Tombador Iron Limited
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18 October 2024

ASX ANNOUNCEMENT

TOMBADOR TO ACQUIRE COLOMI IRON PROJECT

HIGHLIGHTS

- TI1 has entered into a conditional binding agreement to acquire 100% of the issued share capital of Colomi Iron Mineracao S.A., which holds the Colomi Iron Project.
- The Colomi Iron Project contains a world scale magnetite Mineral Resource with the potential to produce a high quality Direct Reduced Iron (**DRI**) grade concentrate. Key investment highlights of the Project include:
  - **Mineral Resource:** JORC (2012) compliant itabirite iron ore Mineral Resource exceeding 5 billion tonnes at a 15% Fe cut-off grade.
  - **CAPEX Efficiency:** Third party rail and port infrastructure is either existing or currently under construction and is anticipated to reduce project capital expenditure for the delivery of iron ore concentrate to the market.
  - **Project Maturity:** Advanced-stage exploration project, with approximately 20km of drilling performed in conjunction with Vale S.A.
  - **Product Quality:** Metallurgical test work demonstrates the potential to produce both premium grade blast furnace (**BF**) concentrate and premium DRI grade concentrate.
  - **Market Demand:** Growing global market for premium-grade iron ore concentrates.
  - **Environmental Stewardship**: Access to renewable power (hydro, wind and solar) and proposed utilisation of proven dry processing and tailings management technologies to minimise environmental impacts.
  - **Experienced team:** Experience in Brazil in mining exploration, development and operations.
- The transaction is subject to satisfaction (or waiver) of a number of conditions precedent, including TI1 obtaining shareholder approval for the transaction and ASX conditional approval for TI1 to be re-admitted to the official list of ASX.
- ASX has advised that TI1 will be required to re-comply with Chapters 1 and 2 of the ASX Listing Rules as part of the transaction.
- TI1 intends to raise a minimum of $5.5 million under a public offering as part of the transaction (with the ability to accept oversubscriptions of up to a further $1.5 million).
- TI1 proposes to change its name to 'Colomi Metals Limited' to reflect the new direction and activities of TI1.

Tombador Iron Limited (ASX: TI1) (the **Company**, **Tombador** or **TI1**) is pleased to announce that it has entered into a binding agreement (**Acquisition Agreement**) with its substantial shareholder, Colomi Singapore Pte Ltd (**CIS**), and Colomi Iron Mineracao S.A. (a company incorporated in Brazil) (**CIM**), a wholly owned subsidiary of CIS, pursuant to which the Company is to acquire 100% of the issued share capital of CIM subject to satisfaction (or waiver) of certain conditions precedent (**Proposed Acquisition**).

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CIM holds the Colomi Iron Project in Bahia, Brazil (the **Project**), which hosts a JORC (2012) compliant itabirite iron ore Mineral Resource exceeding 5 billion tonnes at a 15% Fe cut-off grade. Please refer to the *About CIM and the Project* section below for further information about CIM and the Project.

Non-Executive Chair, Anna Neuling, commented on the transaction: "*This transaction represents an exciting opportunity for Tombador to acquire the Colomi Iron Project, one of the largest discovered, undeveloped iron ore projects in the world, with a JORC-compliant itabirite iron ore Mineral Resource exceeding 5 billion tonnes and located in Brazil, a favourable and well-regulated mining jurisdiction. The Project has the potential to be developed into a world class producer of premium grade Blast Furnace concentrate and premium Direct Reduced Iron grade concentrate products with low carbon intensity, and which would assist with the de-carbonisation of the global iron and steel industry and could provide an input for greener steel.*"

Overview

The Company is proposing to acquire 100% of the issued share capital of CIM, to obtain a 100% interest in the Colomi Iron Project, under the Proposed Acquisition.

To give effect to the Proposed Acquisition, ASX has advised that the Company will be required to re-comply with Chapters 1 and 2 of the ASX Listing Rules.

As part of the Proposed Acquisition and the Company's re-compliance with Chapters 1 and 2 of the ASX Listing Rules, the Company intends to:

(a) raise up to $7 million by the issue of up to 35,000,000 fully paid ordinary shares in TI1 (**Shares**) at an offer price of $0.20 per Share with a minimum subscription of $5.5 million pursuant to a public offer (**Public Offer**) to be made under a full-form prospectus;

(b) change its name to 'Colomi Metals Limited' to reflect the new direction and activities of the Company;

(c) change its ASX code to ASX:CM1 to align with the proposed new name; and

(d) apply to ASX for reinstatement of trading in its Shares on ASX.

The implementation and completion of the Proposed Acquisition, the Public Offer and the Company's re-compliance with Chapters 1 and 2 of the ASX Listing Rules (together, the **Transaction**) is subject to the Company obtaining certain shareholder approvals in general meeting (**General Meeting**). A notice of meeting is expected to be released in November 2024 which will outline the shareholder approvals that will be sought at the General Meeting to facilitate the Transaction.

Rationale for the Proposed Acquisition

The Board of the Company is of the view that the Proposed Acquisition creates a significant opportunity for the Company to acquire an asset which offers a potential near term development opportunity which aims to satisfy the growing demand for premium-grade iron ore concentrate products to support the decarbonisation of the iron and steel industry.

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About CIM and the Project

Introduction

CIM owns 100% of the exploration licences forming the Colomi Iron Project, which hosts a JORC (2012) compliant 5 billion tonne indicated and inferred iron ore Mineral Resource*. The Project is located in the northern part of the Brazilian state of Bahia, nearby the towns of Sento Sé and Remanso, approximately 520km northwest of Salvador, the capital of Bahia.

The Project is geographically adjacent to the Company's previous mining concession titled "Portaria nº 165/SGM/MME", which it completed the disposal of in January 2024.

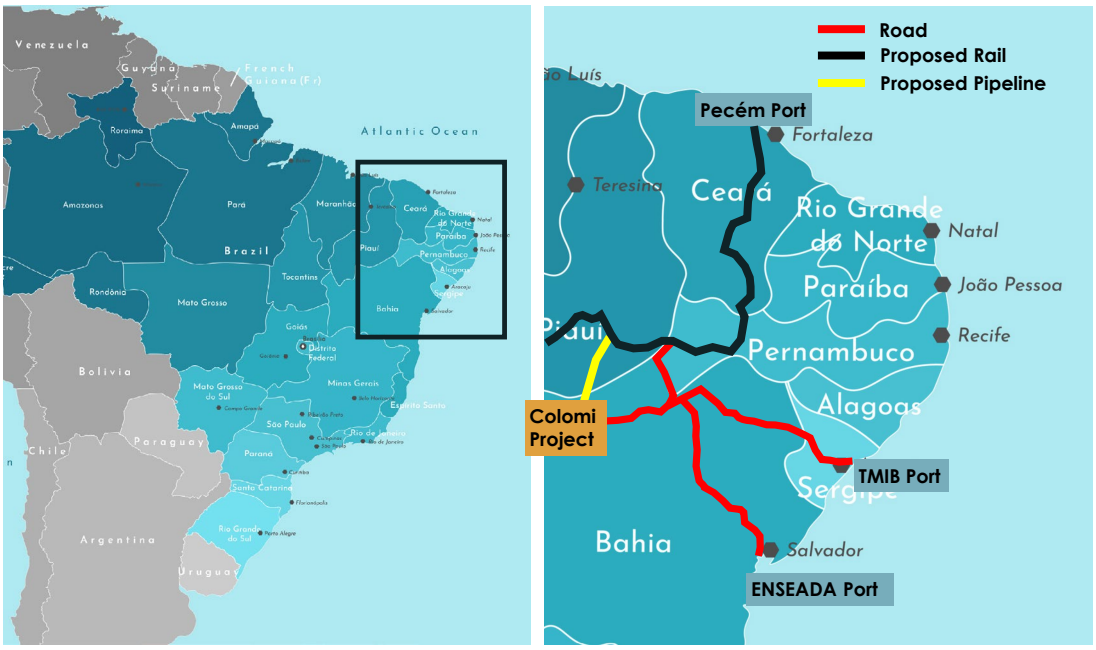

Figure 1: Regional Map of Colomi Project Location

The Project contains 3 deposits located north of the Sobradinho Lake (referred to as Colomi North), and 3 deposits located south of the Sobradinho Lake (referred to as Colomi South). The Mineral Resource can potentially be extracted and beneficiated to produce premium-grade iron ore concentrates.

* Refer to Appendix 5 for further details of the Mineral Resource estimate, including the JORC Code 2012 Table 1.

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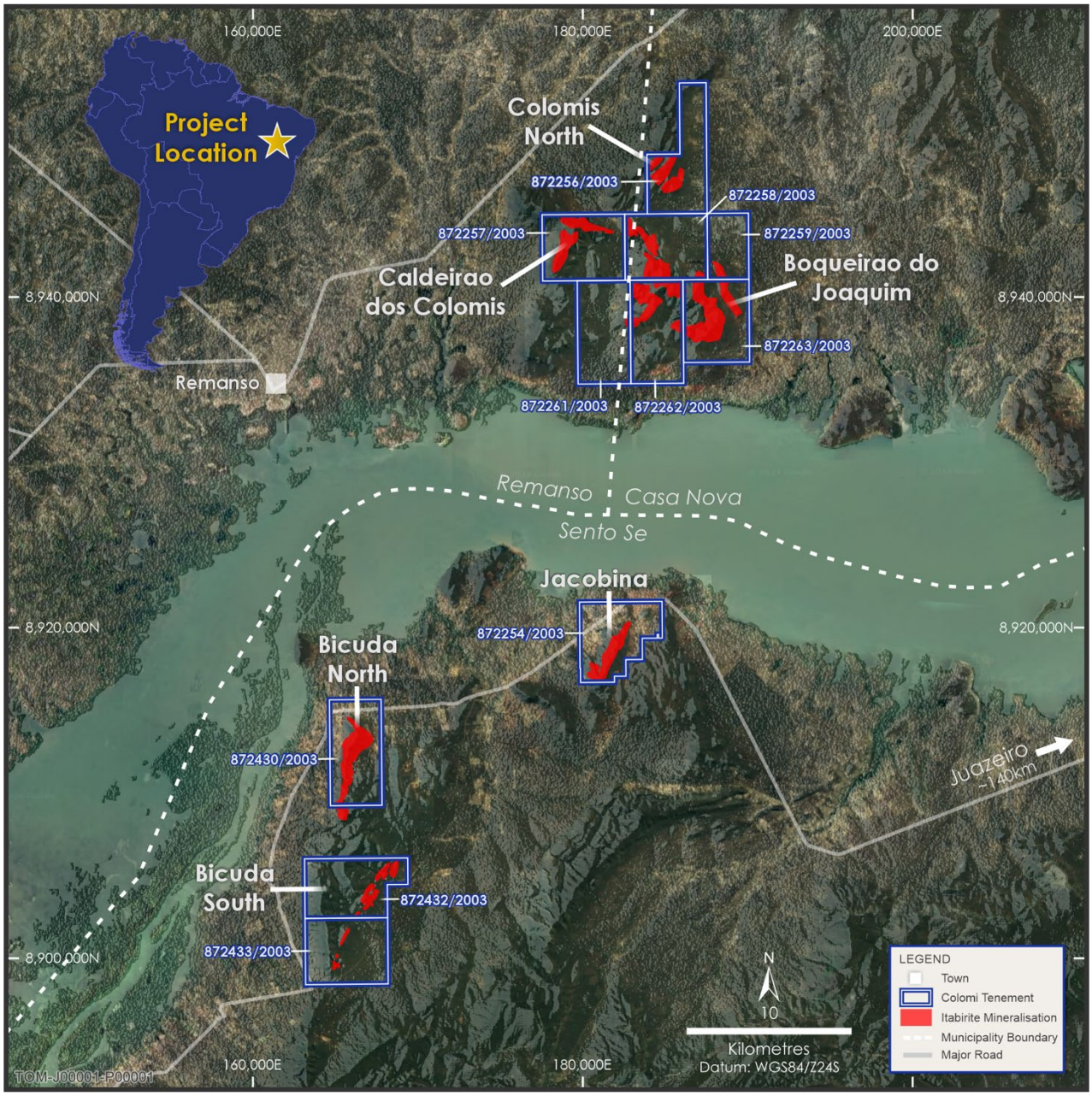

Figure 2: Map of Colomi Project Tenements and Deposits

Geology

The Colomi Iron Project deposits are situated in the northern portion of Bahia state in Brazil within a sequence of Paleoproterozoic iron formations in the northwest limit of the São Francisco Craton. The banded iron formations, protolith for the iron deposits, were formed between 2.2 – 2.6 Ga. The regional metamorphic grade within the Colomis district increases from greenschist facies in the south to amphibolite facies in the north.

The iron ore type of the deposits is predominately itabirite, a metamorphosed iron formation consisting of various iron oxides. The iron formations tend to be more resistant to erosion and therefore the relief is largely dominated by iron-bearing structures.

Figure 2 shows the location of the Colomi Iron Project deposits and an overview of each of the deposits is provided below.

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Jacobina iron deposit, Colomi South

The Jacobina amphibolitic itabirite deposit is related to synclines trending northeast with a shallow dip. Due to the iron formation that is resistant to erosion, it dominates the topography. The amphibolitic itabirite is covered by a thin layer of talus in a soil matrix. The amphibolitic itabirite is composed by bands of magnetite associated with quartz and bands containing layers of amphibole.

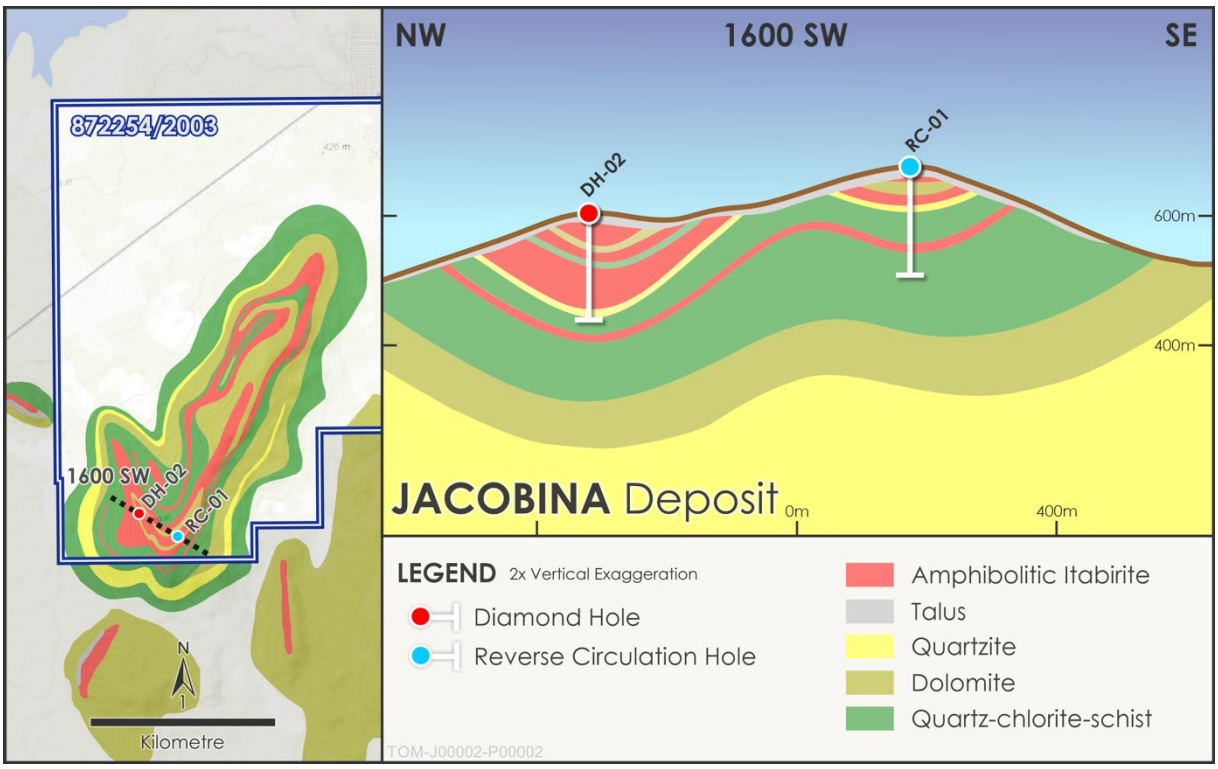

Figure 3: Geology overview of Jacobina deposit

The itabirite units are related to a synform with a NE-SW axis along the crest of the ridge. These units are up to 100m thick and lay over quartz-chlorite schists, dolomites and quartzites. This package is continuous for 4km and repeats on both sides of the hill.

Figure 4: Jacobina deposit general view(left) and amphibolitic itabirite outcrop(right)

Bicuda North iron deposit, Colomi South

The Bicuda North (or Bicuda Norte) iron deposit is characterised by two types of itabirite (dolomitic and silicious).

The dolomitic itabirites are composed by centimetric to decimetric bands, rhythmically alternate, from laminated dolomitic marble and itabirites composed of quartz and iron oxides. Hematite and magnetite

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constitute the main iron oxides, being detected in greyish bands associated with quartz. Reclined folds are observed frequently affecting the dolomitic bands and other bands rich in iron.

The silicious itabirite is formed by millimetric to centimetric intercalations of recrystallized quartz bands and iron oxides rich bands, with variable amounts of magnetite and hematite. Reclined intrafolial folds are also frequent.

The thickest part of the package occurs along the western limit of the deposit and can reach 200m in thickness. The silicious itabirite, up to 80m thick, occurs over dolomitic itabirite. The major structural features are thrust zones trending N-S and an E-W vertical fault in the middle of the deposit.

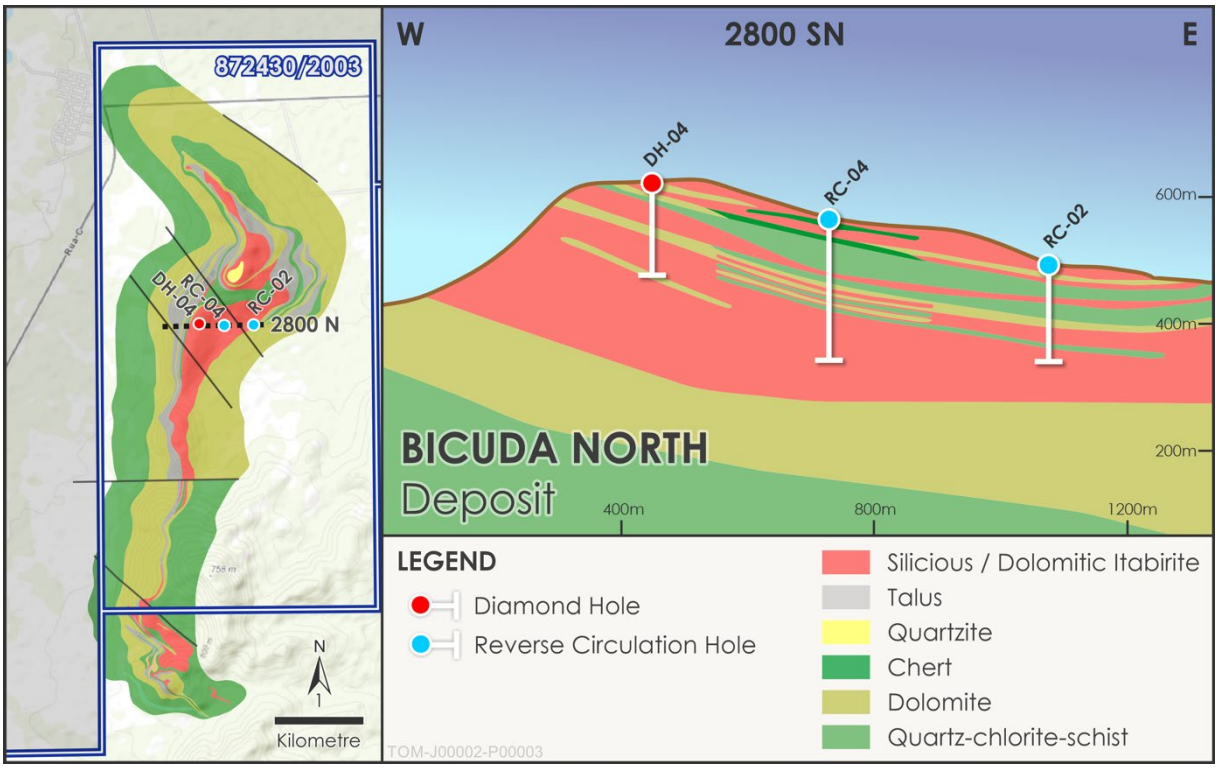

Figure 5: Geology overview of Bicuda North deposit

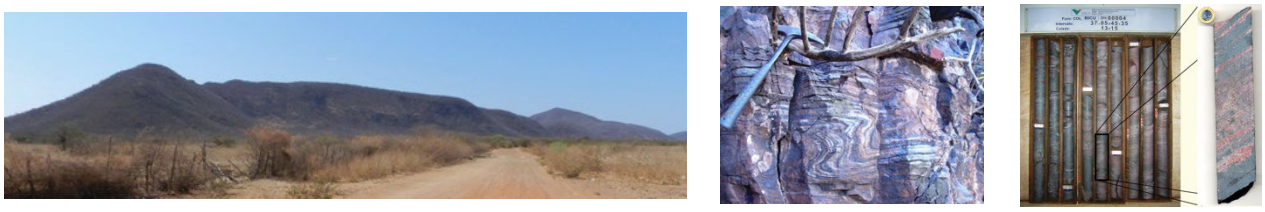

Figure 6: Bicuda North deposit general view(left), folding in dolomitic itabirite(middle) and itabirite core(right)

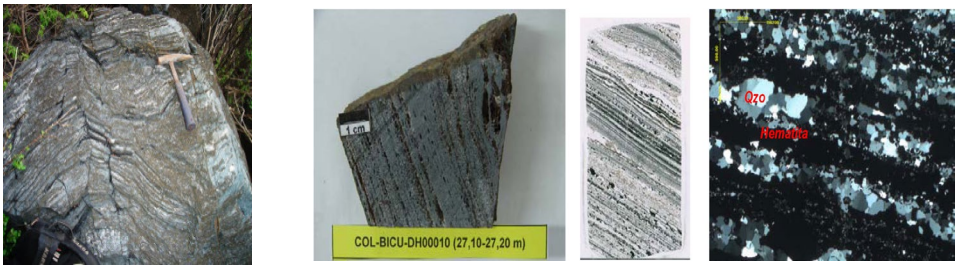

Figure 7: Silicious itabirite Bicuda North(left) and hand sample(middle) and thin section(right)

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Bicuda South iron deposit, Colomi South

The Bicuda South (or Bicuda Sul) iron ore zone is composed by dolomitic and silicious itabirites. The orebody is subvertical, 4.5km long and up to 30m thick. The itabirite units are vertical. The main structures are shear zones trending northeast.

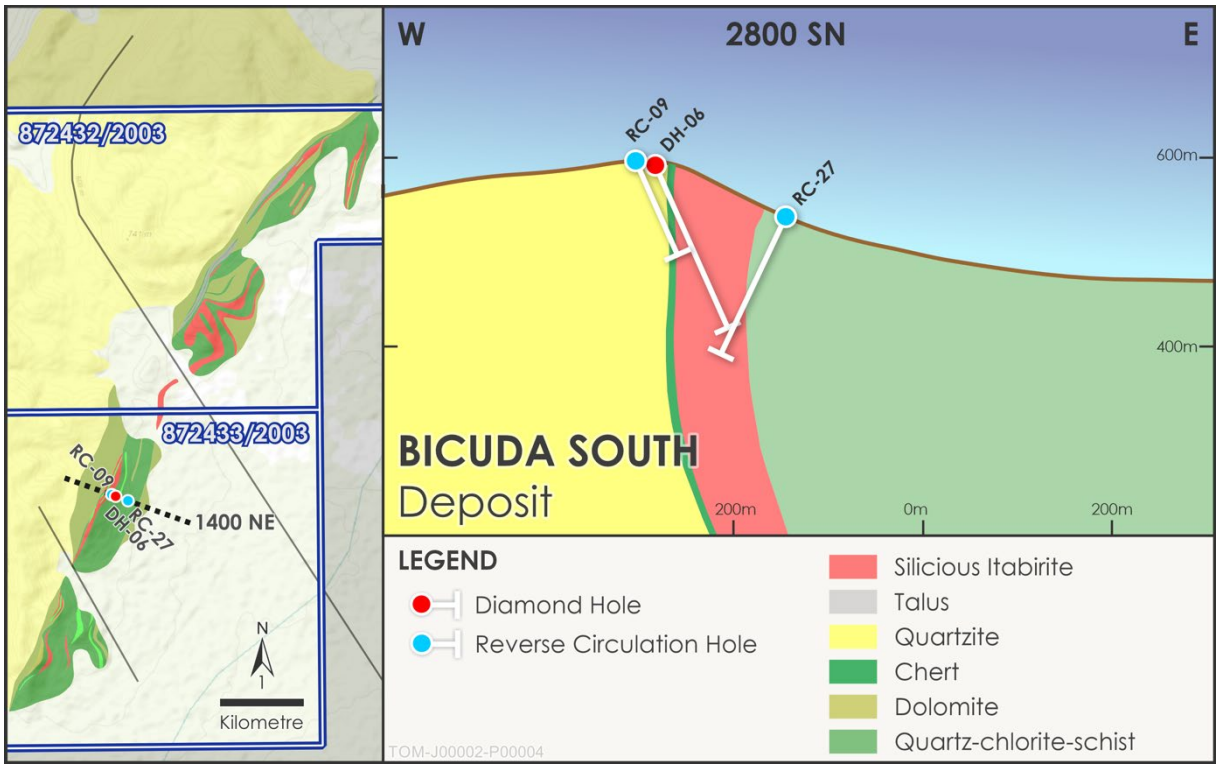

Figure 8: Geology overview of Bicuda South deposit

Boqueirão do Joaquim iron deposit, Colomi North

The Boqueirão do Joaquim iron deposit consists of amphibolitic itabirite with bands of magnetite, quartz and amphibole. When oxidized, it presents reddish material composed predominantly of iron, silica and goethite / limonite (amphibole weathering). In this case, the amphibole is transformed into goethite / limonite + chalcedony and magnetite is almost totally rusted into hematite. The depth of weathering is deep with a minimum vertical depth of 150m (RC-06). The weathering profile is readily recognised in both diamond and reverse circulation drill holes providing a high degree of confidence in the interpretation.

The deposit structure is characterised by synform north-south trending open folds with kilometric amplitude. In the east portion of the deposit a 3km N-S length hill of amphibolitic itabirite is separated by fault from the other amphibolitic itabirite hills in the west. The iron formation is more resistant to erosion therefore it dominates the relief and the dip is flat. These combined features are responsible for an outcropping orebody covered in some areas with a thin layer of talus in a soil matrix.

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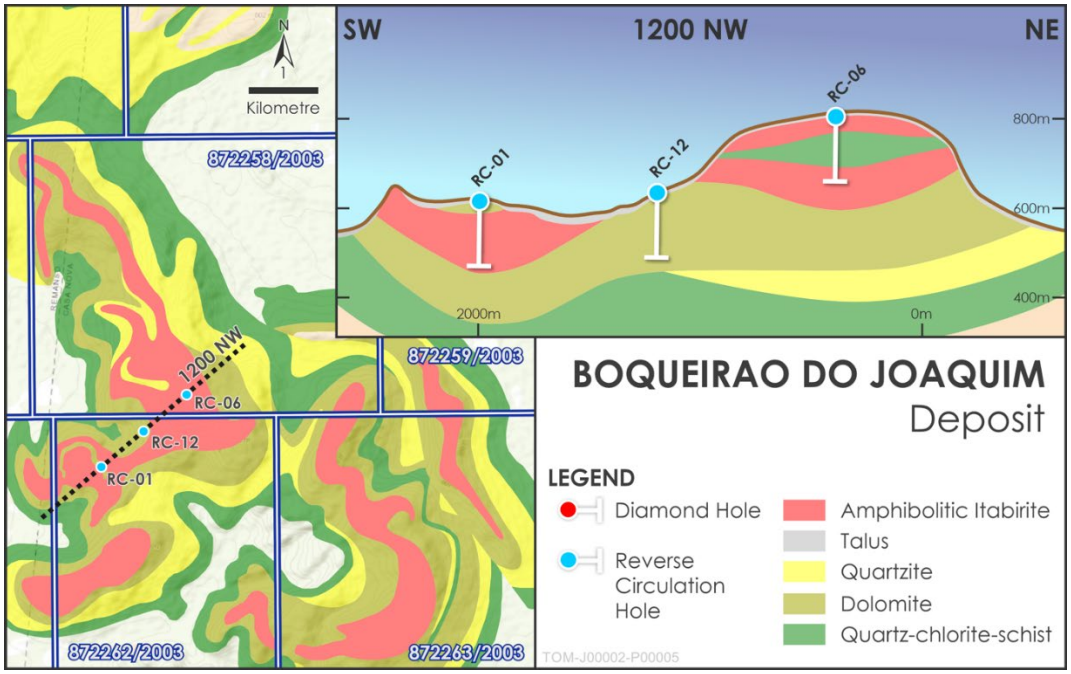

Figure 9: Geology overview of Boqueirão do Joaquim deposit

Figure 10: General view 1200NW X section (left) and drill core (right)

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Colomis North iron deposit, Colomi North

The Colomis North (or Colomis Norte) amphibolitic itabirite deposit is located 60km east of Remanso. The major structure is a series of tight to open syncline folds trending northeast with sub-horizontal axis. It outcrops up to 3km long and the thickness is more than 100m.

The geological map and section show that the outcropping itabirite is responsible for the relief and in this case the orebody has minimal cover.

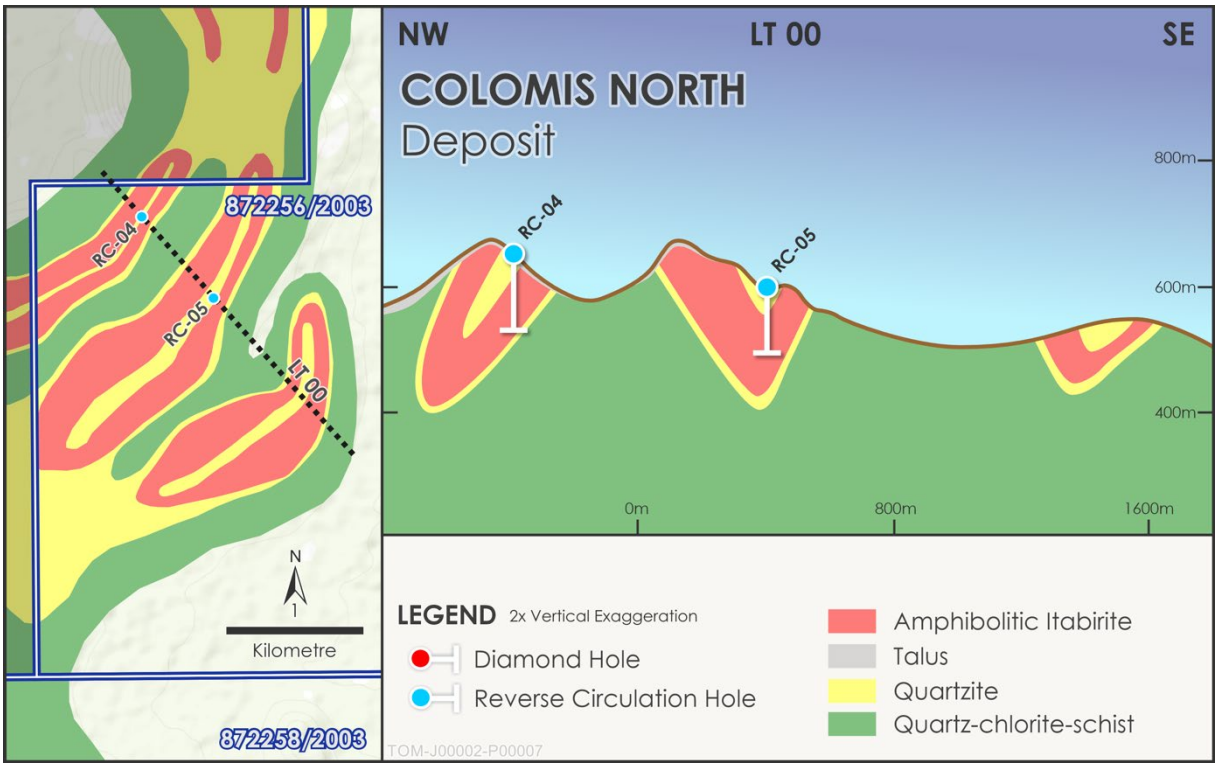

Figure 11: Geology overview of Colomi North

Figure 12: General view Colomi North

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Caldeirão dos Colomis iron deposit, Colomi North

The Caldeirão dos Colomis iron deposit is related to amphibolitic itabirites. A syncline trending northeast is the major structure. In the south part, the itabirites are trending N-S. In the northern portion, there is a thick band of amphibolitic itabirite trending E-W.

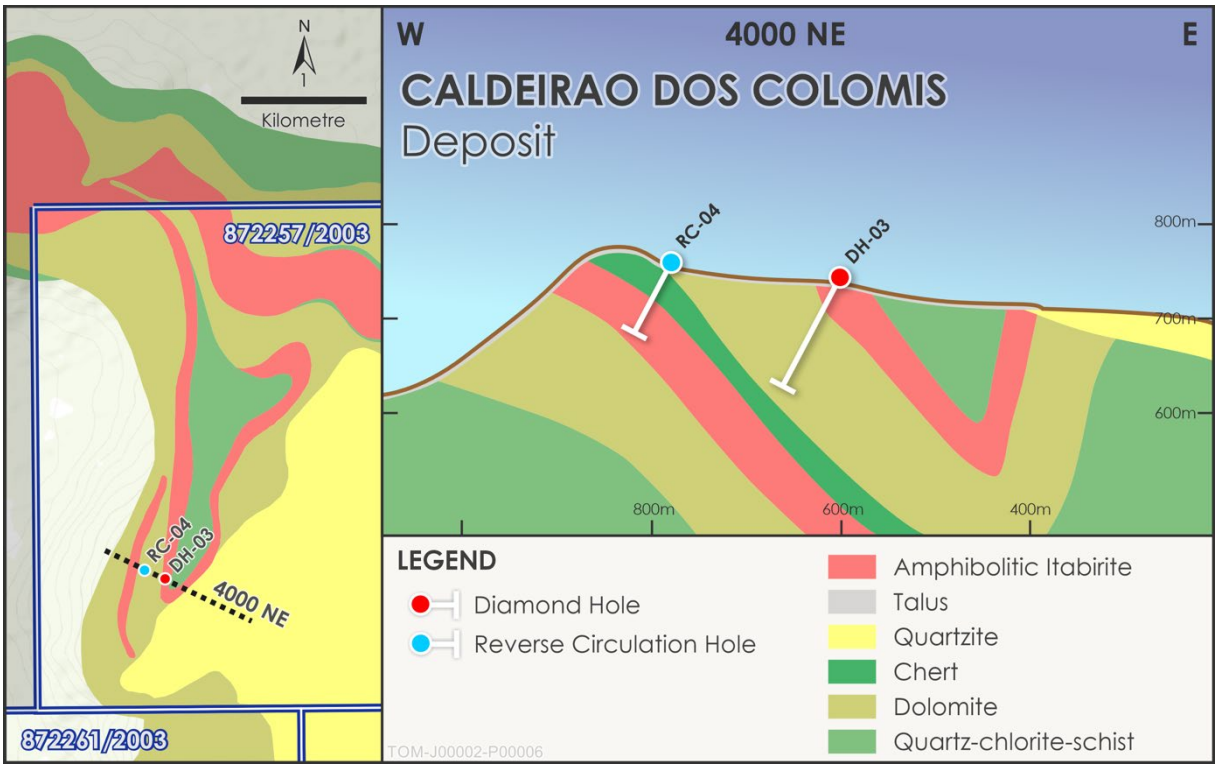

Figure 13: Caldeirão dos Colomis geology overview

Tenements

Overview of Mineral Rights in Brazil

Brazil recognizes two primary types of mineral rights: exploration licenses and mining concessions. Exploration licenses are granted on a first-come, first-served basis, provided the area is not already under a claim and all legal requirements are met. These licenses are issued for 1 to 3 years, with the possibility of renewal at the discretion of the National Mining Agency (**ANM**).

If exploration identifies a resource, the holder must submit a report to the ANM for approval. Once approved, the holder has one year to apply for a mining concession. This application must include detailed geological data, a mine development plan, and a closure plan. A mining concession is granted after ANM approval of the technical submission and when the corresponding environmental installation license is obtained.

Brazilian legislation ensures that exploration rights holders, upon successful exploration, have exclusive rights to apply for the related mining concession. However, mining concessions may be denied if they are deemed contrary to public interest, or if environmental permits are not obtained.

In 2018, Brazil's mining legislation underwent significant updates, modernizing regulations to increase efficiency and transparency in the mining sector. One key aspect of this update is that the holder of an exploration license, can continue exploration activities even after submitting the final exploration report.

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The continued work can focus on refining deposit details, identifying additional minerals, and converting resources into proven and probable reserves, all of which can be incorporated into the mining concession application phase, ensuring better project planning and resource management.

CIM's Mineral Rights

CIM is the titleholder of 14 exploration licences totalling approximately 22,745 hectares located across the municipalities of Casa Nova, Sento Sé and Remanso in northern Bahia State, Brazil.

The six iron ore deposits are described as follows:

- Colomi South in Sento Sé contains the Jacobina, Bicuda Norte and Bicuda Sul iron deposits; and
- Colomi North in Remanso contains the Colomis Norte, Caldeirão dos Colomis and Boqueirão do Joaquim iron deposits.

Details of each of the exploration licences (including area size and status) is contained in Appendix 4.

CIM has submitted the Final Exploration Report (**FER**) for the deposits to ANM on a timely basis. Given the current status of the Colomi Iron Project, CIM requested the ANM to suspend its analysis (known as a Sobrestamento).

***Sobrestamento* Process**

"Sobrestamento" is a request made to the ANM by exploration license holders when specific conditions critical to a project's feasibility—such as technical, economic, or infrastructure factors—have yet to be satisfied. These conditions are typically beyond the applicant's control.

The Sobrestamento process allows companies to defer or suspend the review of their exploration reports until these conditions are met, ensuring that projects only progress when they are commercially and operationally viable.

The Sobrestamento has previously been granted to CIM for a fixed period and extended multiple times based on satisfactory project progress. The last suspension period expired in 2021 and CIM's request for a further extension of the Sobrestamento, submitted in 2021, is still pending a decision by ANM.

During this phase, CIM is allowed to continue exploration activities and work on the project's feasibility including technical, economic, and / or infrastructure aspects. CIM is not prevented under Brazilian mining legislation from announcing material exploration results while ANM's review of the FER is suspended under the Sobrestamento process.

The approval of the FER is the next step in the granting of a mining concession along with other regulatory documents and milestones.

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Exploration

Between 2006 and 2010, CIM conducted exploration activities across all 11 exploration licences that contain the iron ore deposits in Colomi South and Colomi North, in conjunction with Vale S.A. Exploration activities undertaken during this period included:

- Topographic surveys;
- Geological mapping and surface (rock) sampling;
- Aeromagnetic surveys;
- Magnetic and gravimetric surveys;
- Diamond drilling;
- Reverse circulation (RC) drilling; and
- Metallurgical testwork.

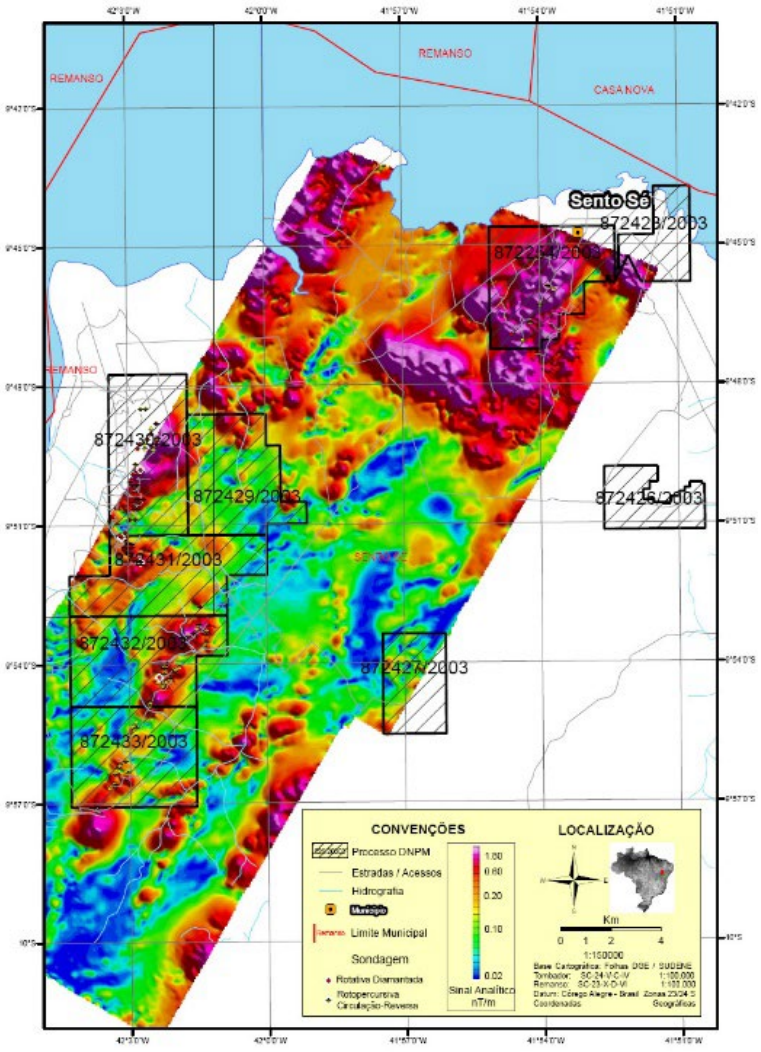

Figure 14: Map of analytical signal of the aeromagnetic survey at Sento Sé block[†]

[†] Only Tenements 872430/2003, 872432/2003, 872433/2003, and 872254/2003, shown in Figure 14 are currently held by CIM.

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Drilling

Drilling commenced in 2008 and was completed in 2010. 152 drill holes totalling 19,314.80m were completed. Drilling methods included using both HQ diameter diamond drilling for 56 holes and 127mm diameter RC drilling for 96 holes. The average depth of the holes was 125m and the deepest hole was 250m.

The drill hole grids used in respect of each deposit was as follows:

- Jacobina - 800 x 400m grid;
- Bicuda Norte and Bicuda Sul - 200 x 200m and 100 x 100m grids; and
- Colomi North (Colomis Norte, Caldeirão dos Colomis and Boqueirão do Joaquim) - 800 x 400m grid.

Figure 15: Reverse circulation drilling (left) and diamond drilling (right) – Colomi North

Sampling

Drill cores and RC chips were collected, logged and assayed.

Core samples were sawn in half with half of the material sent for chemical analyses and the remaining half filed in the core shed.

Chip samples were also collected by following sampling plans specified by the geologists. The samples were prepared by splitting using a Jones splitter. Initially each one-meter interval was split into 2 samples of approximately 40kg each. One of the 40kg samples was split down to 10kg to be sent for chemical analyses.

The remaining cores and RC chips are securely stored at the Colomi Iron core shed in Sento Sé.

Mineralized samples (itabirites) were collected in nominal 5m intervals (with minimum interval of 3 m and a maximum interval of 7m) obeying the lithologic contacts.

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Figure 16: Sampling of drill core in Sento Se core shed

Measures to ensure sample representativity include occasional twinning of RC drill holes with diamond drillholes, establishment and adherence to specific sampling procedures, having a dedicated on-site full time survey team to pick up mapping sample sites and drill collar locations, duplicate sample analysis, and assay QAQC at a second external laboratory. Analysis of drillhole twinning results confirmed good correlation of sample recovery and grade between drilling methods.

The QAQC program was independently verified as being industry best practice.

Density

The density values were determined from core samples using the Jolly method, weathered rocks were oven dried and sealed with paraffin wax. In-situ field tests were conducted for talus deposits. A total of 1,973 density tests were performed, ensuring comprehensive coverage of ore and waste zones at various depths. The resulting density values, ranged from 1.80 g/cm³ for talus to 3.32 g/cm³ for certain itabirite units.

Modelling

The geological modelling involved the creation of 3D wireframe models for each lithological unit, from 111 vertical geological sections interpreted from incorporating drillhole data and geological maps. These wireframes were triangulated into solids and intersected with the topographic surface to ensure accurate volume representation.

Three separate 3D block models were constructed for resource estimation, with block dimensions of 100m x 100m x 5m and sub-blocks of 25m x 25m x 5m. The geological units were assigned to the blocks using a "lito" (lithology) attribute in the drilling database.

Estimation

The estimation of key variables such as Fe%, SiO2%, Al2O3%, Mn%, P%, and LOI% was performed using Ordinary Kriging (**OK**) for units with sufficient sample data. For units with limited samples, the Inverse Distance Weighting (**IDW**) method was employed. The OK estimation incorporated three steps with progressively increasing search distances, while the IDW strategy utilised varying search radii and sample thresholds.

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Classification

The classification of Mineral Resources into Indicated and Inferred categories was based on the anisotropic average distance to samples in the OK estimation. Blocks with an anisotropic average distance less than 520m were classified as Indicated, while those exceeding this threshold were classified as Inferred.

Mineral Resources

Coffey Consultoria e Serviços Ltda (**Coffey**) completed a Mineral Resource Estimate (**MRE**) for the Colomi Iron Project in September 2011, using all available drilling data which was compliant with the JORC Code (2004). The MRE was updated by consultancy group GE21 Consultoria Mineral Ltda (**GE21**) in April 2024.

The updated MRE is reported in accordance with the JORC Code (2012) and is summarised below:

	Colomi South *Sento Se Blocks*		**Colomi North** *Remanso Blocks*		**Total**	
Classification	**Tonnes (Mt)**	**Fe (%)**	**Tonnes (Mt)**	**Fe (%)**	**Tonnes (Mt)**	**Fe (%)**
Indicated	542	29.7	427	25.1	969	27.7
Inferred	829	31.6	3,261	25.0	4,090	26.4
Total	**1,371**	**30.9**	**3,688**	**25.0**	**5,059**	**26.6**

Bicuda North (Norte) Mineral Resource Estimate

Classification	**Tonnes (Mt)**	**Fe (%)**	**SiO_2 (%)**	**Al_2O_3 (%)**	**Mn (%)**	**P (%)**
Indicated	200	33.86	45.8	0.67	0.195	0.034
Inferred	496	34.23	45.29	0.83	0.215	0.032
Total	**697**	**34.12**	**45.44**	**0.78**	**0.209**	**0.033**

Reported as contained within Tenement 872.430/2003

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Bicuda South (Sul) Mineral Resource Estimate

Classification	Tonnes (Mt)	Fe (%)	SiO_2 (%)	Al_2O_3 (%)	Mn (%)	P (%)
Indicated	104	27.33	48.82	2.57	0.444	0.065
Inferred	78	27.84	50.99	3.05	0.317	0.068
Total	**181**	**27.55**	**49.75**	**2.77**	**0.389**	**0.066**

Reported as contained within Tenements 872.432/2003 and 872.433/2003.

Jacobina Mineral Resource Estimate

Classification	Tonnes (Mt)	Fe (%)	SiO_2 (%)	Al_2O_3 (%)	Mn (%)	P (%)
Indicated	238	27.26	38.25	1.19	0.297	0.027
Inferred	255	27.68	37.72	1.51	0.318	0.029
Total	**493**	**27.48**	**37.98**	**1.36**	**0.308**	**0.028**

Reported as contained within Tenement 872.254/2003.

Boqueirão do Joaquim Mineral Resource Estimate

Classification	Tonnes (Mt)	Fe (%)	SiO_2 (%)	Al_2O_3 (%)	Mn (%)	P (%)
Indicated	252	24.59	53.53	2.29	0.285	0.024
Inferred	2,610	25.23	54.23	2.17	0.395	0.025
Total	**2,862**	**25.18**	**54.17**	**2.18**	**0.385**	**0.025**

Reported as contained within Tenements 872258/2003, 872259/2003, 872261/2003, 872262/2003 and 872263/2003.

Colomis North (Norte) Mineral Resource Estimate

Classification	Tonnes (Mt)	Fe (%)	SiO_2 (%)	Al_2O_3 (%)	Mn (%)	P (%)
Inferred	**317**	**22.77**	**54.49**	**3.03**	**0.914**	**0.022**

Reported as contained within Tenement 872.261/2003

Caldeirão dos Colomis Mineral Resource Estimate

Classification	Tonnes (Mt)	Fe (%)	SiO_2 (%)	Al_2O_3 (%)	Mn (%)	P (%)
Indicated	175	25.79	53.99	1.48	0.272	0.029
Inferred	334	25.55	53.60	2.62	0.257	0.033
Total	**509**	**25.63**	**53.73**	**2.23**	**0.262**	**0.032**

Reported as contained within Tenement 872.257/2003.

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Study Work

The test work results from a range of preliminary geometallurgical studies for the Colomi Iron Project have shown the prospectivity to produce a high quality concentrate product.

The geometallurgical test work has been undertaken on drill cores, RC chips and outcrop samples from the Colomi Iron Project. The test work was undertaken by metallurgical laboratories in Australia and Brazil. The initial test work was completed at the Vale Mineral Process Test Centre in Brazil in 2009 and 2010.

Following Vale's exit from the Project in August 2010, CIM engaged specialist mineral process engineering consultancies, including ProMet Engineering and GHD, to conduct further test work programs. The programs were conducted between 2011 and 2015 and were performed at ALS Metallurgy and Bureau Veritas, Perth, Australia.

The test work included magnetic separation (WHIMS, MIMS and LIMS), flotation, crushing and grinding test work and petrographic analysis. Microscopy and XRD analysis was undertaken by Perth-based Roger Townend and Associates, consulting mineralogists.

Figure 17: WHIMS Bench and Pilot Test Equipment

Figure 18: Eriez L8 WLIMS (LIMS) Test Equipment

The results showing concentrate quality for geo-metallurgical test work for two samples are shown in the Table below.

Deposit	Ore Type	Fe (%)	SiO2 %	Al2O3 %	Mass Recovery %	Fe % Head Grade	P80 µm
Jacobina[1]	ICA	70.9	1.68	0.04	36.7	31.5	45
Bicuda Norte[2]	ICS	66.4	5.18	0.04	31.4	31.3	75[3]

Notes:

1. Ammtec03 DTR test work, JACO-DH02 95-142.5m, December 2012.
2. ALS Metallurgical Report No. A14906, (WHIMS, LIMS, Flotation), BINO-DH05, 0-27m & 47-63m, March 2014
3. Flotation test work at 45µm

The preliminary test work has shown that concentrate product quality suitable as either Direct Reduced Iron (DRI) or Blast Furnace (BF) feed can be achieved from the Colomi Iron Project and would support further geo-metallurgical test work as part of the detailed study program.

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Change in the nature and scale of activities and suspension of trading in TI1's securities on ASX

The Company previously held the Tombador Iron Ore Project, which is geographically adjacent to the Colomi Iron Project. The Company completed the disposal of the Tombador Iron Ore Project in January 2024, at which time the Company confirmed it would continue to work on identifying and acquiring suitable investment opportunities in order to add a new asset to the Company.

The Company is proposing to proceed with the Proposed Acquisition to acquire a 100% interest in the Colomi Iron Project in line with its business strategy to add a new asset to the Company, which has the potential to generate value for shareholders.

However, the Proposed Acquisition will constitute a change in the nature and scale of the Company's activities for the purposes of the ASX Listing Rules. Accordingly, the Company will be required to obtain shareholder approval at a general meeting pursuant to ASX Listing Rule 11.1.2 in order to give effect to the Proposed Acquisition, and therefore the Company may not be able to proceed with the Proposed Acquisition if that approval is not obtained.

The Company will also be required to re-comply with Chapters 1 and 2 of the ASX Listing Rules (ASX requirements for admission and quotation) pursuant to ASX Listing Rule 11.1.2 as part of the Proposed Acquisition in order to seek re-admission to the official list of ASX, given the change in the nature and scale of the Company's activities.

Completion of settlement of the Proposed Acquisition is conditional on (among other things) the Company obtaining all necessary shareholder approvals required to give effect to the Proposed Acquisition and the Company obtaining ASX conditional approval for the Company to be re-admitted to the official list of ASX.

Trading in the Company's Shares has been suspended since 11 October 2023. The Company anticipates that in accordance with the requirements of ASX and the ASX Listing Rules trading in the Shares quoted on ASX will be suspended until completion of the Proposed Acquisition, the Public Offer and re-compliance by the Company with Chapters 1 and 2 of the ASX Listing Rules and compliance with any further conditions ASX imposes on the Company's reinstatement to trading.

ASX has absolute discretion in deciding whether to re-admit the Company to the official list of ASX and grant official quotation of its Shares, and therefore the Proposed Acquisition may not proceed if ASX exercises this discretion in the negative.

If the Transaction does not proceed, the Company's Shares may remain suspended from trading and the Company could ultimately be delisted from the ASX on 11 October 2025 (being the date that is 2 years from the date the Company's Shares were suspended from trading).

Investors should take account of these uncertainties in determining whether to acquire or dispose of securities in the Company.

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Proposed business model following completion of the Transaction

Business model and main objectives

The Company's proposed business model following completion of the Transaction will be primarily focused on undertaking exploration and development activities on the Project.

The Company's main objectives on completion of the Transaction will be to:

(a) systematically explore and seek to develop the Project, including undertaking studies to define the development path for the Project, to de-risk the Project and to increase the Project's value;

(b) increase the size and quality of the existing Mineral Resource estimate, and convert a portion of the Mineral Resource estimate to an Ore Reserve;

(c) evaluate opportunities for mineral production at the Project, assuming exploration and development success;

(d) implement a growth strategy and actively canvass other mineral exploration and resource opportunities which have the potential to generate growth and value for the Company's shareholders.

The Company's vision is to support a low-emission steel future through premium-grade concentrate and the use of greener technology.

Key dependencies of the business model

The key dependencies influencing the viability of the Company's business model are:

(a) Completion of the Acquisition;

(b) the Company's ability to re-comply with Chapters 1 and 2 of the ASX Listing Rules to enable the re-admission to Official Quotation of the Company's Securities;

(c) conversion of the Mineral Resource estimate to an Ore Reserve;

(d) minimising delays and cost overruns in drilling programs and study programs;

(e) critical component lead time management;

(f) on-budget/schedule, mine development, processing plant and NPI construction; and

(g) finalising contracts with mining and logistics providers.

Key risk factors

The key risks to the Company in implementing the Transaction and which the Company will be exposed to on completion of the Transaction and which may have a materially adverse impact on the performance of the Company and the value of the Shares are summarised in Appendix 1.

It should be noted that the list of key risk factors set out in Appendix 1 is not intended to provide an exhaustive list of the risk factors to which the Company is exposed.

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Group structure

The corporate structure of the Company upon completion of the Transaction is set out in Appendix 2.

Transaction overview and key metrics

Public Offer

In conjunction with the Proposed Acquisition, the Company proposes to undertake the Public Offer to raise a minimum of $5.5 million (before associated costs) (**Minimum Subscription**) by the issue of 27,500,000 Shares at an issue price of $0.20 per Share, with the ability to accept oversubscriptions of up to an additional 7,500,000 Shares at an issue price of $0.20 per Share to raise up to an additional $1,500,000 (before associated costs).

The maximum subscription to the Public Offer is intended to be $7,000,000 (35,000,000 Shares) (**Maximum Subscription**).

The Public Offer will be undertaken pursuant to a full-form prospectus.

As at the date of this announcement, the Public Offer is not intended to be underwritten.

The Company intends to apply the funds raised under the Public Offer, together with existing cash reserves, as set out in the *Proposed use of funds* section in Appendix 3.

Full details of the Public Offer will be set out in a prospectus expected to be lodged with ASIC, and released to ASX, in November 2024.

Advisers

As at the date of this announcement, the Company has not yet appointed a lead manager to the Public Offer. The Company is currently in discussions with a number of potential firms to be engaged as lead manager to the Public Offer with a view to formalising an appointment shortly.

Steinepreis Paganin is acting as Australian legal adviser to the Company in relation to the Transaction.

Board changes

There are no changes to the Company's Board contemplated as part of the Transaction.

It should be noted that Stephen Quantrill, the Executive Director of Tombador, is also a director of CIS.

Indicative pro-forma capital structure

The indicative pro-forma capital structure of the Company following completion of the Transaction is set out in the *Pro-forma capital structure* section in Appendix 3.

Control effect of the Transaction

Upon completion of the Transaction, CIS will have voting power in the Company of approximately 47.5% assuming the Minimum Subscription to the Public Offer is raised or approximately 45.1% assuming the Maximum Subscription to the Public Offer is raised.

CIS' voting power in the Company may increase up to a maximum of approximately 53.9% where all Consideration Performance Rights (defined below) vest and are converted to Shares, assuming the Minimum Subscription to the Public Offer is raised (and on the basis that no other Shares are issued, including as a result of the exercise or conversion of any other convertible securities).

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Refer to the *Control effect of the Transaction* section in Appendix 3 for further details.

Financial information

A pro-forma statement of financial position of the Company as at 31 March 2024 showing the effect of the Transaction on the Company is set out in Appendix 3.

The pro-forma financial information is presented in an abbreviated form, insofar as it does not include all the disclosures required by the Australian Accounting Standards applicable to annual financial statements.

Further information in relation to the effects of the Transaction on the Company's assets and financial position and its revenue, expenditure and profit is also set out in Appendix 3.

Indicative Timetable

The indicative timetable for completion of the Transaction is set out below:

Event	Date
Announcement of the Transaction	October 2024
Dispatch of notice of meeting for General Meeting	November 2024
Lodgement of prospectus with ASIC	November 2024
Opening date of Public Offer	November 2024
General Meeting to approve the Transaction and associated items	December 2024
Closing date of Public Offer	December 2024
Settlement of Proposed Acquisition and issue of Shares under the Public Offer	December 2024
Expected date for reinstatement of the Shares to official quotation	January 2025

The above timetable is indicative only and is subject to change. The Directors reserve the right to vary the timetable without notice and will keep shareholders updated (via ASX announcements) on the timing of completion of the Transaction as it progresses.

Shareholders should also note that the Company's Shares will remain suspended until such time as the Company has satisfied Chapters 1 and 2 of the ASX Listing Rules.

Material terms of the Proposed Acquisition

Pursuant to the Acquisition Agreement, the Company has agreed to acquire 100% of the fully paid ordinary shares in CIM (**CIM Shares**) from CIS.

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

(a) **Acquisition**: the Company agrees to acquire and CIS agrees to sell 100% of the CIM Shares, free from any encumbrances or other third party rights and otherwise on the terms and conditions set out in the Acquisition Agreement.

(b) **Consideration**: In consideration for the Proposed Acquisition, the Company agrees to:

(i) make a cash payment of US$3,000,000 (**Cash Consideration**) less the amount of the Outstanding Monies to CIS (**Cash Payment**), subject to the Company holding a minimum cash balance of $5,000,000 on completion of the Cash Payment;

(ii) issue to CIS that number of Shares to the value of $5,500,000 calculated using a deemed issue price equal to the offer price under the Public Offer (27,500,000 Shares) (**Consideration Shares**);

(iii) issue to CIS 10,000,000 Class A performance rights and 10,000,000 Class B performance rights (**Consideration Performance Rights**) which will vest subject to satisfaction of the milestones set out below; and

(iv) grant a gross sales revenue royalty (**Royalty**) to CIS on the sale of iron ore concentrate at the Colomi Iron Project based on the terms set out below.

The milestones attaching to each class of the Consideration Performance Rights are set out below:

Class of Performance Right	Number of Performance Rights	Milestone	Expiry Date
Class A	10,000,000	Each Class A Performance Right will vest upon: (a) Tombador completing a Pre-Feasibility Study (**PFS**) prepared in accordance with the JORC Code demonstrating the technical and economic viability of developing a minimum of a 1.5 million tonnes per annum (**mtpa**) iron concentrate operation (with a variance of +/- 33.33%) at the Colomi Iron Project; and (b) Tombador achieving a volume weighted average price equal to or greater than $0.20 over 20 consecutive trading days. For the purposes of this Milestone, "**PFS**" is defined as a comprehensive study of the viability of the project that is compliant with the JORC Code and that includes sufficient information on mining, processing, metallurgical, infrastructure, economic, and other relevant factors to demonstrate at a high level of confidence that the project is technically feasible and economically viable.	The date that is five (5) years from the date of issue.
Class B	10,000,000	Each Class B Performance Right will vest upon: (a) Tombador making a Final Investment Decision (**FID**) for the next stage of development of the iron ore concentrate operation at the Colomi Iron Project; and (b) Tombador achieving a volume weighted average price equal to or greater than $0.20 over 20 consecutive trading days. For the purposes of this Milestone, "**FID**" is defined as a final investment decision by the board of directors of Tombador (in its sole and absolute discretion) in respect of the development of a commercial mining operation for a deposit located within the area of the Colomi Iron Project, as supported by the approval to provide the required funding to develop the Colomi Iron Project.	The date that is five (5) years from the date of issue.

(c) **Restricted securities**: CIS acknowledges and agrees that the Consideration Shares and the Consideration Performance Rights (together, the **Consideration Securities**) may be subject to up to 24 months escrow under the ASX Listing Rules and agrees to execute and deliver (or procure the execution and delivery of) such restriction deeds as may be required under the ASX Listing Rules in relation to the Consideration Securities.

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(d) **Loan**: subject to the approval of the ASX and the Company obtaining all Shareholder Approvals, the Company agrees to make available a loan of US$300,000 to CIS (**Loan**) within 7 days of the date of receipt of the Shareholder Approvals on the following key terms:

(i) the Loan (and any accrued and unpaid Interest) (**Outstanding Monies**) will be secured over an existing royalty payable to CIM in respect of the Tombador Iron Ore Project (the **Landowner Royalty**). The Company will have absolute discretion as to the form of the security over the Landowner Royalty;

(ii) interest is payable at an interest rate equal to the official SELIC reference interest rate (**Interest**) on and from the date that is 4 months from the date the Loan is made available to CIS. Interest accrues daily and compounds on the first day of each calendar month;

(iii) the Company may waive any interest accrued and unpaid, at its absolute discretion;

(iv) in the event that Settlement proceeds, the Outstanding Monies will be repayable at Settlement by set-off against the Cash Consideration;

(v) in the event that Settlement does not proceed, the Outstanding Monies will be repayable monthly by CIS (and CIM) directing 75% of the monthly funds received under the Landowner Royalty to the Company; and

(vi) in the event that CIS and/or CIM is in breach or default of any of its obligations under the Acquisition Agreement, the Outstanding Monies will be repayable in full by CIS to the Company on demand.

(e) **Conditions Precedent**: settlement of the Proposed Acquisition (**Settlement**) is conditional upon the satisfaction (or waiver) of the following conditions precedent by no later than March 2025 (**End Date**):

(i) completion of due diligence by the Company on the Colomi Iron Project and CIM's business, assets and operations, with the results of those due diligence enquiries being satisfactory to the Company, at its sole and absolute discretion;

(ii) completion of due diligence by CIS on the Company's business, assets and operations, with the results of those due diligence enquiries being satisfactory to CIS, at its sole and absolute discretion;

(iii) CIM completing the conversion of all debt on the CIM balance sheet (**Debt Conversion**) and making payment of all taxes and other fees relating to the Debt Conversion to the satisfaction of the Company (which may be done by an inter-company loan capitalisation);

(iv) the Company preparing a full form prospectus with the assistance of CIM and CIS and lodging the prospectus with the ASIC to complete the Public Offer and raise a minimum of $5,500,000;

(v) the Company obtaining all required shareholder approvals to give effect to the Proposed Acquisition (**Shareholder Approvals**), including any approvals required by the Company to comply with its re-quotation requirements under the ASX Listing Rules or requirements under the *Corporations Act 2001* (Cth) (**Corporations Act**), including without limitation:

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(A) ASX Listing Rule 11.1.2 approval for the Proposed Acquisition and the change in nature and scale of the Company's activities;

(B) approval for the issue of the Consideration Securities to CIS;

(C) ASX Listing Rule 10.1.3 approval for the Proposed Acquisition;

(D) approval for the issue of securities under the Public Offer under ASX Listing Rule 7.1 and ASX Listing Rule 10.11 (if required);

(E) approval of any ancillary corporate matters required, or desirable to the Company, to facilitate the Proposed Acquisition and the Company's re-compliance of Chapters 1 and 2 of the ASX Listing Rules; and

(F) such other approvals as may be identified and required by the ASX or agreed by the parties;

(vi) the parties receiving all necessary ASX, statutory, government, regulatory and third-party approvals, consents and waivers required to complete the transactions contemplated by the Acquisition Agreement;

(vii) the Company receiving a letter from ASX confirming that ASX will grant conditional re-quotation of the Company's Shares on the official list of ASX, on terms acceptable to the Company (acting reasonably) and all material conditions under the conditional approval letter being satisfied in a manner acceptable to the Company (acting reasonably); and

(viii) between the execution date of the Acquisition Agreement and the date that all of the other conditions precedent are satisfied (or waived):

(A) no event, matter or circumstance occurs which, in the reasonable opinion of the Company, has, or is reasonably expected to have, a material adverse effect on or change to CIM and/or the Colomi Iron Project; and

(B) none of the events referred to in sections 652C(1) or (2) of the Corporations Act occurs to CIM.

The conditions precedent under paragraphs (i), (iii), (iv) and (viii) are for the benefit of the Company and may only be waived in writing by the Company.

The condition precedent under paragraph (ii) is for the benefit of CIS and may only be waived in writing by CIS.

All other conditions precedent are for the benefit of both the Company and CIS, and may only be waived by mutual written agreement of the Company and CIS.

(f) **Settlement**: Settlement is to occur on that date which is five (5) business days after the satisfaction (or waiver) of the conditions precedent (or such other date as the parties may agree in writing).

(g) **Royalty**: the Royalty is equal to a percentage of gross sales revenue on any ore mined at the Colomi Iron Project as detailed in the table below, subject to sales prices being calculated on the sale value achieved to end customers (whether sold directly or through related party companies and if to related parties then at higher of the sale value or the prevailing market price so as to ensure the price is on an arm's length basis). The applicable royalty percentage applies to the total annual production for each calendar year:

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Annual Sales of Iron Ore *(mtpa)*	Royalty (%)
0 to 1 (the first 1mtpa)	0%
1 to 8 (the next 7mtpa)	1.0%
8+ (any sales over 8mtpa)	2.0%

(h) **Termination**: if the conditions precedent are not satisfied (or waived) on or before 5:00pm (WST) on the End Date, any party may terminate the Acquisition Agreement by notice in writing to the other parties. In addition, any party may terminate the Acquisition Agreement if the other party commits a material breach of any of its terms, and either:

(A) if the breach is capable of being remedied, after being notified in writing by the aggrieved party, the other party fails to remedy such breach within 14 days; or

(B) the breach is not capable of being remedied.

The Acquisition Agreement otherwise contains terms and conditions, including representations and warranties, indemnities and confidentiality provisions, considered standard for an agreement of this nature.

Shareholder approvals

The Company proposes to convene the General Meeting in December 2024, at which the Company will seek shareholder approval for all resolutions required to implement and complete the Transaction (including those items of business identified in the summary of the conditions precedent at the *Material terms of the Proposed Acquisition* section above).

A notice of meeting to convene the General Meeting, which will contain details of each of the resolutions to be considered at the General Meeting, will be dispatched to the Company's shareholders in due course.

The shareholder approvals intended to be sought at the General Meeting will include the following items of business in accordance with the requirements of the ASX Listing Rules and the Corporations Act:

(a) the Company changing the nature and scale of its activities;

(b) the Proposed Acquisition and the issue of the Consideration Securities to CIS;

(c) the issue of the Shares under the Public Offer;

(d) the issue of Shares to Stephen Quantrill (and/or his nominees) as a result of participation in the Public Offer for up to $50,000;

(e) the issue of any securities to the lead manager engaged in relation to the Public Offer in consideration for services provided; and

(f) the Company changing its name to '*Colomi Metals Limited*'.

It should be noted that given that:

(a) CIS is a substantial shareholder of the Company with a relevant interest exceeding 10% and the Proposed Acquisition will result in the Company acquiring a 'substantial asset' (within the meaning of ASX Listing Rule 10.2) from CIS; and

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(b) CIS' voting power in the Company may increase from approximately 45.9% to a maximum of approximately 53.9% as a result of the Proposed Acquisition.

Accordingly, the Company intends to seek shareholder approval for the Proposed Acquisition and the issue of the Consideration Securities for the purposes of both ASX Listing Rule 10.1 and item 7, section 611 of the Corporations Act.

Other items of business to be considered by shareholders at the General Meeting may be identified subsequent to the date of this announcement. These items of business will be detailed in the notice of meeting to be released by the Company.

Regulatory matters

Escrow requirements

Under the ASX Listing Rules, ASX may determine that securities issued to promoters, seed capital investors and vendors of classified assets are to be classified as "restricted securities" and subject to escrow restrictions. Such securities may be required to be held in escrow for up to twenty-four months from quotation of the entity's securities, during which time they must not be transferred, assigned or otherwise disposed of.

The Company anticipates that the Consideration Securities to be issued to CIS (and/or its nominees) and any securities to be issued to the lead manager appointed in respect of the Public Offer will be classified as restricted securities and subject to escrow.

The Company will announce final escrow arrangements to ASX prior to re-quotation of its Shares on the ASX.

Due diligence investigations and enquiries

The Company's due diligence investigations into CIM and the Colomi Iron Project is ongoing, and it is noted that completion of the Proposed Acquisition is conditional on the Company being satisfied with its due diligence investigations on the Colomi Iron Project and CIM's business, assets and operations.

As at the date of this announcement, the Company has completed its technical due diligence on the Colomi Iron Project and is in the process of completing legal and financial due diligence enquiries in respect of CIM and the Colomi Iron Project. The Company intends to complete its due diligence investigations by November 2024 and in any case, prior to lodging the prospectus for the Public Offer.

Notwithstanding the above, the Company confirms that to date it has undertaken appropriate enquiries into the assets and liabilities, financial position and performance, profits and losses and prospects of CIM for the Board to be satisfied at this time that the Company's proposed undertaking of the Proposed Acquisition is in the best interests of the Company and its shareholders.

ASX waivers and confirmations

In addition to in-principle approval of the Transaction in terms of suitability for listing (noting that ASX has raised certain matters for the Company to address), the Company has received the following waivers and confirmations from ASX:

(a) in-principle confirmation that the US$3,000,000 payable to CIS as part consideration for the Proposed Acquisition be treated, for the purposes of ASX Listing Rule 1.1, Condition 11, as reimbursement of expenditure incurred by CIS on developing the Project;

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(b) in-principle confirmation that the terms of the 20,000,000 Consideration Performance Rights proposed to be issued to CIS as part consideration for the Proposed Acquisition are appropriate and equitable for the purposes of ASX Listing Rule 6.1; and

(c) a waiver from ASX Listing Rule 1.1, Condition 12 to permit the Company to have on issue the 20,000,000 Consideration Performance Rights with a nil exercise price.

Further details of ASX waivers and confirmations sought and granted will be included in the Company's notice of meeting and prospectus.

Recent issues of securities

Neither the Company nor CIM has issued any securities in the previous 6 months. CIM is in the process of converting certain shareholder loans into equity in CIM. This process, however, will not affect the overall ownership of CIM prior to completion of the Proposed Acquisition.

Regulatory statements

The Company confirms that it is in compliance with its continuous disclosure obligations under ASX Listing Rule 3.1 and that all material and accessible information available to the directors of the Company has been included in this announcement.

The Company notes that ASX takes no responsibility for the contents of this announcement.

This announcement has been authorised for release by the Board of the Company.

Competent Person's Statement

The information in this announcement that relates to Mineral Resources and Exploration Results is based on, and fairly reflects, information compiled by Leonardo Silva Santos Rocha who is a full-time employee of GE21 Consultoria Ltda. Mr Rocha is a Member of the Australian Institute of Geoscientists. Mr Rocha has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for the Reporting of Exploration Results, Mineral Resources, and Ore Reserves' (**JORC Code**). Mr Rocha consents to the disclosure of the information in this announcement in the form and context in which it appears.

Forward-looking statements

This announcement contains forward-looking statements which are identified by words such as 'may', 'could', 'should', 'believes', 'estimates', 'targets', 'expected', 'anticipates' or 'intends' and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this announcement, are considered reasonable.

Such forward-looking statements are not a guarantee of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the management. The Directors cannot and do not give any assurance that the results, performance, or achievements expressed or implied by the forward-looking statements contained in this announce will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

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Appendix 1 – Key risk factors

Risks relating to the Company and re-compliance with Chapters 1 and 2 of the ASX Listing Rules

Completion risk

The Proposed Acquisition is subject to the satisfaction (or waiver) of certain conditions precedent. If any of the conditions precedent are not satisfied (or waived), or any of the counterparties do not comply with their obligations under the Acquisition Agreement, Settlement of the Proposed Acquisition may not occur. In addition, if Settlement of the Proposed Acquisition is not completed, the Company will incur costs relating to services provided by advisers and other costs associated with the Proposed Acquisition without any material benefit being achieved.

Re-quotation of Shares on ASX

The Proposed Acquisition constitutes a change in the nature and scale of the Company's activities and the Company needs to re-comply with Chapters 1 and 2 of the ASX Listing Rules. It is anticipated that trading in the Shares quoted on ASX will be suspended until completion of the Proposed Acquisition, the Public Offer and re-compliance by the Company with Chapters 1 and 2 of the ASX Listing Rules and compliance with any further conditions ASX imposes on the Company's reinstatement to trading. There is a risk that the Company may not be able to meet the requirements of the ASX for re-quotation of its Shares on the ASX. Should this occur, the Shares will not be able to be traded on the ASX until such time as those requirements can be met, if at all. Shareholders may be prevented from trading their Shares should the Company be suspended until such time as it does re-comply with Chapters 1 and 2 of the ASX Listing Rules.

Dilution risk

The Company currently has 86,339,295 Shares on issue. As part of the Transaction, the Company is proposing to issue 27,500,000 Shares under the Proposed Acquisition and up to 35,000,000 Shares under the Public Offer. Accordingly, completion of the Transaction will have dilutionary effects on the holdings of existing shareholders. In addition, the Proposed Acquisition will result in the issue of the Consideration Performance Rights to CIS (and/or its nominees) and potentially other convertible securities (such as options) to the lead manager appointed in respect of the Public Offer. These Consideration Performance Rights and any other convertible securities issued to the lead manager engaged, if and when exercised or converted to Shares, will also have dilutionary effects on the holdings of existing shareholders and investors.

Control

Following completion of the Transaction, CIS' voting power in the Company could be as high as approximately 47.5%. This could increase further to as high as approximately 53.9% where all Consideration Performance Rights vest and are converted to Shares, assuming the Minimum Subscription to the Public Offer is raised (and on the basis that no other Shares are issued, including as a result of the exercise or conversion of any other convertible securities). Accordingly, CIS' significant interest in the issued capital of the Company means that it will be in a position to potentially influence the election of directors and the financial decisions of the Company, and its interests may not align with those of all other shareholders. It should also be noted that CIS holds a relevant interest in more than 25% of the Company's Shares which means that it has the potential to prevent a special resolution from being passed by the Company (such resolution requiring at least 75% of the votes cast by members entitled to vote on the resolution).

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Trading in Shares may not be liquid

There is currently no public market for the Shares, as the Company's Shares have been suspended from trading since 11 October 2023. There can be no assurance that an active market for the Shares will develop or continue following the Company's re-admission to the official list of ASX. There may be relatively few potential buyers or sellers of the Shares on the ASX at any time, particularly given the level of ownership CIS and its associates will hold in the Company following completion of the Transaction. These factors (including, the absence of any sale of Shares by CIS and its associates) may cause, or at least contribute to, limited liquidity in the market for the Shares and may affect the ability of a shareholder to sell some or all of their Shares due to the effect less liquidity may have on demand. An illiquid market for the Company's Shares could increase the volatility of the price of the Shares and have an adverse impact on the Share price.

Company specific risks

Future funding requirements and ability to access debt and equity markets

The Company has no operating revenue and is unlikely to generate any operating revenue unless and until the Project is successfully explored, evaluated, developed and production commences. The funds to be raised under the Public Offer are considered sufficient to meet the immediate objectives of the Company. However, the Company's capital requirements depend on numerous factors and the Company will require additional debt or equity financing in the future to maintain or grow its business in addition to funds raised under the Public Offer.

There can be no assurance that the Company will be able to secure additional capital from debt or equity financing on favourable terms or at all. If the Company is unable to raise additional capital if and when required, this could delay, suspend or reduce the scope of the Company's business operations (including scaling back exploration and development programs) and could have a material adverse effect on the Company's operating and financial performance. Any additional equity financing may result in dilution for some or all Shareholders, and debt financing, if available, may involve restrictive covenants which limit operations and business strategy.

Title, maintenance and renewal of tenure

The success of the Company will largely depend upon the Company being able to maintain title to the tenements forming the Colomi Iron Project, or any other projects that may be acquired by the Company in the future. The continuation of the term of the tenements, and any periodic renewal of the tenements, is subject to compliance with the applicable mining laws and regulations, including satisfying any relevant reporting requirements (including technical justification for the continuation of exploration), expenditure conditions and fees. Failure to satisfy these requirements may result in the imposition of fees or forfeiture of the tenements. The renewal of a tenement is also subject to the discretion of the relevant regulatory authority. In addition, additional conditions on the tenements may be imposed following renewal. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.

Approvals, authorisations, licences and permits

The Company's activities are subject to the need for a variety of governmental approvals, authorisations, licences and permits, including work permits and environmental approvals, at various stages of exploration and development. These requirements will change as the Company's operations develop. There can be

no assurance that the various approvals, authorisations, licences and permits required for the Company to carry out exploration, development and mining operations on the Project will be obtained on reasonable terms or at all or, if obtained, will not be cancelled or renewed upon expiry in the future.

Price of product

Iron ore commands a different price depending on discounts and premiums related to iron content and levels of impurities. The existing Mineral Resource at the Project is considered itabirite iron ore. Processing of the itabirite iron ore is required to upgrade the product to high-grade iron concentrate products. In an economically viable operation, the cost of processing the ore can usually be offset by the price premium the high-purity product can achieve in the market. Until the Project is operational and contracts with customers are secured, the Company is unable to determine at this stage whether it will receive a market premium for its concentrate product.

Industry specific risks

Sovereign risk

The Project is located in Bahia State, Brazil. Brazil is a federal presidential democratic republic and the political conditions in Brazil are considered generally stable. However, changes may occur in the political, fiscal and legal systems which may affect the ownership or operations of the Company, such as changes in exchange rates, control or fiscal regulations, regulatory regimes, political insurrection or labour unrest, inflation or hyperinflation or economic recession. There are numerous risk factors associated with operating in a foreign jurisdiction, such as Brazil, including economic, social or political instability or change.

Nature of Mineral Exploration and Mining

The business of mineral exploration, development and production is subject to a high level of risk. Mineral exploration and development require large amounts of expenditure over extended periods of time with no guarantee of revenue, and exploration and development activities may be deterred by circumstances and factors beyond the Company's control. There can be no assurance that exploration and development at the Project, or any other projects that may be acquired by the Company in the future, will result in the Mineral Resource being increased and/or the discovery of mineral deposits which are capable of being exploited economically. In particular, there is a risk that, following further exploration and resource drilling at the Project, the Company will not be able to increase the quantity of the existing Mineral Resource. Even if the Mineral Resource is increased or other significant mineral deposits are identified, there can be no guarantee that any of them can be commercialised and profitably exploited.

Operating and production risks

The Company's ability to achieve production on a timely basis cannot be assured and the operations of the Company may be affected by various factors that are beyond the control of the Company, including a variety of risks and hazards. In addition, the Company's profitability could be adversely affected if for any reason its mine development or production and processing of ore is unexpectedly interrupted or slowed.

Infrastructure

Exploration, development and processing activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important elements of

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infrastructure, which affect access, capital and operating costs. The lack of availability on acceptable terms or the delay in the availability of any one or more of these items (including any interference in maintenance) could prevent or delay exploration or development of the Project (or other projects the Company may acquire in the future).

Chinese economy

China is the world's largest importer of iron ore and the global iron ore market and iron ore index prices are largely influenced by China's demand. Accordingly, the results of the Company's operations, its financial condition and its prospects are significantly dependent on economic and political developments in China. A significant deterioration of economic conditions in China may have a negative impact on the performance of the Company and its prospects, as well as the value of the Company's Shares.

Environmental risk

The minerals and mining industry has become subject to increasing environmental regulations and liability. The operations and proposed activities of the Company are subject to extensive laws and regulations (specifically, under Brazilian federal, state and municipal laws) concerning the environment. If such laws or regulations are breached or modified, the Company could be required to cease its operations and/or incur significant liabilities including penalties, due to past or future activities. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. The Company is committed to environmental compliance and will endeavour to undertake all activities in compliance with applicable environmental laws, regulations and requirements.

General risks

Economic conditions and other global or national issues

General economic conditions, laws relating to taxation, new legislation, trade barriers, movements in interest and inflation rates, currency exchange controls and rates, national and international political circumstances (including outbreaks in international hostilities, wars, terrorist acts, sabotage, subversive activities, security operations, labour unrest, civil disorder, and states of emergency), natural disasters (including fires, earthquakes and floods), and epidemics and pandemics, may have an adverse effect on the Company's operations and financial performance. General economic conditions may also affect the value of the Company and its market valuation regardless of its actual performance.

Competition risk

The mining industry is intensely competitive. The Company's ability to compete depends on, among other things, knowledgeable personnel, high product quality and competitive pricing. Increased competition may require the Company to reduce prices or increase costs and may have a material adverse effect on its financial condition and results of operations.

Government policy and regulation changes

Adverse changes in government policies or legislation that affect ownership of mineral resources interests, taxation, royalties, land access, native title, environmental protection, carbon emissions, labour and mining, could have an adverse impact on the Company's operations.

Litigation and other proceedings

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The Company is exposed to potential legal and other claims or disputes in the normal course of its business, including (without limitation) native title claims, tenure and land ownership disputes, environmental claims, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation.

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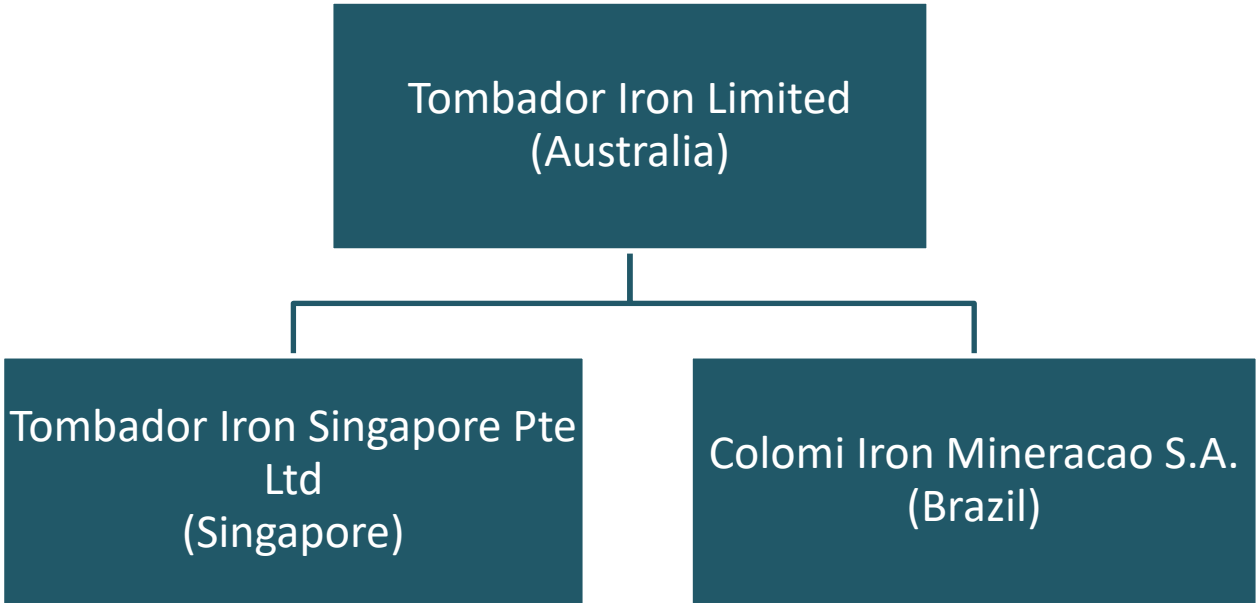
Appendix 2 – Indicative Corporation structure



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Appendix 3 – Effects of the Transaction

Proposed use of funds

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

Funds available	Minimum Subscription - $5,500,000	Percentage of Funds (%)	Maximum Subscription - $7,000,000	Percentage of Funds (%)
Source of funds				
Existing cash reserves	10,431,320	65.5%	10,431,320	59.8%
Funds raised from the Public Offer	5,500,000	34.5%	7,000,000	40.2%
Total	**15,931,320**	**100%**	**17,431,320**	**100%**
Allocation of funds				
Permitting and land access	75,000	0.5%	75,000	0.4%
Geological & geophysical surveys	395,000	2.5%	395,000	2.3%
Infill drilling program	2,420,000	15.2%	2,420,000	13.9%
Metallurgical Testing	812,500	5.1%	820,000	4.7%
Scoping Study & Pre-Feasibility Study (PFS)	3,035,000	19.1%	4,015,000	23.0%
Cash Consideration (US $3million)	4,603,501	28.9%	4,603,501	26.4%
Corporate and administrative costs	2,400,000	15.1%	2,400,000	13.8%
Brazil Project Costs	1,350,000	8.5%	1,500,000	8.6%
Working capital	290,319	1.8%	502,819	2.9%
Total	**15,931,320**	**100%**	**17,431,320**	**100%**

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 way funds are applied on this basis.

The Directors consider that following completion of the Public Offer, the Company will have sufficient working capital to carry out its stated objectives. However, it should be noted that an investment in the Company is highly speculative and prospective investors are encouraged to read the key risk factors outlined in Appendix 1.

Pro-forma capital structure

Completion of the Transaction will result in the Company issuing a significant number of new securities.

The indicative capital structure of the Company following completion of the Transaction (on the basis of both Minimum Subscription and Maximum Subscription) is set out in the table below:

	Minimum Subscription			Maximum Subscription		
Capital Structure	**Shares**	**Options**	**Performance Rights**	**Shares**	**Options**	**Performance Rights**
Securities currently on issue	86,339,295	190,000	100,000	86,339,295	190,000	100,000
Securities to be issued under the Public Offer	27,500,000	-	-	35,000,000	-	-
Securities to be issued under the Proposed Acquisition	27,500,000	-	20,000,000	27,500,000	-	20,000,000
Total securities on completion of the Transaction	**141,339,295**	**190,000**	**20,100,000**	**148,839,295**	**190,000**	**20,100,000**

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As noted above, the Company has not yet appointed a lead manager to the Public Offer. The above table may be impacted by any securities the Company agrees to issue to the lead manager engaged as part of the consideration to be received by the lead manager for services provided in respect of the Public Offer.

Control effect of the Transaction

CIS currently has a relevant interest in 45.9% of the total Shares on issue in the Company.

As CIS is a substantial shareholder of the Company with a relevant interest exceeding 10% and the Proposed Acquisition will result in the Company acquiring a 'substantial asset' (within the meaning of ASX Listing Rule 10.2) from CIS, the Proposed Acquisition must be approved by shareholders under ASX Listing Rule 10.1.

In addition, CIS' voting power in the Company may increase as high as approximately 53.9% as a result of the Proposed Acquisition where all Consideration Performance Rights vest and are converted to Shares and assuming the Minimum Subscription to the Public Offer is raised (and on the basis that no other Shares are issued, including as a result of the exercise or conversion of any other convertible securities). Accordingly, the Company intends to seek shareholder approval for the Proposed Acquisition and the issue of the Consideration Securities under item 7, section 611 of the Corporations Act.

BDO Corporate Finance (WA) Pty Ltd has been engaged to prepare an Independent Expert's Report to be included in the notice of meeting for the purposes of ASX Listing Rule 10.1 and item 7, section 611 of the Corporations Act.

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Effect of the Transaction on the Company's assets and financial position

The principal effects of the Transaction on the Company's consolidated total assets and total equity interests is reflected in the pro-forma statement of financial position set out below.

The unaudited pro-forma statement of financial position as at 31 March 2024 shown below has been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position as a result of the Transaction.

Balance Sheet	31-Mar-24 $	Purchase of Asset $	Capital Raise Proceeds $	Adjusted 31-Mar-24 $
Current Assets				
Cash and cash equivalents	10,431,320	(4,603,501)	7,000,000	12,827,819
Trade and other receivables	3,420,871	62,504	-	3,483,375
Other assets	130,390	-	-	130,390
Total Current Assets	**13,982,581**	**(4,540,996)**	**7,000,000**	**16,441,585**
Non-Current Assets				
Property, plant and equipment	13,575	108,638	-	122,213
Total Non-Current Assets	**13,575**	**108,638**	**-**	**122,213**
Total Assets	**13,996,156**	**(4,432,358)**	**7,000,000**	**16,563,798**
Current Liabilities				
Trade and other payables	801,161	-	-	801,161
Total Current Liabilities	**801,161**	**-**	**-**	**801,161**
Non-Current Liabilities				
Other liabilities	-	-	-	-
Provisions	-	-	-	-
Total Non-Current Liabilities	**-**	**-**		**-**
Total Liabilities	**801,161**	**-**	**-**	**801,161**
Net Assets	**13,194,995**	**(4,432,358)**	**7,000,000**	**15,762,637**
Equity				
Share Capital	36,471,957	5,500,000	7,000,000	48,971,957
Reserves	1,581,931	(9,932,358)	-	(8,350,427)
Accumulated losses	(24,858,893)	-	-	(24,858,893)
Total Equity	**13,194,995**	**(4,432,358)**	**7,000,000**	**15,762,637**

Effect of the Transaction on the Company's revenue, expenditure and profit before tax

The Company does not expect to generate revenues from operations or sale of assets during the relevant period.

The effect of the Transaction on the Company's expenditure will be to increase expenditure, primarily to progress exploration and development activities at the Project, as contemplated by the *Proposed use of funds* section above.

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Appendix 4 – Tenements

Location	Tenement Number	Grant Date	Expiry Date	Area	Status
Municipality of Sento Sé, State of Bahia	**872.254/2003**	10/02/2004	19/04/2021	1,942.33	See Note 1
Municipality of Remanso, State of Bahia	**872.256/2003**	10/02/2004	19/04/2021	1,999.80	See Note 1
Municipality of Remanso, State of Bahia	**872.257/2003**	10/02/2004	19/04/2021	2,000.00	See Note 1
Municipality of Remanso, State of Bahia	**872.258/2003**	10/02/2004	19/04/2021	2,000.00	See Note 1
Municipalities of Remanso and Casa Nova, State of Bahia	**872.259/2003**	10/02/2004	19/04/2021	1,000.00	See Note 1
Municipality of Remanso, State of Bahia	**872.261/2003**	10/02/2004	19/04/2021	1,999.30	See Note 1
Municipality of Remanso, State of Bahia	**872.262/2003**	10/02/2004	19/04/2021	2,000.00	See Note 1
Municipalities of Remanso and Casa Nova, State of Bahia	**872.263/2003**	10/02/2004	19/04/2021	2,000.00	See Note 1
Municipality of Sento Sé, State of Bahia	**872.430/2003**	10/02/2004	19/04/2021	2,000.00	See Note 1
Municipality of Sento Sé, State of Bahia	**872.432/2003**	10/02/2004	19/04/2021	2,000.00	See Note 1
Municipality of Sento Sé, State of Bahia	**872.433/2003**	10/02/2004	19/04/2021	2,000.00	See Note 1
Municipality of Sento Sé, State of Bahia	**871.731/2018**	30/07/2019	10/02/2024	1,787.44	See Note 2
Municipality of Sento Sé, State of Bahia	**871.340/2019**	4/05/2020	30/09/2024	7.807	See Note 3
Municipality of Sento Sé, State of Bahia	**871.341/2019**	4/05/2020	30/09/2024	8.83	See Note 3

Notes on the Current Status of Final Exploration Report and Permits

1. *Suspension of the Final Exploration Report Approval ("Sobrestamento"). CIM has timely submitted to the "Agência Nacional de Mineração" (ANM) the Final Exploration Report for the Tenements. Given the current status of the Colomi Iron Project, CIM requested the ANM to suspend its analysis. The approval process of the Final Exploration Report for the Tenements by the "Agência Nacional de Mineração" (ANM) is currently suspended. The suspension has been granted for a fixed period and extended multiple times based on project progress. CIM's request for a further extension, submitted in 2021, is still pending a decision by ANM. This approval of the Final Exploration Report is the next step in the granting of a mining concession along with other regulatory milestones.*
2. *Exploration Permit Extension Request: On 28 November 2023, CIM submitted a request to ANM for a three-year extension of the Exploration Permit. A decision is pending for this request.*
3. *Exploration Permit Extension Request: On 21 May 2024, CIM submitted q request to ANM for an additional three-year extension of the Exploration Permit. A decision is pending for this request.*

Appendix 5 – JORC Tables

JORC Code, 2012 Edition – Table 1 report template

COLOMI IRON ORE PROJECT – MINERAL RESOURCES ESTIMATE UPDATE

Section 1 Sampling Techniques and Data

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

Criteria	JORC Code explanation	Commentary
Sampling techniques	• Nature and quality of sampling (e.g. 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.	• The Colomi Project, comprising all of the prospects within Colomi South and Colomi North, were drill tested using a combination of diamond and reverse circulation drilling techniques. All of the samples provided by the drilling were removed from site and relocated to a purpose-built sample preparation and storage yards within the nearest local township. The Colomi North and Colomi South samples were relocated to the township of Sento Se. • In the exploration areas 152 drilling holes were conducted, totalling 19,314.80m. The average depth of the holes was 125m and the deepest hole was 250 m. The holes were arranged in 800 x 400m grid in Remanso and Jacobina deposits. In Bicuda Norte and Bicuda Sul deposits the drilling grids were 200 x 200 and 100 x 100 m due to the more irregular morphology of the itabirite bodies. In other areas "diamond" grids were used, which consist in a diamond hole in the centre of a square whose vertices were formed by reverse circulation holes. All diamond holes were undertaken in HQ (6.35 cm) diameter and the reverse circulation holes in 12.7cm diameter. In both methods, all drilled material was sampled, nothing being discarded. The holes were mostly vertical. For the inclined holes, downhole trajectory measurements were taken using a Maxibor, with readings recorded every three metres downhole. • The table below shows the exploration activities undertaken in the exploration areas. Geological mapping, rock samples, topography and geophysical survey exploratory activities and quantities included exploration on tenement 872.431/2003 (less than 10% of explored area) which has since been divested by the Company and is not included in the MRE.

Criteria	JORC Code explanation	Commentary

Activity	Unit	Quantity
Topography – topographic station	Station	37
Topography- Total station planialtimetric survey	km	451.20
Topography-polygonal control total station	km	154.55
Geological Mapping	station	2,681
Rock Samples - Chemical analyses	Sample	204
Rock Samples -chemical and petrographic	Sample	110
Geophysics - Magnetometry airborne survey	Km	4,044.00
Geophysics – Ground magnetometry	Km	224.2
Ground Geophysics-Gravimetry	km	144
Reverse Circulation Drilling	m	12180
Reverse Circulation Drilling	Holes	96
Chip Samples -chemical analyses	sample	1129
Diamond Drilling	m	7134.80
Diamond Holes	holes	56
Core samples -chemical analyses	sample	836
Core Samples density-tests	sample	1973
Samples for QA/QC-chemical analyses	sample	492
Samples for process test work	sample	7

- Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.
- Aspects of the determination of mineralization that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. '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 mineralization types (e.g. submarine nodules) may warrant disclosure of detailed information.

- Measures to ensure sample representativity include occasional twinning of RC drill holes with diamond drillholes, setting up of a specific sampling procedure for and by geologists, having a dedicated on site full time survey team to pick up mapping sample sites and drilling locations, assay QAQC at a second external laboratory.
- Drilling and sampling were completed by Vale S.A. (Vale). Vale employed the mining industry best practices for all sampling completed. Diamond core samples were sawn in half before being collected to allow half of the material to be sent for chemical analyses and the remaining half were filed in the core shed. The sampling was planned by the geologists and care was taken to avoid any contamination between neighbouring samples. RC chip samples were also collected by following sampling plans specified by the geologists. The samples were prepared by splitting using a Jones splitter. Initially each one metre interval was split into 2 samples of approximately 40kg each. One of them was temporary archived and used to make chip rulers and chip boxes. The other half was used for final archiving and creation of the sample intended for the chemical analysis. The sample intended for the final archiving and chemical analyses was split, generating two samples with approximately 10 kg each. One of these was duly registered with labels inside and outside the bag and filed in the core

Criteria	JORC Code explanation	Commentary
		sheds in the cities of Sento Sé and Remanso – BA. The second sample of 10 Kg was used in the composition of the sample sent for chemical analyses. • Mineralized samples (itabirites) from Bicuda Norte deposits were collected 5m intervals with minimum ≥ 3 m and a maximum <7m obeying the lithologic contacts. To ensure a clear definition of the boundaries of mineral zones, 2 m samples were also collected of the host rock in base and at the top levels of the itabirites. Core samples for granulo-chemical analysis were collected using 10m intervals as they were crushed and screened into four different size fractions and a chemical assay was obtained for each size fraction. • Samples from diamond and reverse circulation drillings conducted on all deposits (except some from Bicuda Norte), were collected using 5 m intervals with minimum ≥ 3 m and a maximum < 7 m, obeying the lithologic contacts. To ensure a clear definition of the boundaries of mineral zones, 2 m samples were also collected of the host rock in base and at the top levels of the itabirites.
Drilling techniques	• Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. 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.).	• 152 Drillholes were conducted in the exploration areas, totalling 19,314.80m. • Diamond holes were undertaken in HQ (6.35 cm) diameter and the reverse circulation holes in 12.7cm diameter. • The holes were arranged in 800 x 400m grid in Remanso and Jacobina deposits. In Bicuda Norte and Bicuda Sul deposits the drilling grids were 200 x 200 to 100 x 100m due to the more irregular morphology of the itabirite bodies. In other areas "diamond" grids were used, which consist of a diamond hole in the centre of a square whose vertices were formed by reverse circulation holes.
Drill sample recovery	• Method of recording and assessing core and chip sample recoveries and results assessed.	• The diamond drilling core recovery procedure consisted of verifying the drill rod advance recorded in the core boxes and comparing to the core recovered. The measurement was undertaken using a tapeline on the core present in the boxes. For reverse circulation, the verification was undertaken by weighing of chip bags.
	• Measures taken to maximise sample recovery and ensure representative nature of the samples.	• The recovery control procedure and the recovery values were inside acceptable limits, so there is no obvious impact on the quality of the Resource Estimate. Twin hole analysis showed good correlation between recoveries and analysis of sample recovery to diamond core and RC sample weights showed no relationship to grade.
	• 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.	• No relation between grade and sample recovery was detected.

Criteria	JORC Code explanation	Commentary
Logging	• 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.	• Geotechnical description was performed on all diamond holes where they were classified by geotechnical parameters W (degree of change weathering), R (degree of resistance), spacing of fractures and RQD with degree of detail to one metre. Geological description consisted of defining weathering levels, mineralogical, lithological and structural data, in all holes with detail of one metre. The author considers that the level of detail is sufficient for the reporting of Exploration Results and for Mineral Resource Estimation.
	• Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.	• The logging is qualitative in nature. Logged intervals were compared to the assay data to create a litho assay category. The litho-assay is a reanalysis of the geological logging with the benefit of the assay results and is separate dataset to the lithology. Core is photographed prior to logging.
	• The total length and percentage of the relevant intersections logged.	• 100% of 152 drillholes was logged, totalling 19,314.8m
Sub-sampling techniques and sample preparation	• If core, whether cut or sawn and whether quarter, half or all cores taken. • If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field. • duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled.	• Core samples were sawn in half to allow half of the material to be sent for chemical analysis and the remaining half were filed in the core shed. The sampling was planned by the geologists and care was taken to avoid any contamination between neighbouring samples. • Chip samples were also collected by following sampling plans specified by the geologists. The samples were prepared by splitting using a Jones splitter. Initially each one metre interval was split into 2 samples of approximately 40kg each. One of the halves was temporary archived and used to make chip rulers and chip boxes. The other half was split, generating two samples with approximately 10kg each. One of these was duly registered with labels inside and outside the bag and filed in the core sheds in the cities of Sento Sé-BA and the remaining sample of 10Kg was used in the composition of the sample sent for chemical analysis. • The physical preparation of the drilling samples was performed at the ALS Chemex Laboratory at Vespasiano – MG. The procedure included drying, primary crushing P95%<4 mm, collection of 1/8 of the sample, grinding P95 % < 0.105mm and final division with collection of one sample for whole chemical assay. • The sample sizes are considered appropriate to the style and grainsize of the mineralization at Colomi. The thickness and consistency of the intersections yield predictable grade ranges for iron and other elements.

Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.	• Chemical analyses were conducted in the laboratory SGS Geosol, Vespasiano-MG, while checking of 5% of the results were made in the laboratory of ALS Chemex. Sample pulps from the Reverse Circulation and Diamond Drill programs are assayed by X-Ray fluorescence for the following elements and oxides: Fe, SiO_2, P, Al_2O_3, Mn, TiO_2, CaO, MgO, BaO, K_2O, Na_2O, Cr_2O_3 and Sr. FeO and LOI were also measured. The analytes measured are considered standard for the determination of iron ore. The assay technique is considered standard within the iron ore industry. The technique is considered total.
	• 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.	• Handheld geophysical tools were not used during the initial exploration program, sample preparation & assaying was completed within external laboratories.
	• Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	• The nature of the quality control procedures was regarded as industry best practice. Both assay laboratories completed methodological and systematic standard control appropriate to international certification as standard practice. Standard and duplicate samples were inserted into samples batches sent for chemical analysis. This quality control was restricted to the elements Al_2O_3, Fe, MgO, P, Mn, SiO_2 and LOI. The quality control procedure by Vale included the following duplicates: DP1 (drilling duplicates) for every 20 samples; DP2 (crushed material duplicates), one in every 30 samples; DP3 (duplicates taken after pulverization) every 20 samples, DP4 (external check duplicates of 5% of the analyses). The average of the standards fell well within two standard deviations of the certified mean for Fe.
Verification of sampling and assaying	• The verification of significant intersections by either independent or alternative company personnel.	• GE21 approves the methodology applied by Vale in the preparation and execution of the Colomi Project QAQC Program. GE21 did not oversee the QAQC program, which was completed by Vale, but has accompanied Vale QAQC programs in other projects that used the same methodology and tends to agree with the recommendations of Vale, which concludes it's necessary to improve the QAQC program and some tools, as appropriate standard sample implementation.
	• The use of twinned holes.	• Twin hole analysis showed good correlation between recoveries and analysis of sample recovery to diamond core and RC sample weights showed no relationship to grade.
	• Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	• GE21 approves the methodology applied by Vale in the preparation and execution of the Colomi Project QAQC Program. According to GE21, results are inside acceptance limits of mineral industry.

Criteria	JORC Code explanation	Commentary
		• Data collection and verification and storage protocols are fully documented.
	• Discuss any adjustment to assay data.	• Adjustment to assay data was neither required nor applied.
Location of data points	• 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.	• All drillhole collars were topographically surveyed by total station surveying campaign and drillhole landmarks have been properly identified.
	• Specification of the grid system used.	• Drillholes were surveyed in the Corrego Alegre Datum. Drill holes in tenements 872.430/2003, 872.432/2003 and 872.433/2003 are in UTM zone 23S and those in tenements 872.254/2003, 872.256/2003, 872.257/2003, 872.258/2003, 872.259/2003, 872.261/2003, 872.262/2003, 872.263/2003 are in UTM zone 24S. GE21 recommends the update of the project Datum to SIRGAS2000.
	• Quality and adequacy of topographic control.	• No issue was identified by GE21 in the field or in drilling data physical archive.
Data spacing and distribution	• Data spacing for reporting of Exploration Results.	• Data spacing was acceptable to GE21 for the reporting of Exploration results. The holes were arranged in 800 x 400m grid in Remanso and Jacobina deposits. In Bicuda Norte and Bicuda Sul deposits the drilling grids were 200 x 200 and 100 x 100 m due to the more irregular morphology of the southern itabirite bodies. Diamond drillhole samples were produced at average length of 5 meters in Remanso, Jacobina and Bicuda. Some drillhole cores of Bicuda and Bicuda Norte were sampled at 10m length for granulo-chemical assay. Compositing was produced using these nominal lengths.
	• 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.	• GE21 judges that appropriate grid spacings and applied sampling and composition lengths were provided to establish the degree of geological continuity and classification reported by GE21.
	• Whether sample compositing has been applied.	• Sample compositing was applied.
Orientation of data in relation to	• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering	• In general terms, the geological layers are sub-horizontal and the holes are vertical. Sampling was performed almost perpendicular to the layers, which is the best condition.

Criteria	JORC Code explanation	Commentary
geological structure	the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralized structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	• The relationship between the drilling orientation and the orientation of key mineralized structures does not indicate sampling bias.
Sample security	• The measures taken to ensure sample security.	• GE21 approves the methodology applied by Vale in the preparation and execution of the Colomi Project QAQC Program. GE21 does not judge the values presented in the report for not having access to QAQC data sheet but has accompanied the Vale QAQC programs in other projects that used the same technique. • The core and chips were transported by the company's personnel from the drill site to the core storage facilities. Drill boxes are labelled with hole number and depth interval and the core is photographed prior to logging.
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	• GE21 considered Vale's reports as a data source. Vale has internal audits and standard procedures. Any international standard audits were considered in resource estimation. • There has been no specific audit on sampling techniques.

Section 2 Reporting of Exploration Results

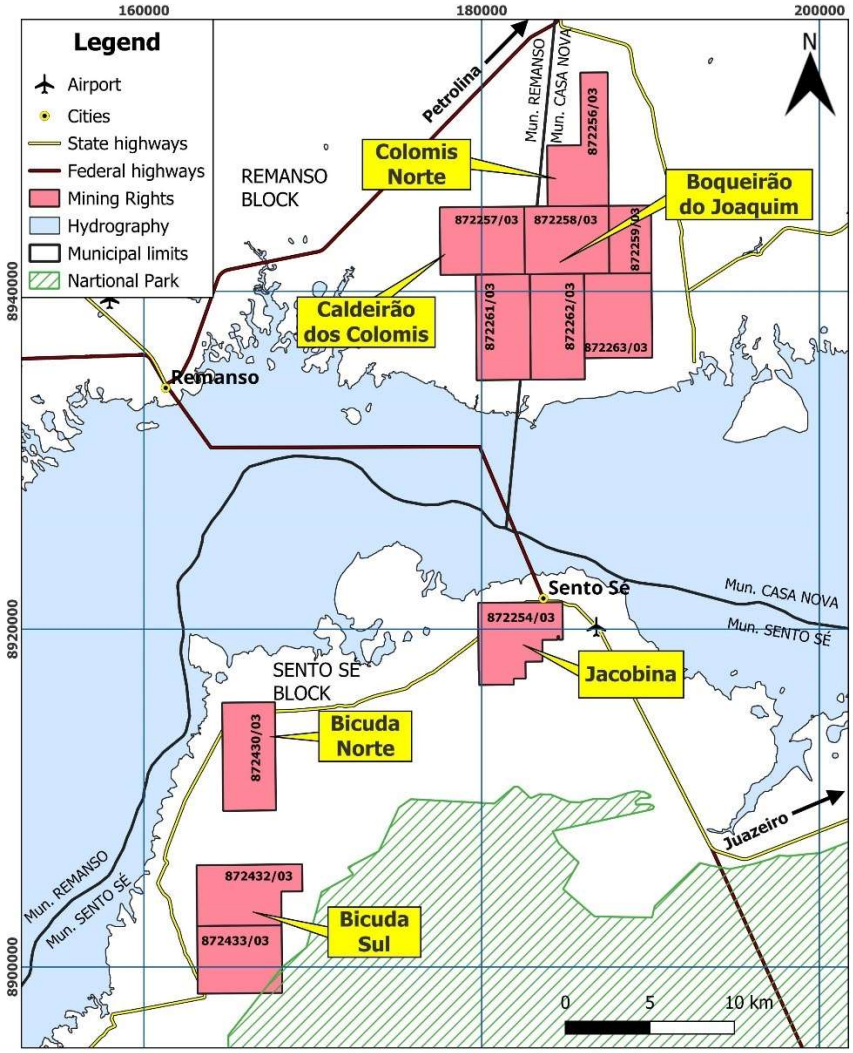
(Criteria listed in the preceding section also apply to this section.)

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td>Mineral tenement and land tenure status</td><td>• 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.
• The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.</td><td>• Colomi Singapore Pte Ltd, through its 100% owned subsidiary Colomi Iron Mineração Ltda, has the mineral rights for the tenements listed below. The Company's mineral property is considered to represent an Advanced Exploration Project which is inherently speculative in nature. However, GE21 considers the property has been acquired based on sound technical merit. The property is also considered to be sufficiently prospective in general, subject to varying exploration risk degrees, to warrant further exploration and assessment of its economic potential, it is consistent with the proposed program.
• Approximately 92ha of Tenement 872.433/2003 southeast area is within the limits of Boqueirão da Onça National Park.
• Other than legislated government and landowner royalties, there are no known royalty agreements in place. All tenements are in good standing and no known impediments exist. The Colomi Project is located in the municipalities of Casa Nova, Sento Sé and Remanso in northern Bahia State – Brazil. Exploration permits are listed below.
<table>
<tr><th colspan="5">Colomi Project
Summary of tenement Status in the Colomi Project</th></tr>
<tr><th>Company</th><th>Municipality</th><th>Tenement No.</th><th>Area (Hectares)</th><th>Status</th></tr>
<tr><td>Colomi Iron Mineração Ltda</td><td>Remanso</td><td>872.256/03</td><td>1999.8</td><td>Exploration Permit</td></tr>
<tr><td>Colomi Iron Mineração Ltda</td><td>Remanso</td><td>872.257/03</td><td>2000</td><td>Exploration Permit</td></tr>
<tr><td>Colomi Iron Mineração Ltda</td><td>Remanso</td><td>872.258/03</td><td>2000</td><td>Exploration Permit</td></tr>
<tr><td>Colomi Iron Mineração Ltda</td><td>Casa Nova / Remanso</td><td>872.259/03</td><td>1000</td><td>Exploration Permit</td></tr>
<tr><td>Colomi Iron Mineração Ltda</td><td>Remanso</td><td>872.261/03</td><td>1999.3</td><td>Exploration Permit</td></tr>
<tr><td>Colomi Iron Mineração Ltda</td><td>Remanso</td><td>872.262/03</td><td>2000</td><td>Exploration Permit</td></tr>
</table>
</td></tr>
</table>

Criteria	JORC Code explanation	Commentary

Colomi Iron Mineração Ltda	Casa Nova / Remanso	872.263/03	2000	Exploration Permit

Jacobina				
Colomi Iron Mineração Ltda	Sento Sé	872.254/03	1942.33	Exploration Permit
Bicuda_Norte / Bicuda_Sul				
Colomi Iron Mineração Ltda	Sento Sé	872.430/03	2000	Exploration Permit
Colomi Iron Mineração Ltda	Sento Sé	872.432/03	2000	Exploration Permit
iColomi Iron Mineração Ltda	Sento Sé	872.433/03	2000	Exploration Permit

Criteria	JORC Code explanation	Commentary
		Tenement Area Map 

Criteria	JORC Code explanation	Commentary
Exploration done by other parties	• Acknowledgment and appraisal of exploration by other parties.	• Main exploration works, including all drilling and sampling, were carried out by Vale an internationally renowned major iron ore mining company. Principal source of information for the MRE was the Final Exploration Report (FER) to ANM (Brazilian National Mining Agency). The FER provides a description and evaluation of results obtained in the exploration work carried out by Vale in the areas related to Colomi Exploration Permits.
Geology	• Deposit type, geological setting and style of mineralization.	• Geological Context: The exploration areas are located in the Archaean sialic terrains of the northern limit of the São Francisco Craton. The Craton of San Francisco is divided into two major tectono-stratigraphic segments, composed of blocks, fragments and mobile belts, limited by shear zones, of Paleoproterozoic age. At the west-northwest occurs the Sobradinho Block, which includes a metavulcanosedimentary sequences, including the Colomis Group. The structural framework of Colomis Group is defined by two major directions of lineaments, NW and NE-SW, visible in the satellite images. They represent areas of shear and fold axis directions. Deformation and metamorphic grade increase from SW to NE or (from South domain to the North domain). • Deposit Type: The iron ores can be divided in two main domains: South Domain: predominance of siliceous and dolomitic itabirites, lesser metamorphic grade, and influence of folds, faults and shear zones. The following deposits were defined in the south domain: Bicuda Norte and Bicuda Sul. North Domain: predominance of amphibolitic itabirites, metamorphic high grade and interference between the NE and NW axes folds. The following deposits were defined in the north domain: Caldeirão dos Colomis, Boqueirão do Joaquim, Colomis Norte and Jacobina deposits. • Mineralization: The mineralogical characteristics divide the discovered iron ores into four different types: Dolomitic Itabirite, Siliceous Itabirite, Amphibolitic Itabirite and Talus Deposit. Dolomitic Itabirite: Rocks composed of centimetric to decimetric bands, rhythmically alternating between laminated dolomitic marble and itabirites composed of quartz and iron oxides, with variable amounts of magnetite and haematite. Siliceous Itabirite: Rock composed of millimetric to centimetric intercalations of recrystallised quartz bands and iron oxides rich bands, with variable amounts of magnetite and haematite. Amphibolitic Itabirite: Rocks are characterized by a highly variable abundance of amphibole oriented along the metamorphic foliation and concentrated in alternating bands with quartz-rich levels and/or iron oxides. The banded structure is defined by iron composed bands of magnetite associated with quartz, and bands containing levels of amphibole. The ratio of amphibole to iron oxide/quartz varies across the deposit.

Criteria	JORC Code explanation	Commentary

Drill hole Information	• 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:
	  • 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.
		• Drill hole collars for all holes:

hole_id	X (East)	Y (North)	Z (Alt)	max_depth	azimuth	dip
COL-BICU-DH00011	823273.41	8909363.76	534.65	146.9	0	-90
COL-BICU-DH00014	824231.15	8910768.13	487.21	93	0	-90
COL-BICU-DH00015	824031.6	8910768.08	487.8	205.5	0	-90
COL-BICU-DH00018	823931.72	8910768.22	492.55	135.4	271.8	-63.29
COL-BICU-DH00020	823982.82	8910368.61	594.3	117.5	0	-90
COL-BICU-DH00025	823889.03	8909968.03	683.4	150.2	0	-90
COL-BICU-DH00026	823827.53	8910367.99	586.91	201.35	267.8	-66.02
COL-BICU-DH00027	823830.68	8911767.97	474.48	97.7	0	-90
COL-BICU-DH00028	823932.49	8911967.6	490.53	100.6	0	-90
COL-BICU-DH00029	823684.25	8909968.51	614.97	133.65	0	-90
COL-BICU-DH00030	824031.64	8911768.17	465.2	121.65	0	-90
COL-BICU-DH00031	823775.62	8911368.24	563.58	167.6	0	-90
COL-BICU-DH00032	824132.05	8911967.94	462.56	250	270.21	-64.77
COL-BICU-DH00033	823776.17	8911568.57	555.55	166.25	0	-90
COL-BICU-DH00034	824181.41	8911868.02	461.55	71.9	0	-90
COL-BICU-DH00035	823782.39	8911168.21	554.41	127.7	0	-90
COL-BICU-DH00036	823878.51	8910968.03	503.17	129.2	0	-90
COL-BICU-DH00037	823780.91	8910567.35	530.09	132.3	0	-90
COL-BICU-DH00039	823705.53	8911468.57	558.8	147	0	-90

Criteria	JORC Code explanation	Commentary

hole_id	X (East)	Y (North)	Z (Alt)	max_depth	azimuth	dip
COL-BICU-DH00040	823987.29	8911367.5	496.86	178.4	270.89	-64.59
COL-BICU-DH00042	823982.99	8910967.69	477.61	121.4	270.96	-63.95
COL-BICU-FD00007	823168.3	8909807.51	462.14	72.05	0	-90
COL-BINO-DH00001	824431.2	8913168.29	677.05	151.9	0	-90
COL-BINO-DH00002	824781.61	8912967.75	541.37	127.8	0	-90
COL-BINO-DH00003	824111.2	8912968.06	646.01	147.3	0	-90
COL-BINO-DH00004	824031.44	8912768.23	625.11	150.4	0	-90
COL-BINO-DH00005	824580.22	8913367.94	661.02	117.4	0	-90
COL-BINO-DH00006	824786.31	8913768.09	517.18	65.9	0	-90
COL-BINO-RC00001	824382.31	8914368.53	493.07	150	0	-90
COL-BINO-RC00002	824656.71	8912768.65	492.91	152	0	-90
COL-BINO-RC00003	824181.21	8914368.54	517.98	50	0	-90
COL-BINO-RC00004	824311.07	8912768.94	564.39	220	0	-90
COL-BINO-RC00005	824839.7	8913166.98	526.5	203	0	-90
COL-BINO-RC00006	824581.47	8913567.2	653.36	150	0	-90
COL-BINO-RC00007	823932.2	8912168.3	552.9	150	0	-90
COL-BINO-RC00008	824311.1	8912968.32	644.22	150	0	-90
COL-BISU-DH00001	823062.43	8899804.27	500.19	68	0	-90
COL-BISU-DH00002	823560.9	8901538.96	609.46	159.2	110.292	-64.95

hole_id	X (East)	Y (North)	Z (Alt)	max_depth	azimuth	Dip
COL-BISU-DH00003	825259.09	8903772.44	524.33	33	308.453	-64.849
COL-BISU-DH00004	824751.85	8903676.37	607.23	99	310.663	-64.687
COL-BISU-DH00005	825062.82	8904198.03	485.37	175	309.172	-62.683
COL-BISU-DH00006	823667.34	8901712.57	595.95	187.3	108.561	-66.113
COL-BISU-DH00007	826131.55	8905390.1	473.3	100	310.1	-65.831
COL-BISU-DH00008	826740.01	8905662.72	487.48	102	129.51	-64.49
COL-BISU-RC00001	822874.29	8899448.09	525.8	150	288.351	-70.112
COL-BISU-RC00002	823338.57	8900342.74	503.19	150	289.716	-63.297
COL-BISU-RC00003	824347.89	8902541.84	482.56	100	0	-90
COL-BISU-RC00004	824361.56	8902694.28	495.49	100	286.377	-63.594
COL-BISU-RC00005	825151.58	8903601.77	528.9	150	294.204	-63.139
COL-BISU-RC00006	824924.46	8903793.01	583.53	100	308.893	-64.771
COL-BISU-RC00007	823772.32	8901887.23	560.58	150	108.192	-59.992
COL-BISU-RC00008	824940.95	8904039.98	531.1	150	0	-90
COL-BISU-RC00009	823651.35	8901718.56	595.89	104	109.473	-66.289
COL-BISU-RC00010	824669.14	8903484.55	587.95	100	307.989	-65.222
COL-BISU-RC00011	824875.48	8903314.97	555.05	150	317.571	-63.506
COL-BISU-RC00012	823467.8	8901359.56	612.84	108	109.54	-65.033
COL-BISU-RC00013	825342.51	8903963.19	531.26	150	308.764	-63.746

Criteria	JORC Code explanation	Commentary

hole_id	X (East)	Y (North)	Z (Alt)	max_depth	azimuth	dip
COL-BISU-RC00014	824993.29	8903473.48	543.38	100	309.262	-63.593
COL-BISU-RC00015	826654.18	8905473.55	456.39	111	129.683	-62.413
COL-BISU-RC00016	822922.63	8899855.55	538.39	100	290.656	-66.694
COL-BISU-RC00017	825903.91	8905319.94	473.98	130	310.108	-64.688
COL-BISU-RC00018	823438.44	8899880.73	538.61	100	288.431	-64.989
COL-BISU-RC00019	823105.55	8900214.62	578.35	120	289.904	-62.687
COL-BISU-RC00020	826249.7	8905552.08	495.89	150	309.166	-69.106
COL-BISU-RC00021	822989.09	8900044.15	585.31	100	290.379	-64.785
COL-BISU-RC00022	822670.61	8899308.74	557.46	90	289.602	-64.398
COL-BISU-RC00023	826384.12	8905700.12	489.57	150	308.207	-63.284
COL-BISU-RC00024	825765.09	8905183.59	447.51	160	308.698	-65.217
COL-BISU-RC00025	825540.74	8904058.08	474.9	150	310.276	-64.984
COL-BISU-RC00026	825384.92	8903928.4	501.86	150	308.945	-65.025
COL-BISU-RC00027	823795.4	8901666.22	536.99	150	291.001	-64.062
COL-BISU-RC00028	822925.69	8899428.63	511.69	150	290.079	-62.709
COL-BOJO-DH00001	184741.01	8940776.52	761.31	107	0	-90
COL-BOJO-DH00002	184185.22	8941387.95	675.09	162	0	-90
COL-BOJO-RC00001	185804.77	8940104.56	668.22	150	0	-90
COL-BOJO-RC00002	185347.99	8941288.08	743.31	30	0	-90

hole_id	X (East)	Y (North)	Z (Alt)	max_depth	azimuth	dip
COL-BOJO-RC00003	184262.48	8941948.73	813.22	150	0	-90
COL-BOJO-RC00004	184827.34	8941899.47	769.79	73	0	-90
COL-BOJO-RC00005	185304.46	8940728.68	821.38	52	0	-90
COL-BOJO-RC00006	184785.35	8941340.79	813.05	150	0	-90
COL-BOJO-RC00007	184213.39	8942947.07	664.56	116	0	-90
COL-BOJO-RC00008	183447.89	8942307.54	563.95	150	0	-90
COL-BOJO-RC00009	183749.77	8942561.6	610.29	150	0	-90
COL-BOJO-RC00010	183994.07	8942248.05	703.23	150	0	-90
COL-BOJO-RC00011	183646.44	8941427	604.82	81	0	-90
COL-BOJO-RC00012	184168.9	8940822.63	630.25	150	0	-90
COL-BOJO-RC00013	185257.33	8940161.36	728.14	70	0	-90
COL-CAPI-DH00001	188528.82	8938727.73	638.57	118.8	0	-90
COL-CAPI-DH00002	187503.82	8939960.96	641.51	94.8	0	-90
COL-CAPI-DH00003	188013.64	8939343.61	782.58	90	0	-90
COL-CAPI-DH00004	187911.55	8938222.82	764.93	161.1	0	-90
COL-CAPI-DH00005	186941.63	8940596.68	830.71	150.2	0	-90
COL-CAPI-RC00001	188586.6	8939298.33	576.52	121	0	-90
COL-CAPI-RC00002	187547.24	8940523.84	622.72	150	0	-90
COL-CAPI-RC00003	188061.84	8939912.44	689.98	150	0	-90

Criteria	JORC Code explanation	Commentary

hole_id	X (East)	Y (North)	Z (Alt)	max_depth	azimuth	dip
COL-CAPI-RC00004	187507.7	8939959.87	641.91	150	0	-90
COL-CAPI-RC00005	187598.19	8941082.72	647.58	150	0	-90
COL-CAPI-RC00006	186919.71	8940009.88	755.08	101	0	-90
COL-CAPI-RC00007	187450.83	8939387.8	731.67	33	0	-90
COL-CAPI-RC00008	186369.1	8940065.16	744.52	150	0	-90
COL-CAPI-RC00009	188484.53	8938172.66	592.48	118	0	-90
COL-CAPI-RC00010	187883.56	8937670.94	639.19	100	0	-90
COL-QUEI-DH00001	188624.48	8939864.13	557.51	193.5	0	-90
COL-QUEI-DH00002	188689.31	8940952.17	640.65	150	0	-90
COL-QUEI-RC00001	188986.72	8940679.6	523.75	150	0	-90
COL-QUEI-RC00002	188675.79	8940421.18	626.53	58	0	-90
COL-QUEI-RC00003	188687.68	8940950.44	640.63	150	0	-90
COL-QUEI-RC00004	188774.99	8941552.51	508.71	150	0	-90
COL-QUEI-RC00005	188466.37	8941299.66	664.96	97	0	-90
COL-QUEI-RC00006	188459.36	8941785.51	540.66	150	0	-90
COL-TRIN-DH00001	184126.97	8940260.5	698.82	78.4	0	-90
COL-TRIN-DH00002	183655.19	8938805.79	740.95	147.4	0	-90
COL-TRIN-RC00001	183562.43	8940307.82	618.49	150	0	-90
COL-TRIN-RC00002	182743.14	8940667.46	544.78	150	0	-90

hole_id	X (East)	Y (North)	Z (Alt)	max_depth	azimuth	dip
COL-TRIN-RC00003	183380.83	8940679.36	595.38	150	0	-90
COL-TRIN-RC00004	182695.89	8940102.56	538.42	150	0	-90
COL-TRIN-RC00005	183512.51	8939748.01	563.1	150	0	-90
COL-TRIN-RC00006	184081.66	8939698.51	654.21	150	0	-90
COL-TRIN-RC00007	184638.66	8939650.18	641.72	150	0	-90
COL-TRIN-RC00008	183421.59	8938616.37	732.11	74	0	-90
COL-CALD-DH00001	183028.46	8944044.32	702.59	147.2	0	-90
COL-CALD-DH00002	183642.38	8944559.7	571.97	79.1	0	-90
COL-CALD-RC00001	183592.08	8943995.38	684.85	150	0	-90
COL-CALD-RC00002	182991.48	8943479.49	544.6	150	0	-90
COL-CALD-RC00003	183076.81	8944607.78	669.66	105	0	-90
COL-CONO-RC00001	184622.72	8947832.77	611.62	150	0	-90
COL-CONO-RC00002	185136.72	8947214.65	597.21	150	0	-90
COL-CONO-RC00003	185646.33	8946611.96	617.69	150	0	-90
COL-CONO-RC00004	184686.8	8948400.69	633.8	100	0	-90
COL-CONO-RC00005	185185.26	8947787.54	598	100	0	-90
COL-CALD-DH00003	178578.49	8942035.64	735.15	121.85	295.303	-63.271
COL-CALD-DH00004	178789.45	8942820.5	682.43	65.35	294.444	-64.069
COL-CALD-DH00005	179363.63	8944183.19	846.5	57	205.289	-64.077

Criteria	JORC Code explanation	Commentary

hole_id	X (East)	Y (North)	Z (Alt)	max_depth	azimuth	dip
COL-CALD-DH00006	181034.29	8943980.21	767.19	72.8	0	-90
COL-CALD-DH00007	180182.4	8944046.5	755.26	93.15	0	-90
COL-CALD-RC00004	178417.04	8942111.09	752.04	76	295.376	-62.699
COL-CALD-RC00005	178916.75	8942760.98	678.58	150	294.993	-64.501
COL-CALD-RC00006	179439.27	8943399.83	772.14	100	0	-90
COL-CALD-RC00007	181370.4	8943857.68	767.08	100	0	-90
COL-CALD-RC00008	180222.65	8944133.23	737.42	100	205.017	-52.246
COL-CALD-RC00009	179819.72	8944215.37	765.57	54	204.889	-59.611
COL-CALD-RC00010	179650.56	8943853.22	782.76	100	0	-90
COL-CALD-RC00011	179413.41	8944290.2	832.97	100	204.926	-59.324
COL-CALD-RC00012	179076.62	8943569.44	674.07	100	0	-90
COL-JACO-DH00001	181840.69	8918439.02	657.06	143.35	120.46	-58.89
COL-JACO-DH00002	180698.38	8917250.76	590	150.35	0	-90
COL-JACO-RC00001	181127.73	8917002.82	658.88	150	0	-90
COL-JACO-RC00002	181442.16	8917745.28	634.45	123	120.444	-58.877
COL-JACO-RC00003	181434	8917751	631.02	150	303.111	-58.796
COL-JACO-RC00004	181829.62	8918445.66	654.62	150	301.13	-59.71
COL-JACO-RC00005	182349.49	8919068.62	575.52	150	0	-90
COL-JACO-RC00006	182111.36	8919206.21	610	150	0	-90

Criteria	JORC Code explanation	Commentary

- **Selection of high-grade assays from mineralized intercepts for Bicuda Norte (40%Fe COG), Remanso and Jacobina (35%Fe COG) targets:**

hole_id	sample_id	depth_from	depth_to	Length (m)	Fe%
COL-BICU-DH00028	COL-BICU-DH00028-0001	0	10	10	55.82
COL-BICU-DH00028	COL-BICU-DH00028-0002	10	21.1	11.1	51.26
COL-BICU-DH00037	COL-BICU-DH00037-0001	0	3.4	3.4	41.00
COL-BICU-DH00037	COL-BICU-DH00037-0003	62	63.7	1.7	56.80
COL-BICU-DH00011	COL-BICU-DH00011-0002	2	6	4	41.60
COL-BICU-DH00011	COL-BICU-DH00011-0005	10	20	10	40.04
COL-BICU-DH00011	COL-BICU-DH00011-0006	20	30	10	40.03
COL-BICU-DH00011	COL-BICU-DH00011-0010	60	70	10	46.00
COL-BICU-DH00011	COL-BICU-DH00011-0011	70	80	10	47.09
COL-BICU-DH00026	COL-BICU-DH00026-0002	6.25	18.85	12.6	44.96
COL-BICU-DH00027	COL-BICU-DH00027-0001	0	3.2	3.2	40.81
COL-BINO-RC00002	COL-BINO-RC00002-0001	0	5	5	40.90
COL-BINO-RC00002	COL-BINO-RC00002-0002	5	10	5	43.62
COL-BINO-RC00002	COL-BINO-RC00002-0003	10	13	3	50.86
COL-BINO-RC00005	COL-BINO-RC00005-0014	65	71	6	41.24
COL-BINO-RC00007	COL-BINO-RC00007-0004	15	20	5	41.59
COL-BINO-DH00001	COL-BINO-DH00001-0013	43.6	45.8	2.2	40.81
COL-BINO-DH00001	COL-BINO-DH00001-0014	45.8	50	4.2	40.39
COL-BINO-DH00001	COL-BINO-DH00001-0015	50	55	5	40.12

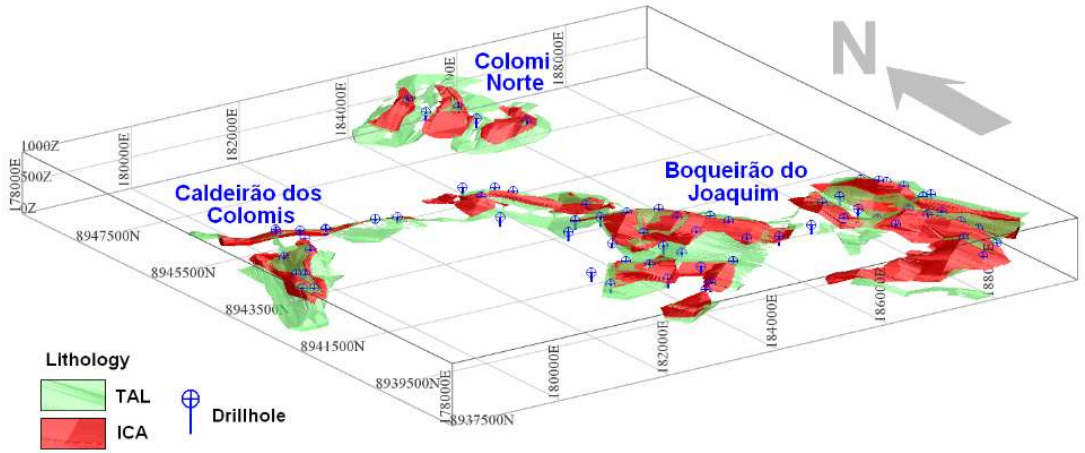
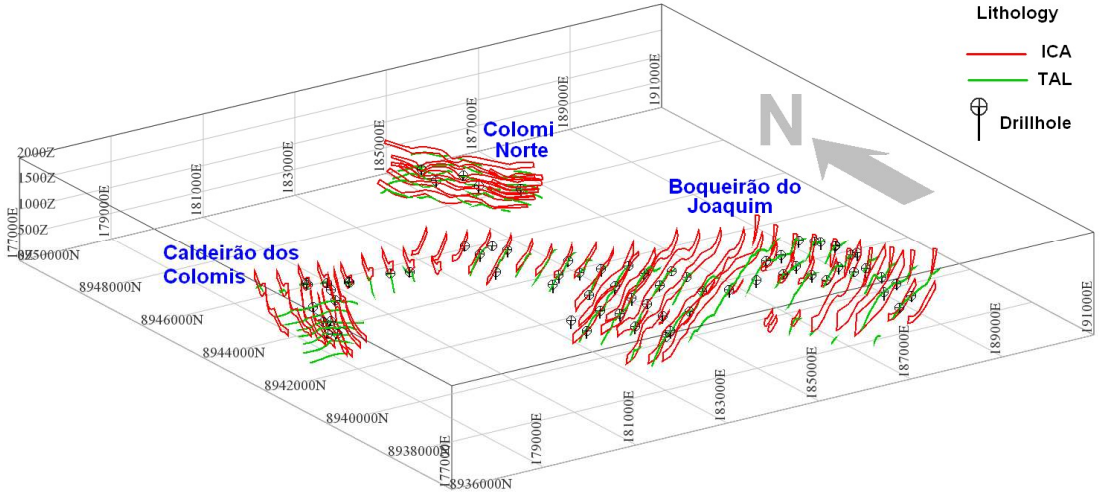
hole_id	sample_id	depth_from	depth_to	Length (m)	Fe%
COL-BISU-DH00003	COL-BISU-DH00003-0002	1	7	6	40.34
COL-BISU-DH00003	COL-BISU-DH00003-0006	15	20.9	5.9	41.00
COL-BISU-RC00004	COL-BISU-RC00004-0001	0	5	5	40.23
COL-BISU-RC00004	COL-BISU-RC00004-0002	5	10	5	42.91
COL-BISU-RC00004	COL-BISU-RC00004-0003	10	15	5	42.16
COL-BISU-RC00004	COL-BISU-RC00004-0004	15	20	5	40.38
COL-BISU-RC00009	COL-BISU-RC00009-0007	100	104	4	46.91
COL-BISU-RC00014	COL-BISU-RC00014-0002	1	5	4	41.19
COL-BISU-RC00014	COL-BISU-RC00014-0003	5	10	5	40.26
COL-BISU-RC00024	COL-BISU-RC00024-0019	130	135	5	43.07
COL-JACO-DH00001	COL-JACO-DH00001-0005	9.4	15	5.6	35.11
COL-JACO-DH00001	COL-JACO-DH00001-0006	15	18.6	3.6	36.54
COL-JACO-DH00001	COL-JACO-DH00001-0019	102.6	106	3.4	36.53
COL-JACO-DH00001	COL-JACO-DH00001-0021	110	115	5	35.44
COL-JACO-DH00001	COL-JACO-DH00001-0022	115	120.1	5.1	35.29
COL-JACO-DH00002	COL-JACO-DH00002-0004	4.3	10.3	6	38.01
COL-JACO-DH00002	COL-JACO-DH00002-0005	10.3	12	1.7	36.75
COL-JACO-DH00002	COL-JACO-DH00002-0010	30.3	35.8	5.5	37.02
COL-JACO-DH00002	COL-JACO-DH00002-0012	46	48	2	35.82

Criteria	JORC Code explanation	Commentary

hole_id	sample_id	depth_from	depth_to	Length (m)	Fe%
COL-JACO-DH00002	COL-JACO-DH00002-0013	48	55	7	39.81
COL-JACO-DH00002	COL-JACO-DH00002-0026	120	125	5	36.96
COL-JACO-RC00001	COL-JACO-RC00001-0009	35	40	5	36.01
COL-JACO-RC00005	COL-JACO-RC00005-0003	10	15	5	39.14
COL-JACO-RC00006	COL-JACO-RC00006-0001	0	5	5	35.68
COL-JACO-RC00006	COL-JACO-RC00006-0008	50	54	4	35.29
COL-JACO-RC00006	COL-JACO-RC00006-0023	104	109	5	36.56
COL-JACO-RC00006	COL-JACO-RC00006-0025	111	115	4	36.92
COL-JACO-RC00006	COL-JACO-RC00006-0026	115	120	5	39.90
COL-JACO-RC00006	COL-JACO-RC00006-0027	120	125	5	38.95
COL-JACO-RC00006	COL-JACO-RC00006-0028	125	130	5	35.65
COL-JACO-RC00006	COL-JACO-RC00006-0029	130	137	7	37.13
COL-BOJO-RC00006	COL-BOJO-RC00006-0008	35	40	5	35.20
COL-CAPI-DH00004	COL-CAPI-DH00004-0021	95	100	5	36.70
COL-QUEI-DH00002	COL-QUEI-DH00002-0002	5	10	5	36.10
COL-QUEI-DH00002	COL-QUEI-DH00002-0012	55	60	5	38.10
COL-CALD-DH00007	COL-CALD-DH00007-0009	35	40	5	36.48
COL-CALD-DH00007	COL-CALD-DH00007-0010	40	45	5	35.69

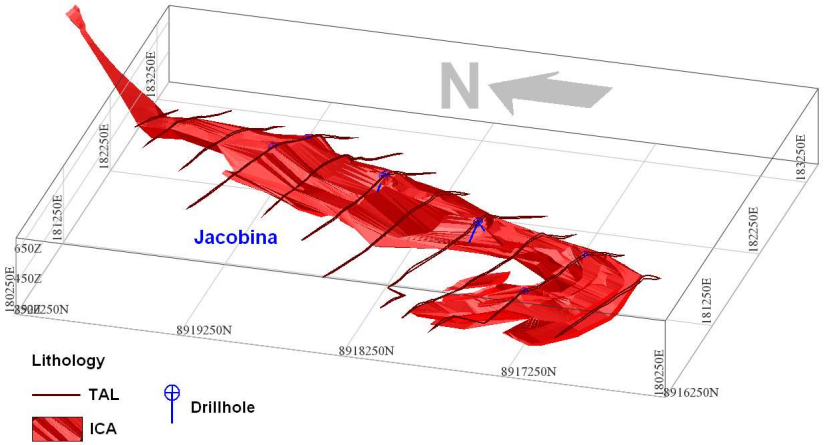
Data aggregation methods	• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high	• Sample intervals shown in the table above have not been aggregated. Only high-grade samples with an Fe grade greater than 40% for Bicuda Norte and 35%Fe for Remanso and Jacobina have been included in the summary table above. For the mineral resource estimation, drillhole samples were composited to regular downhole lengths of 10m (Bicuda Norte) and 5m (remaining targets). Compositing was applied

Criteria	JORC Code explanation	Commentary
	grades) and cut-off grades are usually Material and should be stated.	to the mineralized intervals inside the geological model. • An appropriate grade of 25% Fe was used as a guide to create domains for the itabirites and talus domains wireframes (geological modelling).
	• 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.	• Intercept limits were guided by lithological interpretations during core-logging. GE21 asserts that the intercept lengths are long, in excess of 50m and intra ore grade distribution on the whole is relatively uniform. • The resource modelling was carried out in 3D software and effect of apparent widths was accounted for estimation method.
Relationship between mineralization widths and intercept lengths	• These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralization 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 (e.g. 'down hole length, true width not known').	• Mineralization is generally sub horizontal with local fold structures and this has been reported accordingly. Intercept widths are close to true mineralization as most drill holes are vertical to 70° dip. • Drilling intercepts are close to or perpendicular to mineralization layers
Diagrams	• Appropriate maps and sections (with scales) and tabulations of intercepts	• See following pictures:

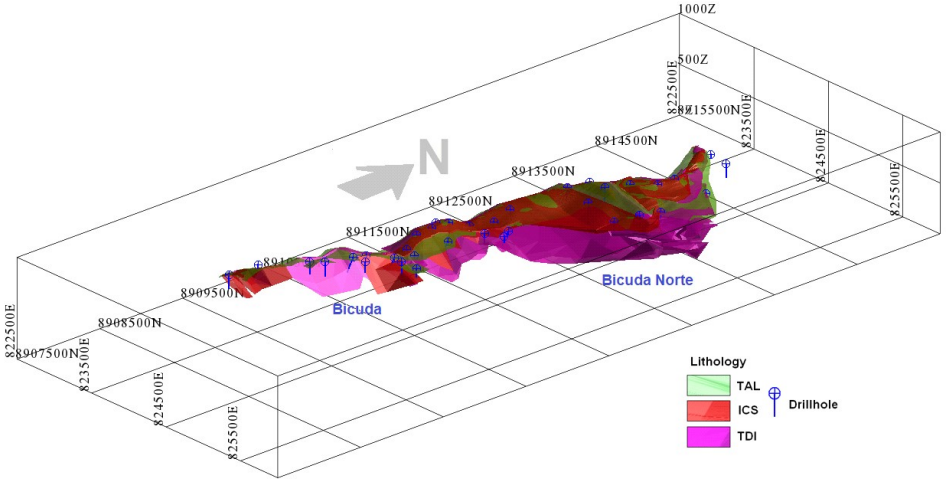
Criteria	JORC Code explanation	Commentary
	should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	*Remanso:*   •

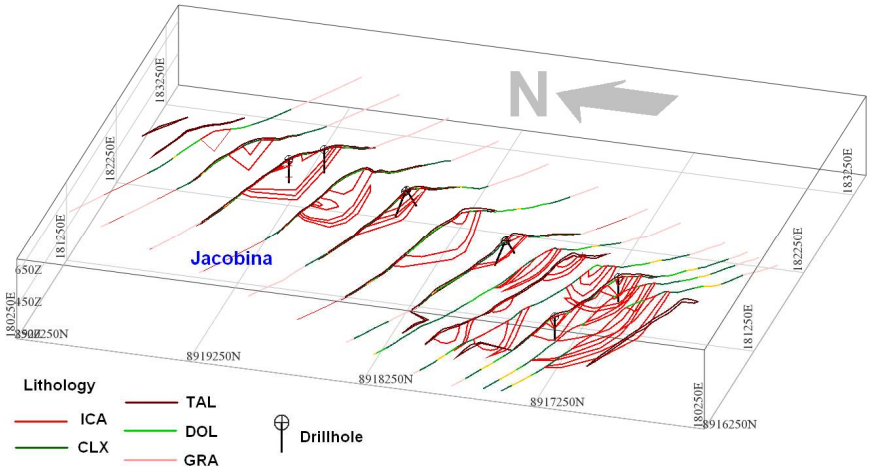
Criteria	JORC Code explanation	Commentary

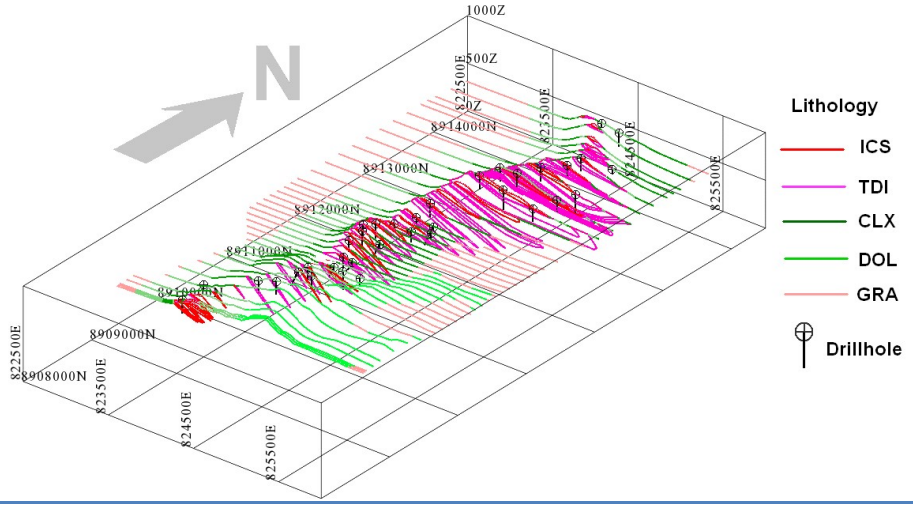
Jacobina:

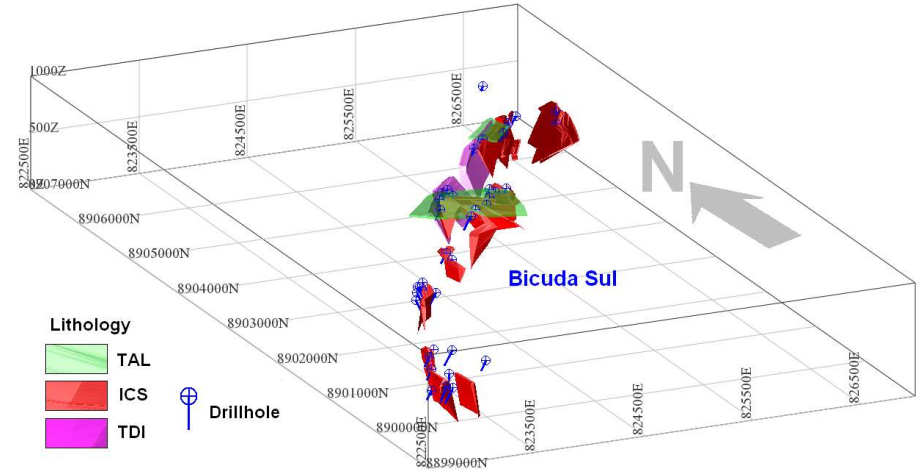
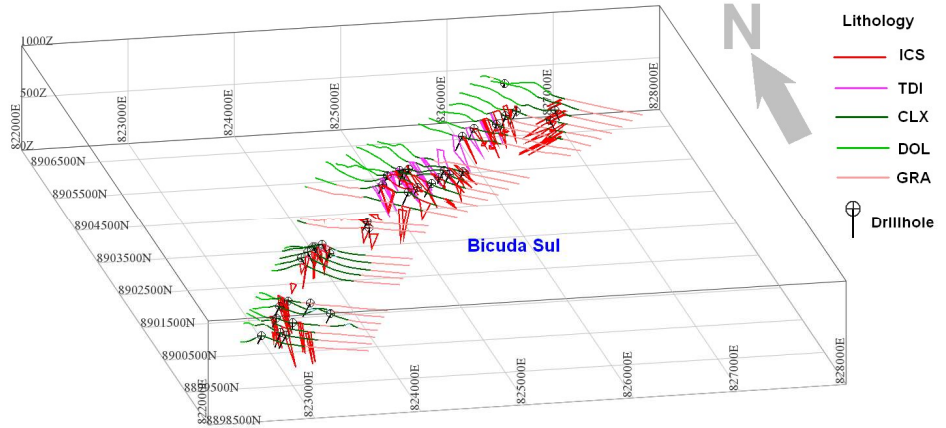


Bicuda Norte:



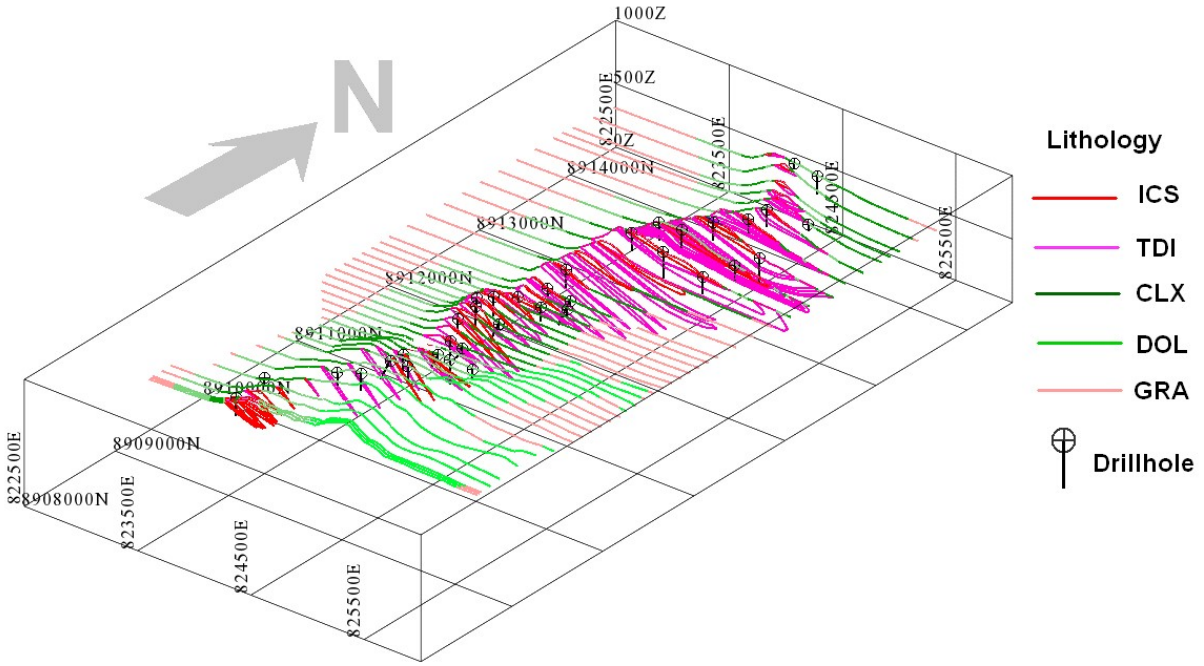




Criteria	JORC Code explanation	Commentary
		  *Bicuda South:*
Balanced reporting	• Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	• The drilling databases are highly organized with drilling Intercepts and its grade x length reports are properly stored and readily available within on the drillhole database.
Other substantive exploration data	• 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	The table below shows the exploration activities undertaken and reported on within the exploration areas.

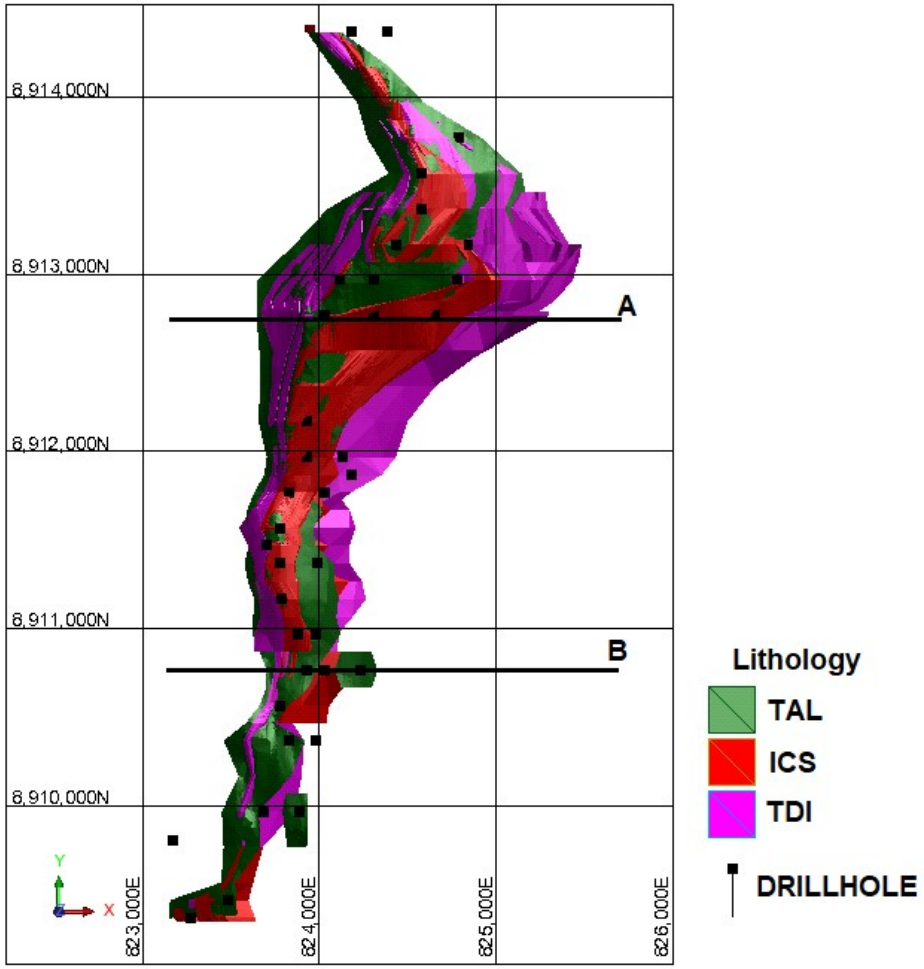
Activity	Unit	Quantity
Topography – topographic station	Station	37
Topography- Total station planialtimetric survey	km	451.20
Topography-polygonal control total station	km	154.55
Geological Mapping	station	2,681
Rock Samples - Chemical analyses	Sample	204
Rock Samples -chemical and petrographic	Sample	110
Geophysics - Magnetometry airborne survey	Km	4,044.00
Geophysics – Ground magnetometry	Km	224.2
Ground Geophysics-Gravimetry	km	144

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td></td><td>or contaminating substances.</td><td>
<table>
<tr><td>Reverse Circulation Drilling</td><td>m</td><td>12180</td></tr>
<tr><td>Reverse Circulation Drilling</td><td>Holes</td><td>96</td></tr>
<tr><td>Chip Samples -chemical analyses</td><td>sample</td><td>1129</td></tr>
<tr><td>Diamond Drilling</td><td>m</td><td>7134.80</td></tr>
<tr><td>Diamond Holes</td><td>holes</td><td>56</td></tr>
<tr><td>Core samples -chemical analyses</td><td>sample</td><td>836</td></tr>
<tr><td>Core Samples density-tests</td><td>sample</td><td>1973</td></tr>
<tr><td>Samples for QA/QC-chemical analyses</td><td>sample</td><td>492</td></tr>
<tr><td>Samples for process test work</td><td>sample</td><td>7</td></tr>
</table>
</td></tr>
<tr><td>Further work</td><td>• The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</td><td>Based on the positive geological indications GE21 considers the Colomi Project to be an advanced iron ore deposit. It is for this reason that GE21 recommends the continuity of the current follow up development program and an additional exploration budget to increase the confidence of the defined resources by:
• Implementation of an infill diamond drilling program in a cross-shaped pattern with low spacing on Colomi targets (geostatistical cross) to use in a detailed variographic study to get optimization in drilling grid spacing.
• Continue with the reverse circulation and diamond drilling to determine the distribution and controls of the mineralization in the respective rock types using an appropriate drilling grid spacing to upgrade the resource classification.
• The drilling grid spacing (ranging from 100x100m2 in Bicuda, and 800x400m2 in Jacobina) was enough for Indicated Resource classification however requires additional infill drilling for reclassification to Measured Resource status.
• Undertake in-situ bulk density measurements and continue the drill hole core dry bulk density determinations which will be obtained from direct density measurements on diamond core samples. This should provide relative density information on all the mineralized horizons as well as also the surrounding unmineralized lithologies and on the oxidized and weathered rocks. Perform a study of spatial variability of density data to determine an appropriate estimate of density values.
• Conduct additional metallurgical tests to confirm existing results on the feasibility of economically processing the different ore types existing within the deposit.
• To continue and improve the current QA/QC program.</td></tr>
</table>

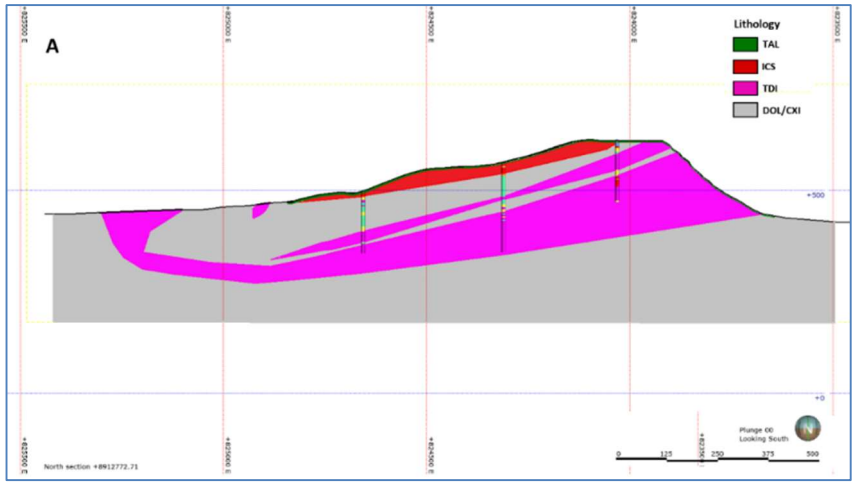
Criteria	JORC Code explanation	Commentary
	• Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	Geological Wireframe: Bicuda Norte Deposit 

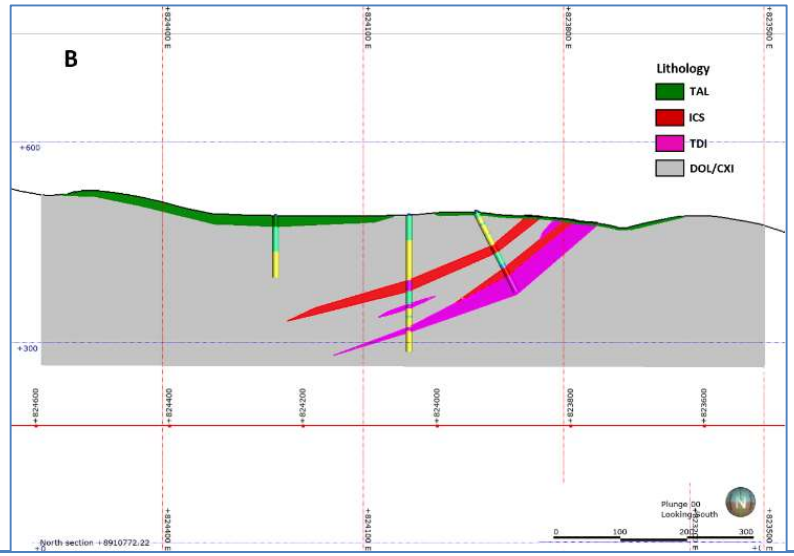
Criteria	JORC Code explanation	Commentary

Bicuda Norte Geological Model (mineralized lithologies only):



Bicuda Norte Geological Model: Sections A and B (Looking South)





Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

Criteria	JORC Code explanation	Commentary
Database integrity	• Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.	• Measures taken by Vale to ensure data integrity started with drill hole logging data being transferred directly onto palm tops using LogMate software. All survey, logging, assay and density data was combined into a relational database. The database validation included checking for errors, missing intervals, overlapping intervals, gaps and breaks. The Colomi deposit drilling data base was received by GE21 in MS-Access database format for the four target areas, Remanso, Jacobina, Bicuda/Bicuda Norte and Bicuda Sul, in separate files.
	• Data validation procedures used.	• CP carried out an electronic validation of the databases with Gemcom Surpac software. No errors, as gaps or overlapping data, or other material inconsistencies were found.
Site visits	• Comment on any site visits undertaken by the Competent Person and the outcome of those visits. • If no site visits have been undertaken indicate why this is the case.	• A site visit was undertaken by Competent Person Leonardo Soares to the Colomi Project between 03rd and 07th June 2011. • Leonardo Soares who belongs to GE21 team considered it was not necessary to complete another site visit, given no further drilling has been completed and is available to view since 2011.
Geological interpretation	• Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit. • Nature of the data used and of any assumptions made.	• GE21 judges the geological model is appropriate for the degree of reliability associated with the mineral resource model in different portions of the deposit. • CP interpreted 111 vertical geological sections using the information recorded in fields “LITHO” in table “lithology” and “Fe” in table “assay” from drillhole database. Only the mineralization zones were modelled.
	• The effect, if any, of alternative interpretations on Mineral Resource estimation.	• The Colomi project is a conventional BIF deposit, and GE21 considers it highly improbable an alternative geological interpretation on the data available could be provided.
	• The use of geology in guiding and controlling Mineral Resource estimation. The factors affecting continuity both of grade and geology.	• The field “LITHO” represents the rock type described by the field geologist, and the field “Fe” is the chemical results for total Fe in samples. Four different unit groups were modelled: TAL= Talus Deposit (iron ore clasts); ICA = Compact Amphibolitic Itabirite; ICS = Compact Siliceous Itabirite; TDI = Dolomitic Itabirite. Grade estimation was controlled by geological (rock type) boundaries.

Criteria	JORC Code explanation	Commentary
Dimensions	• The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.	• The dipping of mineralization horizons and their extensions in corner sides of the model were interpreted according to drillhole data and geological maps with structural data received from Colomi. • Remanso is comprised of Mesas with flat lying Iron mineralization from the surface to a depth of between 150m and >300m in thickness in some prospects where some drilling ends in ore. The Remanso project covers approximately 8,000 hectares. • Jacobina Is a roughly N-S striking ridge line comprised of a synclinally folded sedimentary Iron horizon. The Iron outcrops peripherally and dips into the centre of the ridge. The ridge line has a strike length of approximately 5km and the iron mineralized horizon is variable in thickness from tens of meters to in excess of 100m in thickness in some places. • Bicuda Norte Is a ridge line of sedimentary Iron horizon, outcropping in the west and dipping at less than 20 degrees to the east. The surface generally outcrops in the west and is projected to be under cover in the east. The Bicuda ridge line has a strike length of approximately 5km and the iron mineralization is of variable in thickness from tens of meters to in excess of 200m in thickness in some places with some deep 200m diamond drill holes ending in ore. • The Bicuda South prospect covers approximately 8km of strike. The Iron mineralization is discontinuous and has a sub-vertical dip. The iron horizon pinches locally, thinning down to 5meters and thickening to in excess of 60m.
Estimation and modelling techniques	• The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.	• The geological wireframe models for each unit types were generated from vertical geological sections. All Geological models were cut by topographic surface to guarantee quality in volume adherence. • Three 3D block models were constructed for resource estimation purposes for targets Remanso, Jacobina, Bicuda Norte and Bicuda Sul. The block dimensions were defined as 100m x 100m x 5m and sub-blocks of 25m x 25m x 5m, based on a quarter of the drilling grid dimensions. The mineralized geological units TAL, ICA, ICS and TDI were stamped with “lito” block model attribute. • Variography was used to describe the spatial variability or correlation of an attribute recognized as a regionalized variable. • The visual and volumetric comparison between the geological wireframes and the block model shows a good fit for modelled units, with volumetric ratio (wireframe volume/block model volume) values inside the acceptable limit of variation (98% to 103%). • The Ordinary Kriging (OK) method was used to estimate Fe%, SiO2%, Al2O3%, Mn%, P% and LOI% variables. The method used to estimate the same variables in units with insufficient number of samples to generate variograms was the Inverse Distance Weighting (IDW method). For the TDI unit in Bicuda Sul the variograms from ICS unit

Criteria	JORC Code explanation	Commentary
		variables were considered for estimation because there are equivalences in grade variability and similarity in spatiality of the mineralization zones. The IDW plan is presented in the table below. • The established Kriging plan considered three estimation steps with progressive increase of search distances see table below. • The downhole experimental variograms were calculated to establish the structures for composite grades. Anisotropic variogram maps were constructed for Bicuda Norte and not constructed for other targets because of a lack of data. Then omni-directional horizontal variograms were calculated for the purpose of determination of major axis variability for targets Remanso, Jacobina and Bicuda Sul. For Remanso and Jacobina targets an isotropic in horizontal plan variogram was considered, because of the small number of samples and because no robust single direction variogram was found. For Bicuda Sul a major axis direction in azimuth 30° was founded and isotropic axis in orthogonal plan from the first one. The variography results are summarized in the Table below. • Units TAL for Remanso and Jacobina, TDI for Bicuda Sul and TAL for Bicuda Norte and Bicuda Sul had insufficient number of samples to variographic analysis.
	• The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.	• CP received, from Colomi, datasets prepared by Vale for the four targets, including the wireframe geological models built in previous estimate. Colomi and CP agreed to generate a new geological model to avoid some issues from the previous model, such as the absence of “snap to point” between geological sections and drillhole data. Some geological features in previous model were revised and improved according to Colomi considerations.
	• The assumptions made regarding recovery of by-products.	• No assumptions were made for recovering by-products.
	• Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation).	• SiO_2, P, Al_2O_3, Mn, TiO_2, CaO, MgO, BaO, K_2O, Na_2O and Cr_2O_3 were assayed. The elements estimated were Fe%, SiO_2%, Al_2O_3%, Mn%, P% and LOI%. Preliminary tests and assays showed very low sulphur and an absence of asbestos.
	• In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed. • Any assumptions behind modelling of selective mining units.	• The block dimensions were defined as 100m x 100m x 5m and sub-blocks of 25m x 25m x 5m, based on a quarter of the drilling grid dimensions.

Criteria	JORC Code explanation	Commentary
	• Any assumptions about correlation between variables.	• No assumptions were made by GE21 regarding the correlation between variables.
	• Description of how the geological interpretation was used to control the resource estimates.	• GE21 interpreted 111 vertical geological sections using the information recorded in fields "LITHO" in table "lithology" and "Fe" in table "assay" from the drillhole database. Only the mineralization zones were modelled. The field "LITHO" represents the rock type described by the field geologist, and the field "Fe" is the chemical results for total Fe in samples. Four different unit groups were modelled, as described below: TAL= Talus Deposit (iron ore clasts); ICA = Compact Amphibolitic Itabirite; ICS = Compact Siliceous Itabirite; TDI = Dolomitic Itabirite. The dipping of mineralization horizons and their extensions in corner sides of the model were interpreted according to drillhole data and geological maps with structural data received from Colomi. • The geological wireframe models for each unit types were generated from vertical geological sections. All Geological models were cut by topographic surface to guarantee quality in volume adherence.
	• Discussion of basis for using or not using grade cutting or capping.	• No capping limit was applied in grade estimate. Statistical analysis of grade distribution indicated grade capping was not required
	• The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.	• Visual Validation for estimated grade was carried out with vertical sections, comparing drill samples grades to block grades. Visual validation shows a good correlation between the blocks estimated and the original samples. • Validation for estimated grade was carried out with a comparative Nearest Neighbouring estimation (NN). The relative smoothing in the kriging results is compatible with the kriging technique and is acceptable based on the resources classification and the data density and distribution. • Local validation by the Swath Plot method was carried out with the verification of local bias from comparative graphs for resource estimation variable (OK or IDW) and NN-Check, considering X, Y, or Z coordinates. The comparative analysis of estimative variables with the Nearest Neighbouring results shows the relative smoothing in the kriging results that are compatible with the kriging technique and is acceptable based on the resources classification and the data density and distribution. Considerable biases on depth end or in corners of block model are originated on the effect of small volume of blocks in boundary portions of mineralization zones and differences in estimation techniques (Kriging or IDW/ Nearest Neighbouring).

Criteria	JORC Code explanation	Commentary

Colomi Project
Inverse Distance Weighting Strategy

Step	Search Radius	Minimum Number of Samples	Maximum Number of Samples	Maximum Number of Drillholes per Drillhole
Remanso				
TAL Unit - Variables: Fe, SiO2, Al2O3, Mn P, LOI				
Searching Parameters: Bearing=0; Plunge=0; Dip=0; Major/Semi-Major Ratio= 1; Major/Minor Ratio=4.4				
1	270	3	30	1
2	600	3	30	1
3	1000	3	30	1
4	>1000	1	30	1
Jacobina				
TAL Unit - Variables: Fe, SiO2, Al2O3, Mn P, LOI				
Searching Parameters: Bearing=0; Plunge=0; Dip=0; Major/Semi-Major Ratio= 1; Major/Minor Ratio=3				
1	60	3	30	1
2	135	3	30	1
3	1000	3	30	1
4	>1000	1	30	1
Bicuda Norte				
TAL Unit - Variables: Fe, SiO2, Al2O3, Mn P, LOI				
Searching Parameters: Bearing=0; Plunge=0; Dip=0; Major/Semi-Major Ratio= 1.0; Major/Minor Ratio=1.4				
1	170	6	30	2
2	380	6	30	2
3	1000	4	30	2
4	>1000	1	30	2
Bicuda Sul				
TAL Unit - Variables: Fe, SiO2, Al2O3, Mn P, LOI				
Searching Parameters: Bearing=0; Plunge=0; Dip=0; Major/Semi-Major Ratio= 1; Major/Minor Ratio=1.6				
1	135	6	30	2
2	300	6	30	2
3	1000	4	30	2
4	5000	1	30	2

Colomi Project
Ordinary Kriging Strategy

Step	Search Radius	Minimum Number of Samples	Maximum Number of Samples	Maximum Number of Drillholes per Drillhole
Remanso				
ICA Unit - Variables: Fe, SiO2, Al2O3, Mn, P, LOI				
Searching Parameters: Bearing=0; Plunge=0; Dip=0; Major/Semi-Major Ratio= 1; Major/Minor Ratio=4.4				
1	270	6	30	2
2	600	6	30	2
3	1000	6	30	2
4	>1000	1	30	2
Jacobina				
ICA Unit - Variables: Fe, SiO2, Al2O3, Mn P, LOI				
Searching Parameters: Bearing=0; Plunge=0; Dip=0; Major/Semi-Major Ratio= 1; Major/Minor Ratio=1.5				
1	60	6	30	2
2	135	6	30	2
3	1000	6	30	2
4	>1000	1	30	2
Bicuda Norte				
ICS Unit - Variables: Fe, SiO2, Al2O3, Mn P, LOI				
Searching Parameters: Bearing=216; Plunge=2; Dip=12; Major/Semi-Major Ratio= 1.4; Major/Minor Ratio=4				
1	170	6	30	2
2	380	6	30	2
3	1000	4	30	2
4	>1000	1	30	2
TDI Unit - Variables: Fe, SiO2, Al2O3, Mn P, LOI				
Searching Parameters: Bearing=139; Plunge=-14; Dip=18; Major/Semi-Major Ratio= 1.5; Major/Minor Ratio=5				
1	170	6	30	2
2	380	6	30	2
3	1000	4	30	2
4	>1000	1	30	2
Bicuda Sul				
ICS and TDI Units - Variables: Fe, SiO2, Al2O3, Mn P, LOI				
Searching Parameters: Bearing=030; Plunge=0; Dip=0; Major/Semi-Major Ratio= 1.6; Major/Minor Ratio=6				
1	135	6	30	2
2	300	6	30	2
3	1000	4	30	2
4	5000	1	30	2

Moisture	• Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.	• Mineral resource tonnages were estimated in a dry basis.

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td>Cut-off parameters</td><td>• The basis of the adopted cut-off grade(s) or quality parameters applied.</td><td>• GE21 applied variable cut-off grade (15 %, 20% and 25%) over Fe grades and decided to apply 15% Fe cut-off based on Its experience on other iron deposits on Brazil.
• A Whittle pit was performed to limit the resource to a Reasonable Prospect for Eventual Economic Extraction.</td></tr>
<tr><td>Mining factors or assumptions</td><td>• Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.</td><td>• Mining method is assumed to be conventional open pit mining, but there aren't specific assumptions made regarding possible mining methods applied.
• Geotechnical studies to define definite parameters for the final pit contouring are recommended.
• The table below presents the mining factors applied on the definition of the RPEEE.
<table>
<tr><th colspan="6">Mining Factors Parameters</th></tr>
<tr><th colspan="3">Item</th><th></th><th>Unit</th><th>Value</th></tr>
<tr><td rowspan="14">Revenue</td><td rowspan="2">Financial Parameters</td><td>Sales Price</td><td rowspan="14"></td><td>US$/t</td><td>130.3</td></tr>
<tr><td>Discount rate</td><td>%</td><td>NA</td></tr>
<tr><td rowspan="2">ROM</td><td>Density</td><td>g/cm³</td><td>model</td></tr>
<tr><td>Grades</td><td>% Fe</td><td>model</td></tr>
<tr><td rowspan="2">Mining</td><td>Mining Recovery</td><td rowspan="2">%</td><td>100%</td></tr>
<tr><td>Dilution</td><td>0%</td></tr>
<tr><td rowspan="4">Block Model</td><td>Block dimensions</td><td>Unit</td><td>Value</td></tr>
<tr><td>X</td><td rowspan="3">m</td><td>model</td></tr>
<tr><td>Y</td><td>model</td></tr>
<tr><td>Z</td><td>model</td></tr>
<tr><td rowspan="2">Overall Slope Angle</td><td>Waste</td><td rowspan="2">º</td><td>45</td></tr>
<tr><td>Ore</td><td>53</td></tr>
<tr><td rowspan="2"></td><td>Mass Recovery</td><td>%</td><td>60%</td></tr>
<tr><td>Cut-off Grade</td><td>Resource</td><td>% Fe</td><td>15%</td></tr>
<tr><td colspan="2"></td><td>Mining</td><td>ROM</td><td></td><td>2.00</td></tr>
</table>
</td></tr>
</table>

Criteria	JORC Code explanation	Commentary				
		Costs		Waste	US$/t mined	
			Processing		US$/t ROM	8.50
			G&A and Sales Royalties (CFEM 2%)		US$/t product	4.00
Metallurgical factors or assumptions	• The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.	• The mass recovery assumptions were based on similar projects in the project region.				
Environmental factors or assumptions	• Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.	• Assumes all necessary environmental permitting will be obtained to allow development. • Assumes overburden and low-grade material stockpiled in engineering designed stockpiles adjacent the working pits. • Assumes tailings from the beneficiation process stored in a downstream constructed facility designed to best engineering practice. • The estimate of mineral resources may be materially affected by environmental, permitting, legal, marketing, or other relevant issues. • GE21 has recommended specialist environmental, infrastructure and logistic studies as well as conceptual mining, engineering, marketing and financial studies				
Bulk density	• Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the	• The density applied in the block model was defined by the average value obtained by the experimental specific gravity test for each lithotype.				

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td></td><td>method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.
• The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc.), moisture and differences between rock and alteration zones within the deposit.
• Discuss assumptions for bulk density estimates used in the evaluation process of the different materials</td><td>• There were three density determinations methods: Jolly method for drill core samples, oven drying and sealing with paraffin wax for weathered rocks and in-situ field tests for Talus (TAL). 1973 density determinations tests were carried out on all rotative drill holes made every 3 m depth in ore zones and every 10 m in waste zone. The intervals were selected respecting geological contacts and weathering zone limits.
• The table below summarizes the bulk density values used in the resource estimation.
<table><tr><th colspan="3">Colomi Project
Density Data</th></tr><tr><th>Target</th><th>Unit</th><th>Density (g/cm3)</th></tr><tr><td rowspan="2">Remanso</td><td>ICA</td><td>2.98</td></tr><tr><td>TAL</td><td>1.80</td></tr><tr><td rowspan="2">Jacobina</td><td>ICA</td><td>3.15</td></tr><tr><td>TAL</td><td>1.80</td></tr><tr><td rowspan="3">Bicuda Norte</td><td>ICS</td><td>3.19</td></tr><tr><td>TDI</td><td>3.32</td></tr><tr><td>TAL</td><td>1.80</td></tr><tr><td rowspan="3">Bicuda Sul</td><td>ICS</td><td>3.26</td></tr><tr><td>TDI</td><td>3.32</td></tr><tr><td>TAL</td><td>1.80</td></tr></table></td></tr>
<tr><td>Classification</td><td>• The basis for the classification of the Mineral Resources into varying confidence categories.
• Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).
• Whether the result appropriately reflects the Competent Person’s view of the deposit.</td><td>• The Colomi Project mineralization zones are classified as Indicated and Inferred Mineral Resource based on the assessment of the input data, geological interpretation and quality of grade estimation. The Colomi Project Mineral Resource also was classified as Inferred to Indicated in units (lithologies) that was estimated by ordinary kriging. This group of units is represented by ICA in Remanso and Jacobina, and ICS and TDI in Bicuda, Bicuda Norte and Bicuda Sul. Unit TAL was classified as Inferred Resource.

• The anisotropic average distance to samples on ordinary kriging estimation was adopted as criteria to distinguish Indicated and Inferred resource classes. Due to the variographic analysis results not being robust (too few sample pairs in variographic searching) the maximum range presented by directional variogram in the main structural direction for Colomi project (Maximum Range = 520m) was adopted as the anisotropic average distance to samples. Blocks with anisotropic average distance to samples lower than</td></tr>
</table>

520m was classified as Indicated Resource and was further regrouped by graphical procedure (defined by polygon areas from visual analysis) to improve the classification spatial distribution, avoiding issues of “bull’s eyes”.

- The total Mineral Resource with 15%Fe cutoff grade applied is 5,059Mt at 26.61%Fe, 51.21%SiO2, 1.99%Al2O3, 0.37%Mn, 0.028%P and 3.81%LOI including Indicated Resources of 969Mt at 27.67%Fe, 47.76%SiO2, 1.57%Al2O3, 0.28%Mn, 0.032%P and 4.30%LOI, express by lithologies and tenements (Tables Below).
- GE21 agree that the result properly reflects their view of the deposit, related to the tonnage and grade computation, geological continuity, among other factors.

Grade Tonnage Table by Lithology – Effective Date 12th April 2024

Mineral Resources - Colomi Iron Mineração Ltda - Colomi Project

Block Model: 100m X 100m X 5m (25m X 25m X 5m) - Grade cut off applied: 15%Fe

Unit	Resource Class	Tonnes (Mt)	Fe (%)	SiO2 (%)	Al2O3 (%)	Mn (%)	P (%)	LOI (%)
ICA	Indicated	665	25.86	48.19	1.68	0.29	0.026	4.83
	Inferred	3180	25.42	52.63	2.06	0.43	0.025	3.84
	Total	3845	25.49	51.86	2.00	0.41	0.025	4.01
ICS	Indicated	111	30.79	49.24	1.96	0.37	0.061	2.42
	Inferred	104	31.72	49.48	1.88	0.27	0.053	1.95
	Total	215	31.24	49.36	1.92	0.32	0.057	2.19
TDI	Indicated	193	32.12	45.45	0.95	0.23	0.035	3.53
	Inferred	443	33.91	45.19	0.81	0.22	0.032	2.67
	Total	636	33.37	45.27	0.85	0.22	0.033	2.93
TAL	Inferred	363	23.88	55.83	3.97	0.34	0.030	4.20
	Total	363	23.88	55.83	3.97	0.34	0.030	4.20
Total	Indicated	969	27.67	47.76	1.57	0.28	0.032	4.30
	Inferred	4090	26.36	52.03	2.09	0.40	0.027	3.70
	Total	**5059**	**26.61**	**51.21**	**1.99**	**0.37**	**0.028**	**3.81**

Criteria	JORC Code explanation	Commentary

Grade Tonnage Table by Tenement - Remanso Target – Effective Date 12th April 2024

Mineral Resources - Colomi Iron Mineração Ltda - Colomi Project

Block Model: 100m X 100m X 5m (25m X 25m X 5m) - Grade cut off applied: 15%Fe

Tenement	Resource Class	Tonnes (Mt)	Fe (%)	SiO2 (%)	Al2O3 (%)	Mn (%)	P (%)	LOI (%)
872256/2003	Inferred	317.40	22.77	54.49	3.03	0.914	0.022	5.03
	Total	317.40	22.77	54.49	3.03	0.914	0.022	5.03
872257/2003	Indicated	174.67	25.79	53.99	1.48	0.272	0.029	4.13
	Inferred	334.47	25.55	53.60	2.62	0.257	0.033	4.66
	Total	509.13	25.63	53.73	2.23	0.262	0.032	4.48
872258/2003	Indicated	71.40	24.13	59.92	1.53	0.377	0.018	2.44
	Inferred	479.59	24.49	58.07	1.93	0.339	0.021	3.03
	Total	550.99	24.44	58.31	1.88	0.344	0.020	2.96
872259/2003	Indicated	46.71	25.54	51.39	2.01	0.308	0.023	4.10
	Inferred	136.95	23.85	52.46	1.82	0.571	0.023	4.62
	Total	183.66	24.28	52.19	1.87	0.504	0.023	4.49
872261/2003	Inferred	32.84	24.18	55.73	2.35	0.402	0.025	3.69
	Total	32.84	24.18	55.73	2.35	0.402	0.025	3.69
872262/2003	Indicated	85.65	24.07	51.04	3.35	0.176	0.032	3.58
	Inferred	477.79	24.54	54.00	2.58	0.412	0.028	3.47
	Total	563.44	24.47	53.55	2.70	0.376	0.028	3.49
872263/2003	Indicated	48.41	25.29	50.62	1.78	0.323	0.022	4.33
	Inferred	1481.60	25.85	53.19	2.15	0.391	0.026	3.33
	Total	1530.01	25.83	53.11	2.14	0.389	0.025	3.36
Total	Indicated	426.83	25.08	53.72	1.96	0.280	0.026	3.76
	Inferred	3260.64	25.03	54.19	2.30	0.431	0.026	3.67
	Total	**3687.47**	**25.03**	**54.14**	**2.26**	**0.414**	**0.026**	**3.68**

Grade Tonnage Table by Tenement - Bicuda Target – Effective Date 12th April 2024

Mineral Resources - Colomi Iron Mineração Ltda - Colomi Project

Block Model: 100m X 100m X 5m (25m X 25m X 5m) - Grade cut off applied: 15%Fe

Tenement	Resource Class	Tonnes (Mt)	Fe (%)	SiO2 (%)	Al2O3 (%)	Mn (%)	P (%)	LOI (%)
872430/2003	Indicated	200.35	33.86	45.8	0.67	0.195	0.034	2.45
	Inferred	496.47	34.23	45.29	0.83	0.215	0.032	2.47
	Total	696.82	34.13	45.44	0.78	0.209	0.032	2.47
872432/2003	Indicated	91.89	27.38	47.67	2.7	0.435	0.067	4.84
	Inferred	62.03	27.75	50	3.28	0.333	0.063	3.55
	Total	153.92	27.53	48.61	2.93	0.394	0.066	4.32
872433/2003	Indicated	11.69	26.93	57.89	1.54	0.512	0.045	1.22
	Inferred	15.67	28.18	54.93	2.12	0.254	0.09	1.94
	Total	27.35	27.65	56.2	1.88	0.364	0.071	1.63
Total	Indicated	303.92	31.63	46.83	1.32	0.28	0.044	3.13
	Inferred	574.17	33.36	46.06	1.13	0.229	0.037	2.57
	Total	**878.09**	**32.77**	**46.33**	**1.19**	**0.246**	**0.039**	**2.77**

Grade Tonnage Table by Tenement - Jacobina Target – Effective Date 12th April 2024

Mineral Resources - Colomi Iron Mineração Ltda - Colomi Project

Block Model: 100m X 100m X 5m (25m X 25m X 5m) - Grade cut off applied: 15%Fe

Tenement	Resource Class	Tonnes (Mt)	Fe (%)	SiO2 (%)	Al2O3 (%)	Mn (%)	P (%)	LOI (%)
872254/2003	Indicated	237.81	27.26	38.25	1.19	0.297	0.027	6.75
	Inferred	255.12	27.68	37.72	1.51	0.318	0.029	6.69
	Total	**492.93**	**27.48**	**37.98**	**1.36**	**0.308**	**0.028**	**6.72**

Criteria	JORC Code explanation	Commentary
Audits or reviews	• The results of any audits or reviews of Mineral Resource estimates.	• In 2013 Coffey developed the "Colomi Project, Brazil Independent Technical Report on Exploration and Mineral Resources Estimation" which audited the entire Colomi Project database. Porfírio Rodriguez and Leonardo Rocha who are the Competent Persons for this report, were associated of Coffey Mining, who provided consultancy on mineral resource estimate for Colomi during the period from 2011 to 2015, including site visits. Both are members of the Australian Institute of Geoscientists ("MAIG") and are independent of Colomi. Currently both CPs are members of GE21 team.
Discussion of relative accuracy/ confidence	• Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate. • The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.	• The anisotropic average distance to samples on ordinary kriging estimation was adopted as criteria to distinguish Indicated and Inferred Resource classes. Due to the variographic analysis results not being robust (too few sample pairs in variographic searching) the maximum range presented by directional variogram in the main structural direction for Colomi project (Maximum Range = 520m) was adopted as the anisotropic average distance to samples. • Blocks with anisotropic average distance to samples lower than 520m was classified as Indicated Resource and was further regrouped by graphical procedure (defined by polygon areas from visual analysis) to improve the classification spatial distribution, avoiding issues of "bull's eyes". • The in-situ resources are wholly contained within the current tenement license boundary and do not take into account any external elements which may sterilize areas of the deposit for mining operations.
	• These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.	• No production data available.