification date: 19/03/2018<br/> Due date: 20/04/2018<br/> Pursuant to: Section 96(3)<br/> RECORDED: 12 March 2018<br/> PAYMENT<br/> RECEIVED:<br/> 13 April 2018<br/> FINALISED: 13 April 2018<br/> Receipt Number: EFT<br/> Amount: \$120.00<br/> Remaining<br/> balance:<br/> \$0.00"</p> |
| 170. | Fine 525247         | <p>"Fine in respect to: Forfeiture Process 521850<br/> Fine reason: Non-compliance with rent obligations</p>   |

|      | Dealing/Encumbrance | Description   |
|------|---------------------|---|
|      |                     | Penalty amount: \$120.00<br>Notification date: 19/03/2018<br>Due date: 20/04/2018<br>Pursuant to: Section 96(3)<br>RECORDED: 12 March 2018<br>PAYMENT<br>RECEIVED:<br>13 April 2018<br>FINALISED: 13 April 2018<br>Receipt Number: EFT<br>Amount: \$120.00<br>Remaining"  |
| 171. | Fine 97145          | "Penalty of \$40.00 imposed pursuant to Section 96(6)<br>Date Due: 01 Mar 2002 Date Paid: 15 Mar 2002<br>RECORDED 2:20 PM 30 Jan 2002<br>Penalty amount: \$40.00<br>Notification date: 30/01/2002<br>Due date: 01/03/2002<br>Pursuant to: Other - 96(6)<br>RECORDED: 30 January 2002<br>PAYMENT<br>RECEIVED:<br>15 March 2002<br>FINALISED: 12 July 2016" |
| 172. | Forfeiture 345159   | "Initiated: 13/04/2010 for non-compliance with reporting<br>requirements<br>RECORDED: 10:20:29 21 April 2010<br>Notice Issued: Regulation 50 Notice sent 13/04/2010 for noncompliance<br>with reporting requirements pursuant<br>to Sec 115A.<br>Compliance Date: 14/05/2010  |

|      | Dealing/Encumbrance           | Description  |
|------|-------------------------------|--|
|      |                               | FINALISED: Order by Minister on 09 July 2010 that Penalty Imposed"   |
| 173. | Forfeiture 499855             | "Initiated: 20/01/2017 for non-compliance with reporting requirements( Form 5 )<br>RECORDED: 15:10:40 18 January 2017<br>Notice Issued: Regulation 50 Notice sent 20/01/2017 for noncompliance with expenditure requirements pursuant to Reg 22/Sec 63A- late lodgement of Form 5.<br>Compliance Date: 24/02/2017<br>FINALISED: Order by Minister on 08 March 2017 that M 24/518 be Penalty Imposed" |
| 174. | Forfeiture 521850             | "Initiated: 02/02/2018 for non-compliance with rent requirements<br>RECORDED: 09:01:51 18 January 2018<br>Notice Issued: Regulation 50 Notice sent 02/02/2018 for noncompliance with rent requirements pursuant to Reg 109/Sec 96(2)- non payment of rent.<br>Compliance Date: 09/03/2018<br>FINALISED: Order by Warden on 09 March 2018 that Penalty Imposed"                                       |
| 175. | Mortgage - Transfer 1148H/989 | "Lodged 9:30:00 AM on 25 Feb 1999 of the full benefit of Mortgage 21H/989 to PERPETUAL TRUSTEE COMPANY LIMITED<br>REGISTERED 9:30 AM 25 Feb 1999"  |
| 176. | Mortgage - Transfer 862H/989  | "Lodged 10:20 AM on 06 Jan 1999 of the full benefit of Mortgage 9H/978 to BARCLAYS BANK PLC<br>REGISTERED 10:20 AM 06 Jan 1999"  |
| 177. | Mortgage - Transfer 863H/989  | Lodged 10:20 AM on 06 Jan 1999 of the full benefit of Mortgage 24H/978 to BARCLAYS BANK PLC<br>REGISTERED 10:20 AM 06 Jan 1999   |
| 178. | Mortgage 9H/978               | "Lodged 9:30 AM on 12 Sep 1997 in favour of CITISECURITIES LTD   |

|      | Dealing/Encumbrance                     | Description  |
|------|---|--|
|      |   | in respect to 50/100ths shares in the name of ENERGY OIL AND GAS NL<br>REGISTERED 9:30 AM 12 Sep 1997<br>Mortgage<br>Transfer:<br>862H/989 Registered 10:20 06 January 1999<br>New Mortgagee: BARCLAYS BANK PLC" |
| 179. | Objection KA22/890                      | "Lodged 12:50 PM on 08 Feb 1990 by BHP GOLD MINES LTD to application for forfeiture<br>REGISTERED 12:50 PM 08 Feb 1990<br>UPHELD 28 Feb 1990"  |
| 180. | Partial Surrender - Voluntary 1283H/967 | "Lodged 10:20:00 AM on 23 Apr 1997 for that portion shaded ""green"" on the plan attached to the partial surrender document<br>REGISTERED 10:20 AM 23 Apr 1997"  |
| 181. | Partial Surrender - Voluntary 2084H/978 | "Lodged 8:40:00 AM on 09 Apr 1998 for that portion marked areas A,B, & C on the plan attached to the partial surrender document<br>REGISTERED 10:00 AM 26 Jun 1998"  |
| 182. | Partial Surrender - Voluntary KA20/012  | "Lodged 2:00:00 PM on 21 Sep 2001 for that portion delineated on the plan attached to the partial surrender document<br>REGISTERED 2:00 PM 21 Sep 2001"  |
| 183. | Partial Surrender - Voluntary KA21/012  | "Lodged 2:00:00 PM on 21 Sep 2001 for that portion delineated on the plan attached to the partial surrender document<br>REGISTERED 2:00 PM 21 Sep 2001"  |
| 184. | Extension / Renewal of Term 635844      | Lodged: 14:16:53 15 November 2021<br>Applied For Period: 5 Years<br>RECORDED: 14:16:53 15 November 2021<br>GRANTED: 24 November 2021<br>Granted Period: 5 Years<br>Term Renewed To: 24/11/2026                   |

|      | Dealing/Encumbrance                | Description  |
|------|------------------------------------|--|
| 185. | Extension / Renewal of Term 634615 | Lodged: 11:09:02 25 October 2021<br>Applied For Period: 5 Years<br>RECORDED: 11:09:02 25 October 2021<br>GRANTED: 26 October 2021<br>Granted Period: 5 Years<br>Term Renewed To: 30/10/2026  |
| 186. | Extension / Renewal of Term 635843 | Lodged: 14:15:41 15 November 2021<br>Applied For Period:<br>5 Years<br>RECORDED: 14:15:41 15 November 2021   |
| 187. | Application to Amend 649613        | Lodged: 13:08:06 18 May 2022<br>Amending: Address (Including DTC Details)<br>From: Principal Place of Business: Enigma Mining Ltd, Same as Correspondence And DTC: Enigma Mining Ltd, Po Box 1126, Subiaco, WA, 6904<br><br>To: Principal Place of Business: Enigma Mining Ltd, Po Box 40, Duncraig, WA, 6023, wa@amets.com.au, 0456442853 And DTC: Enigma Mining Ltd, Australian Mining & Exploration Title Services Pty Ltd, Po Box 40, Duncraig, WA, 6023, wa@amets.com.au, 0456442853.<br><br>RECORDED: 13:08:06 18 May 2022 |

## SCHEDULE 2 – NATIVE TITLE CLAIMS & HERITAGE SEARCHES

**Table 1 – Native Title Claims**

| Native Title Claim   | TENEMENTS  | %<br>Overlap |
|--|--|--------------|
| Application Name: Maduwongga People<br>Tribunal Number: WC2017/001<br>Federal Court Number: WAD186/2017<br>Registration Date: 3/08/2017  | L27/55, L27/56, M24/547, M24/548, M24/549, M24/550, M25/75, M25/76, M25/77, M25/78, M27/189, L24/113, L24/140, L24/141, L24/142, L24/152, L24/153, L24/159, L24/167, L24/168, L24/185, L24/193, L24/194, L24/30, L24/76, M24/224, M24/389, M24/517, M24/518, M24/519, M24/520, M24/543, M24/544, P16/3349, P16/3347, E16/586, P16/3354, P16/3353, P16/3352, P16/3351, P16/3350, P16/3355 | 100%         |
| Application Name: Kakarra Part A<br>Tribunal Number: WC2020/005<br>Federal Court Number: WAD297/2020<br>Registration Date: 3/03/2021     | L27/55, L27/56, M25/77, M25/78, M27/189  | 100%         |
| Application Name: Kakarra Part A<br>Tribunal Number: WC2020/005<br>Federal Court Number: WAD297/2020<br>Registration Date: 3/03/2021     | M25/76   | 63.66%       |
| Application Name: Marlinyu Ghoorlie<br>Tribunal Number: WC2017/007<br>Federal Court Number: WAD647/2017<br>Registration Date: 28/03/2019 | M24/547, M24/548, M24/549, M24/550, M25/75, M25/76, L24/113, L24/140, L24/141, L24/142, L24/152, L24/153, L24/159, L24/167, L24/168, L24/185, L24/193, L24/194, L24/30, L24/76, M24/224, M24/389, M24/517, M24/518, M24/519, M24/520, M24/543, M24/544, P16/3349, P16/3347, E16/586, P16/3354, P16/3353, P16/3352, P16/3351, P16/3350, P16/3355  | 100%         |

### NATIVE TITLE DETERMINATIONS

The land under the Tenements as listed in Table 1 of Schedule 2 are subject to the relevant Native Title Determinations WAD186/2017, WAD647/20 and WAD297/2020 respectively and those native titles exist in relation to parts of the land the subject of those Tenements.

### ILUAs

The land the subject of the Tenements is not subject to any ILUAs.

### HERITAGE & COMPENSATION AGREEMENTS

None

### ABORIGINAL HERITAGE SITES – WESTERN AUSTRALIA

| REGISTERED SITE                    | AFFECTED TENEMENT/S | STATUS     | NAME         |
|------------------------------------|---------------------|------------|--------------|
| Aboriginal Registered Site ID: 480 | M 24/519            | Registered | CAWSE MINE 2 |

| REGISTERED SITE                      | AFFECTED TENEMENT/S | STATUS     | NAME                             |
|--------------------------------------|---------------------|------------|----------------------------------|
| Aboriginal Registered Site ID: 536   | M 24/519            | Registered | CAWSE MINE 1                     |
| Aboriginal Registered Site ID: 536   | M 24/389            | Registered | CAWSE MINE 1                     |
| Aboriginal Registered Site ID: 188   | M 24/543            | Registered | CAWSE FIND 03                    |
| Aboriginal Registered Site ID: 189   | M 24/543            | Registered | CAWSE FIND 04                    |
| Aboriginal Registered Site ID: 480   | M 24/543            | Registered | CAWSE MINE 2                     |
| Aboriginal Registered Site ID: 188   | L 24/193            | Registered | CAWSE FIND 03                    |
| Aboriginal Registered Site ID: 536   | L 24/193            | Registered | CAWSE MINE 1                     |
| Aboriginal Registered Site ID: 188   | L 24/168            | Registered | CAWSE FIND 03                    |
| Aboriginal Registered Site ID: 536   | L 24/168            | Registered | CAWSE MINE 1                     |
| Aboriginal Registered Site ID: 17750 | M 24/544            | Registered | CAWSE FIND 05                    |
| Aboriginal Registered Site ID: 17751 | M 24/544            | Registered | CAWSE FIND 06                    |
| Aboriginal Registered Site ID: 17752 | M 24/544            | Registered | CAWSE FIND 07                    |
| Aboriginal Registered Site ID: 17753 | M 24/544            | Registered | CAWSE FIND 08 /<br>CAWSE<br>TANK |
| Aboriginal Registered Site ID: 137   | M 27/189            | Registered | BLUES DAM 01                     |
| Aboriginal Registered Site ID: 15008 | M 27/189            | Registered | BLUES DAM 03                     |

## ABORIGINAL HERITAGE SURVEY AREAS

| SURVEY AREA  | AFFECTED TENEMENT/S | % overlap |
|--------------|---------------------|-----------|
| HSA 21691 1  | L24/113             | 94.08%    |
| HSA 21691 1  | L24/152             | 20.33%    |
| HSA 17376 1  | L24/167             | 99.84%    |
| HSA 21691 1  | L24/167             | 53.49%    |
| HSA 104374 1 | L24/168             | 9.94%     |
| HSA 104486 1 | L24/168             | 9.94%     |
| HSA 105589 2 | L24/168             | 0.54%     |
| HSA 105591 1 | L24/168             | 0.54%     |
| HSA 105592 1 | L24/168             | 0.54%     |
| HSA 17369 1  | L24/168             | 4.03%     |
| HSA 17376 1  | L24/168             | 8.61%     |

| SURVEY AREA  | AFFECTED TENEMENT/S | % overlap |
|--------------|---------------------|-----------|
| HSA 20606 1  | L24/168             | 0.54%     |
| HSA 21691 1  | L24/168             | 40.65%    |
| HSA 21691 1  | L24/185             | 100%      |
| HSA 104374 1 | L24/193             | 4.58%     |
| HSA 104486 1 | L24/193             | 4.58%     |
| HSA 105589 2 | L24/193             | 48.84%    |
| HSA 105591 1 | L24/193             | 48.84%    |
| HSA 105592 1 | L24/193             | 48.84%    |
| HSA 17369 1  | L24/193             | 1.85%     |
| HSA 17376 1  | L24/193             | 3.96%     |
| HSA 20606 1  | L24/193             | 48.84%    |
| HSA 21691 1  | L24/193             | 23.91%    |
| HSA 105589 2 | L24/194             | 61.95%    |
| HSA 105591 1 | L24/194             | 61.95%    |
| HSA 105592 1 | L24/194             | 61.95%    |
| HSA 20606 1  | L24/194             | 61.95%    |
| HSA 105639 1 | L24/224             | 3.32%     |
| HSA 21691 1  | L24/30              | 5.74%     |
| HSA 19223 1  | L27/55              | 100%      |
| HSA 19224 1  | L27/55              | 100%      |
| HSA 19224 2  | L27/55              | 8.66%     |
| HSA 200957 1 | L27/55              | 52.32%    |
| HSA 21773 1  | L27/55              | 100%      |
| HSA 19223 1  | L27/56              | 100%      |
| HSA 19224 1  | L27/56              | 0.86%     |
| HSA 19224 2  | L27/56              | 4.51%     |
| HSA 200957 1 | L27/56              | 95.67%    |
| HSA 21773 1  | L27/56              | 0.86%     |
| HSA 104374 1 | M24/389             | 40.30%    |
| HSA 104486 1 | M24/389             | 40.30%    |



| SURVEY AREA  | AFFECTED TENEMENT/S | % overlap |
|--------------|---------------------|-----------|
| HSA 17376 1  | M24/389             | 59.69%    |
| HSA 21691 1  | M24/389             | 90.07%    |
| HSA 104374 1 | M24/517             | 26.20%    |
| HSA 104486 1 | M24/517             | 26%       |
| HSA 17376 1  | M24/517             | 9.92%     |
| HSA 21691 1  | M24/517             | 9.31%     |
| HSA 104374 1 | M24/518             | 4.79%     |
| HSA 104486 1 | M24/518             | 4.79%     |
| HSA 17376 1  | M24/518             | 1.95%     |
| HSA 21691 1  | M24/518             | 1.95%     |
| HSA 104374 1 | M24/519             | 43.90%    |
| HSA 104486 1 | M24/519             | 43.90%    |
| HSA 17376 1  | M24/519             | 4.40%     |
| HSA 21691 1  | M24/519             | 27.35%    |
| HSA 17369 1  | M24/520             | 4.66%     |
| HSA 17376 1  | M24/520             | 3.27%     |
| HSA 21691 1  | M24/520             | 1.32%     |
| HSA 104374 1 | M24/543             | 2.82%     |
| HSA 104486 1 | M24/543             | 2.82%     |
| HSA 17369 1  | M24/543             | 8.50%     |
| HSA 17376 1  | M24/543             | 24.61%    |
| HSA 21691 1  | M24/543             | 53.16%    |
| HSA 104374 1 | M24/544             | 0.93%     |
| HSA 104486 1 | M24/544             | 0.93%     |
| HSA 17376 1  | M24/544             | 11.68%    |
| HSA 21691 1  | M24/544             | 48.92%    |
| HSA 105589 2 | M24/547             | 0.68%     |
| HSA 105591 1 | M24/547             | 0.68%     |
| HSA 105592 1 | M24/547             | 0.68%     |
| HSA 20606 1  | M24/547             | 0.68%     |

| SURVEY AREA  | AFFECTED TENEMENT/S | % overlap |
|--------------|---------------------|-----------|
| HSA 21691 1  | M24/547             | 1.38%     |
| HSA 105589 2 | M24/548             | 0.20%     |
| HSA 105591 1 | M24/548             | 0.20%     |
| HSA 105592 1 | M24/548             | 0.20%     |
| HSA 20606 1  | M24/548             | 0.20%     |
| HSA 21691 1  | M24/548             | 40%       |
| HSA 105589 2 | M24/549             | 1.22%     |
| HSA 105591 1 | M24/549             | 1.22%     |
| HSA 105592 1 | M24/549             | 1.22%     |
| HSA 20606 1  | M24/549             | 1.22%     |
| HSA 21691 1  | M24/549             | 54.58%    |
| HSA 19223 1  | M25/75              | 99.99%    |
| HSA 19224 1  | M25/75              | 8.22%     |
| HSA 19224 2  | M25/75              | 2.88%     |
| HSA 21773 1  | M25/75              | 8.22%     |
| HSA 105334 1 | M25/76              | <0.01%    |
| HSA 19223 1  | M25/76              | 99.99%    |
| HSA 19224 1  | M25/76              | 25.70%    |
| HSA 19224 2  | M25/76              | 2.61%     |
| HSA 21773 1  | M25/76              | 25.70%    |
| HSA 19223 1  | M25/77              | 99.99%    |
| HSA 19224 1  | M25/77              | 73.17%    |
| HSA 19224 2  | M25/77              | 2.93%     |
| HSA 21773 1  | M25/77              | 73.17%    |
| HSA 19223 1  | M25/78              | 99.99%    |
| HSA 19224 1  | M25/78              | 28.56%    |
| HSA 19224 2  | M25/78              | 3.92%     |
| HSA 21773 1  | M25/78              | 28.56%    |
| HSA 19223 1  | M27/189             | 100%      |
| HSA 19224 1  | M27/189             | 48.97%    |

| SURVEY AREA | AFFECTED TENEMENT/S | % overlap |
|-------------|---------------------|-----------|
| HSA 19224 2 | M27/189             | 3.47%     |
| HSA 21773 1 | M27/189             | 48.97%    |

### SCHEDULE 3 – PRIVATE LAND

| Tenement | % overlap | CERTIFICATE OF TITLE – VOLUME/FOLIO NUMBER (LAND LOTS) |
|----------|-----------|--|
| M25/75   | 0.63%     | Lot: 63 on DP255773<br>Certificate of Title: 212/138   |
|          | 0.02%     | Lot: 69 on DP222208<br>Certificate of Title: 121/183   |
|          | 0.02%     | Lot: 70 on DP222208<br>Certificate of Title: 121/183   |
|          | 0.02%     | Lot: 71 on DP222208<br>Certificate of Title: 121/184   |
|          | 0.02%     | Lot: 72 on DP222208<br>Certificate of Title: 121/184   |
|          | 0.02%     | Lot: 73 on DP222208<br>Certificate of Title: 121/185   |
|          | 0.02%     | Lot: 74 on DP222208<br>Certificate of Title: 121/185   |
|          | 0.02%     | Lot: 75 on DP222208<br>Certificate of Title: 121/185   |
| M25/76   | 0.01%     | Lot: 25 on DP222208<br>Certificate of Title: 103/157   |
|          | 0.01%     | Lot: 32 on DP222208<br>Certificate of Title: 110/185   |
|          | 0.50%     | Lot: 335 on DP254130<br>Certificate of Title: 213/122  |

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## **SCHEDULE 4 – MATERIAL CONTRACT SUMMARIES**

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The material terms of the agreements that give rise to the Company's interests in the Tenements are set out in Section 9.1 of the Prospectus.

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## ANNEXURE C – INDEPENDENT LIMITED ASSURANCE REPORT

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15 June 2022

The Directors  
Dragon Mountain Gold Limited  
182 Claisebrook Road  
PERTH WA 6000

Dear Directors,

## Investigating Accountant's Report

### Independent Limited Assurance Report on the historical and pro forma historical financial information of Dragon Mountain Gold Limited

We have been engaged by Dragon Mountain Gold Limited (the "Company") to report on the historical financial information and pro forma historical financial information of the Company/Group for inclusion in the Prospectus dated on or about 16 June 2022 in connection with the proposed offer to raise between \$1,500,000 ("Minimum Subscription") to \$4,000,000 ("Maximum Subscription") through the issue of between 75,000,000 to 200,000,000 fully paid ordinary shares at an issue price of \$0.02 per share in the Company.

Expressions and terms defined in the Prospectus have the same meaning in this report.

## Scope

### *Historical Financial Information*

You have requested Hall Chadwick Audit (WA) Pty Ltd (Hall Chadwick) to review the following historical financial information included in the Prospectus:

- the audited statement of profit or loss and other comprehensive income of Dragon Mountain Gold Limited for the financial years ended 30 June 2020 and 2021; and
- the reviewed half year report of Dragon Mountain Gold Limited for the period ended 31 December 2021.

The historical financial information has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principles contained in Australian Accounting Standards and the Company's adopted accounting policies. The historical financial information has been extracted from the audited financial statements of Dragon Mountain Gold Limited for the financial years ended 30 June 2020 and 2021; and its reviewed half year report for the period ended 31 December 2021, which were audited/reviewed by Crowe Perth in accordance with the Australian Auditing Standards. Crowe Perth issued unmodified audit opinions and review conclusion on these financial statements. The historical financial information is presented in the Prospectus in an abbreviated form, insofar as it does not include all the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act 2001.

### *Pro Forma Historical Financial Information*

You have requested Hall Chadwick to review the following pro forma historical financial information of the Group included in the Prospectus:

- the pro forma statement of profit or loss and other comprehensive income for the period ended 31 December 2021; and
- the pro forma statement of financial position as at 31 December 2021.

The pro forma historical financial information has been derived from the historical financial information of the relevant entities as at 31 December 2021, after adjusting for the effects of pro forma adjustments as follows:

- The minimum subscription for the Offer is 75,000,000 Shares at an issue price of \$0.02 per Share to raise \$1,500,000 before costs (Minimum Subscription);
- The issue of up to 200,000,000 Shares at an issue price of \$0.02 per Share to raise \$4,000,000 before costs, pursuant to the Public Offer (Maximum Subscription);
- Professional fees and Broker fees related to the Offer of \$217,824 ("Minimum Subscription") and \$375,209 ("Maximum Subscription");
- Converting of existing debts owing to entities controlled by Robert Gardner, a Director of the Company, totaling \$1,006,823 at a deemed issue price of \$0.02 per share pursuant to the signed Conversion Agreement; and
- Return of cash held in trust of \$233,000.

The stated basis of preparation is the recognition and measurement principles contained in Australian Accounting Standards applied to the historical financial information and the events and transactions to which the pro forma adjustments relate, as described in the financial information section of the Prospectus document, as if those events or transactions had occurred as at the date of the historical financial information. Due to its nature, the pro forma historical information does not represent the Company/Group's actual or prospective financial position or financial performance.

### **Directors' Responsibility**

The directors of the Company are responsible for the preparation of the historical financial information and pro forma historical financial information, including its basis of preparation and the selection and determination of pro forma adjustments made to the historical financial information and included in the pro forma historical information. This includes responsibility for its compliance with applicable laws and regulations and for such internal controls as the directors determine are necessary to enable the preparation of historical financial information and pro forma historical financial information that are free from material misstatement, whether due to fraud or error.



## **Our Responsibility**

Our responsibility is to express a limited assurance conclusion on the financial information based on the procedures performed and the evidence we obtained. We have conducted our engagement in accordance with the Standard on Assurance Engagement ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.

A review consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Accounting Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit or review report on any financial information used as a source of the financial information.

## **Conclusions**

### *Historical Financial Information*

Based on our review, nothing has come to our attention that causes us to believe that the historical financial information, as described in the financial information section of the Prospectus document, and comprising:

- the audited statement of profit or loss and other comprehensive income of Dragon Mountain Gold Limited for the financial years ended 30 June 2020 and 2021; and
- the reviewed half year report of Dragon Mountain Gold Limited for the period ended 31 December 2021

is not presented fairly, in all material aspects, in accordance with the stated basis of preparation, as described in the financial information section of the Prospectus document.

### *Pro Forma Historical Financial Information*

Based on our review, nothing has come to our attention that causes us to believe that the pro-forma historical financial information, as described in the financial information section of the Prospectus document, and comprising:

- the pro forma statement of profit or loss and other comprehensive income for the period ended 31 December 2021; and
- the pro forma statement of financial position as at 31 December 2021

is not presented fairly, in all material aspects, in accordance with the stated basis of preparation, as described in the financial information section of the Prospectus document.

## Restriction on Use

Without modifying our conclusions, we draw attention to the financial information section of the Prospectus document which describes the purpose of the financial information, being for inclusion in the Prospectus. As a result, the financial information may not be suitable for use for another purpose.

Hall Chadwick has consented to the inclusion of this assurance report in the Prospectus in the form and context in which it is included.

## Liability

### *Responsibility*

Consent to the inclusion of this Investigating Accountant's Report in the Prospectus in the form and context in which it appears has been given but should not be taken as an endorsement of the Company or a recommendation by Hall Chadwick of any participation in the share issue by any intending investors. At the date of this report our consent has not been withdrawn.

### *General Advice Limitation*

This Report has been prepared and included in the Prospectus to provide investors with general information only and does not take into account the objectives, financial situation or needs of any specific investor. It is not intended to take the place of professional advice and investors should not make specific investment decisions in reliance on this information contained in this Report. Before acting or relying on information, an investor should consider whether it is appropriate for their circumstances having regard to their objectives, financial situation or needs.


## Declaration of Interests

Hall Chadwick does not have any interest in the outcome of this transaction other than in the preparation of this Investigating Accountant's Report for which normal professional fees will be received.

Yours faithfully



**HALL CHADWICK AUDIT (WA) PTY LTD**  
ABN 42 163 529 682



**NIKKI SHEN**  
Director

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## APPLICATION FORM

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This Application Form is important. If you are in doubt as to how to deal with it, please contact your stockbroker or professional advisor without delay. You should read the Prospectus and any relevant supplementary Prospectus (if applicable), carefully before completing this Application Form. The Corporations Act prohibits any person from passing on this Application Form (whether in paper or electronic form) unless it is attached to or accompanies a complete and unaltered copy of the Prospectus and any relevant supplementary Prospectus (whether in paper or electronic form) for Dragon Mountain Gold Limited (**Company**).

$$\begin{array}{|c|c|} \hline & \\ \hline \end{array} \quad , \quad \begin{array}{|c|c|c|} \hline & & \\ \hline \end{array} \quad , \quad \begin{array}{|c|c|c|} \hline & & \\ \hline \end{array}$$

**A\$**  ,  ,  .

| Title or Company Name | Given Name(s) | Surname |
|-----------------------|---------------|---------|
|                       |               |         |

Joint Applicant 2 or Account Designation

Joint Applicant 3 or Account Designation

| Unit | Street Number | Street Name or PO Box/Other information |
|------|---------------|---|
|      |               |   |

| City/Suburb/Town   | State  | Postcode   |
|--|--|--|
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| Contact Name |  |  |  |  |  |  |  |  |  |  |  | Telephone Number - Business Hour |  |  |   |  |  |  |  |  |  |  |  |
|              |  |  |  |  |  |  |  |  |  |  |  | (                                |  |  | ) |  |  |  |  |  |  |  |  |

Enter your email address

**Account Number:** 124570005

- include the Applicant Name (i.e. the name specific in section **C** as a payment reference, and;
- forward a copy of the transfer receipt with your application.

**LODGEMENT OF APPLICATION FORMS**

All completed forms must be accompanied by the cheque (if payment not made by EFT) and lodged with the Company at the following address:

283 Rokeby Road  
Subiaco WA 6008

Or by email to

EMAIL: [jay.stephenson@foresthouse.com.au](mailto:jay.stephenson@foresthouse.com.au)

**By submitting this Application Form:**

- (a) I/we declare that this application is complete and lodged according to the Prospectus, and any relevant supplementary Prospectus, and the declarations/statements on the reverse of this Application Form;
  - (b) I/we declare that all details and statements made by me/us (including the declaration on the reverse of
  - (c) this Application Form) are complete and accurate; and
  - (d) I/we agree to be bound by the Constitution of the Company.
-