

CLAYTON UTZ

Fax

7 July 2022

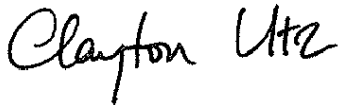
Market Announcements Office
ASX Limited, Sydney
1300 135 638

Dear Sir / Madam

ASIC Form 603 - Notice of Initial Substantial Holder

In accordance with section 671B of the Corporations Act 2001 (Cth), please see enclosed a Form 603 (Notice of Initial Substantial Holder) in relation to Mallee Resources Limited (ACN 124 943 728).

Yours sincerely



Timothy Sackar, Partner
+61 2 9353 4114
tsackar@claytonutz.com

Attach

Form 603
Corporations Act 2001
Section 671B

Notice of initial substantial holder

To Company Name/Scheme Mallee Resources Limited
ACN/ARSN 124 943 728

1. Details of substantial holder (1)

Hartree Metals Investments SARL (Hartree)

Name Hartree Partners, LP, Hartree International Holdings Limited, Hartree Metals LLC (each a Hartree Affiliated Entity and collectively the Hartree Affiliated Entities), Mr Stephen Hendel, Mr Stephen Semlitz and Mr Guy Merison (each a Hartree Founding Member and collectively the Hartree Founding Members) and investment funds managed by Oaktree Capital Management, L.P., and its affiliates and/or holding companies and related entities owned by such funds (Oaktree Entities).

ACN/ARSN (if applicable) N/A

The holder became a substantial holder on 5 July 2022

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Fully paid ordinary shares (Shares)	91,973,769	91,973,769	30.46%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Hartree	Relevant interest under section 608(1) of the <i>Corporations Act 2001</i> (Cth) (<i>Corporations Act</i>) as the registered holder of the shares pursuant to the Implementation Agreement attached as Annexure A.	91,973,769 Shares
Hartree Affiliated Entities, Hartree Founding Members and Oaktree Entities	Pursuant to section 608(3) of the <i>Corporations Act</i> , each Hartree Affiliated Entity, Hartree Founding Member and Oaktree Entity has a relevant interest in the Shares in which Hartree has a relevant interest, as referred to above.	91,973,769 Shares

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of Securities	Person entitled to be registered as holder (8)	Class and number of securities
Hartree, Hartree Affiliated Entities, Hartree Founding Members and Oaktree Entities	Hartree Metals Investments SARL	N/A	91,973,769 Shares

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
Hartree, Hartree Affiliated Entities, Hartree Founding Members and Oaktree Entities	5 July 2022	\$38,600,000.00	-	91,973,769 Shares

PL

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6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
N/A	N/A

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Hartree Metals Investments SARL	Rue du Rhone 8, 1204 Geneva, Switzerland
Hartree Partners, LP	1209 Orange Street, Wilmington, New Castle DE 19801, United States
Hartree International Holdings Limited	2nd Floor, Cardinal Place, 100 Victoria Street, London, SW1E 5JL
Hartree Metals LLC	Rue du Rhone 8, 1204 Geneva, Switzerland
Hartree Founding Members	1209 Orange Street, Wilmington, New Castle DE 19801, United States
Oaktree Entities	333 South Grand Ave., 28th Floor, Los Angeles, CA 90071

Signature

print name

PASCAL LAROCHE

capacity

Director

sign here

P/L

date

05/07/2022

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown."
- (9) Details of the consideration must include any and all benefits, moneys and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

Annexure A to Form 603 - Implementation Agreement

This is Annexure A referred to in the Form 603 (Notice of Initial Substantial Holder), signed by me and dated 5 July 2022.

A handwritten signature in black ink, appearing to be 'P. Larouche', written over a horizontal line.

Director
Pascal Larouche

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EXECUTION VERSION

Implementation Agreement

Hartree Metals LLC

Hartree

Mallee Resources Limited

MYL

Clayton Utz
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Sydney NSW 2000
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Implementation Agreement

Date 7 March 2022

Parties Hartree Metals LLC of Rue Rousseau 38 Ch-1201, Geneva, Switzerland (**Hartree**)
Mallee Resources Limited ACN 124 943 728 of Suite 1, 9 Havelock Street, West Perth WA 6005 (**MYL**)

Background

- A. Hartree and MYL have agreed to pursue a restructuring and recapitalisation of the Dundas Group (**Restructuring and Recapitalisation**).
- B. The Restructuring and Recapitalisation will be achieved by way of the DOCA, which provides for the matters set out in the deed of company arrangement proposal considered and approved by creditors of Allegiance at a second meeting of creditors of Allegiance held on 22 February 2022 (**Proposal**).
- C. In consideration for Hartree supporting the DOCA, Hartree and MYL agree to give effect to the transactions contemplated by this document (the **MYL Capitalisation Transactions**), which broadly provide for:
 - (a) the issue to Hartree or its Nominee of securities in MYL in accordance with clause 6;
 - (b) the provision by Hartree to MYL SPV of the Capex Facility in an amount of US\$20 million, which will be guaranteed by and secured:
 - (i) over all of the shares in MYL SPV;
 - (ii) over all of the assets of MYL SPV, OpCo and StaffCo; and
 - (iii) following completion of any required financial assistance whitewash procedures, over all of the assets of Allegiance, Zeemain and each other subsidiary of Allegiance including real property mortgages over all real property of any of them and mortgages over all mining leases; and
 - (c) entry into the MYL Offtake Agreement to apply to the go-forward business of Allegiance.
- D. The Restructuring and Recapitalisation and the MYL Capitalisation Transactions are together referred to in this document as the **Transaction**.
- E. The parties have agreed to implement the Transaction on the terms of this Agreement.

Operative provisions

1. Definitions and interpretation

1.1 Definitions

In this Agreement:

Agreement means the agreement constituted by this document and includes the Background and all Schedules and Attachments (as relevant).

Additional Shares Formula means:

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Current Cash Assumption	USD 23,500,000
Current Shares	= all MYL Shares as at the date of this Agreement on a fully diluted basis, excluding options with an exercise price of A\$0.65 or above
Hartree Shares	= the MYL Shares to be issued to Hartree (or its nominee) in the first step of issuance, being 42.857% of Current Shares
Cash Base	= Current Cash Assumption plus Outstanding Amount
Outstanding Amount Shortfall	= Outstanding Amount not received and repatriated from Myanmar by the date which is one month after Share Completion
Shortfall Ratio	= Outstanding Amount Shortfall / Cash Base
New Total Hartree Shares	= Hartree Shares / (1 - Shortfall Ratio)
Additional Hartree Shares	= New Total Hartree Shares - Hartree Shares

Allegiance means Allegiance Mining Pty Ltd (Receivers and Managers Appointed)(Administrators Appointed).

Application Form means the share application form set out in Attachment 2.

ASIC means the Australian Securities and Investments Commission.

Associate has the meaning given in sections 12 and 15 of the Corporations Act.

ASX means ASX Limited ABN 98 008 624 691 and, where the context requires, the financial market that it operates.

ASX Settlement Operating Rules means the operating rules of ASX Settlement Pty Ltd in its capacity as a clearing and settlement facility licensee.

AUD or A\$ means Australian Dollars.

Avebury Mine means the processing facility known as the "Avebury mine" located in Trial Harbour Road, Zeehan, Tasmania 7469, Australia.

Avebury Mine Works has the meaning given to that term in clause 7.

Current Cash Assumption means US\$23,500,000.

BJV means BJV Company Limited DICA 101730476.

Bright Mountain means Bright Mountain Pty Ltd ACN 624 159 879.

Bright Mountain Myanmar Bright Mountain Resources Myanmar Ltd DICA 100626608.

Business Day means a weekday on which banks are generally open for commercial banking business in Perth, Australia; Hobart, Australia; London, England, Geneva, Switzerland and New York, USA.

Capacity Warranty means the warranties set out in Part A of Schedule 1.

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Capex Facility means the cash advance facility in the amount of USD20,000,000 to be provided by Hartree to MYL SPV in accordance with clause 11 and the Capex Facility Documents.

Capex Facility Documents means:

- (a) a Subscription Agreement between (among others) Hartree (or its nominee) and MYL SPV which provides for the provision of the Capex Facility;
- (b) a Specific Security Deed given by MYL over all the shares in MYL SPV given by way of third party security for the obligations of the obligors under the Capex Facility and the MYL Offtake Agreement;
- (c) a General Security Deed granting security over all of the assets of MYL SPV, OpCo and StaffCo for all obligations owed by any of them to Hartree (or its nominee) including under the Capex Facility and the MYL Offtake Agreement;
- (d) following completion of any required financial assistance whitewash procedures, a General Security Deed granting security over all of the assets of Allegiance and each subsidiary of Allegiance for all obligations owed by any of them to Hartree (or its nominee) including under the Capex Facility and the MYL Offtake Agreement;
- (e) real property mortgages over all real property of any of the obligors and mortgages over all mining leases;
- (f) a Security Trust Deed entered into with a security trustee determined by Hartree; and
- (g) each other document specified as a finance document in the Subscription Agreement.

Claim means any claim, demand, legal proceedings or cause of action, including any claim, demand, legal proceedings or cause of action:

- (a) based in contract (including breach of Warranty);
- (b) based in tort (including misrepresentation or negligence);
- (c) under common law; or
- (d) under statute (including Part V or VI of the *Trade Practices Act 1974* (Cth)), or like provisions in any state or territory legislation.

Cash Payment equals $(30\% \times \text{Cash Base} - \text{Hartree Shareholding} \times (\text{Cash Base} - \text{Outstanding Amount Shortfall}) / (1 - \text{Hartree Shareholding}))$.

Commencement Date means the date of this Agreement.

Commissioning Date means the date on which the Avebury Mine produces its first saleable product.

Companies means:

- (a) Dundas;
- (b) Allegiance;
- (c) Winched Investment Pty Ltd (Receivers and Managers Appointed) (In Liquidation) ACN 616 834 676;
- (d) AGG Fortune Pty Ltd (Receivers and Managers Appointed) (In Liquidation) ACN 626 953 339; and
- (e) Colour Metal Pty Ltd (Receivers and Managers Appointed) (In Liquidation) ACN 619 459 675.

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Competing Proposal means any proposal, agreement, arrangement or transaction, received (whether by way of takeover bid, members' or creditors' scheme of arrangement, trust scheme, reverse takeover, shareholder approved acquisition or disposal, divestment, sell-down, capital reduction, buy-back, sale or purchase of shares, other securities or assets, assignment of assets and liabilities, incorporated or unincorporated joint venture, dual-listed company (or other synthetic merger), deed of company arrangement, any debt for equity arrangement, recapitalisation, refinancing or other transaction or arrangement) within the period from the Commencement Date to the End Date which, if completed, would result in a Third Party (either alone or together with any Associate):

- (a) directly or indirectly acquiring a Relevant Interest in, or having the right to acquire, a legal, beneficial or economic interest in, or control of, more than 20% of the MYL Shares or 100% of the issued share capital of either of MYL Subsidiary or Allegiance;
- (b) acquiring Control of MYL and/or Allegiance;
- (c) entering into an offtake arrangement in relation to Product produced from the Avebury Mine;
- (d) directly or indirectly acquiring or becoming the holder of, or otherwise acquiring or having a right to acquire, a legal, beneficial or economic interest in, or control of, all or a material (representing 20% or more of the value of MYL's total assets) part of MYL's and/or Allegiance's business, assets or undertakings or the business, assets or undertakings of the MYL Group or Allegiance;
- (e) otherwise directly or indirectly acquiring or merging with MYL or Allegiance; or
- (f) requiring Hartree to abandon, or otherwise fail to proceed with, the Transaction.

Each successive material modification or variation of any actual, proposed or potential Competing Proposal will constitute a new actual, proposed or potential Competing Proposal.

Completion Date means the date on which the Transaction is implemented.

Conditions means the conditions precedent set out in clause 3.1.

Conditions Date has the same meaning as "CP Satisfaction Date" under the DOCA.

Confidentiality Deed means the non-disclosure agreement between Hartree and MYL dated 17 December 2021.

Control has the meaning given in section 50AA of the Corporations Act.

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

Deed Administrators means Richard Tucker and John Bumbak in their capacity as joint and several deed administrators of Allegiance.

DOCA means the deed of company arrangement to be entered into between, amongst others, MYL, Hartree, Allegiance, Dundas and the Deed Administrators to give effect to the Proposal.

DOCA Effectuation Date has the same meaning as "Completion" under the DOCA.

Dundas means Dundas Mining Pty Ltd (Receivers and Managers Appointed)(In Liquidation).

Dundas Group means Dundas and Allegiance.

Duty means any stamp, transaction or registration duty or similar charge which is imposed by any Government Agency and includes any interest, fine, penalty, charge or other amount which is imposed in relation to that duty or charge.

End Date means the earlier of the Conditions Date and the date on which the Agreement is terminated in accordance with its terms.

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Equity Proportion means a fraction (expressed as a percentage), the numerator of which is the total number of MYL Shares held by Hartree or its Nominee, and the denominator of which is the total number of MYL Shares on issue at the relevant time.

Exclusivity Period has the meaning given to it in clause 8.1(a).

Existing Facility means the facility made available by Hartree to Dundas.

Existing Facility Agreement means the document entitled "Facility Agreement – Linked to Offtake – Avebury Mine" dated 20 July 2021 between Dundas as borrower, the Companies as guarantors and Hartree as financier as amended from time to time including pursuant to the First Amendment Deed dated 10 December 2021 and the amendments to give effect to the DOCA as contemplated in the Background.

General Meeting means the meeting of MYL Shareholders to consider and vote on the Transaction Resolutions and includes any meeting convened following any adjournment or postponement of that meeting.

Government Agency means any government or any governmental, semi-governmental or administrative department, entity, agency, authority, commission, corporation or body (including those constituted or formed under any statute) where the department, entity, agency, authority, commission, corporation or body is subject to the control or direction of any government in Australia.

Guidance Notes means all guidance notes published by ASX from time to time.

Hartree Information means all information regarding Hartree as is required to be included in the Meeting Documentation and Prospectus by:

- (a) the Listing Rules;
- (b) ASX policy (including applicable ASX Guidance Notes);
- (c) the Corporations Act and the *Corporations Regulations 2001* (Cth);
- (d) ASIC policy (including Regulatory Guides 74 and 228); and
- (e) any other applicable laws,

but excluding the Independent Expert Report, any opinion or statement regarding the tax impacts of the Transaction and any third party reports annexed to the Meeting Documents or Prospectus.

Hartree Shareholding means the Hartree shareholding in MYL following the issue of the Additional Hartree Shares in accordance with clause 6.2(a)(ii)A (as a percentage of total MYL Shares on a fully diluted basis excluding options with an exercise price of A\$0.65 or above).

Independent Expert means the independent expert in respect of the Transaction appointed by MYL.

Independent Expert Report means the report to be issued by the Independent Expert in connection with the Transaction, such report to be included in or to accompany the Meeting Documentation, and including any subsequent, updated or supplementary report, setting out the Independent Expert's opinion whether or not the Transaction is fair and reasonable in the context of the MYL Shareholders that are not associated with Hartree and the reasons for holding that opinion.

Insolvency Event means in relation to an entity:

- (a) the entity resolving that it be wound up or the making of an application or order for the winding up or dissolution of the entity, other than where the application or order (as the case may be) is set aside within 14 days;
- (b) a liquidator or provisional liquidator of the entity being appointed;
- (c) a court making an order for the winding up of the entity;
- (d) an administrator of the entity being appointed;

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- (e) the entity being or becoming unable to pay its debts when they fall due or is unable to pay its debts within the meaning of the Corporations Act;
- (f) the entity executing a deed of company arrangement;
- (g) a receiver, or a receiver and manager, being appointed in relation to the entity, or a substantial part, of the property, business or assets of the entity; or
- (h) something having a substantially similar effect to (a) to (g) happens in connection with that entity under the law of any jurisdiction.

Jinchuan means Jinchuan Group Limited.

Jinchuan Offtake Agreement means the Agreement for the Purchase and Sale of Nickel Concentrate between Allegiance and Jinchuan dated on or about 13 April 2006, as amended from time to time, including on 25 July 2008.

Listing Rules means the official listing rules of the ASX.

Locrian means Mallee Tas (Employment) Pty Ltd (formerly Locrian WA Pty Ltd ACN 638 795 374).

Loss means losses, liabilities, damages, costs, charges and expenses and includes taxes, duties and tax costs.

Meeting Documentation means the notice of meeting dispatched to MYL Shareholders in relation to the General Meeting, the explanatory memorandum and any other documentation or materials reasonably required to facilitate the General Meeting.

MYL Board means the board of directors of MYL.

MYL Capitalisation Transactions has the meaning given in the Background.

MYL Group means MYL and its Subsidiaries, including Allegiance on effectuation of the DOCA, and a reference to **MYL Group Member** or a **member of the MYL Group** is to MYL or any of its Subsidiaries.

MYL Information means information included in the Meeting Documentation and Prospectus (or in any update to the Meeting Documentation released by MYL and supplementary or replacement prospectus) by or on behalf of MYL other than:

- (a) Hartree Information;
- (b) the Independent Expert's Report and any annexures thereto, including any technical report or solicitor's report on title applicable to the Avebury Mine;
- (c) any report prepared by a third party included in, or annexed to, the Prospectus, including any accountant's report, technical report or solicitor's report on title;
- (d) any statement of the tax consequences of the Transaction and associated matters for MYL Shareholders on the letterhead of MYL's tax adviser as may be included in the Meeting Documentation.

MYL Offtake Agreement has the meaning given in clause 12.1(b).

MYL Seller has the meaning given in clause 12.1(b)(i).

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

MYL Shareholder means a person who is registered as the holder of a MYL Share in the MYL Share Register.

MYL Share Register means the register of members of MYL maintained in accordance with the Corporations Act.

MYL SPV means Mallee Tas (Operating) Pty Ltd (ACN 657 611 893).

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MYL SPV Group means MYL SPV and each of its Subsidiaries including Allegiance, OpCo and StaffCo.

MYL Subsidiary means:

- (a) BJV;
- (b) Bright Mountain;
- (c) Bright Mountain Myanmar; and
- (d) Locrian.

MYL Warranty means the warranties set out in Part B of Schedule 1.

New Product means any marketable base or precious metal concentrate other than the Product.

New MYL Shares means the MYL Shares to be issued and allotted to Hartree (or its Nominee) pursuant to the MYL Capitalisation Transactions, being 42.857% of all MYL Shares on issue as at the date of this Agreement on a fully diluted basis, excluding options with an exercise price of A\$0.65 or above.

Nominee means any Related Body Corporate of Hartree.

OpCo means Avebury (Operating) Pty Ltd (ACN 657 794 842), a wholly owned subsidiary of Allegiance incorporated to operate the business of the MYL SPV Group, the shares in which are intended to be transferred to MYL SPV following effectuation of the DOCA, which is intended to be appointed as "operator" of the Project following effectuation of the DOCA.

Offtake Agreement means document entitled "Sale and Purchase Agreement" dated 20 July 2021 between Hartree, Dundas and Allegiance Mining Pty Ltd (Receivers and Managers Appointed) (Administrators Appointed) as amended from time to time including pursuant to the document entitled "Amendment No. 1 to the Agreement dated 20 July 2021" dated 13 January 2022, which was terminated by Hartree on 20 February 2022.

Outstanding Amount means the amount of US\$12,237,000 which MYL is due to receive and repatriate from its former investment in Myanmar by the date that is one month following Share Completion.

Outstanding Amount Shortfall means that portion of the Outstanding Amount not received and repatriated from Myanmar by the date that is one month following Share Completion.

Payment Directions Deed means a Payment Directions Deed to be entered into between Hartree, Allegiance, the Deed Administrators and MYL to give effect to the payments required to be made under the DOCA on the DOCA Effectuation Date (which will provide for certain payments to be made directly by MYL and/or Hartree in repayment of the amounts owed to Hartree as contemplated by the DOCA).

Product has the meaning given in the Offtake Agreement and, for the purposes of the use of that term in the MYL Offtake Agreement, will incorporate only those modifications as are necessary to ensure workability with the terms of the MYL Offtake Agreement (once finalised).

Proposal has the meaning given to that term in paragraph B of the Background.

Prospectus means a prospectus to be prepared by MYL in connection with its re-compliance with Chapters 1 and 2 of the Listing Rules, if required by ASX.

Receivers means Nicholas Martin, Andrew Fielding and Duncan Clubb of BDO (Australia) Limited in their capacity as receivers and managers of the Dundas Group.

Regulatory Approvals means the approvals detailed in Conditions 3.1(a)(ii).

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Regulatory Guides means all regulatory guides published by ASIC and in force at the date of this Agreement.

Related Body Corporate has the meaning given in section 50 of the Corporations Act.

Related Entity has the meaning given in section 9 of the Corporations Act.

Relevant Interest has the meaning given in section 608 of the Corporations Act.

Representative means a director, officer, employee, agent, auditor, adviser, partner, consultant, joint venturer, contractor or sub-contractor of a party or of any related body corporate (as defined under the Corporations Act) of that party.

Restructuring Document means this Agreement, the DOCA, and all documents, agreements and instruments necessary or desirable to implement or consummate the Transaction in accordance with this Agreement.

Share Completion means completion of the issue of the New MYL Shares in accordance with clause 6.1, and the fulfilment of the obligations of MYL under clause 6.5 of this Agreement, by MYL to Hartree (or its Nominee) in accordance with this Agreement.

Shortfall Raising means an equity raising undertaken by MYL in accordance with clause 6.2(a)(i).

StaffCo means Avebury (Staff) Pty Ltd (ACN 657 794 566), a wholly owned subsidiary of Allegiance incorporated to employ all of the employees of the MYL SPV Group (including existing employees of Dundas and such other persons as are employed in respect of the Project either before or after effectuation of the DOCA), the shares in which are intended to be transferred to MYL SPV following effectuation of the DOCA.

Standard Tax Conditions means the conditions set out in section D of the Foreign Investment Review Board Guidance Note 12 (or any other replacement or substitute taxation conditions that may be issued by the Treasurer from time to time).

Subscription Date means that date of completion of the issue of the New MYL Shares in accordance with clause 6.1, and fulfilment of the obligations of MYL pursuant to clause 6.5 of this Agreement, by MYL to Hartree (or its Nominee) in accordance with this Agreement.

Tenements has the meaning given in the Existing Facility Agreement.

Tax means any tax, levy, impost, Duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

Third Party means a person other than a party to this Agreement.

Timetable means the indicative timetable for implementation of the Transaction attached to this Agreement at Attachment 1, or any amended timetable as agreed by the parties from time to time.

Transaction has the meaning given in the Background.

Transaction Resolutions means the:

- (a) the Section 611 Resolution (Dundas);
- (b) the Listing Rule 10.1 Resolution (if required by ASX);
- (c) the Listing Rule 11.1.2 Resolution;
- (d) the Section 260B Resolution; and
- (e) the Section 611 Resolution (Hartree).

USD or US\$ means United States Dollars.

Warranty means each of the warranties detailed in Schedule 1.

Zeemain means Zeemain Pty Ltd ACN 110 082 418.

1.2 Interpretation

In this Agreement headings are for convenience only and do not affect interpretation and, unless the contrary intention appears:

- (a) a word importing the singular includes the plural and vice versa, and a word of any gender includes the corresponding words of any other gender;
- (b) the word **including** or any other form of that word is not a word of limitation;
- (c) if a word or phrase is given a defined meaning, any other part of speech or grammatical form of that word or phrase has a corresponding meaning;
- (d) a reference to a **person** includes an individual, the estate of an individual, a corporation, an authority, an association or parties in a joint venture, a partnership and a trust;
- (e) a reference to a party includes that party's executors, administrators, successors and permitted assigns, including persons taking by way of novation and, in the case of a trustee, includes any substituted or additional trustee;
- (f) a reference to a document (including this Agreement) is to that document as varied, novated, ratified or replaced from time to time;
- (g) a reference to a party, clause, schedule, exhibit, attachment, or annexure is a reference to a party, clause, schedule, exhibit, attachment, or annexure to or of this Agreement, and a reference to this Agreement includes all schedules, exhibits, attachments, and annexures to it;
- (h) a reference to an agency or body if that agency or body ceases to exist or is reconstituted, renamed or replaced or has its powers or function removed (**obsolete body**), means the agency or body which performs most closely the functions of the obsolete body;
- (i) a reference to a statute includes any regulations or other instruments made under it (**delegated legislation**) and a reference to a statute or delegated legislation or a provision of either includes consolidations, amendments, re-enactments and replacements;
- (j) a reference to **\$** or **dollar** is to Australian currency;
- (k) if a word or phrase is not given a defined meaning in clause 1.1 but is defined in or for the purposes of the Corporations Act, it has the same meaning when used in this Agreement;
- (l) a reference to a date or time is to that date or time in Sydney, Australia; and
- (m) this Agreement must not be construed adversely to a party just because that party prepared it or caused it to be prepared.

1.3 Knowledge and awareness

A reference in this Agreement to a party's awareness or knowledge (in any grammatical form) will be taken to include all matters, facts and circumstances of which the relevant party or any officer or senior executive of the party is actually aware of or should reasonably have been aware had such persons made due and proper enquiries.

2. Consideration

Each party acknowledges that it has received valuable consideration for entering into this Agreement.

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3. Conditions Precedent

3.1 Conditions Precedent to Transaction

Clauses 6, 11, 12, and 14 of this Agreement do not become binding on the parties unless and until each of the following Conditions is satisfied or waived by the time indicated to the extent and in the manner set out in this clause 3:

- (a) by no later than the Conditions Date:
 - (i) **DOCA:** the DOCA Effectuation Date has occurred;
 - (ii) **Regulatory Approvals - ASIC and ASX:** ASIC and the ASX issue or provide all consents or approvals (if required), and do all other acts, necessary to implement the Transaction and such consents, approvals or other acts (as the case may be) have not been withdrawn, suspended or revoked, which for the avoidance of doubt does not include such approvals as are required in order for MYL to re-comply with Chapters 1 and 2 of the ASX Listing Rules;
 - (iii) **MYL Offtake Agreement:** the parties have entered into the MYL Offtake Agreement;
 - (iv) **Capex Facility Documents:** the parties have entered into the Capex Facility Documents;
 - (v) **FIRB:** either:
 - A. Hartree has received a written notice under the Foreign Acquisitions and Takeovers Act 1975 (Cth) (**FATA**), by or on behalf of the Treasurer of the Commonwealth of Australia, stating that the Commonwealth Government does not object to the subscription by Hartree for the New MYL Shares, any additional MYL Shares and to the application of the moneylending exemption pursuant to the Transaction, either unconditionally or on terms that Hartree reasonably considers to be acceptable (including the Standard Tax Conditions or such other conditions that are reasonably acceptable to Hartree);
 - B. the Treasurer of the Commonwealth of Australia becomes precluded from making an order under Division 2 of Part 3 of the FATA in relation to the subscription by Hartree for the New MYL Shares, any additional MYL Shares and to the application of the moneylending exemption pursuant to the Transaction and the subscription by Hartree of the New MYL Shares is not prohibited under the FATA; or
 - C. if an interim order is made under FATA in respect of the subscription by Hartree for the New MYL Shares, any additional MYL Shares and to the application of the moneylending exemption, the subsequent period for making a final order prohibiting the subscription for the New MYL Shares, any additional MYL Shares and the application of the moneylending exemption elapses without a final order being made.
 - (vi) **MYL Shareholder Approvals:** the MYL Shareholders approving all resolutions required by the Corporations Act and Listing Rules (or any other applicable law or regulation) at the General Meeting to implement the Transaction, including, but not limited to, for the purposes of:
 - A. item 7 of section 611 of the Corporations Act to enable MYL to issue New MYL Shares and any additional MYL Shares to Hartree (**Section 611 Resolution (Hartree)**);
 - B. if required by ASX, Listing Rule 10.1 for the entry of MYL and MYL SPV and each other obligor expressed to be a party thereto into the Capex Facility Documents and to grant a

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security interest to Hartree in connection therewith and in connection with the Offtake Agreement (**Listing Rule 10.1 Resolution**);

- C. Listing Rule 11.1.2 to enable MYL to make a significant change to the nature and scale of its activities as a result of the Transaction (**Listing Rule 11.1.2 Resolution**);
- D. Item 7 of section 611 of the Corporations Act for the issue of MYL Shares to the liquidators of Dundas in accordance with the Proposal (**Section 611 Resolution (Dundas)**); and
- E. section 260B and 260B(3) of the Corporations Act to enable the giving of financial assistance in connection with the Transaction (**Section 260B Resolution**).

3.2 Reasonable endeavours to fulfil

- (a) Each party must, to the extent it is within its power to do so, use its reasonable endeavours to procure that:
 - (i) the Conditions that are within its control or the control of its Related Entities are satisfied as soon as practicable after the Commencement Date and continue to be satisfied at all times until the last time that the relevant clause provides that it is to be satisfied;
 - (ii) there is no occurrence within its control or the control of any of its Related Entities that would prevent any of the Conditions, which it must use reasonable endeavours to satisfy, being or remaining satisfied; and
 - (iii) all actions that are within its control or the control of its Related Entities is taken to ensure the actions required by the Timetable are taken within the time period specified therein.
- (b) Without limiting clause 3.2(a) and for the avoidance of doubt MYL must, to the extent it is within its power to do so, use reasonable endeavours to procure that each of the Conditions in clauses 3.1(a)(ii) (Regulatory Approvals - ASIC and ASX) and 3.1(a)(vi) (MYL Shareholding Approvals) are satisfied.
- (c) Hartree must, to the extent it is within its power to do so, use reasonable endeavours to procure that the Condition in clause 3.1(a)(v) (FIRB) is satisfied.
- (d) Each party must, to the extent it is within their power to do so, use its reasonable endeavours to procure that the Condition in clause 3.1(a)(i) (DOCA) is satisfied.

3.3 Waiver of Conditions

The Conditions in clause 3.1(a) cannot be waived without the consent of all parties to this Agreement.

3.4 Termination for failure of Conditions

- (a) If there is an event or occurrence that would, or does, prevent any of the Conditions being satisfied by the Conditions Date, the parties must consult in good faith to:
 - (i) consider and, if agreed, determine whether the Transaction may proceed by way of alternative means or methods; and
 - (ii) consider and, if agreed, extend the relevant date or Conditions Date.
- (b) If the parties are unable to reach agreement under paragraph (a):
 - (i) within five Business Days of becoming aware of the relevant event or occurrence that would, or does, prevent a Condition being satisfied; or
 - (ii) if earlier, by the Conditions Date,

as appropriate, then unless that Condition has not been waived in accordance with clause 3.3, either party may terminate this Agreement without any liability to the other party because of that termination. However, a party may not terminate this Agreement pursuant to this clause 3.4(b) if the relevant occurrence or event or the

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failure of the Condition to be satisfied arises out of a breach by that party of clause 3.2.

- (c) Subject to any rights or obligations arising under or pursuant to clauses that are expressed to survive termination and subject to clause 15, on termination of this Agreement, no party shall have any rights against or obligations to any other party under this Agreement except for those rights and obligations which accrued prior to termination. For the avoidance of doubt, Hartree acknowledges and agrees that the Project is currently under the control of the Receivers and that MYL shall not be liable in respect of any activities undertaken by the Receivers in respect of the Project prior to the End Date, irrespective of whether MYL or representatives of MYL was involved in discussions with respect to those activities.
- (d) In circumstances where MYL has reason to believe it will not be able to satisfy the Conditions before the Conditions Date, MYL will:
 - (i) notify Hartree of the relevant circumstances in relation to the non-satisfaction or anticipated non-satisfaction of the relevant Condition as soon as it becomes aware of such non-satisfaction or anticipated non-satisfaction; and
 - (ii) work in good faith with Hartree to seek an extension of the "CP Satisfaction Date" and/or the "MYL Approval Date" (each as defined in the DOCA) from the Deed Administrators under the DOCA.
- (e) Subject to the parties' compliance with clause 3.4(d), Hartree acknowledges and agrees that, in the event the Conditions are not satisfied or waived by the Conditions Date, or the Conditions become incapable of being satisfied, and subject to MYL providing Hartree with all assistance necessary to facilitate a transition to Hartree as the Deed Proponent (as defined under the DOCA), Hartree will consummate the Restructuring and Recapitalisation without MYL's involvement in accordance with the terms of the DOCA and MYL will have no obligation to proceed with the Transaction pursuant to this Agreement or any other agreement entered into in connection with the matters contemplated by the Transaction unless otherwise agreed by the Parties under the DOCA.

4. Agreement to proceed with the Transaction

4.1 Implementation and Timetable

- (a) Each party agrees to implement the Transaction on and subject to the terms and conditions of this Agreement and the DOCA.
- (b) Each party must use reasonable endeavours to progress the Transaction in accordance with the Timetable.

4.2 MYL's obligations

MYL must:

- (a) **(Meeting Documentation)** as soon as practicable prepare the Meeting Documentation in accordance with all applicable laws and dispatch the Meeting Documentation to MYL Shareholders;
- (b) **(Independent Expert)** for the purposes of the Meeting Documentation, MYL must promptly engage an independent expert to prepare a report in accordance with the Corporations Act and ASIC Regulatory Guide 74 including as to whether the proposed issue of New MYL Shares and any additional MYL Shares is "fair and reasonable" in the context of the interests of the MYL Shareholders and provide all assistance and information reasonably required by the Independent Expert;
- (c) **(Other expert reports)** for the purposes of the Meeting Documentation and the Prospectus MYL must promptly engage any other independent expert or third party required to prepare a report in connection with the Meeting Documents or Prospectus (including any accountant's report, technical report, solicitor's report on title or similar);

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- (d) **(Requirements of Meeting Documentation)** in the Meeting Documentation and in any public announcements released by MYL to the ASX, each MYL Board member must (to the extent they are entitled, including having regard (acting reasonably) to their fiduciary and other duties as directors, to provide a recommendation) unanimously recommend to MYL Shareholders the approval of the issue of the New MYL Shares and any additional MYL Shares and must not withdraw that recommendation unless required by law or the terms of the Agreement;
- (e) **(Consultation in relation to Meeting Documentation)** consult with Hartree (noting that MYL has ultimate discretion with respect to the preparation, content and presentation of the Meeting Documentation other than as expressly provided in this Agreement with respect to the Hartree Information and the Independent Expert's Report) as to the content and presentation of the Meeting Documentation including:
 - (i) allowing Hartree a reasonable opportunity to review and make comments on the draft Meeting Documentation;
 - (ii) taking any reasonable comments made by Hartree into account in good faith when producing a revised draft of the Meeting Documentation;
 - (iii) obtaining Hartree's written consent to the inclusion of the Hartree Information (including in respect of the form and context in which the Hartree Information appears in the Meeting Documentation) such consent not to be unreasonably withheld; and
 - (iv) during the period until the Hartree Information (or any information solely derived from, or prepared solely in reliance on, the Hartree Information) becomes publicly available, only use that information with the prior written consent of Hartree;
- (f) **(ASIC review)** if required by the Corporations Act or suggested by Regulatory Guidance, as soon as reasonably practicable provide an advanced draft of the Meeting Documentation to ASIC, for its review and comment, and to Hartree and:
 - (i) liaise with ASIC as necessary and to the extent reasonably practicable; and
 - (ii) keep informed and consult with Hartree in relation to any matters raised by ASIC in connection with the Meeting Documentation or the Transaction and any presentation or submission to, or at any proposed meeting with, ASIC, and cooperate and consult with Hartree to resolve any such matters;
- (g) **(ASX review)** if required by the Listing Rules, as soon as reasonably practicable provide an advanced draft of the Meeting Documentation to ASX for its review and comment and:
 - (i) liaise with ASX as necessary and to the extent reasonably practicable; and
 - (ii) keep informed and consult with Hartree in relation to any matters raised by ASX in connection with the Meeting Documentation and cooperate and consult with Hartree to resolve any such matters;
- (h) **(Approval of Meeting Documentation)** procure that a meeting of the MYL Board is convened to approve the Meeting Documentation for review and comment by ASIC (as applicable) and despatch to the MYL Shareholders;
- (i) **(Due diligence and verification)** undertake appropriate due diligence and verification processes in relation to the Meeting Documentation and the Prospectus (other than information that is not MYL Information);
- (j) **(Update Meeting Documentation)** for the period from dispatch of the Meeting Documentation until the date of the General Meeting, promptly provide to ASX any information that arises after the Meeting Documentation has been despatched that is necessary so that the Meeting Documentation does not contain any material statement that is false or misleading in a material respect including because of any material omission from that statement;

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- (k) **(Re-compliance)** as soon as reasonably practicable following the DOCA Effectuation Date, MYL shall undertake such actions, including preparation of a Prospectus if required by ASX, as are necessary to seek a re-compliance with Chapters 1 and 2 of the ASX Listing Rules;
- (l) **(Update Prospectus)** for the period from lodgement of the Prospectus with ASIC until the closing date of any offer under the Prospectus, promptly lodge a supplementary or replacement prospectus that is necessary so that the Prospectus does not contain any material statement that is false or misleading in a material respect including because of any material omission from the Prospectus;
- (m) **(ASX listing)** not do anything to cause MYL to cease to be admitted to the ASX until the Completion Date;
- (n) **(Compliance with laws)** comply with applicable laws and regulations in connection with the Transaction and its business;
- (o) **(Respond to requests)** respond promptly to all reasonable requests for information from Hartree in relation to the status and expected timing for satisfaction of the Conditions and compliance with its obligations under clause 6.2 (*Outstanding Amount*);
- (p) **(Keep Hartree informed)** promptly inform Hartree if it becomes aware from the date of despatch of the Meeting Documentation to MYL Shareholders until the Completion Date on any events or circumstances that have the prospect of impacting the Transaction; and
- (q) **(Other things)** promptly do all other things contemplated by or necessary to give effect to the Transaction.

4.3 Hartree's obligations

Hartree must:

- (a) **(Review Meeting Documentation)** review the drafts of the Meeting Documentation and Prospectus provided by MYL and provide comments on those drafts promptly and in good faith;
- (b) **(Independent Expert)** Hartree must promptly provide any information the Independent Expert or any advisor preparing reports in connection with the Meeting Documents or Prospectus may request including information about Hartree or the Nominee, their respective interests in MYL Shares and those of their associates and their intentions regarding MYL and its assets and operations;
- (c) **(Approval of Hartree Information)** as soon as reasonably practicable after receipt from MYL of the draft of the Meeting Documentation that MYL proposes to dispatch to the MYL Shareholders and Prospectus that MYL proposes to lodge with ASIC, confirm to MYL that the Hartree Information in the form and context in which it appears in the Meeting Documentation and Prospectus is not misleading or deceptive and does not contain any material omission and is in a form appropriate for dispatch to the MYL Shareholders; and
- (d) **(Other things necessary)** promptly do all other things reasonably within its power to lawfully give effect to the Transaction.

4.4 Responsibility statement

To the extent necessary, the Meeting Documentation and Prospectus will contain a responsibility statement to the effect that:

- (a) Hartree is responsible for the Hartree Information contained in the Meeting Documentation;
- (b) MYL is responsible for the MYL Information contained in the Meeting Documentation; and
- (c) the Independent Expert is responsible for the Independent Expert's Report.

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5. Support for the Transaction

5.1 Parties to take all actions

Until the End Date:

- (a) the parties shall promptly take all actions required to be taken in accordance with this Agreement or which is reasonably requested by Hartree or MYL to take in connection with the Transaction, but solely to the extent such action is not inconsistent with the terms of this Agreement, including the following:
 - (i) supporting, facilitating, implementing, consummating or otherwise giving effect to the Transaction;
 - (ii) MYL Group making their relevant books, records and other financial information available to Hartree and providing Hartree, or its advisers, representatives or agents with reasonable access to their respective officers and employees and with their respective independent certified public accountants and their advisors;
 - (iii) executing any document and giving any notice, order, instruction or direction required in accordance with this Agreement or which is necessary to support, facilitate, implement, consummate or otherwise give effect to the Transaction;
 - (iv) fully supporting the Transaction;
 - (v) subject to provisions of this Agreement, preparing, executing and delivering the Restructuring Documents to which they are required to be a party;
 - (vi) taking all steps and actions required to be taken pursuant to, or which are reasonably necessary in accordance with, this Agreement or any other Restructuring Document;
 - (vii) preparing and filing any legal process or proceedings required to implement the Transaction as contemplated by this Agreement or any Restructuring Document including, without limitation, in relation to applications to relevant Regulators or Government Agencies or any other analogous proceedings or steps contemplated by this Agreement and taking all necessary steps and actions relating thereto; and
 - (viii) providing other necessary instructions to Hartree's legal counsel and MYL's legal counsel;
- (b) the parties shall not:
 - (i) take, encourage, assist or support (or procure that any other person takes, encourages, assists or supports) any action, compromises, arrangements, applications or proceedings which would, or would reasonably be expected to, breach or be inconsistent with this Agreement taken as a whole;
 - (ii) vote for or commit to any alternative restructuring or refinancing that is inconsistent with this Agreement; or
 - (iii) frustrate, delay or prevent any step required by this Agreement or delay, impede or prevent the implementation or consummation of the Transaction, including opposing the making of any temporary restraining order, or other similar injunctive relief, necessary or desirable to implement or consummate, the Transaction,

provided that Hartree and MYL shall retain their respective rights and discretion under clause 15 (*Termination*) and subject to clause 8 (*Exclusivity*) and that nothing in this clause shall detract from any officer of MYL or Hartree complying with their fiduciary and statutory duties owed to their respective shareholders.

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6. Equity Issuance

6.1 Subscription and issue

Hartree (or its Nominee) has agreed to subscribe for, and MYL has agreed to issue Hartree (or its Nominee), the New MYL Shares on the terms and conditions set out in this Agreement.

6.2 Outstanding Amount

- (a) If MYL has not received all or part of the Outstanding Amount by the date which is one month after Share Completion, and subject to the completion of the Transaction having occurred, Hartree (or its Nominee) will be issued additional MYL Shares in accordance with the clauses below:
- (i) MYL will endeavor to complete an equity raising of not less than the equivalent of the Outstanding Amount Shortfall not later than two months after the Share Completion and will issue Hartree (or its Nominee) that number of additional MYL Shares for nil consideration which maintains for Hartree (or its Nominee) an interest in MYL equivalent to a 30% Equity Proportion, it being acknowledged that the issue of MYL Shares for nil consideration applies only to the extent MYL Shares are issued to the extent funds are raised in respect of the Outstanding Amount Shortfall and if additional funds are raised by MYL any additional issue of MYL Shares to Hartree to retain a 30% Equity Proportion will be issued at the same price as MYL Shares are issued to all other participants in the equity raising. If MYL issues MYL Shares before the date which is one month after the Share Completion, the Outstanding Amount Shortfall shall be calculated once and for all at that date; or
- (ii) if MYL does not complete the Shortfall Raising for any reason whatsoever by the date which is two months after the date of Share Completion, MYL will (at its election):
- A. immediately issue the Additional Hartree Shares to Hartree according to the Additional Shares Formula;
- B. immediately pay to Hartree the Cash Payment; or
- C. undertake a combination of paragraphs A and B above,
- so that the cash backing of MYL's position (including amounts contributed by MYL pursuant to the terms of the DOCA, which shall include any amounts paid or payable by MYL under the terms of the DOCA) following the Share Completion as per clause 6.2(a) above is equal to 30% of the sum of the Current Cash Assumption and the Outstanding Amount; and
- (b) In the event MYL completes an equity raising as per clause 6.2(a)(i), but for an amount less than the shortfall, clause 6.2(a)(ii) will be adjusted to take into account any amounts raised.
- (c) MYL shall make all payments of cash and shall issue all MYL Shares in this clause 6.2 without making any deduction or withholding for Tax unless such deduction or withholding is required by law.
- (d) The parties agree that any issuance of MYL Shares or payments of cash under this clause 6.2 represents compensation provided to Hartree on account of the MYL Shares issued at Share Completion having a value which is less than the value which the parties contemplated at the date of this Agreement. As a consequence, the parties agree that any such MYL Share issuance or cash payment is not subject to any form of Australian withholding tax and MYL will not withhold any amount on account of Australian tax from that cash payment or MYL Share issuance.

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6.3 Subsequent MYL Capital Raisings

If MYL raises additional equity capital at any time from the date of this Agreement until such date that is 36 months from the date of this Agreement, subject to the Corporations Act, Listing Rules and negative pledge agreements, MYL will use its best endeavours to ensure that Hartree is offered the ability to participate in any such offer of securities, provided that such participation is for cash consideration that is no more favourable than cash consideration paid by third parties, in order to maintain Hartree's Relevant Interest in MYL as at the Business Day immediately prior to completion of the additional equity capital raising. For the avoidance of doubt, this clause does not create a binding obligation on MYL to make any offer of securities to Hartree.

6.4 Hartree obligations

On the DOCA Effectuation Date, Hartree (or its Nominee) must deliver to MYL the signed Application Form for the New MYL Shares.

6.5 MYL obligations

Once MYL receives the signed Application Form, MYL must immediately:

- (a) allot and issue the New MYL Shares to Hartree (or its Nominee);
- (b) cause a resolution of the MYL Board to be duly passed at which Hartree's nominee to the MYL Board is appointed as a director of MYL with effect from the date of the Share Completion (subject to such nominee first providing a signed consent to act as a director of MYL);
- (c) record Hartree (or its Nominee) as the holder of the New MYL Shares in the MYL Share Register;
- (d) direct MYL's share registry to send a holding statement in respect of the New MYL Shares to Hartree (or its Nominee);
- (e) take all other steps required under its constitution, the ASX Settlement Operating Rules and the Corporations Act to constitute and evidence Hartree (or its Nominee) as the holder of the New MYL Shares (including, but not limited to, by lodging an Appendix 3B with ASX);
- (f) apply to ASX for official quotation of the New MYL Shares; and
- (g) immediately on receipt from Hartree, lodging any substantial shareholder notice prepared and signed by or on behalf of Hartree in respect of the New MYL Shares.

6.6 Time and place for completion

Share Completion must take place at 10.00am (AEST) (or such other time the parties may agree) on the Subscription Date.

6.7 Interdependency

The obligations of MYL under clause 6.5 and the obligations of Hartree under clause 6.4 are interdependent and are to be carried out contemporaneously and, as nearly as possible, simultaneously.

6.8 Appointment of director

- (a) Provided that Hartree's Equity Proportion has not fallen below 15% at any time following the Subscription Date, Hartree shall be entitled to nominate and/or appoint (and MYL must if so requested by Hartree) a nominee as its representative to the MYL Board.
- (b) Hartree may (and MYL must if so requested by Hartree) replace its representative referred to in clause 6.8(a) at any time, including by appointing another representative to replace its representative which are removed or resign from time to time.

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- (c) Prior to Share Completion, Hartree will procure that the representative executes a consent to be appointed as a director and a directors' appointment letter, each in the form reasonably required by MYL.
- (d) On or before the Share Completion, MYL will procure that the board of directors of MYL resolves to appoint the representative referred to in clause 6.8(a) as a director of MYL, with effect from immediately after Share Completion and subject to the receipt by MYL of the executed director's consent and director appointment letter required by clause 6.8(a).
- (e) Hartree acknowledges that under the Listing Rules or MYL's constitution, any nominee appointed to the MYL Board to fill a casual vacancy will be subject to re-election by MYL Shareholders at MYL's general meeting and under the Listing Rules and/or the MYL constitution will be subject to retirement by rotation.
- (f) Hartree acknowledges and agrees that any person nominated to the MYL Board as its representative must be a person of good fame and character, evidenced through provision of customary employment checks, including any checks required by ASX and the Company's corporate governance policies, and with appropriate qualifications, experience and expertise. If the MYL Board considers (acting reasonably and providing written reasoning) that that the person nominated by Hartree does not meet these requirements, that person will not be appointed and Hartree may nominate an alternative person in the role.

7. Completion of Works

- (a) The Parties agree that certain works will be carried out at the Avebury Mine (**Avebury Mine Works**) from the Commencement Date until the End Date.
- (b) As soon as possible after the Commencement Date, and in any event within 3 weeks of the Commencement Date, the parties must agree the form and contents of a plan for the Avebury Mine Works, which plan must:
 - (i) contain a budget reflecting expenditure up to a cap of AUD 15 million, being an average of AUD 3 million per month for a period of 5 months, exclusive of the amount of AUD 7.9 million payable to Mineral Resources Tasmania and an amount of AUD 300,000 for costs of the Receivers;
 - (ii) outline the steps to be taken to, as best as possible, bring the Avebury Mine into production as soon as possible following the End Date; and
 - (iii) otherwise be on terms agreed between the parties in good faith.

8. Exclusivity

8.1 Exclusivity Period

Commencing on the Commencement Date and ending on the End Date (**Exclusivity Period**), the parties agree that:

- (a) they will each grant the other a period of exclusivity to complete the Transaction; and
- (b) during the Exclusivity Period, Hartree will work only with MYL in relation to the Transaction, and MYL will only work with Hartree in relation to the Transaction, and both will cease discussions and negotiations with other parties.

8.2 No shop

During the Exclusivity Period, both MYL and Hartree must ensure that neither they, nor any of their Related Entities, nor any of their respective Representatives, directly or indirectly, solicits, invites, encourages or initiates any enquiries, proposals, negotiations or discussions, or communicates any intention to do any of these things, with a view to obtaining any expression of interest, offer or proposal from any other person in relation to a Competing Proposal or potential Competing Proposal.

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8.3 No talk

During the Exclusivity Period, both MYL and Hartree must ensure that neither they, any of its advisers nor any of their respective Representatives:

- (a) enters into, continues or participates in any negotiations or discussions with any person regarding a Competing Proposal or which may reasonably be expected to lead to a Competing Proposal;
- (b) provides any non-public information to a person for the purposes of enabling or assisting that person to make a Competing Proposal; or
- (c) accepts or enters into or offers to accept or enter into any agreement, arrangement or understanding in relation to, or which may reasonably be expected to lead to, an expression of interest, offer or proposal from any other person in relation to a Competing Proposal.

8.4 Fiduciary duties

Nothing in this clause shall detract from any officer of MYL or Hartree complying with their fiduciary and statutory duties owed to their respective shareholders.

9. Completion of Transaction

Subject to clause, 3.4(d), each of the parties agrees and acknowledges that all the individual transactions comprising the Transaction are inter-conditional and no transaction constituting part of the Transaction shall occur unless and until all other transactions constituting the Transaction occur. However, except where specifically provided, this clause 9 is not intended to stipulate the order of each step of the Transaction.

10. Existing Facility**10.1 Amendments**

MYL and Hartree acknowledge and agree that:

- (a) ongoing funding of the Avebury Mine is required for the period commencing upon approval of the DOCA by the creditors of Allegiance and ending upon the DOCA Effectuation Date;
- (b) to the extent that any amounts owing in respect of "Pool C Creditors" or "Pool D Creditors" (as defined in the DOCA) are required to be paid prior to Completion, such payments may be made under the Existing Facility;
- (c) the Existing Facility Agreement will be amended on terms satisfactory to Hartree to, amongst other things, include Allegiance as a borrower and increase the facility limit (by way of the introduction of a new Tranche C for a capped amount of USD 30,000,000) to ensure that adequate funding is available for the period up to and including the DOCA Effectuation Date; and
- (d) the Receivers will remain appointed to complete the Avebury Mine Works and will not be retired before the DOCA Effectuation Date, and will act in accordance with the instructions of Hartree (having regard to any reasonable requests of MYL).

10.2 Deed Fund

- (a) Hartree acknowledges and agrees that it will be responsible for directing the Receivers to pay from funds made available under the Existing Facility Agreement, the "Contribution Amount" under (and as defined in) the DOCA (**Hartree Payments**).
- (b) Subject to satisfaction or waiver of the Conditions in accordance with clause 3, MYL acknowledges and agrees that it will contribute sufficient funds to the deed fund to be established under the DOCA (in accordance with the Payment Directions Deed)

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to ensure that all amounts owing to Hartree under the Existing Facility Agreement (which will increase by reason of the additional funding contemplated in clause 10.1) can be discharged in full upon effectuation of the DOCA and to satisfy all of its other payment obligations under the DOCA, such amounts to be payable on the DOCA Effectuation Date in accordance with the Payment Directions Deed.

- (c) The parties acknowledge and agree that, at the request of MYL, the full amount of the Capex Facility may be drawn by MYL SPV to be loaned to MYL to be applied by MYL to pay the amounts payable by MYL under paragraph (b) above.

11. Capex Facility

11.1 Facility Limit

- (a) The Capex Facility will be a committed cash advance facility made available to MYL SPV in the amount of USD 20,000,000 and is conditional (among other usual conditions for a facility of that nature) on the DOCA Effectuation Date occurring.
- (b) The Capex Facility Documents will be prepared by Hartree's legal counsel based upon the APLMA precedent documentation (where applicable) with terms and conditions generally consistent with the Existing Facility Agreement, except as otherwise agreed between Hartree and MYL, and security documentation will be based on Hartree's counsel's usual form security documentation.
- (c) Promptly after signing this Agreement the parties will instruct their legal counsel to commence drafting and negotiation of the Capex Facility Documents.

11.2 Term

The Capex Facility will (subject to documentation and satisfaction of the relevant conditions precedent including the grant of all required security and receipt of all required shareholder approvals in connection with the Transaction) be available to be drawn on and from the DOCA Effectuation Date (and to the extent it is to be utilised to enable MYL SPV to lend amounts to MYL to enable MYL to contribute funds to the deed fund, as contemplated by clause 10.2(b), such drawings will be made on the DOCA Effectuation Date in accordance with the Payment Directions Deed) and will continue for a term of 3 years from the DOCA Effectuation Date unless otherwise terminated.

11.3 Interest

Interest will accrue daily on the daily balance of the principal outstanding under the Capex Facility at a rate of 10% per annum on the basis of a 360-day year, payable monthly in arrears in cash.

11.4 Drawdown

The parties agree that the Capex Facility shall be drawn down in part or in full on the DOCA Effectuation Date and the relevant portion applied in accordance with the Payment Directions Deed.

11.5 Repayment

- (a) The principal outstanding under the Capex Facility is to be repaid in accordance with the following repayment schedule, namely in equal monthly instalments of principal commencing on the earlier of (a) 6 months after the DOCA Effectuation Date and (b) 3 months after the Commissioning Date.
- (b) A break fee will be applicable to any early repayment (mandatory or voluntary) pro rata to the amount of the Capex Facility prepaid, as follows:
- (i) in the period commencing from the first Draw to the date which is 12 months thereafter: USD375,000;
 - (ii) in the period commencing from twelve months after the first Draw to the date which is 24 months thereafter: USD325,000;

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- (iii) in the period commencing from twenty four months after the first Draw to the maturity date: USD275,000.

11.6 Security

- (a) MYL and the MYL SPV Group will grant to Hartree (or its Nominee) the first ranking securities contemplated by the definition of "Capex Facility Documents".
- (b) The security granted by MYL will be subject to the receipt of MYL Shareholder approval under Listing Rule 10.1 (to the extent required by ASX) and the security granted by Allegiance and its subsidiaries will be subject to the receipt of MYL shareholder approval under section 260B of the Corporations Act, which Shareholder approval, if required, will be a condition precedent to the provision of the Capex Facility.
- (c) Following completion of the requisite financial assistance whitewash procedures, Allegiance and each Subsidiary of Allegiance will accede as guarantors and security providers under the Capex Facility Documents.

11.7 Additional Funding

If additional funding is required, MYL and Hartree agree to negotiate in good faith with respect to the amount of and terms upon which any such additional funding may be provided.

11.8 Public Offer Test

The parties agree that the Capex Facility will not be offered in accordance with section 128F of the Income Tax Act and there will be a gross-up for any interest withholding tax.

12. Offtake

12.1 MYL Offtake Agreement

- (a) Terms used in this clause 12 but not defined in this Agreement have the same meaning given by the Offtake Agreement.
- (b) The parties have agreed to enter into an agreement in materially the same terms as the Offtake Agreement, but:
 - (i) substituting MYL SPV (**MYL Seller**) as 'Seller';
 - (ii) extending the existing 5 year Term to a 'life of mine' agreement, in respect of which:
 - A. 'life of mine' relates to the existing Avebury underground mine and includes existing identified resources and extensions thereof insofar as they relate to nickel concentrates; and
 - B. the Buyer and the Seller will, at the end of 5 years from the DOCA Effectuation Date and every 5th year thereafter, negotiate in good faith any adjustments to the pricing of Product or other terms and conditions for the supply of Product to reflect changes in the nickel concentrate market. The parties will agree on a process for conducting these market reviews, including relevant criteria and reference rates for price adjustment and method for resolving any disagreement. For the avoidance of doubt, the establishment of any change in pricing would be determined by quotations duly received from main Chinese smelters at that time; and
 - (iii) the Seller will grant the Buyer a first right of refusal to enter into an offtake agreement in respect of any New Product produced by the Seller from time to time during the Term from mineral ores or other materials recovered from the Tenements. The parties will agree on the terms and conditions on which the Buyer will be offered to purchase any New Product, including the terms of the offer by the Seller and the period in

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which the Buyer must decide whether to enter into an offtake agreement before the right expires; and

- (iv) including any amendments necessary for the operation of the MYL Offtake Agreement as negotiated by the parties in good faith, and to the extent such changes cannot be agreed in good faith, the MYL Offtake Agreement will be prepared on the basis of the Offtake Agreement,

(MYL Offtake Agreement).

- (c) The parties acknowledge and agree that clause 12.1(b) reflects their in-principle agreement on key terms and conditions of the MYL Offtake Agreement. The parties agree they must negotiate in good faith and use their reasonable endeavours (acting with all due expedition and without delay) to agree, on or before the Conditions Date, the final terms and conditions of the MYL Offtake Agreement, which the parties agree will:
 - (i) be effective on and from, and conditional upon the occurrence of, the DOCA Effectuation Date;
 - (ii) be consistent with the proposed terms and conditions set out in clause 12.1(b); and
 - (iii) otherwise be on terms and conditions agreed by the parties.

12.2 MYL Seller

MYL must procure the MYL Seller to enter into the form of the MYL Offtake Agreement agreed by the parties pursuant to clause 12.1(c).

12.3 Hedge

The parties agree that Hartree will have the ability to hedge at market price up to 30% of the nickel payable expected until full repayment of the Capex Facility as price protection on and from the Commissioning Date. The terms of such hedging arrangement will be negotiated by the parties in good faith in the form of a hedging agreement between Hartree and MYL Seller, such document to be appended to the MYL Offtake Agreement.

13. Warranties

13.1 Accuracy

- (a) Each party (in respect of itself only) warrants to each other party that each Capacity Warranty is true and correct at the Commencement Date and on all days following up to and including the Completion Date.
- (b) MYL warrants to Hartree that each MYL Warranty is true and correct as at the Commencement Date, unless the MYL Warranty is expressed to be given as at a particular time in which case it is given as at that time, with reference to the facts and circumstances existing on that date.

13.2 Separate Warranties

- (a) Each Warranty is a separate warranty. The interpretation of any Warranty may not be restricted by reference to or inference from any other Warranty.
- (b) The representations and warranties of each party under this Agreement are several and not joint.

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14. Jinchuan Offtake Agreement

14.1 Course of Conduct

- (a) As part of the MYL due diligence of the Dundas Group and the Companies, it came to MYL's attention that there had been an historical offtake arrangement with Jinchuan under the Jinchuan Offtake Agreement. MYL and Hartree have discussed the prior existence of the Jinchuan Offtake Agreement and set out below the way in which any Claim or communication (including any letter or email or telephone call) from Jinchuan, or any party purporting to act for and/or represent Jinchuan will be dealt with.
- (b) In relation to the status of the Jinchuan Offtake Agreement as at the date of this agreement, it is noted that no contact has been made by Jinchuan during the voluntary administration period, including that no proof of debt was submitted by Jinchuan at the first or second meetings of creditors in the administrations of the Companies.
- (c) On and from the DOCA Effectuation Date, MYL and Hartree will take the following steps if any contact is made by Jinchuan to MYL in relation to the Jinchuan Offtake Agreement:
 - (i) upon receiving correspondence or communication of any kind from Jinchuan (including but not limited to a letter and/or email and/or telephone call), MYL will provide a copy of such correspondence or communication (or detailed information as to such communication if the communication was verbal) to Hartree for discussion and for the purposes of determining the form of a response or next step(s);
 - (ii) in the event that a Claim is actually brought by Jinchuan against a MYL Group Member, MYL must promptly again notify Hartree of all relevant facts and circumstances of which it is aware in relation to the Claim;
 - (iii) should the engagement with Jinchuan not be able to be resolved by a single letter or email response, Hartree and MYL will continue to work together to determine the course of action or steps to be taken; and
 - (iv) for the avoidance of doubt, MYL must not correspond or communicate with Jinchuan in relation to the Jinchuan Offtake Agreement under any circumstances, nor direct any other party to do so, without Hartree's prior written approval as to the form and content of any such correspondence or communication.

14.2 Claim by Jinchuan

In relation to any Claim brought by Jinchuan against MYL or Hartree (or both), Hartree may elect to maintain, and MYL may require that Hartree maintains, overall control and decision making in relation to the conduct of the Claim and its overall management (in its sole discretion). Any step taken by MYL without Hartree's involvement or consultation could have an impact on the parties' ability to resolve any Claim as efficiently as possible and may mean that clause 14.3 does not apply.

14.3 Indemnity

- (a) Subject to paragraphs (b), (c) and (d) below, on and from the DOCA Effectuation Date, Hartree indemnifies MYL and each MYL Group Member against, and must pay MYL an amount equal to, any Loss suffered or incurred by MYL or an MYL Group Member as a direct result of a Claim brought by Jinchuan against MYL or MYL and Hartree.
- (b) Hartree is not liable under a Claim for any Loss:
 - (i) that is caused or contributed to by a member of the MYL Group, or one of their members, officers or employees contacting Jinchuan in relation to the Jinchuan Offtake Agreement; and
 - (ii) that an MYL Group Member is, or would be but for this clause, entitled to recover, or be compensated for by any other means, from another

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source whether by way of contract, indemnity or otherwise (including under a policy of insurance or from a Governmental Agency).

- (c) MYL must:
 - (i) take, and procure that each other MYL Group Member takes, all reasonable actions (subject to being indemnified by Hartree against all reasonable costs and expenses incurred) to mitigate any Loss that may give rise to a Claim; and
 - (ii) not omit, and procure that no other MYL Group Member omits, to take any reasonable action that would mitigate any Loss that may give rise to a Claim, which for the avoidance of doubt will not require that MYL requires that the Deed Administrators terminate the Jinchuan Offtake Agreement or otherwise correspond with Jinchuan.
- (d) If an MYL Group Member does not comply with clause 14.3(c) and compliance with clause 14.3(c) would have mitigated the Loss, Hartree is not liable for the amount by which the Loss would have been reduced.

14.4 Payment

- (a) If, after receipt of payment made by Hartree to an MYL Group Member under this clause, the MYL Group Member recovers or is compensated by any other means for any Loss that gave rise to the Claim, the MYL Group Member must, within 15 days, pay to Hartree the lesser of:
 - (i) the amount of the Loss that was recovered or compensated for; and
 - (ii) the amount paid by Hartree in respect of the Claim,
 less any Tax payable by the MYL Group Member on that amount net of any deduction or offset allowable in respect of the payment to Hartree.
- (b) This clause survives termination of this Agreement.

15. Termination

15.1 Limited termination events

This Agreement may only be terminated by either party in the circumstances contemplated by clauses 15.2 and 15.3, or if the parties agree in writing to terminate this Agreement.

15.2 Termination

- (a) Either party may terminate this Agreement by written notice to the other party:
 - (i) in accordance with clause 3.4;
 - (ii) if the DOCA terminates in accordance with its terms;
 - (iii) at any time before the Conditions are satisfied and/or waived in accordance with clause 3.1 or 3.3, if the other party has materially breached this Agreement (including in respect of a breach of a Warranty), and the party entitled to terminate has given written notice to the party in breach setting out the relevant circumstances and stating an intention to terminate this Agreement and the other party has failed to remedy the breach within 10 Business Days after the date on which such notice is received; or
 - (iv) if, during the Exclusivity Period, the other party enters into a definitive agreement to implement a Competing Proposal.

15.3 Right of termination

A party may not terminate this Agreement pursuant to this clause 15 in respect of a breach, occurrence, event or failure, if the relevant breach, occurrence, event or failure arises out of, or is caused by, a breach of this Agreement (or any warranty given by the party under this Agreement) by that party or a person under the control of that party.

CLAYTON UTZ**15.4 Effect of termination**

- (a) If any party terminates this Agreement under clause 3.4 or this clause 15, this Agreement and the parties' obligations under it cease, other than the obligations under this clause 15 and clauses 1, 16 and 17 which will survive termination.
- (b) Termination of this Agreement under clause 3.4 or this clause 15 does not affect any accrued rights of a party in respect of a breach of this Agreement prior to termination.

16. Confidentiality and announcements**16.1 Confidentiality Deed**

Each party acknowledges and agrees that the terms of the Confidentiality Deed continue to apply to the parties after the date of this Agreement (including in respect of all information received by Hartree from MYL and its Representatives on, before or after the date of this Agreement) and that the terms of this Agreement will prevail over the terms of the Confidentiality Deed to the extent of any inconsistency.

16.2 Survival of obligations

The rights and obligations of the parties under the Confidentiality Deed survive termination of this Agreement.

16.3 Public Announcements

- (a) Immediately after execution of this Agreement (or as otherwise agreed between MYL, Hartree), MYL must issue a written public announcement in a form agreed by, and issued at such time as agreed by, MYL and Hartree.
- (b) Where MYL or Hartree proposes or is required to make any subsequent public announcement or disclosure in connection with the Transaction, that party must, before making such announcement, to the extent lawful and practicable to do so, consult with the other party prior to making the relevant announcement or disclosure and must give the other party a reasonable opportunity to comment on the form and content, and timing of issue, of the public announcement and consider in good faith any such comments from the other party.
- (c) Where MYL or Hartree is required by applicable law, Listing Rules or the requirements of any Government Agency to make any announcement or to make any disclosure in relation to the Transaction or any other transaction the subject of this Agreement, it may do so to the extent legally required and only then after it has used all best endeavours, to the extent practicable in the circumstances, to notify and consult with the other party prior to making the relevant announcement or disclosure and take account of any reasonable comments received from the other party in relation to the form and content of the announcement or disclosure.

17. Notices**17.1 How notice to be given**

Each communication (including each notice, consent, approval, request and demand) under or in connection with this Agreement:

- (a) must be given to a party:
 - (i) using one of the following methods (and no other method) namely, hand delivery, courier service, prepaid express post or email; and
 - (ii) using the address or other details for the party set out in the below table (or as otherwise notified by that party to each other party from time to time under this clause 17):

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Party name	Attention	Address (for hand delivery or delivery by courier or post)	Email address
Hartree Metals LLC	Pascal Larouche Russell Griffin Legal London	Rue de Rhone 8, 1204, Geneva Switzerland	PLarouche@hartreepartners.com RGriffin@hartreepartners.com LegalLondon@hartreepartners.com
Mallee Resources Limited	John Lamb	Suite 1, 9 Havelock Street, West Perth WA 6005	J.lamb@malleeresources.com.au

- (b) must be in legible writing and in English;
- (c) (in the case of communications other than email) must be signed by the sending party or by a person duly authorised by the sending party;
- (d) (in the case of email) must:
 - (i) state the name of the sending party or a person duly authorised by the sending party and state that the email is a communication under or in connection with this Agreement; and
 - (ii) if the email contains attachments, ensure the attachments are in PDF or other format the receiving party can open, view and download at no additional cost,

and communications sent by email are taken to be signed by the named sender.

17.2 When notice taken to be received

Without limiting the ability of a party to prove that a notice has been given and received at an earlier time, each communication (including each notice, consent, approval, request and demand) under or in connection with this Agreement is taken to be given by the sender and received by the recipient:

- (a) (in the case of delivery by hand or courier service) on delivery;
- (b) (in the case of prepaid express post sent to an address in the same country) on the second Business Day after the date of posting;
- (c) (in the case of prepaid express post sent to an address in another country) on the fourth Business Day after the date of posting;
- (d) (in the case of email, whether or not containing attachments) the earlier of:
 - (i) the time sent (as recorded on the device from which the sender sent the email) unless, within 4 hours of sending the email, the party sending the email receives an automated message that the email has not been delivered;
 - (ii) receipt by the sender of an automated message confirming delivery; and
 - (iii) the time of receipt as acknowledged by the recipient (either orally or in writing),

provided that:

- (e) the communication will be taken to be so given by the sender and received by the recipient regardless of whether:
 - (i) the recipient is absent from the place at which the communication is delivered or sent;
 - (ii) the communication is returned unclaimed; and
 - (iii) (in the case of email) the email or any of its attachments is opened by the recipient;
- (f) if the communication specifies a later time as the time of delivery then that later time will be taken to be the time of delivery of the communication; and
- (g) if the communication would otherwise be taken to be received on a day that is not a working day or after 5.00 pm, it is taken to be received at 9.00 am on the next working day ("working day" meaning a day that is not a Saturday, Sunday or public

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holiday and on which banks are open for business generally, in the place to which the communication is delivered or sent).

17.3 Notices sent by more than one method of communication

If a communication delivered or sent under this clause 17 is delivered or sent by more than one method, the communication is taken to be given by the sender and received by the recipient whenever it is taken to be first received in accordance with clause 17.2.

18. GST

18.1 Interpretation

- (a) Except where the context suggests otherwise, and subject to clause 18.1(b), terms used in this clause have the meanings given to those terms by the A New Tax System (Goods and Services Tax) Act 1999 (as amended from time to time).
- (b) A reference to GST payable by an entity or an input tax credit entitlement of an entity includes a reference to GST payable or an input tax credit entitlement of the representative member of any GST group to which that entity may belong.
- (c) Any part of a supply that is treated as a separate supply for GST purposes (including attributing GST payable to tax periods) will be treated as a separate supply for the purposes of this clause.
- (d) Any consideration for a supply that is specified to be inclusive of GST must not be taken into account in calculating the GST payable in relation to that supply for the purpose of this clause.

18.2 Reimbursements and similar payments

Any payment or reimbursement required to be made under this Agreement that is calculated by reference to a cost, expense, or other amount paid or incurred will be limited to the total cost, expense or amount less the amount of any input tax credit to which an entity is entitled for the acquisition to which the cost, expense or amount relates.

18.3 GST payable

- (a) If GST is payable in relation to a taxable supply made by a party (**Supplier**) under or in connection with this Agreement, then unless the consideration is specified to be inclusive of GST, the party providing consideration for the supply (**Recipient**) must, subject to clause 18.1(d), pay an additional amount to the Supplier equal to the amount of GST payable in relation to supply at the same time as the other consideration is to be provided for that supply.
- (b) The Supplier must issue a valid tax invoice to the Recipient for any taxable supply it makes under this Agreement.
- (c) Where additional amounts are payable between parties to this Agreement pursuant to clause 18.3(a), amounts so payable, to the extent they are equivalent in amount, shall be set off against each other as if paid and each party shall be obliged only to provide the tax invoice referred to in clause 18.3(b) no later than the time at which any consideration is to be first provided for that supply.
- (d) If the GST payable in relation to a supply made under or in connection with this Agreement varies from the additional amount paid by the Recipient under clause 18.3(a) then the Supplier must promptly issue an adjustment note to the Recipient and will provide a corresponding refund or credit to, or will be entitled to receive the amount of that variation from, the Recipient. Any payment, credit or refund under this paragraph is deemed to be a payment, credit or refund of the additional amount payable under clause 18.3(a).

19. Miscellaneous

19.1 Governing law

This Agreement is governed by the laws of New South Wales.

CLAYTON UTZ**19.2 Jurisdiction**

Each party irrevocably:

- (a) submits to the non-exclusive jurisdiction of the courts of New South Wales, and the courts competent to determine appeals from those courts, with respect to any proceedings which may be brought at any time relating to this Agreement; and
- (b) waives any objection it may now or in the future have to the venue of any proceedings, and any claim it may now or in the future have that any proceedings have been brought in an inconvenient forum, if that venue falls within clause 19.2(a).

19.3 Severance

If at any time a provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, that will not affect or impair:

- (a) the legality, validity or enforceability in that jurisdiction of any other provision of this Agreement; or
- (b) the legality, validity or enforceability under the law of any other jurisdiction of that or any other provision of this Agreement.

19.4 No representation or reliance

- (a) Each party acknowledges that no party (nor any person acting on its behalf) has made any representation or other inducement to it to enter into this Agreement, except for representations or inducements expressly set out in this Agreement and (to the maximum extent permitted by law) all other representations, warranties and conditions implied by statute or otherwise in relation to any matter relating to this Agreement, the circumstances surrounding the parties' entry into it and the transactions contemplated by it are expressly excluded.
- (b) Each party acknowledges and confirms that it does not enter into this Agreement in reliance on any representation or other inducement by or on behalf of any other party, except for any representation or inducement expressly set out in this Agreement.

19.5 Amendments and waivers

No term of this Agreement may be amended or waived without the written consent of Hartree and MYL.

19.6 Assignment

A party may not assign, novate or otherwise transfer any of its rights or obligations under this Agreement without the prior written consent of the other party.

19.7 Costs

Except as otherwise provided in this Agreement, each party must pay its own costs and expenses in connection with:

- (a) negotiating, preparing, executing and performing this Agreement; and
- (b) any subsequent consent, agreement, approval, waiver or amendment relating to this Agreement.

19.8 Duty

Hartree must pay all Duties in respect of this Agreement, the performance of this Agreement and each transaction effected by or made under this Agreement and is authorised to apply for and retain the proceeds of any refund due in respect of Duty paid under this clause 19.8.

19.9 Counterparts

- (a) This Agreement may be executed in any number of counterparts.

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- (b) All counterparts, taken together, constitute one and the same instrument.
- (c) A party may execute this Agreement by signing any counterpart.
- (d) Without limitation, the Parties agree that their communication of an offer or acceptance of this Agreement, including exchanging counterparts, may be by any electronic method that evidences each Parties' execution of this Agreement.

19.10 Binding agreement

This Agreement shall be binding on each party once executed by all parties.

19.11 Entire agreement

To the extent permitted by law, this Agreement and the Confidentiality Agreement embody the entire understanding of the parties in relation to the matters contained herein, and constitutes the entire terms agreed by the parties, and supersedes any previous agreements, arrangements or understandings by the parties.

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Schedule 1 - Warranties**PART A - Capacity Warranties**

Each party represents and warrants to each other party that:

- (a) it is a company properly incorporated and validly existing under the laws of its place of incorporation;
- (b) the execution and delivery by it of this Agreement has been properly authorised by all necessary corporation act and it has full corporate power and lawful authority to execute and delivery this Agreement and to perform or cause to be performed its obligations under this Agreement;
- (c) this Agreement constitutes legal, valid and binding obligations on it, enforceable in accordance with its terms, and does not conflict with or result in a breach of or default under:
 - (i) the constitution or equivalent constituent documents of that party or any of its subsidiaries; or
 - (ii) any writ, order or injunction, judgment, law, rule, obligation or regulation to which that party or any of its subsidiaries is party, or by which that party or any of its subsidiaries is bound; and
- (d) other than as expressly contemplated by clause 3.1, no shareholder or Government Agency approvals are required to be obtained by that party in order for that party to execute and perform this Agreement.

PART B - MYL Warranties

MYL represents and warrants to Hartree that:

- (a) as at the date of this Agreement:
 - (i) there are 190,110,960 MYL Shares on issue; and
 - (ii) there are 4,635,127 performance rights on issue, which will convert into MYL Shares on satisfaction of applicable milestones;
 - (iii) there are 4,000,000 unlisted options on issue, exercisable into MYL Shares at an exercise price of \$0.78 on or before 15 June 2022; and
 - (iv) there are 1,300,000 unlisted options on issue, exercisable into MYL Shares at an exercise price of \$0.65 on or before 7 November 2022,

and MYL has not issued any other securities or instruments or rights which may convert into MYL Shares which are still outstanding;
- (b) on the date of despatch of the Meeting Documentation and the date of the General Meeting:
 - (i) the MYL Information has been prepared and included in the Meeting Documentation in good faith and on the understanding that Hartree has relied on that information for the purposes of considering and approving the Hartree Information in the Meeting Documentation and that the Independent Expert has relied on the information for the purposes of preparing the Independent Expert's Report;
 - (ii) the MYL Information does not contain a statement which is misleading or deceptive in any material respect and does not contain any material omission; and
 - (iii) the MYL Information complies in all material respects with relevant laws (including the Corporations Act, Listing Rules and relevant Regulatory Guides);
- (c) as far as MYL is aware, it has complied in all material respects with applicable laws including the Corporations Act and Listing Rules (in particular its continuous disclosure obligations under Listing Rule 3.1);

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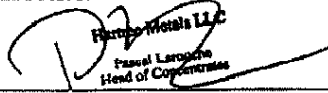
- (d) as far as MYL is aware, it, and each entity within the MYL Group, holds all licences and permits necessary for it to conduct its activities as being conducted as at the date of this Agreement and is not in material breach of any of those licences or permits;
- (e) as at the date of this Agreement, neither ASIC nor ASX (as applicable) has made a determination against MYL for any contravention of the requirements of the Corporations Act or the Listing Rules or any rules, regulations or regulatory guides under the Corporations Act or the Listing Rules;
- (f) on the date of this Agreement and as far as MYL is aware, neither it nor any of the MYL Subsidiaries (other than Allegiance) is in default under any material contract to which a member of the Group is a party nor has anything occurred which is or would be with the giving of notice or lapse of time constitute an event of default; and
- (g) no Insolvency Event has occurred in relation to MYL or any member of the MYL Group (other than Allegiance).

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EXECUTED as an Agreement

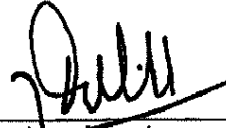
Hartree

Executed by Hartree Metals LLC by its
directors:


Hartree Metals LLC
Pascal Larouche
Head of Coprocessors

Signature of director

Full name of director



Signature of director

J.H. O'NEILL

Full name of director

CLAYTON UTZ

MYL

Executed by **Mallee Resources Limited** in
accordance with section 127 of the Corporations
Act 2001 (Cth):



Signature of director

Rowan St John Caren

Full name of director who states that they are a
director of **Mallee Resources Limited**



Signature of director

John Stephen Lamb

Full name of director who states that they are a
director of **Mallee Resources Limited**

CLAYTON UTZ

Attachment 1 - Timetable

Creditors Meeting	22 February 2022
Mobilise key personnel to site	21-23 February 2022
Engage Independent Expert / IER/IAR	25 February 2022
Execution of DOCA and Implementation Agreement	By 7 March 2022
Finalise budget/restart plan	28 March 2022
Prepare NOM with supporting reports including IER, ITAR, IAR, Legal report	22 March 2022
Submit NOM to ASX and ASIC for approval	28 March 2022
Confirm site compliance – EPA, MRT, Worksafe etc	21 March 2022
Pay Environment bond	Mid-March 2022
NOM approved by ASX and ASIC	11 April 2022 (note that ASX has up to 15 business days to complete their review)
Commence underground development / deployment	31 March 2022
Despatch NOM	14 April 2022
Lodge Prospectus (if required)	5 May 2022
MYL Shareholder Meeting	12 May 2022
Effectuation of DOCA	19 May 2022

CLAYTON UTZ

Attachment 2 - Application Form

Mallee Resources Limited
ACN 124 943 728
(Company)

[insert] (**Investor**) hereby applies to the Company for [insert] fully paid ordinary shares in the capital of the Company (**Shares**).

Details of the Investor:

Name:	[insert]
Address:	[insert]
Contact Person:	[insert]
Contact Investor:	[insert]

By signing and lodging this Application Form with the Company, the Investor:

1. declares that the agreements, statements, declarations and acknowledgments contained in the following paragraphs are given for the benefit of the Company;
2. declares that all details and statements made by the Investor in this Application Form are complete and accurate;
3. agrees to be bound by the Constitution of the Company;
4. represents, warrants and undertakes to the Company that the Investor has/have full right and authority to sign and lodge this Application Form, to subscribe for the Shares and to perform the other obligations set out in this Application Form, and has taken all action and obtained all regulatory and other consents, approvals and authorisations necessary in that respect;
5. acknowledges that the Investor have/has made its/their own enquiries concerning the Company and its business and affairs and that the Company makes no representation or warranties to the Investor other than set out in the implementation agreement between the Company and the Investor dated [date];
6. requests the Company to, upon receipt of this Application Form signed by the Investor, issue the Shares to the Investor;
7. declares that the Investor comes within the definition of a sophisticated investor or a professional investor for the purposes of Section 708(8) or 708(11) of the Corporations Act 2001 respectively or is otherwise a person to whom a disclosure document, or similar document or registration, is not required in connection with an offer or issue of Shares in accordance with the laws in the jurisdiction in which the offer is received or Shares are received;
8. acknowledges that this Application Form is irrevocable; and
9. acknowledges that returning this Application Form will constitute the Investor's offer to subscribe for Shares, and that no notice of acceptance of this Application Form will be provided.

CLAYTON UTZ

Executed by Hartree Metals LLC by its
directors:

Signature of director

Signature of director

Full name of director

Full name of director