

ASX RELEASE | 5 JANUARY 2024

OMNIA TO EXPAND LITHIUM FOOTPRINT BY ACQUIRING DIXIE GOLD INC

HIGHLIGHTS

- Omnia to acquire 100% of the issued capital in Canadian exploration company Dixie Gold Inc. (TSXV:DG) and its 100% ownership of lithium projects, gold projects and a uranium JV interest, firmly cementing the Company's exploration footprint in Canada to more than 1,200km²
- Acquisition includes 100%-owned Phoenix Lithium Project (Northwest Territories), Torp Lake Lithium Project (Nunavut), Red Lake Gold Project (Ontario) and Isko Gold Project (Quebec)
- JV interest in the Preston Lake Joint Venture, which owns Preston Lake Uranium Project (Saskatchewan) in the world-renowned and deposit-rich uranium jurisdiction of the Athabasca Basin.
- Following the merger, Dixie Gold would become a wholly-owned subsidiary of Omnia Metals Group
- Acquisition comes following more than 12 months of due diligence and provides Omnia near-term and extended pathways to advance significant exploration opportunities in Canada across multiple commodities

Omnia Metals Group Ltd ("Omnia" or the "Company") is excited to announce the acquisition of Canadian lithium, gold and uranium exploration company Dixie Gold Inc. (TSXV:DG), which will increase Omnia's lithium focussed footprint in Canada to more than 625km².

The acquisition outlines prospective lithium asset growth with a clear pathway to development and planning for future drilling campaigns at the new projects already underway.

Planning to launch multiple drilling campaigns, targeting both the Phoenix Lithium Project and the Torp Lake Lithium Project, are now among priorities for Omnia in 2024.

Following an extended period of due diligence into Dixie Gold, Omnia has identified an ability to potentially deliver a Mineral Resource Estimate at the Phoenix Lithium Project, and a potential pathway to production.

With established relationships in-country to assist with managing exploration and stakeholder activity on the ground, Omnia is in a strong position to rapidly progress the newly acquired projects.

These new projects will add to and complement Omnia's existing belt-scale 600km² Lac des Montagnes Lithium Project, which itself is situated in the highly prospective James Bay region of Quebec.

OMNIA METALS EXECUTIVE DIRECTOR, JAMES WARREN, COMMENTED:

“This strategic acquisition will be transformational for Omnia, with the addition of two prospective lithium projects in Canada reinforcing our commitment to becoming a leading global lithium explorer.

“Following an extended period of due diligence, our understanding of these assets and their prospectivity is extremely strong, providing confidence to begin drilling once the acquisition is complete.

“There is a clear pathway to produce a significant Mineral Resource Estimate at the Phoenix Lithium Project, and early results from the extremely exciting, blue-sky Torp Lithium Project indicate that the Company could be onto a significant discovery opportunity.

“I thank the Dixie Gold team for its collaborative approach to this acquisition, which will provide significant value to both companies’ shareholders.

“I also thank the shareholders of both Omnia and Dixie Gold for their patience as we work through obtaining the relevant approvals from Australian and Canadian regulators, with Omnia receiving in-principal advice from the ASX on 22 December 2023 with respect to the re-admission of Omnia to the official list of the ASX.

“Due to the nature and scale of the acquisition, we have been working around the clock to get to this point and embark on an exciting phase of growth in 2024.”

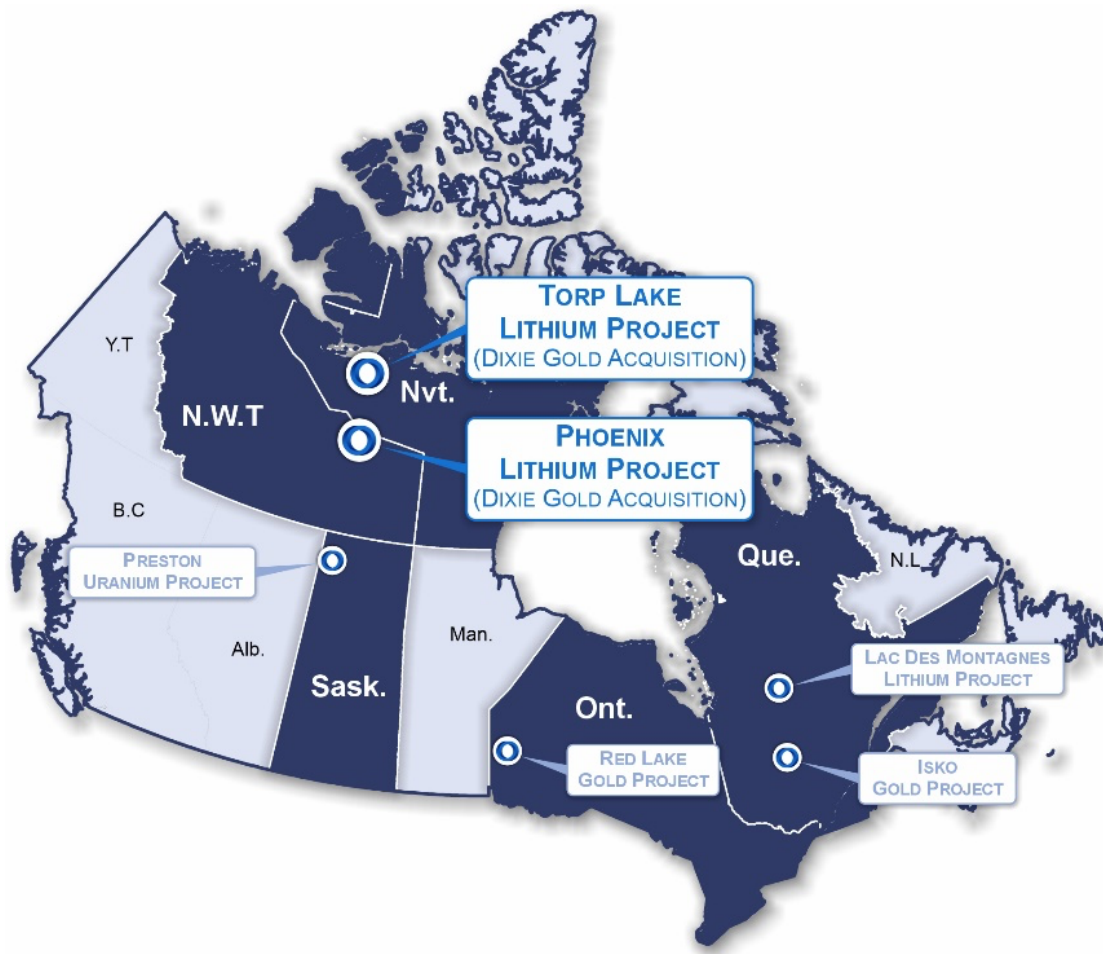


Figure 1: Location of Omnia’s Canadian exploration assets post-close of Dixie Gold acquisition.

ACQUISITION OF DIXIE GOLD INC.

Omnia's acquisition of Dixie Gold will be implemented through a plan of arrangement under the provisions of the *Business Corporations Act* (British Columbia), through which Dixie Gold will become a wholly owned subsidiary of Omnia.

Once the acquisition is complete, Omnia will have secured 100% ownership of lithium, gold, and uranium exploration company Dixie Gold (**Proposed Transaction**), firmly cementing the Company's exploration footprint in Canada.

Completion of the Proposed Transaction is conditional upon a number of standard conditions, including the negotiation and execution of a Formal Agreement and the acceptance of the Proposed Transaction by Dixie Gold shareholders, Omnia shareholders and the TSX Venture Exchange.

If successful, the Proposed Transaction will result in Omnia significantly increasing the scale of its operations.

To affect the Proposed Transaction, Omnia will be required to re-comply with the requirements of Chapters 1 & 2 of the ASX Listing Rules, including conducting capital raising.

Terms of the Proposed Transaction, the effect of the Proposed Transaction on Omnia and other important information for the benefit of shareholders are set out in this announcement and **Annexure A**.

SUMMARY OF PROJECTS ACQUIRED

Phoenix Lithium Project - Northwest Territories, Canada

The well-advanced Phoenix Lithium Project covers 14.5km² of granted mining leases and is host to numerous, documented spodumene pegmatites, including two primary pegmatites over a 4.5km pegmatite trend.

Seven diamond holes were drilled in 2009, with four of the holes intersecting target pegmatites and returning significant lithium grades and widths (Figure 2).

The Big Bird pegmatite has been mapped over a 1,280m strike length, with outcrop widths between 8m and 80 metres, and drilling results up to 1.24% Li₂O over 34.3m (09PX01).

The Curlew pegmatite has been mapped over a 400m strike length, with outcrop widths up to 20m, and drilling results up to 1.37% Li₂O over 25.11m (09C01) and 1.54% Li₂O over 16.79m, including 1.70% Li₂O over 14.87m (09C03).

An independent exploration target model, prepared by Dahrouge Geological Consulting for Dixie Gold, indicates the potential for up to 20 million tonnes Li₂O within currently known extents of the Big Bird and Curlew pegmatites*.

The exploration model **did not** consider exploration upside along strike and at depth, which Omnia believes has the potential to deliver material exploration success and resource potential through a comprehensive drilling program.

Drilling at this site will begin as soon as practicable following the completion of the acquisition, with a view to roll out up to 10,000m of drilling to delineate a Mineral Resource Estimate.

*material information and technical parameters underpinning the Exploration Target prepared by Dahrouge Consulting 2018 are provided in JORC Table 1, Section 2 "Exploration done by other parties" that accompanies this announcement.

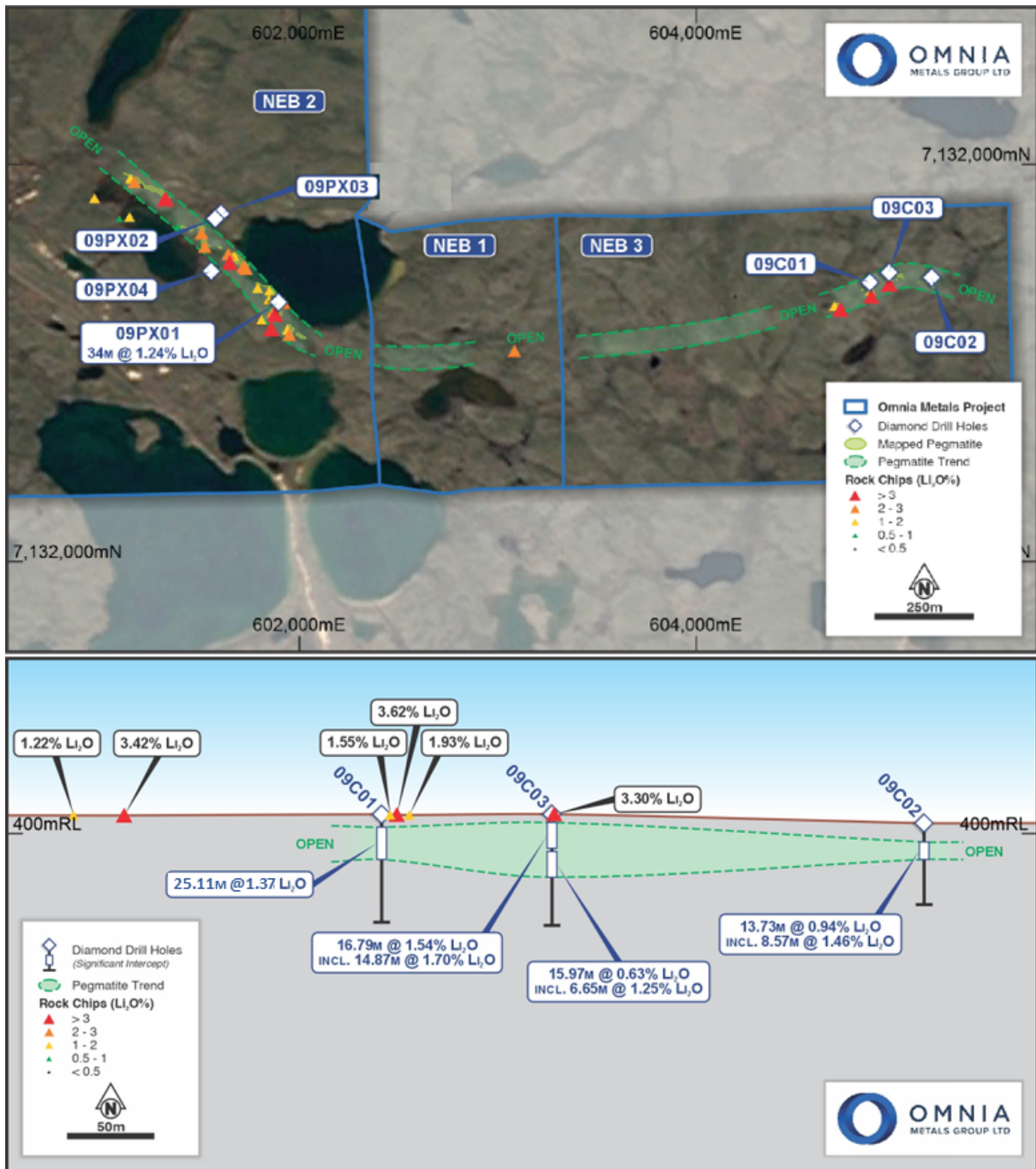


Figure 2: Historical exploration completed by North Arrow Minerals Inc. at the Phoenix Lithium Project. TOP: surface sampling results and drill hole locations. BOTTOM: Long-section of the Curlew Pegmatite.

Torp Lake Lithium Project - Nunavut, Canada

The 10km² Torp Lake Lithium Project is considered highly prospective and represents a significant discovery opportunity with visual pegmatite outcropping at exceptional scale.

Limited historical work completed on the McAvoy Pegmatite in 2009 (Figure 3) returned channel sampling results of 6m at 4.5% Li₂O and 7m at 3.3% Li₂O and identified extensive pegmatites with spodumene crystals up to 1.5m long (refer Figure 4).

Although company exploration has been limited to a single, two-day, reconnaissance field trip, historical geological maps (Geological Society of Canada Bulletin 475) indicate approximately 70ha of pegmatite and pegmatitic leucogranite extend across the Torp Lake property.

The unsampled pegmatites, as well as along strike and depth extensions of the McAvoy pegmatite, represent exceptional exploration targets with the potential for multiple new discoveries.

Results of laboratory based mineralogical evaluation confirmed the pegmatite is mineralogically simple and composed primarily of spodumene (52-55%), quartz (42-43%) and Na-Feldspar (2-4%).

Spodumene was estimated to carry over 99% of the lithium in the sample and liberation of spodumene was excellent at approximately 99%. Thirty-three microprobe analyses of individual spodumene grains found it to be clean of major element impurities, particularly iron and manganese.

Strategically located close to waterways and the Iqaluit Deep Sea Port facility at Bathurst Inlet, its location is also proximal to B2Gold's fully permitted, construction-ready Goose project, the most advanced in the district.

Omnia intends to commence discovery drilling at this site upon completion of the Proposed Transaction.

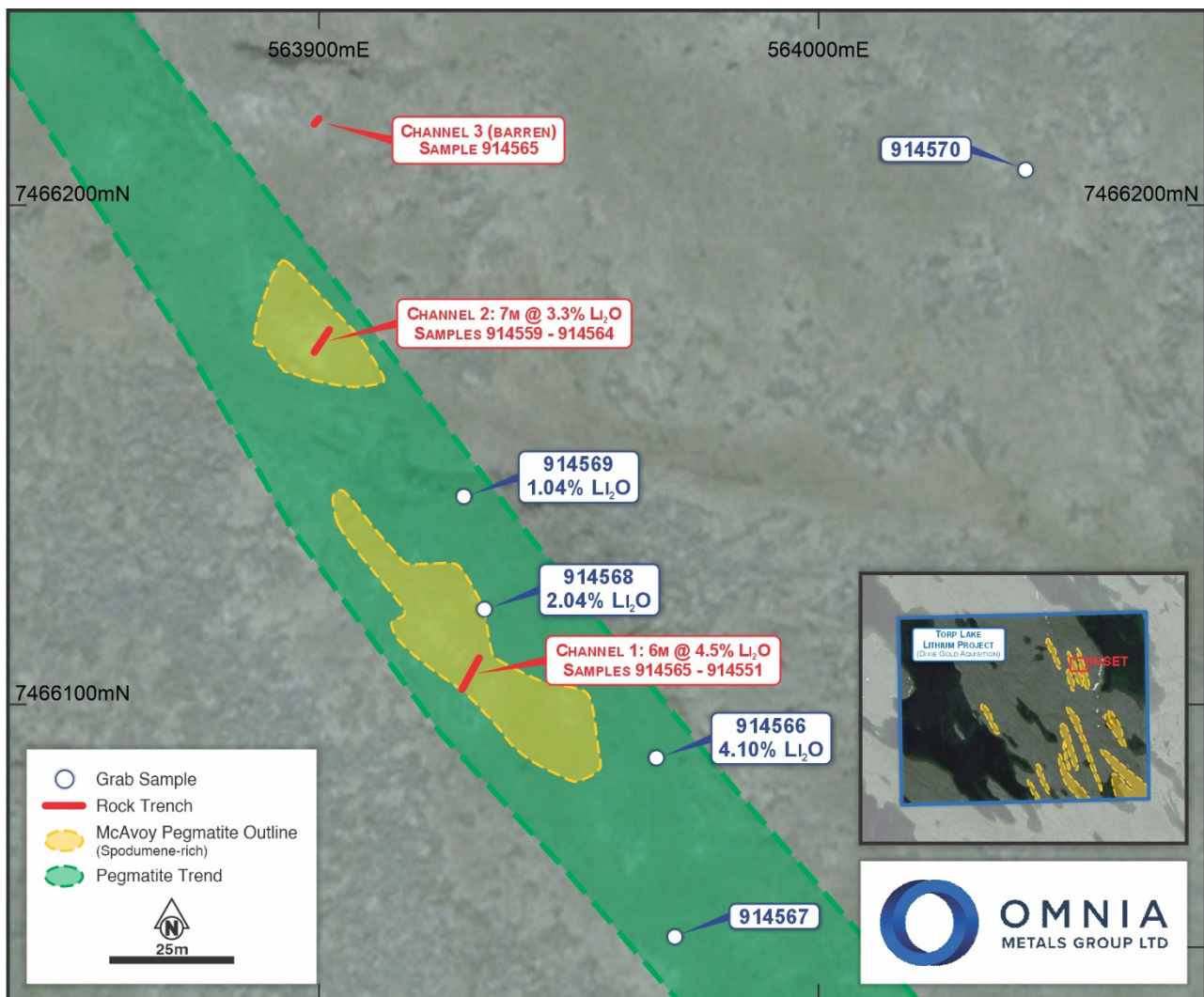


Figure 3: Historical exploration completed by North Arrow Minerals Inc. at the Torp Lake Project. Please refer to Annexure C, Table 3 for full assay results and sample locations



Figure 4: LEFT: photograph of the McAvoy Pegmatite, at sample location 914566, with elongate spodumene crystals up to 1.5m length which returned an assay result of 4.09% Li_2O . RIGHT: photograph of the McAvoy pegmatite outcrop at the Channel 1 sampling location (samples 914565 – 914551). Please refer to Annexure C, Table 3 for full assay results and sample locations.

Gold projects

The Proposed Transaction sees Omnia take ownership of the Red Lake Gold Project in Ontario, covering 253km² and 1,241 mining claims, as well as the 97km² Isko Gold Project in Quebec.

The Dixie Gold district is an emerging exploration camp with contiguous property holders having had recent exploration success involving both gold and base metal exploration.

To this point, the Red Lake Gold Project is immediately adjacent to the Dixie Gold Project that was acquired by Kinross Gold Corporation (TSX:K; NYSE:KGC) in December 2021 for US\$1.4b via a plan of arrangement with Great Bear Resources Ltd. (TSX-V:GBR).

Uranium project

Omnia will also take over an interest in the Preston Lake Joint Venture, which owns the Preston Lake Uranium Project in Saskatchewan, Canada. Of note, the Preston Lake Uranium Project, which is operated by Orano Canada, adjoins the Rook 1 Project being advanced by NexGen Energy Ltd. (ASX:NXG).

The Preston Lake Uranium Project covers an approximately 496km² district scale exploration parcel and is located in the Athabasca Basin which is a world-renowned hotspot for large high-grade uranium deposits. This region of Canada produces nearly 20 per cent of global uranium supply.

- ENDS -

This announcement is approved for release by the Board of Omnia Metals Group Ltd

Omnia Metals Group Ltd is solely responsible for the preparation and the content of this news release.

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ABOUT OMNIA METALS GROUP

Omnia Metals Group Ltd (ASX:OM1) goal is to become a leader in the exploration, and development, of future facing commodities used in advanced technologies and essential to the global energy transition.

The Company entered an Earn-In Agreement (“Agreement”) to acquire up to 100% interest in the Lac des Montagnes Project, which contains 601km² of granted claims considered highly prospective for lithium mineralisation as defined by the Ministère des Ressources Naturelles et des Forêts (MERN).

Omnia is expected to materially expand its portfolio, by way of its offer to acquire Dixie Gold Inc. and the resultant post-completion ownership of its prospective lithium, gold and uranium projects located throughout Canada.

COMPETENT PERSONS STATEMENT

The information in this report which relates to Exploration Results is based on information compiled by Dr. James Warren, a Competent Person who is a member of the Australian Institute of Geoscientists.

Dr. Warren is the Managing Director of Omnia Metals Group Ltd. Dr. Warren has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the “Australian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Dr. Warren consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.

FORWARD LOOKING STATEMENTS

Statements contained in this release, particularly those regarding possible or assumed future performance, costs, dividends, production levels or rates, prices, resources, reserves or potential growth of Omnia Metals Group Ltd, are, or may be, forward looking statements.

Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties. Actual results and developments may differ materially from those expressed or implied by these forward-looking statements depending on a variety of factors.

ANNEXURE A

Proposed Transaction Terms

1. Offer

Omnia has agreed to acquire 100% of the issued and outstanding common shares of Dixie (**Dixie Shares**) from the Dixie shareholders on the following binding terms (**Transaction**):

- (a) the Transaction will be implemented through a plan of arrangement under the provisions of the *Business Corporations Act* (British Columbia) (**Plan of Arrangement**) through which Dixie will become a wholly owned subsidiary of Omnia;
- (b) subject to Section 2, the consideration for the Transaction will be comprised of a total of:
 - (i) C\$3,000,000 in cash; and
 - (ii) 166,666,667 fully paid and freely-tradable ordinary shares in the capital of Omnia (**Omnia Shares**).

(the **Offer**).

The Offer is subject to Omnia and Dixie entering into a formal arrangement agreement (and any other ancillary definitive legal documentation) to more fully document the terms and conditions of the Transaction (**Formal Agreement**).

2. Transaction Structure

Based on a price per Omnia share of \$AU0.08 (representing C\$0.072 assuming an approximate AUD/CAD exchange rate of 0.86491), the total value of the consideration for the Transaction will be approximately C\$15,000,000 (comprising C\$3,000,000 in cash and 166,666,667 shares valued at approximately C\$12,000,000 in Omnia Shares).

In conjunction with the Transaction, Omnia intends to raise an amount of A\$6m or such other amount required by Omnia in consultation with the ASX, by way of issue of fully paid ordinary shares (**Capital Raising**) to pay the cash consideration, associated legal fees with the proposed Transaction and to maintain a healthy balance sheet with available working capital to expedite exploration on the projects. The Capital Raising will be conducted pursuant to a prospectus to be lodged by Omnia with ASIC (**Prospectus**). As part of the Capital Raising, the Board of Directors of Omnia would also offer part of the Capital Raising to current Omnia shareholders as a priority offer. Omnia is also confident in attracting a cornerstone investor to underwrite the Capital Raising.

3. Exclusivity

- (a) For the exclusive right of dealing with Dixie and undertaking further due diligence, Omnia has made a total cash payment of C\$300,000 to the nominated bank account of Dixie (**Exclusivity Fee**). The Exclusivity Fee is non-refundable except in the circumstances as outlined in Section 4 of the Offer.
- (b) From the date of execution of the Offer Letter by both Omnia and Dixie, Omnia is granted an exclusivity period of nine (9) weeks (or such later date if mutually agreed to in writing by both Omnia and Dixie) (**Exclusivity Period**). On 22 December 2023 the parties extended this Exclusivity Period to thirteen (13) weeks with ability of the parties to extend as a matter of ordinary course, as deemed mutually desired by the parties.

4. Non-Circumvention and Break Fee

- (a) Dixie acknowledges and agrees that it must immediately pay Omnia an amount equal to the Exclusivity Fee (**Break Fee**) (to Omnia's nominated bank account) within 7 business days upon written demand by Omnia if any of the following events occur (each a **Default Event**):
 - (i) Dixie solicits a Competing Transaction during the Exclusivity Period in breach of Section 3;
 - (ii) Dixie undertakes business that has a material adverse impact on Dixie, its assets, and operations;
 - (iii) Dixie is determined by a court to have failed to act in good faith to negotiate a Formal Agreement in accordance with Section 5; or
 - (iv) in the event a Superior Proposal is consummated and approved by shareholders of Dixie .
- (b) Notwithstanding Section 4, Omnia acknowledges that at all times Dixie and its board of directors retain fiduciary duty privileges and Omnia further acknowledges and agrees that an alternate superior proposal (**Superior Proposal**) for Dixie and/or substantively all of its assets, which arises on an unsolicited basis, shall not constitute a Default Event.

5. Formal Agreement

- (a) During the period commencing on the date of the acceptance of the Offer and terminating on the expiry of the Exclusivity Period or such later date as may be agreed to by both Omnia and Dixie in writing (**End Date**), Omnia and Dixie agree to perform or cause to be performed all such acts and deeds as may be required to give full force and effect to the terms and provisions set out herein and to cooperate with each other and each other's counsel and each other's professional advisors in the preparation, execution and delivery of any and all documents or instruments necessary to give full force and effect to the terms and provisions set out herein and in the Formal Agreement and any other documents required to give effect hereto.

6. Termination

Unless Omnia and Dixie mutually agree otherwise, the Offer shall terminate on the earlier of:

- (a) the date Omnia and Dixie mutually agree to terminate the Offer; or
- (b) the End Date, if a Formal Agreement has not been executed by the End Date.

The termination of the Offer will not affect the liability of a party for breach of any of terms thereof before the termination of the Letter, or the survival of certain provisions that by their terms survive termination.

Mineral Tenure

There are five Projects which consist of 1,427 claims, totalling 123,045 hectares over the areas in Canada noted above (which make up the Phoenix Lithium Project, Torp Lake Lithium Project; Red Lake Gold Project and the joint venture interest in the Preston Uranium Project). Based on Omnia's due diligence to date, all of the permits which make up the Projects are granted and in good standing.

Omnia has engaged in-country legal advisors to provide formal legal advice to confirm the good standing of all the permits within the five Projects. The outcomes of these legal reports will be included in the Prospectus.

Details of Dixie Gold Inc.

Dixie Gold Inc. was incorporated on August 24, 2011, pursuant to the *Business Corporation Act* (Alberta) and was continued into British Columbia under the *Business Corporation Act* (British Columbia) on November 10, 2015.

Dixie is publicly traded on the TSX Venture Exchange under the symbol DG.

On October 16, 2019, the company changed its name from Clean Commodities Corp. to Dixie Gold Inc. (prior thereto it held historic corporate names, Athabasca Nuclear Corp. and Yellowjacket Resources Ltd.).

Since its inception, the company has explored, both directly and indirectly through earn-in partners, a portfolio of exploration projects.

As noted above, at present, Dixie holds exploration project interests in gold, lithium and uranium assets situated across Canada.

Since early 2013, Dixie has held uranium project interest in the Athabasca Basin, where it currently holds a 24.5% minority interest in the Preston Uranium Project being advanced in conjunction with Orano Canada and Skyharbour Resources Ltd. (TSXV:SYH). The Preston Uranium Project shares common project boundary with the Rook-1 project being advanced by NexGen Energy Ltd. (ASX:NXG) through its Arrow uranium deposit as situated within the SW Athabasca Basin

Since 2016, Dixie has also owned the Torp Lithium Project (NU) and the Phoenix Lithium Project (NWT), both situated in Northern Canada, and each of which are now held under 21-year term Crown leases.

Since late 2019, Dixie holds the Red Lake Gold Project situated southeast of Red Lake, Ontario. The Red Lake Gold Project is located immediately adjacent to the Dixie Project being advanced by Kinross Gold Corporation (following the completed acquisition of Great Bear Resources Ltd. for ~ C\$1.8 billion of consideration by Kinross Gold Corporation in early-2022).

It also holds interest in an early-stage grassroots gold project in Quebec (Isko) first explored in 2017.

Dixie is led by Ryan Kalt, its Chairman and CEO, who previously led Gold Royalties Corporation (acquired by Sandstorm Gold Ltd. (NYSE:SAND)) and Nicholas Koo, who serves as its CFO.

Capital Raising & Re-compliance

In connection with the Proposed Transaction, the Company currently intends to raise A\$6m (before costs). The Company currently intends to raise A\$2m (CAD\$1.789m*) through the Canadian Flow-Through-Funding Facility (subject to compliance with both Australian and Canadian legal requirements) and intends to raise an additional A\$4m through an offer under the full form Prospectus. As at the date of this announcement, the Company is proposing that the Prospectus contains a general offer, open to the public, with a priority offer to be extended to Omnia shareholders as at a particular record date.

It is anticipated that the raising component completed through the Flow-Through-Funding facility will be completed through the issuing of 18,181,818 fully paid ordinary shares in the capital of the Company (**Shares**) and an issue price of \$0.11. The A\$4m capital raise through the public and priority offer under the Prospectus, is proposed to be completed through the issuing of 50,000,000 fully paid ordinary shares in the capital of the Company (**Shares**) and an issue price of \$0.08 (**Capital Raising**).

The final pricing and structure of the Capital Raising (including the Canadian Flow-Through Funding Facility) is still being considered by the Board and is subject to further consideration by Omnia (and its advisors) and is subject to and conditional upon the Company obtaining a waiver from ASX in respect of ASX Listing Rule 1.1 Condition 12 to undertake the Capital Raising at an issue price of less than 20 cents.

*assuming a CAD/AUD exchange rate of 0.8946 as of 29th Dec 2023

Based on the currently proposed Capital raising, the capital structure of Omnia following completion of the Capital Raising and the Proposed Transaction is anticipated to be as follows:

Security	Minimum Subscription
Shares	
Existing Shares	56,525,611
Consideration Shares	166,666,667
Capital Raising Shares	68,181,818
Total Shares on completion of the Offer	291,374,096
Options	
OM1O: Listed Options exercisable at \$0.25 and expiring 28 February 2025	20,015,000
OM1AD: Unlisted Options exercisable at \$0.25 and expiring 28 February 2025	6,600,000
OM1AE: Unlisted Options expiring 28 February 2027	5,000,000
Lead Manager Options (ASX: OM1O)	5,000,000
Total Options on completion of the Offer	36,615,000
Performance Rights	
Existing Performance Rights	2,250,000
Total Performance Rights on completion of the Offer	4,250,000

Proposed Use of Funds

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

Proposed use of funds – Year 1 ¹		A\$
Exploration at the Ord Basin Project	\$	170,000
Exploration at the Salt Creek Project (Albany-Fraser)	\$	200,000
Exploration at the Lac Des Montagnes Project	\$	180,000
Exploration at the Phoenix Project	\$	180,000
Exploration at the Torp Project	\$	150,000
Exploration at the Red Lake Project	\$	50,000
Directors' fees	\$	277,500
Acquisition costs	\$	3,740,000
Administration costs ²	\$	25,000
Working capital	\$	450,000
Estimated expenses of the Capital Raising	\$	360,000
Total funds allocated – Year 1	\$	5,782,500
Proposed use of funds – Year 2 ¹		
Exploration at the Ord Basin Project	\$	200,000
Exploration at the Salt Creek Project (Albany-Fraser)	\$	200,000
Exploration at the Lac Des Montagnes Project	\$	250,000
Exploration at the Phoenix Project	\$	250,000
Exploration at the Torp Project	\$	250,000
Exploration at the Red Lake Project	\$	90,295
Directors' fees	\$	277,500
Administration costs ²	\$	25,000
Working capital	\$	450,000
Total funds allocated – Year 2	\$	1,992,795
Total funds allocated		\$7,775,295
		\$7,775,295

Note 1: The above table is a statement of current intentions as of the date of this announcement. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the manner in which the funds are ultimately applied on this basis.

Note 2: Administration costs include the general costs associated with the management and operation of the Company's business including administration expenses, management salaries, directors' fees, rent and other associated costs of a listed company.

Unaudited Pro-forma Consolidated Statement of Accounts

Please refer to Annexure B of this Announcement for the pro-forma statement of financial position of Omnia following completion of the Capital Raising and the Proposed Transaction.

Indicative Timetable

Action	Date
Date of announcement of the Proposed Transaction	3 January 2024
Despatch of Omnia Notice of Meeting	26 January 2024
Lodge Prospectus with ASIC	5 February 2024
Opening Date of Prospectus Capital Raising Offer	13 February 2024
Meeting to approve the Proposed Transaction	27 February 2024
Closing Date of the Prospectus Capital Raising Offer	12 March 2024
Securities Issued under the Prospectus Capital Raising Offer	26 March 2024
Despatch of holding statements	27 March 2024
Settlement of the Proposed Transaction	29 March 2024
Expected Re-quotations Date on ASX	1 April 2024

The above timetable is indicative only and has not been endorsed by ASX. Actual dates will be subject to the Corporations Act 2001(Cth), the ASX Listing Rules and the Canadian legal requirements applicable to the completion of the Plan of Arrangement, and the Company reserves the right to vary any and all of the above dates without notice.

Fees Paid or Payable

Exclusivity Fee: Omnia has paid a CAD\$300,000 exclusivity fee (**Exclusivity Fee**) to Dixie as consideration for the Omnia being granted a 9-week exclusivity period (or such later date as agreed in writing between the parties), the exclusivity period was extended by the parties (without further consideration) on 22 December 2023 by a further 4-week period, such extension being additive to the original time period;

Lead Manager Fee: 6% on the amount raised under the Capital Raising (approximately \$360,000); and 5,000,000 listed Options (ASX: OM1O) (exercisable at \$0.25 and expiring on 28 February 2025) (**Lead Manager Options**).

General Regulatory Requirements

On the 22 December 2023, the Company received favourable in-principle from the ASX that, subject to certain factors, the ASX is not aware of other reasons, other than those factors, that would cause the Company not to have a structure and operations suitable for a listed entity.

The Company notes that pursuant to the Listing Rules:

- I. the issue of the securities under the agreement for the Proposed Transaction requires shareholder approval and therefore may not proceed if such approval is not forthcoming;
- II. the Company is required, to re-comply with ASX's requirements for admission and quotation and therefore the Proposed Transaction may not proceed if those requirements are not met; and
- III. ASX has an absolute discretion in deciding whether or not to re-admit Omnia to the Official List and to quote its securities and therefore the Proposed Acquisition may not proceed if ASX exercises that discretion.

Investors should take account of these uncertainties in deciding whether or not to buy or sell Omnia's securities.

Furthermore, the Company:

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

Further information about the Proposed Transaction will be disclosed when available and included in the documentation that will be filed by each of the companies, in due course, in accordance with the policies of the ASX, the Corporations Act and the TSXV (as applicable).

Shareholder Approvals

Shareholder approval for the resolutions required to give effect to the Acquisition will be sought at the Company's shareholders meeting anticipated to be held in February 2024.

ASX Waivers and Confirmations

The Company intends to seek a waiver from the ASX in respect of the following matters:

- (a) a waiver from the requirements of ASX Listing Rule 2.1 Condition 2 and ASX Listing Rule 1.1 Condition 12 to allow Omnia to:
 - (i) issue fully paid ordinary shares in the capital of Omnia at a price less than 20 cents, under the Capital Raising; and
 - (ii) to have performance rights that vest into shares on issue with an exercise price of less than 20 cents at the time Omnia's shares are reinstated to trading on the ASX; and
- (b) a waiver from the requirements of ASX Listing Rule 9.1(b) and 9.1(c) in respect of Omnia's shares to be issued to the shareholders of Dixie as consideration for the Proposed Transaction.

Omnia will keep shareholders informed as to the status of ASX's determination of Omnia's waiver applications.

Formal Agreement

The Company has undertaken appropriate enquiries and will undertake further due diligence into the assets and liabilities, financial position and performance, profits and losses, and prospects of Dixie and the Projects to enable the Board to be satisfied that Proposed Transaction is in the interests of the Company and its shareholders.

Omnia notes that until a Formal Agreement is executed by the parties, there is no certainty that the Proposed Transaction will proceed.

ANNEXURE B – PROFORMA STATEMENT OF ACCOUNTS

Omnia Metals Group Limited		
Consolidated Statement of Financial Position		
30 June 2023		
	30/6/2023 Audited	Proforma Post transaction
	\$	\$
Current assets		
Cash and cash equivalents	3,814,226	5,765,427
Trade and Other receivables	103,611	103,611
Total current assets	3,917,837	5,869,038
Non-current assets		
Property Plant and Equipment	70,597	70,597
Deferred exploration and evaluation expenditure	5,790,760	5,790,760
Dixie acquisition	-	17,022,133
Right of use assets	66,509	66,509
Total non-current assets	5,927,866	22,949,999
Total assets	9,845,703	28,819,036
Current liabilities		
Trade and other payables	539,362	539,362
Lease Liability	38,596	38,596
Total current liabilities	577,958	577,958
Non-Current Liabilities		
Lease liability non-current	31,005	31,005
Total non-current liabilities	31,005	31,005
Total liabilities	608,963	608,963
Net assets	9,236,740	28,210,073

Equity		
Issued capital	9,911,197	28,824,530
Reserves	1,056,889	1,116,889
Accumulated losses	(1,731,346)	(1,731,346)
Total equity	9,236,740	28,210,073
Assumptions		
Consideration Shares value (8c per share)	\$13,333,333	
Consideration Cash AUD paid (CAD \$3.3 million)	\$3,688,799	
Cap Raising cash	\$6,000,000	
Cap Raising fee (6%)	\$360,000	
Lead manager Options (valued at last traded price \$0.012)	\$60,000	
CAD Ex Rate 29/12/23	0.8946	

ANNEXURE C - Drilling and Surface Sampling Results

Table 1: Significant Drilling Intercepts – Phoenix Lithium Project (Source: North Arrow Minerals Inc. Report on Exploration Activities, 16 November 2010)

Drillhole	Easting	Northing	RL	Azi	Dip	Depth	From	To	Interval	LiO2_%
09PX01	601896	7131308	420	52	-45	77.72	4.2	38.5	34.3	1.24
							45.47	48.25	2.78	1.39
							58.63	61.53	2.9	1.35
							63.71	65.45	1.74	1.87
09PX02	601577	7131728	409	230	-45	126.42	18.64	21.64	3	0.95
							31.98	35.07	3.09	1.22
09PX03	601606	7131755	409	232	-44	105.16	54.35	57.35	3	1.73
							63.76	66.83	3.07	0.94
09PX04	601556	7131464	419	230	-55	130.15	24.45	25.54	1.09	1.06
09C01	604877	7131408	411	180	-45	86.87	9.94	35.05	25.11	1.37
09C02	605189	7131433	406	180	-45	65.53	17.25	25.82	8.57	1.47
							22.04	25.82	3.78	1.96
09C03	604975	7131457	411	180	-45	89.92	14.43	29.3	14.87	1.72
							37.5	44.15	6.65	1.26

Table 2: Surface Sampling Results – Phoenix Lithium Project (Source: North Arrow Minerals Inc. Report on Exploration Activities, 16 November 2010)

SampleID	Sample Type	NAT North	NAT East	Li_ppm	Li2O_%
718051	Channel	7131180	601943	3750.5	0.81
718052	Channel	7131180	601943	6129.4	1.32
718053	Channel	7131180	601943	7769.8	1.67
718054	Channel	7131277	601880	9138.1	1.97
718055	Channel	7131277	601880	1730.3	0.37
718056	Channel	7131390	601793	5715.8	1.23
718057	Channel	7131390	601793	7149	1.54
718058	Channel	7131489	601733	11014.2	2.37
718059	Channel	7131489	601733	13528.7	2.91
718060	Channel	7131563	601644	13290.7	2.86
718061	Channel	7131563	601644	7088.3	1.53
718062	Channel	7131563	601644	7023.5	1.51
718063	Channel	7131599	601525	9770.5	2.1
718064	Channel	7131668	601509	10852.6	2.34
718065	Channel	7131696	601391	2657.2	0.57
718066	Channel	7131847	601328	14543.3	3.13
718067	Channel	7131847	601328	14484.2	3.12
718068	Channel	7131942	601151	5498.4	1.18
683851	Rock	7127509	596404	394	0.08
683852	Rock	7127510	596407	236	0.05
683853	Rock	7127494	596382	393	0.08

683854	Rock	7127483	596391	122	0.03
683855	Rock	7127417	596342	3283	0.71
683856	Rock	7127461	596365	78	0.02
683857	Rock	7129218	594963	405	0.09
683858	Rock	7129212	594968	8377	1.8
683859	Rock	7129261	595006	12918	2.78
683860	Rock	7129266	595012	18805	4.05
683861	Rock	7129266	595015	162	0.03
683862	Rock	7128805	595018	16810	3.62
683863	Rock	7128829	595046	172	0.04
683864	Rock	7128807	595021	8738	1.88
683865	Rock	7128800	595008	404	0.09
683866	Rock	7128782	594977	29646	6.38
683867	Rock	7131941	601154	7677	1.65
683868	Rock	7131939	601152	4137	0.89
683869	Rock	7131927	601170	12214	2.63
683870	Rock	7131899	601206	256	0.06
683871	Rock	7131844	601328	14815	3.19
683872	Rock	7131500	601720	12994	2.8
683873	Rock	7131522	601651	15504	3.34
683874	Rock	7131074	603086	10476.5	2.26
683875	Rock	7131598	601528	2382	0.51
683876	Rock	7131590	601515	1335.9	0.29
683877	Rock	7131552	601673	6215.8	1.34
683878	Rock	7131378	601852	8014.4	1.73
683879	Rock	7131156	601951	10469.3	2.25
683880	Rock	7135343	595082	87.2	0.02
683881	Rock	7135180	595238	73.6	0.02
718251	Rock	7127006	601306	8483.7	1.83
718252	Rock	7127004	601307	1928.4	0.42
718253	Rock	7127020	601279	30945.8	6.66
718254	Rock	7127080	601381	33222.2	7.15
718255	Rock	7126489	599990	263.3	0.06
718256	Rock	7127054	601369	1886.1	0.41
718257	Rock	7127112	601417	25184.1	5.42
718258	Rock	7124753	598517	8861.2	1.91
718259	Rock	7125648	599454	14623.8	3.15
718260	Rock	7125655	599454	222.2	0.05
718261	Rock	7124931	599594	110.6	0.02
718262	Rock	7128062	610933	258.5	0.06
718263	Rock	7128979	611166	9956	2.14
718264	Rock	7129145	611230	9450.4	2.03
718351	Rock	7131231	601812	7665.7	1.65
718352	Rock	7135780	604190	34.8	0.01

718353	Rock	7135514	602445	58.1	0.01
718355	Rock	7130398	604839	203.4	0.04
718356	Rock	7130720	604690	105.6	0.02
718357	Rock	7131413	604976	15349.9	3.3
718358	Rock	7131353	604886	16812.4	3.62
718359	Rock	7131377	604882	7202.1	1.55
718360	Rock	7131343	604200	198	0.04
718371	Rock	7133257	603194	30830.9	6.64
718372	Rock	7133252	603129	8856.6	1.91
718401	Rock	7131189	601860	19464.4	4.19
718402	Rock	7131317	601923	9463.8	2.04
718403	Rock	7131735	601095	2551.3	0.55
718404	Rock	7131491	601563	6355.8	1.37
718405	Rock	7128410	604409	3086.5	0.66
718406	Rock	7128387	604437	4961.5	1.07
718407	Rock	7128302	604519	415.4	0.09
718408	Rock	7128257	604545	15737.3	3.39
718409	Rock	7128689	604598	4063.3	0.87
718410	Rock	7128230	605332	36.7	0.01
718411	Rock	7129512	605517	31.5	0.01
718412	Rock	7129813	605359	83.3	0.02
718413	Rock	7129996	605100	59.4	0.01
718417	Rock	7137469	596879	2803.3	0.6
718418	Rock	7138105	596841	12710.4	2.74
718419	Rock	7131261	601880	14121.1	3.04
718420	Rock	7131274	601870	11318.3	2.44
718421	Rock	7131288	601861	3463.8	0.75
718422	Rock	7131332	601849	9056.5	1.95
718423	Rock	7131843	600970	8099	1.74
718701	Rock	7128182	611243	44.9	0.01
718702	Rock	7128617	611348	20992.9	4.52
718703	Rock	7127277	611445	41.9	0.01
718704	Rock	7128259	610692	137	0.03
718705	Rock	7127740	611292	20466.1	4.41
718706	Rock	7129712	611208	68.3	0.01
718707	Rock	7131287	604729	15873.2	3.42
718708	Rock	7131348	604893	8969.6	1.93
718709	Rock	7131300	604700	5644.6	1.22
718710	Rock	7131749	601147	6686	1.44

Table 3: Surface Sampling Results – Torp Lake Project (Source: North Arrow Minerals Inc. Report on Exploration Activities, 22 July 2011)

Sample ID	Sample Type	North	East	Comments	Li_ppm	Li2O_%
914551	Channel	7466100	563943	C1-1 - start	366.5	0.08
914552	Channel			C1-2	6830	1.47
914553	Channel			C1-3	13074	2.81
914554	Channel			C1-4	17574	3.78
914555	Channel			C1-5	18537	3.99
914556	Channel			C1-6	17376	3.74
914557	Channel			C1-7	16640	3.58
914558	Channel	7466106	563948	C1-8 - end	17379	3.74
914559	Channel	7466171	563910	C2-1 - start	22576	4.86
914560	Channel			C2-2	20895	4.5
914561	Channel			C2-3	20816	4.48
914562	Channel			C2-4	17836	3.84
914563	Channel			C2-5	20473	4.41
914564	Channel	7466175	563913	C2-6 - end	20457	4.4
914565	Channel	7466220	563897	C3-1	496	0.11
914566	Grab	7466086	563972	Spod pegmatite SE of C1 channel	19008	4.09
914567	Grab	7466048	563977	Pegmatite-feldspar reach no visible spod	44.8	0.01
914568	Grab	7466117	563935	Fluorite bearing pegmatite	9494	2.04
914569	Grab	7466141	563930	Beryl bearing pegmatite	4811	1.04
914570	Grab	7466213	564048	Feldspar rich pegmatite	66.9	0.01

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Section 1 Sampling Techniques and Data

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

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> • <i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i> • <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> • <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> • <i>In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i> 	<p>Phoenix Lithium Project</p> <ul style="list-style-type: none"> • North Arrow Minerals Inc. completed geological mapping, channel sampling, ground based magnetics and drilling between 2008-2009. • Each rock (prospecting) sample location was marked with a representative sample, wrapped with orange flagging tape that contains the assigned sample number. Individual float and rock samples weigh no more than 5kg. Rock samples were collected such that the specimens had little to no weathered surface or lichen and represented the overall characteristics of mineralization from that location. In places where rock material is rare or difficult to liberate, chip samples are taken to represent the zone of interest. • In areas with well exposed outcrops, channel chip samples are collected over specific intervals that represent a continuous transect across zones of mineralization. A continuous chip is taken perpendicular to the general attitude of the contacts and/or fabrics observed in outcrop with a chisel and hammer. The placement and spacing of the various channel cuts was often dependent upon the availability of outcrop suitable for rock saw work. All attempts were made to sample pegmatite outcrops representative of the mineralogy. A gas-powered rock saw equipped with a diamond-impregnated blade was used to cut the channels. Channel cuts were typically 9.0 cm wide by 6.5 cm deep. Individual channel cuts varied between 1.00 m and 5.51 m length. The length of the various channel samples was constrained by the generally limited width of the individual outcrops. Sample lengths within a channel cut varied between 0.70 m and 1.87 m. <p>Torp Lithium Project</p> <ul style="list-style-type: none"> • Between August 25th and August 28th of 2009, rock sampling was carried out on a spodumene rich pegmatite located on the Torp 1 (K03613) claim by North Arrow Minerals Inc. • Two locations on the outcropping spodumene rich pegmatite were selected to get representative samples of the pegmatite with visible spodumene mineralisation. A third location was sampled that did not have evident spodumene. Sampling was carried out utilizing a gas-powered rock saw to make parallel cuts approximately 9 cm wide by 6 cm deep. The sample material was then broken out using a chisel and hammer. In total, 15 samples were

Criteria	JORC Code explanation	Commentary
		collected from the three separate channels. As well five grab samples were also taken.
<i>Drilling techniques</i>	<ul style="list-style-type: none"> • <i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i> 	<p>Phoenix Lithium Project</p> <ul style="list-style-type: none"> • Northtech Drilling Ltd. was contracted to supply drilling services for the 2009 program. Northtech provided a modified Boyles 17A drill rig that was helicopter portable. All recovered core was of NQ size. The drill crew consisted of two drillers and two helpers, supervised by a foreman, with site visits during mobilization and initial set up. Mobilization between drill sites was carried out with a Hughes SOOD helicopter provided by Great Slave Helicopters Ltd. The drilling program was supervised by Regan Chernish, P. Geol (NT & NU) and Robert Campbell, P.Geo. (BC). • A total of seven holes (681.77m) were drilled with four on Big Bird (438.95m) and three on Curlew (242.82m). A total of 181 drill core samples were collected for ICP analysis (Groups 7TX and IFD); 101 samples for drillholes 09PX01 to 09PX04 and 80 samples for 09C01 to 09C03.
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> • <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> • <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i> • <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i> 	<ul style="list-style-type: none"> • For drilling historically conducted at the Phoenix Project, historical reports indicate sample recovery >90%.
<i>Logging</i>	<ul style="list-style-type: none"> • <i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i> • <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> • <i>The total length and percentage of the relevant intersections logged.</i> 	<ul style="list-style-type: none"> • All drillholes have been geologically logged in full. • Historical logs have recorded lithology, structure, veining, alteration and mineralisation. • Logging was completed by North Arrow Minerals Inc. geologists.
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> • <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> • <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> • <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> • <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> • <i>Measures taken to ensure that the sampling is representative of the in</i> 	<ul style="list-style-type: none"> • All diamond drill core was processed in the same manner. Initial examination of the core involved converting marked blocks from feet to metres (1 ft= 0.305m) and the meterage of each box was measured. This interval was written on the box and recorded on a 1" x 3" metal tag, which was then stapled on the left side of the box. Next, the core recovery and magnetic susceptibility measurements for each 10 foot "run" was measured and recorded. The drill core was logged and marked up with colored lumber crayon for sampling. Standard sample intervals are 1 m, but the priority is to break-out and collect samples with similar lithology. Intervals that required sampling were split in halves where one

Criteria	JORC Code explanation	Commentary
	<p><i>situ material collected, including for instance results for field duplicate/second-half sampling.</i></p> <ul style="list-style-type: none"> • <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<p>half went into an 18" x 24" plastic bag cinched with a zip tie and the other half of the split core was returned to the core tray to leave a record of the rock sample. Samples are transported in large rice bags pails sealed with tamper-proof numbered security tags.</p>
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> • <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> • <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i> • <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i> 	<ul style="list-style-type: none"> • North Arrow did not perform an internal quality assurance/quality control program and relied on the laboratory's quality control program to monitor for potential contamination during analysis. Acme Analytical Laboratories inserts blanks (analytical and method) and processes reject duplicate material and lab pulp splits in the sequences of client samples in order to provide a measure of background noise, accuracy and precision. QAQC protocol incorporates granite or quartz sample prep blanks (GI) carried through all stages of preparation and analysis as the first sample(s) in the shipment. Typically, an analytical batch will be comprised of 34-36 client samples, a pulp duplicate (REP) to monitor analytical precision, a -10 mesh reject duplicate (DUP) to monitor sub-sampling variation, and a reagent blank (BLK) to measure background. Standard reference materials are also inserted.
Verification of sampling and assaying	<ul style="list-style-type: none"> • <i>The verification of significant intersections by either independent or alternative company personnel.</i> • <i>The use of twinned holes.</i> • <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> • <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> • The information pertaining to the release has been verified by the Competent Person. • The Company intends to complete drilling and sampling to validate the historically reported results.
Location of data points	<ul style="list-style-type: none"> • <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i> • <i>Specification of the grid system used.</i> • <i>Quality and adequacy of topographic control.</i> 	<ul style="list-style-type: none"> • The location of data points referred to in the release have been verified by the Competent Person. • Drill hole collar and sample coordinates were collected using a handheld GPS with an accuracy of +/- 2m. • Locations are reported in Universal Transverse Mercator (UTM) co-ordinates and referenced to the NAD83 zone 12W
Data spacing and distribution	<ul style="list-style-type: none"> • <i>Data spacing for reporting of Exploration Results.</i> • <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i> • <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> • Due to the early-stage nature of exploration, data spacing and distribution is random and is not sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.
Orientation of data in relation to	<ul style="list-style-type: none"> • <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to</i> 	<ul style="list-style-type: none"> • Due to the early-stage nature of exploration, data spacing and distribution is random. • Drilling and channel sampling was conducted

Criteria	JORC Code explanation	Commentary
<i>geological structure</i>	<p><i>which this is known, considering the deposit type.</i></p> <ul style="list-style-type: none"> <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i> 	perpendicular to the interpreted strike of the target pegmatite bodies.
<i>Sample security</i>	<ul style="list-style-type: none"> <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> Intervals that required sampling were split in halves where one half went into an 18" x 24" plastic bag cinched with a zip tie and the other half of the split core was returned to the core tray to leave a record of the rock sample. Samples were transported in large rice bags pails sealed with tamper-proof numbered security tags.
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> The Company has undertaken extensive due diligence on the Project. The Company will be completing rock chip sampling and drilling programs in the coming months to test the prospectivity of the interpreted pegmatite targets. Review of geological and geophysical maps and imagery was completed by the Competent Person. An Independent Geological Report will be completed on all of the properties as part of the Prospectus.

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i> <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i> 	<ul style="list-style-type: none"> There are five Projects which consist of 1,427 claims, totaling 123,045 hectares over the areas in Canada noted in the body of the release (which make up the Phoenix Lithium Project, Torp Lake Lithium Project; Red Lake Gold Project and the joint venture interest in the Preston Uranium Project). Based on Omnia's due diligence to date, all of the permits which make up the Projects are granted and in good standing. Omnia has engaged in-country legal advisors to provide formal legal advice to confirm the good standing of all the permits within the five Projects. The outcomes of these legal reports will be included in the Prospectus.
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<ul style="list-style-type: none"> North Arrow Minerals Inc. completed geological mapping, channel sampling, ground based magnetics and drilling between 2008-2009 (Assessment Report 2008/2009, Phoenix Project, Savannah – Alymer Lakes Area, Northwest Territories. North Arrow Minerals Inc.). Between August 25th and August 28th of 2009, rock sampling was carried out on a spodumene rich pegmatite located on the Torp 1 (K03613) claim by North Arrow Minerals Inc. (Assessment

Criteria	JORC Code explanation	Commentary
		<p>Report 2009-2011, Torp Lake – McAvoy Lake Area, Nunavut. North Arrow Minerals Inc.).</p> <p>Phoenix Exploration Target Model – Dahrouge Consulting 2108</p> <p>Historic Data</p> <ul style="list-style-type: none"> • The initial model was based entirely off historic data sourced from the North Arrow 2010 assessment report. This report provided, outcrop mapping, subcrop mapping, channel sample data, and diamond drilling as well as the associated assays. • Maps were georeferenced in ArcGIS to provide accurate eastings and northings. Subcrop, outcrop, and pegmatite interpretation polygon shapefiles were then created in ArcGIS, and then converted to polylines using ETGeowizards before being imported into Leapfrog 3D modelling software. A polyline file for faults was also created and imported into Leapfrog. • Drill hole and channel sample data in the report (collar, survey, assay, and lithology) was compiled in CSV's before being imported into the Leapfrog central database. <p>Topography</p> <ul style="list-style-type: none"> • Contours were acquired from Canvec, with 5 m spacing, and a topography surface was created using this data. This data covered a large area and appeared to provide reasonable accuracy, as the region has relatively subdued topography. Drill holes, channels and shapefile data was then draped over the topography. <p>Density</p> <ul style="list-style-type: none"> • Based on density values from similar pegmatite projects, a global density of 2.7 g/cm³ was assumed. <p>Global Trends</p> <ul style="list-style-type: none"> • Global structural trends were determined using historic mapping data as well as support from the North Arrow assessment report. Dip information is limited, with no oriented downhole measurements or surface dips. The authors of the North Arrow assessment report suspected that the Big Bird pegmatite was dipping to the southwest, while the Curlew pegmatite was dipping to the North. • For the Big Bird pegmatite, a global structural trend of 225° dip azimuth, and 80° dip was used. For the Curlew pegmatite a global structural trend of 350° dip azimuth, and 85° dip was used. • These trends should be re-evaluated once more

Criteria	JORC Code explanation	Commentary
		<p>data becomes available. OTV data has proven extremely useful in the structural modelling of pegmatite bodies and should be considered for future drill programs.</p> <p>Surface Mapping</p> <ul style="list-style-type: none"> • Surface mapping data (outcrop and subcrop) for Big Bird was originally incorporated as draped outcrop polylines with added tangent data (internal and external surfaces) which was then used to control the pegmatite surface. The model was not snapped to this data, but it produced an inconsistent surface due to the spottiness of the data. • To make a smoother more representative pegmatite surface, the outcrop and subcrop data was used to create an interpretive pegmatite bounding polyline, which was then used to control the pegmatite surface. This produced a representative surface projection for the pegmatite body and a thickness with which to base the down dip projection. • The same process was then repeated for the Curlew pegmatite. <p>Faulting</p> <ul style="list-style-type: none"> • Several apparent strike-slip faults cross-cutting the Big Bird pegmatite were mapped by North Arrow. These faults are supported by the outcrop and subcrop data. The mapped fault polylines were used to create vertical fault wall surfaces which separated the Big Bird geologic model into 4 discrete fault blocks. The interpretive pegmatite boundary was also cut by these fault surfaces to account for fault offset. • No faults were mapped at Curlew, however a strong southerly bend at the eastern end of the pegmatite was noted. Based on the apparent bend and available outcrop data, a small strike-slip fault was added to this area to create 2 fault blocks. This removed the kink from the pegmatite, but had little effect on tonnage. <p>Historic Assay Evaluation</p> <ul style="list-style-type: none"> • A numeric interpolant model was created for Li₂O % in pegmatite to quickly evaluate potential grade ranges. Channel samples and drill hole assays were evaluated for the Big Bird and Curlew areas separately. • A box plot analysis was also conducted, again filtered by rock type (pegmatite) and area (Big Bird vs Curlew). General observations concluded that the Big Bird returned larger sample highs, but also exhibited a larger distribution in the

Criteria	JORC Code explanation	Commentary
		<p>grade ranges. Curlew showed smaller grade ranges, with fewer outlying samples. Quartile ranges were used to provide exploration target grade ranges. The Q3 range was used as an upper range, while the Q1 was used as the lower range. In general, the mean of the two pegmatites was similar, with Big Bird having a mean of 1.4% Li₂O and Curlew having a mean of 1.46% Li₂O.</p> <ul style="list-style-type: none"> • While some analysis of grades has been completed, there is limited grade information available, and what is present has very poor spatial distribution. Only 74 samples were available for Big Bird (56 core and 18 channel samples), and 57 for Curlew (all core). <p>General Geologic Model Parameters</p> <ul style="list-style-type: none"> • Two geologic models were created, one for the Big Bird area and the other for the Curlew area. A default surface resolution of 100 m was used, with finer detail resolutions used for the overburden and pegmatite surfaces. • Pegmatite surfaces were created as an intrusion using an adaptive surface resolution of 5 m, with drill hole snapping turned on. A global trend was applied to control the direction of the pegmatite, as described in the global trends section. Ellipsoid ratios were defined for each fault block, ranging from 4:2:1, to in rare cases 4:12:1. The ellipsoid ratios were varied to extrapolate the pegmatite to approximately 200 m depth. Interpolants were defined on the fault block basis, but were spheroidal, with sills approximately equal the variance, and a base range of 500 m to reach other data points. A constant drift was also used. • Overburden was also created as an intrusion, with a plan trend and ellipsoid ratios of 5:5:1. A spheroidal interpolant was used to pull the edges of the overburden up. <p>Block Model</p> <ul style="list-style-type: none"> • Block models were created for the Big Bird and Curlew areas, with a size of 20 x 20 x 10 m. These models were populated with the geologic model as well as the numeric interpolants. • Statistics from these models were then compared to the assay statistics to see if the block model is representative of the assay population as a whole. • The block model numeric populations do not compare well to the assay populations, particularly in the lower ranges. The number of samples and spatial distributions of the assays are such that many areas of the model have limited data causing this disparity.

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		<p>Exploration Target</p> <ul style="list-style-type: none"> The ranges in the exploration target were determined by the projected depth of the pegmatite body, with the upper range reaching depths of approximately 200 m (with maximum ellipsoid ratios of 4:12:1) and the lower ranges reaching approximately half those depths. After volumes were determined, a density of 2.7 g/cm³ was used to convert to tonnage. Grade ranges were based upon the lower and upper quartile ranges of the assay data (limited to pegmatite). <p>The exploration target is summarized below:</p> <table border="1" data-bbox="876 696 1490 871"> <thead> <tr> <th rowspan="2">Pegmatite</th> <th colspan="2">Tonnage (MT)</th> <th colspan="2">Grade (Li₂O %)</th> </tr> <tr> <th>Lower Tonnage</th> <th>Upper Tonnage</th> <th>Lower Grade (Q1)</th> <th>Upper Grade (Q3)</th> </tr> </thead> <tbody> <tr> <td>Big Bird</td> <td>11.4</td> <td>18.4</td> <td>0.91</td> <td>1.71</td> </tr> <tr> <td>Curlew</td> <td>1.3</td> <td>2.4</td> <td>1.10</td> <td>1.66</td> </tr> </tbody> </table> <p>Torp Lake</p> <ul style="list-style-type: none"> At the Torp Lake Project, channel samples were submitted in the fall of 2010 to SGS Lakefield Research Limited for mineralogical evaluation. As well one channel sample of pegmatite with spodumene visibly absent was sampled and five grab samples were taken. Results of the mineralogical evaluation confirmed that the pegmatite is mineralogically very simple and composed primarily of spodumene (52-55%), quartz (42-43%) and Na-Feldspar (2- 4%). Spodumene was estimated to carry over 99% of the lithium in the sample and liberation of spodumene was excellent at approximately 99%. Thirty-three microprobe analyses of individual spodumene grains found it to be clean of major element impurities, particularly iron and manganese. The average iron content, reported as FeO, was 0.02 weight percent (wt%) (detection limit: 0.017 wt%) and the average for manganese, reported as MnO was 0.01 wt% which is less than the detection limit of 0.014 wt%. As well two samples that returned anomalous rubidium assays were evaluated to define the source of the rubidium. This was undertaken to test for rubidium rich feldspar which is used as a flux for specialized ceramic production. Testing found the source of the rubidium to be rubidium rich muscovite and lepidolite. 	Pegmatite	Tonnage (MT)		Grade (Li ₂ O %)		Lower Tonnage	Upper Tonnage	Lower Grade (Q1)	Upper Grade (Q3)	Big Bird	11.4	18.4	0.91	1.71	Curlew	1.3	2.4	1.10	1.66
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Big Bird	11.4	18.4	0.91	1.71																	
Curlew	1.3	2.4	1.10	1.66																	
Geology	<ul style="list-style-type: none"> <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> The Phoenix and Torp projects are located within the Slave Craton of the Canadian Shield. The Slave Craton represents an Archean aged segment of the larger North American Craton. The oldest known rocks within the Slave Structural Province outcrop locally in the western 																			

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		<p>half of the craton. This complex, termed the Acasta gneiss (3.96 Ga), is considered to represent an ancient basement complex.</p> <ul style="list-style-type: none"> The project areas are found to contain biotitic quartz (chloritic) schists and inter layered greywackes and argillites of the Yellowknife Supergroup, biotite-hornblende quartz diorite, diabase, pyroxenite and pegmatites.
Drill hole Information	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	<ul style="list-style-type: none"> All available drill hole information has been provided in the body of the text.
Data aggregation methods	<ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> No data aggregation methods were applied.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg ‘down hole length, true width not known’). 	<ul style="list-style-type: none"> Due to the early stage and historical nature of the exploration, further work is required to understand the geometry of the mineralisation. True width of mineralisation is interpreted to be 80-90% of down hole widths.
Diagrams	<ul style="list-style-type: none"> Appropriate maps and sections (with scales) and tabulations of intercepts 	<ul style="list-style-type: none"> Appropriate diagrams are included in the body of

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	<i>should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i>	the release.
<i>Balanced reporting</i>	<ul style="list-style-type: none"> • <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i> 	<ul style="list-style-type: none"> • The Company considers the reporting to be balanced and has provided the relevant data available to the Company at this stage.
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> • <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i> 	<ul style="list-style-type: none"> • The Company continues to complete a thorough geological review of all available data and will collate and interpret all available data as part of the Company's due diligence. • The Company has engaged an Independent Geologist to conduct an Independent Geological Report, on all of the Dixie properties, as part of the Prospectus.
<i>Further work</i>	<ul style="list-style-type: none"> • <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> • <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> • Following completion of the Proposed Transaction, the Company intends to verify the historical data by completing it's own, extensive exploration programs. • The Company will update the market as exploration plans come to light.