

Sale of Exploration Licenses

Highlights

- **Sale of four exploration licenses (E28/2583-I, E28/2650-I, E28/3124, and E28/3161) in the southern Yarri area to Marquee Resources Limited (ASX: MQR).**
- **Solstice to retain exposure to Marquee's exploration campaigns through listed shares as well as unlisted options.**
- **Solstice to also retain a 1% royalty interest for all metals besides lithium, caesium, and tantalum in respect of exploration licenses E28/3161 and E28/3264.**

Solstice Minerals Limited (Solstice or the Company) (ASX: SLS) is pleased to announce that it has entered into a binding Tenement Sale Agreement (**TSA**) to sell the 100% legal and beneficial interest in four exploration licenses to Marquee Resources Limited (**MQR**), (ASX: MQR). The four exploration licenses comprise E28/2583-I, E28/2650-I, E28/3124, and E28/3161 (**Divestment Licenses**) and are located in the southernmost part of the Company's extensive Yarri landholding, approximately 130km east of Kalgoorlie, Western Australia (Figure 1).

Consideration for the Divestment Licenses comprises:

- Consideration Securities of:
 - 10,000,000 fully paid ordinary shares of MQR (**MQR Shares**); and
 - 10,000,000 options each to subscribe for an MQR Share with an exercise price of \$0.05, expiring 3 years from the date of issue;
- AUD\$150,000 cash; and
- a 1% net smelter royalty (**NSR**) over all metals besides lithium, caesium, and tantalum in respect of exploration license E28/3264 and E28/3161.

The Consideration Securities will be subject to voluntary escrow restrictions for a period of six months from the date of issue.

Solstice Minerals' Chief Executive Officer and Managing Director, Mr Nick Castleden said:

"These non-core tenements are geographically separate from Solstice's key Yarri landholdings around the Hobbes Gold Project. The decision to dispose of the exploration licenses reflects the Company's strategy to focus its resources and attention on its key projects and surrounding exploration targets. Solstice will retain exposure to any future exploration success on the divested ground through MQR equity and unlisted options and will also retain a royalty interest in two of the tenements."

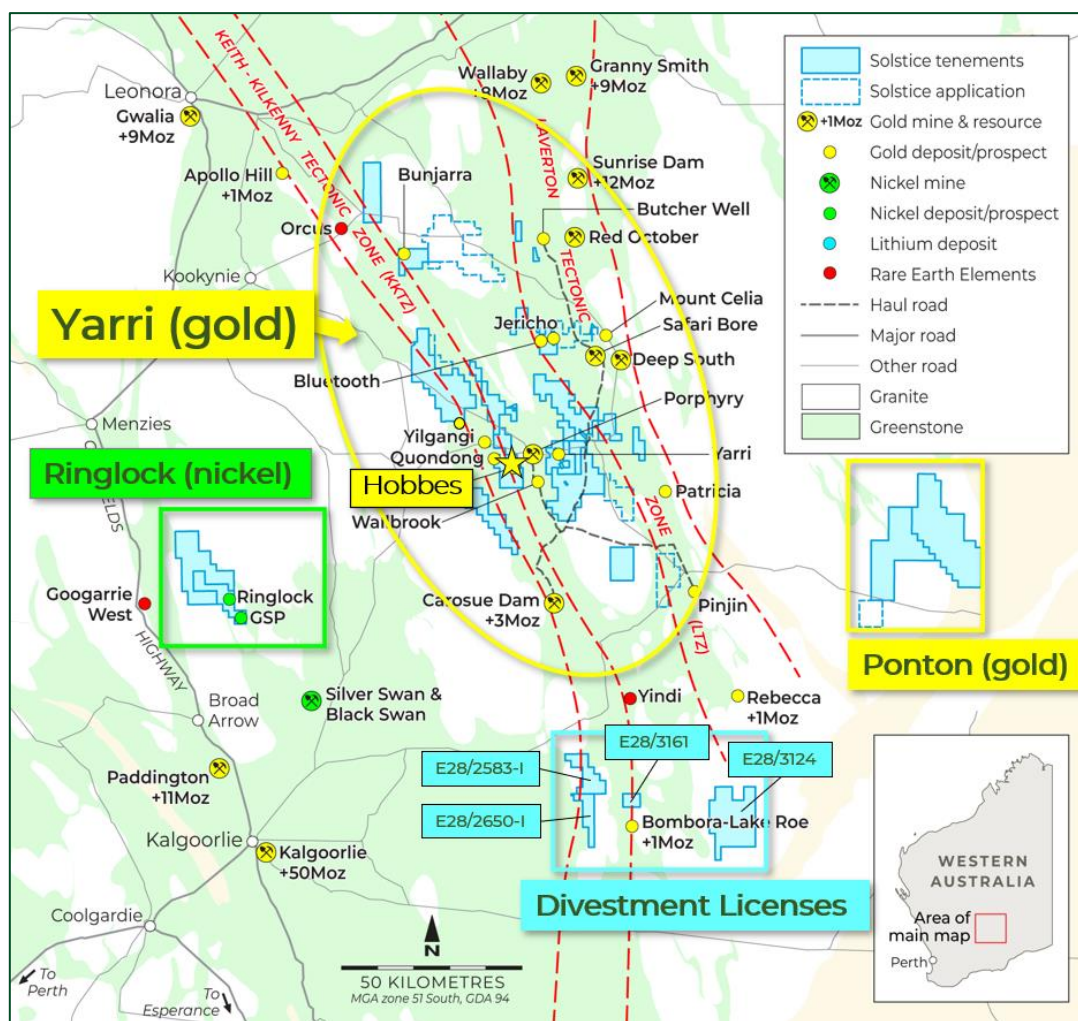


Figure 1. Location of exploration licenses subject to the Marquee Tenement Sale Agreement

Transaction Terms

The key commercial terms of the TSA with MQR are as follows:

As consideration for the sale of a 100% legal and beneficial interest in the Divestment Licenses, MQR will issue/pay to Solstice (or its nominees) (together, the **“Consideration”**):

- 10,000,000 MQR Shares;
 - 10,000,000 unquoted options to acquire MQR Shares with an exercise price of \$0.05, expiring 3 years from the date of issue,
- (together, the **“Consideration Securities”**);
- AUD\$150,000 in cash; and
 - a 1.00% net smelter royalty granted to Solstice by MQR on all metals except lithium, caesium & tantalum in respect of E28/3161 and E28/3124 (**“Royalty”**).

The Consideration Securities will be subject to 6-months voluntary escrow from date of issue.



Completion of the TSA is subject to and conditional upon satisfaction (or waiver) of the following conditions (together, the “**Conditions**”):

1. MQR obtaining all necessary shareholder, regulatory or third-party approvals required to perform its obligations under the TSA, including to issue the Consideration Securities;
2. The parties obtaining all Government agency approvals and consents, and all third-party approvals and confirmations necessary for the transfer of the Yindi Project to MQR;
3. The parties entering into a royalty deed with respect to the Royalty; and
4. Solstice (or its nominees) entering a voluntary escrow deed.

Completion will occur on the date that is 5 days following the satisfaction (or waiver) of the Conditions, or such other date agreed between the parties.

The TSA otherwise contains terms, such as representations and warranties, typical for an agreement of this nature.

This announcement has been authorised for release by the Board.

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