

**Trigg Mining Limited**  
**ACN 168 269 752**

**Supplementary Prospectus**

**Important information**

This Supplementary Prospectus is dated 23 July 2019 and supplements the Prospectus of Trigg Mining Limited ACN 168 269 752 (**Company**) dated 24 April 2019 (**Prospectus**).

This Supplementary Prospectus is a “refresh document” as defined in section 724(3H) of the *Corporations Act 2001* (Cth) (**Act**), as inserted by the ASIC Corporations (Minimum Subscription and Quotation Conditions) Instrument 2016/70 (**Instrument**) and has been lodged with the Australian Securities and Investments Commission (**ASIC**) in accordance with section 724(3G) of the Act as inserted by the Instrument.

Neither ASIC nor ASX take any responsibility as to the contents of this Supplementary Prospectus.

This Supplementary Prospectus must be read together with the Prospectus. Other than as set out below, all details in relation to the Prospectus remain unchanged. To the extent of any inconsistency between this Supplementary Prospectus and the Prospectus, this Supplementary Prospectus will prevail. Unless otherwise indicated, terms defined and used in the Prospectus have the same meaning in this Supplementary Prospectus.

This Supplementary Prospectus will be issued with the Prospectus as an electronic prospectus and can be downloaded from the Company’s website at <https://www.triggmining.com.au/ipo>.

The Company will send a copy of this Supplementary Prospectus to all Applicants who have applied for securities under the Prospectus as at the date of this Supplementary Prospectus.

This is an important document and should be read in its entirety. Please seek professional guidance from your stockbroker, solicitor, accountant or other professional adviser without delay if you do not understand its contents.

## 1 Purpose of this Supplementary Prospectus

This Supplementary Prospectus has been issued for the purposes of:

- (a) providing additional disclosure in relation to the use of funds raised from the Public Offer in Section 6.21 of the Prospectus;
- (b) providing updated disclosure in relation to the holdings of the substantial shareholders under Section 6.23 of the Prospectus and Section 15.6 of the Prospectus;
- (c) providing updated disclosure in relation to the ASX's position in relation to certain Securities on issue prior to the Offers being classified as restricted securities under Section 6.24 of the Prospectus;
- (d) providing disclosure in relation to a loan agreement entered into between the Company and Michael Ralston on 23 July 2019 (**Ralston Loan**);
- (e) extending the Closing Date of the Offers to Monday 26 August 2019;
- (f) advising that at the date of this Supplementary Prospectus, the Company's securities have not been admitted to quotation on ASX;
- (g) advising that at the date of this Supplementary Prospectus, the Company has not issued any securities pursuant to the Prospectus;
- (h) refreshing the period for admission to quotation of Shares and Options offered under the Prospectus from three (3) months from the date of the Prospectus to three (3) months from the date of this Supplementary Prospectus in accordance with section 724(3G)(d) of the Act, as inserted by the Instrument; and
- (i) refreshing the period to raise the minimum subscription under the Public Offer from four (4) months from the date of the Prospectus to four (4) months from the date of this Supplementary Prospectus in accordance with section 724(3G)(c) of the Act, as inserted by the Instrument.

In accordance with section 723(3) of the Act, if a person offers securities under a disclosure document such as a prospectus, and the disclosure document states or implies that the securities will be quoted on a financial market such as the ASX, and the securities are not then admitted to quotation within three (3) months after the date of the disclosure document, the issue of securities is void and the application monies have to be returned to the Applicants.

**This Supplementary Prospectus is to be read with the Prospectus dated 24 April 2019, issued by Trigg Mining Limited ACN 168 269 752.**

Further, in accordance with sections 723(2) and 724 of the Act, if a person offers securities under a disclosure document such as a Prospectus and the disclosure document states a minimum subscription amount must be raised before any securities will be issued, then the minimum subscription must be received within four (4) months after the date of the disclosure document, otherwise Applicants must be given a supplementary disclosure document and the opportunity to withdraw their Application (in certain circumstances) or all application monies must be returned.

By the issue of the Instrument, ASIC has varied the Act to allow companies to refresh the timing of minimum subscription and quotation conditions, to commence from the date of a refresh document (i.e. this Supplementary Prospectus), such that the respective three and four month periods are taken to commence from the date that the refresh document is lodged with ASIC. The Instrument imposes a number of requirements as to the content of the refresh document and on the company issuing the refresh document. This Supplementary Prospectus addresses those requirements.

## **2 Specific disclosures required by the Instrument**

### **2.1 Withdrawal rights**

Any Applicant who, prior to the date of this Supplementary Prospectus, has lodged an Application will receive a copy of this Supplementary Prospectus.

All applicants who have previously submitted an Application Form and wish to withdraw have until 26 August 2019 to withdraw their Application and be repaid all application monies.

Any repayment of application monies made by the Company pursuant to an Applicant exercising their right to withdraw their Application will be made in full without interest.

An Applicant who wishes to withdraw their Application and obtain a refund of application monies must submit a written request to the Company at the address set out below so that it is received by close of business on 26 August 2019 (**Withdrawal Period**):

***For delivery by hand:***

Trigg Mining Limited  
C/- Automic Pty Ltd  
Level 2, 267 St Georges Terrace  
Perth WA 6000

***For delivery by post:***

Trigg Mining Limited  
C/- Automic Pty Ltd  
Level 2, 267 St Georges Terrace  
Perth WA 6000

**This Supplementary Prospectus is to be read with the Prospectus dated 24 April 2019, issued by Trigg Mining Limited ACN 168 269 752.**

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The details for the payment of the refund cheque and address to which it should be sent as set out in the written request must correspond to the details contained in the Application Form lodged by that Applicant.

The Offers will remain open at least until 26 August 2019.

## **2.2 Applications received**

As at the date of this Supplementary Prospectus, the Company has received Applications for a total of 9,326,500 Shares and 4,663,250 New Options, totalling \$1,865,300 (including, without limitation, the applications by Mr Ralston and Mr Bent as described in section 4 of this Supplementary Prospectus), all of which have been sourced through the Company rather than through the Lead Manager.

No Applications have been processed and no Shares or New Options have been issued.

## **2.3 Minimum Subscription condition**

As at the date of this Supplementary Prospectus, the Minimum Subscription of \$4,500,000 specified in the Prospectus has not been achieved.

The Minimum Subscription remains unchanged as at the date of this Supplementary Prospectus. No securities under the Offers will be issued unless the Minimum Subscription is achieved.

Upon lodgement of this Supplementary Prospectus, and subject only to the lodgement of any future refresh document, the Minimum Subscription condition must be satisfied by 23 November 2019, being four (4) months after the date of this Supplementary Prospectus.

## **2.4 Quotation condition**

The Company applied to ASX within seven (7) days of the date of the Original Prospectus for ASX to grant official quotation of the Shares and Options offered by the Prospectus. As at the date of this Supplementary Prospectus, the Shares and Options have not been admitted to quotation by ASX.

ASX has not given an indication that the securities offered under the Prospectus will not be admitted to quotation. However, ASX has stated

**This Supplementary Prospectus is to be read with the Prospectus dated 24 April 2019, issued by Trigg Mining Limited ACN 168 269 752.**

that the securities offered under the Prospectus will be admitted to quotation subject to certain conditions being satisfied as set out in its letter to the Company dated 6 June 2019 (**Quotation Conditions**).

As at the date of this Supplementary Prospectus, the Quotation Conditions that have not yet been satisfied are the following:

- 2.4.1 Close of the offer under the Prospectus and completion of the issue of:
- (a) Shares and New Options under the Public Offer.
  - (b) Vendor Shares and Vendors Performance Shares pursuant to the Share Sale Agreement in consideration for the acquisition of K2O Minerals.
  - (c) New Options under the Seed Options Offer.
  - (d) New Options to the Lead Manager and/or its nominees, as part of the consideration payable for broking services provided to the Company in connection with the Public Offer.
- 2.4.2 Confirmation in a form acceptable to ASX that the Company has received cleared funds for the complete amount of the issue price of every fully paid security issued to every successful applicant for fully paid securities under the Public Offer.
- 2.4.3 ASX being satisfied that the Company has an appropriate spread of shareholders and in any case that there are at least 300 non-affiliated security holders, each having a parcel of shares that are not restricted securities or subject to voluntary escrow with a value of at least \$2,000.
- 2.4.4 ASX being satisfied that the Company has a free float of at least 20%.
- 2.4.5 Provision of copies of restriction agreements entered into by the Company, together with undertakings provided by a bank, recognised trustee or the provider of registry services in relation to the restricted securities of the Company.
- 2.4.6 Confirmation of completion of the Share Sale Agreement between the Company and K2O Minerals and confirmation that the conditions precedent under the Share Sale Agreement have been

**This Supplementary Prospectus is to be read with the Prospectus dated 24 April 2019, issued by Trigg Mining Limited ACN 168 269 752.**

satisfied (and not waived), including the issue of Vendor Shares and Vendor Performance Shares under that Share Sale Agreement.

- 2.4.7 Despatch of holding statements or refund monies to Applicants.
- 2.4.8 Provision of the following in a form suitable for release to the market of various information, including distribution of the number of securities held by each holder, a statement setting out the names of the top 20 largest holders of each class of securities, the Company's Appendix 1A and Information Form and Checklist and Annexure I Mining Entities, the Prospectus, the Company's, constitution, the Company's audited accounts for the full years ended 30 June 2017 and 30 June 2018 and its reviewed accounts for the half year ended 31 December 2018, the audited accounts of K2O Minerals for the years ended 30 June 2017 and 30 June 2018 and its reviewed accounts for the half year ended 31 December 2018, a statement confirming completion of the Share Sale Agreement, the full terms and conditions of the Loan Funded Plan, the full terms and conditions of the Performance Rights Plan, the Company's securities trading policy, a statement confirming the issue of 5,000,000 options to KP Consulting Group Pty Ltd under the employee incentive scheme, a statement setting out the number of securities subject to ASX restrictions and the restriction period applied to those securities and a statement setting out the Company's capital structure.

Upon lodgement of this Supplementary Prospectus, and subject only to the lodgement of any future refresh document, the quotation condition must be satisfied by 23 October 2019, being three (3) months after the date of this Supplementary Prospectus.

## 2.5 Updated timetable

The indicative timetable set out in section 4 of the Prospectus is updated as follows:

| <b>Indicative timetable*</b>  |                  |
|---|------------------|
| Lodge Prospectus with ASIC  | 24 April 2019    |
| Lodgement of this Supplementary Prospectus with ASIC  | 23 July 2019     |
| Closing of withdrawal rights in respect of applications under this Supplementary Prospectus | 26 August 2019   |
| Extended Closing Date of the Offers   | 26 August 2019   |
| Completion of Acquisition and issue of securities under the Prospectus                      | 4 September 2019 |
| Dispatch of Holding Statements  | 5 September 2019 |
| Expected date for quotation of Company's securities   | 9 September 2019 |

\***Note:** The above dates are indicative only and may change without notice.

## 3 Use of funds

Section 6.21 of the Prospectus is replaced with the following:

As at the date of the Supplementary Prospectus, the Company has cash reserves of approximately \$50,000.

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

| <b>Funds available</b>                                | <b>Minimum Subscription (\$)</b><br><b>(\$4,500,000)</b> | <b>Percentage of Funds (%)</b> |
|---|--|--------------------------------|
| Existing cash reserves <sup>1</sup>                   | 50,000   | 1%                             |
| Cash reserves available via Ralston Loan <sup>2</sup> | 250,000  | 5%                             |
| Funds raised from the Public Offer                    | 4,500,000  | 94%                            |
| <b>Total Funds</b>                                    | <b>4,800,000</b>   | <b>100%</b>                    |
| <b>Allocation of funds</b>                            |  |                                |

**This Supplementary Prospectus is to be read with the Prospectus dated 24 April 2019, issued by Trigg Mining Limited ACN 168 269 752.**

| <b>Funds available</b>                       | <b>Minimum Subscription (\$)</b><br><b>(\$4,500,000)</b> | <b>Percentage of Funds (%)</b> |
|--|--|--------------------------------|
| Exploration and evaluation                   |  |                                |
| Exploration drilling, geophysics and support | 1,720,000  | 36                             |
| Establish bores and pump testing             | 370,000  | 8                              |
| Laboratory and testwork                      | 165,000  | 3                              |
| Environment and other studies                | 80,000   | 1                              |
| Rents, rates and heritage                    | 415,000  | 9                              |
| Corporate and administration                 | 1,045,000  | 22                             |
| Expenses of the Offers <sup>3</sup>          | 404,000  | 8                              |
| Expenses of the Supplementary Prospectus     | 30,000   | 1                              |
| Working capital                              | 321,000  | 7                              |
| Repayment of Ralston Loan <sup>2</sup>       | 250,000  | 5                              |
| <b>Total Funds</b>                           | <b>4,800,000</b>   | <b>100%</b>                    |

**Notes:**

<sup>1</sup> During the period between 31 December 2018 (being the date on which the Historical Financial Information, detailed in Section 10 of this Prospectus, is based) to the date of the Prospectus, the Company incurred expenditure of approximately \$375,897.

<sup>2</sup> The Company has access to an amount of up to \$250,000 to facilitate the Company's ongoing working capital and expenditure requirements during the Public Offer process, which will be required to be repaid on the earlier of 5 business days of the issue of securities under the Public Offer and 3 months from the date of the first advance under the terms of the Ralston Loan. Refer to Section 14.6 of the Prospectus for further details.

<sup>3</sup> These expenses exclude amounts already paid by the Company totalling \$136,000. Refer to Section 15.9 of the Prospectus for further details of these expenses of the Offers.

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

#### **4 Substantial holdings**

Michael Ralston and William Bent will each be increasing the amount of securities that they will be subscribing for under the Public Offer.

Mr Ralston will subscribe for an additional 750,000 Shares and 375,000 New Options to that disclosed in the Prospectus, such that the total amount Mr Ralston will be subscribing under the Public Offer will be 875,000 Shares and 437,500 New Options.

Mr Bent and/or his related entity will subscribe for an additional 125,000 Shares and 62,500 New Options to that disclosed in the Prospectus, such that the total amount Mr

**This Supplementary Prospectus is to be read with the Prospectus dated 24 April 2019, issued by Trigg Mining Limited ACN 168 269 752.**

Bent will be subscribing under the Public Offer will be 200,000 Shares and 100,000 New Options.

As a result of these changes, the following sections of the Prospectus are updated:

**4.1.1 The section titled “What are the Directors’ relevant interests?” in Section 5 of the Prospectus is updated as follows:**

The Directors have the following interests in Securities and in the Company:

| Director                     | Remuneration<br>\$ per annum <sup>1</sup> | Shares    | Options                |
|------------------------------|---|-----------|------------------------|
| Keren Paterson <sup>3</sup>  | 250,000                                   | 3,450,000 | 5,000,000 <sup>2</sup> |
| Michael Ralston <sup>4</sup> | 60,000                                    | 2,600,000 | Nil                    |
| William Bent <sup>5</sup>    | 30,000                                    | 2,000,000 | Nil                    |

<sup>1</sup> excluding statutory superannuation

<sup>2</sup> 3,000,000 Director Options exercisable at \$0.20 each and expiring 31 October 2021, 2,000,000 Director Options exercisable at \$0.25 each and expiring 7 January 2023.

<sup>3</sup> Ms Keren Paterson also intends to subscribe for 100,000 Shares and 50,000 New Options (\$20,000) under the Public Offer.

<sup>4</sup> Mr Michael Ralston also intends to subscribe for 875,000 Shares and 437,500 New Options (\$175,000) under the Public Offer.

<sup>5</sup> Mr William Bent and/or his related entity also intends to subscribe for 200,000 Shares and 100,000 New Options (\$40,000) under the Public Offer.

Securities held by Directors will be escrowed for a period of 24 months from the date of Official Quotation on ASX, other than 1,450,000 Shares issued to the Managing Director under the Loan Funded Plan, which the Company does not expect will be subject to escrow under the Listing Rules and those subscribed for by Directors under the Public Offer.

**4.1.2 The second table in Section 6.23 of the Prospectus is updated as follows:**

***At Admission (assuming no existing substantial Shareholder, other than the Directors as set out in the notes below, subscribes for and receives additional Securities pursuant to the Public Offer)***

| Shareholder                                     | Shares                 | Options                | Vendor<br>Performance<br>Shares | %<br>(undiluted) | %<br>(fully<br>diluted) |
|---|------------------------|------------------------|---------------------------------|------------------|-------------------------|
| Trigg Resources Pty Ltd <sup>1</sup>            | nil                    | nil                    | nil                             | nil              | nil                     |
| Mainsheet Capital WA Pty Ltd <sup>2</sup>       | nil                    | nil                    | nil                             | nil              | nil                     |
| Keren Paterson                                  | 3,550,000 <sup>3</sup> | 5,050,000 <sup>6</sup> | nil                             | 6.12%            | 9.06%                   |
| Susetta Holdings Pty Ltd <Wheeler Family Trust> | 2,736,500              | nil                    | 2,202,526                       | 4.72%            | 5.23%                   |
| Michael Ralston <sup>4</sup>                    | 3,475,000              | 437,500                | nil                             | 5.99%            | 4.15%                   |

**This Supplementary Prospectus is to be read with the Prospectus dated 24 April 2019, issued by Trigg Mining Limited ACN 168 269 752.**

|   |           |         |           |       |       |
|---|-----------|---------|-----------|-------|-------|
| Dr Julian Rodney Stephens <One Way Trust> | 2,105,000 | nil     | 1,694,250 | 3.63% | 4.03% |
| William Bent <sup>5</sup>                 | 2,200,000 | 100,000 | nil       | 3.79% | 2.44% |

**Notes:**

<sup>1</sup> The Company has been advised that it is proposed that prior to the date of Admission, an in-specie distribution of Shares held by Trigg Resources Pty Ltd will be completed to the shareholders of Trigg Resources Pty Ltd such that these Shares will have transferred from Trigg Resources Pty Ltd to its shareholders. None of the shareholders of Trigg Resources Pty Ltd are expected to be a substantial Shareholder of the Company at the date of Admission.

<sup>2</sup>The Company has been advised that it is proposed that prior to the date of Admission, each of the trusts under which these shares are currently held by Mainsheet Capital WA Pty Ltd as trustee will vest such that these Shares will have transferred from Mainsheet Capital WA Pty Ltd to the underlying owners. None of the underlying owners are expected to be a substantial Shareholder of the Company at the date of Admission.

<sup>3</sup> 450,000 Shares held personally and issued at \$0.08 per Share under the Loan Funded Plan, all of which have vested, please refer to Section 15.5 of this Prospectus. A further 1,000,000 Shares held personally and issued at \$0.125 per Share under the Loan Funded Plan, which have not yet vested. 2,000,000 Shares held by KP Consulting Group Pty Ltd as trustee for the SSB Trust. Ms Paterson also intends to subscribe for 100,000 Shares and 50,000 New Options (\$20,000) under the Public Offer.

<sup>4</sup> 2,600,000 Shares held jointly with Sharon Ralston as trustee for the Ralston Family Trust. Mr Ralston also intends to subscribe for 875,000 Shares and 437,500 New Options (\$175,000) under the Public Offer.

<sup>5</sup> 2,000,000 Shares to be held by William Bent as trustee for the Bent Family Trust. Mr Bent and his related entity also intends to subscribe in aggregate for up to 200,000 Shares and 100,000 New Options (\$40,000) under the Public Offer (with \$15,000 to be subscribed in his personal capacity and \$25,000 to be subscribed by his related entity Caninga Capital Pty Ltd as trustee for the Bent Family Super Fund).

<sup>6</sup> These Options consist of 50,000 New Options under the Public Offer and 5,000,000 Director Options. The terms of the Director Options are set out in Section 15.4(a) of this Prospectus

The Company will announce to ASX details of its top 20 Shareholders (as at Admission) prior to the Shares commencing trading on ASX.

**4.1.3 The second table in Section 15.6 of the Prospectus is updated as follows:**

Following the successful completion of the Offers, the Directors will have relevant interests in Securities as follows:

| Director                     | Shares    | Options   | Voting Power |
|------------------------------|-----------|-----------|--------------|
| Keren Paterson <sup>1</sup>  | 3,550,000 | 5,050,000 | 6.12%        |
| Michael Ralston <sup>2</sup> | 3,475,000 | 437,500   | 5.99%        |
| William Bent <sup>3</sup>    | 2,200,000 | 100,000   | 3.79%        |

**Notes:**

<sup>1</sup> This figure includes 100,000 Shares and 50,000 New Options (\$20,000) which Ms Paterson intends to subscribe for under the Public Offer.

<sup>2</sup> This figure includes 875,000 Shares and 437,500 New Options (\$175,000) which Mr Ralston intends to subscribe for under the Public Offer.

**This Supplementary Prospectus is to be read with the Prospectus dated 24 April 2019, issued by Trigg Mining Limited ACN 168 269 752.**

<sup>3</sup> This figure includes 200,000 Shares and 100,000 New Options (\$40,000) which Mr Bent and/or his related entity intends to subscribe for under the Public Offer.

## 5 Restricted Securities

Section 6.24 of the Prospectus is replaced with the following:

Subject to the Company being admitted to the Official List, certain Securities on issue prior to the Offers will be classified by ASX as restricted securities and will be required to be held in escrow for up to 24 months from the date of Official Quotation.

During the period in which these restricted securities are prohibited from being transferred, trading in Shares and New Options may be less liquid which may impact on the ability of a Shareholder to dispose of his or her Shares and / or New Options in a timely manner.

The ASX has advised the Company in a letter dated 6 June 2019 that the following securities will not be quoted and will be classified as restricted securities on the terms set out below:

- a) a total of 17,787,500 Shares for 24 months from the date of Official Quotation (of which 12,525,00 Shares are primarily held by Directors and substantial Shareholders while 5,262,500 Shares are held by Vendors);
- b) 1,200,000 Shares for 12 months from the dates of issue (held by certain seed capitalists);
- c) 5,000,000 Director Options for 24 months from the date of Official Quotation (held by the Managing Director);
- d) 600,000 New Options for 12 months from the dates of issue (held by certain seed capitalists);
- e) 7,500,000 New Options for 24 months from the date of Official Quotation (held by the Lead Manager or its nominee(s)); and
- f) 4,235,626 Vendor Performance Shares for 24 months from the date of Official Quotation (held by the Vendors).

The Company does not expect that any Securities issued under the Public Offer will be subject to escrow under Listing Rules. The Company will announce to ASX full details (quantity and duration) of the Securities required to be held in escrow prior to the Shares and New Options commencing trading on ASX.

## 6 Ralston Loan

A new Section 14.6 is inserted in the Prospectus as follows:

On 23 July 2019, the Company entered into a loan agreement with Michael Ralston (**Lender**) under which the Lender has agreed to lend to the Company an amount of up to \$250,000 to facilitate the Company's ongoing working capital and expenditure

**This Supplementary Prospectus is to be read with the Prospectus dated 24 April 2019, issued by Trigg Mining Limited ACN 168 269 752.**

requirements during the Public Offer process. The loan agreement is on arm's length terms and contains terms and conditions considered standard for agreements of this nature. The material terms are summarised below:

| <b>Subject</b>   | <b>Provision</b>   |
|------------------|--|
| Principal Amount | \$250,000  |
| Security         | The loan is unsecured.   |
| Interest         | The loan is interest free.   |
| Default interest | If default is made in the payment upon the due date of any moneys payable to the Lender pursuant to this document, the Lender may charge simple interest at a rate of 10% per annum on that sum from the date of default until the sum is paid.  |
| Repayment Date   | All outstanding amounts under the must be paid by the date that is the first to occur of: <ul style="list-style-type: none"> <li>(a) 5 Business Days of the issue of securities under the Public Offer; and</li> <li>(b) the date which is 3 calendar months after the commencement of the loan,</li> </ul> but if such date is not a business day, then the repayment shall be taken to be the next business day. |

## **7 Applications**

### ***Investors who have NOT previously submitted an Application Form***

Applications for Shares and New Options under the Public Offer must be made using the application form attached to or accompanying this Supplementary Prospectus (**Supplementary Application Form**).

Applications must not be made on the Application Form accompanying or attached to the Prospectus.

The Supplementary Application Form contains detailed instructions on how it is to be completed.

**This Supplementary Prospectus is to be read with the Prospectus dated 24 April 2019, issued by Trigg Mining Limited ACN 168 269 752.**

Completed Supplementary Application Forms and application monies must be received by the Company no later than the extended Closing Date (being 26 August 2019).

In all other respects, the procedure for applying for Shares and New Options is as set out in section 6.12 of the Prospectus.

The Company reserves the right to extend the closing date of the Offers, however the Offers will remain open until at least 26 August 2019.

***Applicants who HAVE previously submitted an Application Form and DO NOT want to withdraw their Application***

Applicants in this category do not need to complete a Supplementary Application Form. However, such applicants may lodge a Supplementary Application Form if they wish to apply for additional Shares and New Options in accordance with the instructions set out above and contained in the Supplementary Application Form.

***Applicants who have previously submitted an Application Form and want to withdraw their Application***

Applicants in this category may withdraw their Application and be repaid all application monies upon written request to the Company, as set out in section 2.1 of this Supplementary Prospectus.

**8 Directors' authorisation**

This Supplementary Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors. In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Supplementary Prospectus with ASIC.



**Keren Paterson**  
**Managing Director and CEO**

For and on behalf of Trigg Mining Limited

**This Supplementary Prospectus is to be read with the Prospectus dated 24 April 2019, issued by Trigg Mining Limited ACN 168 269 752.**



# PROSPECTUS

## Trigg Mining Limited

ACN 168 269 752

For an offer of 22,500,000 Shares at an issue price of \$0.20 per Share and 11,250,000 free attaching New Options on the basis of one New Option for every 2 Shares subscribed to raise \$4,500,000 before costs (**Public Offer**).

This Prospectus also contains separate offers to the Vendors (**Vendor Offer**), to the Seed Capitalists (**Seed Options Offer**) and to the Lead Manager (or its nominee) (**Broker Options Offer**). No funds will be raised from the Vendor Offer, the Seed Options Offer or the Broker Options Offer. Please refer to Section 6 of this Prospectus for further details.

The Lead Manager to the Public Offer is CPS Capital Group Pty Ltd (AFSL 294848).

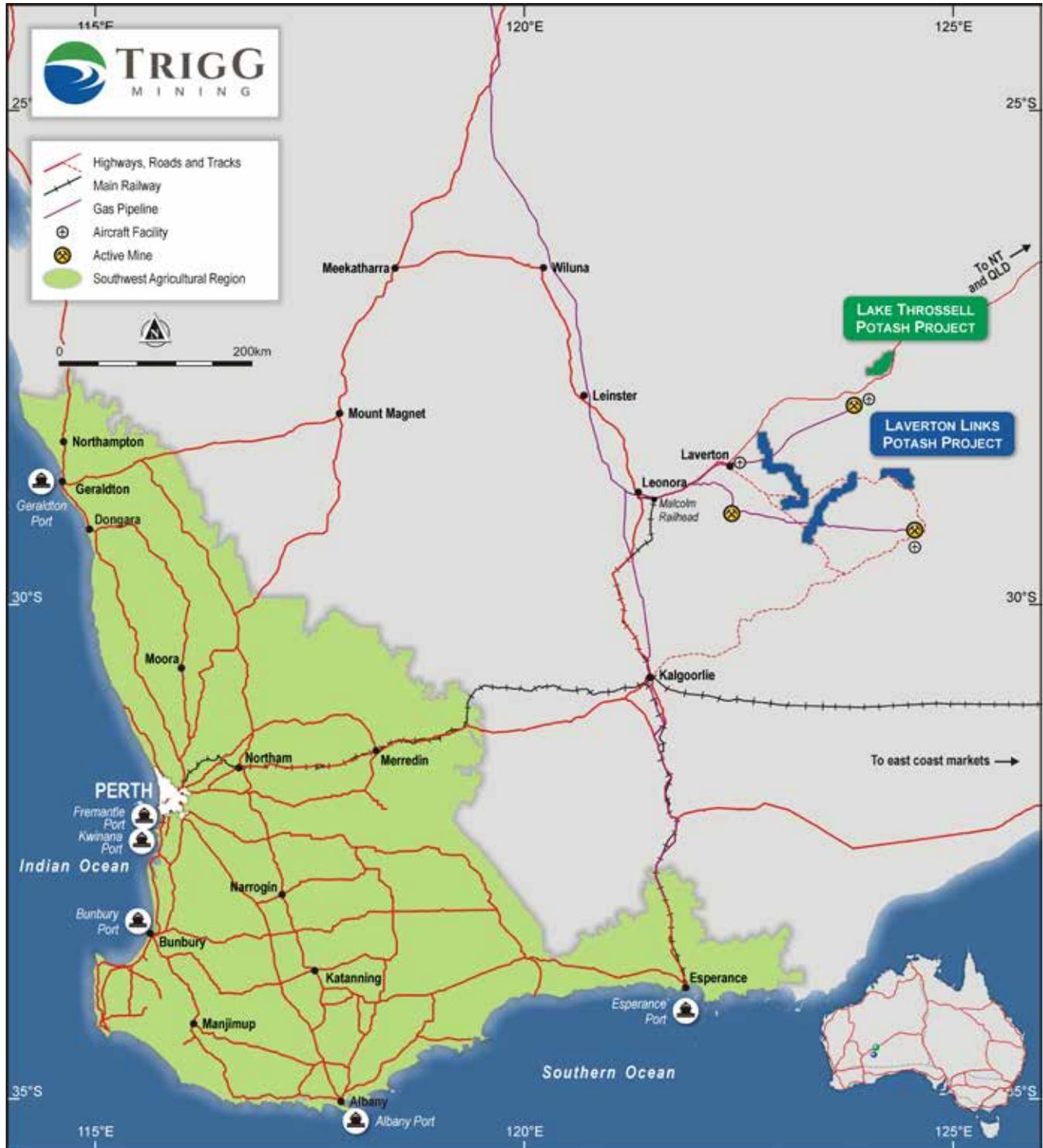
The minimum subscription to the Public Offer is 22,500,000 Shares to raise \$4,500,000. The Offers made under this Prospectus and the issue of Securities pursuant to this Prospectus in relation to the Offers are subject to and conditional upon the minimum subscription being raised under the Public Offer and completion of the acquisition under the Share Sale Agreement. If those conditions are not satisfied, no Securities will be allotted pursuant to this Prospectus in relation to the Offers and the Company will repay all money received from Applicants without interest.

### IMPORTANT INFORMATION

This is an important document that should be read in its entirety. If you do not understand it you should consult your professional advisers without delay. The Securities offered by this Prospectus should be considered highly speculative. Refer to Section 13 of this Prospectus for information on the key risks associated with an investment in the Securities offered by this Prospectus.



## Fertilisers for Global Food Security



An opportunity to participate in the Initial Public Offer (IPO) of this mineral exploration company exploring approximately 2,640 km<sup>2</sup> of tenements for the essential fertiliser, sulphate of potash (SOP) in Western Australia.

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# 1. Corporate Directory

## Directors

Keren Paterson     Managing Director and CEO  
 Michael Ralston    Non-Executive Chairperson  
 William Bent       Non-Executive Director

## Company Secretary

Karen Logan

### Themis Corporate

Level 1, Office F, 1139 Hay Street  
 West Perth WA 6005

## Registered Office

Level 1, Office F, 1139 Hay Street  
 West Perth WA 6005

Telephone: +61 8 9220 2231

Email: [info@triggmining.com.au](mailto:info@triggmining.com.au)

Website: [www.triggmining.com.au](http://www.triggmining.com.au)

## Principal Place of Business

Level 3, 216 St George's Terrace  
 Perth WA 6000

## Proposed Stock Exchange Listing

Australian Securities Exchange (**ASX**)

Proposed ASX Code:

Shares: TMG

Options: TMGO

## Independent Geologist

### Snowden Mining Industry Consultants Pty Ltd

Level 6, 130 Stirling Street, Perth WA 6000

## Investigating Accountant

### BDO Corporate Finance (WA) Pty Ltd

38 Station Street, Subiaco WA 6008

## Solicitors to the Offer

### Lavan

Level 18, 1 William Street, Perth WA 6000

## Auditor\*

### BDO Audit (WA) Pty Ltd

38 Station Street, Subiaco WA 6008

## Corporate Advisor and Lead Manager

### CPS Capital Group Pty Ltd

Level 45, 108 St George's Terrace, Perth WA 6000

Email: [trigg@cpscapital.com.au](mailto:trigg@cpscapital.com.au)

## Share Registry\*

### Automic Pty Ltd

Level 2, 267 St George's Terrace, Perth WA 6000

Telephone: 1300 288 664 (within Australia)

Telephone: +61 8 9324 2099 (outside Australia)

Email: [corporate.actions@automic.com.au](mailto:corporate.actions@automic.com.au)

Web: [www.automic.com.au](http://www.automic.com.au)

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

## 2. Important Notice

This Prospectus is dated 24 April 2019 and was lodged with the ASIC on that date. Neither ASIC nor ASX (or their respective officers) take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Securities may be issued on the basis of this Prospectus later than thirteen (13) months after the date of this Prospectus.

Application will be made within seven (7) days of the date of this Prospectus to ASX for admission of the Company to the Official List of ASX and for Official Quotation of its Shares and the New Options on ASX.

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

It is important that you read this Prospectus in its entirety and seek professional advice where necessary. The Securities offered by this Prospectus should be considered highly speculative.

Terms that are not defined within this Prospectus have the meanings given to them in the Glossary set out in Section 17 of this Prospectus.

### 2.1 Exposure Period

This Prospectus will be circulated during the Exposure Period. The purpose of the Exposure Period is to enable this Prospectus to be examined by market participants prior to the raising of funds. You should be aware that this examination may result in the identification of deficiencies in this Prospectus and, in those circumstances, any application that has been received may need to be dealt with in accordance with section 724 of the Corporations Act. Applications for Securities under this Prospectus will not be processed by the Company until after the expiry of the Exposure Period. No preference will be conferred on Applications lodged prior to the expiry of the Exposure Period.

### 2.2 Electronic Prospectus

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

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. You may obtain a hard copy of this Prospectus free of charge by contacting the Company.

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

### 2.3 Website

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

### 2.4 Competent Persons' Statements

The information in Section 11 (Independent Geologist's Report) of this Prospectus was compiled by Mr Jeremy Peters. Mr Peters is a qualified Geologist and Mining Engineer and a Fellow and Chartered Professional Geologist and Chartered Professional Mining Engineer of the Australasian Institute of Mining and Metallurgy. Mr Peters is a full-time employee of Snowden Mining Industry Consultants Pty Ltd (Snowden). Mr Peters has sufficient experience that is relevant to the technical assessment of the mineral assets under consideration, the style of mineralisation and types of deposit under consideration and to the activity being undertaken to qualify as a Practitioner as defined in the 2015 edition of the "Australasian Code for the public reporting of technical assessments and Valuations of Mineral Assets", and as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Peters consents to the inclusion in the Prospectus of the matters based on his information and has reviewed all statements pertaining to this information in the form and context in which it appears. Mr Peters has not withdrawn his consent prior to the lodgement of this Prospectus with the ASIC.

The information in this Prospectus that relates to the Exploration Target at the Lake Rason Prospect is based on information compiled by Mr Duncan Gareth Storey of AQ2 Pty Ltd (AQ2). The reporting is consistent with the guidelines of the JORC Code.

Mr Storey is a Director and Consulting Hydrogeologist with AQ2 and has almost 30 years of international experience. He is a Chartered Geologist with, and Fellow of the Geological Society of London (a Recognised Professional Organisation under the JORC Code). Mr Storey has experience in the assessment and development of paleochannel aquifers, including the development of hypersaline brines in Western Australia. His experience and expertise are such that he qualifies as a Competent Person as defined in the 2012 edition of the "Australian Code for Reporting of Exploration Results, Mineral Resources and Ore reserves". Mr Storey consents to the inclusion of matter related to information for the AQ2 studies in the form and context as it appears in this Prospectus. Mr Storey has not withdrawn his consent prior to lodgement of this Prospectus with the ASIC.

## 2.5 Forward-Looking Statements

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

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

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks,

uncertainties, assumptions and other important factors, many of which are beyond the control of the Company and the Directors.

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

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

These forward-looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 13 of this Prospectus.

## 2.6 Photographs and Diagrams

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

# 3. Letter from the Chairperson

Dear Investor

On behalf of the Board of Directors of Trigg Mining Limited (**Trigg Mining** or the **Company**) I am delighted to present this Prospectus and invite you to become a shareholder.

Trigg Mining, named after Henry Trigg, a founder of Western Australia and an ancestor of our Managing Director and CEO Keren Paterson, is founded on the purpose of building mines communities can be proud of. We aim to do this by exploring for the essential potassium fertiliser sulphate of potash (**SOP**) needed for global food production and human nutrition through the sustainable extraction and evaporation of hypersaline brines in Western Australia.

Sulphate of potash is a premium potassium fertiliser required for healthy plant growth, plant metabolism, optimisation of crop yields and quality of produce. It is a necessary fertiliser for high value, chloride sensitive crops such as avocados, cocoa, coffee beans, grapes, berries and tree nuts, as well as arid and acidic soils. Potassium is also of vital importance for human health where it is required for normal cell function, maintenance of cardiovascular health and prevention of stroke and coronary heart disease.

The Company has built a competitive footprint across two SOP Projects: Laverton Links and Lake Throssell Potash Projects, covering 2,640 km<sup>2</sup> of granted tenure containing over 400 km<sup>2</sup> of salt lake playa and 300 km of interpreted palaeochannels (ancient underground rivers), all prospective for brine hosted SOP, located approximately 200 km east of Laverton in Western Australia. Early exploration work has established a JORC Compliant Exploration Target<sup>1</sup> of 2.5 – 9.0 million tonnes of SOP @ 4.3 – 6.3 kg/m<sup>3</sup> SOP for the Lake Rason Prospect and represents approximately 15% of the Company's total tenure, by area.

Both Projects are well endowed in terms of transport and energy infrastructure. Multiple roads and tracks access the Projects and two gas pipelines pass directly through the Laverton Links SOP Project. Nearby airstrips are located at the Tropicana and Gruyere mines, as well as the commercial airport at Laverton. Logistics for access to domestic and international markets is, subject to negotiation of suitable access and infrastructure arrangements, likely to be via 300 km of road to the railhead at Leonora and then onwards via rail or road to domestic markets, or to international markets via the deep-water port of Esperance.

Trigg Mining has assembled an experienced team, led by Keren Paterson, which is well qualified to exploit the potential of the Company's exploration assets. The Board has significant expertise in mineral projects, project development and corporate finance, and aims to ensure that funds raised through the Offer will be utilised in a cost-effective manner to advance the Company's Projects.

The Company is seeking your support to advance the exploration and evaluation at Laverton Links and Lake Throssell Potash Projects via the Public Offer of \$4,500,000 (before costs) via the issue of 22,500,000 Shares at \$0.20 per Share. One free listed New Option will also be awarded to investors for every two shares they acquire in the Public Offer.

This Prospectus contains information about the Company, its Projects, the Offers and the industry in which it operates. It also contains detailed information in Section 13 of this Prospectus about the potential risks of investing in the Company. Securities in Trigg Mining should be regarded as a speculative investment and I would urge all parties to seek advice from independent advisors before making an investment decision.

The Board of Trigg Mining is pleased to invite you to participate in the future of the Company as we embark on delivering on our purpose of building mines communities can be proud of.

Yours sincerely



**Michael Ralston**  
*Non-Executive Chairperson*

<sup>1</sup> The Exploration Target has been defined in accordance with the 2012 edition of the JORC Code, based on drilling, sampling and geophysical survey results of work carried out by Trigg Mining and other explorers. An Exploration Target is a statement of the exploration potential of a mineral deposit in a defined geological setting, quoted as a range of tonnes and a range of grades for which there has been insufficient exploration to estimate a Mineral Resource and that such a target does not in any way constitute a Mineral Resource Estimate, as defined by the JORC Code and is entirely conceptual in nature.

# 4. Key Information and Indicative Timetable

| Key Information  | Details     |
|--|-------------|
| <b>Securities currently on issue</b>   |             |
| Shares   | 30,225,000  |
| Director Options <sup>1</sup>  | 5,000,000   |
| <b>Public Offer</b>  |             |
| Shares offered for subscription under the Public Offer   | 22,500,000  |
| Price per Share offered under the Public Offer   | \$0.20      |
| New Options offered for subscription under the Public Offer <sup>2</sup>   | 11,250,000  |
| Price per New Option offered under the Public Offer <sup>2</sup>   | Nil         |
| Proceeds of the Public Offer (before costs)  | \$4,500,000 |
| <b>Offers other than the Public Offer</b>  |             |
| <b>Vendor Offer</b>  |             |
| Securities to be issued to the Vendors   |             |
| • Shares <sup>3</sup>  | 5,262,500   |
| • Vendor Performance Shares <sup>4</sup>   | 4,235,626   |
| <b>Seed Options Offer</b>  |             |
| New Options offered for subscription to certain existing Shareholders <sup>2,5</sup>   | 8,387,500   |
| <b>Broker Options Offer</b>  |             |
| New Options offered for subscription to the Lead Manager and/ or its nominees(s) <sup>2,6</sup>  | 7,500,000   |
| The Public Offer, the Vendor Offer, the Seed Options Offer and the Broker Options Offer are collectively referred to in this Prospectus as the "Offers". |             |

## Notes:

- Each Director Option is unquoted. 3,000,000 of the Director Options are exercisable at \$0.20 per Option on or before 31 October 2021. The remaining 2,000,000 of the Director Options are exercisable at \$0.25 per Option on or before 7 January 2023. The terms and conditions of the Director Options are set out in Section 15.4(a) of this Prospectus.
- Each New Option will be quoted and will be exercisable at \$0.20 per New Option on or before 31 October 2021. The terms and conditions of the New Options are set out in Section 15.4(b) of this Prospectus.
- 5,262,500 Shares to be issued to the Vendors under the Share Sale Agreement as detailed in Section 14.3 of this Prospectus.
- 4,235,626 Vendor Performance Shares to be issued to the Vendors under the Farm-In Agreement as detailed in Section 14.4 of this Prospectus.
- 8,387,500 New Options are offered to certain existing Shareholders as detailed in Section 6.3 of this Prospectus.
- 7,500,000 New Options are offered to the Lead Manager and/ or its nominees(s) as detailed in Sections 6.4 and 14.1 of this Prospectus.

| Indicative Timetable  | Date          |
|---|---------------|
| Lodge Prospectus with ASIC and ASX  | 24 April 2019 |
| Opening Date for the Offers   | 2 May 2019    |
| Closing Date for the Offers   | 31 May 2019   |
| Dispatch of holding statements  | 26 June 2019  |
| Expected date for quotation of the Company's Shares and New Options on the Official List of ASX | 28 June 2019  |

**Note:** The above dates are indicative only and may change without notice. The Company reserves the right to extend the Closing Date or close the Public Offer early without notice. Applicants are therefore encouraged to lodge their Application as soon as possible after the Opening Date if they wish to invest in the Public Offer.

# 5. Investment Overview

This Section is a summary only and is not intended to provide full information for investors intending to apply for Securities offered pursuant to this Prospectus. This Prospectus and the expert reports as set out in Section 10 – Investigating Accountant’s Report, Section 11 – Independent Geologist’s Report and Section 12 – Solicitor’s Report on Tenements should be read and considered in their entirety. The Securities offered by this Prospectus carry no guarantee in respect of return of capital, return on investment, payment of dividends or the future value of the Securities.

| Topics   | Summary   | Further Information |
|--|---|---------------------|
| <b>A. Company</b>  |   |                     |
| Who is issuing this Prospectus?                          | Trigg Mining Limited ACN 168 269 752 ( <b>Trigg Mining</b> or the <b>Company</b> ) is a Perth based public company incorporated on 26 February 2014 as a private company limited by shares. The Company was incorporated for the purpose of identifying and evaluating mineral exploration projects. The Company converted its status from a proprietary company to a public company limited by shares on 6 April 2018.   | Section 7           |
| Who is the Company and what does it do?                  | Trigg Mining is built on the guiding principle of building mines communities can be proud of. We’re doing this by exploring for the essential potassium mineral fertiliser, sulphate of potash ( <b>SOP</b> ) or potassium sulphate (K <sub>2</sub> SO <sub>4</sub> ) which provides necessary nutrients for agricultural food production and human health. SOP is particularly important for chloride sensitive crops such as fruits and vegetables, avocados, berries (such as blueberries and grapes), coffee, cocoa, flowers and all crops under glass. It is also important in arid and acidic soils and is known to improve both drought and frost resistance of crops.   | Section 7           |
| What are the Company’s financial prospects and position? | Assuming the successful completion of the Public Offer resulting in the Company raising \$4,500,000, the Company’s pro forma consolidated statement of financial position as at 31 December 2018 has net assets of \$5,413,601. This takes into account a range of subsequent events and comprises total assets of \$5,599,220 (including cash of \$4,531,226) and total liabilities of \$185,619.<br><br>Relevant financial information in respect to the Company including a pro forma consolidated statement of financial position detailing the effect of the Offers is detailed in the Investigating Accountant’s Report in Section 10 of this Prospectus.   | Section 10          |
| How does the Company generate revenue?                   | Trigg Mining is seeking to explore and develop two prospective SOP projects being the Laverton Links Potash Project and the Lake Throssell Potash Project, which are located in the Goldfields region of Western Australia.<br><br>At the date of this Prospectus, the Company has no operating revenue and is unlikely to generate any operating revenue unless, and until, either of the Laverton Links or Lake Throssell Potash Projects are successfully developed.   | Section 7           |
| What are the Company’s major assets?                     | The Company’s major assets are the Laverton Links and Lake Throssell Potash Projects, of which Trigg Mining presently is entitled to an 80% beneficial interest under the Farm-in Agreement. Pursuant to the Share Sale Agreement and in conjunction with the Offers under this Prospectus, Trigg Mining will acquire 100% of the shares in joint venture partner K2O Minerals, the legal owner of the Projects, making K2O Minerals a 100% owned subsidiary of Trigg Mining. Trigg Mining will thus have 100% legal and beneficial ownership of the Projects.<br><br>The Projects cover approximately 2,640 km <sup>2</sup> of tenure and comprise more than 400 km <sup>2</sup> of playa lakes and 300 km of interpreted palaeochannels considered prospective for potassium bearing brine. Both Projects lie within a 35 km to 225 km radius east of Laverton. | Section 7           |

| Topics                                     | Summary  | Further Information |
|--|--|---------------------|
| What is the Laverton Links Potash Project? | <p>The Laverton Links Potash Project comprises three prospects (Lake Rason, Lake Hope Campbell and East Laverton) and is the Company's most advanced Project. The Laverton Links Potash Project consists of eight granted exploration licences covering a total area of approximately 2,315 km<sup>2</sup>.</p> <p>Following work carried out by earlier explorers and K2O Minerals, Trigg Mining commenced exploration at the Laverton Links Potash Project in 2017 with a gravity and seismic survey, shallow pit sampling and an air core drilling program consisting of 1,050 m which together delivered a JORC Compliant Exploration Target<sup>1</sup> of 2.5 - 9.0 Mt of drainable brine SOP with a weighted average grade of 4.3 - 6.3 kg/m<sup>3</sup> SOP at the Lake Rason Prospect. It should be noted that the Exploration Target is conceptual in nature and there is insufficient exploration to define a Mineral Resource. It is uncertain if further exploration will result in the estimation of a Mineral Resource.</p> <p>At the Lake Hope Campbell Prospect, Trigg Mining carried out a shallow pit sampling program where SOP mineralisation was identified along the prospect length with sub-surface brine sample grades up to 6.7 kg/m<sup>3</sup> SOP.</p> <p>The Laverton Links Potash Project is located close to established infrastructure including roads, rail and three airstrips. Two gas pipelines pass through the Project tenements.</p> <p>An application for the determination of native title has been made by the Nangaanya-ku Native Title Claim Group (WAD460/2018; WC2018/019). The application overlaps land the subject of granted exploration licences E38/3089, E38/3259, E38/3298, E38/3302 and E39/2047. The application was accepted for registration by the Native Title Registrar on 9 November 2018 and appears on the Register of Native Title Claims maintained by the National Native Title Tribunal.</p> <p>Trigg Mining will continue to observe the provisions of the <i>Aboriginal Heritage Act 1972</i> (WA) and the <i>Native Title Act 1993</i> (Cth) in relation to the carrying out of activities on the Laverton Links tenements.</p> | Section 7           |
| What is the Lake Throssell Project?        | <p>The Lake Throssell Potash Project comprises one exploration licence covering an area of 322 km<sup>2</sup>, situated approximately 200 km east of Laverton along the Great Central Road through to Alice Springs and Queensland via the Outback Highway.</p> <p>This Project lies approximately 60 km northeast of the newly established Gruyere Gold Mine and the terminus of the Yamarna Gas Pipeline.</p> <p>The area of exploration licence E38/3065 covers land that is the subject of the Ngaanyatjarra Lands Determination, made by the Federal Court of Australia in June 2005 and 2008 (WAD 6004/04). The determination recognises that the Ngaanyatjarra Lands People have exclusive native title rights and interests in the land the subject of E38/3065. In 2018, Trigg Mining and K2O Minerals negotiated an agreement with the Yarnangu Ngaanyatjarraku Parna (Aboriginal Corporation) RNTBC, in its capacity as the registered native title body corporate in respect of the land the subject of the Ngaanyatjarra Lands Determination, to facilitate the grant of E38/3065 and to govern the carrying out of exploration activities on the tenement.</p>   | Section 7           |
| What is the Company's strategy?            | <p>At the Laverton Links Potash Project, the Company's strategy is to focus exploration activities on the more advanced Lake Rason and Lake Hope Campbell Prospects to expand the exploration target and progress towards the estimation of a Mineral Resource and possible processing flow sheet options for the brine. For the less advanced Prospect of East Laverton, a phased and systematic approach to value adding exploration is planned.</p> <p>As at the date of this Prospectus there can be no guarantee that additional exploration work will result in the definition of a Mineral Resource.</p> <p>At the Lake Throssell Potash Project, the Company will undertake a heritage survey and reconnaissance exploration to assess the prospectivity of the Project.</p>   | Sections 6.10 & 7   |

<sup>1</sup> An Exploration Target is not a Mineral Resource. An explanation of the basis of the Exploration Target, including the relevant information on which it is based, is detailed in and should be read in conjunction with Appendix C of the Independent Geologist's Report (refer to Section 11 of this Prospectus).

| Topics   | Summary  | Further Information |
|--|--|---------------------|
| <p>What are the strengths and competitive advantages of the Company?</p> | <p>The Board considers that the key strengths and competitive advantages of the Company are as follows:</p> <ul style="list-style-type: none"> <li> <p>• <b>GLOBAL DEMAND FOR FERTILISER</b></p> <p>Global demand for sulphate of potash fertilisers is strong. The world population continues to expand whilst the area of arable land per capita is falling, placing greater pressure on increasing productivity and crop yields to feed the expanding global population.</p> </li> <li> <p>• <b>AUSTRALIA IMPORTS ITS SOP NEEDS</b></p> <p>Australian consumption of SOP is currently supplied by imports and Australia has frequent supply constraints from traditional suppliers, resulting in SOP imports coming from secondary (Mannheim) producers. See Section 8.5 for a description of the Mannheim process.</p> </li> <li> <p>• <b>PREMIUM SOP FERTILISER</b></p> <p>Sulphate of potash contains the essential nutrients of potassium and sulphur without the addition of chloride, making it the primary choice for high value chloride sensitive crops such as avocados, cashews, almonds, cocoa, berries, stone fruits, citrus, all crops under glass and flowers.</p> </li> <li> <p>• <b>PRIMARY SOURCE OF SOP</b></p> <p>Brine hosted SOP is a naturally occurring primary source of SOP, with other methods of production requiring secondary chemical processing, increasing production costs.</p> </li> <li> <p>• <b>CERTIFIABLE ORGANIC SOURCE OF SOP</b></p> <p>Primary production of SOP from brine sources is potentially able to be organically certified for use in organic agriculture.</p> </li> <li> <p>• <b>PORTFOLIO OF TENEMENTS</b></p> <p>The Projects cover approximately 2,640 km<sup>2</sup> containing more than 400 km<sup>2</sup> of playa lakes and 300 km of interpreted palaeochannels.</p> </li> <li> <p>• <b>LOCATED CLOSE TO ESTABLISHED INFRASTRUCTURE</b></p> <p>The Projects lie near existing transport and energy infrastructure as follows:</p> <ol style="list-style-type: none"> <li>a) <b>Distance to sealed road</b> – Lake Rason and Lake Throssell lie approximately 200 km from a sealed road at Laverton.</li> <li>b) <b>Close to major road</b> – The Lake Throssell Potash Project lies adjacent to the unsealed Great Central Road through to Alice Springs and Queensland via the Outback Highway. The respective state governments, including Western Australia, intend to upgrade and seal sections of this road.</li> <li>c) <b>Close to established railhead at Leonora</b> – The Malcom railhead at Leonora is 105 km from Laverton via the sealed Leonora to Laverton Road.</li> <li>d) <b>Close to gas pipelines</b> – The Eastern Goldfields and Yamarna Gas Pipeline pass through the Laverton Links Potash Project. The Lake Throssell Potash Project is approximately 60 km northeast of the terminus of the Yamarna Gas Pipeline.</li> <li>e) <b>Proximity to port</b> – The total transport distance to the Port of Esperance is approximately 950 km for both Projects.</li> </ol> </li> <li> <p>• <b>AN EXPLORATION TARGET</b></p> <p>The Company has established an Exploration Target<sup>1</sup> at the Lake Rason Prospect (part of the Laverton Links Potash Project) based on historical exploration work, shallow pit sampling, geophysical surveys and 1,050 m of air core drilling. The JORC Compliant Exploration Target is 2.5 - 9.0 Mt of drainable SOP with a weighted average grade of 4.3 - 6.3 kg/m<sup>3</sup> SOP.</p> </li> </ul> | <p>Section 7</p>    |

<sup>1</sup>An Exploration Target is not a Mineral Resource. An explanation of the basis of the Exploration Target, including the relevant information on which it is based, is detailed in and should be read in conjunction with Appendix C of the Independent Geologist's Report (refer to Section 11 of this Prospectus).

| Topics  | Summary   | Further Information |
|---|---|---------------------|
| What is the purpose of this Prospectus?                           | <p>The purpose of this Prospectus is to:</p> <ul style="list-style-type: none"> <li>raise \$4,500,000 (before costs) pursuant to the Public Offer;</li> <li>assist the Company to meet the requirements of ASX and satisfy Chapters 1 and 2 of the Listing Rules, as part of the Company's application for Admission;</li> <li>provide disclosure under part 6D of the Corporations Act in respect of the issue of the Securities the subject of the Vendor Offer, the Seed Options Offer and the Broker Options Offer; and</li> <li>position the Company to achieve its objectives.</li> </ul> | Section 6.11        |
| Why is the Company seeking to raise funds under the Public Offer? | The Company is seeking to raise funds in order to continue exploration and evaluation work on the Projects.   | Sections 6.10 & 7   |

## B. Key Investment Risks

The Company's business, assets and operations are subject to certain risk factors that have the potential to influence the Company's future operating and financial performance. These risks can positively or negatively impact on the value of an investment in Shares.

The Board aims to manage and mitigate these risks by carefully planning its activities and implementing risk control measures. Some of the broader macro risks are, however, unpredictable and the extent to which the Company can effectively manage them is limited.

Set out below is a summary of specific risks that the Company is exposed to and that may have a direct impact on the Company and its activities or assets. Further details of these and other risks associated with an investment in the Company are outlined in Section 13 of this Prospectus.

| Risk category                                  | Commentary  | Refer to Section of Prospectus |
|--|---|--------------------------------|
| Company specific risks                         |   | Section 13.2                   |
| Nature of mineral exploration and exploitation | <p>Possible future development of the Projects is dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receipt of all necessary approvals, climate patterns, technical and operational difficulties, equipment failure, shortages, price increase for goods and/or services (including personnel), or access to the required level of funding.</p> <p>If the Company commences production, its operations may be disrupted by a variety of risks and hazards beyond its control, including, but not limited to, environmental hazards, industrial accidents, technical failures, labour disputes, unusual or unexpected geological formations, changes in the aquifers, flooding and extended interruptions to operations.</p> <p>No assurance can be given that the Company will achieve commercial viability through the exploration or development of its Projects and/or treatment of any deposits.</p> | Section 13.2(a)                |
| Exploration Target                             | An Exploration Target for SOP at the Lake Rason Prospect has been reported in accordance with section 17 of the JORC Code, "An Exploration Target is a statement or estimate of the exploration potential of a mineral deposit in a defined geological setting where the statement or estimate, quoted as a range of tonnes and a range of grade (or quality), relates to mineralisation for which there has been insufficient exploration to estimate a Mineral Resource". An Exploration Target is conceptual in nature and it is uncertain if further exploration will result in the estimation of a Mineral Resource. In addition, by its very nature, an Exploration Target is necessarily imprecise and depends to some extent on interpretations which may prove to be inaccurate.   | Section 13.2(b)                |

| Risk category                                    | Commentary  | Refer to Section of Prospectus |
|--|---|--------------------------------|
| Inability to abstract brine volume               | The Company utilises specialist consultants to determine its ability to abstract brine from the aquifers, but there is a risk that the Company will be unable to abstract the brine at the predicted rates that are required to establish a full scale commercially viable operation. This can occur for a variety of reasons and as a result, pumping rates may be lower than expected, or require additional bores and/or trenches. Further, each bore has its own life expectancy which may be shorter than expected.  | Section 13.2(c)                |
| Variability in brine                             | Brine deposits may be variable due to the geological layering of the host rock, the location within the palaeodrainage system, inflows of other waters carrying other impurities or fresh water, all of which may affect the brine chemistry across the deposit. Additionally, there is the potential for dilution after rainfall which may cause changes in the brine recovery and this variability may cause different evaporation rates.   | Section 13.2(d)                |
| Inclement weather and natural disasters          | The Company's exploration activities are subject to a variety of risks and hazards which are beyond its control, including hazardous weather conditions such as excessive rain, flooding and fires. Rainfall may also impact and cause dilution of the mineralisation in the brine samples.   | Section 13.2(e)                |
| Climate change                                   | There are a number of risks related to climate change which may affect the Company, including changes to the climate of the area in which the Projects are situated (which, if this results in reduced evaporation rates or increased rainfall, may adversely impact brine recovery and the ability to conduct fieldwork), changes in governmental policy in response to climate change and changes which impact on the agricultural industry and the demand for SOP.   | Section 13.2(f)                |
| Commodity price volatility                       | If the Company is successful in progressing to mineral production, revenue will derive from commodity sales which will expose the Company to commodity price and exchange rate risk.  | Section 13.2(i)                |
| New operational commodity and lack of experience | The exploration of potash products by way of brine exploration and evaluation is an emerging industry in Australia and there may be a lack of suitably trained professionals to conduct such activities. A failure to source, or a delay in sourcing, appropriately qualified professionals in Australia will likely have an adverse effect on the Company's ability to conduct its operations and on its financial position.   | Section 13.2(k)                |
| Additional funds                                 | <p>The funds raised under the Public Offer are considered sufficient to meet the exploration and evaluation objectives of the Company as disclosed in this Prospectus. However, additional funding will be required by the Company to undertake or continue its exploration activities beyond the objectives disclosed in this Prospectus or if exploration costs exceed the Company's estimates.</p> <p>Failure of the Company's efforts to raise any such additional funds may result in delay to or indefinite postponement of execution of the Company's strategy. There can be no assurance that the Company will be able to obtain further financing on a timely basis on favourable terms, or that such further funding will be sufficient to enable the Company to implement its planned commercial strategy.</p> | Section 13.2(t)                |
| Industry specific risks                          |   | Section 13.3                   |
| Operational and technical                        | The operations of the Company will be subject to a number of factors which may include, amongst others: (i) failure to discover any mineral deposits; (ii) technical difficulties associated with the actual development and commercial extraction of the minerals; (iii) failure of the minerals extracted to achieve projected grades; (iv) adverse events outside the Company's control involving the environment or acts of force majeure; (v) increased competition within the industry for access to skilled personnel, equipment, contractors and/or consultants and raw materials in order to carry out the Company's activities; (vi) (if the Company is successful in progressing to mineral production) access to a viable transport solution to get product to market including access to infrastructure.     | Section 13.3(b)                |

| Risk category   | Commentary   | Refer to Section of Prospectus |
|---|--|--------------------------------|
| Results of studies                                    | Subject to the results of exploration and evaluation programs to be undertaken, the Company intends to progressively undertake a number of studies in respect to the Projects, which may include scoping, prefeasibility and feasibility studies. There can be no guarantee that any of the studies will confirm the economic viability of the Projects or the results of other studies undertaken by the Company. Even if a study confirms the economic viability of the Projects, there can be no guarantee that the Projects will be successfully financed and brought into production as assumed or within the estimated parameters in the feasibility study once production commences. Further, the ability of the Company to complete a study may be dependent on the Company's ability to raise further funds to complete the study, if required. | Section 13.3(c)                |
| General risks   |  | Section 13.4                   |
| Compliance with Chapters 1 and 2 of the Listing Rules | There is a risk that the Company may not be able to meet the requirements for admission to the Official List. In the event that one or more of the conditions to the Offers are not satisfied, the Company will not proceed with the Offers.   | Section 13.4(d)                |

| Topics  | Summary   | Further Information |
|---|---|---------------------|
| <b>C. Information about the Offers</b>  |   |                     |
| What is the Public Offer under this Prospectus and what are the key terms?      | Under the Public Offer, the Company is offering 22,500,000 new Shares at an issue price of \$0.20 each with free attaching New Options on the basis of 1 New Option for every 2 Shares subscribed, to raise \$4,500,000 (before associated costs).  | Section 6.1         |
| What is the effect of the Public Offer on the capital structure of the Company? | The Shares issued under the Public Offer will represent approximately 38.8% of the issued capital of the Company following the Offers (on an undiluted basis) and approximately 23.8% of the issued capital of the Company following the Offers (on a fully diluted basis).<br>The New Options issued under the Public Offer will represent approximately 11.9% of the issued capital of the Company following the Offers (on a fully diluted basis).   | Section 6.22        |
| What are the conditions of the Public Offer?                                    | The Public Offer is conditional upon each of the following events occurring: <ul style="list-style-type: none"> <li>the Company raising the Minimum Subscription under the Public Offer (being \$4,500,000); and</li> <li>the Company receiving a letter from ASX confirming that ASX will approve the Shares and New Options for quotation on ASX, on terms which are acceptable to the Company, acting reasonably; and</li> <li>completion occurring under the Share Sale Agreement,</li> </ul> (together the <b>Public Offer Conditions</b> ).<br>If any of the Public Offer Conditions are not satisfied, the Company will not proceed with the Transaction or the Offers and the Company will repay all application monies received, without interest, in accordance with the Corporations Act requirements. | Section 6.6         |

| Topics   | Summary  | Further Information    |
|--|--|------------------------|
| What rights and liabilities attach to the Securities being offered?    | Pursuant to the Public Offer, the Company offers fully paid ordinary shares in the capital of the Company ranking equally with all existing Shares on issue as well as free attaching New Options on the basis of one New Option for every two Shares subscribed. The terms of the New Options are contained in Section 15.4(b) of this Prospectus.  | Section 15             |
| Is the Public Offer underwritten?                                      | No, the Public Offer is not underwritten.  | Section 6.7            |
| Who is the Lead Manager to the Public Offer?                           | The Company has appointed CPS Capital Group Pty Ltd as Lead Manager to the Public Offer.   | Sections 6.18 and 14.1 |
| Will the Shares and New Options be listed?                             | <p>An application will be made to the ASX within seven days after the date of lodgement of this Prospectus for Admission and for Official Quotation of the Company's Shares and the New Options. If approval is not granted by ASX within 3 months after the date of this Prospectus (or such longer period as permitted by law), the Company will not allot or issue any Shares or New Options. In that circumstance, all Applications will be dealt with in accordance with the Corporations Act.</p> <p>If approval for Official Quotation is granted, it is proposed that Shares will trade on ASX under the ASX code "TMG" and the New Options will trade under ASX code "TMGO".</p>  | Section 6.15           |
| Where will the Offers be made?   | No action has been taken to register or qualify the Securities, or otherwise permit a public offering of the Securities the subject of this Prospectus, in any jurisdiction outside Australia. Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed.   | Section 6.17           |
| What are the tax implications of investing in Shares under the Offers? | <p>The acquisition and disposal of Securities will have tax consequences, which will differ depending on the individual financial affairs of each investor. Potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Securities from a taxation viewpoint and more generally.</p> <p>To the maximum extent permitted by law, the Company, its officers and each of their respective advisers accept no liability and responsibility with respect to the taxation consequences of investors subscribing for Securities under this Prospectus. All prospective investors in any location must gain their own tax advice before making an Application under the Offers.</p>                    | Section 6.26           |
| How do I apply under the Public Offer?                                 | <p>Applications for Shares and New Options under the Public Offer must be:</p> <ul style="list-style-type: none"> <li>made in accordance with the terms set out in the Application Form applicable to the Public Offer. Investors can elect to apply online and make payment electronically using BPAY® or investors may elect to complete an Application Form which must be accompanied by a cheque, made out to "Trigg Mining Limited", expressed in Australian dollars and marked "Not Negotiable" for the full amount of the application being \$0.20 per Share; and</li> <li>for a minimum of 10,000 Shares and 5,000 attaching New Options (\$2,000) and thereafter in multiples of 2,500 Shares and 1,250 attaching New Options (\$500).</li> </ul> | Section 6.12           |
| How will the Securities under the Public Offer be allocated?           | The Directors, in consultation with the Lead Manager, will determine the allottees under the Public Offer in their sole discretion with a view to ensuring an appropriate shareholder base for the Company going forward.  | Section 6.16           |

| Topics   | Summary   | Further Information    |
|--|---|------------------------|
| Is there any brokerage, commission or stamp duty payable by Applicants under the Public Offer?   | <p>No brokerage, commission, GST or duty is payable by Applicants on the acquisition of Securities under the Public Offer.</p> <p>The Company will pay a fee to the Lead Manager of 6% (excluding GST) of the total amount raised under this Prospectus for the Public Offer.</p> <p>Subject to the Company being admitted to the Official List of ASX, the Lead Manager will also receive:</p> <ul style="list-style-type: none"> <li>\$6,000 per month (excluding GST) for corporate advisory services for a minimum of 12 months from Admission; and</li> <li>7,500,000 New Options under the Broker Options Offer.</li> </ul>   | Sections 6.19 and 14.1 |
| When will I receive confirmation that my application under the Public Offer has been successful? | It is expected that holding statements will be sent to successful Applicants on or about 26 June 2019.  | Section 4              |
| How can I find out more about this Prospectus and the Public Offer?                              | <p>Further information on the Public Offer can be obtained by reading this Prospectus and consulting your professional advisors.</p> <p>Questions relating to the Public Offer can be directed to the Company Secretary by telephone on +61 8 9220 2231 or via email at <a href="mailto:info@triggmining.com.au">info@triggmining.com.au</a>.</p> <p>Questions about applying for Securities under the Public Offer can be directed to the Share Registry by telephone on 1300 288 664 (within Australia) or +61 8 9324 2099 (from overseas) or via email at <a href="mailto:corporate.actions@automic.com.au">corporate.actions@automic.com.au</a>.</p>  | Corporate Directory    |
| <b>D. Directors and related party interests and arrangements</b>                                 |   |                        |
| Who are the Directors of the Company?  | <p>The Company's Directors are:</p> <ul style="list-style-type: none"> <li>Managing Director and CEO - Keren Paterson</li> <li>Non-Executive Chairperson - Michael Ralston</li> <li>Non-Executive Director - William Bent</li> </ul>  | Section 9              |
| What qualifications do the Directors have?   | <p><b>Managing Director and CEO</b> - Ms Keren Paterson, BEng (Mining), MBA (Economics), AdvDip (Corporate Governance), FAusIMM, MAICD and a Western Australian First Class Mine Manager is a Mining Engineer with 20 years' experience in the leadership of minerals exploration, mine development, operations management, project financing and was the former founding managing director and CEO of a successful ASX listed exploration company.</p> <p><b>Non-Executive Chairperson</b> - Mr Michael Ralston, BComm, is a former chartered accountant and an experienced company director and former managing director of an ASX listed company with extensive experience in corporate management and finance in the resources sector.</p> <p><b>Non-Executive Director</b> - Mr William Bent, BSc, MBA has 25 years' experience as a chemical engineer, business consultant, business development manager and a former managing director of an ASX listed resources company.</p> | Section 9              |

| Topics                                      | Summary  | Further Information  |  |        |         |                             |         |           |                        |                              |        |           |     |                           |        |           |     |              |
|---|--|--|--|--------|---------|-----------------------------|---------|-----------|------------------------|------------------------------|--------|-----------|-----|---------------------------|--------|-----------|-----|--------------|
| What are the Directors' relevant interests? | <p>The Directors have the following interests in Securities and in the Company:</p> <table border="1"> <thead> <tr> <th>Director</th> <th>Remuneration \$ per annum<sup>1</sup></th> <th>Shares</th> <th>Options</th> </tr> </thead> <tbody> <tr> <td>Keren Paterson<sup>3</sup></td> <td>250,000</td> <td>3,450,000</td> <td>5,000,000<sup>2</sup></td> </tr> <tr> <td>Michael Ralston<sup>4</sup></td> <td>60,000</td> <td>2,600,000</td> <td>Nil</td> </tr> <tr> <td>William Bent<sup>5</sup></td> <td>30,000</td> <td>2,000,000</td> <td>Nil</td> </tr> </tbody> </table> <p><sup>1</sup> Excluding statutory superannuation.</p> <p><sup>2</sup> 3,000,000 Director Options exercisable at \$0.20 each and expiring 31 October 2021, 2,000,000 Director Options exercisable at \$0.25 each and expiring 7 January 2023.</p> <p><sup>3</sup> Ms Keren Paterson also intends to subscribe for 100,000 Shares and 50,000 New Options (\$20,000) under the Public Offer.</p> <p><sup>4</sup> Mr Michael Ralston also intends to subscribe for 125,000 Shares and 62,500 New Options (\$25,000) under the Public Offer.</p> <p><sup>5</sup> Mr William Bent also intends to subscribe for 75,000 Shares and 37,500 New Options (\$15,000) under the Public Offer.</p> <p>Securities held by Directors will be escrowed for a period of 24 months from the date of Official Quotation on ASX, other than 1,450,000 Shares issued to the Managing Director under the Loan Funded Plan, which the Company does not expect will be subject to escrow under the Listing Rules and those subscribed for by Directors under the Public Offer.</p> | Director   | Remuneration \$ per annum <sup>1</sup> | Shares | Options | Keren Paterson <sup>3</sup> | 250,000 | 3,450,000 | 5,000,000 <sup>2</sup> | Michael Ralston <sup>4</sup> | 60,000 | 2,600,000 | Nil | William Bent <sup>5</sup> | 30,000 | 2,000,000 | Nil | Section 15.6 |
| Director                                    | Remuneration \$ per annum <sup>1</sup>   | Shares   | Options                                |        |         |                             |         |           |                        |                              |        |           |     |                           |        |           |     |              |
| Keren Paterson <sup>3</sup>                 | 250,000  | 3,450,000  | 5,000,000 <sup>2</sup>                 |        |         |                             |         |           |                        |                              |        |           |     |                           |        |           |     |              |
| Michael Ralston <sup>4</sup>                | 60,000   | 2,600,000  | Nil                                    |        |         |                             |         |           |                        |                              |        |           |     |                           |        |           |     |              |
| William Bent <sup>5</sup>                   | 30,000   | 2,000,000  | Nil                                    |        |         |                             |         |           |                        |                              |        |           |     |                           |        |           |     |              |
| Are there any related party transactions?   | <p>Yes. The related party agreements include the following:</p> <ul style="list-style-type: none"> <li>• Deeds of Indemnity, Insurance and Access between the Company and each of the Directors; and</li> <li>• Sub-lease Agreement between the Company and Mainsheet Capital WA Pty Ltd, an entity associated with Mr Bent.</li> </ul>  | Section 14   |  |        |         |                             |         |           |                        |                              |        |           |     |                           |        |           |     |              |
| <b>E. Other Disclosures</b>                 |  |  |  |        |         |                             |         |           |                        |                              |        |           |     |                           |        |           |     |              |
| What are the Company's material contracts?  | <p>In addition to those contracts with related parties outlined above, the Company's material contracts comprise:</p> <ul style="list-style-type: none"> <li>• Lead Manager Mandate;</li> <li>• Executive Services Agreement;</li> <li>• Share Sale Agreement;</li> <li>• Farm-in Agreement;</li> <li>• Access Agreement; and</li> <li>• Exploration Access Agreement in respect of the Ngaanyatjarra lands.</li> </ul> <p>The Company also has the following plans in place:</p> <ul style="list-style-type: none"> <li>• Corporate Governance Plan;</li> <li>• Performance Rights Plan; and</li> <li>• Loan Funded Plan.</li> </ul>  | <p>Section 14</p> <p>Section 9</p> <p>Section 15</p> <p>Section 15</p> |  |        |         |                             |         |           |                        |                              |        |           |     |                           |        |           |     |              |

| Topics  | Summary   | Further Information |
|---|---|---------------------|
| What is the Company's financial position?   | Further financial information regarding the Company is set out in the Investigating Accountant's Report.  | Section 10          |
| Will the Company make any financial forecasts?                                    | No. Given the nature of the Company's business and the fact it is still in an early stage of exploration, there are significant uncertainties associated with forecasting future revenues and expenses of the Company. In light of uncertainty as to timing and outcome of the Company's growth strategies and the general nature of the industry in which the Company will operate, as well as uncertain macro market and economic conditions in the Company's markets, the Company's performance in any future period cannot be reliably estimated. On this basis and after considering ASIC Regulatory Guide 170, the Directors believe that reliable financial forecasts for the Company cannot be prepared and accordingly have not included any such financial forecasts in this Prospectus.  | Section 15.12       |
| Will any of the Securities issued under the Offers be subject to escrow?          | <p>None of the Shares or New Options issued under the Public Offer will be subject to escrow.</p> <p>Subject to the Company being admitted to the Official List, certain Securities (other than the Shares and New Options issued under the Public Offer) will be classified by ASX as restricted securities and will be required to be held in escrow for up to 24 months from the date of Official Quotation. During the period in which these Securities are prohibited from being transferred, trading in Shares and New Options may be less liquid which may impact on the ability of a Shareholder to dispose of his or her Shares and/or New Options in a timely manner.</p> <p>The Company will announce to the ASX full details (quantity and duration) of the Securities required to be held in escrow prior to the Shares commencing trading on ASX.</p> <p>The Company's "free float" (being the percentage of Shares not subject to escrow and held by Shareholders that are not related parties of the Company, or their associates) at the time of Admission will be greater than 20%.</p> | Section 6.24        |
| How will the Company report to Shareholders on the performance of the activities? | <p>The Company will send Shareholders an annual report and release information to Shareholders in accordance with the continuous and periodic disclosure requirements of the Listing Rules.</p> <p>Further information regarding the Company will be available on the ASX announcements platform at <a href="http://www.asx.com.au">www.asx.com.au</a> and will also be available on the Company's website at <a href="http://www.triggmining.com.au">www.triggmining.com.au</a>.</p>   | Section 9           |
| Will the Company pay dividends?   | <p>The extent, timing and payment of any dividends in the future will be determined by Directors based on a number of factors, including future earnings and the financial performance and position of the Company.</p> <p>While it is the aim of the Company that, in the longer term, its financial performance and position will enable the payment of dividends, at the date of this Prospectus, the Company does not intend, or expect, to declare or pay any dividends in the immediate foreseeable future, given that its focus will be on long term growth.</p>   | Section 6.27        |

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

## 6. Details of the Offers

### 6.1 Public Offer

Pursuant to this Prospectus, the Company invites applications for a total of 22,500,000 Shares at an issue price of \$0.20 per Share and 11,250,000 free attaching New Options on the basis of one New Option for every 2 Shares subscribed, to raise up to \$4,500,000 before costs (**Public Offer**).

The Shares offered under the Public Offer will rank equally with the existing Shares on issue. The terms of the New Options offered under the Public Offer are set out in Section 15.4(b) of this Prospectus.

### 6.2 Vendor Offer

Pursuant to the terms of the Share Sale Agreement, the Vendors agreed to sell all of the issued shares in K2O Minerals to the Company, in consideration for an issue of 5,262,500 Shares (**Vendor Shares**).

Pursuant to this Prospectus, the Company offers to the Vendors a total of 5,262,500 Shares (being the Vendor Shares) and 4,235,626 Vendor Performance Shares (pursuant to the Farm-in Agreement) (**Vendor Offer**). No funds will be raised under the Vendor Offer.

The Vendor Shares will rank equally with the existing Shares on issue. The terms of the Vendor Performance Shares are set out in Section 15.3 of this Prospectus.

### 6.3 Seed Options Offer

Pursuant to this Prospectus, the Company invites applications from the Seed Capital Providers for a total of 8,387,500 New Options (being one New Option for every two Shares held by such persons as at the date of this Prospectus), for nil consideration (**Seed Options Offer**). No funds will be raised under the Seed Options Offer.

The terms of the New Options offered under the Seed Options Offer are set out in Section 15.4(b) of this Prospectus.

### 6.4 Broker Options Offer

Pursuant to the terms of the Lead Manager Mandate, the Lead Manager (or its nominee(s)) is entitled to receive, subject to Admission, 7,500,000 New Options.

Pursuant to this Prospectus, the Company offers 7,500,000 New Options to be issued to the Lead Manager (or its nominee(s)) (**Broker Options Offer**). No funds will be raised under the Broker Options Offer.

The terms of the New Options offered under the Broker Options Offer are set out in Section 15.4(b) of this Prospectus.

### 6.5 Minimum Subscription

If the minimum subscription to the Public Offer of \$4,500,000 (**Minimum Subscription**) has not been raised within four (4) months after the date of this Prospectus (or such longer period as permitted by law), the Company will not issue any Securities under any of the Offers and will repay all application monies for the Public Offer Securities within the time prescribed under the Corporations Act, without interest.

### 6.6 Conditions of the Public Offer

The Public Offer is conditional upon each of the following events occurring:

- a) (the Company raising the Minimum Subscription under the Public Offer (being \$4,500,000);
- b) the Company receiving a letter from ASX confirming that ASX will approve the Shares and New Options for quotation on ASX, on terms which are acceptable to the Company, acting reasonably; and
- c) completion occurring under the Share Sale Agreement,

(together the **Public Offer Conditions**).

If any of the Public Offer Conditions are not satisfied, the Company will not proceed with the Public Offer and the Company will repay all application monies received for the Public Offer Securities within the time prescribed under the Corporations Act, without interest.

The Vendor Offer, the Seed Options Offer and the Broker Options Offer are each conditional upon the conditions to the Public Offer being satisfied.

### 6.7 Not underwritten

The Public Offer is not underwritten.

## 6.8 Working capital adequacy

The Directors are of the opinion that if the Minimum Subscription of \$4,500,000 is raised from the Public Offer, the Company will have sufficient working capital to carry out its objectives.

## 6.9 Public Offer Oversubscriptions

Oversubscriptions for the Public Offer will not be accepted by the Company. The maximum amount that may be raised under this Prospectus is \$4,500,000.

## 6.10 Objectives of the Company

The Company's main objective upon completion of the Public Offer is to complete the next exploration and evaluation phase which will involve:

- a) **Laverton Links Potash Project:** carrying out further exploration work to seek to expand the Exploration Target, define a JORC compliant Mineral Resource and determine possible processing flow sheet options for the brine; and
- b) **Lake Throssell Potash Project:** conduct a heritage survey and undertake reconnaissance exploration.

The above objectives will be pursued if the Company achieves the Minimum Subscription.

Refer to Section 7.3 of this Prospectus for further details of these objectives.

The funds raised from the Public Offer will also permit the Company to meet its corporate and working capital requirements. Refer to Section 6.21 of this Prospectus for further details.

## 6.11 Purpose of this Prospectus

The purpose of this Prospectus is to:

- a) raise \$4,500,000 (before costs) pursuant to the Public Offer;
- b) assist the Company to meet the requirements of ASX and satisfy Chapters 1 and 2 of the Listing Rules, as part of the Company's application for Admission;
- c) provide disclosure under part 6D of the Corporations Act in respect of the issue of the Securities the subject of the Vendor Offer, the Seed Options Offer and the Broker Options Offer; and
- d) position the Company to achieve the objectives detailed in Section 7.3 of this Prospectus.

## 6.12 Applications

Applications under the Offers must be made in accordance with the applicable Application Form.

Applications for Securities under the Public Offer must be for a minimum of 10,000 Shares (and 5,000 free attaching New Options) and thereafter in multiples of 2,500 Shares (and 1,250 free attaching New Options) and payment for the Shares must be made in full at the issue price of \$0.20 per Share.

The Application Form sets out two options for applying under the Public Offer:

- a) **Option A:** apply online with BPAY® payment

For online application, investors can apply online with payment made electronically via BPAY®. Investors applying online will be directed to use an online Application Form and make payment by BPAY®. Investors will be given a BPAY® biller code and a customer reference number unique to the online Application once the online Application Form has been completed.

BPAY® payments must be made from an Australian dollar account of an Australian institution. Using the BPAY® details, investors must:

- access their participating BPAY® Australian financial institution either via telephone or internet banking;
- select to use BPAY® and follow the prompts; enter the biller code and unique customer reference number that corresponds to the online Application;
- enter the amount to be paid which corresponds to the value of Shares under the online Application;
- select which account payment is to be made from;
- schedule the payment to occur on the same day that the online Application Form is completed. Applications without payment will not be accepted; and
- record and retain the BPAY® receipt number and date paid.

Investors should confirm with their Australian financial institution:

- whether there are any limits on the investor's account that may limit the amount of any BPAY® payment; and
- the cut off time for the BPAY® payment.

Investors can apply online by following the instructions at <https://investor.automic.com.au/triggmining.html> and completing a BPAY® payment. If payment is not made via BPAY®, the Application will be incomplete and will not be accepted. The online Application Form and BPAY® payment must be completed and received by no later than the Closing Date.

- b) **Option B:** Standard paper application with payment by cheque

Investors may complete an Application Form which accompanies and forms part of this Prospectus. Investors must enclose a cheque, made payable to "Trigg Mining Limited" and crossed "Not Negotiable" (Cheque), and mail or deliver both the Application Form (completed in accordance with the terms set out in the Application Form) and the Cheque to the address set out on the Application Form by no later than the Closing Date.

The Company reserves the right to close the Public Offer early, without prior notice. Applicants are therefore encouraged to submit their Application Forms as early as possible. However, the Company reserves the right to extend the Public Offer or accept late Applications.

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

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

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

Electronic sub-registers also mean ownership of securities can be transferred without having to rely upon paper documentation. Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

## 6.14 Privacy statement

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

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

You can access, correct and update the personal information that we hold about you. If you wish to do so, please contact the share registry at the relevant contact number set out in Section 1 of this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the Application, the Company may not be able to accept or process your Application.

## 6.15 ASX listing

Application for Official Quotation by ASX of the Shares and New Options offered pursuant to this Prospectus will be made within 7 days after the date of this Prospectus.

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

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

## 6.16 Allotment

Subject to the Minimum Subscription to the Public Offer being reached and ASX granting conditional approval for the Company to be admitted to the Official List, allotment of Shares and New Options offered under the Public Offer by this Prospectus will take place as soon as practicable after the Closing Date.

Pending the allotment and issue of the Securities or payment of refunds under the Public Offer pursuant to this Prospectus, all Application monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Public Offer Applicant waives the right to claim any interest.

The Directors, in consultation with the Lead Manager, will determine the allottees of all the Securities under the Public Offer in their sole discretion with a view to ensuring an appropriate Shareholder base for the Company going forward. The Directors reserve the right to reject any Application or to allocate any Applicant fewer Securities than the number applied for under the Public Offer. Where the number of Shares issued under the Public Offer is less than the number applied for, or where no allotment is made, surplus Application monies will be refunded without any interest to the Applicant as soon as practicable after the Closing Date.

## 6.17 Applicants outside Australia

This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

No action has been taken to register or qualify the Securities or otherwise permit a public offering of the Securities the subject of this Prospectus in any jurisdiction outside Australia. Applicants who are residents in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed.

If you are outside Australia it is your responsibility to obtain all necessary approvals for the allotment and issue of the Securities pursuant to this Prospectus. The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by you that all relevant approvals have been obtained.

## 6.18 Lead Manager

CPS Capital Group Pty Ltd has been appointed Lead Manager to the Public Offer pursuant to the mandate summarised in Section 14.1 of this Prospectus.

## 6.19 Commissions payable

The Company reserves the right to pay a commission of 4% (exclusive of goods and services tax) of amounts subscribed through any licensed securities dealers or Australian financial services licensee in respect of any valid applications lodged and accepted by the Company and bearing the stamp of the licensed securities dealer or Australian financial services licensee. Payments will be subject to the receipt of a proper tax invoice from the licensed securities dealer or Australian financial services licensee.

## 6.20 Withdrawal

The Directors may at any time decide to withdraw this Prospectus and the Offers in which case the Company will return all Application Monies (without interest) under the Public Offer in accordance with the requirements of the Corporations Act.



## 6.21 Use of funds

As at the date of this Prospectus, the Company has cash reserves of approximately \$250,000.

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

| Funds available                              | Minimum<br>Subscription (\$<br>(\$4,500,000) | Percentage of<br>Funds<br>(%) |
|--|--|-------------------------------|
| Existing cash reserves <sup>1</sup>          | 250,000                                      | 5%                            |
| Funds raised from the Public Offer           | 4,500,000                                    | 95%                           |
| <b>Total Funds</b>                           | <b>4,750,000</b>                             | <b>100%</b>                   |
| <b>Allocation of funds</b>                   |  |                               |
| Exploration and evaluation                   |  |                               |
| Exploration drilling, geophysics and support | 1,720,000                                    | 36                            |
| Establish bores and pump testing             | 370,000                                      | 8                             |
| Laboratory and testwork                      | 165,000                                      | 3                             |
| Environment and other studies                | 80,000                                       | 2                             |
| Rents, rates and heritage                    | 415,000                                      | 9                             |
| Corporate and administration                 | 1,045,000                                    | 22                            |
| Expenses of the Offers <sup>2</sup>          | 540,000                                      | 11                            |
| Working capital                              | 415,000                                      | 9                             |
| <b>Total Funds</b>                           | <b>4,750,000</b>                             | <b>100%</b>                   |

**Notes:**

<sup>1</sup> During the period between 31 December 2018 (being the date on which the Historical Financial Information, detailed in Section 10 of this Prospectus, is based) to the date of this Prospectus, the Company incurred expenditure of approximately \$252,000.

<sup>2</sup> These expenses exclude amounts already paid by the Company totalling \$60,000. Refer to Section 15.9 of this Prospectus for further details of these expenses of the Offers.

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



## 6.22 Capital Structure

The capital structure of the Company following completion of the Offers is summarised below<sup>1</sup>:

| Shares <sup>2</sup>   | Number            |
|---|-------------------|
| Shares currently on issue <sup>3</sup>  | 30,225,000        |
| Shares to be issued pursuant to the Public Offer  | 22,500,000        |
| Shares to be issued to the Vendors under the Vendor Offer <sup>4</sup>                    | 5,262,500         |
| <b>Total Shares on completion of the Offers</b>   | <b>57,987,500</b> |
| Vendor Performance Shares <sup>5</sup>  | Number            |
| Vendor Performance Shares currently on issue  | Nil               |
| Vendor Performance Shares to be issued pursuant to the Public Offer                       | Nil               |
| Vendor Performance Shares to be issued to the Vendors under the Vendor Offer <sup>6</sup> | 4,235,626         |
| <b>Total Vendor Performance Shares on completion of the Offers</b>                        | <b>4,235,626</b>  |
| Options   | Number            |
| Director Options <sup>7</sup> currently on issue  | 5,000,000         |
| New Options <sup>8</sup> to be issued pursuant to the Public Offer                        | 11,250,000        |
| New Options <sup>8</sup> to be issued pursuant to the Seed Options Offer <sup>9</sup>     | 8,387,500         |
| New Options <sup>8</sup> to be issued pursuant to the Broker Options Offer <sup>10</sup>  | 7,500,000         |
| <b>Total Options on completion of the Offers</b>  | <b>32,137,500</b> |

### Notes:

<sup>1</sup> Refer to the Investigating Accountant's Report set out in Section 10 of this Prospectus for further details.

<sup>2</sup> The rights attaching to the Shares are summarised in Section 15.2 of this Prospectus.

<sup>3</sup> The Shares currently on issue were issued progressively between May 2017 and January 2019 as follows:

- 8,500,000 Shares issued as promoter shares at \$0.0001 per Share (which were consolidated to 5,100,000 Shares pursuant to the Consolidation);
- 6,500,000 Shares issued to Directors and their related parties at \$0.0001 per Share (which were consolidated to 3,900,000 Shares pursuant to the Consolidation), please refer to Section 15.6 of this Prospectus;
- 22,625,000 Shares issued to seed investors at \$0.08 per Share (consolidated to 13,575,000 Shares pursuant to the Consolidation);
- 5,000,000 Shares issued to brokers to the seed capital raising at \$0.01 per Share (consolidated to 3,000,000 Shares pursuant to the Consolidation); and
- 750,000 Shares issued to the Managing Director at \$0.08 per Share under the Loan Funded Plan (consolidated to 450,000 Shares pursuant to the Consolidation at a post Consolidation price of \$0.13 per Share), and a further 1,000,000 Shares issued to the Managing Director at \$0.125 per Share following the Consolidation. Please refer to Section 15.5(a) of this Prospectus;
- 3,200,000 Shares issued to seed investors at \$0.125 per Share following the Consolidation,

to fund exploration activities, costs of the Offers and working capital requirements of the Company. In determining the issue price of these Shares, the Directors, in complying with their fiduciary obligation to act in the best interests of the Company, took into account the different stages of development of the Company at various points and the following factors:

- i. the level of risk associated with the development of the Company and its capital raising activities; and
- ii. the Company's position and cash requirements at those times.

On the basis of these considerations, the Directors issued Shares progressively and at a proportion of the Public Offer issue price.

<sup>4</sup> 5,262,500 Shares to be issued to the Vendors under the Share Sale Agreement as detailed in Section 14.3 of this Prospectus.

<sup>5</sup> The terms and conditions of the Vendor Performance Shares are summarised in Section 15.3 of this Prospectus.

<sup>6</sup> 4,235,626 Vendor Performance Shares to be issued to the Vendors under the Farm-In Agreement as detailed in Section 14.4 of this Prospectus.

<sup>7</sup> Each Director Option is unquoted. 3,000,000 Director Options are exercisable at \$0.20 per Director Option on or before 31 October 2021 and the remaining 2,000,000 Director Options are exercisable at \$0.25 per Director Option on or before 7 January 2023. The terms and conditions of the Director Options are set out in Section 15.4(a) of this Prospectus.

<sup>8</sup> The terms and conditions of the New Options are set out in Section 15.4(b) of this Prospectus.

<sup>9</sup> Up to 8,387,500 New Options to be issued for nil consideration under the Seed Options Offer.

<sup>10</sup> 7,500,000 Options to be issued for nil consideration under the Broker Options Offer.

## 6.23 Substantial Shareholders

Shareholders holding 5% or more of the Shares on issue both as at the date of this Prospectus and at Admission (taking into account the Securities to be issued under the Vendor Offer, the Seed Options Offer and the Broker Options Offer) are set out in the respective tables below.

### As at the date of this Prospectus

| Shareholder   | Shares    | Options                | %<br>(undiluted) | %<br>(fully diluted) |
|---|-----------|------------------------|------------------|----------------------|
| Trigg Resources Pty Ltd   | 6,375,000 | nil                    | 21.09%           | 18.10%               |
| Mainsheet Capital WA Pty Ltd <sup>1</sup>                                   | 5,075,000 | nil                    | 16.79%           | 14.41%               |
| Keren Paterson <sup>2</sup>   | 3,450,000 | 5,000,000 <sup>5</sup> | 11.41%           | 23.99%               |
| Michael Ralston <sup>3</sup>  | 2,600,000 | nil                    | 8.60%            | 7.38%                |
| Merrill Lynch (Australia) Nominees Pty Ltd<br><Regal Emerging Comp Fund II> | 1,600,000 | nil                    | 5.29%            | 4.54%                |

#### Notes:

- 2,000,000 of these Shares are held by Mainsheet Capital WA Pty Ltd as trustee for William Bent as trustee for the Bent Family Trust.
- 450,000 Shares held personally and issued at \$0.08 per Share under the Loan Funded Plan, all of which have vested, please refer to Section 15.5 of this Prospectus. A further 1,000,000 Shares held personally and issued at \$0.125 per Share under the Loan Funded Plan, which have not yet vested. 2,000,000 Shares held by KP Consulting Group Pty Ltd as trustee for the SSB Trust.
- 2,600,000 Shares held jointly with Sharon Ralston as trustee for the Ralston Family Trust.
- These Options are the Director Options. The terms of the Director Options are set out in Section 15.4(a) of this Prospectus.

### At Admission (assuming no existing substantial Shareholder, other than the Directors as set out in the notes below, subscribes for and receives additional Securities pursuant to the Public Offer)

| Shareholder  | Shares                 | Options                | Vendor<br>Performance<br>Shares | %<br>(undiluted) | %<br>(fully diluted) |
|--|------------------------|------------------------|---------------------------------|------------------|----------------------|
| Trigg Resources Pty Ltd <sup>1</sup>               | nil                    | nil                    | nil                             | nil              | nil                  |
| Mainsheet Capital WA Pty Ltd <sup>2</sup>          | nil                    | nil                    | nil                             | nil              | nil                  |
| Keren Paterson                                     | 3,550,000 <sup>3</sup> | 5,050,000 <sup>6</sup> | nil                             | 6.12%            | 9.06%                |
| Susetta Holdings Pty Ltd<br><Wheeler Family Trust> | 2,736,500              | nil                    | 2,202,526                       | 4.72%            | 5.23%                |
| Michael Ralston <sup>4</sup>                       | 2,725,000              | 62,500                 | nil                             | 4.70%            | 2.89%                |
| Dr Julian Rodney Stephens<br><One Way Trust>       | 2,105,000              | nil                    | 1,694,250                       | 3.63%            | 4.03%                |
| William Bent <sup>5</sup>                          | 2,075,000              | 37,500                 | nil                             | 3.58%            | 2.20%                |

#### Notes:

- The Company has been advised that it is proposed that prior to the date of Admission, an in-specie distribution of Shares held by Trigg Resources Pty Ltd will be completed to the shareholders of Trigg Resources Pty Ltd such that these Shares will have transferred from Trigg Resources Pty Ltd to its shareholders. None of the shareholders of Trigg Resources Pty Ltd are expected to be a substantial Shareholder of the Company at the date of Admission.
- The Company has been advised that it is proposed that prior to the date of Admission, each of the trusts under which these shares are currently held by Mainsheet Capital WA Pty Ltd as trustee will vest such that these Shares will have transferred from Mainsheet Capital WA Pty Ltd to the underlying owners. None of the underlying owners are expected to be a substantial Shareholder of the Company at the date of Admission.
- 450,000 Shares held personally and issued at \$0.08 per Share under the Loan Funded Plan, all of which have vested, please refer to Section 15.5 of this Prospectus. A further 1,000,000 Shares held personally and issued at \$0.125 per Share under the Loan Funded Plan, which have not yet vested. 2,000,000 Shares held by KP Consulting Group Pty Ltd as trustee for the SSB Trust. Ms Paterson also intends to subscribe for 100,000 Shares and 50,000 New Options (\$20,000) under the Public Offer.
- 2,600,000 Shares held jointly with Sharon Ralston as trustee for the Ralston Family Trust. Mr Ralston also intends to subscribe for 125,000 Shares and 62,500 New Options (\$25,000) under the Public Offer.
- 2,000,000 Shares to be held by William Bent as trustee for the Bent Family Trust. Mr Bent also intends to subscribe for up to 75,000 Shares and 37,500 New Options (\$15,000) under the Public Offer.
- These Options consist of 50,000 New Options under the Public Offer and 5,000,000 Director Options. The terms of the Director Options are set out in Section 15.4(a) of this Prospectus.

The Company will announce to ASX details of its top 20 Shareholders (as at Admission) prior to the Shares commencing trading on ASX.

## 6.24 Restricted Securities

Subject to the Company being admitted to the Official List, certain Securities on issue prior to the Offers will be classified by ASX as restricted securities and will be required to be held in escrow for up to 24 months from the date of Official Quotation. During the period in which these restricted securities are prohibited from being transferred, trading in Shares and New Options may be less liquid which may impact on the ability of a Shareholder to dispose of his or her Shares and / or New Options in a timely manner.

It is estimated that the restricted Securities which will be subject to escrow on the terms set out below:

- a) a total of 17,787,500 Shares for 24 months from the date of Official Quotation (of which 12,525,000 Shares are primarily held by Directors and substantial Shareholders while 5,262,500 Shares are held by Vendors;
- b) 1,200,000 Shares for 12 months from the dates of issue (held by certain seed capitalists);
- c) 5,000,000 Director Options for 24 months from the date of Official Quotation (held by the Managing Director);
- d) 600,000 New Options for 12 months from the dates of issue (held by certain seed capitalists);
- e) 7,500,000 New Options for 24 months from the date of Official Quotation (held by the Lead Manager or its nominee(s)); and
- f) 4,235,626 Vendor Performance Shares for 24 months from the date of Official Quotation (held by the Vendors).

The Company does not expect that any Securities issued under the Public Offer will be subject to escrow under Listing Rules. The Company will announce to ASX full details (quantity and duration) of the Securities required to be held in escrow prior to the Shares and New Options commencing trading on ASX.

## 6.25 Financial Information

The Company was incorporated in February 2014 and had limited activities during the period to 30 June 2017. The Company commenced exploration activities on the area of land the subject of the Tenements and under the terms of the Farm-in Agreement after that agreement was signed on 12 July 2017. Refer to the Company and Project Overview set out in Section 7 of this Prospectus and the Independent Geologist's Report set out in Section 11 of this Prospectus for more information on those activities.

The Company is not in a position to disclose any key financial ratios other than the Historical Financial Information which is included in the Investigating Accountant's Report set out in Section 10 of this Prospectus.

## 6.26 Taxation

The acquisition and disposal of Securities will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Securities from a taxation viewpoint and more generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Securities under this Prospectus.

## 6.27 Dividend Policy

We anticipate that significant expenditure will be incurred in the evaluation and development of the Company's Projects. These activities, together with the possible acquisition of interests in other projects, are expected to dominate a period of at least two years following the date of this Prospectus. Accordingly, the Company does not expect to declare any dividends for the foreseeable future.

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

## 6.28 Enquiries

This Prospectus provides information for potential investors in the Company and should be read in its entirety. If, after reading this Prospectus you have any questions about any aspect of an investment in the Company, please contact your stockbroker, accountant or independent financial advisor. Enquiries from Australian residents relating to this Prospectus, or requests for paper copies of this Prospectus, should be directed to the Company Secretary on +61 (8) 9220 2231 or via email at [info@triggmining.com.au](mailto:info@triggmining.com.au).

Questions about applying for Securities under the Public Offer can be directed to the Share Registry by telephone on 1300 288 664 (within Australia) or +61 8 9324 2099 (from overseas) or via email at [corporate.actions@automic.com.au](mailto:corporate.actions@automic.com.au).

# 7. Company and Project Overview

## 7.1 Introduction

Trigg Mining Limited (**Trigg Mining** or the **Company**) is built on the guiding principle of building mines communities can be proud of. We're doing this by exploring for the essential potassium mineral fertiliser, sulphate of potash (**SOP**) or potassium sulphate (**K<sub>2</sub>SO<sub>4</sub>**) which provides necessary nutrients for agricultural food production and human health. SOP is particularly important for chloride sensitive crops such as fruits and vegetables, avocados, berries (such as blueberries and grapes), coffee, cocoa, flowers and all crops under glass. It is also important in arid and acidic soils and is known to improve both drought and frost resistance of crops.

Trigg Mining has commenced exploration on a 2,640 km<sup>2</sup> granted tenement package targeting brine hosted SOP mineralisation near Laverton in Western Australia (Figure 7.1). The Laverton location is situated close to existing infrastructure, including potential energy and transport solutions to domestic and international markets (subject to negotiation of suitable access arrangements). The brine hosted SOP targets are formed in ancient river beds (known as palaeochannels) and salt lakes, where evaporation has concentrated the minerals in hypersaline brine over millions of years. Production from brine hosted SOP is typically undertaken through abstraction of mineralised brine water, concentration using solar evaporation ponds and purification. Hence, there is no need for open cut style mining involving drill and blast or large waste rock landforms.

Trigg Mining is raising funds under the Public Offer to advance the exploration and evaluation of the Projects.

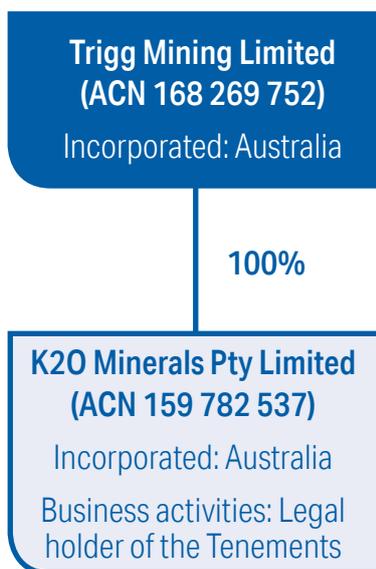


Figure 7.1: Project locations and existing infrastructure

## 7.2 Background

Trigg Mining is a public company incorporated in Australia (ACN 168 269 752) and holds an 80% beneficial interest in the Tenements with joint venture partner, K2O Minerals holding 20%. Through the Share Sale Agreement, Trigg Mining will acquire 100% of the shares in joint venture partner K2O Minerals, making K2O Minerals a 100% owned subsidiary of Trigg Mining. The terms of agreements are summarised in Section 14.3 of this Prospectus.

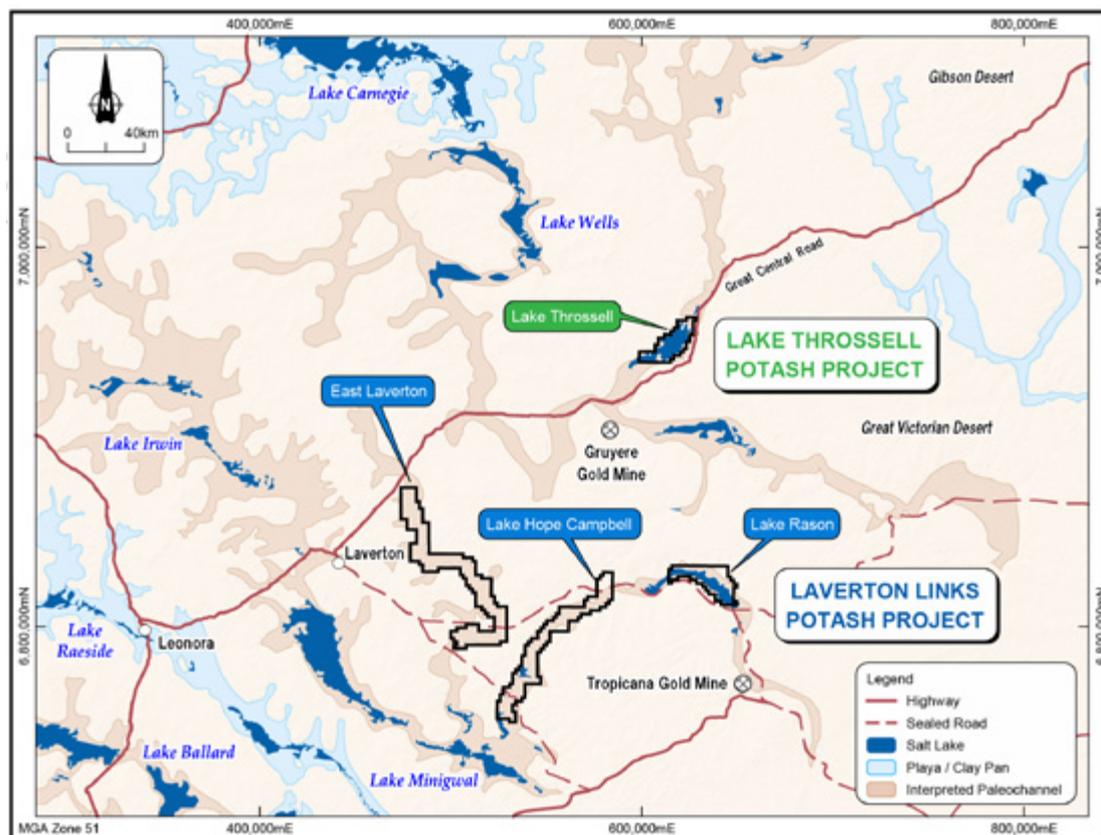
As at the date of this prospectus, the Company has no subsidiaries. At Admission (and upon completion of the Share Sale Agreement), the Company will have a single subsidiary, being K2O Minerals (which will be 100% owned by the Company). K2O Minerals is incorporated in Australia and is the legal holder of the Tenements. The group structure of the Trigg Mining group upon completion of the Share Sale Agreement will be as follows:



Trigg Mining is exploring for sulphate of potash in the Goldfields region of Western Australia where potassium and other minerals have concentrated in the hypersaline brine water of the ancient drainage systems of palaeovalleys, palaeochannels and salt lakes through the dissolution of potassium rich weathered basement rocks within the high net evaporation environment (Figure 7.2).



Managing Director & CEO, Keren Paterson



**Figure 7.2:** Palaeodrainage systems of the eastern Goldfields region of Western Australia showing location of the Projects

The Company's two projects: the Laverton Links Potash Project (made of up three prospects – Lake Rason, Lake Hope Campbell and East Laverton) and the Lake Throssell Potash Project are located within a 35 km to 225 km radius east of Laverton and are nearby the Tropicana and Gryuere gold mines. The Projects cover a total area of 2,640 km<sup>2</sup> and include more than 400 km<sup>2</sup> of playa lakes and 300 km of interpreted palaeochannels (Figure 7.2).

The Laverton Links Potash Project is accessible from Laverton via numerous tracks and roads, and from Kalgoorlie via the Tropicana Gold Mine Access Road (subject to suitable access arrangements remaining in place). The Eastern Goldfields and Yamarna Gas Pipelines pass directly through the Lake Hope Campbell and East Laverton Prospects.

The Lake Throssell Potash Project lies adjacent to the Great Central Road and is 60 km northeast of the Gryuere Gold Mine and the terminus of the Yamarna Gas Pipeline. The Great Central Road is being upgraded by the various State Governments (Western Australia, Northern Territory and Queensland) to provide a reliable trade-route through Central Australia.

The Malcom railhead at Leonora is 105 km from Laverton via a sealed road and provides rail connections to the Ports of Esperance and Fremantle. The total transport distance to Esperance is approximately 950 km for both Projects including approximately 300 km of transport distance via unsealed and sealed road.

The Company's exploration objectives upon completion of the Public Offer are:

- a) **Laverton Links Potash Project:** carrying out further exploration work to seek to expand the Exploration Target, define a JORC Compliant Mineral Resource and determine possible processing flow sheet options for the brine; and
- b) **Lake Throssell Potash Project:** to conduct a heritage survey and undertake reconnaissance exploration.

## 7.3 The Projects

### Laverton Links Potash Project

- Comprises a portfolio of three Prospects (Lake Rason, Lake Hope Campbell and East Laverton) containing eight exploration licences and covering an area of approximately 2,315 km<sup>2</sup>.
- Situated approximately 35 km - 190 km east of Laverton. The Prospects are accessible from Laverton via the Rason Lake Road, Mt Shenton Road and Great Central Road, and from Kalgoorlie via the Tropicana Gold Mine Access Road (subject to suitable access arrangements remaining in place).
- Accessible via two airstrips – the public airport at Laverton and (subject to the negotiation of suitable access arrangements) the Tropicana Gold Mine airstrip located 60 km to the south of Lake Rason.
- The Eastern Goldfields and Yamarna Gas Pipelines pass directly through the East Laverton and Lake Hope Campbell Prospects.
- Early exploration work has identified an Exploration Target at Lake Rason and mineralisation at Lake Hope Campbell.

### Lake Throssell Potash Project

- Comprises a single exploration licence covering an area of 323 km<sup>2</sup>, situated approximately 200 km east of Laverton along the major unsealed Great Central Road through to Alice Springs and Queensland via the Outback Highway.
- The newly established Gruyere Gold Mine and the terminus of the Yamarna Gas Pipeline lie 60 km to the southwest.
- Lies within the Ngaanyatjarra Lands Determination and the Company has successfully negotiated an exploration agreement for the Project.
- Is considered underexplored with little exploration work since the 1970s. Geoscience Australia rates Lakes Throssell as one of the most prospective lakes for sulphate of potash brine in the region<sup>1</sup>.

Table 7.1: Tenements

| Prospect                             | Tenement | Area (Block) | Area (km <sup>2</sup> ) | Status | Application Date | Grant Date | Expiry date | Combined Reporting Group  |
|--------------------------------------|----------|--------------|-------------------------|--------|------------------|------------|-------------|---------------------------|
| <b>Laverton Links Potash Project</b> |          |              |                         |        |                  |            |             |                           |
| Lake Rason                           | E38/3089 | 105          | 316                     | Live   | 14/10/2015       | 04/05/2016 | 03/05/2021  | Lake Rason - C129/2018    |
|                                      | E38/3298 | 25           | 75                      | Live   | 11/01/2018       | 27/09/2018 | 26/09/2023  |                           |
| Lake Hope Campbell                   | E39/2047 | 200          | 600                     | Live   | 07/08/2017       | 26/02/2018 | 25/02/2023  |                           |
|                                      | E38/3259 | 71           | 214                     | Live   | 07/08/2017       | 09/02/2018 | 08/02/2023  |                           |
| East Laverton                        | E38/3299 | 68           | 205                     | Live   | 11/01/2018       | 22/08/2018 | 21/08/2023  | East Laverton - C128/2018 |
|                                      | E38/3300 | 67           | 202                     | Live   | 11/01/2018       | 22/08/2018 | 21/08/2023  |                           |
|                                      | E38/3301 | 64           | 193                     | Live   | 11/01/2018       | 02/08/2018 | 01/08/2023  |                           |
|                                      | E38/3302 | 172          | 517                     | Live   | 11/01/2018       | 02/08/2018 | 01/08/2023  |                           |
| <b>Lake Throssell Potash Project</b> |          |              |                         |        |                  |            |             |                           |
| Lake Throssell                       | E38/3065 | 106          | 323                     | Live   | 08/06/2015       | 01/08/2018 | 31/07/2023  | -                         |

**Note:**

<sup>1</sup> Mernagh, T.P. (ed), 2013. *A review of Australian salt lakes and assessment of their potential for strategic resources*. Record 2013/39. Geoscience Australia: Canberra

### Climate

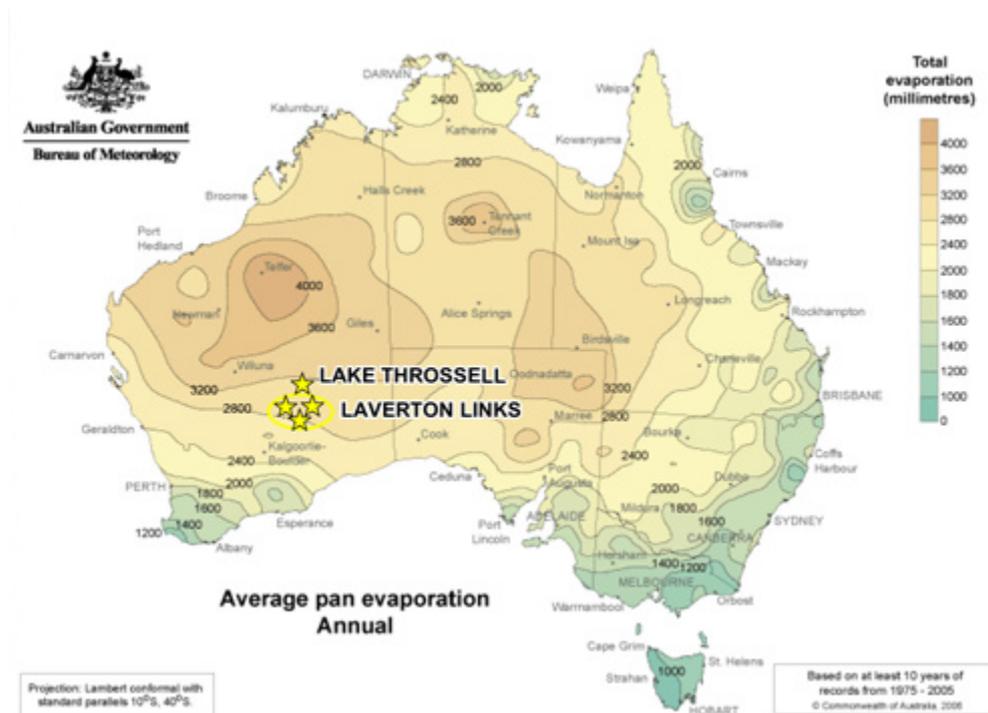
The regional climate of the area of the Projects is arid desert, with hot summers and warm to cold winters and low annual rainfall (Table 7.2). Rainfall is seasonal, mostly occurring between December and June and falls over short periods associated with thunderstorms and cyclonic lows. The climate is characterised by hot dry summers and cold winters, with average maximum temperatures of around 30°C. Daytime temperatures can exceed 40°C during summer, while overnight temperatures can fall below zero during winter.

**Table 7.2:** Laverton monthly mean temperature and rainfall

| Statistic          | Jan  | Feb  | Mar  | Apr  | May  | Jun  | Jul  | Aug  | Sep  | Oct  | Nov  | Dec  | Annual |
|--------------------|------|------|------|------|------|------|------|------|------|------|------|------|--------|
| Mean Max Temp (°C) | 35.8 | 24.8 | 31.9 | 27.2 | 22.1 | 18.5 | 17.8 | 20.0 | 24.5 | 28.0 | 32.1 | 34.9 | 27.3   |
| Mean Min Temp (°C) | 20.5 | 20.0 | 18.0 | 13.9 | 9.5  | 6.6  | 5.2  | 6.4  | 9.5  | 12.8 | 16.6 | 19.3 | 13.2   |
| Mean Rainfall (mm) | 26.7 | 31.7 | 31.4 | 22.0 | 22.9 | 23.2 | 26.5 | 13.2 | 8.8  | 9.5  | 14.6 | 18.1 | 237.0  |

Source: Australian Bureau of Meteorology

The evaporation rate at the Laverton Links Potash Project is estimated to be more than 2,800 mm per year and at the Lake Throssell Potash Project this increases to approximately 3,200 mm (Figure 7.3). Globally there are three significant natural brine operations with varying climates at Great Salt Lake (USA); Salar de Atacama (Chile); and Lop Nur (China) suggesting the current Australian development projects have a climatic advantage over the international projects when compared to Great Lakes (1,300 mm), Salar De Atacama (2,341 mm), and Lop Nur (3,500 mm) where the evaporation only occurs in the summer months with freezing temperatures in the winter.



**Figure 7.3:** Estimated annual evaporation rates

Source: Australian Bureau of Meteorology

## Geological Setting

The geology of each Potash Project is similar and is treated collectively.

Lakes that form the Potash Projects are part of an infilled relict drainage system that developed on Archaean and Permian basement rocks and are ponding areas for the present drainage. Recent lacustrine deposits of gypsum and saline clay, silt, and sand occur in the salt lakes and associated claypans. These are surrounded by aeolian lunette dunes and sheets. Gypsum and quartz are the main constituents, with minor halite and flour gypsum forming dunes up to 10 m high on the eastern (lee) side of the lake.

The Potash Projects are located on the eastern margin of the Archaean Yilgarn Craton which is overlain by the Proterozoic Officer Basin (**Officer Basin**), which, in turn is unconformably overlain by the Late Phanerozoic Gunbarrel Basin, which formed after extrusion of the Early Ordovician Table Hill Volcanics and separated from the Officer Basin by regional uplift and erosion during the Delamerian Orogeny (**Gunbarrel Basin**).

The deposition of the Wanna Formation and Lennis Sandstone followed the Table Hill volcanic event and the Paterson Formation was deposited across the western and south eastern extents of the Gunbarrel Basin during the Late Carboniferous and Early Permian following a period of uplift and erosion.

The Paterson Formation comprises mixed glacial, fluvial-glacial and glacial-lacustrine claystone and siltstone sediments that occur in beds from centimetres to tens of metres thick. Interbedded lenses of ferruginous, unconsolidated sand, gravel and pebbles occur throughout the formation and are thought to infill glacial tarns.

Eocene erosion and fluvial sedimentation deposited alluvial, estuarine and marine sand and silt in the base of the glacial valleys which forms part of the Gunbarrel Basin, at a time when sea levels were thought to be 150 m higher than at present. During the Mid Tertiary, exposed regolith was stripped and deposited as clay and silt in a low-energy alluvial and lacustrine environment, infilling the incised channels. The deposition of thin alluvial, colluvial and eluvial deposits, the onset of arid conditions from the Late Tertiary and increased evaporation has resulted in the formation of salt lakes and shallow deposits of evaporitic gypsum and halite beds throughout these areas.

## Deposit Type and Mineralisation

The palaeochannel systems of the arid regions of northern and eastern Western Australia host potassium rich hypersaline brines, the source of which is thought to be dissolution of potassic rocks by meteoric waters over time.

The formation of salt-lake playas at topographic lows is due to the closed nature of the catchment. This concentrates the minerals throughout the salt-lake system, assisted by elevated evaporation rates relative to rainfall. Episodic convection and downward diffusion beneath the surface mixes the hypersaline brine, causing the entire salt-lake stratigraphic sequence to be saturated with potassium and sulphate rich fluid.

The potential for extensive groundwater resources throughout the palaeochannels and salt-lake systems, have been recognised by historical water supply investigations and exploration by others in the region.

## Environment

Due to the nature of the Projects being at an early stage of exploration, with minimal environmental impact, baseline environmental studies have not yet commenced. Work to characterise the environmental impact will occur as part of evaluation studies. The salt lake systems of the Goldfields are reasonably common and environmental knowledge is therefore extensive, but environmental studies will be needed ahead of project development.

## Native Title and Heritage

An application for the determination of native title has been made by the Nangaanya-ku Native Title Claim Group (WAD460/2018; WC2018/019). The application overlaps land the subject of granted exploration licences E38/3089, E38/3259, E38/3298, E38/3302 and E39/2047 (Figures, 4.3, 4.4, 4.5). The application was accepted for registration by the Native Title Registrar on 9 November 2018 and appears on the Register of Native Title Claims maintained by the National Native Title Tribunal.

Trigg Mining will continue to observe the provisions of the *Aboriginal Heritage Act 1972* (WA) and the *Native Title Act 1993* (Cth) in relation to the carrying out of activities on the Laverton Links tenements.

The area of exploration licence E38/3065 covers land that is the subject of the Ngaanyatjarra Lands Determination, made by the Federal Court of Australia in June 2005 and 2008 (WAD 6004/04). The determination recognises that the Ngaanyatjarra Lands People have exclusive native title rights and interests in the land the subject of E38/3065.

In 2018, Trigg Mining and K2O Minerals negotiated an agreement with the Yarnangu Ngaanyatjarraku Parna (Aboriginal Corporation) RNTBC, in its capacity as the registered native title body corporate in respect of the land the subject of the Ngaanyatjarra Lands Determination, to facilitate the grant of E38/3065 and to govern the carrying out of exploration activities on the tenement. Further details are set out in Section 14.8 of this Prospectus.

## 7.4 Recent Exploration

### Laverton Links Potash Project

#### LAKE RASON PROSPECT

At the Lake Rason Prospect, several exploration programs have been carried out by the joint venture partners including ground geophysics, hand auger sampling, test pit sampling and an 11 - hole aircore drilling program for a total of 1,050 m.

During the drilling program geological samples were taken at 1 m intervals and a total of 141 brine samples were collected across the programs. All brine samples were tested for major anions (Cl, SO<sub>4</sub>) and cations (Na, Ca, Mg, K, B and Li).

#### EXPLORATION TARGET

Based on exploration work undertaken by Trigg Mining and previous explorers, the Company has reported a drainable sulphate of potash Exploration Target<sup>1</sup> as detailed in Table 7.3 for the Lake Rason Prospect. The Exploration Target is 2.5 - 9.0 Mt of drainable SOP with a weighted average grade of 4.3 - 6.3 kg/m<sup>3</sup> SOP.

*According to JORC it should be noted that the Exploration Target is deemed conceptual in nature and there is insufficient exploration to define a Mineral Resource. It is uncertain if further exploration will result in the estimation of a Mineral Resource.*

**Table 7.3:** Lake Rason Exploration Target

| Unit               | Aquifer Volume<br>(Mm <sup>3</sup> ) | Specific Yield (%) |     | Potentially Drainable Brine (Mm <sup>3</sup> ) |     | SOP Grade (kg/m <sup>3</sup> ) |           |      | SOP (Mt)   |            |
|--------------------|--------------------------------------|--------------------|-----|--|-----|--------------------------------|-----------|------|------------|------------|
|                    |                                      | Min                | Max | Min  | Max | -1 δ                           | $\bar{x}$ | +1 δ | Min        | Max        |
| Surficial Aquifer  | 2,000                                | 8                  | 12  | 200  | 300 | 4.35                           | 5.34      | 6.33 | 0.8        | 1.8        |
| Mixed Aquitard     | 5,000                                | 2                  | 10  | 100  | 500 |                                |           |      | 0.5        | 3.4        |
| Silcrete Aquifer   | 300                                  | 5                  | 15  | 20   | 50  |                                |           |      | 0.1        | 0.3        |
| Basal Sand Aquifer | 1,000                                | 15                 | 25  | 200  | 300 |                                |           |      | 0.8        | 1.9        |
| Saprolite Aquifer  | 4,000                                | 1                  | 2   | 40   | 80  | 2.05                           | 3.72      | 5.38 | 0.1        | 0.5        |
| Saprock Aquifer    | 7,000                                | 2                  | 3   | 100  | 200 |                                |           |      | 0.3        | 1.1        |
|                    |                                      |                    |     |  |     |                                |           |      | <b>2.5</b> | <b>9.0</b> |

#### Notes:

Numbers rounded. The Exploration Target range is derived from:

- Aquifer volume for each hydrostratigraphic unit from Leapfrog® model.
- Minimum and maximum Specific Yield (from estimates, peers and published work).
- Minimum grade based on 1 standard deviation (δ) lower than mean.
- Maximum grade based on 1 standard deviation (δ) above mean.
- Grade statistics calculated for transported material and basement material respectively and based on all hydrostratigraphic units within each type (following review of grade distribution with depth).
- Conversion to SOP based on K (mg/L) x 2.23.

For further information refer to the Independent Geologist's Report (Section 11 of this Prospectus).

<sup>1</sup> An Exploration Target is not a Mineral Resource. An explanation of the basis of the Exploration Target, including the relevant information on which it is based, is detailed in and should be read in conjunction with Appendix C of the Independent Geologist's Report (Section 11 of this Prospectus).

### Lake Hope Campbell Prospect

At the Lake Hope Campbell Prospect Trigg Mining acquired third party airborne electromagnetic data to assist in defining the paleochannel geometry and undertook reconnaissance sampling from shallow pits across the tenement, collecting 23 samples. Assays returned results of up to 6.7 kg/m<sup>3</sup> K<sub>2</sub>SO<sub>4</sub> which are consistent with a similar sampling program at Lake Rason.

Trigg Mining considers that these results indicate the potential for mineralisation along the entire 100 km length of the palaeochannel.

## 7.5 Strategy

At the Laverton Links Potash Project the Company's strategy is to focus exploration activities on the more advanced Lake Rason and Lake Hope Campbell Prospects to seek to expand the exploration target and progress towards the estimation of a Mineral Resource and possible processing flow sheet options for the brine. For the less advanced Prospect of East Laverton, a phased and systematic approach to value adding exploration is planned.

At the Lake Throssell Potash Project the Company will undertake a heritage survey and reconnaissance exploration to assess the prospectivity of the Lake.

The Company intends to apply funds raised from the Public Offer over the first two years following Admission as shown in Table 7.4.

**Table 7.4:** Use of funds

| Item   | A\$4.5 million raised | %          |
|--|-----------------------|------------|
| Exploration drilling, geophysics and support | 1,720,000             | 36         |
| Establish bores and pump testing             | 370,000               | 8          |
| Laboratory and testwork                      | 165,000               | 3          |
| Environmental and other studies              | 80,000                | 2          |
| Rents, rates and heritage                    | 415,000               | 9          |
| Corporate and administration                 | 1,045,000             | 22         |
| Cost of the Public Offer <sup>1</sup>        | 540,000               | 11         |
| Working capital                              | 415,000               | 9          |
| <b>Total funds allocated</b>                 | <b>4,500,000</b>      | <b>100</b> |

**Notes:**

<sup>1</sup> These expenses exclude amounts already paid by the Company totalling \$60,000. Refer to Section 15.9 of this Prospectus for further details of these Expenses of the Offers.

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

## 7.6 Potential Additional Projects

If suitable opportunities arise, the Company intends to strategically apply for or acquire additional projects.

## 7.7 Key Strengths

The Board considers that the key strengths and competitive advantages of the Company are as follows:

- **Global demand for fertiliser**  
Global demand for potash fertilisers is strong. The world population continues to expand whilst the area of arable land per capita is falling, placing greater pressure on increasing productivity and crop yields to feed the expanding global population.
- **Premium SOP fertiliser**  
Sulphate of potash contains the essential nutrients of potassium and sulphur without the addition of chloride, making it the primary choice for high-value chloride sensitive crops such as avocados, cashews, almonds, cocoa, berries, stone fruits, citrus, all crops under glass and flowers.
- **Primary source of SOP**  
Brine hosted SOP is the only naturally occurring primary source of SOP, with other methods of production requiring secondary chemical processing, increasing production costs.
- **Potentially certifiable source of organic SOP**  
Brine hosted sources of SOP are natural mined sources, with little to no processing and therefore can be potentially organically certified, essential for organic farming.
- **Portfolio of tenements**  
The Projects cover approximately 2,640 km<sup>2</sup> containing more than 400 km<sup>2</sup> of playa lakes and 300 km of interpreted palaeochannels.
- **Located close to established infrastructure**  
The Projects are located near existing transport and energy infrastructure as follows:

  - Distance to sealed road – Lake Rason and Lake Throssell lie approximately 200 km from a sealed road at Laverton.
  - Close to major road – the Lake Throssell Potash Project lies adjacent to the unsealed Great Central Road through to Alice Springs and Queensland via the Outback Highway. The respective state governments including Western Australia intend to upgrade and seal sections of this road.
  - Close to established railhead at Leonora – The Malcom railhead at Leonora is 105 km from Laverton via the sealed Leonora to Laverton Road.
  - Close to gas pipelines – The Eastern Goldfields and Yamarna Gas Pipelines pass through the Laverton Links Potash Project. The Lake Throssell Potash Project is approximately 60 km northeast of the terminus of the Yamarna Gas Pipeline.
  - Proximity to port – The total transport distance to the deep water Port of Esperance is approximately 950 km for both Projects.
- **An Exploration Target**  
The Company has established an Exploration Target at the Lake Rason Prospect (part of the Laverton Links Potash Project) based on historical exploration work, shallow pit sampling, geophysical surveys and 1,050 m of air core drilling. The Exploration Target is 2.5 - 9.0 Mt of drainable SOP with a weighted average grade of 4.3 - 6.3 kg/m<sup>3</sup> SOP.

## 7.8 Key Investment Risks

Investors should also refer to the key investment risks described in Section 13 of this Prospectus.





# 8. Industry Overview

## 8.1 Introduction

Trigg Mining is engaged in the exploration and evaluation of Sulphate of Potash mineralisation, used predominantly as a mineral fertiliser for high value food crops. Fertilisers are any material added to the soil or applied to plants to improve nutrient supply, plant health, growth and crop yields. Plant nutrients are categorised as primary macronutrients: nitrogen (N), phosphorus (P) and potassium (K), secondary macronutrients: sulphur (S), magnesium (Mg) and calcium (Ca), and micronutrients or trace elements such as copper (Cu), boron (B) and Zinc (Zn).

Sulphate of Potash (**SOP** or  $K_2SO_4$ ) is considered one of the most important specialty potassium fertilisers due to its properties and beneficial effects in soil and plant systems. The outstanding feature of SOP is the combination of two essential macronutrients, potassium and sulphur, forming a highly concentrated fertiliser. Both nutrients are highly soluble in water, providing quick correction of deficiencies and imbalances in crops and soils. No oxidation or reduction processes are involved during the release of these nutrients into solution and consequently SOP has no effect on overall soil pH.

Potassium is considered second only to nitrogen when considering plant nutrient requirements and is commonly considered to be the "quality nutrient". It is an activator of large numbers of enzymes, which control the metabolic pathways in a plant such as energy metabolism, starch and protein synthesis and photosynthesis. Furthermore, it promotes resistance to disease and environmental stresses such as drought and winter frosts. It is also important in fruiting and flowering by strengthening stems and improving colour and flavour.

Sulphur is also an essential nutrient for plant growth and it is often considered to be the fourth macronutrient, along with nitrogen, phosphorus and potassium. In recent years, sulphur deficiencies have become more frequent and the importance of sulphur in crop production is becoming increasingly recognised. Sulphur supports development of proteins and chlorophyll for photosynthesis, and it plays an important role in protecting plants from environmental stress and pests. Some crops, such as canola, require high concentrations of sulphur for optimal crop yield.

It is important for crops to receive an optimal supply of nutrients as humans and animals receive their nutrients from these food sources. Potassium is necessary for the function of all living cells and is an essential dietary mineral and electrolyte. According to the World Health Organisation an increased intake may reduce blood pressure, decrease the risk of cardiovascular disease and stroke, have beneficial effects on bone-mineral density and mitigate the negative consequences of high sodium consumption.

## 8.2 Demand

In 2017, the United Nations estimated the world's population had reached almost 7.6 billion and would continue to expand at 1.1% per annum to reach 8.6 billion by 2030<sup>1</sup>. In contrast, the world's arable land has decreased by more than a third in the 40 years to 2015 and fertiliser application rates have increased by approximately 30% in just the last 15 years (Figure 8.1). More people are going to need more food, and with global arable land decreasing per capita, the need for higher crop yields will become increasingly important for global food security. These higher yields will remove more nutrients from the soils, increasing the need to be replenished with the use of fertilisers.

<sup>1</sup> Source: United Nations, Department of Economic and Social Affairs, Population Division (2017). *World Population Prospects: The 2017 Revision, Key Findings and Advance Tables*. Working Paper No. ESA/P/WP/248. The United Nations has not consented to the inclusion of this statement in this Prospectus.

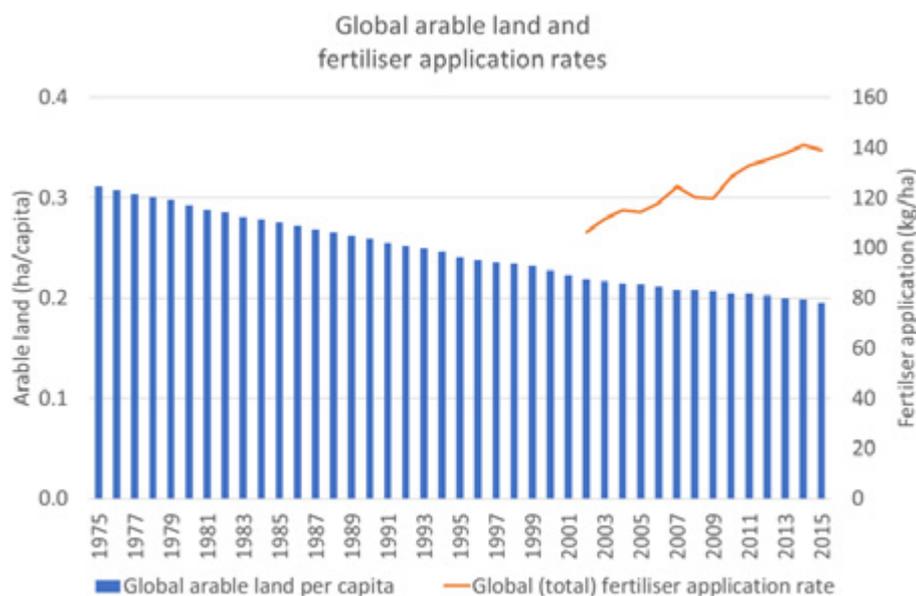


Figure 8.1: Global arable land per capita and fertiliser application rate

Source: World Bank Development Indicators

## 8.3 Potassium Fertilisers

Potassium fertilisers are referred to as potash with two principal sources of potash fertiliser: potassium chloride (**KCl**) and potassium sulphate ( $K_2SO_4$ ). The most abundant form is potassium chloride, commonly known as muriate of potash (**MOP**). SOP is the next most popular form of potash fertiliser and other minor and speciality forms of potash make up the rest of the market including potassium nitrate and potassium magnesium compounds including magnesium sulphates, magnesium chlorides and polyhalite.

Given potassium is an essential plant nutrient, an essential nutritional requirement for animals and humans and there are no substitutes for potassium, potash is considered to be a strategic commodity. It is also not yet commercially produced in any form in Australia.

### Muriate of Potash

MOP consists of approximately 60% potassium oxide ( $K_2O$ ) equivalent and 45% chloride (Cl) and is predominantly used on chloride tolerant crops such as cereal crops. MOP is the cheapest source of potassium available and has the greatest market share, making up approximately 64 Mt (86%) of the overall potash fertiliser market. Production occurs mostly in the northern hemisphere with Canada, Russia and Belarus producing over 60% of the world's MOP and China and Brazil being the largest consumers.

### Sulphate of Potash

SOP consists of 50%  $K_2O$  equivalent and 17% sulphur (S) and is predominantly used on chloride sensitive crops and in acidic soils where MOP cannot be used, making demand inelastic. SOP makes up approximately 7 Mt (9%) of the potash market and is sold at a price premium over MOP. Production occurs mostly in the northern hemisphere with (in 2016) China, Germany and Belgium accounting for 80% of global production and China accounting for 60% of global consumption.

The majority of SOP is manufactured in a chemical conversion of potassium chloride (MOP) by reaction with sulphuric acid in a Mannheim furnace and produces hydrochloric acid as a by-product (described in Section 8.5). The main alternative to this is extraction from natural potassium and sulphate-rich brines, using solar evaporation or from mined sulphate minerals.

## Potassium Magnesium Fertilisers

Potassium magnesium sulphates (**SOPM**) make up around 2.5 Mt of the potassium fertiliser market and are produced predominantly in Germany, USA and China. These can be produced from naturally occurring mineral salts or brines or by mixing potassium sulphate and magnesium sulphate. Consumers apply SOPM as an alternative to potassium sulphate when soil deficiency or crop choice necessitates the application of magnesium. Magnesium (Mg) is another essential plant nutrient and is required for normal growth and development to occur. It is the central atom in the chlorophyll molecule, and plays a role in protein synthesis, activating many enzyme processes, the movement of carbohydrates around the plant, plant respiration, and energy and phosphate metabolism.

Polyhalite,  $(K_2Ca_2Mg(SO_4)_4 \cdot 2H_2O)$  is a member of this group and delivers less potassium per unit of mass than SOP, containing just 14%  $K_2O$ . Trigg Mining is aware of the Woodsmith project in the UK currently in development with a forecast production of 10 Mt Polyhalite per annum from 2024.

## 8.4 Benefits of SOP

SOP fertiliser is a valuable tool in crop management by positively influencing crop yield and quality. SOP nutrients play an important role in the development of proteins, enzymes and vitamins, as well as improving plant photosynthesis and growth. It improves nutritional value, taste and appearance (size, colour, and scent), fruit's resistance to deterioration during transport and storage and its suitability for industrial processing. SOP can improve the uptake of phosphorus, iron, and other micronutrients and helps the plant to be more resistant to drought, frost, insects and many diseases. In sandy soils it can also reduce leaching of cations such as calcium and potassium.

SOP has a low salt index when compared to alternative sources of potassium. The Salt Index (SI) is a measure of salt concentration that a fertiliser induces in the soil and is considered one of the most critical characteristics of fertilisers. SOP, with little to no chloride has a SI of 43 vs MOP with a high proportion of chloride (Cl) and a SI of 120. This is particularly important in semiarid regions with salinity problems and for those crops sensitive to chloride such as fruit (almond, apricot, avocado, banana, citrus, grapes, mango, peach), berries (including strawberry), vegetables (lettuce, onions, sweet pepper), field crops (potato, tobacco), coffee and flowers.

Given the inelastic nature of the demand for SOP and its exceptional qualities, produce growers are willing to pay a higher price for SOP and it effectively serves a separate market to MOP, sustaining a price premium over MOP. Price premiums are further supported by the higher cost of manufacturing SOP in the Mannheim Process. By way of illustration, and noting that historic pricing differentials are not a guarantee of future differentials, on 13 September 2018 the stated landed pricing at the Port of Kwinana was \$989/t (for SOP) and \$618/t (for MOP).

The potential markets for Australian SOP projects include both the domestic and international export markets. SOP does not currently have a recognised spot market in Australia and is generally traded based on individually negotiated contracts.

## 8.5 Sources of SOP

There are three principal methods of producing SOP:

### 1. Natural Brines

About 35% of the world's SOP production is produced from natural brines via solar evaporation. It is a relatively low-cost primary production method, although there are a limited number of operations where geological endowment, logistics and environmental factors align. The weighted-average cost of production for primary producers is approximately US\$260/t.

Natural brines, such as that being explored for by Trigg Mining, are the only source of SOP to be certified as organic. For organic certification SOP must come from natural sources with little or no processing, such as solar evaporation.



Figure 8.2: A visual representation of the production of a solar evaporation SOP project.

## 2. Sulphate Salts Reaction

Potassium chloride (MOP) can be reacted with various sulphate salts, such as sodium sulphate, to produce a double salt and then decomposed to yield potassium sulphate (SOP). Around 20% of the global SOP production comes from this process.

## 3. Mannheim Process

With little over one half of the world's SOP requirements produced from brines (35%) and reacted salts (20%) a synthetic process is required to meet total demand. The process to synthetically manufacture SOP is known as the Mannheim process. In this method, potassium chloride (MOP or KCl), is reacted with sulphuric acid ( $H_2SO_4$ ) by heating in a furnace at temperatures of approximately  $800^{\circ}C$  to produce SOP and hydrochloric acid (HCl). A secondary process is then required to produce a soluble grade product.

The weighted average cost of production for secondary producers in 2017 was approximately US\$320/t and is highly dependent on the input costs of MOP and sulphuric acid.

## 8.6 Opportunities

Trigg Mining has conducted a review of the global SOP market and has formed the view that there are significant opportunities for supply of naturally sourced brine SOP in Australia and the world market.

Australian consumption of SOP and MOP is currently supplied entirely by imports and is estimated at 471,000 tpa (2017/18), with SOP representing approximately 60,000 tpa - 80,000 tpa. The Australian market has frequently seen supply constraints from traditional suppliers, resulting in SOP imports coming from secondary (Mannheim) producers. Currently there is no domestic production of SOP or MOP, although a number of companies are evaluating salt lake brine SOP projects at varying stages of evaluation.

Globally SOP demand has been strong, doubling since 2010 with traditional consumers of SOP having little or no ability to switch to MOP because they are cropping in more arid environments where acidity is an issue, their crops are intolerant of chloride, or where MOP would cause unacceptable leaf and root damage. Soil acidity is cumulative, and while there can be some short-term switching, permanent use of the wrong potash product can cause lasting damage to the soil chemistry.

In Western Australia soil acidity is a major constraint to farming outputs. Extensive surveys of soil pH profiles across the south-west estimate 14.25 million hectares of wheatbelt soils to be acidic or at risk of becoming acidic to the point of restricting production. Production loss and sustainability are of major concern and SOP, with its neutral effect on soil pH is the preferred potassium fertiliser for acidic soils.

Rising salinity is another constraint to farming in Australia and a major cause of land degradation. More than 1 million hectares of agricultural land in the south-west of Western Australia is severely affected by dryland salinity and a further 2.8 - 4.5 million hectares of highly productive, low-lying or valley soils remain under threat. The opportunity cost of lost agricultural production from dryland salinity in the south-west has been calculated to be at least \$519 million per year since 2009/10. MOP, with 45% chloride has a significantly higher salt index at 120 when compared to SOP with a salt index of 43 and Western Australian soils at risk of rising salinity would benefit from having access to a domestic supply of SOP.

Production economics generally favour the primary SOP producers with site costs for producers of brine resources generally lower and less volatile than those of secondary producers as they are insulated from MOP and sulphuric acid price fluctuations.

With ongoing population growth, increasing need for higher crop yields from reducing areas of arable land that are being depleted of nutrients the Board is of the view there will be ongoing demand for SOP and other minerals that can be derived from the saline brines for agricultural uses in Australia and internationally.

## 8.7 Barriers to Entry

There are a number of potential barriers to entry which may limit a new market participant to enter the SOP production market, including:

- To produce SOP from salt lake brines, a new market entrant would need to discover or have access to a natural brine resource that is enriched in potassium and sulphate, in a climate suitable for evaporation with a suitable transport logistics solution to cost-effectively transport the product to the market.
- New market participants without access to a natural brine resource will need to establish secondary processing infrastructure such as furnaces to produce SOP from MOP and sulphuric acid via the Mannheim process. Further environmental restrictions may also apply such as the disposal of hydrochloric acid, a by-product of the Mannheim process.
- Requirement to obtain relevant licences, permits and approvals, including exploration tenements, mining licences, environmental approvals and land access agreements.
- Location in relation to key transport routes, energy infrastructure, and agricultural markets.
- Capital cost and lead time to first production, for both natural brine resources and secondary Mannheim production





# 9. Board, Management and Corporate Governance

## 9.1 Directors and Management

**Keren Paterson** BEng (Mining), MBA (Economics), AdvDip (Corporate Governance), FAusIMM, MAICD  
**Managing Director and CEO**

Ms Paterson is a recognised mining industry leader with more than 20 years' international experience spanning the entire mining value chain. Her roles have involved leading successful green-fields exploration, feasibility studies, mine development, operations management, mining services, debt and equity financing, and mergers & acquisitions.

Prior to founding Trigg Mining, Ms Paterson was the founder and managing director of a uranium company that listed on ASX in 2009. She has also held corporate roles with Fortescue Metals Group, CopperCo, Resource Capital Funds and Mainsheet Capital, and operational management roles across 18 open pit and underground operations with Mines and Resources Australia (Areva), MPI Mines, Outokumpu, Goldfields, RGC and others in the Western Australian Goldfields.

Ms Paterson is a Mining Engineer from the WA School of Mines with a Master of Business Administration. She holds a WA First Class Mine Manager Certificate and was a Telstra Western Australian Young Business Women of the Year.

**Michael Ralston** BComm  
**Non-Executive Chairperson**

Mr Ralston is a former chartered accountant and an experienced mining executive (previously undertaking roles as chairman, managing director and chief financial officer) having worked for four junior ASX-listed resource companies over the last 13 years. In April 2017 he resigned as Managing Director of Balamara Resources having led its development from a start-up in 2011 to a substantial pre-production company, via the acquisition and development of three coal projects in southern Poland.

Prior to Balamara, Mr Ralston was CFO of Kangaroo Resources taking the company from a listed shell to a market capitalisation of over A\$600 million over a 2-year period before the company's trade sale to a leading international producer. He has extensive experience in developing several junior resource companies through IPOs and beyond on the ASX, AIM and LSE and he has worked as a senior executive across a broad range of industries in Australia, Africa and the UK over the last 25 years.

In January 2008, Mr Ralston was a director of View Resources Limited (**View**) which went into voluntary administration owing to concerns that View may not continue to operate in a position of solvency, due to operational issues at the Bronzewing Gold Mine. Mr Ralston resigned from View in March 2008 after the administrators were appointed, Mr Ralston notes that no action was taken against any director or officer of View thereafter.

**William Bent** BSc, MBA  
**Non-Executive Director**

Mr Bent is a former chartered engineer and has 25 years' international experience in resources and corporate advisory. He is a Director of Mainsheet Capital and was the Managing Director of Chalice Gold from 2012 to 2014 where he led the acquisition of exploration and development projects for the company. Prior to Chalice, Mr Bent was VP Business Development at Mirabela Nickel for 3 years, as part of the operational ramp-up and the refinancing and restructuring team. His advisory experience includes 10 years in strategy and M&A for the mining resources and utility sectors in both Australia and UK.

Mr Bent started his career as a metallurgist for AngloGold in South Africa before moving to Genesis Oil & Gas Consultants as a process engineer, during which time he became a Chartered Engineer with the Institute of Chemical Engineers (UK).

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**Karen Logan** BComm, Grad Dip AppCorpGov, FCIS, FGIA, F Fin, FAICD

**Company Secretary**

Ms Logan is a Chartered Secretary with extensive compliance, capital raising, merger and acquisition, IPO and backdoor listing experience in a diverse range of industries including technology, media, resources, health care and life science. She has assisted a substantial number of private start-ups and established businesses transition to being publicly-listed companies for over 15 years.

Ms Logan is an active member of the Governance Institute and has participated as a mentor of the University of Western Australia's Career Mentor Link program for over 9 years. Ms Logan is presently the principal of a consulting firm and company secretary of a number of ASX-listed companies, providing corporate services to those clients.

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**Neil Inwood** M.Sc (Ore Deposit Geology) UWA, B.Sc (Applied Geology), FAusIMM

**Technical Manager**

Mr Inwood has over 25 years' international geology experience in gold, base, and specialty metals. He has significant consulting and venture capital experience in the last 15 years and was previously the Managing Director at Berkut Minerals, Executive Geologist with Verona Capital and prior to that, Principal Geologist with the international mining consultancy Coffey Mining. Mr Inwood led the geological team that established the world-class endowment of the Panda Hill Niobium Project in Tanzania for Cradle Resources, and performed the role of Geology Manager for Boss Resources following his involvement in the acquisition phase of the Honeymoon Uranium Mine.

Mr Inwood holds a Master's Degree in Geology and is a Fellow of the AusIMM.

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**Matthew Wheeler** BSc (Hons) App Geology, MAIG

**Consulting Geologist**

Mr Wheeler is a director and shareholder of K2O Minerals, the current legal owner of the Projects and joint venture partner to Trigg Mining. Mr Wheeler has been involved with the Projects since inception and has been assisting with developing the work programs. He will continue to assist with advancing the exploration and evaluation work at the Projects in the capacity of Consulting Geologist to Trigg Mining.

Mr Wheeler is a Geologist with more than 20 years' experience in the Australian and international mineral resources sector. Mr Wheeler has held exploration, resource evaluation, project development and management roles in a range of commodities including gold, uranium and industrial minerals. Mr Wheeler has extensive Western Australian experience including exploration and evaluation of surficial and palaeochannel sedimentary hosted mineral systems within the Yilgarn Craton, Officer Basin and Canning Basin.

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## Management and Consultants

The Company is aware of the need to have sufficient management to properly supervise the exploration and (if successful) for the development of the Projects in which the Company has, or will in the future have, an interest and accordingly, the Board will continually monitor the management roles in the Company. As the Projects require an increased level of involvement the Board will look to appoint additional management and/or consultants when and where appropriate to ensure proper management of the Company's Projects.

## 9.2 ASX Corporate Governance Council Principles and Recommendations

### a) Overview

To the extent applicable and considering the Company's size and operating history, the Company has adopted *The Corporate Governance Principles and Recommendations (Third Edition)* as published by the ASX Corporate Governance Council (**Recommendations**) where appropriate.

### b) Charters and policies

The Company's main corporate governance policies, charters and practices as at the date of this Prospectus are outlined in the Company's Corporate Governance Plan, a copy of which is available on the Company's website at [www.triggmining.com.au](http://www.triggmining.com.au).

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

### c) Board of directors

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

- (i) maintain and increase Shareholder value;
- (ii) ensure a prudential and ethical basis for the Company's conduct and activities; and
- (iii) ensure compliance with the Company's legal and regulatory objectives.

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

- (i) developing initiatives for performance and asset growth;
- (ii) reviewing the corporate, commercial and financial performance of the Company on a regular basis;
- (iii) overseeing the Company's processes for making timely and balanced disclosure of all material information;
- (iv) acting on behalf of, and being accountable to, the Shareholders; and
- (v) identifying risks and implementing actions to manage those risks to ensure legal and regulatory compliance.

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

### d) Board composition

The Board currently comprises:

- (i) a non-independent, Managing Director;
- (ii) a non-independent, non-executive Director; and
- (iii) a non-independent, non-executive Chairperson.

The size and composition of the Board will be reviewed as the Company's activities increase in size, nature and scope. The Company recognises the need to appoint an independent director to the Board acknowledging that the expansion of the Company over time may affect the optimum number of directors required to adequately govern the Company's activities.

### e) Risk identification and management

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

### f) Ethical standards

The Board is committed to the establishment and maintenance of appropriate ethical standards.

### g) Independent professional advice

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

### h) Remuneration arrangements

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

The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$500,000 per annum.

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

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

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

#### **i) Trading policy**

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

#### **j) External audit**

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

#### **k) Audit committee**

The Company will not have a separate audit committee until such time as the Board is of a sufficient size and structure, and the Company's operations are of a sufficient magnitude for a separate committee to be of benefit to the Company. In the meantime, the full Board will carry out the duties that would ordinarily be assigned to that committee under the written terms of reference for that committee, including but not limited to, monitoring and reviewing any matters of significance affecting financial reporting and compliance, the integrity of the financial reporting of the Company, the Company's internal financial control system, risk management systems and the external audit function.

#### **l) Diversity policy**

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



## 9.3 Departures from Recommendations

Following Admission, the Company will be required to report any departures from the Recommendations in its Annual Report. The Company's departures from the Recommendations as at the date of this Prospectus are set out on the following pages

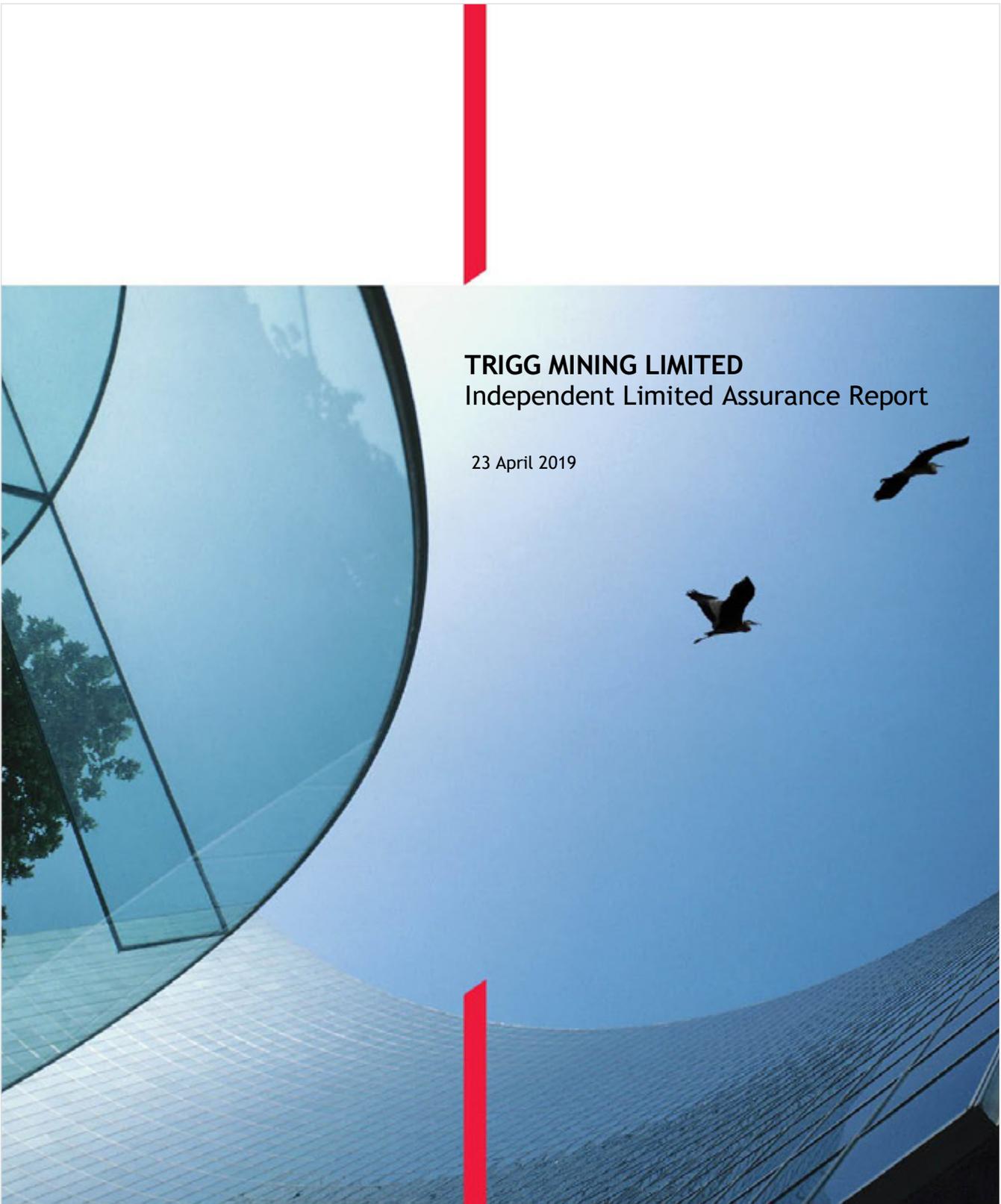
|           | RECOMMENDATIONS   | COMPLIANCE | COMMENT  |
|-----------|---|------------|--|
| <b>1.</b> | <b>Lay solid foundations for management and oversight</b>   |            |  |
| 1.6       | <p>A listed entity should:</p> <ul style="list-style-type: none"> <li>a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</li> <li>b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</li> </ul> | No         | <ul style="list-style-type: none"> <li>a) At this stage, the Company does not engage in a formal review process of the Board, its committees and individual directors. The Board considers that this process is not currently necessary due to the small size of the Board, its committees and the nature of the Company's activities. At this stage, such process remains a discretionary matter for consideration by the Board. However, the Board acknowledges that as the Company and the Board grow in size and activities expand, a review process may be required. Therefore, the Company has included a performance evaluation process under Part 6 of the Company's Corporate Governance Plan titled 'Disclosure – Performance Evaluation' for the Board and its committees.</li> <li>b) Following Admission, the Company will disclose if a performance review was conducted during each reporting period in accordance with the process under Part 6 of the Corporate Governance Plan.</li> </ul> |
| 1.7       | <p>A listed entity should:</p> <ul style="list-style-type: none"> <li>a) have and disclose a process for periodically evaluating the performance of its senior executives; and</li> <li>b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</li> </ul>                              | No         | <ul style="list-style-type: none"> <li>a) (At this stage, the Company does not engage in a formal review process of its senior executives. The Board considers that this process is not currently necessary due to the small number of executives and the nature of the Company's activities. At this stage, such process remains a discretionary matter for consideration by the Board. However, the Board acknowledges that as the Company grows in size and its activities expand, such review process may be required. Therefore, the Company has included a performance evaluation under Part 6 of the Company's Corporate Governance Plan titled 'Disclosure – Performance Evaluation' for the Company's executive team.</li> <li>b) Following Admission, the Company will disclose if a performance review was conducted during each reporting period in accordance with the process under Part 6 of the Corporate Governance Plan.</li> </ul>  |

|           | RECOMMENDATIONS   | COMPLIANCE | COMMENT  |
|-----------|---|------------|--|
| <b>2.</b> | <b>Structure the board to add value</b>   |            |  |
| 2.1       | <p>The board of a listed entity should:</p> <p>a) have a nomination committee which:</p> <ol style="list-style-type: none"> <li>1) has at least three members, a majority of whom are independent directors;</li> <li>2) is chaired by an independent director</li> </ol> <p>and must disclose:</p> <ol style="list-style-type: none"> <li>3) the charter of the committee;</li> <li>4) the members of the committee; and</li> <li>5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendance of members at those meetings; or</li> </ol> <p>b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p> | No         | <p>a) The Company has not established a Nomination Committee. At this stage, the Board considers that given the current size and scope of the Company's operations and the size and composition of the Board, the Company will not benefit from a Nomination Committee.</p> <p>b) The Board is responsible for considering the matters that would otherwise be addressed by a Nomination Committee. The Board charter discloses:</p> <ol style="list-style-type: none"> <li>1) that the composition of the Board is to be reviewed regularly to ensure the appropriate mix of skills and expertise is present to facilitate successful strategic direction; and</li> <li>2) that with respect to the process of appointing, electing or re-electing new members of the Board, consideration must be given to the ability to contribute to the ongoing effectiveness of the Board and the necessary time to fulfil the requirements of the role effectively.</li> </ol> <p>The Board acknowledges that as it grows in size and its activities expand, a Nomination Committee may be required. Therefore, the Company has included a Nomination Committee Charter in its Corporate Governance Plan which covers the requirements in Recommendation 2.1(a).</p> |
| 2.4       | A majority of the board of a listed entity should be independent directors.   | No         | <p>The Board Charter requires that, where practical, the majority of the Board must be independent. At this stage, due to the current size and nature of the existing Board and the magnitude of the Company's operations none of its directors are independent.</p> <p>However, the Company will reconsider its position in relation to any new appointments in the future and make any appointment it deems necessary.</p>   |
| 2.5       | The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity  | Partially  | <p>The Board has formed the view that given the in-depth knowledge of Michael Ralston with respect to the operations of the Company and the resource market in general, Michael Ralston is currently the most appropriate person to hold the position of Chairperson of the Company, despite the fact he is not an independent Director.</p> <p>The Company's Managing Director, Keren Paterson, is not the same individual as the Chairperson.</p>  |

|          | RECOMMENDATIONS  | COMPLIANCE | COMMENT  |
|----------|--|------------|--|
| 2.6      | <p>A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.</p>  | No         | <p>The Company does not currently have any formal induction program or professional development programs for members of the Board. At this stage, the Board considers that given the current size and scope of the Company's operations and the size and composition of the Board, the members of the Board do not require an induction or professional development program.</p> <p>All members of the Board are generally experienced in different areas. However, the Board is responsible for ensuring that all Board members understand the operations of the Company. The Board encourages Board members to further their knowledge by attending industry events, conferences and seminars.</p>   |
| <b>4</b> | <b>Safeguard integrity in corporate reporting</b>  |            |  |
| 4.1      | <p>The board of a listed entity should:</p> <p>a) have an audit committee which:</p> <ol style="list-style-type: none"> <li>1) has at least three members, all of whom are non-executive directors and the majority of whom are independent directors; and</li> <li>2) is chaired by an independent director, who is not the chair of the board,</li> </ol> <p>and disclose:</p> <ol style="list-style-type: none"> <li>3) the charter of the committee;</li> <li>4) the relevant qualifications and experience of the members of the committee; and</li> <li>5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendance of the members at those meetings; or</li> </ol> <p>b) if it does not have an audit committee, disclose that fact and the processes it employs to independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p> | No         | <p>a) The Company has not established an Audit Committee. The Board considers that at this stage an Audit Committee is not necessary given the current size and scope of the Company's operations.</p> <p>b) The Board is responsible for safeguarding the integrity of the Company's corporate reporting. Pursuant to the Board Charter, the Board is responsible for:</p> <ol style="list-style-type: none"> <li>1) meeting with the external auditor without management being present; and</li> <li>2) carrying out the duties that would ordinarily be assigned to the Audit Committee.</li> </ol> <p>The Board acknowledges that as the Company grows in size and its activities expand, an Audit Committee may be required. Therefore, the Company has included an Audit and Risk Committee Charter in its Corporate Governance Plan which covers the requirements in Recommendation 4.1(a).</p> |

|          | RECOMMENDATIONS   | COMPLIANCE | COMMENT   |
|----------|---|------------|---|
| 4.2      | <p>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal controls which are operating effectively.</p>  | Partially  | <p>The Company has not yet appointed a CFO. However, pursuant to the Board Charter, the Board is responsible for:</p> <ul style="list-style-type: none"> <li>a) approving and monitoring the adequacy and integrity of financial and other reporting; and</li> <li>b) all duties that would ordinarily be assigned to the Audit Committee.</li> </ul> <p>At this stage, the Board has not established an Audit Committee. Therefore, the Board is responsible for declaring that:</p> <ul style="list-style-type: none"> <li>a) the Company's financial records have been properly maintained; and</li> <li>b) the financial statements comply with the appropriate accounting standards and give a true and fair view of the Company's financial position and performance; and</li> <li>c) in doing so, confirm if their opinion has been formed on the basis of a sound system of risk management and internal controls which are operating effectively.</li> </ul> |
| <b>7</b> | <b>Recognise and manage risk</b>  |            |   |
| 7.1      | <p>The board of a listed entity should:</p> <ul style="list-style-type: none"> <li>a) have a committee or committees to oversee risk, each of which: <ul style="list-style-type: none"> <li>1) has at least three members, a majority of whom are independent directors; and</li> <li>2) is chaired by an independent director,</li> </ul> </li> </ul> <p>and disclose:</p> <ul style="list-style-type: none"> <li>3) the charter of the committee;</li> <li>4) the members of the committee; and</li> <li>5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</li> </ul> <ul style="list-style-type: none"> <li>b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</li> </ul> | No         | <ul style="list-style-type: none"> <li>a) The Board has not established a Risk Committee. The Board considers that at this stage a Risk Committee is not necessary given the current size and scope of the Company's operations.</li> <li>b) However, the Board is responsible for reviewing and ratifying systems of risk management and internal compliance and control, codes of conduct and legal compliance.</li> </ul> <p>The Board acknowledges that as the Company grows in size and its activities expand, a Risk Committee may be required. Therefore, the Company has included an Audit and Risk Committee Charter in its Corporate Governance Plan which covers the requirements in Recommendation 7.1(a).</p>  |

|          | RECOMMENDATIONS   | COMPLIANCE | COMMENT  |
|----------|---|------------|--|
| 7.3      | <p>A listed entity should disclose:</p> <ul style="list-style-type: none"> <li>a) if it has an internal audit function, how the function is structured and what role it performs; or</li> <li>b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</li> </ul>  | No         | <ul style="list-style-type: none"> <li>a) The Board has not established an internal audit function. The Board considers that at this stage an internal audit function is not necessary given the current size and scope of the Company's operations.</li> <li>b) However, the Board is currently responsible for: <ul style="list-style-type: none"> <li>1) monitoring the need for a formal internal audit function and its scope; and</li> <li>2) overseeing and approving risk management strategy and policies, internal compliance and internal control which are summarised in Part 8 of the Corporate Governance Plan titled 'Disclosure – Risk Management'.</li> </ul> </li> </ul> <p>The Board acknowledges that as the Company grows in size and its activities expand, a Risk Committee may be required. Therefore, the Company has included an Audit and Risk Committee Charter in its Corporate Governance Plan which covers the requirements in Recommendation 7.3(a).</p> |
| <b>8</b> | <b>Remunerate fairly and responsibly</b>  |            |  |
| 8.1      | <p>The board of a listed entity should:</p> <ul style="list-style-type: none"> <li>a) have a remuneration committee which: <ul style="list-style-type: none"> <li>1) has at least three members, a majority of whom are independent directors; and</li> <li>2) is chaired by an independent director,</li> </ul> </li> </ul> <p>and disclose:</p> <ul style="list-style-type: none"> <li>3) the charter of the committee;</li> <li>4) the members of the committee; and</li> <li>5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</li> </ul> <ul style="list-style-type: none"> <li>b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</li> </ul> | No         | <ul style="list-style-type: none"> <li>a) The Board has not established a Remuneration Committee. At this stage, the Board considers that a Remuneration Committee is not necessary given the size and composition of the Board.</li> <li>b) However, the role of the Remuneration Committee is undertaken by the Board. The process employed for determining the remuneration of Directors and senior executives is set out in the Remuneration Committee Charter in Part 4 of the Company's Corporate Governance Plan titled 'Remuneration Committee Charter' which covers the requirements in Recommendation 8.1(a).</li> </ul> <p>The Board acknowledges that as it grows in size and its activities expand, a Remuneration Committee may be required.</p>   |



**TRIGG MINING LIMITED**  
Independent Limited Assurance Report

23 April 2019





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Australia

23 April 2019

The Directors  
Trigg Mining Limited  
c/- Themis Corporate  
Level 1, Office F  
1139 Hay Street  
West Perth WA 6005

Dear Directors

## INDEPENDENT LIMITED ASSURANCE REPORT

### 1. Introduction

BDO Corporate Finance (WA) Pty Ltd (**'BDO'**) has been engaged by Trigg Mining Limited (**'Trigg Mining'** or **'the Company'**) to prepare this Independent Limited Assurance Report (**'Report'**) in relation to historical financial information and pro forma historical information of Trigg Mining, for the Initial Public Offering of ordinary shares in Trigg Mining (**'Shares'**), for inclusion in the prospectus in relation to that offering (**'the Prospectus'**). Broadly, the Prospectus will include an offer of 22,500,000 Shares at an issue price of \$0.20 each to raise \$4.50 million before costs (**'the Public Offer'**), and 11,250,000 free-attaching options (on the basis of one option for every two shares subscribed for) exercisable at \$0.20 each on or before 31 October 2021 (**'Free Attaching Options'**). The Public Offer is subject to a minimum subscription level of 22,500,000 Shares to raise \$4.5 million before costs.

Pursuant to the Prospectus, Trigg Mining will also offer a total of 8,387,500 new options (**'Seed Capital Options'**), being One Seed Capital Option for every two shares held by providers of seed capital to the Company, for nil consideration (**'Seed Options Offer'**). No funds will be raised under the Seed Options Offer.

Trigg Mining will also acquire 100% of the issued capital of K20 Minerals Pty Ltd (**'K20 Minerals'**) pursuant to the terms and conditions of the share sale agreement dated 12 March 2018 (and varied on 20 July 2018 and 31 December 2018) (**'the Acquisition'**). The material terms of the Acquisition are set out in Section 14.3 of the Prospectus.

Under the terms of the Acquisition, consideration for 100% of the issued capital in K20 Minerals will be in the form of 5,262,500 fully paid ordinary shares.

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BDO Corporate Finance (WA) Pty Ltd ABN 27 124 031 045 AFS Licence No 316158 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Corporate Finance (WA) Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation, other than for the acts or omissions of financial services licensees.

The Company and K2O Minerals also entered into a farm-in agreement on 12 July 2017, which was amended on 20 July 2018, pursuant to a deed of variation (**'The Farm-In Agreement'**). Under the terms of the Farm-In Agreement, Trigg Mining will also issue the following Performance Shares (**'Vendor Performance Shares'**) to the shareholders of K2O Minerals prior to listing. The Vendor Performance Shares will convert in two tranches into Shares upon satisfaction of each of the following milestones (**'Milestone 1'** and **'Milestone 2'**, respectively):

- 2,117,813 Vendor Performance Shares (**'Milestone 1 Vendor Performance Shares'**) will convert into Shares upon the completion of a Scoping Study (as defined in the JORC Code (2012 Edition)) (**'JORC Code'**) relating to one or more of the Tenements by the date falling two years from the date of the Company's admission to the official list of the ASX, which demonstrates at the time of reporting that progress to a Pre-Feasibility Study can be reasonably justified; and
- 4,235,626 Vendor Performance Shares (less the number of any Milestone 1 Vendor Performance Shares that have converted) (**'Milestone 2 Vendor Performance Shares'**) will convert into Shares upon completion, by the date falling four years from the date of the Company's admission to the official list of the ASX, of:
  - a Prefeasibility Study (as defined in the JORC Code) relating to one or more of the Tenements, which demonstrates that all or part of the related Mineral Resources (as defined in the JORC Code) may be converted into an Ore Reserve (as defined in the JORC Code) at the time of reporting; or
  - A Feasibility Study (as defined in the JORC Code) relating to one or more of the Tenements, which demonstrates that extraction is reasonably justified (economically mineable) at the time of reporting.

For the purposes of these Milestones, "Tenements" means Exploration Licences E38/3089, E38/3298, E39/2047, E38/3259, E38/3299, E38/3300, E38/3301, E38/3302 and E38/3065 granted under the Mining Act 1978 (WA), and any grant, extension, renewal, conversion or substitution of any of the foregoing.

Expressions defined in the Prospectus have the same meaning in this Report. BDO Corporate Finance (WA) Pty Ltd (**'BDO'**) holds an Australian Financial Services Licence (AFS Licence Number 316158).

This Report has been prepared for inclusion in the Prospectus. We disclaim any assumption of responsibility for any reliance on this Report or on the Financial Information to which it relates for any purpose other than that for which it was prepared.

## **2. Scope**

You have requested BDO to perform a review engagement in relation to the historical and pro forma historical financial information described below and disclosed in the Prospectus.

The historical and pro forma historical financial information is presented in the Prospectus in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act 2001.

### *Historical Financial Information*

You have requested BDO to review the following historical financial information (together the **'Historical Financial Information'**) of Trigg Mining included in the Prospectus:

- the reviewed Statements of Financial Position, Performance and Cash Flows for Trigg Mining for the half year ended 31 December 2018 and the audited Statements of Financial Performance and Cash Flows for Trigg Mining for the years ended 30 June 2018 and 30 June 2017; and
- the reviewed Statements of Financial Position, Performance and Cash Flows for K2O Minerals for the half year ended 31 December 2018 and the audited Statements of Financial Performance and Cash Flows for K2O Minerals for the years ended 30 June 2018 and 30 June 2017.

The Historical Financial Information has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principles contained in Australian Accounting Standards and the relevant company's adopted accounting policies. The Historical Financial Information for Trigg Mining has been extracted from the financial reports for the half year ended 31 December 2018 and the years ended 30 June 2018 and 30 June 2017.

The financial report for the half year ended 31 December 2018 for Trigg Mining was reviewed by BDO in accordance with the Australian Auditing Standards and they issued an unmodified review conclusion. The financial reports for the years ended 30 June 2018 and 30 June 2017 for Trigg Mining were audited by BDO in accordance with the Australian Auditing Standards and they issued an unmodified audit opinion.

The Historical Financial Information from K2O Minerals has been extracted from the financial reports for the half year ended 31 December 2018 and the years ended 30 June 2018 and 30 June 2017.

The financial report for the half year ended 31 December 2018 for K2O Minerals was reviewed by BDO in accordance with the Australian Auditing Standards and they issued an unmodified review conclusion. The financial reports for the years ended 30 June 2018 and 30 June 2017 for K2O Minerals were audited by BDO in accordance with the Australian Auditing Standards and they issued an unmodified audit opinion.

#### *Pro Forma Historical Financial Information*

You have requested BDO to review the following pro forma historical financial information (the '**Pro Forma Historical Financial Information**') included as appendices to our Report:

- the pro forma historical Statement of Financial Position as at 31 December 2018.

The Pro Forma Historical Financial Information has been derived from the historical financial information of Trigg Mining and K2O Minerals, after adjusting for the effects of the subsequent events described in Section 6 of this Report and the pro forma adjustments described in Section 7 of this Report. The stated basis of preparation is the recognition and measurement principles contained in Australian Accounting Standards applied to the historical financial information and the events or transactions to which the pro forma adjustments relate, as described in Section 7 of this Report, as if those events or transactions had occurred as at the date of the historical financial information. Due to its nature, the Pro Forma Historical Financial Information does not represent the Company's actual or prospective financial position or financial performance.

The Pro Forma Historical Financial Information has been compiled by the Company to illustrate the impact of the events or transactions described in Section 6 and Section 7 of the Report on Trigg Mining's financial position as at 31 December 2018. As part of this process, information about Trigg Mining's financial position has been extracted by Trigg Mining from its financial statements for the half year ended 31 December 2018.

### 3. Directors' responsibility

The directors of Trigg Mining are responsible for the preparation and presentation of the Historical Financial Information and Pro Forma Historical Financial Information, including the selection and determination of pro forma adjustments made to the Historical Financial Information and included in the Pro Forma Historical Financial Information. This includes responsibility for such internal controls as the directors determine are necessary to enable the preparation of Historical Financial Information and Pro Forma Historical Financial Information are free from material misstatement, whether due to fraud or error.

### 4. Our responsibility

Our responsibility is to express limited assurance conclusions on the Historical Financial Information and the Pro Forma Historical Financial Information. We have conducted our engagement in accordance with the Standard on Assurance Engagement ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.

Our review procedures consisted of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A limited assurance engagement is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit or limited assurance reports on any financial information used as a source of the financial information.

### 5. Conclusion

#### *Historical Financial Information*

Based on our limited assurance engagement, which is not an audit, nothing has come to our attention that causes us to believe that the Historical Financial Information, as described in the Appendices to this Report, is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Section 2 of this Report.

#### *Pro Forma Historical Financial information*

Based on our limited assurance engagement, which is not an audit, nothing has come to our attention that causes us to believe that the Pro Forma Historical Financial Information as described in the Appendices to this Report, is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Section 2 of this Report.

### 6. Subsequent Events

The pro-forma Statement of Financial Position reflects the following events that have occurred subsequent to the period ended 31 December 2018:

- The issue of 1,000,000 loan shares to the Managing Director, at an issue price of \$0.125 per share, which vest upon completion of a Scoping Study (as defined in the JORC Code (2012 edition)) relating to one or more of the Tenements by the date falling two years from the date of Admission, which demonstrates at the time of reporting that progress to a Pre-Feasibility Study can be reasonably justified ('Loan Shares'). Pursuant to AASB 2: Share Based Payments, the Loan Shares have been deemed to be granted during the half year ended 31 December 2018. As such, no financial adjustment has been made,

rather we have adjusted the number of shares on issue to reflect the issue of these shares which occurred subsequent to 31 December 2018.

## **7. Assumptions Adopted in Compiling the Pro forma Statement of Financial Position**

The pro forma historical Statement of Financial Position is shown in Appendix 2. This has been prepared based on the financial statements as at 31 December 2018, the subsequent events set out in Section 6, and the following transactions and events relating to the issue of Shares under this Prospectus:

- The issue of 22,500,000 Shares at an offer price of \$0.20 each to raise \$4.50 million before costs pursuant to the Public Offer, based on the minimum subscription;
- The issue of 11,250,000 Free Attaching Options, pursuant to the Public Offer, exercisable at \$0.20 each on or before 31 October 2021. Given that the Public Offer Options are issued on a one for two basis for nil consideration, the value of the Public Offer Options are reflected in the capital raising price. Therefore, we have not made a financial adjustment to reflect the issue of these options;
- Costs of the Public Offer are estimated to be \$540,000. Those costs which relate to the issuing of new Shares are to be offset against contributed equity while the remaining costs are to be expensed. Of the above costs of the Public Offer, we have offset \$290,500 against contributed equity. The remaining \$249,500 has been expensed through accumulated losses;
- The issue of 8,387,500 Seed Capital Options with an exercise price of \$0.20 to the seed capital providers of the Company, subject to the completion of the Public Offer and prior to the admission to the ASX. The Seed Capital Options are being issued for nil consideration to the seed capital providers in their capacity as providers of capital, therefore the value of these options are reflected in the price at which seed capital was provided. As such, no financial adjustment has been made to reflect the issue of Seed Capital Options;
- The issue of 7,500,000 new options to the lead manager, CPS Capital Group Pty Ltd ('CPS'), which are exercisable at \$0.20 on or before 31 October 2021 ('CPS Options'). These are deemed to be a cost of the capital raising and have therefore been offset against contributed equity. The CPS Options have been valued at \$907,500.
- The Company will issue 5,262,500 ordinary shares as consideration for the Acquisition. The Company has considered whether the Acquisition falls within the scope of AASB 3 Business Combinations and therefore is required to be accounted for as a business combination. A business combination involves an acquirer obtaining control of one or more businesses by transferring cash, incurring liabilities or issuing shares. A business is an integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing a return in the form of dividends, lower costs or other economic benefits directly to investors. The Company does not consider that the Acquisition meets the definition of a business combination in accordance with AASB 3 Business Combinations as the acquired assets are not deemed to be a business for accounting purposes, therefore we have provisionally accounted for the Acquisition as an asset acquisition; and
- Pursuant to the Farm-in Agreement, Trigg Mining will also issue Vendor Performance Shares. Currently there are no reasonable grounds on which to assess the likelihood of

the non-market milestones for conversion of the Milestone 1 Vendor Performance Shares and Milestone 2 Vendor Performance Shares being met. Therefore, no adjustments have been made to the pro forma Historical Statement of Financial Position based on the issue of the Milestone 1 Vendor Performance Shares and Milestone 2 Vendor Performance Shares. In accordance with *AASB 2 Share based payments*, the Company will be required to re-assess the probability of the non-market performance milestones being achieved at each reporting date up until expiry of the Milestone 1 Vendor Performance Shares and Milestone 2 Vendor Performance Shares. If we were to value the Milestone 1 Vendor Performance Shares and Milestone 2 Vendor Performance Shares, the value would be expensed over the vesting period, and therefore the expense incurred at the pro-forma date would not be material.

## 8. Independence

BDO is a member of BDO International Ltd. BDO does not have any interest in the outcome of the Offers other than in connection with the preparation of this Report and participation in due diligence procedures, for which professional fees will be received. BDO is the auditor of Trigg Mining and K2O Minerals and from time to time, BDO also provides Trigg Mining with certain other professional services for which normal professional fees are received.

## 9. Disclosures

This Report has been prepared, and included in the Prospectus, to provide investors with general information only and does not take into account the objectives, financial situation or needs of any specific investor. It is not intended to be a substitute for professional advice and potential investors should not make specific investment decisions in reliance on the information contained in this Report. Before acting or relying on any information, potential investors should consider whether it is appropriate for their objectives, financial situation or needs.

Without modifying our conclusions, we draw attention to Section 2 of this Report, which describes the purpose of the financial information, being for inclusion in the Prospectus. As a result, the financial information may not be suitable for use for another purpose.

BDO has consented to the inclusion of this Report in the Prospectus in the form and context in which it is included. At the date of this Report this consent has not been withdrawn. However, BDO has not authorised the issue of the Prospectus. Accordingly, BDO makes no representation regarding, and takes no responsibility for, any other statements or material in or omissions from the Prospectus.

Yours faithfully

**BDO Corporate Finance (WA) Pty Ltd**



**Peter Toll**

Director

**APPENDIX 1**  
**TRIGG MINING LIMITED**

**HISTORICAL STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

|                                       | Reviewed for the<br>half year ended<br>31-Dec-18<br>\$ | Audited for the<br>year ended<br>30-Jun-18<br>\$ | Audited for the<br>year ended<br>30-Jun-17<br>\$ |
|---------------------------------------|--|--|--|
| <b>Income</b>                         |  |  |  |
| Finance income                        | 1,682  | 9,891  | -  |
| Other income                          | 306,536  | -  | -  |
| <b>Total Income</b>                   | <b>308,218</b>   | <b>9,891</b>                                     | <b>-</b>   |
| <b>Expenses</b>                       |  |  |  |
| Corporate and administrative expenses | (623,880)  | (2,228,637)                                      | (249)  |
| Exploration and evaluation expenses   | (106,198)  | (743,457)  | -  |
| Other expenses                        | (73,906)   | (290,574)  | -  |
| <b>Total Expenses</b>                 | <b>(803,984)</b>                                       | <b>(3,262,668)</b>                               | <b>(249)</b>                                     |
| <b>Loss before income tax expense</b> | <b>(495,766)</b>                                       | <b>(3,252,777)</b>                               | <b>(249)</b>                                     |
| Income tax benefit/(expense)          | -  | -  | -  |
| <b>Net Loss for the period</b>        | <b>(495,766)</b>                                       | <b>(3,252,777)</b>                               | <b>(249)</b>                                     |

The Historical Statements of Profit and Loss and Other Comprehensive Income show the historical financial performance of Trigg Mining and are to be read in conjunction with the notes to and forming part of the Historical Financial Information set out in Appendix 5 and the prior year financial information set out in Appendix 3 and Appendix 4. Past performance is not a guide to future performance.

**APPENDIX 2**  
**TRIGG MINING LIMITED**  
**PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

|                                  |       | Trigg Mining<br>Reviewed<br>as at<br>31-Dec-18 | K20<br>Minerals<br>Reviewed<br>as at<br>31-Dec-18 | Pro-forma<br>adjustments | Pro-forma<br>after issue |
|----------------------------------|-------|--|---|--------------------------|--------------------------|
|                                  | Notes | \$   | \$  | \$                       | \$                       |
| <b>CURRENT ASSETS</b>            |       |  |   |                          |                          |
| Cash and cash equivalents        | 2     | 561,867  | 9,359   | 3,960,000                | 4,531,226                |
| Trade and other receivables      |       | 17,922   | 19  | -                        | 17,941                   |
| Other financial assets           |       | 4,219  | -   | -                        | 4,219                    |
| <b>TOTAL CURRENT ASSETS</b>      |       | <b>584,008</b>                                 | <b>9,378</b>                                      | <b>3,960,000</b>         | <b>4,553,386</b>         |
| <b>NON-CURRENT ASSETS</b>        |       |  |   |                          |                          |
| Exploration and evaluation       | 3     | -  | -   | 1,045,834                | 1,045,834                |
| <b>TOTAL NON-CURRENT ASSETS</b>  |       | <b>-</b>                                       | <b>-</b>  | <b>1,045,834</b>         | <b>1,045,834</b>         |
| <b>TOTAL ASSETS</b>              |       | <b>584,008</b>                                 | <b>9,378</b>                                      | <b>5,005,834</b>         | <b>5,599,220</b>         |
| <b>CURRENT LIABILITIES</b>       |       |  |   |                          |                          |
| Trade and other payables         |       | 161,230  | -   | -                        | 161,230                  |
| Employee benefits                |       | 21,677   | -   | -                        | 21,677                   |
| Current tax liabilities          |       | -  | 2,712   | -                        | 2,712                    |
| <b>TOTAL CURRENT LIABILITIES</b> |       | <b>182,907</b>                                 | <b>2,712</b>                                      | <b>-</b>                 | <b>185,619</b>           |
| <b>TOTAL LIABILITIES</b>         |       | <b>182,907</b>                                 | <b>2,712</b>                                      | <b>-</b>                 | <b>185,619</b>           |
| <b>NET ASSETS/(LIABILITIES)</b>  |       | <b>401,101</b>                                 | <b>6,666</b>                                      | <b>5,005,834</b>         | <b>5,413,601</b>         |
| <b>EQUITY</b>                    |       |  |   |                          |                          |
| Accumulated losses               | 4     | (2,254,194)                                    | 6,566   | (256,066)                | (2,503,694)              |
| Contributed equity               | 5     | 2,168,437                                      | 100   | 4,391,900                | 6,560,437                |
| Reserves                         | 6     | 486,858  | -   | 870,000                  | 1,356,858                |
| <b>TOTAL EQUITY</b>              |       | <b>401,101</b>                                 | <b>6,666</b>                                      | <b>5,005,834</b>         | <b>5,413,601</b>         |

*The cash and cash equivalents balance above does not account for working capital movements over the period from 1 January 2019 until completion. We have been advised that the operating costs of Trigg Mining and K20 Minerals for the period subsequent to 31 December 2018 was approximately \$252,000.*

The pro forma Statement of Financial Position after the completion of the Offers is as per the Statement of Financial Position before the Offers adjusted for any subsequent events and the transactions relating to the issue of shares pursuant to this Prospectus. The Statement of Financial Position is to be read in conjunction with the notes to and forming part of the Historical Financial Information set out in Appendix 5 and the prior year financial information set out in Appendix 1, Appendix 3, Appendix 4, Appendix 6, Appendix 7, Appendix 8 and Appendix 9.

**APPENDIX 3**  
**TRIGG MINING LIMITED**  
**HISTORICAL STATEMENTS OF CASH FLOWS**

| Consolidated Statement of Cash Flows                      | Reviewed<br>for the<br>half year<br>ended<br>31-Dec-18<br>\$ | Audited<br>for the<br>year ended<br>30-Jun-18<br>\$ | Audited<br>for the<br>year ended<br>30-Jun-17<br>\$ |
|---|--|---|---|
| <b>Cash flows from operating activities:</b>              |  |   |   |
| Payments to suppliers, employees and creditors (inc GST)  | (283,526)  | (1,634,442)   | -   |
| Interest received   | 1,803  | 9,854   | -   |
| Proceeds from R&D tax incentive refund                    | 306,536  | -   | -   |
| <b>Net cash flows from operating activities</b>           | <b>24,813</b>  | <b>(1,624,588)</b>                                  | <b>-</b>  |
| <b>Cash flows from investing activities:</b>              |  |   |   |
| Payments for property, plant and equipment                | -  | (6,795)   | -   |
| <b>Net cash flows from investing activities</b>           | <b>-</b>   | <b>(6,795)</b>                                      | <b>-</b>  |
| <b>Cash flows from financing activities:</b>              |  |   |   |
| Proceeds from borrowings                                  | -  | 100,000   | -   |
| Repayment of borrowings                                   | -  | (100,000)   | -   |
| Proceeds from issue of share capital (net)                | 388,000  | 1,778,537   | 2,500   |
| Payment for share buy-back                                | (600)  | -   | (12)  |
| <b>Net cash flows from financing activities</b>           | <b>387,400</b>   | <b>1,778,537</b>                                    | <b>2,488</b>  |
| Net increase/(decrease) in cash held                      | 412,213  | 147,154   | 2,488   |
| Cash and cash equivalents at beginning of period          | 149,654  | 2,500   | 12  |
| <b>Cash and cash equivalents at the end of the period</b> | <b>561,867</b>   | <b>149,654</b>                                      | <b>2,500</b>  |

The Historical Statements of Cash Flows show the historical cash flows of Trigg Mining and are to be read in conjunction with the notes to and forming part of the Historical Financial Information set out in Appendix 5.

**APPENDIX 4**  
**TRIGG MINING LIMITED**  
**HISTORICAL STATEMENTS OF FINANCIAL POSITION**

| Statement of Financial Position  | Reviewed as at<br>31-Dec-18<br>\$ | Audited as at<br>30-Jun-18<br>\$ | Audited as at<br>30-Jun-17<br>\$ |
|----------------------------------|-----------------------------------|----------------------------------|----------------------------------|
| <b>CURRENT ASSETS</b>            |                                   |                                  |                                  |
| Cash and cash equivalents        | 561,867                           | 149,654                          | 2,500                            |
| Trade and other receivables      | 17,922                            | 117,902                          | -                                |
| Other financial assets           | 4,219                             | 12,657                           |                                  |
| <b>TOTAL CURRENT ASSETS</b>      | <b>584,008</b>                    | <b>280,213</b>                   | <b>2,500</b>                     |
| <b>TOTAL ASSETS</b>              | <b>584,008</b>                    | <b>280,213</b>                   | <b>2,500</b>                     |
| <b>CURRENT LIABILITIES</b>       |                                   |                                  |                                  |
| Trade and other payables         | 161,230                           | 108,196                          | 1,652                            |
| Employee benefits                | 21,677                            | 14,408                           | -                                |
| <b>TOTAL CURRENT LIABILITIES</b> | <b>182,907</b>                    | <b>122,604</b>                   | <b>1,652</b>                     |
| <b>TOTAL LIABILITIES</b>         | <b>182,907</b>                    | <b>122,604</b>                   | <b>1,652</b>                     |
| <b>NET ASSETS/(LIABILITIES)</b>  | <b>401,101</b>                    | <b>157,609</b>                   | <b>848</b>                       |
| <b>EQUITY</b>                    |                                   |                                  |                                  |
| Issued capital                   | 2,168,437                         | 1,781,037                        | 2,500                            |
| Reserves                         | 486,858                           | 1,631,000                        | -                                |
| Accumulated losses               | (2,254,194)                       | (3,254,428)                      | (1,652)                          |
| <b>TOTAL EQUITY</b>              | <b>401,101</b>                    | <b>157,609</b>                   | <b>848</b>                       |

The Historical Statements of Financial Position show the historical financial position of Trigg Mining and are to be read in conjunction with the notes to and forming part of the Historical Financial Information set out in Appendix 5.

**APPENDIX 5**  
**TRIGG MINING LIMITED**  
**NOTES TO AND FORMING PART OF THE HISTORICAL FINANCIAL INFORMATION**

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies adopted in the preparation of the Historical Financial Information included in this Report have been set out below.

**Basis of preparation of Historical Financial Information**

The Historical Financial Information has been prepared in accordance with the recognition and measurement, but not all the disclosure requirements of the Australian equivalents to International Financial Reporting Standards ('AIFRS'), other authoritative pronouncements of the Australian Accounting Standards Board, Australian Accounting Interpretations and the Corporations Act 2001.

**Going Concern**

The Historical Financial Information has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

The ability of the Company to continue as a going concern is dependent on the success of the fundraising under the Prospectus. The Directors believe that the Company will continue as a going concern. As a result the financial information has been prepared on a going concern basis. However, should the fundraising under the Prospectus be unsuccessful, the entity may not be able to continue as a going concern. No adjustments have been made relating to the recoverability and classification of liabilities that might be necessary should the Company not continue as a going concern.

**Reporting Basis and Conventions**

This historical financial information is also prepared on an accrual basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following is a summary of the material accounting policies adopted by the Company in the preparation of the historical financial information. The accounting policies have been consistently applied, unless otherwise stated.

**a) Income Tax**

The income tax expense comprises current income tax expense. The Company does not apply deferred tax. Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted. Current tax liabilities are therefore measured at the amounts expected to be paid to the relevant taxation authority.

**b) Cash and Cash Equivalents**

Cash and cash equivalents includes cash at bank and in hand, deposits held at call with financial institutions, other short-term highly liquid deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

**a) Trade and other receivables**

Trade receivables and other receivables, including distributions receivable, are recognised at the nominal transaction value without taking into account the time value of money. If required a provision for doubtful debt has been created.

**b) Trade and other payables**

Trade and other payables represent the liabilities for goods and services received by the Company that remain unpaid at the end of the financial period. Trade payables are recognised at their transaction price. They are subject to normal credit terms and do not bear interest.

**c) Revenue Recognition**

Revenues are recognised at fair value of the consideration received net of the amount of GST.

*Interest*

Revenue is recognised as interest accrues using the effective interest method. The effective interest method uses the effective interest rate which is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial asset.

**d) Income tax**

The Company does not apply deferred tax. Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted. Current tax liabilities are therefore measured at the amounts expected to be paid to the relevant taxation authority.

**e) Goods and Services Tax (GST)**

Transactions are recognised net of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the balance sheet.

**f) Exploration and Evaluation Expenditure**

Exploration and evaluation costs, comprise net direct costs (including the costs of acquiring licences) and an appropriate portion of related overhead expenditure directly attributable to the exploration property, relating to current areas of interest.

Expenditure on exploration and evaluation activities in relation to areas of interest which have not yet reached a stage which permits reasonable assessment of the existence or otherwise of economically recoverable reserves are expensed as incurred in accordance with the Company's policy on accounting for exploration and evaluation expenditure.

**g) Contributed Equity**

Ordinary shares are classified as equity.

Costs directly attributable to the issue of new shares or options are shown as a deduction from the equity proceeds, net of any income tax benefit. Costs directly attributable to the issue of new shares or options associated with the acquisition of a business are included as part of the purchase consideration.

**h) Share-based payments transactions**

The Company provides benefits to employees (including directors) of the Company in the form of share options. The fair value of options granted is recognised as an employee expense with a

corresponding increase in equity. The fair value is measured at grant date and spread over the period during which the employee becomes unconditionally entitled to the options. The fair value of the options granted is measured using Black-Scholes valuation model, taking into account the terms and conditions upon which the options were granted.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, on a straight line basis over the period from grant date to the date on which the relevant employees become fully entitled to the award ("vesting date"). The amount recognised as an expense is adjusted to reflect the actual number that vest.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share.

#### **i) Accounting estimates and judgements**

In the process of applying the accounting policies, management has made certain judgements or estimations which have an effect on the amounts recognised in the financial information.

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

##### *Valuation of share based payment transactions*

The valuation of share-based payment transactions is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using the Black-Scholes model taking into account the terms and conditions upon which the instruments were granted.

##### *Determination of fair values on exploration and evaluation assets acquired in business combinations*

On initial recognition, the assets and liabilities of the acquired business are included in the statement of financial position at their fair values. In measuring fair value of exploration projects, management considers generally accepted technical valuation methodologies and comparable transactions in determining the fair value. Due to the subjective nature of valuation with respect to exploration projects with limited exploration results, management have determined the price paid to be indicative of its fair value.

##### *Recoverability of capitalised exploration and evaluation expenditure*

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the company decides to exploit the related lease itself, or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Factors that could impact the future recoverability include the level of reserves and resources, future technological changes, costs of drilling and production, production rates, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

### Government Grants / Research & Development

Government grants are assistance by the government in the form of transfers of resources to the Company in return for past or future compliance with certain conditions relating to the operating activities of the entity. AASB 120 requires that income earned from grants in relation to expenditure on intangible assets is offset against the value of those assets. Income earned from grants relating to costs that are recognised in the statement of profit or loss and other comprehensive income is recognised as income over the period necessary to match it with the costs to which it relates to. Where income is earned from grants that is related to costs recognised in the statement of profit or loss and other comprehensive income in a prior period, that grant income is recognised as other income during the current period. Research & Development tax offsets relate to the same accounting policy treatment as Government grants.

|   | Reviewed<br>as at<br>31-Dec-18<br>\$ | Pro-forma<br>after Offer<br>\$ |
|---|--------------------------------------|--------------------------------|
| <b>NOTE 2. CASH AND CASH EQUIVALENTS</b>          |                                      |                                |
| Cash and cash equivalents                         | 561,867                              | 4,531,226                      |
| Reviewed balance of Trigg at 31-Dec-18            |                                      | 561,867                        |
| Reviewed balance of K2O Minerals at 31-Dec-18     |                                      | 9,359                          |
|   |                                      | 571,226                        |
| <i>Pro-forma adjustments:</i>                     |                                      |                                |
| Proceeds from shares issued under this Prospectus |                                      | 4,500,000                      |
| Capital raising costs                             |                                      | (540,000)                      |
|   |                                      | 3,960,000                      |
| Pro-forma Balance                                 |                                      | 4,531,226                      |

|  | Reviewed<br>31-Dec-18<br>\$ | Pro forma<br>after Offer<br>\$ |
|--|-----------------------------|--------------------------------|
| <b>NOTE 3. EXPLORATION AND EVALUATION</b>                                |                             |                                |
| Exploration and evaluation   | -                           | 1,045,834                      |
| Reviewed balance of Trigg at 31-Dec-18                                   |                             | -                              |
| Reviewed balance of K2O Minerals at 31-Dec-18                            |                             | -                              |
|  |                             | -                              |
| <i>Pro-forma adjustments:</i>  |                             |                                |
| Fair value attributable to exploration assets acquired from K2O Minerals |                             | 1,045,834                      |
|  |                             | 1,045,834                      |
| Pro-forma Balance  |                             | 1,045,834                      |

The basis for the fair value attributable to the exploration assets acquired from K2O Minerals is detailed under Note 7.

| NOTE 4. CONTRIBUTED EQUITY  | Reviewed<br>as at<br>31-Dec-18<br>\$ | Pro-forma<br>after Offer<br>\$ |
|---|--------------------------------------|--------------------------------|
| Contributed equity  | 2,168,437                            | 6,560,437                      |
|   | <b>Number of<br/>shares</b>          | <b>\$</b>                      |
| Fully paid ordinary share capital of Trigg at 31 December 2018        | 29,225,000                           | 2,168,437                      |
| Fully paid ordinary share capital of K2O Minerals at 31 December 2018 | 100                                  | 100                            |
|   | 29,225,100                           | 2,168,537                      |
| <i>Subsequent events:</i>   |                                      |                                |
| Issue of 1,000,000 Loan Shares  | 1,000,000                            | -                              |
|   | 1,000,000                            | -                              |
| <i>Pro-forma adjustments:</i>   |                                      |                                |
| Issue of Shares pursuant to the Acquisition                           | 5,262,500                            | 1,052,500                      |
| Issue of CPS Options deemed to be a cost of the Offer                 | -                                    | (870,000)                      |
| Elimination of the issued capital of K2O Minerals                     | (100)                                | (100)                          |
| Issue of shares pursuant to the Public Offer                          | 22,500,000                           | 4,500,000                      |
| Capital raising costs   | -                                    | (290,500)                      |
|   | 27,762,400                           | 4,391,900                      |
| Pro-forma Balance   | 57,987,500                           | 6,560,437                      |

We note that the Company will issue 4,235,626 Vendor Performance Shares but as these have not vested, do not appear in the above contributed equity note.

We also note that the Loan Shares have an attached Limited Recourse Loan; whereby full payment of the loan must occur prior to disposal. The holder of a share with a Limited Recourse Loan is protected from potential downside risk. For example, if the underlying share price decreases below the loan value, the holder is not required to repay the loan and the shares expire. As such, shares with Limited Recourse Loans are most suitably valued as a call option. However, we note that the Loan Shares were granted prior to 31 December 2018 (but issued subsequently), therefore we have not made a financial adjustment to reflect the issue of these Loan Shares.

|   | Reviewed<br>as at<br>31-Dec-18<br>\$ | Pro-forma<br>after Offer<br>\$ |
|---|--------------------------------------|--------------------------------|
| <b>NOTE 5. ACCUMULATED LOSSES</b>   |                                      |                                |
| Accumulated Losses  | (2,254,194)                          | (2,503,694)                    |
| Reviewed balance of Trigg at 31-Dec-18  |                                      | (2,254,194)                    |
| Reviewed balance of K2O Minerals at 31-Dec-18                                     |                                      | 6,566                          |
|   |                                      | (2,247,628)                    |
| <i>Pro-forma adjustments:</i>   |                                      |                                |
| Elimination of K2O Minerals' accumulated losses upon acquisition                  |                                      | (6,566)                        |
| Costs of the Offers deemed to be not directly attributable to the Capital Raising |                                      | (249,500)                      |
|   |                                      | (256,066)                      |
| Pro-forma Balance   |                                      | (2,503,694)                    |

|   | Reviewed<br>as at<br>31-Dec-18<br>\$ | Pro-forma<br>after Offer<br>\$ |
|---|--------------------------------------|--------------------------------|
| <b>NOTE 6. RESERVES</b>                       |                                      |                                |
| Reserves                                      | 486,858                              | 1,356,858                      |
| Reviewed balance of Trigg at 31-Dec-18        |                                      | 486,858                        |
| Reviewed balance of K2O Minerals at 31-Dec-18 |                                      | -                              |
|   |                                      | 486,858                        |
| <i>Pro-forma adjustments:</i>                 |                                      |                                |
| Issue of CPS Options                          |                                      | 870,000                        |
|   |                                      | 870,000                        |
| Pro-forma Balance                             |                                      | 1,356,858                      |

We have valued the instruments above as follows:

|                           | CPS Options |
|---------------------------|-------------|
| Number of Instruments     | 7,500,000   |
| Underlying share price    | \$0.20      |
| Exercise price            | \$0.20      |
| Expected volatility       | 100%        |
| Expiry date               | 31-Oct-21   |
| Expected dividends        | Nil%        |
| Risk free rate            | 1.47%       |
| Value per Instrument (\$) | 0.116       |
| Value per Tranche (\$)    | 870,000     |

We note that the value of the 11,250,000 Free Attaching Options (exercisable at \$0.20 each on or before 31 October 2021), issued on a one for two basis for nil consideration, is reflected in the capital raising price. Therefore, we have not made a financial adjustment to reflect the issue of these options. The value of the Free Attaching Options is \$1,305,000 as set out below.

| Free Attaching Options        |                  |
|-------------------------------|------------------|
| Number of Instruments         | 11,250,000       |
| Underlying share price        | \$0.20           |
| Exercise price                | \$0.20           |
| Expected volatility           | 100%             |
| Expiry date                   | 31-Oct-21        |
| Expected dividends            | Nil%             |
| Risk free rate                | 1.47%            |
| Value per Instrument (\$)     | 0.116            |
| <b>Value per Tranche (\$)</b> | <b>1,305,000</b> |

We note that the value of the 8,387,500 Seed Capital Options (exercisable at \$0.20 each on or before 31 October 2021), issued for nil consideration to the seed capital providers in their capacity as providers of capital, is reflected in the price at which seed capital was provided. As such, no financial adjustment has been made to reflect the issue of Seed Capital Options. The value of the Seed Capital Options are \$972,950 as set out below.

| Seed Capital Options          |                |
|-------------------------------|----------------|
| Number of Instruments         | 8,387,500      |
| Underlying share price        | \$0.20         |
| Exercise price                | \$0.20         |
| Expected volatility           | 100%           |
| Expiry date                   | 31-Oct-21      |
| Expected dividends            | Nil%           |
| Risk free rate                | 1.47%          |
| Value per Instrument (\$)     | 0.116          |
| <b>Value per Tranche (\$)</b> | <b>972,950</b> |

A summary of the terms of the options deemed to be granted as at 31 December 2018 are presented in the table below.

| Number of Options | Terms   |
|-------------------|---|
| 3,000,000         | Director Options exercisable at \$0.20 each and expiring on 31 October 2021 |
| 2,000,000         | Director Options exercisable at \$0.25 each and expiring on 7 January 2023  |

**NOTE 7: PROVISIONAL ACCOUNTING FOR THE ACQUISITION OF K2O MINERALS**

On 12 March 2018, the Company entered into an agreement to acquire K2O Minerals. On 20 July 2018 and 31 December 2018, the Company agreed to a variance of the terms of the share purchase agreement, whereby Trigg Mining would acquire 100% of the issued capital of K2O Minerals by the issue of 5,262,500 fully paid ordinary shares in Trigg Mining to shareholders of K2O Minerals. The agreement was further varied on 31 December 2018 to extend the satisfaction date for various conditions precedent to the Acquisition.

The Company has considered whether the Acquisition falls within the scope of *AASB 3 Business Combinations* and therefore is required to be accounted for as a business combination. A business combination involves an acquirer obtaining control of one or more business by transferring cash, incurring liabilities or issuing shares. A business is an integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing a return in the form of dividends, lower costs or other economic benefits directly to investors. The Company does not consider that the Acquisition meets the definition of a business combination in accordance with *AASB 3 Business Combinations* as the acquired assets are not deemed to be a business for accounting purposes, therefore we have provisionally accounted for the Acquisition as an asset acquisition.

A summary of the acquisition details with respect to the Acquisition, as included in our Report, is set out below. These details have been determined for the purposes of the pro-forma adjustments as at 31 December 2018, however will require re-determination as at the successful acquisition date which may result in changes to the values set out below.

|  | Fair value       |
|--|------------------|
| ASSET ACQUISITION  | \$               |
| <b>Purchase consideration comprises:</b>                                     |                  |
| Issue of 5,262,500 Consideration Shares*                                     | 1,052,500        |
| <b>Total consideration</b>   | <b>1,052,500</b> |
| <b>Net assets of K2O Minerals to be acquired:</b>                            |                  |
| Total assets   | 9,378            |
| Total liabilities  | 2,712            |
| <b>Total net assets acquired</b>   | <b>6,666</b>     |
| <b>Fair value attributable to exploration and evaluation assets acquired</b> | <b>1,045,834</b> |

\*The issue of the 5,262,500 Shares pursuant to the Acquisition have been valued at \$0.20 each which is the price under the Public Offer.

**NOTE 8: RELATED PARTY DISCLOSURES**

Transactions with Related Parties and Directors Interests are disclosed in the Prospectus.

**NOTE 9: COMMITMENTS AND CONTINGENCIES**

Following the Acquisition, the Company will have certain obligations to perform minimum exploration work on tenements held. These obligations may vary over time, depending on the Company's exploration program and priorities, and are also subject to variations by negotiation, joint venturing and relinquishing some of the tenements.

We also note that the Vendor Performance Shares will be on issue following completion of the Acquisition and, upon satisfaction of the associated milestones, will result in the issue of 4,235,626 Shares. Details of the Vendor Performance Shares can be found in Section 14.4 of the Prospectus.

Other than the above, at the date of the report no material commitments or contingent liabilities exist that we are aware of, other than those disclosed in the Prospectus.

**NOTE 10: NEW AASB ACCOUNTING STANDARDS - AASB 16: LEASES, AASB 9: FINANCIAL INSTRUMENTS AND AASB 15: REVENUE FROM CONTRACTS WITH CUSTOMERS**

We have assessed the impact of new AASB standards on the Historical Financial Information and Pro-Forma Financial Information and do not consider them to have a material impact on the financial information presented in our Report.

**APPENDIX 6**  
**K20 MINERALS PTY LTD**

**HISTORICAL STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

|                                       | Reviewed for the<br>half year ended<br>31-Dec-18 | Audited for the<br>year ended<br>30-Jun-18 | Audited for the<br>year ended<br>30-Jun-17 |
|---------------------------------------|--|--|--|
| <b>Income</b>                         |  |  |  |
| Interest income                       | -  | 2  | -  |
| Other income                          | -  | 70,000                                     | -  |
| <b>Total Income</b>                   |  | <b>70,002</b>                              | <b>-</b>                                   |
| <b>Expenses</b>                       |  |  |  |
| Administration expenses               | (196)  | (585)                                      | (10)                                       |
| Exploration expenditure               | -  | (1,202)                                    | (20,860)                                   |
| Legal and professional fees           | -  | (935)                                      | (574)                                      |
| Travel and entertainment              | -  | -  | -  |
| <b>Total Expenses</b>                 | <b>(196)</b>                                     | <b>(2,722)</b>                             | <b>(21,444)</b>                            |
| <b>Loss before income tax expense</b> | <b>(196)</b>                                     | <b>67,280</b>                              | <b>(21,444)</b>                            |
| Income tax benefit/(expense)          | -  | (2,712)                                    | -  |
| <b>Net Loss for the period</b>        | <b>(196)</b>                                     | <b>64,568</b>                              | <b>(21,444)</b>                            |

The Historical Statements of Profit or Loss and Other Comprehensive Income show the historical financial performance of K20 Minerals and are to be read in conjunction with the notes to and forming part of the Historical Financial Information set out in Appendix 5. Past performance is not a guide to future performance.

**APPENDIX 7**  
**K20 MINERALS PTY LTD**  
**HISTORICAL STATEMENTS OF FINANCIAL POSITION**

| Statement of Financial Position  | Reviewed as at<br>31-Dec-18 | Audited as at<br>30-Jun-18 | Audited as at<br>30-Jun-17 |
|----------------------------------|-----------------------------|----------------------------|----------------------------|
|                                  | \$                          | \$                         | \$                         |
| <b>CURRENT ASSETS</b>            |                             |                            |                            |
| Cash and cash equivalents        | 9,359                       | 9,555                      | 761                        |
| Other receivables                | 19                          | 19                         | -                          |
| <b>TOTAL CURRENT ASSETS</b>      | <u>9,378</u>                | <u>9,555</u>               | <u>761</u>                 |
| <b>TOTAL ASSETS</b>              | <u>9,378</u>                | <u>9,555</u>               | <u>761</u>                 |
| <b>CURRENT LIABILITIES</b>       |                             |                            |                            |
| Trade and other payables         | -                           | -                          | 58,467                     |
| Current tax liabilities          | 2,712                       | 2,712                      | -                          |
| <b>TOTAL CURRENT LIABILITIES</b> | <u>2,712</u>                | <u>2,712</u>               | <u>58,467</u>              |
| <b>TOTAL LIABILITIES</b>         | <u>2,712</u>                | <u>2,712</u>               | <u>58,467</u>              |
| <b>NET ASSETS/(LIABILITIES)</b>  | <u><b>6,666</b></u>         | <u><b>6,843</b></u>        | <u><b>(57,706)</b></u>     |
| <b>EQUITY</b>                    |                             |                            |                            |
| Accumulated losses               | 6,566                       | 6,762                      | (57,806)                   |
| Contributed equity               | 100                         | 100                        | 100                        |
| <b>TOTAL EQUITY</b>              | <u><b>6,666</b></u>         | <u><b>6,862</b></u>        | <u><b>(57,706)</b></u>     |

The Historical Statements of Financial Position show the historical financial position of K20 Minerals and are to be read in conjunction with the notes to and forming part of the Historical Financial Information set out in Appendix 5.

**APPENDIX 8**  
**K2O MINERALS PTY LTD**  
**HISTORICAL STATEMENTS OF CASH FLOWS**

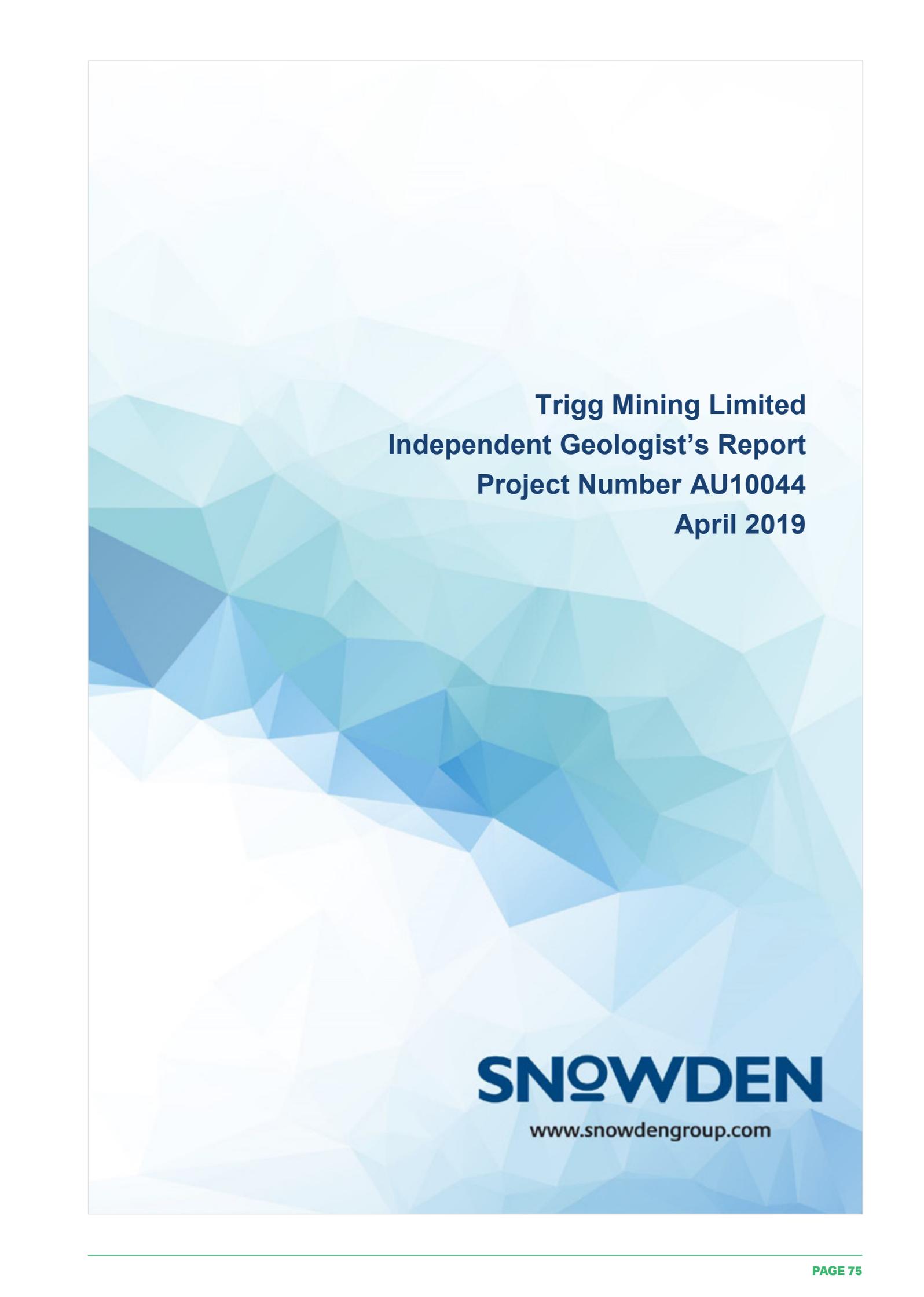
| Statement of Cash Flows                                   | Reviewed<br>for the<br>half year<br>ended<br>31-Dec-18<br>\$ | Audited<br>for the<br>year<br>ended<br>30-Jun-18<br>\$ | Reviewed<br>for the<br>half year<br>ended<br>31-Dec-17<br>\$ | Audited<br>for the<br>year<br>ended<br>30-Jun-17<br>\$ |
|---|--|--|--|--|
| <b>Cash flows from operating activities:</b>              |  |  |  |  |
| Receipts from joint venture partner                       | -  | 70,000   | -  | -  |
| Payments to suppliers, employees and creditors (inc GST)  | (196)  | (2,722)  | (845)  | (21,444)   |
| Interest received   | -  | 2  | 1  | -  |
| <b>Net cash outflows from operating activities</b>        | <b>(196)</b>   | <b>67,280</b>  | <b>(844)</b>   | <b>(21,444)</b>  |
| <b>Cash flows from investing activities:</b>              |  |  |  |  |
| Proceeds from farm-in vendor fees                         | -  | -  | 45,000   | -  |
| <b>Net cash outflows from investing activities</b>        | <b>-</b>   | <b>-</b>   | <b>45,000</b>  | <b>-</b>   |
| <b>Cash flows from financing activities:</b>              |  |  |  |  |
| Proceeds from borrowings                                  | -  | -  | -  | 18,597   |
| Repayment of borrowings                                   | -  | (58,467)   | (11,500)   | -  |
| Advancement of borrowings                                 | -  | (19)   | -  | -  |
| Proceeds from equity issues                               | -  | -  | -  | 99   |
| <b>Net cash outflows from financing activities</b>        | <b>-</b>   | <b>(58,486)</b>  | <b>(11,500)</b>  | <b>18,696</b>  |
| Net increase/(decrease) in cash held                      | (196)  | 8,794  | 32,656   | (2,747)  |
| Cash and cash equivalents at beginning of period          | 9,555  | 761  | 761  | 3,508  |
| <b>Cash and cash equivalents at the end of the period</b> | <b>9,359</b>   | <b>9,555</b>   | <b>33,417</b>  | <b>761</b>   |

The Historical Statements of Cash Flows show the historical cash flows of K2O Minerals and are to be read in conjunction with the notes to and forming part of the Historical Financial Information set out in Appendix 5.

**APPENDIX 9**  
**K20 MINERALS PTY LTD**  
**HISTORICAL STATEMENTS OF CHANGES IN EQUITY**

|   | Contributed<br>Equity | Accumulated<br>Losses | Total           |
|---|-----------------------|-----------------------|-----------------|
|   | \$                    | \$                    | \$              |
| <b>Balance at 1 July 2016</b>   | <b>1</b>              | <b>(36,362)</b>       | <b>(36,361)</b> |
| Losses for the year   | -                     | (21,444)              | (21,444)        |
| Other comprehensive loss for the year   | -                     | -                     | -               |
| Total comprehensive loss for the year attributable to members of the entity     | -                     | (21,444)              | (21,444)        |
| <b><i>Transactions with owners in their capacity as owners</i></b>              |                       |                       |                 |
| Shares issued during the period   | 99                    | -                     | 99              |
| Security issue expenses   | -                     | -                     | -               |
| <b>Balance at 30 June 2017</b>  | <b>100</b>            | <b>(57,806)</b>       | <b>(57,706)</b> |
| <b>Balance at 1 July 2017</b>   | <b>100</b>            | <b>(57,806)</b>       | <b>(57,706)</b> |
| Profit for the year   | -                     | 64,568                | 64,568          |
| Other comprehensive income for the period                                       | -                     | -                     | -               |
| Total comprehensive income for the period attributable to members of the entity | -                     | 64,568                | 64,568          |
| <b><i>Transactions with owners, in their capacity as owners</i></b>             |                       |                       |                 |
| Shares issued during the period   | -                     | -                     | -               |
| Security issue expenses   | -                     | -                     | -               |
| <b>Balance at 30 June 2018</b>  | <b>100</b>            | <b>6,762</b>          | <b>6,862</b>    |
| <b>Balance at 1 July 2018</b>   | <b>100</b>            | <b>6,762</b>          | <b>6,862</b>    |
| Loss for the period   | -                     | (196)                 | (196)           |
| Other comprehensive loss for the period   | -                     | -                     | -               |
| Total comprehensive loss for the period attributable to members of the entity   | -                     | (196)                 | (196)           |
| <b><i>Transactions with owners in their capacity as owners</i></b>              |                       |                       |                 |
| Shares issued during the period   | -                     | -                     | -               |
| Security issue expenses   | -                     | -                     | -               |
| <b>Balance at 31 December 2018</b>  | <b>100</b>            | <b>6,566</b>          | <b>6,666</b>    |

The Historical Statements of Changes in Equity of K20 Minerals and are to be read in conjunction with the notes to and forming part of the Historical Financial Information set out in Appendix 5.



**Trigg Mining Limited  
Independent Geologist's Report  
Project Number AU10044  
April 2019**

**SNOWDEN**

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## 1 EXECUTIVE SUMMARY

### 1.1 Setting

Snowden Mining Industry Consultants Pty Ltd (Snowden) has been commissioned by Trigg Mining Limited (Trigg Mining or “the Company” to provide an Independent Geologist's Report (IGR) on the Laverton Links and Lake Throssell Potash Projects (“the Projects”), located on the eastern margin of the Western Australian Eastern Goldfields and the Great Victoria Desert. There are four prospect areas, all centred on salt lakes. Three proximal prospects comprise the Laverton Links Potash Project (Lake Rason, Lake Hope Campbell and East Laverton).

A private company, K2O Minerals Pty Ltd (K2O Minerals) holds the mineral tenements that comprise the Projects and Trigg Mining has an arrangement dated 12 July 2017 to explore for potash by way of a farm-in (Farm-In Agreement). Trigg Mining has earned an 80% beneficial interest through expenditure of \$800,000 and the Company will acquire 100% of the issued capital of K2O Minerals prior to admission of Trigg Mining to the Australian Securities Exchange (ASX). This acquisition will provide Trigg Mining with 100% ownership of the Projects. A total of 5,262,500 ordinary shares and 4,235,626 performance shares in Trigg Mining will be issued to the shareholders of K2O Minerals in connection with that acquisition.

Snowden understands this IGR will be used for commercial purposes related to the listing of Trigg Mining on the ASX. Snowden has provided its consent to the inclusion of this IGR in a Prospectus to be issued by Trigg Mining in respect to its initial public offering and its listing on the ASX.

Trigg Mining has completed a preliminary technical report at the Lake Rason Prospect, part of the Laverton Links Potash Project, that promotes an Exploration Target<sup>1</sup> and its focus is on continuing the exploration and evaluation of the mineral potential of the Projects. Trigg Mining proposes further drilling, groundwater investigation and brine sampling, with the intent of establishing a Mineral Resource<sup>2</sup> estimate.

### 1.2 Trigg Mining's objectives

Sulphate of potash (SOP) is primarily an agricultural fertiliser that Trigg Mining advises has an annual global market of approximately 7 million tonnes (Mt). There is presently no commercial production in Australia, with a number of Australian listed companies currently undertaking evaluation studies on similar projects.

The ASX listing and \$4.5 million Public Offer is being conducted to raise funds to advance the exploration and evaluation of the Projects. Trigg Mining's objectives upon listing are:

- Laverton Links Potash Project:
  - Complete an exploration drilling and sampling program
  - Establish bores and conduct pump tests to verify key assumptions in relation to brine abstraction from the aquifers
  - Commission metallurgical testwork
  - Establish a JORC compliant Mineral Resource estimate.
- Lake Throssell Potash Project:
  - Conduct a heritage survey
  - Conduct reconnaissance exploration.

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<sup>1</sup> As defined by the JORC Code, Clause 12.

<sup>2</sup> As defined by the JORC Code, Clause 20.

## 1.3 Hydrogeology and mineralisation

Trigg Mining has collated the results of previous explorers' exploration and hydrogeological studies to identify the Eocene to Quaternary stratigraphy of the relevant lake systems, anticipating the presence of economic concentrations of recoverable SOP.

An Exploration Target<sup>3</sup> has been estimated at Lake Rason by Trigg Mining's hydrogeological consultants, AQ2 Pty Ltd (AQ2), in accordance with the guidelines of the 2012 Edition of the JORC Code, based on the results of Trigg Mining work and that of other explorers (Table 1.1).

Snowden cautions that an Exploration Target is a statement of the exploration potential of a mineral deposit in a defined geological setting, quoted as a range of tonnes and a range of grades for which there has been insufficient exploration to estimate a Mineral Resource and that such a target does not in any way constitute a Mineral Resource estimate, as defined by the JORC Code and is entirely conceptual in nature.

Trigg Mining has conducted sampling programs on its interests, and relevant Exploration Results<sup>4,5</sup> are presented in this IGR.

**Table 1.1 Trigg Mining Exploration Target<sup>5</sup>**

| Unit               | Aquifer volume (Mm <sup>3</sup> ) | Specific yield (%) |      | Potentially drainable brine (Mm <sup>3</sup> ) |      | SOP grade (kg/m <sup>3</sup> ) |           |             | SOP (Mt)   |            |
|--------------------|-----------------------------------|--------------------|------|--|------|--------------------------------|-----------|-------------|------------|------------|
|                    |                                   | Min.               | Max. | Min.   | Max. | -1 $\delta$                    | $\bar{x}$ | +1 $\delta$ | Min.       | Max.       |
| Surficial aquifer  | 2,000                             | 8                  | 12   | 200  | 300  | 4.35                           | 5.34      | 6.33        | 0.8        | 1.8        |
| Mixed aquitard     | 5,000                             | 2                  | 10   | 100  | 500  |                                |           |             | 0.5        | 3.4        |
| Silcrete aquifer   | 300                               | 5                  | 15   | 20   | 50   |                                |           |             | 0.1        | 0.3        |
| Basal sand aquifer | 1,000                             | 15                 | 25   | 200  | 300  |                                |           |             | 0.8        | 1.9        |
| Saprolite aquifer  | 4,000                             | 1                  | 2    | 40   | 80   | 2.05                           | 3.72      | 5.38        | 0.1        | 0.5        |
| Saprock aquifer    | 7,000                             | 2                  | 3    | 100  | 200  |                                |           |             | 0.3        | 1.1        |
|                    |                                   |                    |      |  |      |                                |           |             | <b>2.5</b> | <b>9.0</b> |

Note: Numbers rounded.

## 1.4 Further work

The work undertaken by Trigg Mining and its independent consultants has been completed to what Snowden considers to be an appropriate standard. This has resulted in an encouraging assessment of the Projects that justifies Trigg Mining continuing to commit to the next stage of exploration.

Snowden has reviewed Trigg Mining's exploration plan and budget that it considers to be fair and reasonable. The key recommendations, among others, are to undertake further drilling and complete pump testing and sufficient process testwork to enable a Mineral Resource to be estimated.

<sup>3</sup> As defined by Clause 17 of the 2012 guidelines of the Australasian Joint Ore Reserves Committee ("the JORC Code").

<sup>4</sup> As defined by Clause 18 of the JORC Code.

<sup>5</sup> The information in this report that relates to Exploration Targets and Exploration Results has been prepared by AQ2 with direction and review by Duncan Gareth Storey. Mr Storey is a Director and Consulting Hydrogeologist with AQ2 and has almost 30 years of international experience. He is a Chartered Geologist with, and Fellow of the Geological Society of London (a Recognised Professional Organisation under the JORC Code 2012). Mr Storey has experience in the assessment and development of palaeochannel aquifers, including the development of hypersaline brines in Western Australia. His experience and expertise are such that he qualifies as a Competent Person as defined in the 2012 Edition of the "Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Storey consents to the inclusion of matters related to information for the AQ2 studies in the form and context as it appears.

## 1.5 Snowden's opinion

Snowden considers that Trigg Mining has completed its technical work to an appropriate standard, based on its experience and observation of the Australian mining industry. Trigg Mining has prudently sought the advice of competent and reputable technical advisers to advance the Projects.

Snowden's opinion is that the Projects are of adequate technical merit to warrant further exploration, subject to those risks normally associated with mineral exploration and development projects.

Trigg Mining has explained to Snowden its proposed exploration program and the budget attached to that program (refer Section 6 below). Snowden considers that this budget and program is appropriate, technically prudent and achievable.

Snowden understands that upon successful completion of the initial public offer, Trigg Mining will have sufficient working capital to carry out its stated objectives<sup>6</sup> and that the distribution of expenditure in the budget satisfies ASX Listing Rules 1.3.2(b) and 1.3.3(b).

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<sup>6</sup> In accordance with ASX Listing Rule 1.3.3(a).

## 2 INTRODUCTION

### 2.1 Terms of reference

This IGR has been prepared by Snowden for Trigg Mining and describes the exploration of a lacustrine brine deposit for SOP. This IGR is prepared to support the listing of Trigg Mining on the ASX.

Unless otherwise stated, the information and data contained in this report or used in its preparation has been provided by Trigg Mining and is current up to and including 18 February 2019.

Unless otherwise stated, all currencies are expressed in Australian dollars (A\$) and units of measurement are metric.

### 2.2 Qualifications and experience

The Competent Person for preparation of the IGR is Mr Jeremy Peters, FAusIMM CP (Mining, Geology), who is familiar with the Projects area through an extensive professional history in the Western Australian Eastern Goldfields.

In preparing this IGR, Mr Peters has relied on information collated by other parties. Mr Peters has critically examined this information, made his own enquiries and applied his general geological competence to conclude that the information presented in this IGR complies with the definitions and guidelines of the JORC and VALMIN codes.

The responsibility of the author is provided in Table 2.1.

**Table 2.1 Responsibility of the author**

| Author                               | Responsible for sections |
|--------------------------------------|--------------------------|
| Jeremy Peters, FAusIMM CP (Min, Geo) | 1 to 7                   |

Snowden is responsible for this IGR as part of Trigg Mining's public documentation and declares that it has taken all reasonable care to ensure the information contained in this IGR is, to the best of its knowledge, in accordance with the facts and contains no material omissions.

### 2.3 Limitations

To the full extent permitted by law, Snowden does not assume any responsibility and will not accept any liability to any other person other than the addressees for any loss suffered by any such other person as a result of, arising out of, or in connection with this IGR or statements contained therein.

Trigg Mining has confirmed in writing to Snowden that, to its knowledge, the information provided by it is complete and not incorrect or misleading in any material respect. Snowden has no reason to believe that any material facts have been withheld.

### 2.4 Reliance on information

Snowden believes that its opinion must be considered as a whole, and that selection of portions of the analysis or factors considered by it, without considering all factors and analyses together, could create a misleading view of the process underlying the opinions presented in this IGR. The preparation of an IGR is a complex process and does not lend itself to partial analysis or summary.

## **2.5 Declaration**

### **2.5.1 Independence**

Snowden will receive a fee for the preparation of this IGR in accordance with normal professional consulting practice. This fee is not contingent on the result of the IGR and Snowden will receive no other benefit for its preparation. Snowden does not have any pecuniary or other interests that could reasonably be regarded as capable of affecting its ability to provide an unbiased opinion in relation to the assets and the projections and assumptions included in the various technical studies completed by Trigg Mining, opined upon by Snowden and reported herein.

Neither Snowden, the Competent Person, Mr Peters, who is responsible for authoring this IGR, nor any Directors of Snowden have at the date of this IGR, nor have had within the previous two years, any shareholding in Trigg Mining or any of its advisors. Consequently, Snowden, Mr Peters and the Directors of Snowden consider themselves to be independent of Trigg Mining.

### **2.5.2 Consent**

Snowden has given and has not withdrawn its written consent to the publishing of this IGR and to the inclusion of any extracts from the IGR in Trigg Mining's regulatory announcements and has confirmed in writing that the information presented is accurate, balanced, complete and not inconsistent with the IGR.

Where any information in the IGR has been sourced from a third party, such information has been accurately reproduced and no facts have been omitted that would render the reproduced information inaccurate or misleading.

### **2.5.3 Copyright**

Copyright of all text and other matter in this IGR, including the manner of presentation, is the exclusive property of Snowden.

It is an offence to publish this IGR or any part of the IGR under a different cover, or to reproduce and/or use, without written consent, any proprietary technical procedure and/or technique contained in this IGR. The intellectual property reflected in the contents resides with Snowden and shall not be used for any activity that does not involve Snowden, without the written consent of Snowden.

## **2.6 Reliance on other experts**

The technical reports and studies that inform this IGR have been collated by Trigg Mining, which commissioned hydrogeology specialists, AQ2, and other commercial and legal advisors. Snowden considers these consultants to be of an appropriate standard.

## 3 BACKGROUND

### 3.1 Introduction

Trigg Mining is conducting exploration of subsurface brine deposits at salt lakes located in the eastern rim of Western Australia's Eastern Goldfields and Great Victoria Desert. Trigg Mining proposes to produce economic quantities of SOP from hypersaline groundwater occurring in the sediments and sedimentary rocks beneath the lakes.

It is proposed that the brine be abstracted, subjected to solar evaporation and SOP recovered from the residual salts.

Trigg Mining has engaged consultant hydrogeologists, AQ2, to develop a conceptual hydrogeological model and Exploration Target for the Laverton Links Project.

### 3.2 Tenure

Trigg Mining has an arrangement with K2O Minerals, a private company with about 2,640 km<sup>2</sup> of granted exploration licences<sup>7</sup> in the Western Australian Eastern Goldfields (Figure 3.1). The tenements are divided into two projects: Laverton Links Potash Project, which comprises the Lake Rason, East Laverton and Lake Hope Campbell prospects and the Lake Throssell Potash Project (Table 3.1).

Snowden has received confirmation from a qualified tenement manager<sup>8</sup> that the granted exploration licences are in good order.

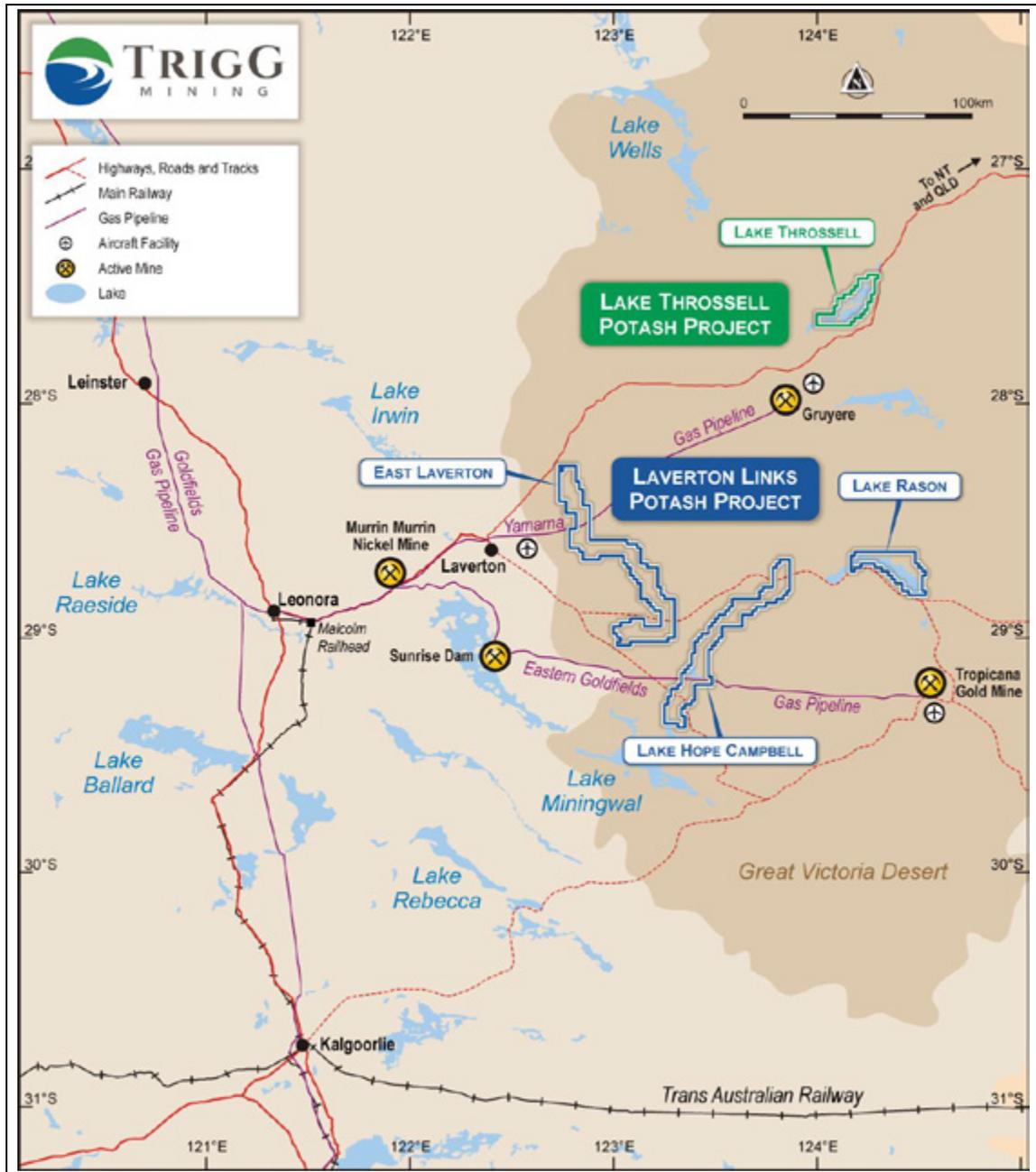
The tenements have been granted to K2O Minerals and Snowden understands that there is an agreement, dated 12 July 2017, under which Trigg Mining has earned an 80% beneficial interest in the tenements. Trigg Mining will acquire 100% of the shares in K2O Minerals prior to listing on the ASX. This will provide Trigg Mining with 100% ownership of all the Projects. A total of 5,262,500 ordinary shares and 4,235,626 performance shares in Trigg Mining will be issued to the shareholders of K2O Minerals in connection with that acquisition.

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<sup>7</sup> For information on Western Australian mineral tenure, refer to <http://www.dmp.wa.gov.au/>.

<sup>8</sup> Email to K. Jupp from Hetherington Exploration & Mining Title Services (WA) Pty Ltd, 11 January 2019.

Figure 3.1 Project location and access



Source: Trigg Mining

**Table 3.1 Project tenements**

| Prospect                             | Tenement | Area (block) | Area (km <sup>2</sup> ) | Status | Application date | Grant date | Expiry date | Combined Reporting Group   |
|--------------------------------------|----------|--------------|-------------------------|--------|------------------|------------|-------------|----------------------------|
| <b>Laverton Links Potash Project</b> |          |              |                         |        |                  |            |             |                            |
| Lake Rason                           | E38/3089 | 105          | 316                     | Live   | 14/10/2015       | 04/05/2016 | 03/05/2021  | Lake Rason<br>C129/2018    |
|                                      | E38/3298 | 25           | 75                      | Live   | 11/01/2018       | 27/09/2018 | 26/09/2023  |                            |
| Lake Hope Campbell                   | E39/2047 | 200          | 600                     | Live   | 07/08/2017       | 26/02/2018 | 25/02/2023  |                            |
|                                      | E38/3259 | 71           | 214                     | Live   | 07/08/2017       | 09/02/2018 | 08/02/2023  |                            |
| East Laverton                        | E38/3299 | 68           | 202                     | Live   | 11/01/2018       | 22/08/2018 | 21/08/2023  | East Laverton<br>C128/2018 |
|                                      | E38/3300 | 67           | 202                     | Live   | 11/01/2018       | 22/08/2018 | 21/08/2023  |                            |
|                                      | E38/3301 | 64           | 193                     | Live   | 11/01/2018       | 02/08/2018 | 01/08/2023  |                            |
|                                      | E38/3302 | 172          | 517                     | Live   | 11/01/2018       | 02/08/2018 | 01/08/2023  |                            |
| <b>Lake Throssell Potash Project</b> |          |              |                         |        |                  |            |             |                            |
| Lake Throssell                       | E38/3065 | 106          | 322                     | Live   | 08/06/2015       | 01/08/2018 | 31/07/2023  | -                          |

## **4 PROJECTS**

### **4.1 Geology and mineralisation**

#### **4.1.1 Geology**

The geology of each Project area is similar and is treated collectively.

Lakes that form the Projects are part of an infilled relict drainage system that developed on Archaean and Permian basement rocks and are ponding areas for the present drainage. Recent lacustrine deposits of gypsum and saline clay, silt, and sand occur in the salt-lake and associated claypans. These are surrounded by aeolian lunette dunes and sheets. Gypsum and quartz are the main constituents, with minor halite and flour gypsum forming dunes up to 10 m high on the eastern (lee) side of the lake.

The prospects are located on the eastern margin of the Archaean Yilgarn Craton which is overlain by the Proterozoic Officer Basin, which in turn is unconformably overlain by the Late Phanerozoic Gunbarrel Basin, which formed after extrusion of the Early Ordovician Table Hill Volcanics and separated from the Officer Basin by regional uplift and erosion during the Delamerian Orogeny.

The deposition of the Wanna Formation and Lennis Sandstone followed the Table Hill volcanic event and the Paterson Formation was deposited across the western and south-eastern extents of the basin during the Late Carboniferous and Early Permian following a period of uplift and erosion.

The Paterson Formation comprises mixed glacial, fluvial-glacial and glacial-lacustrine claystone and siltstone sediments that occur in beds from centimetres to tens of metres thick. Interbedded lenses of ferruginous, unconsolidated sand, gravel and pebbles occur throughout the formation and are thought to infill glacial tarns.

Eocene erosion and fluvial sedimentation deposited alluvial, estuarine and marine sand and silt in the base of the glacial valleys, at a time when sea levels were thought to be 150 m higher than at present. During the Mid Tertiary, exposed regolith was stripped and deposited as clay and silt in a low-energy alluvial and lacustrine environment, infilling the incised channels. The deposition of thin alluvial, colluvial and eluvial deposits, the onset of arid conditions from the Late Tertiary and increased evaporation has resulted in the formation of salt lakes and shallow deposits of evaporitic gypsum and halite beds throughout these areas.

#### **4.1.2 Mineralisation**

The palaeochannel systems of the arid regions of northern and eastern Western Australia host potassium-rich hypersaline brines, the source of which is thought to be dissolution of potassic rocks by meteoric waters over time.

The formation of salt-lake playas at topographic lows is due to the closed nature of the catchment. This concentrates the minerals throughout the salt-lake system, assisted by elevated evaporation rates relative to rainfall. Episodic convection and downward diffusion beneath the surface mix the hypersaline brine, causing the entire salt-lake stratigraphic sequence to be saturated with potassium and sulphate rich fluid.

Historical water supply investigations and exploration by others in the region has recognised the potential for extensive groundwater resources throughout the palaeochannels and salt-lake systems. Trigg considers that this work indicated a causal relationship between potash content and lake surface gypsum, which is readily identifiable in remote sensing ASTER<sup>9</sup> data (refer Section 4.4.5 below).

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<sup>9</sup> Advanced Spaceborne Thermal Emission and Reflection Radiometer, <https://asterweb.jpl.nasa.gov>.

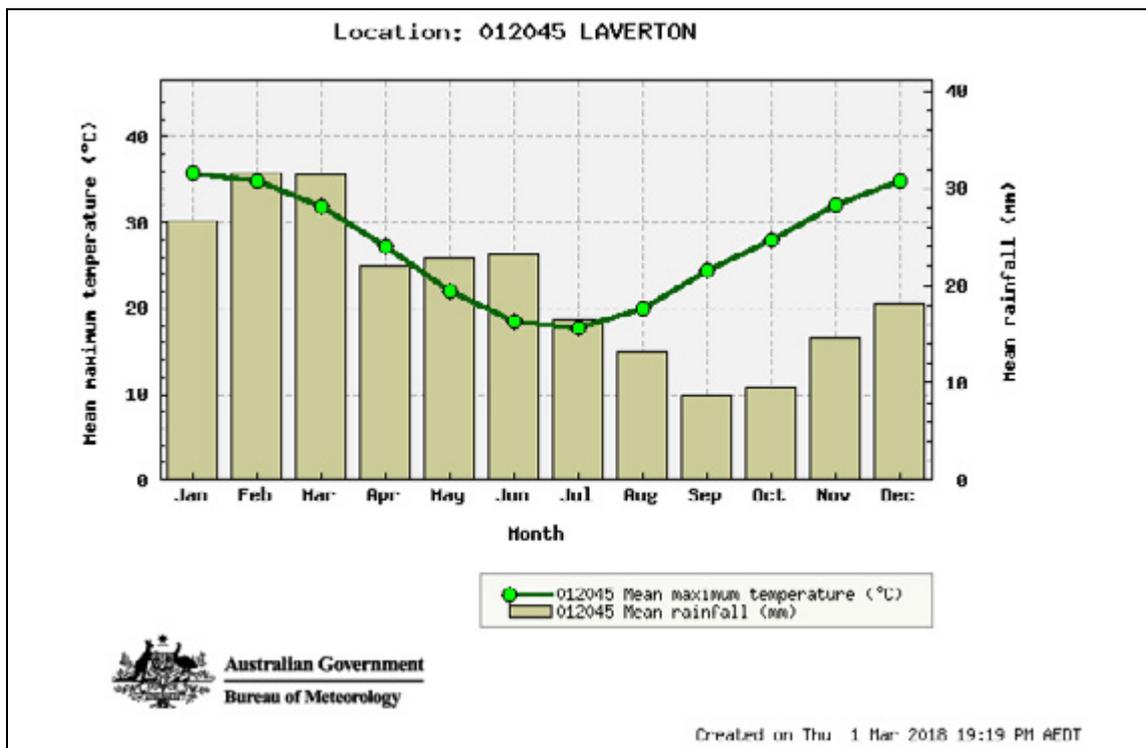
**4.2 Climate and hydrology**

The climate and hydrology of each Project area is similar and is treated collectively.

The Projects are located on the eastern edge of the Eastern Goldfields, extending into the Great Victoria Desert, which is characterised by dry salt lakes, extensive sand dunes and flat plains. The regional climate is arid desert, with hot summers and warm to cold winters, with low annual rainfall (Figure 4.1).

Rainfall is seasonal, mostly occurring between December and June and occurs over short periods associated with thunderstorms and cyclonic lows. The climate is characterised by hot dry summers and cold winters, with average maximum temperatures of around 30°C. Daytime temperatures can exceed 40°C during the summer, while overnight temperatures can fall below zero during the winter.

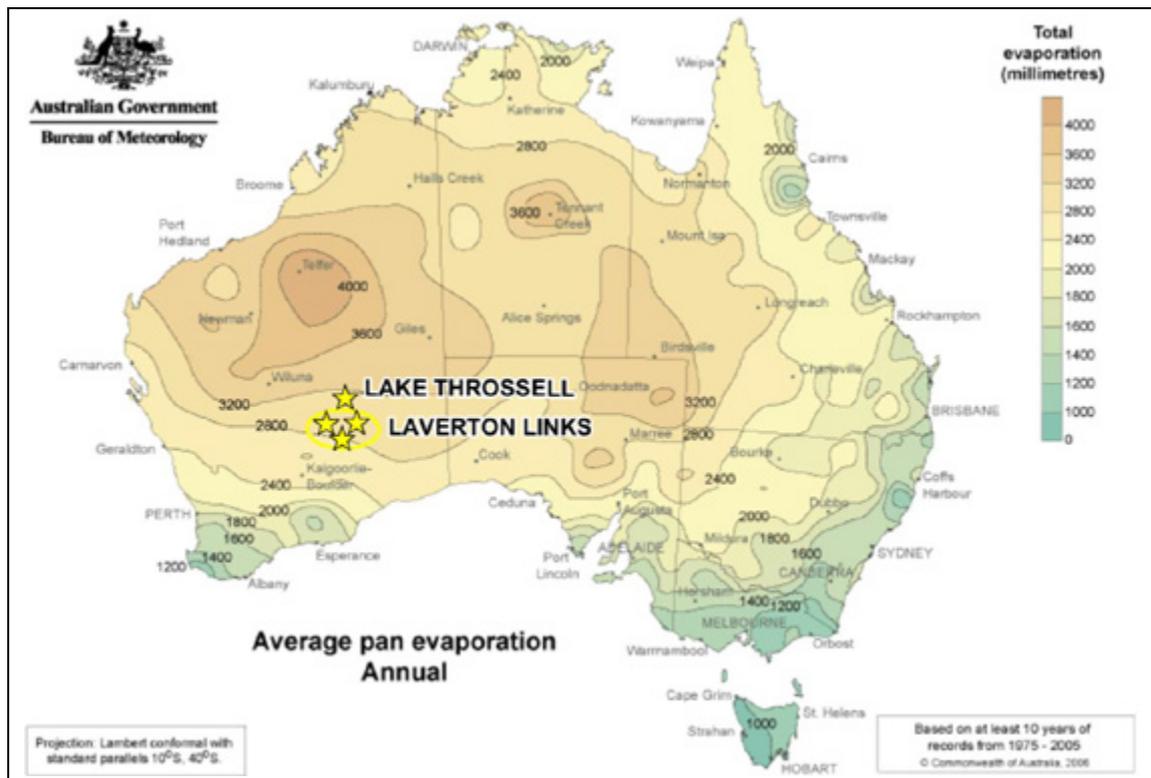
**Figure 4.1 Project area climate**



Source: Australian Bureau of Meteorology

The evaporation rate is estimated to be 2,800 mm/year at the Laverton Links Project and increases to approximately 3,200 mm/year at the Lake Throssell Project. The potential evaporation rate exceeds the annual rainfall and this moisture deficit provides opportunity for solar evaporation of any abstracted brine (Figure 4.2).

Figure 4.2 Estimated annual evaporation rates



Source: Australian Bureau of Meteorology, Trigg Mining

Lake Rason is estimated to have a catchment area of 6,300 km<sup>2</sup> and the lake itself is around 60 km long and has a surface area of 190 km<sup>2</sup>. Based on an assumed average annual rainfall-runoff yield of 1% and 173 mm average annual rainfall, an equivalent depth of 58 mm of water would report to the lake each year on average. In practice, significant inundation of all the lakes at Laverton Links is likely to occur following infrequent, large rainfall events. The variable annual rainfall may result in some variability in the grade of brine in the shallowest lake bed sediments.

The SOP is dissolved in brine contained in sediments below and around the salt lakes, which is affected by:

- Capacity of the sediments to retain brine
- Variability of the brine chemistry throughout the aquifer system
- Ability of the sediments to release brine during abstraction
- Viability of abstracting the brine at the required rates
- Effect of brine abstraction on the regional hydrogeology and environment.

## 4.3 Laverton Links Potash Project

### 4.3.1 History

The Laverton Links Potash Project combines the Lake Rason, Lake Hope Campbell and East Laverton prospects.

The Lake Rason Prospect was extensively drilled for uranium by other parties and this work was considered to be unsuccessful for uranium. However, the historical drilling logs, results of two subsurface brine sampling programs, ground geophysics including gravity and seismic surveys and 1,050 m of air-core (AC) drilling have contributed to Trigg Mining's postulation of an Exploration Target.

The East Laverton and Lake Hope Campbell prospects are relatively unexplored, with only minor exploration work being completed for uranium, gold and base metals since the early 1970s.

### 4.3.2 Location and access

The Project is located approximately 35 km to 190 km east of Laverton and the tenements are accessible from Laverton via the unsealed Rason Lake Road, Mount Shenton Road, Great Central Road (to Alice Springs and Queensland), the Tropicana Mine access road or the Goldfields Gas Pipeline access track and from there via station and four-wheel-drive tracks.

The Eastern Goldfields and Yamarna gas pipelines pass directly through the Lake Hope Campbell and East Laverton prospects.

The Malcom Rail Head at Leonora is 105 km from Laverton via a sealed road from which saleable products could be transported by rail to international markets through the ports of Esperance or Fremantle and interstate via rail.

### 4.3.3 Tenements

#### Lake Rason Prospect

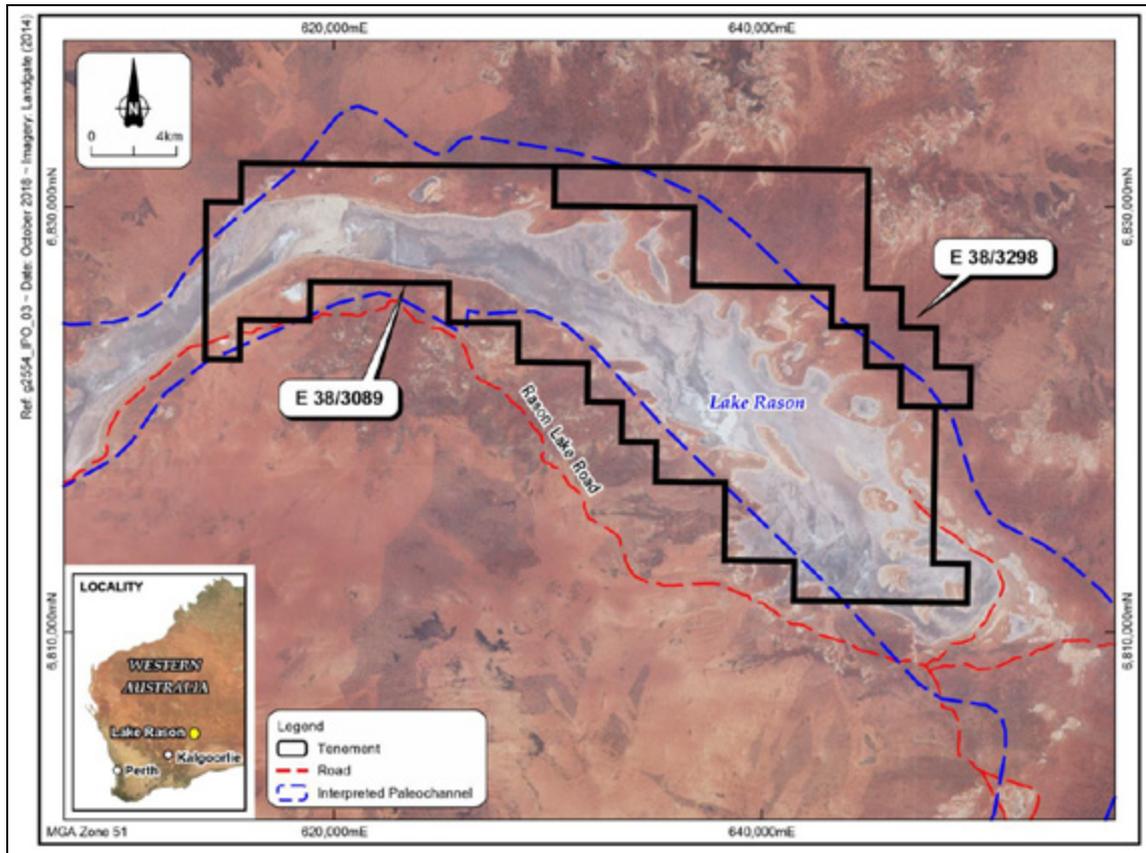
The Lake Rason Prospect comprises two granted exploration licences, located approximately 190 km east of Laverton and 60 km north of the Tropicana gold mine.

Exploration licences E38/3089 and E38/3298 comprise a total of 130 graticular blocks and fall on the Rason SH51-06 and Neale SH51-04 1:250,000 map sheets. Application for E38/3089 was applied for on 14 October 2015 and granted to K2O Minerals on 4 May 2016. Application for E38/3298 was applied for on 11 January 2018 and granted to K2O Minerals on 27 September 2018 (Table 4.1 and Figure 4.3).

**Table 4.1 Lake Rason Prospect tenement details**

| Licence  | Title holder        | Area (blocks) | Grant date | Expiry date |
|----------|---------------------|---------------|------------|-------------|
| E38/3089 | K2O Minerals – 100% | 105           | 04/05/2016 | 03/05/2021  |
| E38/3298 | K2O Minerals – 100% | 25            | 27/10/2018 | 26/10/2023  |

**Figure 4.3 Lake Rason tenements and location**



Source: Trigg Mining

**Lake Hope Campbell Prospect**

The Lake Hope Campbell Prospect comprises two granted exploration licences located approximately 105 km to 140 km east of Laverton. Access may be gained via the Rason Lake Road that connects Laverton to Lake Rason, a further 50 km to the east, from the Tropicana Mine access road and tracks from the south or the Goldfields Gas Pipeline access track.

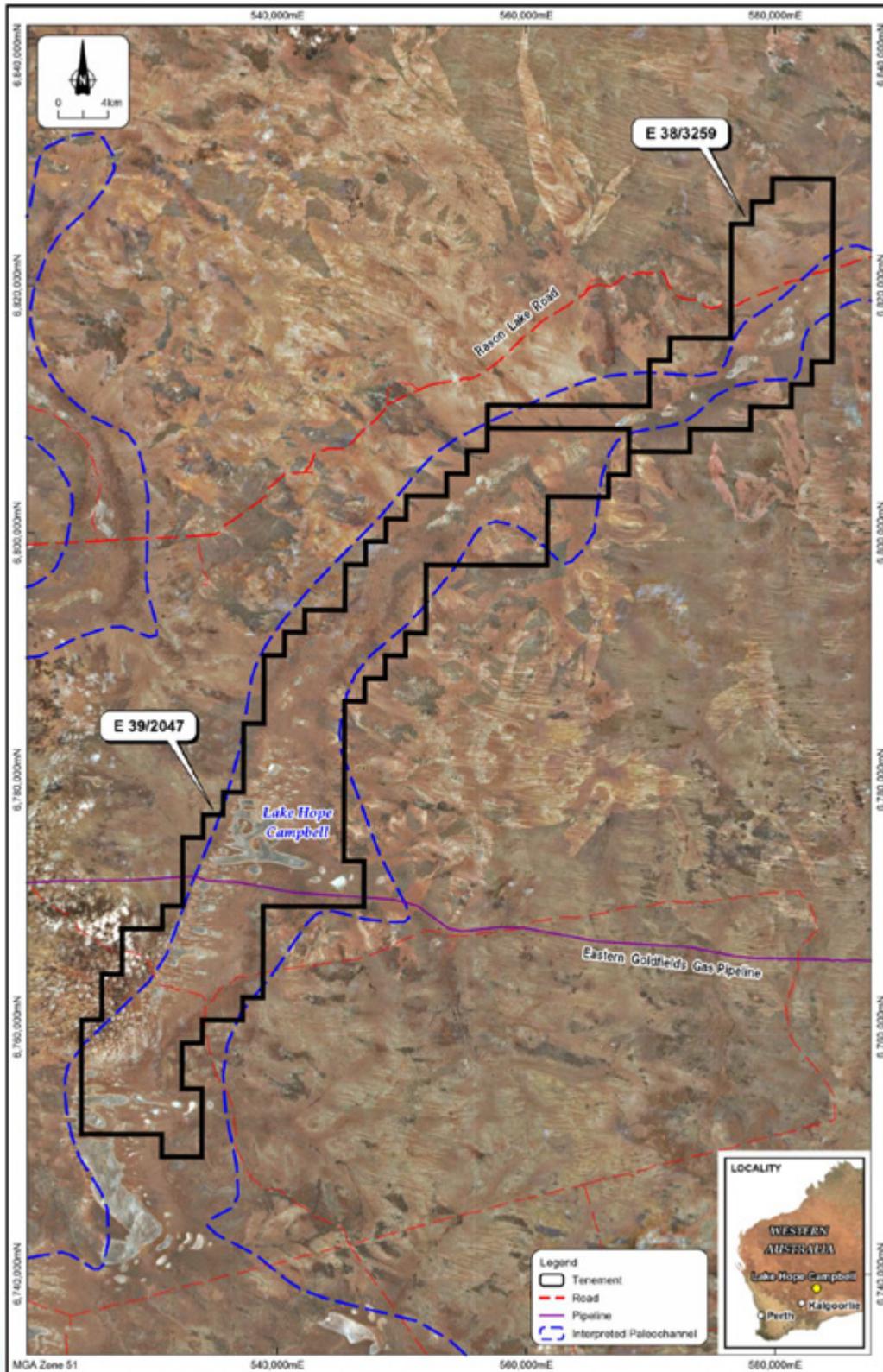
Exploration licence E38/2047 covers 200 graticular blocks and straddles the Minigwal SH51-07 and Rason SH51-03 1:250,000 map sheets. Exploration licence E38/3259 covers 71 graticular blocks and falls on the Rason map sheet.

Application was made for both exploration licences by K2O Minerals on 7 August 2017. E38/3259 was granted on 9 February 2018 and E38/2047 was granted on 26 February 2018 (Table 4.2 and Figure 4.4).

**Table 4.2 Lake Hope Campbell tenement details**

| Licence  | Title holder        | Area (blocks) | Grant date | Expiry date |
|----------|---------------------|---------------|------------|-------------|
| E38/2047 | K2O Minerals – 100% | 200           | 26/02/2018 | 25/02/2023  |
| E38/3259 | K2O Minerals – 100% | 71            | 09/02/2018 | 08/02/2023  |

Figure 4.4 Lake Hope Campbell tenements and location



Source: Trigg Mining

## East Laverton Prospect

The East Laverton Prospect comprises four granted exploration licences located approximately 35 km to 95 km east of Laverton. Access may be gained via the Rason Lake Road that connects Laverton to Lake Rason, a further 100 km to the east.

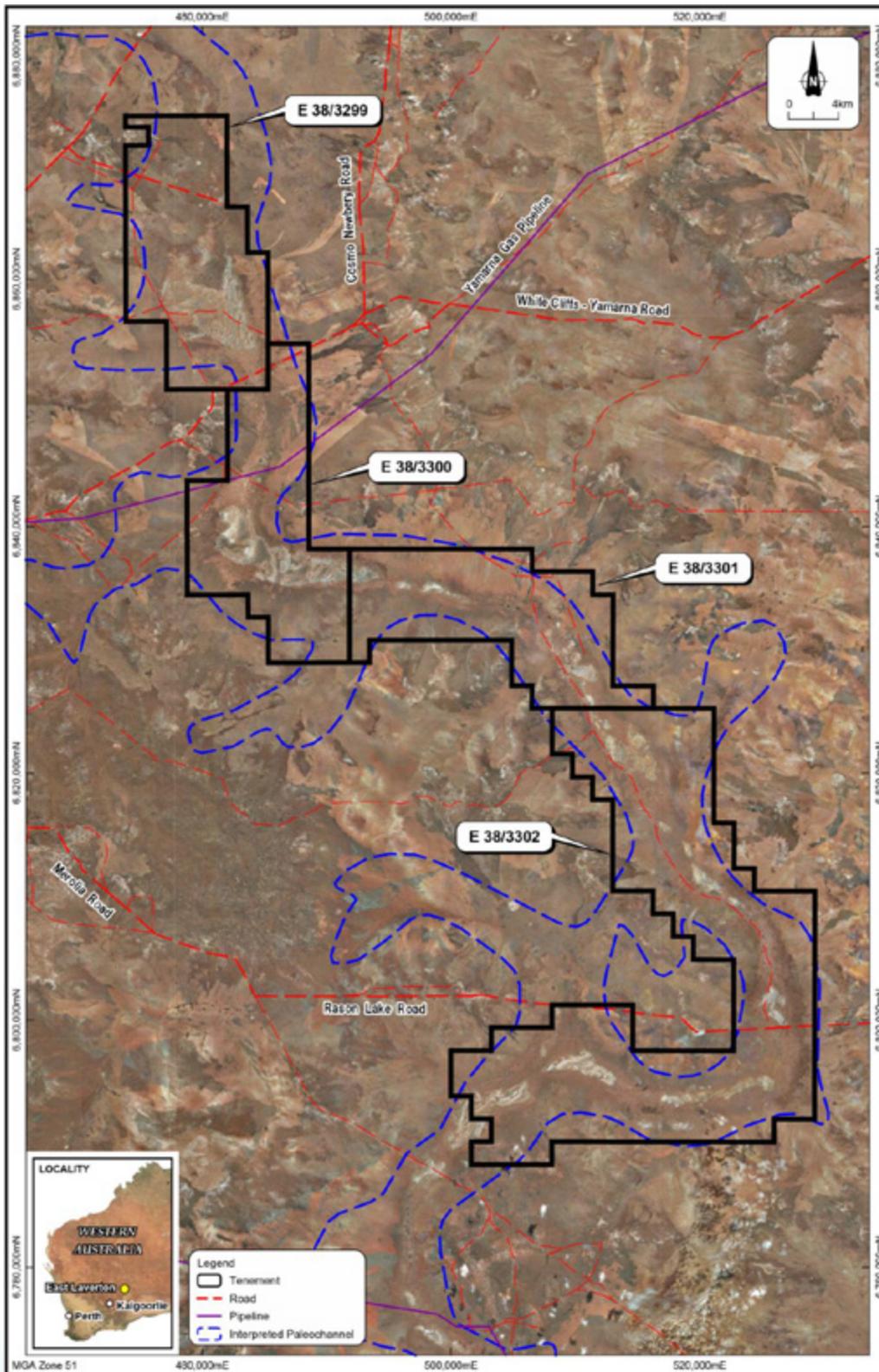
Exploration licences E38/3299, E38/3300, E38/3301 and E38/3302 comprise a total of 371 graticular blocks and straddle the Rason SH51-03 and Laverton SH51-02 1:250,000 map sheets.

Application was made for all exploration licences by K2O Minerals on 11 January 2018. E38/3301 and E38/3302 were granted on 2 August 2018 and E38/3299 and E38/3300 were granted on 22 August 2018 (Table 4.3 and Figure 4.5).

**Table 4.3 East Laverton Prospect tenement details**

| Licence  | Title holder        | Area (blocks) | Application date | Grant date |
|----------|---------------------|---------------|------------------|------------|
| E38/3299 | K2O Minerals – 100% | 68            | 11/01/2018       | 22/08/2018 |
| E38/3300 | K2O Minerals – 100% | 67            | 11/01/2018       | 22/08/2018 |
| E38/3301 | K2O Minerals – 100% | 64            | 11/01/2018       | 02/08/2018 |
| E38/3302 | K2O Minerals – 100% | 172           | 11/01/2018       | 02/08/2018 |

Figure 4.5 East Laverton tenements and location



Source: Trigg Mining

#### 4.3.4 Native title

An application for the determination of native title has been made by the Nangaanya-ku Native Title Claim Group (WAD460/2018; WC2018/019). The application overlaps land the subject of granted exploration licences E38/3089, E38/3259, E38/3298, E38/3302 and E39/2047 (Figure 4.3, Figure 4.4 and Figure 4.5). The application was accepted for registration by the Native Title Registrar on 9 November 2018 and appears on the Register of Native Title Claims maintained by the National Native Title Tribunal.

Trigg Mining will continue to observe the provisions of the *Aboriginal Heritage Act 1972* (WA) and the *Native Title Act 1993* (Cth) in relation to the carrying out of activities on the Laverton Links tenements.

#### 4.3.5 Historical exploration

##### Lake Rason

Low level exploration was conducted over Lake Rason prior to 2013 and a search of the West Australian Department of Mines, Industry Regulation and Safety (DMIRS) Mineral Exploration report database (WAMEX)<sup>10</sup> is summarised below:

- 1971 – The Commonwealth Bureau of Mineral Resources (BMR) conducted airborne magnetic-radiometric survey at 1,500 m line spacing as part of its systematic coverage of 1:250,000 scale map sheets of Australia.
- 1983 – Uranerz Energy Corporation drilled two shallow rotary air blast (RAB) holes west of Trigg Mining's tenement holding and water samples indicated elevated SO<sub>4</sub> concentrations.
- 1990 – BHP Limited conducted soil geochemical sampling and drilled 139 RAB and reverse circulation (RC) holes west of Lake Rason; these encountered groundwater but it was reportedly not analysed.
- 1993 – WMC Resources Limited (WMC) conducted soil geochemical sampling and drilled nine RC holes. These encountered Permian tillite over 10–15 m from 100 m, above sharp Archaean basement contacts.
- 1998 – AGSO (now Geoscience Australia) conducted an airborne magnetic-radiometric survey at 400 m line spacing as part of its systematic coverage of 1:250,000 map sheets superseding the previous airborne surveys completed by the BMR.
- 2007 – AngloGold Ashanti completed a total of 10 airborne electromagnetic (EM) (RepTEM<sup>11</sup>) transects covering and extending off the surface of Lake Rason.
- 2009 – Aura Energy Limited (Aura) conducted geophysical exploration for uranium and Pennington Scott, on behalf of the Tropicana Joint Venture, conducted geophysical, geological and hydrogeological investigations in the Lake Rason area in connection with the development of the nearby Tropicana Mine. Trigg Mining has used the results of this work to assist in its local and regional hydrological interpretation.
- 2011 – Areva Resources Australia Pty Ltd (Areva) completed an airborne EM survey (TEMPEST) at 400 m line spacing, providing coverage over an area of the western portion and extending off the surface of Lake Rason.

In 2013, Areva conducted uranium exploration at Lake Rason and all available data from this work has been used by Trigg Mining to develop an understanding of the geology and hydrogeology.

No significant uranium was encountered in this work:

- 64 AC drillholes were completed for 3,164 m in the vicinity of the lake.

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<sup>10</sup> For an explanation of WAMEX, refer <http://www.dmp.wa.gov.au/WAMEX-Minerals-Exploration-1476.aspx>.

<sup>11</sup> For an explanation of RepTEM, refer <http://precisiongeosurveys.com/electromagnetics/>.

- Areva recorded a detailed lithological description for each drillhole and wireline gamma logging was conducted at the majority of the drillholes. Trigg Mining has reinterpreted this data.
- 54 of the Areva drillholes drilled Lake Rason area on seven transects, approximately 10 km apart. Four of these within the Trigg Mining tenements and the other three provide additional geological control. These transects allow geological cross sections to be interpreted and a geological model to be developed, covering a wide area. Some Areva transects did not completely span the palaeochannel due to tenement constraints and the palaeochannel remains open to the north in some areas.
- Areva drillhole spacing was generally 800 m, although in places this was reduced to 400 m spacing.

A specific stratigraphic column was developed. A key refinement to the regional stratigraphy was the identification of sand lenses within the Mid-Tertiary sequence:

- Surface alluvium and Quaternary lake sediments – Gypsum and halite alternating with silt and clay.
- Quaternary silt, clay, sand and ferricrete – The clay component is more abundant with depth and frequent ferricrete layers, up to 15 m thick, occur close to the edges of the lake. A Quaternary river channel with medium to very coarse-grained sand is occasionally intersected immediately beneath the lake surface and thin sand beds are occasionally intersected at greater depths.
- Eocene clay and silcrete – Clay, often mottled, with common silcrete layers up to 10 m thick, generally located close to the edges of the lake.
- Eocene sand – Commonly intersected river channel. Fine to very coarse-grained sand. Often slightly bleached. Generally fining upwards with gravel at base.
- Permian siltstone and sand lenses – Paterson Formation. Dark grey siltstone with up to 30 m of palaeo-weathering profile that becomes more competent with depth. Very fine to fine-grained sand lenses at depth.

## Lake Hope Campbell

Western Australian Government records indicate that:

- 1995 – WMC collected 195 soil samples, spaced at 400 m x 200 m, exploring for gold.
- 2007 – Aura completed a RepTEM airborne EM survey covering the northern area at approximately 2 km line spacing.
- 2007 – CAMUCO Pty Ltd (conducted a RepTEM airborne EM survey at 3.2 km line spacing.
- 2008 – Energy and Minerals Australia completed an infill RepTEM survey of the 2007 CUMUCO EM at 1.6 km spacing and conducted Aboriginal heritage clearance of drill lines.
- 2013 – Areva conducted a heritage clearance survey and drilled 14 AC holes that established the depth to basement. A cross-section was produced and a palaeochannel identified in northern area of Trigg Mining's holding.
- 2013 – Areva conducted a TEMPEST airborne EM survey covering the northern area at 400 m spacing.
- 2016 – Breaker Resources conducted an airborne magnetic-radiometric survey and collected 539 geochemical soil, rock chip and auger samples. A total of 25 AC holes were drilled to a maximum depth of 78 m, of which eight are within Trigg Mining's holding. These encountered palaeochannel and Gunbarrel siltstone overlying granitic basement, but no sands were encountered at depth.

## East Laverton

A search of the WAMEX database indicates that:

- 1969 – International Nickel conducted induced polarisation and resistivity surveys.

- 1972 – International Nickel performed a ground magnetic survey, geochemical soil sampling and drilled 56 RAB holes south of Trigg Mining tenement area for 989 m. Encountered sands and pebbles and abundant water in several holes.
- 1989 – Placer Exploration performed a ground gravity survey at 150 m spacing across the Trigg Mining tenement holding and drilled 13 (method unknown, but probably AC) holes for a total of 893 m. Drilling encountered lacustrine clays and sands to approximately 80 m below the surface, with a gravel and pebble lag at the base of the palaeochannel.
- 2008 – GE Resources constructed a grid in preparation for a planned drilling program and acquired and interpreted satellite (NOAA ASTER) data to assist the delineation of palaeochannel margins.
- 2013 – Empire Resources completed 52 AC holes and an undisclosed amount of auger that identified low-level rare earth element anomalies.

#### 4.3.6 Recent exploration

##### Lake Rason

###### Auger and test pit sampling

In November 2015, K2O Minerals carried out an auger sampling program that covered the entire Lake Rason surface area within its tenements (Figure 4.6).

Brine samples were collected from 27 auger holes, ranging in depth from 0.05 m to 1.1 m, with the average sampling depth at 0.6 m. A lithological description was recorded for each auger hole that confirmed the variable nature of the lake-bed sediments, comprising clay, sand and halite and gypsum evaporites.

Full details of the samples are provided in Appendix A.

###### Surface geophysical surveys

Trigg Mining commissioned passive seismic (Tromino<sup>12</sup>) and gravity geophysical surveys prior to its drilling program to identify palaeochannel geometry; in particular, to estimate the position of the palaeochannel<sup>13</sup> which would be likely to contain the thickest portion of the aquifer sequence. Seven gravity and two Tromino transects were completed and Trigg Mining's consultants<sup>14</sup> found that the gravity survey was more reliable, as there was uncertainty over the utility of Tromino in differentiation between lithological units.

The surveys (Figure 4.7) comprised:

- Three gravity transects on existing Areva drill-section lines aimed to calibrate corroboration of the geophysical response against known geology.
- Four gravity transects between Areva drill-section lines aimed to provide infill data on the channel geometry and generate targets for selected infill drilling.
- Two Tromino transects (Lines 2 and 7) that parallel two gravity transects aligned with Areva drill-section lines. These aimed to allow comparison of the Tromino and gravity data.
- Interpretation of the results included recalibration against lithological depths determined from all drillholes, as well as modelling of the gravity data to yield a quantitative electronic density model.

Trigg Mining's geophysical surveys were also compared to an airborne EM survey undertaken by AngloGold Ashanti Australia Limited (AngloGold) and used to target water exploration drilling.

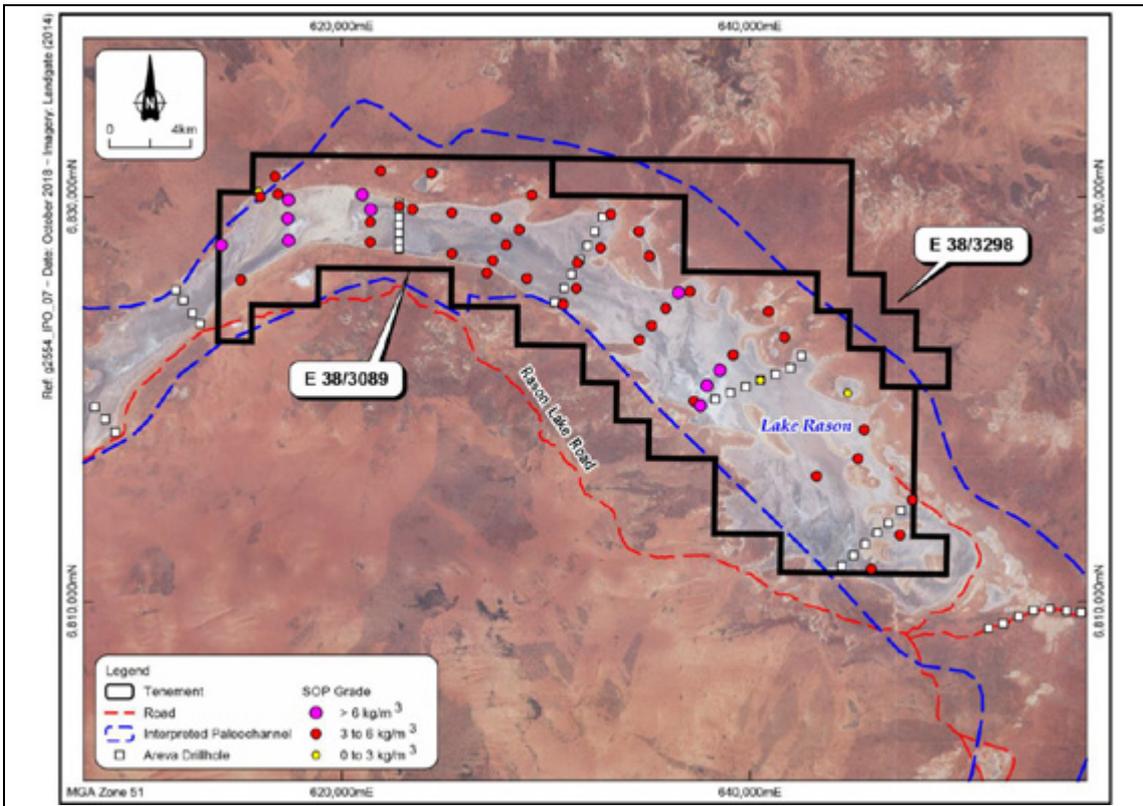
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<sup>12</sup> For an explanation of Tromino, refer <http://www.respot.com.au/wp-content/uploads/2016/10/TROMINO-web.pdf>.

<sup>13</sup> The line of lowest elevation within a valley or watercourse.

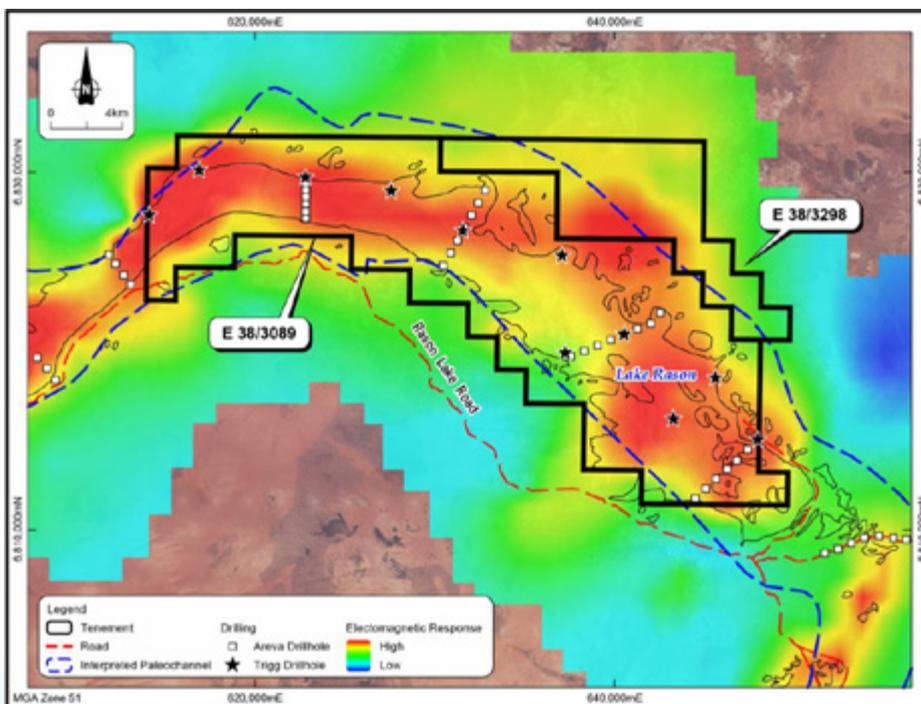
<sup>14</sup> Core Geophysics Pty Ltd.

**Figure 4.6 Lake Rason brine sampling and drilling**



Source: Trigg Mining. Note: Circles denote K2O Minerals auger holes and Trigg Mining pits.

**Figure 4.7 Lake Rason geophysics and drilling**



Source: Trigg Mining, Anglo EM background

### Air-core drilling and sampling

Trigg Mining undertook an AC drilling program in November 2017 that targeted gravity anomalies and the palaeochannel inferred from EM data (Figure 4.7). Eleven holes were drilled for a total of 1,050 m between 48 m and 150 m depth at an average depth of 95 m. The drilling program aimed to:

- Confirm Areva lithology and re-interpret stratigraphy
- Allow qualitative hydrogeological assessment of sediments based on inspection of the drill cuttings and observed water returns
- Collect brine samples through the entire sedimentary sequence to provide an indication of SOP grades.

Geological samples were collected at nominal 1 m intervals and considered by Trigg Mining to be adequate for exploratory lithological control and to confirm the lithological descriptions from the Areva drilling. There was no indication of drillhole collapse and lithological contamination.

Full details of the samples are provided in Appendix A and drillhole collar locations in Appendix B.

### Brine sampling

A total of 141 brine samples (excluding standards and duplicates) have been collected from auger holes, test-pits and AC drillholes (Figure 4.6) by K20 Minerals and Trigg Mining. Samples were analysed at an accredited laboratory, using appropriate techniques, for major anions (Cl, SO<sub>4</sub>) and cations (Na, Ca, Mg, K, B and Li) such that an ionic balance could be determined. Duplicate and standard solutions were analysed and indicate an average error of less than 4% for potassium between duplicates which is considered to indicate consistency in laboratory results.

Trigg Mining considers the samples and assays are suitable for the estimation of an Exploration Target. Snowden concurs with this assessment.

Full details of the samples are provided in Appendix A.

### Evaporation trial

Trigg Mining commissioned Bureau Veritas Minerals Pty Ltd to perform an initial laboratory evaporation trial of a 250-litre bulk sample of brine collected in November 2017. The exploratory testwork program comprised:

- Head assay characterisation of the combined supplied brine samples
- Preparation of a theoretical evaporation model using PhreeqC
- Evaporation of approximately 200 litres of brine to produce six harvests of salts and final intractable brine
- Characterisation of the harvested salts by QXRD and chemical assaying
- Conversion of the final harvested salt to SOP.

The trial was successful in recovery of 78% potassium in the final two harvests (5 and 6), with the 22% loss attributable to earlier harvests (19%) and 3% remaining in the final brine liquor.

Trigg Mining considers the results are suitable to demonstrate proof of concept for the generation of potassium salts by evaporation of the Lake Rason brine. Snowden concurs with this assessment.

Details of the sample results are presented in Appendix A.

## Lake Hope Campbell

In December 2017, Trigg Mining undertook reconnaissance sampling from shallow pits across the tenements, collecting 23 samples (Table 4.4 and Figure 4.8). These samples were reportedly taken the day following a significant rain event that resulted in visible surface water that may have diluted the samples in some areas. Assays returned results of up to 6.7 kg/m<sup>3</sup> K<sub>2</sub>SO<sub>4</sub> which are consistent with similar sampling at Lake Rason.

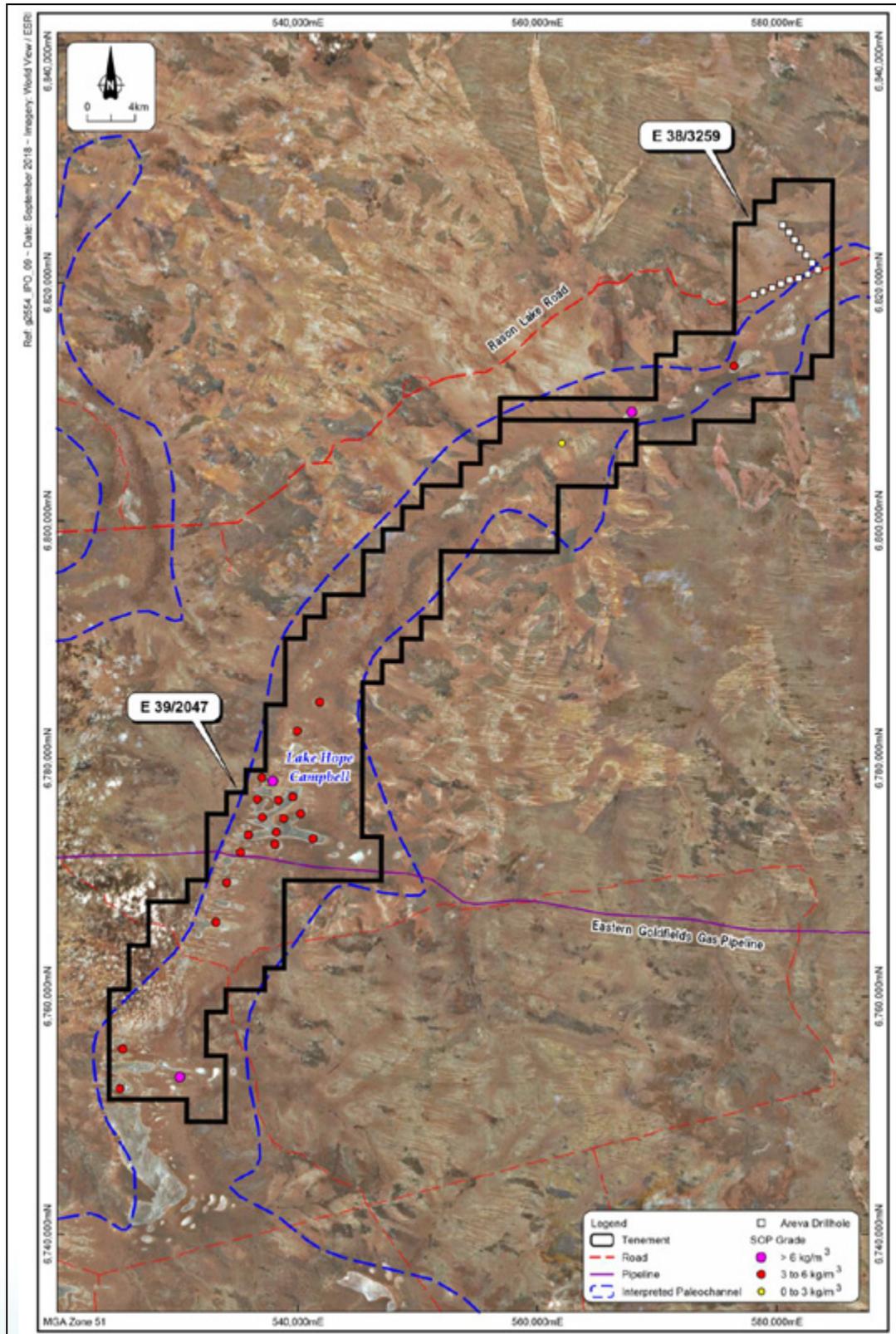
Trigg Mining considers that these results indicate the potential for mineralisation along the entire 100 km length of the palaeochannel. Snowden concurs with this assessment.

Details of the sample results are provided in Appendix A.

**Table 4.4 Lake Hope Campbell exploration results**

| Geological unit | No. of samples | Average concentrations (kg/m <sup>3</sup> ) |      |    |       |      |                 |    | Key ratios         |      |                    |       |
|-----------------|----------------|---|------|----|-------|------|-----------------|----|--------------------|------|--------------------|-------|
|                 |                | SOP   | K    | Ca | Na    | Mg   | SO <sub>4</sub> | Cl | Cl:SO <sub>4</sub> | K:Mg | SO <sub>4</sub> :K | Na:K  |
| Surficial       | 23             | 4.75  | 2.13 | NA | 84.99 | 8.42 | 21.92           | NA | NA                 | 0.25 | 10.28              | 39.87 |

Figure 4.8 Lake Hope Campbell brine sampling



Source: Trigg Mining

**East Laverton**

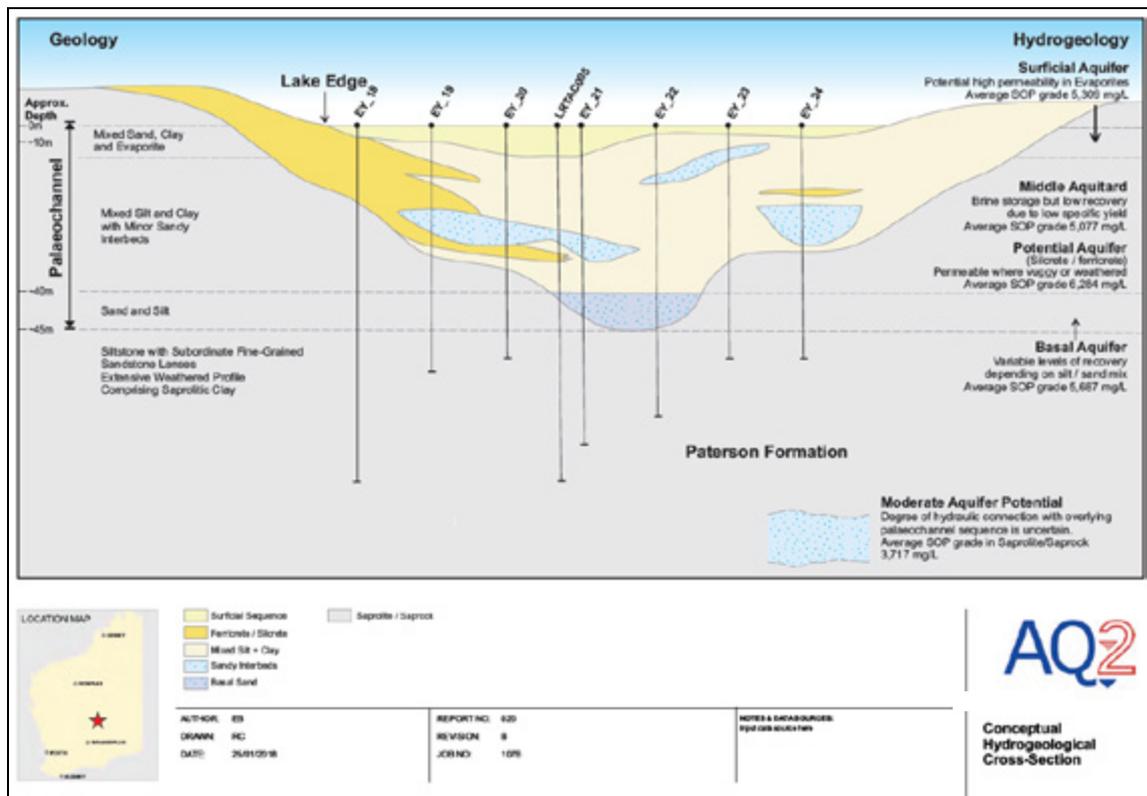
No sampling has been undertaken by Trigg Mining at the East Laverton prospect, but Snowden notes that it encompasses an interpreted 130 km strike length of palaeochannel and scattered playa areas and its geology is directly comparable to the Lake Rason and Lake Hope Campbell prospects.

**4.3.7 Hydrostratigraphic model**

**Hydrostratigraphy**

Trigg Mining's hydrogeology consultants have reviewed all available lithological data and downhole gamma logs from the Areva and Trigg Mining work to develop the hydrostratigraphic interpretation for the area and developed cross sections (Figure 4.9).

**Figure 4.9 Lake Rason schematic geological cross section**



Source: Trigg Mining

The hydrogeological units comprise:

- A Pliocene–Quaternary surficial aquifer of mixed alluvial or lacustrine clay, sand, gypsum and halite from the surface to a depth of between 2 m and 8 m below the lakes' surface, with an average thickness of 5 m. It is considered likely to form a permeable unconfined aquifer.
- A middle aquitard comprising a mixed sequence of Miocene silt and clay with sandy interbeds; the unit occurs between depths of 6 m and 40 m below the lakes' surface at an average thickness of 25 m. The sandy inter-beds are not continuous along the palaeochannel. The recoverability of brine from this middle aquitard will be limited because:
  - Clay and silt have a low specific yield, although the presence of the sandy interbeds increases the specific yield of the overall unit
  - The unit will be of low overall permeability and direct abstraction of brine from the clay and silt will be difficult

- However, it should be noted that brine might be obtained through delayed drainage from the silt and clay if adjacent and interbedded silcrete and sand aquifers can be depressurised or the sandy inter-beds are thick enough to support pumping and intra-unit depressurisation.
- An Oligocene–Miocene silcrete and ferricrete middle aquifer unit: permeability in this unit has not yet been confirmed and remains conceptual. A basal Eocene sand aquifer occurs between 20 m and 44 m below the lakes' surface, with an average thickness of 7 m. The basal sand appears to be continuous along the length of the palaeochannel and is interpreted to mark the bottom of the transported sequence, immediately overlying the Paterson Formation.
- The siltstone and fine-grained sandstone Paterson Formation underlies the transported sediments and has an extensive aquitard weathered profile of saprolitic clay. A transition zone of fractured Paterson Formation underlies the saprolitic clay which may offer some aquifer potential. The degree of hydraulic connection between this potential basement aquifer and the overlying Tertiary sequence is uncertain as the intervening saprolite may form a barrier.

No hydraulic testing has been undertaken at this stage and estimates of aquifer potential are conceptual.

### Brine aquifer extent

The geophysical surveys were retrospectively calibrated against drilling data. In combination with published Geoscience Australia palaeochannel mapping (Figure 4.7), these are used to infer the extent of the Lake Rason palaeochannel aquifer through the Lake Rason area. Trigg Mining's hydrogeological consultants conclude that all datasets show a channel feature aligned along the axis of the lake, strongly suggesting the presence of a palaeochannel:

- The EM data clearly show a high-conductivity zone in the lake, which may relate to the presence of saturated sediments and hypersaline brine
- The high-conductivity EM zone is coincident with the deepest sediments interpreted from the gravity survey
- It is likely that the coincident interpretation of deeper sediments and elevated conductivity is associated with the palaeochannel.

### Aquifer parameters

Trigg Mining's hydrogeological consultants have estimated aquifer parameters (Table 4.5) by reference to published information from comparable hydrogeological environments and by interpretation from particle size distribution (PSD) analysis on lithological samples collected from Trigg Mining's AC drilling program.

Salient points and relevant studies include:

- The Western Australian Department of Water's (DoW) 1999 study of northern Goldfields palaeochannels. This study provides estimates of permeability and specific yield for all the key hydrostratigraphic units and provides the only estimate of parameters for the silcrete unit.
- Australian Potash Limited's (APC) 2016 Mineral Resource estimation provides specific yield estimates for comparable units<sup>15</sup>.
- Agrimin Limited's (Agrimin) Mineral Resource estimations provide estimates of specific yield for the mixed clayey sand and gypsum sequence found in the surficial aquifer<sup>16</sup>.
- Water supply investigations for the Tropicana Mine (Tropicana) were undertaken by Pennington Scott in the Lake Rason area in 2009. These provide estimates of the aquifer parameters for the basement siltstone and sandstone underlying Lake Rason.

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<sup>15</sup> [https://www.australianpotash.com.au/site/PDF/1094\\_0/AnnualMineralResourceStatement30June2016](https://www.australianpotash.com.au/site/PDF/1094_0/AnnualMineralResourceStatement30June2016).

<sup>16</sup> <http://www.agrimin.com.au/wp-content/uploads/2015/12/20151215-SOP-Resource-Update-for-Mackay-Project.pdf>.

- PSD analyses have been used to provide estimates of specific yield and permeability for granular sediments using United States Department of Agriculture methods.
- PSD analyses have also been used to provide estimates of granular sediments permeability-only, using a suite of grain-size related approximations.

Specific yield is a key parameter in determining the volume of potentially recoverable in-situ brine and Trigg Mining's hydrogeological consultants have developed a range of specific yields based on the above sources. Estimates of permeability are provided to give an indication of those units from which abstraction may be possible.

Table 4.5 Lake Rason hydrological parameters

| Source<br>Parameter | DoW     | Agrimin | APC | Specific yield (%) |         |     | Adopted range |         |                              | DoW | Agrimin | APC         | Tropicana | PSD  | Reported |
|---------------------|---------|---------|-----|--------------------|---------|-----|---------------|---------|------------------------------|-----|---------|-------------|-----------|------|----------|
|                     |         |         |     | Tropicana          | PSD     | PSD | Min.          | Max.    | Hydraulic conductivity (m/d) |     |         |             |           |      |          |
| Surficial           | 5       | 10.5    | 10  |                    |         | 8   | 12            | 2.5     |                              |     |         |             |           | 10   |          |
| Mixed aquitard      |         | 5       | 6   | 1                  | 13      | 2   | 10            |         |                              |     |         | 0.0075      | 0.01      | 0.01 |          |
| Silcrete/Ferricrete | 5 to 25 |         |     |                    |         | 5   | 15            |         |                              |     |         |             |           | 1    |          |
| Basal sand          | 20      |         | 29  |                    | 4 to 28 | 15  | 25            | 1 to 40 |                              |     |         |             | 0.42      | 0.5  |          |
| Saprolite           |         |         |     | 0.1 to 3           |         | 1   | 2             |         |                              |     |         | 0.02 to 0.1 |           | 0.01 |          |
| Saprock             |         |         |     | 0.1 to 3           |         | 2   | 3             |         |                              |     |         | 0.02 to 0.1 | 0.13      | 0.1  |          |

## Groundwater levels

Long-term groundwater monitoring data is not available for the lakes and the effect of seasonal recharge on groundwater levels cannot be determined. Brine was within 0.46 m of the surface of the lake sediments in late 2017 and at depths up to 1 m below the lake surface in 2015.

Trigg Mining's hydrogeological consultants consider the groundwater to be very shallow and the entire sedimentary sequence beneath the lake to be saturated with brine.

## Brine chemistry

Trigg Mining's Lake Rason sampling indicates varying potassium brine enrichment, ranging between 0.49 kg/m<sup>3</sup> K and 3.6 kg/m<sup>3</sup> K. The average grade was 2.40 kg/m<sup>3</sup> K for the transported palaeovalley sediments (Table 4.6). The preliminary interpreted distribution of brine grade through the stratigraphic sequence is based on a small number of samples in relation to the overall Project area.

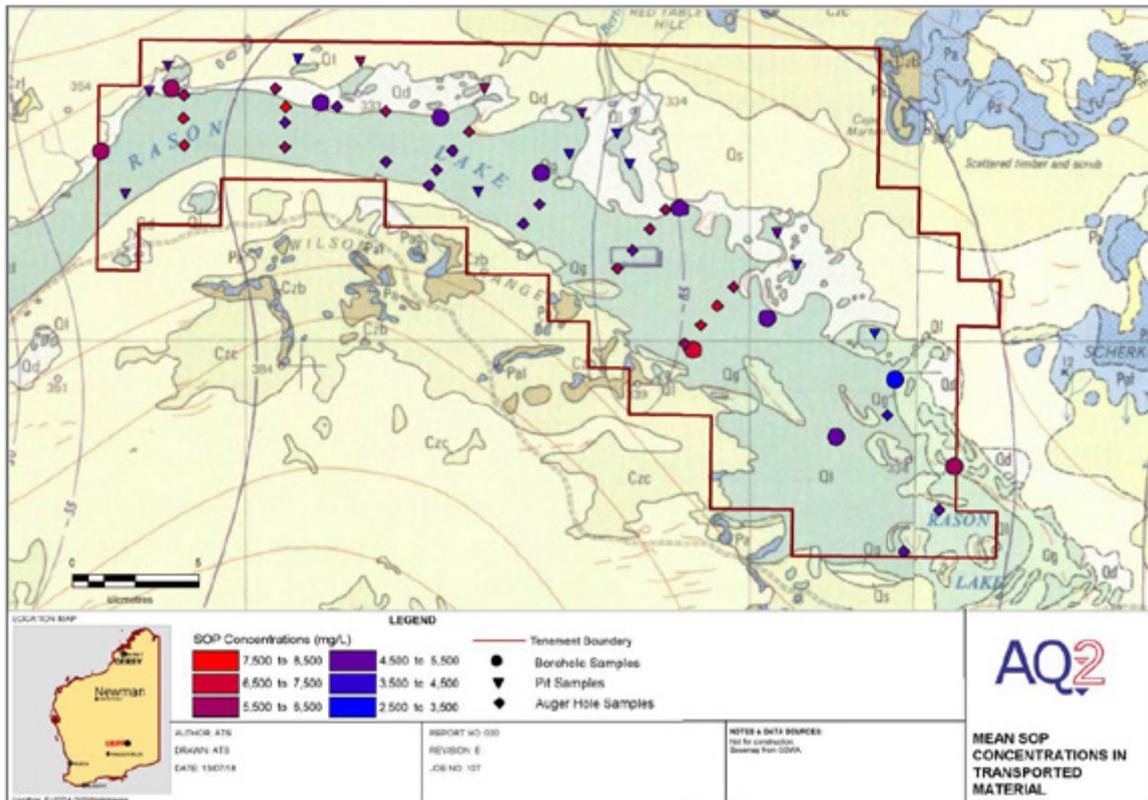
Trigg Mining's hydrogeological consultants consider that the typical SO<sub>4</sub> to K ratio of around 9 to be sufficient to support SOP conversion.

**Table 4.6 Preliminary Lake Rason stratigraphy sampling**

| Geological unit     | No. of samples | Average concentrations (kg/m <sup>3</sup> ) |      |      |       |       |                 |        | Key ratios         |      |                    |       |
|---------------------|----------------|---|------|------|-------|-------|-----------------|--------|--------------------|------|--------------------|-------|
|                     |                | SOP   | K    | Ca   | Na    | Mg    | SO <sub>4</sub> | Cl     | Cl:SO <sub>4</sub> | K:Mg | SO <sub>4</sub> :K | Na:K  |
| Surficial           | 52             | 5.31  | 2.38 | 0.53 | 80.97 | 9.43  | 21.33           | 136.63 | 6.54               | 0.26 | 8.92               | 36.13 |
| Mixed               | 32             | 5.08  | 2.28 | 0.61 | 74.87 | 8.62  | 19.91           | 132.63 | 6.83               | 0.27 | 8.83               | 33.47 |
| Ferricrete/Silcrete | 9              | 6.28  | 2.82 | 0.44 | 81.07 | 11.21 | 25.64           | 147.18 | 6.14               | 0.26 | 9.09               | 29.34 |
| Basal sand          | 5              | 5.69  | 2.55 | 0.38 | 81.48 | 11.05 | 27.68           | 146.39 | 5.37               | 0.23 | 10.82              | 32.19 |
| Saprock/Saprolite   | 43             | 3.72  | 1.67 | 0.80 | 71.69 | 8.08  | 16.39           | 128.57 | 8.8                | 0.2  | 9.96               | 49.3  |
| Transported         | 98             | 5.34  | 2.40 | 0.54 | 79.01 | 9.41  | 21.68           | 136.85 | 6.54               | 0.26 | 9.06               | 33.79 |
| Basement            | 43             | 3.72  | 1.67 | 0.80 | 71.69 | 8.08  | 16.39           | 128.57 | 8.8                | 0.2  | 9.96               | 49.3  |

Trigg Mining's preliminary sampling of Lake Rason indicates varying SOP enrichment, ranging from 1.09 kg/m<sup>3</sup> to 8.03 kg/m<sup>3</sup>. The average SOP grade is 4.84 kg/m<sup>3</sup> across Lake Rason, 5.34 kg/m<sup>3</sup> for the transported palaeovalley sediments and 3.72 kg/m<sup>3</sup> for the basement aquifer (Figure 4.10). Additional sampling is required to confirm the grade interpolation before Mineral Resources can be estimated.

Figure 4.10 Lake Rason preliminary SOP grade distribution



Source: Trigg Mining

### 4.3.8 Lake Rason Exploration Target

Trigg Mining’s hydrogeological consultant has postulated an SOP Exploration Target (Table 4.7) for Lake Rason based on the development of a conceptual hydrogeological model and associated static three-dimensional hydrogeological model. The Exploration Target is limited to the area covered by the Trigg Mining’s tenements and there are areas where the conceptual hydrogeological model remains uncertain:

- Estimates of permeability and specific yield are based on laboratory analysis of grain-size, corroborated with data presented in other studies. Trigg Mining plans in-situ hydraulic testing and additional laboratory analysis for 2018.
- The ability to pump from the encountered sediments in economic quantities remains uncertain, although each of the basal sand, overlying silcrete and underlying basement have aquifer potential. In places, the basal sand is relatively thin, both the sand and silcrete can be clayey and the basement unit is fine-grained and likely to be hydraulically separated from the overlying Tertiary sequence by saprolitic clay. The sustainable pumping rate from a bore in this mixed sequence has not yet been determined.
- The lateral extent of the Exploration Target has also been limited to areas within the Project tenements (i.e. no account is taken of brine which may be drawn in along the palaeochannel from outside the tenement during pumping).
- The volume of potentially recoverable brine for each hydrogeological unit is controlled by the specific yield for that unit. The Exploration Target has considered a maximum and minimum value for specific yield derived from a plausible range based on the available data.
- Minimum and maximum SOP concentrations are based on the mean value  $\pm 1$  standard deviation ( $\delta$ ). Brine grades have been averaged across each unit to provide average grade estimates for the transported and basement material respectively.

The Exploration Target range is derived from:

- Aquifer volume for each hydrostratigraphic unit from Leapfrog® model
- Minimum and maximum Specific Yield (from estimates, peers and published work)
- Minimum grade based on one standard deviation ( $\delta$ ) lower than mean
- Maximum grade based on one standard deviation ( $\delta$ ) above mean
- Grade statistics calculated for transported material and basement material respectively and based on all hydrostratigraphic units within each type (following review of grade distribution with depth)
- Conversion to SOP based on  $K \text{ (mg/L)} \times 2.23$ .

The Exploration Target ranges between 2.5 Mt and 9.0 Mt of SOP; Snowden cautions that the JORC Code defines an Exploration Target as being:

*“a statement of the exploration potential of a mineral deposit in a defined geological setting, quoted as a range of tonnes and a range of grades for which there has been insufficient exploration to estimate a Mineral Resource”.*

Such a target does not in any way constitute a Mineral Resource estimate as defined by the JORC Code and is entirely conceptual in nature.

The Exploration Target reported for the Lake Rason Prospect is estimated for granted exploration licences E38/3089 and E38/3298.

The information in this IGR that relates to Exploration Targets and Exploration Results has been prepared by AQ2 with direction and review by Duncan Gareth Storey. Mr Storey is a Director and Consulting Hydrogeologist with AQ2 and has almost 30 years of international experience. He is a Chartered Geologist with, and Fellow of the Geological Society of London (a Recognised Professional Organisation under the JORC Code 2012). Mr Storey has experience in the assessment and development of palaeochannel aquifers, including the development of hypersaline brines in Western Australia. His experience and expertise are such that he qualifies as a Competent Person as defined in the JORC Code. Mr Storey consents to the inclusion of matters related to information for the AQ2 studies in the form and context as it appears.

**Table 4.7 Exploration Target**

| Unit               | Aquifer volume (Mm <sup>3</sup> ) | Specific yield (%) |      | Potentially drainable brine (Mm <sup>3</sup> ) |      | SOP grade (kg/m <sup>3</sup> ) |           |             | SOP (Mt)   |            |
|--------------------|-----------------------------------|--------------------|------|--|------|--------------------------------|-----------|-------------|------------|------------|
|                    |                                   | Min.               | Max. | Min.   | Max. | -1 $\delta$                    | $\bar{x}$ | +1 $\delta$ | Min.       | Max.       |
| Surficial aquifer  | 2,000                             | 8                  | 12   | 200  | 300  | 4.35                           | 5.34      | 6.33        | 0.8        | 1.8        |
| Mixed aquitard     | 5,000                             | 2                  | 10   | 100  | 500  |                                |           |             | 0.5        | 3.4        |
| Silcrete aquifer   | 300                               | 5                  | 15   | 20   | 50   |                                |           |             | 0.1        | 0.3        |
| Basal sand aquifer | 1,000                             | 15                 | 25   | 200  | 300  |                                |           |             | 0.8        | 1.9        |
| Saprolite aquifer  | 4,000                             | 1                  | 2    | 40   | 80   | 2.05                           | 3.72      | 5.38        | 0.1        | 0.5        |
| Saprock aquifer    | 7,000                             | 2                  | 3    | 100  | 200  |                                |           |             | 0.3        | 1.1        |
|                    |                                   |                    |      |  |      |                                |           |             | <b>2.5</b> | <b>9.0</b> |

Notes: Numbers rounded. The Exploration Target range is derived from:

- Aquifer volume for each hydrostratigraphic unit from Leapfrog® model
- Minimum and maximum Specific Yield (from estimates, peers and published work)
- Minimum grade based on one standard deviation ( $\delta$ ) lower than mean
- Maximum grade based on one standard deviation ( $\delta$ ) above mean
- Grade statistics calculated for transported material and basement material respectively and based on all hydrostratigraphic units within each type (following review of grade distribution with depth)
- Conversion to SOP based on  $K \text{ (mg/L)} \times 2.23$ .

### 4.3.9 Snowden opinion

Snowden considers that the Lake Rason Exploration Target justifies further exploration that would support the estimation of a Mineral Resource. This is particularly the case when ease of access and proximity to infrastructure is considered. Snowden considers that Trigg Mining's proposed exploration program and budgeted expenditure is appropriate to this end.

The Lake Hope Campbell and East Laverton prospects are at an early exploration stage but the apparent hydrological and hydrogeological homogeneity of the palaeochannel and associated lake systems gives confidence that Laverton Links Project potentially hosts significant SOP mineralisation.

Snowden's opinion is that Trigg Mining's low-level approach to exploration on the less developed prospects is appropriate for the degree of maturity of these and will not distract it from other, more advanced projects.

## 4.4 Lake Throssell Potash Project

### 4.4.1 Setting

The Lake Throssell Potash Project is a single granted exploration licence located approximately 200 km northeast of Laverton, adjacent to the Great Central Road that connects Laverton to Alice Springs and lies within the Ngaanyatjarra Native Title determined lands.

The Project area is unexplored, with only minor exploration work being completed for uranium, gold and base metals since the early 1970s. Lake Throssell is rated by Geoscience Australia as one of the most prospective lakes for sulphate of potash brine in the region<sup>17</sup>.

### 4.4.2 Location and access

The tenement is centred approximately 200 km northeast of Laverton and accessed from Laverton via the unsealed Great Central Road and from there via four-wheel-drive tracks.

### 4.4.3 Tenements

Exploration licence E38/3065 covers 106 graticular blocks and falls on the Lake Throssell SG51-115 1:250,000 map sheet.

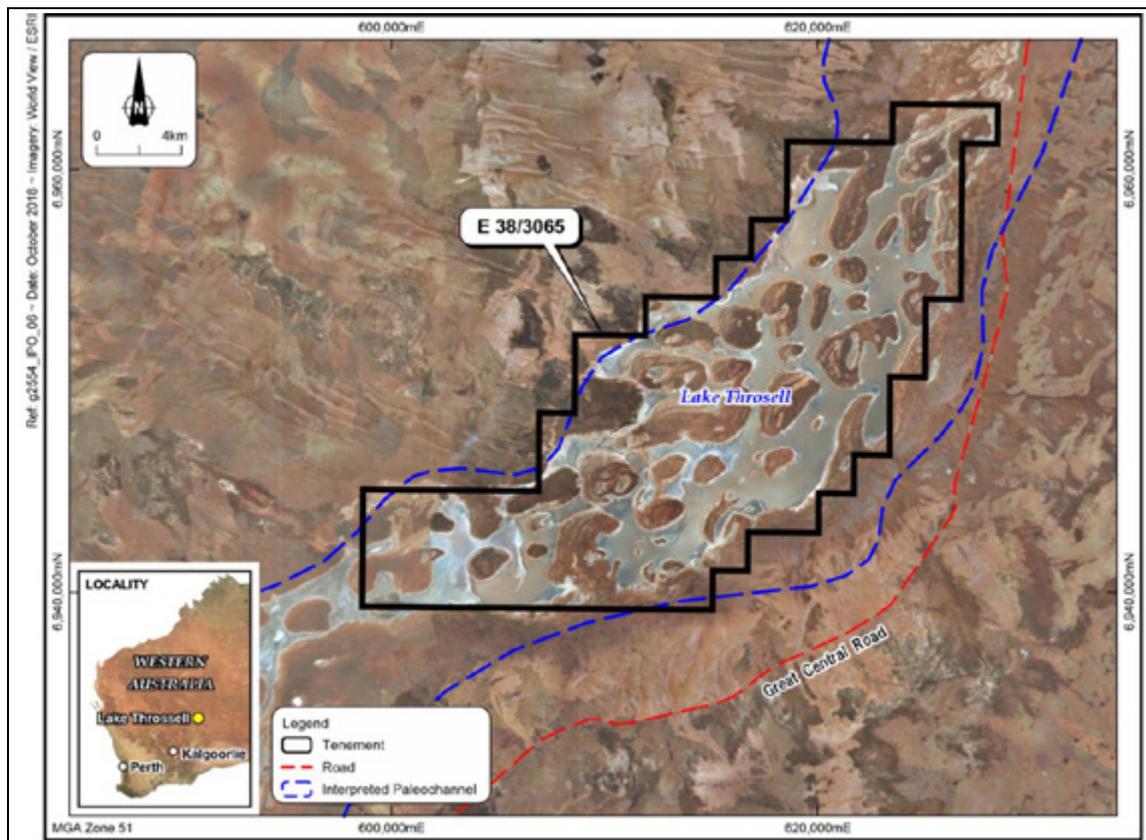
The application was made by K2O Minerals on 8 June 2015 and was granted on 1 August 2018 (Table 4.8 and Figure 4.11).

**Table 4.8 Lake Throssell Project tenement application**

| Licence  | Title holder        | Area (blocks) | Application date | Grant date |
|----------|---------------------|---------------|------------------|------------|
| E38/3065 | K2O Minerals – 100% | 106           | 08/06/2015       | 01/08/2018 |

<sup>17</sup> Mernagh, T.P. (ed.), 2013. *A review of Australian salt lakes and assessment of their potential for strategic resources*. Record 2013/39. Geoscience Australia: Canberra.

**Figure 4.11 Lake Throssell tenement and location**



Source: Trigg Mining

**4.4.4 Historical exploration**

A search of the WAMEX database records that:

- 1972 – The Commonwealth BMR conducted seismic traverses and drilled a single AC and mud rotary hole for a total of 198.12 m, encountering sandstone and siltstone from 101 m below the lake surface and abundant water at 11 m and 30 m below the lake surface.
- 1981 – Seltrust Mining Corporation (Seltrust) explored the area for diamonds and conducted aeromagnetic and radiometric surveys at 250 m line spacing. A total of 32 shallow RAB holes were drilled for 789 m and samples geochemically sample tested for kimberlite pipe indicator minerals.
- 1982 – Seltrust drilled one percussion hole for a water supply bore and determined that the palaeodrainage channel was at least at 114 m depth.
- 1998 – Prospector Jeremy Carter drilled two RC holes for a total of 78 m and 10 AC holes for a total of 709.8 m, that encountered pebbles and cobbles throughout the lacustrine sequence with unconsolidated quartz sands over 3 m from 108 m below the surface of the lake, sampling for gold.

**4.4.5 Recent exploration**

No sampling has been undertaken by Trigg Mining at the Lake Throssell Potash Project, but Snowden notes that it encompasses a significant area of playa lake and an interpreted 40 km strike length of palaeochannel. Its geology is directly comparable to the Lake Rason and Lake Hope Campbell prospects and the company plans to conduct a heritage survey and subsurface brine sampling.

Trigg Mining's analysis of the publicly available<sup>18</sup> ASTER gypsum index image over Lake Throssell (Figure 4.12) against publicly available competitor sampling results<sup>19</sup> indicates the presence of strong, contiguous gypsum indices. These are similar in intensity to Salt Lake Potash Ltd's southern Lake Wells area. Although no samples have been taken by Trigg Mining from the Lake Throssell area, the ASTER imagery indicates that a strong gypsum producing brine environment is present.

Trigg Mining proposes pit and auger sampling at Lake Throssell to determine if there is a similar general relationship between the ASTER gypsum index intensity and potential potassium grade.

Mineral Resource estimates have been publicly released by Salt Lake Potash Ltd<sup>20</sup>, Kalium Lakes Limited<sup>21</sup> and Australian Potash Limited<sup>22</sup> and Trigg Mining has similarly compared these estimates to ASTER gypsum indices (Figure 4.13). Trigg Mining considers this analysis to favour the prospectivity of its Lake Throssell Project for gypsum. Snowden observes a casual relationship between interpreted gypsum deposition and reported brine concentrations that requires further testing in the form of pit or trench sampling.

#### 4.4.6 Native title

The area of exploration licence E38/3065 covers land that is the subject of the Ngaanyatjarra Lands Determination, made by the Federal Court of Australia in June 2005 and 2008 (WAD 6004/04). The determination recognises that the Ngaanyatjarra Lands People have exclusive native title rights and interests in the land the subject of E38/3065.

In 2018, Trigg Mining and K2O Minerals negotiated an agreement with the Yarnangu Ngaanyatjarraku Parna (Aboriginal Corporation) RNTBC, in its capacity as the registered native title body corporate in respect of the land the subject of the Ngaanyatjarra Lands Determination, to facilitate the grant of E38/3065 and to govern the carrying out of exploration activities on the tenement.

#### 4.4.7 Snowden opinion

The Lake Throssell Potash Project is at an early exploration stage but the apparent palaeochannel and associated lake system gives confidence that Lake Throssell Project potentially hosts SOP mineralisation.

Snowden's opinion is that Trigg Mining's approach to exploration at Lake Throssell is appropriate for the degree of maturity of the Project and will not distract it from other, more advanced Laverton Links Potash Project.

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<sup>18</sup> Department of Mines, Industry Regulation and Safety Imagery Web Map Service.

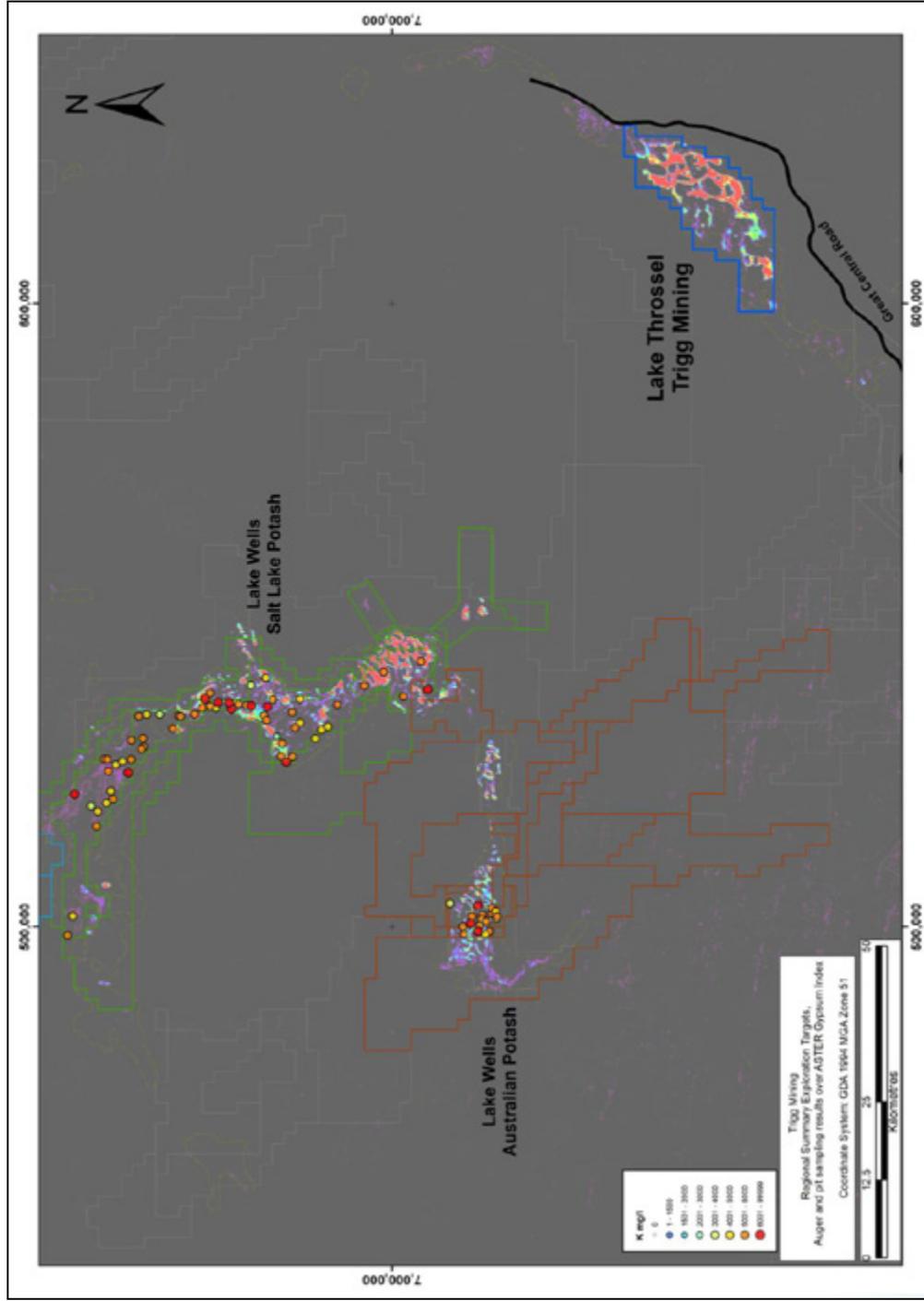
<sup>19</sup> ASX Release, Salt Lake Potash, 5/4/15; ASX Release, Australian Potash Limited, 26/8/15.

<sup>20</sup> ASX Release, Salt Lake Potash, 22/2/2016.

<sup>21</sup> ASX Release, Kalium Lakes Limited, 27/7/2018.

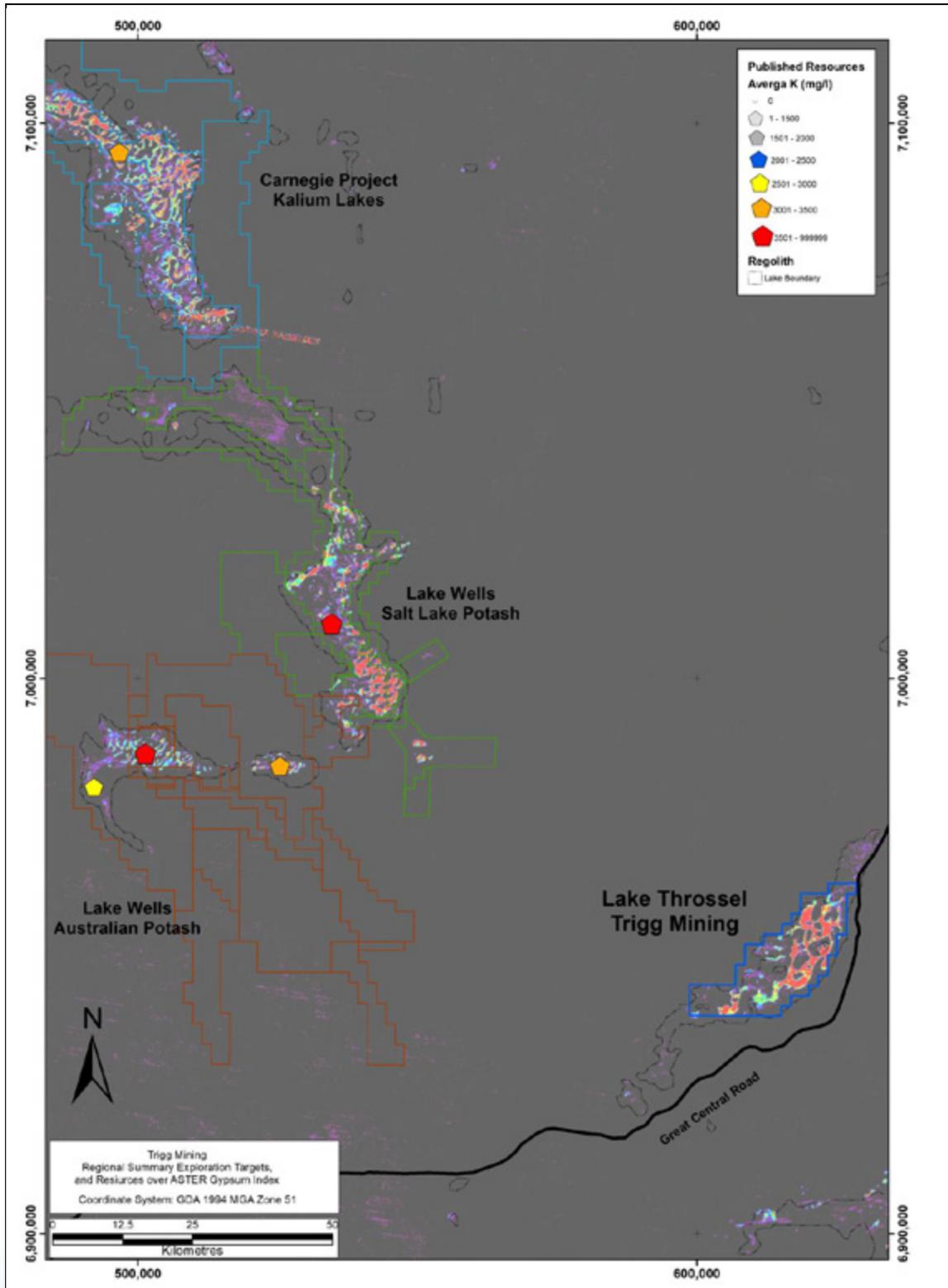
<sup>22</sup> ASX release, Australian Potash Limited, 23/3/2017.

Figure 4.12 Competitor sampling results against interpreted ASTER gypsum index



Source: Trigg Mining

Figure 4.13 Competitor reported Mineral Resources against interpreted ASTER gypsum index



Source: Trigg Mining

## 5 BRINE ABSTRACTION AND RECOVERY METHODS

### 5.1 Brine extraction

There are two methods applicable to the abstraction of the brine from sediments:

- Pumping from trenches inside the alluvial sediments (surficial aquifer)
- Pumping from wells in the basal sands, glacial sediments and fractured rock aquifers (lower aquifers) plus leakage from potential brine-bearing segments within the clays.

### 5.2 Processing of sulphate of potash from brines

The general mineral processing concept for SOP from brine solutions is comprised of brine winning, brine concentration and crystallisation of solid raw materials for the processing plant.

The major mineral processing steps involved in the recovery of SOP from lake brines is as follows:

- **Brine solar evaporation:** Brine is pumped into a series of solar evaporation ponds where it sequentially precipitates calcium, sodium, potassium and in some cases magnesium mixed salts in separate ponds. Unless they are economic to process, the calcium and sodium salts are left within the evaporation ponds to be harvested once full.
- **Salt harvesting:** The mixed potassium salts (Kainite Type Mixed Salt, KTMS) that have crystallised from the solar evaporation ponds are mechanically harvested and stored separately prior to being mixed, pre-crushed and stockpiled.
- **Conversion and purification:** The stockpiled mixed potassium salts are fed into a processing plant where the salts are converted into schoenite ( $K_2SO_4MgSO_4 \cdot 6H_2O$ ) and halite through a conversion and recycling process. The resultant slurry undergoes flotation where the halite is discarded and the schoenite undergoes thermal decomposition into SOP. Unless economic to recover the halite is discarded to a tailings storage facility. Depending on the composition of the deposit brine, co-production of epsomite ( $MgSO_4 \cdot 7H_2O$ ), magnesium hydroxide (MgOH), bischofite ( $MgCl_2 \cdot 6H_2O$ ) and hydrated magnesium carbonate may be considered in addition to SOP.

## 6 EXPLORATION STRATEGY AND BUDGET

Trigg Mining has presented and explained to Snowden a technical program and budget (Table 6.1) to advance the exploration and evaluation studies of the Laverton Links and Lake Throssell Potash Projects. The exploration and evaluation studies will occur in a phased approach, by expanding the Exploration Target and defining a Mineral Resource estimate at the Laverton Links Potash Project and completing a heritage survey and reconnaissance exploration program at the Lake Throssell Potash Project.

The Projects will be progressively assessed to determine the hydrogeological characteristics of the potassium enriched brine aquifers with drilling, trenching and test water bore installation with short-term pumping trials to determine hydraulic parameters and evaporation trials and metallurgical testwork to determine salt crystallisation characteristics and potential process flowsheet.

Should one of the Project's characteristics indicate economic merit, the exploration and development activities undertaken in the SOP operation may encompass the following key stages:

- 1) Determination of the hydrogeological parameters of the aquifer, including permeability, porosity, specific yield and recharge characteristics.
- 2) Abstraction testing to design the most appropriate and economical means of abstraction of the brine.
- 3) Metallurgical testing of the evaporation and processing options of the brine and resultant salt product/s.
- 4) Design of an appropriate process and associated infrastructure.
- 5) Identification of markets for the products of the process.

Trigg Mining's immediate priority, based on completing the Public Offer, is to complete the next exploration phase which involves:

- Continuing to explore the tenements and continuing hydrogeological definition to expand the Exploration Target and establish a Mineral Resource estimate
- Conducting pump tests to verify key assumptions in relation to brine extraction from the main aquifers
- Conducting bench-scale metallurgical testwork to determine preliminary process flowsheet options
- A heritage survey prior to commencing field work at Lake Throssell.

**Table 6.1 Use of funds**

| Item   | A\$4.5 million raised | %          |
|--|-----------------------|------------|
| Exploration drilling, geophysics and support | 1,720,000             | 38         |
| Establish bores and pump testing             | 370,000               | 8          |
| Laboratory and testwork                      | 165,000               | 4          |
| Environmental and other studies              | 80,000                | 2          |
| Rents, rates and heritage                    | 415,000               | 9          |
| Corporate and administration                 | 1,045,000             | 23         |
| Cost of the Public Offer                     | 540,000               | 12         |
| Working capital                              | 165,000               | 4          |
| <b>Total funds allocated</b>                 | <b>4,500,000</b>      | <b>100</b> |

*Note: Numbers rounded.*

Snowden has reviewed the exploration program and budget for the Potash Projects, which contemplates the raising of \$4.5 million, before costs and considers it to be fair and reasonable and commensurate with good practice. Snowden observes that the intended use of funds falls within the bounds mandated by Chapter 1 of the ASX Listing Rules.

Snowden cautions that any mineral exploration venture is a process of discovery and that estimated expenditures are subject to modification depending on progress, market conditions and other factors. Actual expenditure levels may differ significantly to the above estimates.

## 7 CONCLUSIONS

### 7.1 Summary

Snowden considers that Trigg Mining has the technical expertise and potential to establish an economically viable potash project within its tenement areas. The key to risk reduction and development of brine deposits is careful examination of the hydrological properties and the establishment of suitable parameters to inform a hydrogeological model and a process flowsheet.

Trigg Mining has managed technical risk in development of its Projects via engagement of suitably qualified and experienced consultants to assist in:

- Establishment of porosity, permeability and specific yield testing
- Planning of an exploration and testing program
- Appropriate assay duplication and cross-checking
- Assessment of extraction options for each area
- Creation of a numerical model and brine extraction program
- Further drilling to understand sediment layers and connectivity.

Exploration results indicate that there are vertical and lateral differences in chemical composition of the brine over the Projects, but the indications are that sufficient volume of brine is available to support an economic process.

An Exploration Target can be extrapolated from the existing data and knowledge of the lake systems. As exploration work continues, Snowden expects that a Mineral Resource can be estimated, and a process flowsheet developed.

### 7.2 Recommendations

Snowden has reviewed the proposed exploration program and budget and considers it to be fair and reasonable and commensurate with good practice.

Snowden makes the following recommendations based on its knowledge of the Projects and its reading of the Projects' consultants' reports:

- All work be conducted in accordance with the standards promulgated by the 2012 Edition of the JORC Code
- Work should be expedited at Laverton Links Potash Project toward the establishment of a Mineral Resource
- Work should be expedited towards the establishment of a process flowsheet
- A hydrogeological model should be developed to increase the knowledge of the brine system
- Several parameters require closer definition with ongoing exploration work, such as long-term pumping tests
- Geophysical exploration should be combined with borehole exploration including geophysical borehole logging, in-situ tests of permeability, porosity and hydrogeological flow rates.

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## 9 GLOSSARY AND ABBREVIATIONS

| Term               | Definition   |
|--------------------|--|
| AC                 | Air-core (a drilling technique that can penetrate clays)   |
| Aeolian            | Wind blown   |
| Agrimin            | Agrimin Limited  |
| AHD                | Australian Height Datum  |
| alluvial           | Sediments deposited by a river   |
| AngloGold          | AngloGold Ashanti Australia Limited  |
| APC                | Australian Potash Limited  |
| AQ2                | AQ2 Pty Ltd, a hydrogeological consultancy   |
| aquifers           | A surficial or subterranean watercourse  |
| aquitard           | A layer of impervious rock   |
| Archaean           | A geological eon, 4.0 to 2.5 billion years ago   |
| Areva              | Areva Resources Australia Pty Ltd  |
| ASX                | Australian Securities Exchange   |
| auger              | A shallow drilling technique   |
| Aura               | Aura Energy Limited  |
| B                  | Boron  |
| block              | The legal unit of area of an exploration licence in Western Australia. measuring 1 minute of latitude by 1 minute of longitude |
| BMR                | (Commonwealth) Bureau of Mineral Resources – now Geoscience Australia  |
| Brine              | A solution of salt in water  |
| Ca                 | Calcium  |
| Cl                 | Chlorine   |
| colluvial          | Sediments collected at the base of a hill  |
| Dalmenian Orogeny  | An Australian crustal event between 514 and 500 million years ago  |
| DMIRS              | Department of Mines, Industry Regulation and Safety  |
| DoW                | Department of Water  |
| eluvial            | Sediments that remain after exposure to wind or water  |
| EM                 | Electromagnetic  |
| Eocene             | A geological epoch from 56 to 34 million years ago   |
| ferricrete         | Sediments cemented by iron   |
| gamma              | A type of radioactivity used by geologists to identify different rocks and minerals  |
| ha                 | Hectare(s)   |
| hydrogeological    | The study of aquifer   |
| hydrostratigraphic | Layering of a solution   |
| IGR                | Independent Geologist's Report   |
| JORC               | The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves                                 |
| K                  | Potassium  |
| K2O Minerals       | K2O Minerals Pty Ltd   |
| kg/m <sup>3</sup>  | Kilograms per cubic metre  |
| km                 | Kilometre(s)   |
| km <sup>2</sup>    | Square kilometre(s)  |
| KTMS               | Kainite Type Mixed Salt  |
| lacustrine         | Of lakes   |
| Li                 | Lithium  |
| m                  | Metre(s)   |
| M                  | Million(s)   |

| Term             | Definition   |
|------------------|--|
| mbgl             | Metres below ground level  |
| mg/l             | Milligrams per litre   |
| Mg               | Magnesium  |
| MGA              | Map Grid of Australia  |
| Miocene          | A geological epoch from 23 million to 5.3 million years ago  |
| mm               | Millimetre(s)  |
| Mt               | Million tonnes   |
| Mt/a             | Million tonnes per annum   |
| Na               | Sodium   |
| Oligocene        | A geological epoch from 33.9 million to 23 million years ago                                       |
| Ordovician       | A geological period from 485 to 444 million years ago  |
| Palaeochannel    | An ancient watercourse   |
| Pennington Scott | Pennington Scott Pty Ltd, a hydrogeological consultancy  |
| Permian          | A geologic period, 300 to 252 million years ago  |
| Phanerozoic      | A geological eon from 541 million years ago to the present   |
| Pliocene         | A geological epoch from 5.3 million to 2.6 million years ago                                       |
| Proterozoic      | A geological eon from 2500 to 541 million years ago  |
| PSD              | Particle size distribution analysis  |
| Quaternary       | A geological period from 2.6 million years ago to the present                                      |
| RAB              | Rotary air blast   |
| RC               | Reverse circulation  |
| regolith         | The layer of unconsolidated rocky material covering bedrock  |
| RepTEM           | An electromagnetic geophysical exploration technique   |
| salt             | A compound of a metallic and a non-metallic element  |
| saprock          | Rock that is partially decomposed to clay  |
| saprolite        | A clay-rich rock   |
| Seltrust         | Seltrust Mining Corporation  |
| SG               | Specific gravity   |
| silcrete         | Sediments cemented by silica   |
| Snowden          | Snowden Mining Industry Consultants Pty Ltd  |
| SO <sub>4</sub>  | Sulphate   |
| SOP              | Sulphate of potash   |
| TDS              | Total dissolved solids   |
| TEMPEST          | An electromagnetic geophysical exploration technique   |
| Tertiary         | A geological period from 66 million to 2.6 million years ago                                       |
| thalweg          | The line of lowest elevation of a watercourse  |
| Trigg Mining     | Trigg Mining Limited   |
| Tromino          | A seismic geophysical exploration technique  |
| Tropicana        | Tropicana Mine   |
| unconformity     | A surface between successive strata representing a missing interval in the geologic record of time |
| VALMIN Code      | Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets   |
| WMC              | WMC Resources Limited  |
| Yilgarn Craton   | A Western Australian crustal unit  |



Appendix A **Trigg Mining Sampling Results**

## Lake Rason sampling results – auger holes

| Hole ID | MGA E<br>(Zone 51) | MGA N<br>(Zone 51) | Sample ID | From To<br>(m) |    | SG | Mg    | K    | S     | Ca  | SO <sub>4</sub> | TDS calc | Na     |
|---------|--------------------|--------------------|-----------|----------------|----|----|-------|------|-------|-----|-----------------|----------|--------|
|         |                    |                    |           | From           | To |    |       |      |       |     |                 |          |        |
| 15WS01  | 617400             | 6827839            | 15WS01    |                |    |    | 11700 | 3130 | 9210  | 372 |                 |          | 92200  |
| 15WS02  | 621403             | 6827764            | 15WS02    |                |    |    | 8620  | 2510 | 8190  | 497 |                 |          | 77700  |
| 15WS03  | 621401             | 6828757            | 15WS03    |                |    |    | 7090  | 2180 | 6460  | 640 |                 |          | 71400  |
| 15WS04  | 621426             | 6829370            | 15WS04    |                |    |    | 12500 | 3600 | 10600 | 260 |                 |          | 104000 |
| 15WS05  | 625409             | 6827191            | 15WS05    |                |    |    | 9110  | 2420 | 8010  | 437 |                 |          | 87400  |
| 15WS06  | 627412             | 6826853            | 15WS06    |                |    |    | 8130  | 2220 | 7240  | 529 |                 |          | 80900  |
| 15WS07  | 628059             | 6827618            | 15WS07    |                |    |    | 10500 | 2240 | 8390  | 459 |                 |          | 87400  |
| 15WS08  | 628698             | 6828372            | 15WS08    |                |    |    | 9040  | 2540 | 7670  | 461 |                 |          | 85600  |
| 15WS09  | 625400             | 6829207            | 15WS09    |                |    |    | 8670  | 2590 | 7730  | 496 |                 |          | 83200  |
| 15WS10  | 617396             | 6829845            | 15WS10    |                |    |    | 9330  | 2800 | 8470  | 470 |                 |          | 81800  |
| 15WS11  | 617360             | 6828925            | 15WS11    |                |    |    | 12600 | 3220 | 10100 | 337 |                 |          | 93200  |
| 15WS12  | 621020             | 6830106            | 15WS12    |                |    |    | 10800 | 2870 | 9550  | 399 |                 |          | 88800  |
| 15WS13  | 623469             | 6829379            | 15WS13    |                |    |    | 8010  | 2230 | 7530  | 546 |                 |          | 77000  |
| 15WS14  | 627117             | 6826241            | 15WS14    |                |    |    | 9130  | 2430 | 6910  | 522 |                 |          | 85500  |
| 15WS15  | 636507             | 6825262            | 15WS15    |                |    |    | 10200 | 2850 | 7930  | 428 |                 |          | 89900  |
| 15WS16  | 635878             | 6824488            | 15WS16    |                |    |    | 8150  | 2620 | 7310  | 540 |                 |          | 82600  |
| 15WS17  | 639180             | 6822189            | 15WS17    |                |    |    | 8150  | 2520 | 6350  | 593 |                 |          | 80500  |
| 15WS18  | 638534             | 6821435            | 15WS18    |                |    |    | 11700 | 3170 | 8250  | 383 |                 |          | 91900  |
| 15WS19  | 637890             | 6820671            | 15WS19    |                |    |    | 13900 | 3220 | 9140  | 337 |                 |          | 96900  |
| 15WS20  | 637255             | 6819906            | 15WS20    |                |    |    | 9880  | 2580 | 6960  | 430 |                 |          | 91000  |
| 15WS21  | 634590             | 6822920            | 15WS21    |                |    |    | 9880  | 2540 | 7230  | 458 |                 |          | 92200  |
| 15WS22  | 635188             | 6823633            | 15WS22    |                |    |    | 7810  | 2290 | 6100  | 624 |                 |          | 80700  |
| 15WS23  | 630850             | 6824697            | 15WS23    |                |    |    | 8660  | 2090 | 7120  | 543 |                 |          | 77500  |
| 15WS24  | 631494             | 6825479            | 15WS24    |                |    |    | 8780  | 2210 | 6870  | 534 |                 |          | 82700  |
| 15WS25  | 645945             | 6811620            | 15WS25    |                |    |    | 7230  | 2140 | 4770  | 844 |                 |          | 67400  |
| 15WS26  | 647356             | 6813291            | 15WS26    |                |    |    | 8560  | 2220 | 6260  | 636 |                 |          | 79200  |
| 15WS27  | 645295             | 6817063            | 15WS27    |                |    |    | 10500 | 2000 | 6340  | 573 |                 |          | 79500  |

**Lake Rason sampling results – test pits**

| Hole ID | MGA E<br>(Zone 51) | MGA N<br>(Zone 51) | Sample ID | From To<br>(m) |    | SG    | Mg    | K    | S | Ca | SO <sub>4</sub> | TDS calc | Na    |
|---------|--------------------|--------------------|-----------|----------------|----|-------|-------|------|---|----|-----------------|----------|-------|
|         |                    |                    |           | From           | To |       |       |      |   |    |                 |          |       |
| Pit 1   | 615057             | 6825896            | LR170100  |                |    | 1.146 | 8420  | 2190 |   |    | 21200           | 222236   | 68400 |
| Pit 2   | 615939             | 6830246            | LR170102  |                |    | SNR   | SNR   | SNR  |   |    | SNR             | SNR      | SNR   |
| Pit 3   | 616011             | 6829996            | LR170104  |                |    | 1.156 | 8460  | 2110 |   |    | 21400           | 249325   | 79300 |
| Pit 4   | 629073             | 6825968            | LR170106  |                |    | 1.161 | 8010  | 1990 |   |    | 18800           | 240884   | 75900 |
| Pit 5   | 632682             | 6827474            | LR170108  |                |    | 1.151 | 9780  | 1800 |   |    | 23100           | 266565   | 84200 |
| Pit 6   | 634567             | 6828295            | LR170110  |                |    | 1.14  | 7450  | 1750 |   |    | 15300           | 217018   | 69000 |
| Pit 7   | 635076             | 6827064            | LR170112  |                |    | 1.142 | 7470  | 1710 |   |    | 16700           | 220143   | 69500 |
| Pit 8   | 633182             | 6829129            | LR170114  |                |    | 1.186 | 14400 | 2310 |   |    | 35700           | 301864   | 88700 |
| Pit 9   | 629313             | 6830092            | LR170116  |                |    | 1.169 | 11400 | 2440 |   |    | 24900           | 264979   | 81200 |
| Pit 10  | 624396             | 6831177            | LR170118  |                |    | 1.167 | 13600 | 2650 |   |    | 30000           | 263509   | 75700 |
| Pit 11  | 621916             | 6831276            | LR170120  |                |    | 1.152 | 9230  | 1910 |   |    | 19700           | 244307   | 75900 |
| Pit 12  | 616746             | 6830999            | LR170122  |                |    | 1.176 | 9870  | 2160 |   |    | 21400           | 279518   | 89000 |
| Pit 13  | 640918             | 6824343            | LR170124  |                |    | 1.155 | 9410  | 2050 |   |    | 19400           | 242984   | 76100 |
| Pit 14  | 644796             | 6820301            | LR170126  |                |    | 1.149 | 8290  | 1340 |   |    | 15300           | 230627   | 75000 |
| Pit 15  | 641696             | 6823064            | LR170128  |                |    | 1.158 | 8390  | 2000 |   |    | 17000           | 247912   | 80400 |

**Lake Rason sampling results – air-core drilling**

| Hole ID  | MGA E<br>(Zone 51) | MGA N<br>(Zone 51) | Sample ID | From To<br>(m) |     | SG    | Mg   | K    | S | Ca | SO <sub>4</sub> | TDS calc | Na    |
|----------|--------------------|--------------------|-----------|----------------|-----|-------|------|------|---|----|-----------------|----------|-------|
|          |                    |                    |           | From           | To  |       |      |      |   |    |                 |          |       |
| LRTAC010 | 647959             | 6815035            | LR170130  | 3              | 6   | 1.174 | 7660 | 2830 |   |    | 17400           | 256884   | 84500 |
| LRTAC010 | 647959             | 6815035            | LR170132  | 6              | 9   | 1.175 | 7460 | 2790 |   |    | 17200           | 250527   | 81900 |
| LRTAC010 | 647959             | 6815035            | LR170134  | 9              | 12  | 1.174 | 7490 | 2780 |   |    | 17000           | 249598   | 79900 |
| LRTAC010 | 647959             | 6815035            | LR170136  | 12             | 15  | 1.17  | 7650 | 2820 |   |    | 17700           | 253907   | 82800 |
| LRTAC010 | 647959             | 6815035            | LR170138  | 15             | 18  | 1.171 | 7520 | 2780 |   |    | 16900           | 250471   | 80000 |
| LRTAC010 | 647959             | 6815035            | LR170140  | 18             | 21  | 1.176 | 7580 | 2790 |   |    | 17000           | 250394   | 80100 |
| LRTAC010 | 647959             | 6815035            | LR170142  | 102            | 105 | 1.176 | 8730 | 1610 |   |    | 16800           | 256831   | 83600 |
| LRTAC010 | 647959             | 6815035            | LR170144  | 117            | 120 | 1.137 | 6960 | 840  |   |    | 10500           | 202620   | 66000 |

| Hole ID  | MGA E<br>(Zone 51) | MGA N<br>(Zone 51) | Sample ID | From To<br>(m) |     | SG    | Mg   | K    | S | Ca<br>(mg/l) | SO <sub>4</sub> | TDS calc | Na    |
|----------|--------------------|--------------------|-----------|----------------|-----|-------|------|------|---|--------------|-----------------|----------|-------|
|          |                    |                    |           | From           | To  |       |      |      |   |              |                 |          |       |
| LRTAC010 | 647959             | 6815035            | LR170146  | 120            | 123 | 1.145 | 7090 | 1000 |   |              | 11500           | 208710   | 68100 |
| LRTAC009 | 643263             | 6816198            | LR170148  | 0              | 3   | 1.16  | 8380 | 2210 |   |              | 18200           | 232157   | 72700 |
| LRTAC009 | 643263             | 6816198            | LR170149  | 0              | 3   | 1.165 | 8370 | 2210 |   |              | 18200           | 232501   | 73400 |
| LRTAC009 | 643263             | 6816198            | LR170151  | 3              | 6   | 1.166 | 8530 | 2260 |   |              | 18700           | 237450   | 75200 |
| LRTAC009 | 643263             | 6816198            | LR170153  | 6              | 9   | 1.168 | 8400 | 2200 |   |              | 18100           | 234043   | 73300 |
| LRTAC009 | 643263             | 6816198            | LR170155  | 9              | 12  | 1.162 | 8490 | 2230 |   |              | 18500           | 235664   | 73700 |
| LRTAC009 | 643263             | 6816198            | LR170157  | 12             | 15  | 1.166 | 8550 | 2240 |   |              | 18600           | 236200   | 74200 |
| LRTAC009 | 643263             | 6816198            | LR170159  | 15             | 18  | 1.16  | 8400 | 2230 |   |              | 17900           | 234288   | 73000 |
| LRTAC009 | 643263             | 6816198            | LR170161  | 18             | 21  | 1.164 | 8400 | 2220 |   |              | 18200           | 236241   | 74300 |
| LRTAC009 | 643263             | 6816198            | LR170163  | 21             | 24  | 1.163 | 8430 | 2220 |   |              | 18400           | 234663   | 73700 |
| LRTAC009 | 643263             | 6816198            | LR170165  | 24             | 27  | 1.162 | 8390 | 2220 |   |              | 18100           | 234409   | 73300 |
| LRTAC009 | 643263             | 6816198            | LR170167  | 84             | 87  | 1.174 | 8690 | 1890 |   |              | 16900           | 246015   | 78200 |
| LRTAC009 | 643263             | 6816198            | LR170169  | 87             | 90  | 1.17  | 8450 | 1810 |   |              | 16100           | 242674   | 76500 |
| LRTAC009 | 643263             | 6816198            | LR170171  | 87             | 90  | 1.172 | 8500 | 1810 |   |              | 16300           | 244082   | 78200 |
| LRTAC009 | 643263             | 6816198            | LR170172  | 90             | 93  | 1.174 | 8670 | 1880 |   |              | 16900           | 244799   | 77400 |
| LRTAC009 | 643263             | 6816198            | LR170174  | 93             | 96  | 1.165 | 8430 | 1810 |   |              | 16100           | 238586   | 75600 |
| LRTAC009 | 643263             | 6816198            | LR170176  | 96             | 99  | 1.164 | 8200 | 1800 |   |              | 15900           | 234568   | 73400 |
| LRTAC009 | 643263             | 6816198            | LR170178  | 99             | 102 | 1.17  | 8340 | 1800 |   |              | 16300           | 241335   | 76300 |
| LRTAC009 | 643263             | 6816198            | LR170180  | 102            | 105 | 1.166 | 8230 | 1800 |   |              | 15800           | 237948   | 76500 |
| LRTAC009 | 643263             | 6816198            | LR170182  | 105            | 108 | 1.167 | 8630 | 1920 |   |              | 16700           | 244905   | 77500 |
| LRTAC009 | 643263             | 6816198            | LR170184  | 108            | 111 | 1.17  | 8430 | 1880 |   |              | 15900           | 240750   | 76800 |
| LRTAC009 | 643263             | 6816198            | LR170186  | 111            | 114 | 1.165 | 8100 | 1820 |   |              | 15100           | 236035   | 74300 |
| LRTAC009 | 643263             | 6816198            | LR170188  | 114            | 117 | 1.177 | 8870 | 2010 |   |              | 17000           | 246400   | 77000 |
| LRTAC009 | 643263             | 6816198            | LR170191  | 117            | 120 | 1.174 | 9040 | 2000 |   |              | 18000           | 246695   | 77000 |
| LRTAC009 | 643263             | 6816198            | LR170192  | 117            | 120 | 1.174 | 9060 | 2000 |   |              | 17900           | 245917   | 77200 |
| LRTAC009 | 643263             | 6816198            | LR170193  | 120            | 123 | 1.174 | 9070 | 1980 |   |              | 18500           | 244509   | 76600 |
| LRTAC009 | 643263             | 6816198            | LR170195  | 123            | 126 | 1.173 | 8960 | 1950 |   |              | 17900           | 242225   | 75600 |
| LRTAC009 | 643263             | 6816198            | LR170197  | 126            | 129 | 1.174 | 8970 | 1950 |   |              | 18400           | 243737   | 75900 |
| LRTAC009 | 643263             | 6816198            | LR170199  | 129            | 132 | 1.174 | 9170 | 2000 |   |              | 19100           | 244852   | 76900 |

| Hole ID  | MGA E<br>(Zone 51) | MGA N<br>(Zone 51) | Sample ID | From<br>(m) |     | To<br>(m) | SG    | Mg    | K    | S | Ca<br>(mg/l) | SO <sub>4</sub> | TDS calc | Na    |
|----------|--------------------|--------------------|-----------|-------------|-----|-----------|-------|-------|------|---|--------------|-----------------|----------|-------|
|          |                    |                    |           |             |     |           |       |       |      |   |              |                 |          |       |
| LRTAC007 | 637576             | 6819686            | LR170201  | 9           | 12  | 12        | 1.217 | 13800 | 3260 |   |              | 29100           | 314324   | 94600 |
| LRTAC007 | 637576             | 6819686            | LR170203  | 12          | 15  | 15        | 1.211 | 14100 | 3240 |   |              | 29000           | 310646   | 93200 |
| LRTAC007 | 637576             | 6819686            | LR170205  | 15          | 18  | 18        | 1.205 | 13500 | 3190 |   |              | 28900           | 300095   | 89500 |
| LRTAC007 | 637576             | 6819686            | LR170207  | 27          | 30  | 30        | 1.218 | 14900 | 3390 |   |              | 32400           | 320923   | 95600 |
| LRTAC007 | 637576             | 6819686            | LR170209  | 96          | 99  | 99        | 1.212 | 14600 | 3270 |   |              | 31200           | 311263   | 90200 |
| LRTAC007 | 637576             | 6819686            | LR170212  | 99          | 102 | 102       | 1.201 | 13600 | 3080 |   |              | 29700           | 294628   | 87100 |
| LRTAC007 | 637576             | 6819686            | LR170213  | 99          | 102 | 102       | 1.202 | 13600 | 3080 |   |              | 29100           | 293522   | 85900 |
| LRTAC007 | 637576             | 6819686            | LR170215  | 102         | 105 | 105       | 1.215 | 15300 | 3440 |   |              | 33000           | 320653   | 96900 |
| LRTAC008 | 640526             | 6820941            | LR170217  | 0           | 3   | 3         | 1.155 | 7660  | 2290 |   |              | 17600           | 227383   | 71800 |
| LRTAC008 | 640526             | 6820941            | LR170219  | 3           | 6   | 6         | 1.172 | 7450  | 2280 |   |              | 17000           | 224020   | 70800 |
| LRTAC008 | 640526             | 6820941            | LR170221  | 6           | 9   | 9         | 1.152 | 7440  | 2250 |   |              | 17100           | 224277   | 71200 |
| LRTAC008 | 640526             | 6820941            | LR170223  | 9           | 12  | 12        | 1.161 | 7460  | 2240 |   |              | 16900           | 223286   | 69700 |
| LRTAC008 | 640526             | 6820941            | LR170225  | 12          | 15  | 15        | 1.167 | 7530  | 2290 |   |              | 17400           | 226426   | 72000 |
| LRTAC008 | 640526             | 6820941            | LR170227  | 111         | 114 | 114       | 1.118 | 4540  | 880  |   |              | 8400            | 169970   | 56000 |
| LRTAC008 | 640526             | 6820941            | LR170229  | 114         | 117 | 117       | 1.122 | 4370  | 840  |   |              | 7950            | 168520   | 55400 |
| LRTAC008 | 640526             | 6820941            | LR170231  | 114         | 117 | 117       | 1.068 | 4720  | 490  |   |              | 8130            | 90522    | 27200 |
| LRTAC008 | 640526             | 6820941            | LR170232  | 117         | 120 | 120       | 1.123 | 4600  | 860  |   |              | 8250            | 175860   | 58000 |
| LRTAC008 | 640526             | 6820941            | LR170234  | 120         | 123 | 123       | 1.137 | 5360  | 920  |   |              | 9480            | 192410   | 63400 |
| LRTAC008 | 640526             | 6820941            | LR170236  | 123         | 126 | 126       | 1.136 | 4960  | 930  |   |              | 8820            | 187900   | 61600 |
| LRTAC008 | 640526             | 6820941            | LR170237  | 123         | 126 | 126       | 1.137 | 5040  | 940  |   |              | 8940            | 189560   | 62900 |
| LRTAC008 | 640526             | 6820941            | LR170239  | 126         | 129 | 129       | 1.137 | 5080  | 910  |   |              | 9390            | 190060   | 63800 |
| LRTAC008 | 640526             | 6820941            | LR170241  | 129         | 132 | 132       | 1.138 | 5080  | 920  |   |              | 9060            | 188590   | 62300 |
| LRTAC008 | 640526             | 6820941            | LR170243  | 132         | 135 | 135       | 1.146 | 5950  | 930  |   |              | 10600           | 203030   | 66400 |
| LRTAC008 | 640526             | 6820941            | LR170245  | 123         | 138 | 138       | 1.143 | 5820  | 930  |   |              | 10100           | 201190   | 65900 |
| LRTAC008 | 640526             | 6820941            | LR170247  | 138         | 141 | 141       | 1.15  | 6330  | 920  |   |              | 11000           | 207170   | 66500 |
| LRTAC008 | 640526             | 6820941            | LR170249  | 141         | 144 | 144       | 1.148 | 5940  | 930  |   |              | 10300           | 204700   | 66500 |
| LRTAC008 | 640526             | 6820941            | LR170252  | 144         | 147 | 147       | 1.149 | 6140  | 930  |   |              | 10800           | 208080   | 68300 |
| LRTAC008 | 640526             | 6820941            | LR170254  | 147         | 150 | 150       | 1.15  | 6240  | 930  |   |              | 10900           | 207990   | 67700 |
| LRTAC006 | 637066             | 6825326            | LR170256  | 0           | 3   | 3         | 1.167 | 7310  | 2270 |   |              | 18600           | 225576   | 71300 |

# SNOWDEN

Trigg Mining Limited  
Independent Geologists Report

| Hole ID  | MGA E<br>(Zone 51) | MGA N<br>(Zone 51) | Sample ID | From To<br>(m) |    | SG    | Mg    | K    | S | Ca<br>(mg/l) | SO <sub>4</sub> | TDS calc | Na    |
|----------|--------------------|--------------------|-----------|----------------|----|-------|-------|------|---|--------------|-----------------|----------|-------|
|          |                    |                    |           | From           | To |       |       |      |   |              |                 |          |       |
| LRTAC006 | 637066             | 6825326            | LR170258  | 3              | 6  | 1.156 | 7470  | 2280 |   |              | 19100           | 227964   | 72500 |
| LRTAC006 | 637066             | 6825326            | LR170260  | 9              | 12 | 1.159 | 7490  | 2290 |   |              | 19200           | 231442   | 72900 |
| LRTAC006 | 637066             | 6825326            | LR170262  | 12             | 15 | 1.164 | 7490  | 2230 |   |              | 19100           | 229110   | 73000 |
| LRTAC006 | 637066             | 6825326            | LR170264  | 27             | 30 | 1.173 | 8960  | 2160 |   |              | 21400           | 259790   | 82900 |
| LRTAC005 | 631554             | 6826739            | LR170266  | 0              | 3  | 1.204 | 9920  | 2390 |   |              | 23600           | 279016   | 87300 |
| LRTAC005 | 631554             | 6826739            | LR170268  | 3              | 6  | 1.192 | 10000 | 2360 |   |              | 22700           | 275563   | 85600 |
| LRTAC005 | 631554             | 6826739            | LR170271  | 9              | 12 | 1.197 | 9950  | 2360 |   |              | 22800           | 276160   | 85800 |
| LRTAC004 | 627567             | 6828949            | LR170273  | 3              | 6  | 1.199 | 10600 | 2360 |   |              | 24400           | 284778   | 87600 |
| LRTAC004 | 627567             | 6828949            | LR170274  | 3              | 6  | 1.203 | 10600 | 2380 |   |              | 24500           | 286401   | 90000 |
| LRTAC004 | 627567             | 6828949            | LR170276  | 6              | 9  | 1.197 | 10500 | 2360 |   |              | 24000           | 282355   | 89200 |
| LRTAC004 | 627567             | 6828949            | LR170278  | 9              | 12 | 1.199 | 10600 | 2340 |   |              | 24500           | 284739   | 89600 |
| LRTAC003 | 622821             | 6829544            | LR170280  | 0              | 3  | 1.183 | 8880  | 2410 |   |              | 23800           | 251799   | 78100 |
| LRTAC003 | 622821             | 6829544            | LR170282  | 3              | 6  | 1.175 | 9030  | 2370 |   |              | 23700           | 253390   | 79900 |
| LRTAC003 | 622821             | 6829544            | LR170284  | 9              | 12 | 1.175 | 8510  | 2300 |   |              | 23000           | 243381   | 78300 |
| LRTAC003 | 622821             | 6829544            | LR170286  | 12             | 15 | 1.165 | 8470  | 2270 |   |              | 22800           | 237670   | 73900 |
| LRTAC003 | 622821             | 6829544            | LR170288  | 75             | 78 | 1.111 | 5710  | 1230 |   |              | 12600           | 167690   | 53000 |
| LRTAC003 | 622821             | 6829544            | LR170291  | 78             | 81 | 1.116 | 5110  | 1120 |   |              | 10900           | 156550   | 50100 |
| LRTAC003 | 622821             | 6829544            | LR170292  | 81             | 84 | 1.134 | 6180  | 1370 |   |              | 14300           | 181769   | 58200 |
| LRTAC011 | 616888             | 6830129            | LR170293  | 5              | 5  | 1.176 | 10900 | 2590 |   |              | 25800           | 265025   | 79800 |
| LRTAC011 | 616888             | 6830129            | LR170295  | 12             | 15 | 1.191 | 10800 | 2550 |   |              | 25700           | 264398   | 80300 |
| LRTAC011 | 616888             | 6830129            | LR170296  | 12             | 15 | 1.178 | 10100 | 2440 |   |              | 23400           | 249893   | 76100 |
| LRTAC011 | 616888             | 6830129            | LR170298  | 30             | 33 | 1.147 | 8320  | 2020 |   |              | 20200           | 201790   | 61300 |
| LRTAC011 | 616888             | 6830129            | LR170300  | 33             | 36 | 1.186 | 11000 | 2580 |   |              | 27700           | 261515   | 79500 |
| LRTAC011 | 616888             | 6830129            | LR170302  | 36             | 39 | 1.201 | 12100 | 2760 |   |              | 31200           | 282941   | 84500 |
| LRTAC011 | 616888             | 6830129            | LR170304  | 39             | 42 | 1.181 | 10900 | 2500 |   |              | 27400           | 254688   | 76000 |
| LRTAC011 | 616888             | 6830129            | LR170306  | 42             | 45 | 1.194 | 11900 | 2670 |   |              | 29100           | 276622   | 81500 |
| LRTAC011 | 616888             | 6830129            | LR170308  | 45             | 48 | 1.19  | 11400 | 2660 |   |              | 29300           | 273635   | 82500 |
| LRTAC011 | 616888             | 6830129            | LR170311  | 48             | 51 | 1.211 | 12400 | 2880 |   |              | 31500           | 292340   | 88100 |
| LRTAC011 | 616888             | 6830129            | LR170313  | 57             | 60 | 1.206 | 12200 | 2750 |   |              | 31200           | 283177   | 84500 |

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| Hole ID  | MGA E<br>(Zone 51) | MGA N<br>(Zone 51) | Sample ID | From To<br>(m) |    | SG    | Mg    | K    | S | Ca<br>(mg/l) | SO <sub>4</sub> | TDS calc | Na    |
|----------|--------------------|--------------------|-----------|----------------|----|-------|-------|------|---|--------------|-----------------|----------|-------|
|          |                    |                    |           | From           | To |       |       |      |   |              |                 |          |       |
| LRTAC011 | 616888             | 6830129            | LR170315  | 60             | 63 | 1.193 | 11900 | 2710 |   |              | 29700           | 277670   | 82600 |
| LRTAC001 | 614108             | 6827604            | LR170317  | 3              | 6  | 1.174 | 13100 | 2870 |   |              | 32400           | 249037   | 69500 |
| LRTAC001 | 614108             | 6827604            | LR170318  | 3              | 6  | 1.18  | 13200 | 2910 |   |              | 33300           | 255580   | 74500 |
| LRTAC001 | 614108             | 6827604            | LR170320  | 6              | 9  | 1.182 | 12400 | 2870 |   |              | 32100           | 254308   | 72100 |
| LRTAC001 | 614108             | 6827604            | LR170322  | 9              | 12 | 1.175 | 12600 | 2900 |   |              | 33600           | 259395   | 75600 |
| LRTAC001 | 614108             | 6827604            | LR170324  | 12             | 15 | 1.175 | 12700 | 2920 |   |              | 33000           | 258368   | 74700 |
| LRTAC001 | 614108             | 6827604            | LR170326  | 42             | 45 | 1.195 | 12900 | 2980 |   |              | 32700           | 274087   | 79700 |
| LRTAC012 | 645601             | 6818492            | LR170328  | 3              | 6  | 1.124 | 6510  | 1430 |   |              | 14100           | 180881   | 57000 |
| LRTAC012 | 645601             | 6818492            | LR170331  | 6              | 9  | 1.126 | 6590  | 1440 |   |              | 14300           | 182973   | 57200 |
| LRTAC012 | 645601             | 6818492            | LR170333  | 9              | 12 | 1.123 | 6530  | 1430 |   |              | 14000           | 180289   | 56100 |
| LRTAC012 | 645601             | 6818492            | LR170334  | 9              | 12 | 1.124 | 6490  | 1410 |   |              | 14000           | 181623   | 56800 |
| LRTAC012 | 645601             | 6818492            | LR170336  | 12             | 15 | 1.138 | 7240  | 1560 |   |              | 15200           | 198629   | 62800 |
| LRTAC012 | 645601             | 6818492            | LR170338  | 15             | 18 | 1.145 | 7400  | 1610 |   |              | 15100           | 203996   | 63700 |
| LRTAC012 | 645601             | 6818492            | LR170340  | 18             | 21 | 1.143 | 7760  | 1690 |   |              | 15700           | 211292   | 66800 |
| LRTAC012 | 645601             | 6818492            | LR170342  | 36             | 39 | 1.113 | 5970  | 1260 |   |              | 13300           | 158504   | 49400 |

## Lake Hope Campbell sampling results – test pits

| Hole ID | MGA E<br>(Zone 51) | MGA N<br>(Zone 51) | Sample ID | SG    | Mg    | K    | SO <sub>4</sub><br>(kg/m <sup>3</sup> ) | TDS calc | Na     |
|---------|--------------------|--------------------|-----------|-------|-------|------|---|----------|--------|
|         |                    |                    |           |       |       |      |   |          |        |
| Pit 2   | 525396             | 6755615            | LHC170003 | 1.21  | 8.88  | 2.27 | 25.40                                   | 301.04   | 100.00 |
| Pit 3   | 530165             | 6753248            | LHC170005 | 1.233 | 12.60 | 2.79 | 28.10                                   | 324.73   | 103.00 |
| Pit 4   | 533177             | 6766261            | LHC170007 | 1.208 | 9.51  | 2.33 | 25.10                                   | 299.49   | 98.40  |
| Pit 5   | 534080             | 6769597            | LHC170009 | 1.217 | 8.89  | 2.35 | 22.90                                   | 303.09   | 101.00 |
| Pit 6   | 538086             | 6772821            | LHC170011 | 1.212 | 9.40  | 2.19 | 26.00                                   | 305.62   | 101.00 |
| Pit 7   | 535247             | 6772139            | LHC170013 | 1.189 | 8.51  | 2.03 | 22.10                                   | 288.01   | 95.90  |
| Pit 8   | 538220             | 6773833            | LHC170015 | 1.185 | 9.78  | 1.85 | 23.00                                   | 272.90   | 88.00  |

|        |        |         |           |       |       |      |       |        |       |
|--------|--------|---------|-----------|-------|-------|------|-------|--------|-------|
| Pit 9  | 535888 | 6773596 | LHC170017 | 1.195 | 11.00 | 1.86 | 29.30 | 280.89 | 88.70 |
| Pit 10 | 541277 | 6773281 | LHC170019 | 1.193 | 10.80 | 1.86 | 23.70 | 278.84 | 88.70 |
| Pit 11 | 538832 | 6774983 | LHC170021 | 1.19  | 9.85  | 1.93 | 23.10 | 274.94 | 88.60 |
| Pit 12 | 540250 | 6775382 | LHC170023 | 1.193 | 9.58  | 1.98 | 23.30 | 284.52 | 92.80 |
| Pit 13 | 537052 | 6775073 | LHC170026 | 1.198 | 8.79  | 2.53 | 26.50 | 289.06 | 95.10 |
| Pit 14 | 538389 | 6776517 | LHC170028 | 1.181 | 6.92  | 2.59 | 24.00 | 271.29 | 91.10 |
| Pit 15 | 539595 | 6776796 | LHC170030 | 1.193 | 10.10 | 1.92 | 23.10 | 286.15 | 92.70 |
| Pit 16 | 537917 | 6778137 | LHC170032 | 1.207 | 7.95  | 2.81 | 26.30 | 291.51 | 97.20 |
| Pit 17 | 536633 | 6776597 | LHC170034 | 1.196 | 9.29  | 2.48 | 24.20 | 290.54 | 95.10 |
| Pit 18 | 537016 | 6778408 | LHC170036 | 1.201 | 7.84  | 2.62 | 17.30 | 292.86 | 98.80 |
| Pit 19 | 539970 | 6782339 | LHC170037 | 1.106 | 3.83  | 1.42 | 10.40 | 152.91 | 50.70 |
| Pit 20 | 541837 | 6784774 | LHC170039 | 1.108 | 4.39  | 1.44 | 11.80 | 154.39 | 50.40 |
| Pit 21 | 562066 | 6806546 | LHC170041 | 1.079 | 3.71  | 1.23 | 11.80 | 112.12 | 35.00 |
| Pit 22 | 567885 | 6809162 | LHC170043 | 1.175 | 10.30 | 3.01 | 23.30 | 253.93 | 78.80 |
| Pit 23 | 567537 | 6813020 | LHC170045 | 1.08  | 4.23  | 1.40 | 10.60 | 112.50 | 34.70 |



**Appendix B      Lake Rason Air-Core  
Collar Locations**

## Lake Rason air-core collar locations

| Hole ID  | MGA E<br>(Zone 51) | MGA N<br>(Zone 51) | RL<br>(mAHD) | Dip | Hole diameter<br>(mm) | Final depth<br>(mbgl) |
|----------|--------------------|--------------------|--------------|-----|-----------------------|-----------------------|
| LRTAC001 | 614108             | 6827604            | 329          | 90  | 85                    | 69                    |
| LRTAC002 | HOLE NOT DRILLED   |                    |              |     |                       |                       |
| LRTAC003 | 622821             | 6829544            | 329          | 90  | 85                    | 96                    |
| LRTAC004 | 627567             | 6828949            | 329          | 90  | 85                    | 72                    |
| LRTAC005 | 631554             | 6826739            | 329          | 90  | 85                    | 84                    |
| LRTAC006 | 637066             | 6825326            | 331          | 90  | 85                    | 69                    |
| LRTAC007 | 637576             | 6819686            | 333          | 90  | 85                    | 105                   |
| LRTAC008 | 640526             | 6820941            | 331          | 90  | 85                    | 150                   |
| LRTAC009 | 643263             | 6816198            | 337          | 90  | 85                    | 132                   |
| LRTAC010 | 647959             | 6815035            | 336          | 90  | 85                    | 123                   |
| LRTAC011 | 616888             | 6830129            | 329          | 90  | 85                    | 102                   |
| LRTAC012 | 645601             | 6818492            | 335          | 90  | 85                    | 55                    |



## Appendix C    **Evaporation Trial**

**Head analysis of bulk brine testwork sample and comparison to drill sample**

|                           | K (g/L) | SO <sub>4</sub> (g/L) | Mg (g/L) | Na (g/L) | Cl (g/L) | Ca (g/L) | SG   |
|---------------------------|---------|-----------------------|----------|----------|----------|----------|------|
| Head analysis             | 1.44    | 14.31                 | 6.72     | 58.7     | 102.5    | 0.92     | 1.14 |
| Drill sample <sup>1</sup> | 1.43    | 14.10                 | 6.51     | 57.0     | 101.0    | 0.89     | 1.12 |

<sup>1</sup> LTRAC012: 3–6 m interval (no sample return for 0–3 m).

**Evaporation trial results – harvest data**

| Day | Harvest | Bittern volume (l) | Harvest salt mass (kg) | Net evap. (kg) | Evap. rate (mm/d ay) | Solids grade (g/kg) |     |       |      |       |                 |                  |
|-----|---------|--------------------|------------------------|----------------|----------------------|---------------------|-----|-------|------|-------|-----------------|------------------|
|     |         |                    |                        |                |                      | Mg                  | Ca  | Na    | K    | Cl    | SO <sub>4</sub> | H <sub>2</sub> O |
| 27  | 1       | 212.9              | 25.95                  | 159.2          | 5.9                  | 4.8                 | 6.9 | 348   | 1    | 553   | 25.8            | 60.5             |
| 40  | 2       | 46.7               | 8.64                   | 17             | 8.9                  | 8.5                 | 0.8 | 352   | 1.6  | 556   | 18              | 63.1             |
| 54  | 3       | 25.7               | 4.3                    | 7.3            | 3.3                  | 33.4                | 0.5 | 242   | 2    | 382   | 114             | 226.1            |
| 60  | 4       | 16.2               | 3.93                   | 4.2            | 2.9                  | 67.4                | 0.2 | 113.4 | 3    | 188   | 238             | 390              |
| 72  | 5       | 9.7                | 2.49                   | 2.7            | 1.4                  | 80.4                | 0.3 | 48.6  | 73.6 | 265.3 | 150.6           | 381.2            |
| 86  | 6       | 5.7                | 0.664                  | 0.8            | 0.3                  | 87.2                | 0.1 | 36.2  | 64.4 | 250.8 | 159.6           | 401.7            |

**Evaporation trial mass balance**

| Harvest          | Overall elemental distribution (%) |      |       |      |        |                 |
|------------------|------------------------------------|------|-------|------|--------|-----------------|
|                  | Mg                                 | Ca   | Na    | K    | Cl     | SO <sub>4</sub> |
| 1                | 8%                                 | 94%  | 65%   | 8%   | 59%    | 21%             |
| 2                | 5%                                 | 4%   | 22%   | 4%   | 20%    | 5%              |
| 3                | 10%                                | 1%   | 8%    | 3%   | 8%     | 17%             |
| 4                | 19%                                | 0%   | 4%    | 4%   | 3%     | 33%             |
| 5                | 14%                                | 0%   | 1%    | 63%  | 3%     | 13%             |
| 6                | 4%                                 | 0%   | 0%    | 15%  | 1%     | 4%              |
| Final liquor     | 39%                                | 0%   | 0%    | 3%   | 7%     | 7%              |
| Calc. head (g/L) | 7.04                               | 0.86 | 62.97 | 1.48 | 110.36 | 14.47           |



Appendix D    **JORC Code Table 1**

## Section 1 – Sampling Techniques and Data

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

| Criteria                     | JORC Code explanation  | Commentary  |
|------------------------------|--|---|
| <b>Sampling techniques</b>   | <ul style="list-style-type: none"> <li>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 downhole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>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 mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.</li> </ul> | <ul style="list-style-type: none"> <li>The sampling program involved the collection of brine samples and lithological samples.</li> <li>Brine samples were obtained during air-core (AC) drilling, by collecting samples from the cyclone during airlifting.</li> <li>Brine samples from the shallow surficial sediments were also collected from hand-augered holes and hand-dug test pits – these were single grab samples from each hole/test pit.</li> <li>11 drillholes and 27 auger/pit samples have been collected at Lake Rason; 23 test-pit samples have been collected at Lake Hope Campbell.</li> <li>Lithological samples at 1 m intervals were obtained by AC drilling methods, whilst a single lithological description was recorded for each auger hole (regardless of the depth of hole). Test pits were not logged.</li> </ul> |
| <b>Drilling techniques</b>   | <ul style="list-style-type: none"> <li>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).</li> </ul>  | <ul style="list-style-type: none"> <li>All exploration holes were drilled utilising AC drilling techniques (at 85 mm diameter) with the exception of shallow lake surface holes which were drilled with hand-auger techniques (at 200 mm diameter) or excavated by hand.</li> <li>All holes were drilled vertically.</li> </ul>   |
| <b>Drill sample recovery</b> | <ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>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.</li> </ul>   | <ul style="list-style-type: none"> <li>Lithological sample recovery was high through all units.</li> <li>Brine sample recovery was moderate for more permeable aquifer zones (surficial sediments, palaeochannel sand and basement). The low permeability, clay units yielded very low volumes, resulting in more sporadic sampling.</li> <li>Brine samples collected from drilling airlift yields should be representative of the unit just above the drill bit and appropriate for Exploration Target; however, the potential for water flowing from overlying units cannot be excluded.</li> <li>Brine recovery from the test pits and auger holes was good and is representative of the uppermost surficial aquifer.</li> </ul>   |
| <b>Geologic logging</b>      | <ul style="list-style-type: none"> <li>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.</li> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.</li> <li>The total length and percentage of the relevant intersections logged.</li> </ul>  | <ul style="list-style-type: none"> <li>All drillholes were geologically logged by a qualified geologist.</li> <li>All lithological samples collected during AC drilling were qualitatively logged at 1 m intervals, to gain an understanding of the lithological variability. Lithological samples were washed and stored in chip trays for future reference.</li> <li>A single lithological sample was collected for each auger hole, regardless of the hole depth. No sample was stored.</li> <li>No logging was conducted for the shallow, hand-dug test pits.</li> </ul>  |

| Criteria   | JORC Code explanation  | Commentary   |
|--|--|--|
| <b>Subsampling techniques and sample preparation</b> | <ul style="list-style-type: none"> <li>• <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></li> <li>• <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></li> <li>• <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></li> <li>• <i>Quality control procedures adopted for all subsampling stages to maximise representivity of samples.</i></li> <li>• <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/ second-half sampling.</i></li> <li>• <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></li> </ul> | <ul style="list-style-type: none"> <li>• Brine samples were collected from drilling airlift yields, directly from the cyclone during AC drilling. These samples should be representative of the unit just above the drill bit; however, the potential for some water flowing from overlying units cannot be excluded.</li> <li>• For test pits and auger holes, the pit or hole was allowed to fill with brine after excavation, and the sample was collected directly.</li> <li>• Brine samples were collected in 250 ml bottles with little to no air.</li> <li>• All samples collected were kept cool until delivery to the laboratory in Perth.</li> <li>• Field brine duplicates were collected for quality assurance/quality control (QAQC) analysis at a sample ratio of approximately 1:11.</li> <li>• Standard solutions were also submitted for QAQC analysis at a sample ratio of approximately 1:16.</li> </ul>  |
| <b>Quality of assay data and laboratory tests</b>    | <ul style="list-style-type: none"> <li>• <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></li> <li>• <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i></li> <li>• <i>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i></li> </ul>  | <ul style="list-style-type: none"> <li>• Lithological samples were collected from specific intervals and subject to particle size analysis which was used to derive estimates of porosity, specific yield and permeability for granular sediments (e.g. sand and transported clay; particle size distribution (PSD) analysis was not undertaken on precipitated or massive sediments such as gypsum and silcrete).</li> <li>• Assay analyses of the brine samples and PSD analyses of lithological samples have been conducted by Bureau Veritas Minerals Pty Ltd's Perth laboratory. The company is certified to Quality Management Systems standard ISO 9001.</li> <li>• Brine samples were assayed with NATA standard methods: Mg, Ca, Na, K and SO<sub>4</sub> were determined by ICP-OES. No preparation was performed other than dilution. SO<sub>4</sub> was additionally determined by HPLC at MPL Envirolabs; Cl was determined by UV-Visible spectrophotometry.</li> <li>• Laboratory equipment is calibrated with standard solutions.</li> <li>• The average error in the ionic balance for samples from Lake Rason was 1.3% with a maximum recorded error of 2.7% – indicating the analysis has covered all key elements.</li> <li>• The average error in the ionic balance for samples from Lake Hope Campbell was 1.08% with a maximum recorded error of 2.7%.</li> <li>• Duplicate and standard solutions have been analysed and indicate an average error for potassium, between duplicates of less than 4% indicating consistency in laboratory results.</li> <li>• The assay and PSD analysis methods and results are suitable for the calculation of the Exploration Target.</li> </ul> |

| Criteria   | JORC Code explanation  | Commentary  |
|--|--|---|
| <b>Verification of sampling and assaying</b>                   | <ul style="list-style-type: none"> <li>• <i>The verification of significant intersections by either independent or alternative company personnel.</i></li> <li>• <i>The use of twinned holes.</i></li> <li>• <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> <li>• <i>Discuss any adjustment to assay data.</i></li> </ul>                                  | <ul style="list-style-type: none"> <li>• Verification of logging and field collection procedures was undertaken during a site visit by the Competent Person.</li> <li>• Geological and assay results are stored in a project database.</li> <li>• Assay data remains unadjusted.</li> </ul>   |
| <b>Location of data points</b>                                 | <ul style="list-style-type: none"> <li>• <i>Accuracy and quality of surveys used to locate drillholes (collar and downhole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i></li> <li>• <i>Specification of the grid system used.</i></li> <li>• <i>Quality and adequacy of topographic control.</i></li> </ul>   | <ul style="list-style-type: none"> <li>• The location of all drillholes, auger holes, test pits and geophysical survey lines was determined with a handheld GPS. The accuracy achieved with a handheld GPS is appropriate for the Exploration Target assessment.</li> <li>• The Project has used a MGA94, Zone 51 grid system.</li> </ul>   |
| <b>Data spacing and distribution</b>                           | <ul style="list-style-type: none"> <li>• <i>Data spacing for reporting of Exploration Results.</i></li> <li>• <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i></li> <li>• <i>Whether sample compositing has been applied.</i></li> </ul>                        | <ul style="list-style-type: none"> <li>• Geological control is available from historical work by Areva for which drillholes were on 400–800 m apart on transects crossing Lake Rason. Transects were approximately 2.5 km in length and spaced at approximately 10 km intervals.</li> <li>• Drill and auger hole spacing varies between approximately 380 m and 2,240 m; spacing has been designed to provide brine samples along the length of Lake Rason (influenced by access to the lake surface). Given the channelised environment and integrating effects of groundwater flow and the availability of historical drilling to support geological interpretation, the spacing is adequate for an Exploration Target.</li> <li>• Sampling at Lake Hope Campbell was designed to provide a reconnaissance indication of the potential for mineralised brine along the length of the lake.</li> </ul> |
| <b>Orientation of data in relation to geological structure</b> | <ul style="list-style-type: none"> <li>• <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></li> <li>• <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i></li> </ul> | <ul style="list-style-type: none"> <li>• All drillholes are vertical which is appropriate given the flat-lying nature of the lake and underlying sedimentary sequence and the integrating effects of groundwater flow and the presence of mineralised brine in all hydrostratigraphic units.</li> </ul>   |
| <b>Sample security</b>   | <ul style="list-style-type: none"> <li>• <i>The measures taken to ensure sample security.</i></li> </ul>   | <ul style="list-style-type: none"> <li>• Laboratory chain-of-custody procedures have been used for all brine and lithological samples.</li> </ul>   |
| <b>Audits or reviews</b>                                       | <ul style="list-style-type: none"> <li>• <i>The results of any audits or reviews of sampling techniques and data.</i></li> </ul>   | <ul style="list-style-type: none"> <li>• No third-party audits or review have been undertaken.</li> </ul>   |

## Section 2 – Reporting of Exploration Results

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

| Criteria                                       | JORC Code explanation   | Commentary  |
|--|---|---|
| <b>Mineral tenement and land tenure status</b> | <ul style="list-style-type: none"> <li>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.</li> <li>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</li> </ul>  | <ul style="list-style-type: none"> <li>Trigg Mining has an agreement with K2O Minerals as part of a farm-in agreement (dated 12 July 2017) to explore for potash on K2O Minerals tenements; E38/3089 and E38/3298 covering Lake Rason tenements, E38/3259 and E39/2047 covering Lake Hope Campbell tenements, E38/3299, E38/3300, E38/3301 and E38/3302 covering the East Laverton tenements and E38/3065 covering the Lake Throssell Tenement.</li> </ul>  |
| <b>Exploration done by other parties</b>       | <ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>   | <ul style="list-style-type: none"> <li>There has been no previous SOP exploration at Lake Rason or Lake Hope Campbell by third parties.</li> <li>At Lake Rason, public information, including detailed lithology and downhole gamma logging is available from geological (uranium) exploration by Areva Resources Australia Pty Ltd (Areva). This has been used to support geological interpretation. Areva data has been comprehensively reported although review of the original drill-cuttings is not possible.</li> </ul> |
| <b>Geology</b>                                 | <ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>   | <ul style="list-style-type: none"> <li>The deposit is a brine containing the potassium and sulphate ions that can form a potassium sulphate salt (potash). The brine is contained within saturated sediments below the surface of Lake Rason and Lake Hope Campbell that sit within a broader regional palaeochannel system. The brine has formed due to evaporative concentration over the playa lakes within the palaeochannel system.</li> </ul>   |
| <b>Drillhole information</b>                   | <p>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drillholes:</p> <ul style="list-style-type: none"> <li>easting and northing of the drillhole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drillhole collar</li> <li>dip and azimuth of the hole</li> <li>downhole length and interception depth</li> <li>hole length.</li> </ul> <p>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.</p> | <ul style="list-style-type: none"> <li>Information is provided in drill collar tables and bore logs appended to this report.</li> </ul>   |

| Criteria  | JORC Code explanation  | Commentary  |
|---|--|---|
| <b>Data aggregation methods</b>   | <ul style="list-style-type: none"> <li><i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.</i></li> <li><i>Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i></li> <li><i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></li> </ul> | <ul style="list-style-type: none"> <li>No minimum or maximum grade cut-offs have been applied.</li> <li>Data aggregation comprised the averaging of brine grades across all transported hydrostratigraphic units and all basement hydrostratigraphic units to provide average grade estimates for the transported and basement material respectively.</li> <li>The specific yield of the aquifer (that will control the drainable brine) has been aggregated to provide a bulk estimate for each hydrostratigraphic unit.</li> <li>For Lake Hope Campbell, a single brine sample represents the uppermost portion of the shallow brine aquifer only.</li> </ul>   |
| <b>Relationship between mineralisation widths and intercept lengths</b> | <ul style="list-style-type: none"> <li><i>These relationships are particularly important in the reporting of Exploration Results.</i></li> <li><i>If the geometry of the mineralisation with respect to the drillhole angle is known, its nature should be reported.</i></li> <li><i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'downhole length, true width not known').</i></li> </ul>   | <ul style="list-style-type: none"> <li>All drillholes are vertical given the estimated flat-lying nature of the lake and underlying sedimentary sequence. Vertical drillhole intercepts are interpreted to represent the true thickness of the deposit.</li> <li>Brine samples have been collected from multiple depths within the drillholes and show mineralisation occurs throughout the aquifer sequence.</li> </ul>  |
| <b>Diagrams</b>   | <ul style="list-style-type: none"> <li><i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drillhole collar locations and appropriate sectional views.</i></li> </ul>   | <ul style="list-style-type: none"> <li>Refer to figures associated with this report.</li> </ul>   |
| <b>Balanced reporting</b>   | <ul style="list-style-type: none"> <li><i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i></li> </ul>   | <ul style="list-style-type: none"> <li>All pertinent results have been reported.</li> </ul>   |
| <b>Other substantive exploration data</b>                               | <ul style="list-style-type: none"> <li><i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i></li> </ul>   | <ul style="list-style-type: none"> <li>Approximately 75 km of gravity surveys and 21 km of passive seismic geophysical surveys have been completed to define the palaeochannel geometry. Seven traverses, approximately 4 km apart, were conducted orthogonal to the lake trend with readings taken at a station spacing of 100 m.</li> <li>Aquifer properties have been estimated from PSD analysis undertaken during the current study and from published data for directly comparable palaeochannel aquifers in Western Australia. Such data originates from other brine exploration companies and from research undertaken by the West Australian Government; references are provided in the report.</li> </ul> |

| Criteria            | JORC Code explanation   | Commentary   |
|---------------------|---|--|
| <b>Further work</b> | <ul style="list-style-type: none"> <li>• <i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></li> <li>• <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></li> </ul> | <ul style="list-style-type: none"> <li>• Additional (infill) geophysical surveys at Lake Rason and primary geophysical surveys at Lake Hope Campbell are planned for 2018.</li> <li>• AC drilling at sites identified by the geophysical surveys will provide additional data for Lake Rason and primary data over the entire aquifer sequence for Lake Hope Campbell.</li> <li>• Hydraulic testing of the aquifer to determine aquifer properties, brine grade and allow estimates of sustainable pumping rates.</li> <li>• Excavation of test pits and trenches.</li> <li>• Test pumping of trial trenches to determine hydraulic properties for the surficial aquifer.</li> </ul> |

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24 April 2019

Board of Directors  
Trigg Mining Ltd  
Level 1, Office F, 1139 Hay Street  
West Perth WA 6005

Dear Directors

### **Solicitor's Report on Tenements**

This Report is prepared solely for inclusion in the prospectus for Trigg Mining Ltd (ACN 168 269 752) (**Company**), for the initial public offer of a minimum of 22,500,000 fully paid ordinary shares in the Company (**Shares**) at an issue price of \$0.20 per Share and 11,250,000 free attaching new options on the basis of one new option for every 2 Shares subscribed to raise up to \$4,500,000 (before costs) (**Proposed IPO**) (**Prospectus**).

#### **1 Purpose of report**

We have been asked to provide a report on certain mining tenements in which the Company has an interest.

##### **1.1 Farm-in Agreement**

The Company and K2O Minerals Pty Ltd (ACN 159 782 537) (**K2O Minerals**) are parties to a farm-in agreement dated 12 July 2017 (**Farm-in Agreement**), the parties subsequently entered into a Deed of Variation, Acknowledgement and Consent dated 20 July 2018 (**Variation Deed**) which varied the Farm-in Agreement. A summary of the key terms of the Farm-in Agreement is set out in Schedule 3 to this Report.

Under the Farm-in Agreement the Company has earned an interest in the Laverton Links and Lake Throssell Projects in Western Australia. The Farm-in Agreement allowed for the Company to farm-in by contributing expenditure and supervising works for the exploration of minerals in the following initial tenement areas:

- (a) Lake Throssell (Exploration Licence 38/3065); and
- (b) Lake Rason (Exploration Licence 38/3089),

together the (**Initial Tenements**).

The Farm-in Agreement contained provisions such that additional tenements could be included in the future. We note that that as at the date of this Report, the Company has:

- under the Farm-in Agreement: already successfully contributed the “Initial Evaluation Funding” during the “First Earn-in Period” and therefore acquired a 44% beneficial interest in each of the tenements as set out in Schedule 1 to this Report (together these comprise the **(Tenements)**); and
- under the Variation Deed: had its contribution of the “Second Evaluation Funding” during the “Second Earning Period” specifically acknowledged by K2O Minerals and its shareholders and consequently that the Company is entitled to a total 80% beneficial interest in each of the Tenements (Note that K2O Minerals will hold the 20% balance).

## 1.2 Share Sale Agreement

The Company and the shareholders of K2O Minerals (**Sellers**) entered into a share sale agreement dated 12 March 2018 (**Share Sale Agreement**). The Share Sale Agreement was subsequently varied pursuant to the Variation Deed and was again varied on 31 December 2018 by a letter of variation. Subject to satisfaction or waiver of the agreement’s conditions precedent, the Company will acquire all of the issued share capital in K2O Minerals, upon which it will become a wholly owned subsidiary of the Company. The Share Sale Agreement specifically contemplates the Proposed IPO and contains two conditions precedent that must be fulfilled or waived in order for completion under the Share Sale Agreement to occur:

- Condition precedent 1: is a reasonable expectation by the directors of the Company that the Proposed IPO will be approved by ASX (under reasonably acceptable conditions); and
- Condition precedent 2: is that no material adverse event occurs in respect of K2O Minerals (prior to completion).

Completion is subject to the satisfaction of these conditions precedent, by no later than 31 December 2019 (or such other date as agreed in writing by the parties from time to time). Post completion under the Share Sale Agreement, the Company will obtain ownership and control of all of the issued shares in K2O Minerals and therefore all of its assets, including all of its legal and beneficial interests in the Tenements. A summary of the key terms of the Share Sale Agreement is set out in Schedule 3 to this Report.

## 2 Report Searches

All of the Tenements are located within the state of Western Australia (**State** or **WA**) and the key details for each of the Tenements are set out in Schedule 1 and Schedule 2 to this Report. For the purposes of this Report, we have conducted the following searches and made enquiries in respect of the Tenements as follows:

- (a) We have undertaken mining tenement register searches of the Tenements from the registers maintained by the WA Department of Mines, Industry Regulation and Safety (**DMIRS**) and these searches were conducted on 18 April 2019, 23 April 2019 and 24 April 2019 (**Tenement Searches**).

A summary of the material results of the Tenement Searches are set out in Schedule 1 of this Report.

- (b) We have undertaken searches of the native title applications schedule, the register of native title claims, the national native title register and the register of indigenous land use agreements - maintained by the National Native Title Tribunal (**NNTT**) for details of native title claims (whether registered or unregistered), native title determinations and indigenous land use agreements (**ILUAs**) that apply to or may overlap the Tenements and these search results were obtained on 18 April 2019 (together the **NT Searches**).

Details of any native title claims (whether registered or unregistered), native title determinations and ILUAs are set out in Schedule 2 of this Report.

- (c) We have undertaken searches from the online Aboriginal Heritage Inquiry System maintained by the Department of Aboriginal Affairs (**DAA**) for any Aboriginal sites registered on the WA Register of Aboriginal Sites (**Heritage Register**) over the Tenements and these searches were conducted on 18 April 2019 (**Heritage Searches**).

Details of any Aboriginal Sites are set out in Schedule 2 of this Report.

- (d) We have undertaken quick appraisal user searches of Tengraph which is the on-line register as maintained by the DMIRS to ascertain details of overlapping rights affecting the Tenements and these searches were conducted on 18 April 2019 (**Tengraph Searches**).

Details of any material issues identified from the Tengraph Searches are set out in Schedule 2 of this Report; and

- (e) We have reviewed of all material agreements relating to the Tenements as provided to us by the Company and have summarised these in Schedule 3 to this Report.

In this Report a reference to "**Searches**", includes each of the: Tenement Searches; NT Searches; Heritage Searches and the Tengraph Searches.

### **3 Solicitor's Opinion**

As a result of the Searches and subject to each of the qualifications and assumptions set out in section 10 of this Report, we are of the view that, as at the date of the relevant Searches this Report provides an accurate statement as to:

- (a) (**Company's interest**): the Company's and K2O Minerals' interests in the Tenements;
- (b) (**Good standing**): the validity and good standing of each of the following Exploration Licences: EL38/3065, EL38/3089, EL38/3259, EL38/3298, EL38/3299, EL38/3300, EL38/3301, EL38/3302 and EL39/2047; and

- (c) **(Third party interests)**: third party interests, including objections, in relation to each Tenement.

#### 4 Description of the Tenements

The nine Tenements are each 'live' exploration licences granted under the Mining Act 1978 (WA) (**Mining Act**). Schedule 1 of this Report provides a list of the Tenements and a brief summary of the key terms for each Tenement. The following section of this Report (section 4.2) is a summary of the key provisions under the Mining Act in respect of exploration licences.

##### 4.1 Renewal and tenure

The Tenements are subject to periodic renewal at the discretion of the WA Minister for Mines and Petroleum (**Minister**). Various conditions may also be imposed as a condition of renewal. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of part of the Tenement areas comprising the Company's projects. In the event the Company successfully identifies economic deposits on any Tenement, it will need to apply for a mining lease to undertake development and mining on the relevant Tenement. There is no guarantee that the Company will be granted a mining lease if one is applied for and if a mining lease is granted, it will also be subject to conditions which must be met.

##### 4.2 Exploration Licence key terms

| Term  | Summary   |
|---|---|
| <b>Rights</b>   | An exploration licence allows the holder to enter the land in order to carry out exploration activities for minerals and allows access for the licence holder's employees and contractors and necessary vehicles, machinery and equipment.  |
| <b>Term</b>   | Exploration licences are granted for a term of 5 years from the date of grant. Subject to the approval of the Minister this initial 5 year term may be extended by a further 5 year period followed by prescribed further period/s of 2 years.  |
| <b>Conditions of the transfer of an exploration licence</b> | In the first year of the term of an exploration licence there is a prohibition on the transfer or other dealing with either/or the legal and/or beneficial interest in the exploration licence without the Minister's prior written consent. After the first year of the term, there are no restrictions on the transfer or other dealing with the holder's legal and/or beneficial rights under the exploration licence.   |
| <b>Conditions</b>   | Exploration licences are granted subject to a number of standard conditions, for example, these may include prescribed minimum expenditure requirements, and compliance with environmental conditions and reporting requirements. Any failure by an exploration licence holder to comply with any of these conditions, failure to pay rent and royalties (if applicable) or the failure to obtain an exemption from compliance can result in the forfeiture of the exploration licence. |

| Term                                | Summary  |
|-------------------------------------|--|
| <b>Relinquishment:</b>              | An exploration licence applied for and granted after 10 February 2006 is granted for an initial 5 year term (subject to extensions) and a holder must relinquish not less than 40% of the blocks comprising the licence at the end of the sixth year. A failure to lodge the required partial surrender could render the tenement liable for forfeiture.   |
| <b>Retention status</b>             | If an exploration licence was granted after 10 February 2006 then the holder is entitled to apply for retention status for the exploration licence. Approval by the Minister is required, and the Minister may take into account if there is an identified mineral resource in, on or under the land (which is the subject of the exploration licence) but which is impractical to mine for the prescribed reasons and approval may be granted over whole or part of the land. However, the Minister has the discretion to impose a works programme or require the exploration licence holder to apply for conversion to a mining lease. |
| <b>Conversion to a mining lease</b> | The holder of an exploration licence has priority to apply for a mining lease over any of the land the subject of the exploration licence. Any application for a mining lease must be made prior to the expiry of the exploration licence. The exploration licence remains in force until the application for the mining lease is determined.  |

### 4.3 Minimum expenditure requirements

Under the Mining Act, holders of prospecting, exploration and mining licences are subject to a minimum annual expenditure commitment as a condition of their licence. Each year, a tenement holder must submit to DMIRS a mining operations report which sets out details of the holder's mining operations and its expenditure for the relevant reporting year (known as a "Form 5").

If a licence holder does not meet its annual expenditure condition it may submit to DMIRS an application for an exemption (either partial or full) which must set out the basis upon which the exemption has been applied for and all supporting information. Section 102 of the Mining Act sets out the reasons for which an exemption application can be made, including (but not limited to), that the tenement title is in dispute, additional time is required for works, planning of works or raising of capital, the tenement contains an uneconomic mineral deposit or the tenement is part of a combined reporting group and the aggregate exploration expenditure is met for the tenements in the group (**Application**).

The Application then proceeds in accordance with the process set out in the Mining Act, broadly being that, if no objection is lodged against the Application, it is forwarded for determination by the Minister. If an objection is lodged, then the warden of mines reviews the matter and makes a recommendation to the Minister who makes the final determination of the matter. The refusal of an exemption application will result in the commencement of forfeiture proceedings against the tenement holder by DMIRS.

#### 4.4 Proposed legislative amendments

On 13 December 2018, the Minister issued a media statement setting out the State Government's intention to introduce a new rental rate for potash projects and to grant them a new class of mining lease for restricted minerals. It is expected that the new class of mining lease will be subject to a reduced royalty rate. The media statement indicated that the new potash rental rates are expected to come into effect in 2019, however as at the date of this Report no changes to the mining laws and regulations have been enacted to give effect to any such changes. The media statement also only contemplated the changes as affecting mining leases and did not indicate any intention of making any changes to existing terms of exploration licences.

### 5 Aboriginal Heritage

Aboriginal heritage is protected by both State law under the Aboriginal Heritage Act 1972 (WA) (**WA Heritage Act**) (refer to section 5.1 of this Report) and Commonwealth law under the Aboriginal and Torres Strait Islander Heritage Protection Act 1984 (Cth) (**Commonwealth Heritage Act**) (refer to section 5.2 of this Report).

#### 5.1 Western Australian legislation

All tenements granted in WA are subject to a condition requiring observance of the WA Heritage Act. It is important to note that there is no obligation under the WA Heritage Act to register Aboriginal heritage sites or objects and therefore the exact location and/or existence of Aboriginal heritage sites or objects within the area of a tenement cannot be ascertained from a search of the Heritage Register. The absence of a reference to an Aboriginal site of interest in a search of the Heritage Register is not conclusive as the WA Heritage Act protects all registered and unregistered sites. The Heritage Register lists all known Aboriginal sites reported and all areas protected under the WA Heritage Act.

It is therefore important to bear in mind that an Aboriginal heritage site may:

- (a) exist in any area of the State;
- (b) not have been recorded in the Heritage Register or elsewhere; and
- (c) not have been identified in previous heritage surveys or reports on the relevant area but would still remain fully protected under the WA Heritage Act.

No registered Aboriginal sites were identified from the Heritage Searches on the Tenements except for EL38/3065 (Throssell Lake Site 2115). Any future exploration on this Tenement that is likely to disturb the surface of the land located within the heritage site boundaries will be subject to the requirement for consent to disturb permission pursuant to s18 of the WA Heritage Act.

Two ethnographic sites have however been identified on EL38/3299 through a search of the Other Heritage Place database on the Heritage Register, including Site ID 37104 Kungkarangkal 03 (Note this is not a site for the purposes of the WA Heritage Act) and Site ID 36838 Ngunro (Lodged but not determined to meet the requirements of s5 of the WA Heritage Act). Although no impediment to exploration at this point, further investigation of the Heritage

Register is recommended prior to disturbance of EL38/3299 and in particular Site ID 36838 Ngurro.

Section 17 of the WA Heritage Act makes it an offence to alter or damage sacred or ceremonial Aboriginal sites and areas of significance to Aboriginal persons (whether or not they are recorded on or otherwise known to the Heritage Register, the DAA or the Aboriginal Cultural Material Committee). Under section 18 of the WA Heritage Act the Minister's consent is required where any use of land is likely to result in the excavation, alteration or damage to an Aboriginal site or any objects on or under that site (whether or not that place or object is registered). In order to ensure compliance and to avoid prosecution under the WA Heritage Act, typically resources companies carry out aboriginal heritage surveys. The purpose of these surveys is to identify heritage sites and objects located within the relevant area and are typically undertaken with the participation of the traditional land owners, a suitably qualified expert (e.g. an anthropologist) and the resources company itself and these surveys also consider the impact of the Company's planned works on the heritage sites/objects.

Eight of the Tenements contain one or more DAA Aboriginal Survey Areas, this means that investigation in relation to disturbance of particular areas of those Tenements have already been carried out and have not resulted in formal registration of a heritage site. Relevantly land users must still exercise caution where either no surveys have been completed or have only been carried out over areas of proposed activity.

Please note that the State Government released a discussion paper in March 2019 to consider proposals for new legislation to recognise and protect Aboriginal heritage and ultimately to repeal the WA Heritage Act. The discussion paper suggests that the object of the new legislation will be to amend the definition and identification of Aboriginal heritage places and to provide a clearer framework for the protection, conservation and management of Aboriginal heritage. Feedback on the discussion paper is due on 31 May 2019 and will be considered in the drafting of new legislation.

## 5.2 Commonwealth legislation

The Commonwealth Heritage Act is similarly aimed at the preservation and protection of any Aboriginal areas and objects that may be located on the Tenements.

Under the Commonwealth Heritage Act, the Federal Minister for Aboriginal Affairs (**Federal Minister**) may make interim or permanent declarations of preservation in relation to significant Aboriginal areas or objects, which have the potential to halt exploration activities ("**Declaration**"). Compensation is payable by the Federal Minister to a person who is, or is likely to be, affected by a permanent Declaration and it is an offence to contravene a Declaration made under the Commonwealth Heritage Act.

We have not obtained information from the Commonwealth with regard to any places, areas and objects, which are registered or recognised in the National Heritage List, the Commonwealth Heritage List or other heritage lists or registers maintained by the Commonwealth.

## 6 Native Title

### 6.1 Introduction

The Native Title Act 1993 (Cth) (**NTA**) regulates the issue of native title and sets out:

- (a) a process for indigenous people to lodge claims for native title rights over land, for those claims to be registered by the NNTT and for the Courts to assess native title claims and to determine if native title rights exist. Where a Court completes the assessment of a native title claim, it will issue a native title determination that specifies whether or not native title rights exist;
- (b) (together with associated State legislation) that any land tenures granted or renewed before 1 January 1994 were valid (**Past Acts**). This retrospective validation of land tenure was subsequently extended by the NTA to include freehold and certain leasehold (including pastoral leases) granted or renewed before 23 December 1996 (**Intermediate Period Acts**); and
- (c) generally, that any other act that may affect native title rights (such as the grant or renewal of a mining tenement) carried out after 23 December 1996 (a **Future Act**) must comply with certain requirements for the Future Act to be valid under the NTA. These requirements are called the **Future Act Provisions**.

### 6.2 Native title claims, native title determinations and ILUAs

The NT Searches and the Tengraph Searches indicate that:

With respect to EL38/3065:

- (a) it is located within the external boundaries of a native title claim, as specified in Schedule 1 to this Report (namely WAD 6004/2004 A and B). Previously, this native title claim was determined by the Federal Court in June 2005 (NNTT WCD2005/002) and June 2008 (NNTT WCD 2008/001)
- (b) the land in EL38/3065 is subject to the ILUAs as specified in Schedule 2 to this Report. ILUAs will set out rights for both the native title party and the other parties to the agreement (like the State or the company).

Additionally, on 28 June 2018, Trigg Mining and K2O Minerals negotiated an agreement with the Yarnangu Ngaanyatjarraku Parna (Aboriginal Corporation) RNTBC, in its capacity as the registered native title body corporate in respect of the land the subject of the Ngaanyatjarra Lands Determination, to facilitate the grant of EL38/3065 and to govern the carrying out of exploration activities on the tenement. Further details are set out in Schedule 3 of this Report.

When any other tenement application is submitted to DMIRS it will be referred for consideration in respect of native title via a public notification system and this process and its status are noted on a tenement search. For certain tenement applications DMIRS will advertise that it intends to apply the expedited procedure to the grant of the tenement (see outcome of NT Searches and the Tengraph Searches below). Native title applicants or holders

can lodge an objection to the use of the expedited procedure which must be done within four (4) months after the date of public notification (under section 29 of the NTA).

The NT Searches and the Tengraph Searches indicate that, for:

- (a) EL38/3299 and EL38/3300 – the expedited procedure was applied for these applications and the (past) date for submission of any objections under section 29 of the NTA was 4 August 2018; and
- (b) EL38/3301 – the expedited procedure was applied for these applications and the (past) date for submission of any objections under section 29 of the NTA was 7 July 2018; and
- (c) EL38/3089, EL28/3259, EL38/3298, EL38/3302 and EL39/2047 – set out that a Native Title Claim was registered and applied to these tenements (WAD 460/2018 – Nangaanya-ku) and that that claim will be subject to determination. While these tenements have been granted, the native title claimants may have status as a negotiating party in any Future Act process that occurs in the future within the boundaries of these tenements (e.g. if the exploration licence is converted to a mining licence).

#### *Freehold land*

If tenement areas overlap with areas of freehold land (which were validly granted prior to 23 December 1996) then:

- (a) native title is extinguished in respect of the overlapping land area; and
- (b) registered native title claimants (and determined native title holders) are not entitled to rights under the Future Act Provisions in respect of the overlapping land area.

The Tengraph Searches show that only EL38/3299 has an area of freehold land which encroaches the tenement area by 88.1669 Ha (0.44%).

If native title is proven to be extinguished over freehold land (for example, in accordance with sub-paragraph (a) above), then there is no requirement for the tenement holder to enter into native title negotiations in respect of the freehold land prior to the tenement holder undertaking its exploration activities. However, we note the very small percentage of tenement area overlapping with freehold land, this will not relieve the Company from the requirement to negotiate native title over the remaining 99.56% of that tenement area (if future planned works for EL38/3299 requires it).

#### *Non-freehold land*

Native title may continue to subsist in alienated non-freehold land or 'Crown land', including pastoral leases, vacant/unallocated Crown land and certain Crown reserves that were not vested prior to 23 December 1996 and which have not been subsequently developed as public works.

It is noted that all of the Tenements in relation to alienated non-freehold land or 'Crown land', may be subject to the Future Act provisions under the NTA.

#### *Native title agreement*

It is noted that a native title agreement (e.g. an exploration access agreement) has been finalised for EL38/3065. The agreement is typical of a native title agreement and a summary of the key terms is set out in Schedule 3 to this Report.

### **6.3 Future Act Provisions**

The Future Act Provisions vary depending on the nature of the Future Act to be carried out. In the case of the grant of a mining tenement, typically there are four alternatives: the Right to Negotiate, an ILUA, the Infrastructure Process and the Expedited Procedure. These are briefly summarised below, and we note that as at the date of this Report the Tenements only comprise exploration licences and applications for exploration licences.

#### *Right to Negotiate*

The Right to Negotiate involves a formal negotiation between the State, the tenement applicant and any registered native title claimants and holders of native title rights (**Claimant Group**). The aim is to agree the terms on which the tenement can be granted. The tenement applicant is usually liable for any compensation that the parties agree is payable to the Claimant Group. The parties may also agree on conditions that will apply to activities carried out on the tenement (e.g. in relation to heritage surveys).

If agreement is not reached, the matter may be referred to arbitration before the NNTT to make the determination. If no determination is made within six (6) months the NNTT must advise the Commonwealth Minister of its reason for not doing so and outline an indication of when a determination is likely to be made. The earliest an application for arbitration can be made to the NNTT is six (6) months after the date of notification of commencement of negotiations by the DMIRS.

If the Right to Negotiate procedure is not observed, the grant of the mining tenement will be invalid to the extent (if any) that it affects native title.

#### *ILUA*

An ILUA is a contractual arrangement governed by the NTA. Under the NTA, an ILUA must be negotiated between all registered native title claimants for a relevant area, the State (depending on the type of ILUA) and the tenement applicant.

An ILUA set outs the terms on which a tenement can be granted and will also specify conditions on the activities that may be carried out within the tenement. The tenement applicant is usually liable for any compensation that the parties agree to pay to the Claimant Group in return for the grant of the tenement being approved. These obligations pass to any transferee of the tenement.

Once an ILUA is agreed and registered, it binds the whole Claimant Group and all other holders of native title in the area (including future claimants), even though they may not be parties to it.

### *Infrastructure Process*

The NTA establishes a simplified process for the carrying out of a Future Act that is the creation of a right to mine for the sole purpose of the construction of an infrastructure facility (**Infrastructure Process**). The NTA defines infrastructure facility to include a range of transportation, marine, aeronautical, electrical, oil, gas, mineral and communication facilities. In Western Australia, DMIRS applies the Infrastructure Process to two classes of mining tenements:

- (a) miscellaneous licences for most purposes under the Mining Regulations 1981 (WA) but, notably, not for a mine site administration facility or a mine site accommodation facility (both of which are dealt with under the Right to Negotiate) or for a search for groundwater/taking of groundwater (which is dealt with pursuant to the provisions of s 24HA of the NTA – requiring notification of representative Aboriginal bodies, registered native title bodies corporate and registered native title claimants, and the notified party has the right to comment); and
- (b) most general purpose leases.

### *Expedited Procedure*

The NTA establishes a simplified process for the carrying out of a Future Act that is unlikely to adversely affect native title rights (**Expedited Procedure**). The grant of a tenement can occur under the Expedited Procedure if the grant:

- (a) will not interfere directly with the carrying on of the community or social activities of the persons who are the holders of native title in relation to the land;
- (b) is not likely to interfere with areas or sites of particular significance, in accordance with their traditions, to the persons who are holders of native title in relation to the land; and
- (c) is not likely to involve major disturbance to any land or waters concerned or create rights whose exercise is likely to involve major disturbance to any land.

If the State considers the above criteria are satisfied, it commences the Expedited Procedure by giving notice of the proposed grant of the tenement in accordance with the NTA. Persons have until three (3) months after the notification date to take steps to become a registered native title claimant or native title holder in relation to the land to be subject to the tenement.

If there is no objection lodged by a registered native title claimant or a native title holder within four (4) months of the notification date, the State may grant the tenement.

If one or more registered native title claimants or native title holders object within that four (4) month notice period, the NNTT must determine whether the grant is an act attracting the Expedited Procedure. If the NNTT determines that the Expedited Procedure applies, the State may grant the tenement. Otherwise, the Future Act Provisions (e.g. Right to Negotiate or ILUA) must be followed before the tenement can be granted.

The State currently follows a policy of granting mining leases, prospecting licences and exploration licences under the Expedited Procedure where the applicant has entered into a standard Aboriginal heritage agreement with the relevant registered native title claimants and native title holders. The standard Aboriginal heritage agreement provides a framework for the conduct of Aboriginal heritage surveys over the land the subject of a tenement prior to the conducting of ground-disturbing work and conditions that apply to activities carried out within the tenement.

*Exception to requirement to comply with Future Act Provisions*

The grant of a tenement does not need to comply with the Future Act Provisions if in fact native title has never existed over the land covered by the tenement or has been validly extinguished prior to the grant of the tenement. We have not undertaken the extensive research needed to determine if in fact native title does not exist, or has been validly extinguished in relation to the Tenements.

Unless it is clear that native title does not exist (e.g. in relation to freehold land), the usual practice of the State is to comply with the Future Act Provisions when granting a tenement. This ensures the grant will be valid in the event a court determines that native title rights do exist over the land subject to the tenement.

Where a tenement has been retrospectively validated or validly granted under the NTA, the rights under the tenement prevail over any inconsistent native title rights.

*Application to the Tenements*

The following sections of the Report identify:

- (a) any native title claims (registered or unregistered), native title determinations and ILUAs in relation to the Tenements (see Schedule 1 to this Report); and
- (b) any Tenements which have been granted after 23 December 1996 and as such will need to have been granted following compliance with the Future Act Provisions to be valid under the NTA. The Search Results indicate that the Future Act Provisions have been complied (see Schedule 2 of this Report).

**6.4 Validity of Tenements under the NTA**

The status of any native title claims, native title determinations and ILUAs is summarised in Schedule 2 of this Report. Native title claimants, holders of native title under the determinations and native title parties under ILUAs are entitled to certain rights under the Future Act Provisions.

The table below examines the validity of the Tenements under the NTA.

|   |  |
|---|--|
| Tenements granted before 1 January 1994<br><b>(Past Acts)</b> | Our Searches indicate that none of the Tenements were granted before 1 January 1994. |
| Tenements granted between 1 January 1994 and 23 December 1996 | Our Searches indicate that none of the Tenements were granted after 1 January 1994   |

|  |   |
|--|---|
| <b>(Intermediate Period Acts)</b>        | but before 23 December 1996.  |
| Tenements granted after 23 December 1996 | Our Searches indicate that all of the Tenements were granted after 23 December 1996.  |
| Tenements renewed after 23 December 1996 | Our Searches indicate that none of the Tenements were renewed after 23 December 1996. |

Renewals of the Tenements in the future will need to comply with the Future Act Provisions in order to be valid under the NTA. The registered native title claimants and holders of native title identified in Schedule 2 of this Report will need to be involved as appropriate under the Future Act Provisions.

## **7 Crown Land**

### **7.1 Unallocated Crown Land – State regime**

Under section 41 of the Land Administration Act 1997 (WA) (**LA Act**), the Minister for Lands may, by order, reserve Crown lands for one or more purpose in the public interest. All such reservations have their descriptions and specified purpose registered on a Crown Land Title (**CLT**) and which is portrayed on an authenticated map held by Landgate.

Reservation action is normally initiated by the Department for Planning, Lands and Heritage following community or Government request, land planning decisions, or as a result of the subdivision of land.

The Land Act 1933 (WA) provided for State reserves to be classified as Class A, B or C. There is no provision in the LA Act to create new Class B reserves and there is no longer reference to Class C reserves. Class A affords the greatest degree of protection for reserved lands, requiring the approval of Parliament to amend the reserve’s purpose or area, or to cancel the reservation. The A classification is used solely to protect areas of high conservation or high community value. Class B reserves continue but are no longer created under the LA Act. The Minister for Lands may deal with Class B reserved lands as normal reserves, provided that, should the reservation be cancelled, a special report is made to both Houses of Parliament within 14 days from the cancellation or within 14 days after the commencement of the next session.

Once created, a reserve is usually placed under the care, control and management of a State government department, local government or incorporated community group by way of a ‘Management Order’ registered against the relevant CLT. A Management Order under the LA Act does not convey ownership of the land – only as much control as is essential for the land’s management.

### **7.2 Affected Tenements**

As set out in Schedule 2 of this Report, land which includes eight of the nine Tenement areas overlaps with unallocated Crown land in percentages ranging from 2.22% to 100% encroachment.

### 7.3 Mining Act regime

The Mining Act:

- (a) prohibits, under section 20(5), the carrying out of prospecting, exploration or mining activities on Crown land that is less than 30 metres below the lowest part of the natural surface of the land (section 20(5)(eb)) and which is:
  - (i) for the time being under crop (or within 100 metres of that crop) (section 20(5)(a));
  - (ii) used as or situated within 100 metres of a yard, stockyard, garden, cultivated field, orchard vineyard, plantation, airstrip or airfield (section 20(5)(b));
  - (iii) situated within 100 metres of any land that is an actual occupation and on which a house or other substantial building is erected (section 20(5)(c));
  - (iv) the site of or situated within 100 metres of any cemetery or burial ground (section 20(5)(d)); or
  - (v) if the Crown land is the subject of a pastoral lease, the site of or which is situated within 400 metres of any water works, race, dam, well or bore not being an excavation previously made and used for mining purposes by a person other than the pastoral lessee (section 20(5)(e)), without the written consent of the occupier unless the warden by order otherwise directs (section 20(5)(ea)).
- (b) imposes restrictions on a tenement holder passing over Crown land within 100 meters of Crown land as set out in section 7(a)(i) to (iv) above or within 400m of Crown land as detailed in section 7(a)(v) above and if this access is required in order to gain access to land other than the lands specified above, then the holder must:
  - (i) take all practicable steps to notify the occupier of any intention to pass over the Crown land (section 20(5a)(c));
  - (ii) take all necessary steps to prevent fire, damage to trees, damage to property or damage to livestock by the presence of dogs, the discharge of firearms, the use of vehicles or otherwise (section 20(5a)(d)(i)); and
  - (iii) cause as little inconvenience as possible to the occupier (section 20(5a)(d)(ii)), to keep the number of occasions of passing over the Crown land to a minimum (section 20(5a)(e)) and complying with any reasonable request by the occupier as to the manner of passage (section 20(5a)(d)(iii)).
- (c) requires under section 20(5a)(f) that a tenement holder is to compensate the occupier of Crown land as referred to in paragraph 7(a) above:

- (i) by making good any damage to any improvements or livestock caused by passing over the land or otherwise compensate the occupier for any such damage not made good; and
- (ii) in respect of land under cultivation, for any substantial loss of earnings suffered by the occupier caused by passing over the land (section 123(4)(g)).

The warden may not give an order as referred to in paragraph 7(a) that dispenses with the occupier's consent in respect of Crown land as referred to in paragraph 7(a)(iii). In respect of other areas of Crown land covered by the prohibition in paragraph 7(a) above, the warden may not make such an order unless they are satisfied that the land is genuinely required for mining purposes and that proposed compensation arrangements are in accordance with the Mining Act for all loss or damage suffered or likely to be suffered by the occupier and have been agreed between the occupier and the tenement holder or assessed by the warden under the Mining Act.

## 8 Pastoral Leases

As set out in Schedule 2 of this Report four of the nine Tenements overlap with pastoral leases as follows:

- (a) **Pastoral Lease N049699** (Held by Department of Lands (Laverton Downs)) partially overlaps with:
  - (i) 2.01% of EL38/3301;
  - (ii) 77.98% of EL38/3300; and
  - (iii) 87.47% of EL38/3299.
- (b) **Pastoral Lease N049444** (Held by Department of Lands (White Cliffs)) partially overlaps with:
  - (i) 95.39% of EL38/3302;
  - (ii) 95.77% of EL38/3301; and
  - (iii) 12.05% of EL38/3299.

Section 20(5)(e) of the Mining Act prohibits carrying out of mining activities on or near or otherwise to interfere with Crown land which is the subject of a pastoral lease without the prior written consent of the lessee. Further, under the Mining Act, access over such pastoral lease areas will impose the following additional obligations:

- (a) section 20(5a)(d)(i) imposes certain restrictions on a mining tenement holder passing through Crown land, including requiring that all necessary steps are taken to notify the occupier of any intention to pass over the Crown land and that all necessary steps are taken to prevent damage to improvements and livestock; and

- (b) section 20(5a)(f) provides that the holder of a mining tenement must pay compensation to an occupier of Crown land (i.e. the pastoral lessee) in certain circumstances, in particular to make good any damage to improvements, and for any loss suffered by the occupier from that damage or for any substantial loss of earnings suffered by the occupier as a result of, or arising from, any exploration or mining activities, including the passing and re-passing over any land.

Details of historical pastoral leases have been included in Schedule 2 to this Report for the sake of completeness.

## **9 Water**

### **9.1 Surface Water Area**

Pursuant to section 6(3) of the Rights in Water and Irrigation Act 1914 (WA) (**RIWI Act**), the Governor of Western Australia has the power to proclaim any watercourse or wetland specified a 'Surface Water Area'.

A Surface Water Area is proclaimed in order to regulate the removal of water from watercourses and wetlands and to ensure the State's water resources are planned, managed and developed to meet community requirements. An area is proclaimed where there is a requirement for systematic management of the use of water. The proclamation is made on the recommendation of the Department of Water and Environmental Regulation and must first be tabled before each interested local government and each water resources management committee established for the locality.

Proclaiming or prescribing an area results in allowing the use of water for commercial activity under a licence. Where an area has been proclaimed, the provisions of Division 1B of Part III of the RIWI Act apply to surface water in that area.

No Surface Water Areas were identified on the Tenements.

### **9.2 Groundwater Area**

Groundwater is water which is located beneath the earth's surface in pores and in vast quantities in the spaces between of rocks and grains of soil. Over time, water from rain and rivers migrates through the ground, and recharge of groundwater aquifers is slow and can take many years. Groundwater often supports wetland and stream ecosystems.

Groundwater areas are proclaimed under section 26B of the RIWI Act to ensure the State's water resources are planned, managed and developed to meet community requirements.

There are 45 proclaimed groundwater areas in Western Australia where licences are required to construct or alter a well and to take groundwater. The Department of Water and Environmental Regulation is responsible for managing proclaimed areas under the RIWI Act.

Ground Water Areas were identified on each of the Tenements, for details please refer to Schedule 2 to this Report.

## 10 Qualifications and Assumptions

This Report is subject to the following qualifications and assumptions:

- (a) we have assumed the accuracy and completeness of all Searches, register extracts and other information or responses which were obtained from the relevant department or authority including the NNTT;
- (b) this Report does not cover any third-party interests, including encumbrances, in relation to the Tenements that are not apparent from our Searches and the information provided to us by the Company;
- (c) we have assumed that any agreements provided to us by the Company in relation to the Tenements are authentic, were within the powers and capacity of those who executed them, were duly authorised, executed and delivered and are binding on the parties to them;
- (d) with respect to the granting of the Tenements, we have assumed that the State and the applicant for the Tenements have complied with, or will comply with, the applicable Future Act Provisions;
- (e) we have assumed the accuracy and completeness of any instructions or information which we have received from the Company or any of its officers, agents and representatives;
- (f) unless apparent from the Searches or the information provided to us by the Company, we have assumed compliance with the requirements necessary to maintain each Tenement in good standing;
- (g) references in this Report to any area of land are taken from details shown on the Searches as obtained from the relevant department. It is not possible to verify the accuracy of those areas without conducting a survey;
- (h) the information in this Report is accurate as at the date each Search was obtained. We cannot comment on whether any changes have occurred in respect of the Tenements between the date of each Search and the date of this Report;
- (i) where Ministerial consent is required in relation to the transfer of any Tenement, we express no opinion as to whether such consent will be granted, or the consequences of consent being refused, although we are not aware of any matter which would cause consent to be refused;
- (j) we have not conducted searches of the Database of Contaminated Sites maintained by the Department of Water and Environmental Regulation;
- (k) native title may exist in the areas covered by the Tenements. Whilst we have conducted the Searches to ascertain that native title claims and determinations, if any, have been lodged in the Federal Court in relation to the areas covered by the Tenements, we have not conducted any research on the likely existence or non-existence of native title rights and interests in

respect of those areas. Further, the NTA contains no sunset provisions and it is possible that native title claims could be made in the future; and

- (l) Aboriginal heritage sites or objects (as defined in section 5 of the WA Heritage Act or under section 3 of the Commonwealth Heritage Act) may exist in the areas covered by the Tenements regardless of whether or not that site has been entered on the Register of Aboriginal Sites established by the WA Heritage Act or is the subject of a declaration under the Commonwealth Heritage Act. Other than the Heritage Searches, we have not conducted any legal, historical, anthropological or ethnographic research regarding the existence or likely existence of any such Aboriginal heritage sites or objects within the area of the Tenements.

## 11 Consent

This Report is given solely for the benefit of the Company and the directors of the Company in connection with the issue of the Prospectus and is not to be disclosed to or relied upon by any other person or used for any other purpose or quoted or referred to in any public document or filed with any government body or other person without our prior written consent.

Yours sincerely

A handwritten signature in blue ink that reads "Lavan".

Lavan

## SCHEDULE 1 – TENEMENT SCHEDULE

**NOTE:** This Schedule does not set out details of the standard conditions for exploration licences, e.g. minimum work expenditure, environmental and/or reporting obligations etc.

**Key to Tenement Schedule: EL= Exploration Licence, a reference to the Conditions, Endorsements and Notes refers to the tables below.**

| TENEMENT  | REGISTERED HOLDER / APPLICANT                    | GRANT DATE        | EXPIRY DATE       | AREA SIZE (Blocks (BL)) | ANNUAL RENT                             | MINIMUM ANNUAL EXPENDITURE                   | MATERIAL REGISTERED DEALINGS/ ENCUMBRANCES   | NOTES   |
|-----------|--|-------------------|-------------------|-------------------------|---|--|--|---|
| EL38/3065 | K2O Minerals Pty Ltd holds 100% of the interest. | 1 August 2018     | 31 July 2023      | 106 BL                  | \$14,416 (year ending 31 July 2020)     | \$106,000 (current year to 31 July 2019)     | No material registered dealings / encumbrances   | See items in the tables below:<br><ul style="list-style-type: none"> <li>Endorsements: 1, 2 &amp; 4 - 8 (inclusive) &amp; 13; and</li> <li>Conditions: 1 to 8 (inclusive).</li> </ul>                                 |
| EL38/3089 | K2O Minerals Pty Ltd holds 100% of the interest. | 4 May 2016        | 3 May 2021        | 105 BL                  | \$23,100 (year ending 3 May 2020)       | \$105,000 (current year to 3 May 2019)       | No material registered dealings / encumbrances   | See items in the tables below:<br><ul style="list-style-type: none"> <li>Endorsements: 1 to 6 (inclusive) &amp; 9 to 11 (inclusive);</li> <li>Note: 2; and</li> <li>Conditions: 2 to 6 (inclusive) and 21.</li> </ul> |
| EL38/3259 | K2O Minerals Pty Ltd holds 100% of the interest. | 9 February 2018   | 8 February 2023   | 71 BL                   | \$9,656 (year ending 8 February 2021)   | \$71,000 (current year to 8 February 2020)   | No material registered dealings / encumbrances   | See items in the tables below:<br><ul style="list-style-type: none"> <li>Endorsements: 1 to 6 (inclusive) and 9 to 11 (inclusive);</li> <li>Note: 2; and</li> <li>Conditions: 2 to 4 (inclusive).</li> </ul>          |
| EL38/3298 | K2O Minerals Pty Ltd holds 100% of the interest. | 27 September 2018 | 26 September 2023 | 25 BL                   | \$3,400 (year ending 26 September 2020) | \$25,000 (current year to 26 September 2019) | <b>Objection</b> S22161 lodged and recorded 23 January 2018, <b>finalised</b> on 21 September 2018 | See items in the tables below:<br><ul style="list-style-type: none"> <li>Endorsements: 1 to 6 (inclusive) and 9 to 11 (inclusive); and</li> <li>Note: 2; and</li> <li>Conditions: 2 to 4 (inclusive).</li> </ul>      |
| EL38/3299 | K2O Minerals Pty Ltd holds                       | 22 September 2018 | 21 September 2023 | 68 BL                   | \$9,248 (year ending                    | \$68,000 (current year to 21                 | <b>Objection</b> S22129 lodged and recorded 23   | See items in the tables below:  |

| TENEMENT  | REGISTERED HOLDER / APPLICANT                    | GRANT DATE       | EXPIRY DATE      | AREA SIZE (Blocks (BL)) | ANNUAL RENT                             | MINIMUM ANNUAL EXPENDITURE                   | MATERIAL REGISTERED DEALINGS/ ENCUMBRANCES  | NOTES   |
|-----------|--|------------------|------------------|-------------------------|---|--|---|---|
|           | 100% of the interest.                            |                  |                  |                         | 21 August 2020                          | August 2019)                                 | January 2018 and withdrawn on 10 April 2018<br><br><b>Objection</b> 522804 lodged and recorded 6 February 2018 and withdrawn on 10 April 2018 | <ul style="list-style-type: none"> <li>• Endorsements: 1 to 6 (inclusive) and 9 to 12 (inclusive); and</li> <li>• Note 1;</li> <li>• Conditions: 2 to 6 (inclusive) and 9 to 18 (inclusive); and</li> <li>• Note that the following land was excluded from the grant of EL38/3299: prospecting Licences 38/4111 and 38/4112.</li> </ul> |
| EL38/3300 | K2O Minerals Pty Ltd holds 100% of the interest. | 22 August 2018   | 21 August 2023   | 67 BL                   | \$9,112 (year ending 21 August 2020)    | \$67,000 (current year to 21 August 2019)    | <b>Objection</b> 522130 lodged and recorded 23 January 2018 and was withdrawn on 10 April 2018  | <p>See items in the tables below:</p> <ul style="list-style-type: none"> <li>• Endorsements: 1 to 6 (inclusive) and 9 to 11 (inclusive);</li> <li>• Note: 1; and</li> <li>• Conditions: 2 to 6 (inclusive), 9 to 18 (inclusive) and 27.</li> </ul>  |
| EL38/3301 | K2O Minerals Pty Ltd holds 100% of the interest. | 2 August 2018    | 1 August 2023    | 64 BL                   | \$8,704 (year ending 1 August 2020)     | \$64,000 (current year to 1 August 2019)     | No registered dealings / encumbrances   | <p>See items in the tables below:</p> <ul style="list-style-type: none"> <li>• Endorsements: 1 to 6 (inclusive) &amp; 9 to 11 (inclusive);</li> <li>• Note: 1; and</li> <li>• Conditions: 2 to 6 (inclusive).</li> </ul>  |
| EL38/3302 | K2O Minerals Pty Ltd holds 100% of the interest. | 2 August 2018    | 1 August 2023    | 172 BL                  | \$23,392 (year ending 1 August 2020)    | \$172,000 (current year to 1 August 2019)    | No registered dealings / encumbrances   | <p>See items in the tables below:</p> <ul style="list-style-type: none"> <li>• Endorsements: 1 to 6 (inclusive) &amp; 9 to 11 (inclusive);</li> <li>• Note: 1; and</li> <li>• Conditions: 2 to 6 (inclusive) and 28.</li> </ul>   |
| EL39/2047 | K2O Minerals Pty Ltd holds 100% of the interest. | 26 February 2018 | 25 February 2023 | 200 BL                  | \$27,200 (year ending 25 February 2021) | \$200,000 (current year to 25 February 2020) | <b>Objection 513062</b> lodged and recorded 23 August 2017 and withdrawn 24 October   | <p>See items in the tables below:</p> <ul style="list-style-type: none"> <li>• Endorsements: 1 to 6 (inclusive) &amp; 9 to 11 (inclusive);</li> </ul>   |

| TENEMENT | REGISTERED HOLDER / APPLICANT | GRANT DATE | EXPIRY DATE | AREA SIZE (Blocks (BL)) | ANNUAL RENT | MINIMUM ANNUAL EXPENDITURE | MATERIAL REGISTERED DEALINGS/ ENCUMBRANCES | NOTES  |
|----------|-------------------------------|------------|-------------|-------------------------|-------------|----------------------------|--|--|
|          |                               |            |             |                         |             |                            | 2017                                       | (inclusive);<br><ul style="list-style-type: none"> <li>Note: 2; and</li> <li>Conditions: 2 to 4 (inclusive), 14, 17, 19, 20 &amp; 22 to 26 (inclusive).</li> </ul> |

#### ENDORSEMENTS

|     |   |  |  |  |  |  |  |  |
|-----|---|--|--|--|--|--|--|--|
| 1.  | The Licensee's attention is drawn to the provisions of the Aboriginal Heritage Act 1972 and any regulations thereunder.   |  |  |  |  |  |  |  |
| 2.  | The Licensee's attention is drawn to the Environmental Protection Act 1986 and the Environmental Protection (Clearing of Native Vegetation) Regulations 2004, which provides for the protection of all native vegetation from damage unless prior permission is obtained.   |  |  |  |  |  |  |  |
|     | <b>In respect to Water Resource Management Areas (WRMA) the following endorsements apply:</b>   |  |  |  |  |  |  |  |
| 3.  | <p>The Licensee attention is drawn to the provisions of the:</p> <ul style="list-style-type: none"> <li>Waterways Conservation Act, 1976</li> <li>Rights in Water and Irrigation Act, 1914</li> <li>Metropolitan Water Supply, Sewerage and Drainage Act, 1909</li> <li>Country Areas Water Supply Act, 1947</li> <li>Water Agencies (Powers) Act 1984.</li> </ul>        |  |  |  |  |  |  |  |
| 4.  | The rights of ingress to and egress from, and to cross over and through, the mining tenement being at all reasonable times preserved to officers of Department of Water and Environmental Regulation (DoW) for inspection and investigation purposes.   |  |  |  |  |  |  |  |
| 5.  | The storage and disposal of petroleum hydrocarbons, chemicals and potentially hazardous substances being in accordance with the current published version of the DoW's relevant Water Quality Protection Notes and Guidelines for mining and mineral processing.  |  |  |  |  |  |  |  |
|     | <b>In respect to Artesian (confined) Aquifers and Wells the following endorsement applies:</b>  |  |  |  |  |  |  |  |
| 6.  | The abstraction (taking) of groundwater from an artesian well and the construction, enlargement, deepening or altering of any artesian well is prohibited unless current licences for these activities have been issued by DoW.   |  |  |  |  |  |  |  |
|     | <b>In respect to Waterways the following endorsement applies:</b>   |  |  |  |  |  |  |  |
| 7.  | <p>Advice shall be sought from the DoW if proposing any exploration within a defined waterway and within a lateral distance of;</p> <ul style="list-style-type: none"> <li>50 meters from the outer-most water dependent vegetation of any perennial waterway; and</li> <li>30 meters from the outer-most water dependent vegetation of any seasonal waterway.</li> </ul> |  |  |  |  |  |  |  |
|     | <b>In respect to Proclaimed Ground Water Areas the following endorsement applies:</b>   |  |  |  |  |  |  |  |
| 8.  | The abstraction of groundwater is prohibited unless a current licence to construct / alter a well and a licence to take groundwater has been issued by DoW.   |  |  |  |  |  |  |  |
| 9.  | Measures such as drainage controls and stormwater retention facilities are to be implemented to minimise erosion and sedimentation of adjacent areas, receiving catchments and waterways.   |  |  |  |  |  |  |  |
| 10. | All activities to be undertaken so as to avoid or minimise damage, disturbance or contamination of waterways, including their beds and banks, and riparian and other water dependent vegetation.  |  |  |  |  |  |  |  |
|     | <b>In respect to Proclaimed Ground Water Areas the following endorsement applies:</b>   |  |  |  |  |  |  |  |
| 11. | The taking of groundwater and the construction or altering of any well is prohibited without current licences for these activities issued by DoW, unless an exemption otherwise applies.  |  |  |  |  |  |  |  |

| <b>ENDORSEMENTS</b> |   |
|---------------------|---|
| <b>12.</b>          | The grant of this licence does not include any private land (Plan #218428 Lot 57) referred to in Section 29(2) of the Mining Act 1978 except that below 30 meters from the natural surface of the land.   |
| <b>13.</b>          | <p><b>In respect to Water Resource Management Areas (WRMA) the following endorsements apply:</b></p> <p>The Licensee attention is drawn to the provisions of the:</p> <ul style="list-style-type: none"> <li>• Waterways Conservation Act, 1976</li> <li>• Rights in Water and Irrigation Act, 1914</li> <li>• Metropolitan Water Supply, Sewerage and Drainage Act, 1909</li> <li>• Country Areas Water Supply Act, 1947</li> <li>• Water Agencies (Powers) Act 1984</li> <li>• Water Resources Legislation Amendment Act 2007.</li> </ul> |

| <b>NOTES</b> |  |
|--------------|--|
| <b>1.</b>    | This tenement is registered as a combined reporting tenement for group C128/2018, includes the following active tenements EL38/3300, EL38/3299, EL38/3301 and E L8/3302 as at 24 October 2018. |
| <b>2.</b>    | This tenement is registered as a combined reporting tenement for group C129/2018, includes the following active tenements EL38/3089, EL38/3259, EL38/3298 and EL39/2047 as at 24 October 2018. |

| <b>CONDITIONS</b> |   |
|-------------------|---|
| <b>1.</b>         | All surface holes drilled for the purpose of exploration are to be capped, filled or otherwise made safe immediately after completion.  |
| <b>2.</b>         | All disturbances to the surface of the land made as a result of exploration, including costeans, drill pads, grid lines and access tracks, being backfilled and rehabilitated to the satisfaction of the Environmental Officer, DMIRS. Backfilling and rehabilitation being required no later than 6 months after excavation unless otherwise approved in writing by the Environmental Officer, DMIRS.                        |
| <b>3.</b>         | All waste materials, rubbish, plastic sample bags, abandoned equipment and temporary buildings being removed from the mining tenement prior to or at the termination of exploration program.  |
| <b>4.</b>         | Unless the written approval of the Environmental Officer, DMIRS is first obtained, the use of drilling rigs, scrapers, graders, bulldozers, backhoes or other mechanised equipment for surface disturbance or the excavation of costeans is prohibited. Following approval, all topsoil being removed ahead of mining operations and separately stockpiled for replacement after backfilling and/or completion of operations. |
| <b>5.</b>         | The licensee notifying the holder of any underlying pastoral or grazing lease by telephone or in person, or by registered post if contact cannot be made, prior to undertaking airborne geophysical surveys or any ground disturbing activities utilising equipment such as scrapers, graders, bulldozers, backhoes, drilling rigs, water carting equipment or other mechanised equipment.                                    |
| <b>6.</b>         | The licensee or transferee, as the case may be, shall within thirty (30) days of receiving written notification of: <ul style="list-style-type: none"> <li>• the grant of the licence; or</li> <li>• registration of a transfer introducing a new licensee,</li> </ul> advise by registered post, the holder of any underlying pastoral or grazing lease details of the grant or transfer.                                    |
| <b>7.</b>         | No exploration activities being carried out on Warburton Range Stock Route Reserve CR 24980 which restrict the use of the reserve.  |
| <b>8.</b>         | All Mining Act tenement activities prohibited within 200 metres of RAMSAR or ANCA listed wetlands unless written permission of the Department of Parks and Wildlife is first obtained.  |
| <b>9.</b>         | The rights of ingress to and egress from Miscellaneous Licence 38/252 being at all times preserved to the licensee and no interference with the purpose or installations connected to the licence.  |
| <b>10.</b>        | No mining within 25 metres of either side of the Gas/Petroleum pipeline contained within Petroleum Pipeline Licence No PL 114.  |
| <b>11.</b>        | No surface excavation approaching closer to the boundary of the Safety Zone established by Condition 10 [as set out above] than a distance equal to three times the depth of the excavation   |

| <b>CONDITIONS</b> |  |
|-------------------|--|
|                   | without the prior written approval of the Director Petroleum DMIRS.  |
| <b>12.</b>        | No interference with the drainage pattern and no parking, storage or movement of equipment or vehicles used in the course of mining within the Safety Zone established by Condition 10 [as set out above] without the prior approval of the operators of the Gas/Petroleum pipeline.   |
| <b>13.</b>        | The licensee shall not excavate, drill, install, erect, deposit or permit to be excavated, drilled, installed, erected or deposited within the Safety Zone established in Condition 10 [as set out above] any pit, well, pavement, foundation, building, or other structure or installation, or material of any nature whatsoever without the prior written consent of the Director Petroleum DMIRS. |
| <b>14.</b>        | No explosives being used or stored within one hundred and fifty (150) metres of the Gas/Petroleum pipeline without the prior written consent of the Director Petroleum DMIRS.  |
| <b>15.</b>        | Mining on the Safety Zone established in Condition 10 hereof being [as set out above] confined to below a depth of 50 metres from the natural surface unless otherwise approved by the Director of Petroleum DMIRS.  |
| <b>16.</b>        | The rights of ingress to and egress from the pipeline easement established in Condition 10 [as set out above] being at all times preserved for employee, contractors and agents of the operators of the Gas/Petroleum pipeline.  |
| <b>17.</b>        | Such further conditions as may from time to time be imposed by the Minister responsible for the Mining Act 1978 for the purpose of protecting the Gas/Petroleum pipeline.  |
| <b>18.</b>        | Mining on a strip of land 20 meters wide with any pipeline as the centerline being confined to below a depth of 31 meters from the natural surface and no mining material behind deposited upon such strip and the rights of ingress to and egress from the facility being at all times preserved to the owners thereof.   |
| <b>19.</b>        | The rights of ingress to and egress from Miscellaneous Licence 39/2226 being at all times preserved to the licensee and no interference with the purpose or installations connected to the licence.  |
| <b>20.</b>        | No mining within 25 metres of either side of the Gas/Petroleum pipeline contained within Petroleum Pipeline Licence No PL 108.   |
| <b>21.</b>        | The rights of ingress to and egress from Miscellaneous Licence 38/113 being at all times preserved to the licensee and no interference with the purpose or installations connected to the licence.   |
| <b>22.</b>        | No surface excavation approaching closer to the boundary of the Safety Zone established by Condition 20 hereof [as set out above] than a distance equal to three times the depth of the excavation without the prior written approval of the Director Petroleum DMIRS.   |
| <b>23.</b>        | No interference with the drainage pattern and no parking, storage or movement of equipment or vehicles used in the course of mining within the Safety Zone established by Condition 20 [as set out above] without the prior approval of the operators of the Gas/Petroleum pipeline.   |
| <b>24.</b>        | The licensee shall not excavate, drill, install, erect, deposit or permit to be excavated, drilled, installed, erected or deposited within the Safety Zone established in Condition 20 [as set out above] any pit, well, pavement, foundation, building, or other structure or installation, or material of any nature whatsoever without the prior written consent of the Director Petroleum DMIRS. |
| <b>25.</b>        | Mining on the Safety Zone established in Condition 20 [as set out above] being confined to below a depth of 50 metres from the natural surface unless otherwise approved by the Director of Petroleum DMIRS.   |
| <b>26.</b>        | The rights of ingress to and egress from the pipeline easement established in Condition 20 [as set out above] being at all times preserved for employee, contractors and agents of the operators of the Gas/Petroleum pipeline.  |
| <b>27.</b>        | No excavation, excepting shafts, approaching closer to the White Cliff Yamari Road, road verge or the road reserve than a distance equal to twice the depth of the excavation and mining on the White Cliff Yamari Road or road verge being confined to below a depth of 30 meters from the natural surface.   |
| <b>28.</b>        | No interference with the Geodetic Survey Station SSM-RASON 1 and mining thereof being confined to below a depth of 15 metres from the natural surface.   |

## SCHEDULE 2 – TENGRAPH INTERESTS

| TENEMENT  | NATIVE TITLE   | ILUAS   | ABORIGINAL HERITAGE  | DAA ABORIGINAL HERITAGE AREAS (HSA)            | THIRD PARTY OVERLAPPING INTERESTS   | GROUNDWATER AREA (GWA) (% OF ENCROACHMENT) | UNALLOCATED CROWN LAND (% OF ENCROACHMENT)                 | HISTORICAL PASTORAL LEASE (HPL) (% OF ENCROACHMENT) | PASTORAL LEASE (PL) (% OF ENCROACHMENT) |
|-----------|--|---|--|--|---|--|--|---|---|
| EL38/3065 | Right to negotiate cleared - grant<br>Native Title Determination WAD 6004/2004 part A (encroaches on 27299.9672H A (84.77%)) and B (encroaches on 4902.8883HA (15.23%))<br>Native Title Area (ARB 11) encroaches by 32202.8555 Ha (100%) | Each ILUA noted as encroaching by 27299.9672 Ha (84.77%); Airservices Australia (WI 2005/002) - Infrastructure<br>Telstra<br>Ngaanyatjarra (WI 2004/006) - Access<br>Ngaanyatjarra Lands (WI2004/005) – Mining<br>Ancillary Agreement for mineral exploration on Ngaanyatjarra Land dated 28 June 2018 (Trigg Mining) | Registered Aboriginal Heritage Site identified – Throssell Lake (Site Ref. 2115) | HSA 106717 encroaches by 7039.3175 Ha (21.86%) | “C” Class Reserve (R24980) Warburton Range Stock Route encroaches by 141.1685 Ha (0.44%)<br>ANCA Wetlands encroaches by 22149.752 Ha (68.78 %)<br>Proposed Conservation Park (PCP 140) encroaches by 32202.8555 Ha (100%) | GWA/21 encroaches by 32202.8555 Ha (100%)  | Unallocated Crown Land encroaches by 32061.687 Ha (99.56%) | N/A   | N/A                                     |

| TENEMENT         | NATIVE TITLE  | ILUAS | ABORIGINAL HERITAGE                     | DAA ABORIGINAL HERITAGE AREAS (HSA)  | THIRD PARTY OVERLAPPING INTERESTS  | GROUNDWATER AREA (GWA) (% OF ENCROACHMENT) | UNALLOCATED CROWN LAND (% OF ENCROACHMENT)                | HISTORICAL PASTORAL LEASE (HPL) (% OF ENCROACHMENT) | PASTORAL LEASE (PL) (% OF ENCROACHMENT) |
|------------------|---|-------|---|--|--|--|---|---|---|
| <b>EL38/3089</b> |   |       |   |  |  |  |   |   |   |
|                  | Native title cleared, expediated process applies Native Title Area (ARB 11) encroaches by 31573.8186 Ha (100%)<br>Future acts subject to authorisation due to Native Title Claim registered 9 November 2018 (WAD 460/2018) encroaches by 31573.8186 Ha (100%) | N/A   | No registered Aboriginal Heritage Sites | HSA 22715 1 encroaches by 31470.6549 Ha (99.67%)<br>HSA 23220 1 encroaches by 27861.3079 Ha (88.24%)<br>HSA 23463 1 encroaches by 27961.5096 Ha (88.56%)<br>HSA 25133 1 encroaches by 36.8119 Ha (0.12%) | Miscellaneous Licence (L38/113) held by AngloGold Ashanti Australia Limited encroaches by 0.0359 Ha (<0.01%)<br>File Notation Area (FNA 5544) (Replacement S91 Licence) encroaches by 31573.8186 Ha (100%) | GWA/21 encroaches by 31573.8186 Ha (100%)  | Unallocated Crown Land encroaches by 31573.8186 Ha (100%) | N/A   | N/A                                     |
| <b>EL38/3259</b> |   |       |   |  |  |  |   |   |   |
|                  | Native title cleared, expediated process applies Native Title Area (ARB 11) encroaches by 21329.5912 Ha (100%)<br>Future acts subject to authorisation due to Native Title Claim registered 9 November  | N/A   | No registered Aboriginal Heritage Sites | HSA 25133 1 encroaches by 32.0695 Ha (0.15%)   | N/A  | GWA/21, encroaches by 21329.5912 Ha (100%) | Unallocated Crown Land encroaches by 21329.5912 Ha (100%) | N/A   | N/A                                     |

| TENEMENT         | NATIVE TITLE  | ILUAS | ABORIGINAL HERITAGE   | DAA ABORIGINAL HERITAGE AREAS (HSA)   | THIRD PARTY OVERLAPPING INTERESTS  | GROUNDWATER AREA (GWA) (% OF ENCROACHMENT) | UNALLOCATED CROWN LAND (% OF ENCROACHMENT)              | HISTORICAL PASTORAL LEASE (HPL) (% OF ENCROACHMENT)   | PASTORAL LEASE (PL) (% OF ENCROACHMENT)  |
|------------------|---|-------|---|---|--|--|---|---|--|
|                  | (WAD 460/2018) encroaches by 21329.5912 Ha (100%)   |       |   |   |  |  |   |   |  |
| <b>EL38/3298</b> |   |       |   |   |  |  |   |   |  |
|                  | Native title cleared, expediated process applies<br>Native Title Area (ARB 11) encroaches by 7520.974 Ha (100%)<br>Future acts subject to authorisation due to Native Title Claim registered 9 November (WAD 460/2018) encroaches by 7520.974 Ha (100%) | N/A   | No registered Aboriginal Heritage Sites   | HSA 23220 1 encroaches by 4210.1329 Ha (55.98%)<br>HSA 23463 1 encroaches by 4210.1133 Ha (55.98%)<br>HSA 22715 1 encroaches by 4210.1329 Ha (55.98%) | File Notation Area (FNA 5544) (Replacement S91 Licence) encroaches by 7520.974 Ha (100%)   | GWA/21, encroaches by 7520.974 Ha (100%)   | Unallocated Crown Land encroaches by 7520.974 Ha (100%) | N/A   | N/A  |
| <b>EL38/3299</b> |   |       |   |   |  |  |   |   |  |
|                  | Native title cleared, expediated process applies<br>Native Title Area (ARB 13) encroaches by 20228.2033 Ha (100%)   | N/A   | No registered Aboriginal Heritage Sites<br><br>Note – Other Heritage Places identified<br>Site ID 37104 - Not a Site and Site 36838 - lodged, but | HSA 200593 1 encroaches by 95.5326 Ha (0.47%)   | Miscellaneous Licence (L38/252) held by Gruyere Mining Company Pty Ltd and Gold Road (Gruyere) Pty Ltd encroaches by 91.5917 Ha (0.45%)<br>Road Reserve No 9462 noted<br>There is any area of private/ | GWA/21, encroaches by 20228.2033 Ha (100%) | N/A   | HPL 395/464 partially overlaps by 2441.4723 Ha (12.07%)<br>HPL 395/524 partially overlaps by 17786.7311 Ha (87.93%) | PL N049444* partially overlaps by 2437.2517 Ha (12.05%)<br>PL N049699** partially overlaps by 17694.2644 Ha (87.47%) |

| TENEMENT         | NATIVE TITLE   | ILUAS | ABORIGINAL HERITAGE                     | DAA ABORIGINAL HERITAGE AREAS (HSA)   | THIRD PARTY OVERLAPPING INTERESTS  | GROUNDWATER AREA (GWA) (% OF ENCROACHMENT)  | UNALLOCATED CROWN LAND (% OF ENCROACHMENT)                 | HISTORICAL PASTORAL LEASE (HPL) (% OF ENCROACHMENT)  | PASTORAL LEASE (PL) (% OF ENCROACHMENT)                   |
|------------------|--|-------|---|---|--|---|--|--|---|
|                  |  |       | not determined.                         |   | freehold land that overlaps by 88,1669 Ha (0.44%)<br>Mineralisation Zone 2 (MZ 2) encroaches by 20228.2033 Ha (100%)<br>Pipeline Licence (PL 114) held by AFA Operations Pty Ltd encroaches by 91,5918 Ha which is 0.45%   |   |  |  |   |
| <b>EL38/3300</b> | Native title cleared, expediated process applies<br>Native Title Area (ARB 13) encroaches by 20,165,9249 Ha (100%) | N/A   | No registered Aboriginal Heritage Sites | HSA 200593 1 encroaches by 19,1184 Ha (0.09%)<br>HSA 21676 1 encroaches by 5,4661 Ha (0.03%)<br>HSA 21676 1 encroaches by 5,4661 Ha (0.03%) | Road Reserves:<br>No. 9462 & White Cliffs Yamarna Road<br>Mineralisation Zone 2 (MZ 2) encroaches by 20165.9249 Ha (100%)<br>Miscellaneous Licence (L38/252) held by Gruyere Mining Company Pty Ltd and Gold Road (Gruyere) Pty Ltd encroaches by 71,9479 Ha (0.36%)<br>Pipeline Licence (PL 114) held by AFA Operations Pty Ltd encroaches by 71,9481 Ha which is 0.36% | GWA/21, encroaches by 20,165,9249 Ha (100%) | Unallocated Crown Land encroaches by 4418,9134 Ha (21.91%) | HPL 395/423 partially overlaps by 4284,3779 Ha (21.25%)<br>HPL 395/623 partially overlaps by 3557,5693 Ha (17.64%)<br>HPL 395/524 partially overlaps by 12189,4417 Ha (60.45%) | PL N049699** partially overlaps by 15724,9443 Ha (77.98%) |

| TENEMENT         | NATIVE TITLE   | ILUAS | ABORIGINAL HERITAGE                     | DAA ABORIGINAL HERITAGE AREAS (HSA)            | THIRD PARTY OVERLAPPING INTERESTS                                | GROUNDWATER AREA (GWA) (% OF ENCROACHMENT) | UNALLOCATED CROWN LAND (% OF ENCROACHMENT)                | HISTORICAL PASTORAL LEASE (HPL) (% OF ENCROACHMENT)   | PASTORAL LEASE (PL) (% OF ENCROACHMENT)   |
|------------------|--|-------|---|--|--|--|---|---|---|
| <b>EL38/3301</b> |  |       |   |  |  |  |   |   |   |
|                  | Native title cleared, expediated process applies<br>Native Title Area (ARB 13) encroaches by 19250.3307Ha (100%)   | N/A   | No registered Aboriginal Heritage Sites | N/A  | Mineralisation Zone 2 (MZ 2) encroaches by 6317.4061 Ha (32.82%) | GWA/21, encroaches by 19250.3307 Ha (100%) | Unallocated Crown Land encroaches by 427.854 Ha (2.22%)   | HPL 395/422 partially overlaps by 4884.2757 Ha (25.37%)<br>HPL 395/423 partially overlaps by 2552.2321 Ha (13.26%)<br>HPL 395/482 partially overlaps by 2402.1412 Ha (12.48%)<br>HPL 395/483 partially overlaps by 2283.3598 Ha (11.86%)<br>HPL 395/523 partially overlaps by 802.1757 Ha (4.17%) | PL N049444* partially overlaps by 18436.4179 Ha (95.77%)<br>PL N049699** partially overlaps by 386.0588 Ha 2.01%) |
| <b>EL38/3302</b> |  |       |   |  |  |  |   |   |   |
|                  | Native title cleared, expediated process applies<br>Native Title Area (ARB 11) encroaches by 376.9975 Ha (0.73%)<br>Native Title Area (ARB 13) encroaches by 51233.8 Ha (99.27%)<br>Future acts subject to authorisation due to Native Title Claim | N/A   | No registered Aboriginal Heritage Sites | HSA 22668 1 encroaches by 1249.6923 Ha (2.42%) | N/A  | GWA/21 encroaches by 51610.7976 Ha (100%)  | Unallocated Crown Land encroaches by 2379.6654 Ha (4.61%) | HPL 395/422 partially overlaps by 24128.5575 Ha (46.75%)  | PL N049444* partially overlaps by 49231.1322 Ha (95.39%)  |

| TENEMENT         | NATIVE TITLE  | ILUAS | ABORIGINAL HERITAGE                     | DAA ABORIGINAL HERITAGE AREAS (HSA)   | THIRD PARTY OVERLAPPING INTERESTS  | GROUNDWATER AREA (GWA) (% OF ENCROACHMENT) | UNALLOCATED CROWN LAND (% OF ENCROACHMENT)                | HISTORICAL PASTORAL LEASE (HPL) (% OF ENCROACHMENT) | PASTORAL LEASE (PL) (% OF ENCROACHMENT) |
|------------------|---|-------|---|---|--|--|---|---|---|
|                  | registered 9 November (WAD 460/2018) Encroaches by 376.9939 HAA (0.73%)   |       |   |   |  |  |   |   |   |
| <b>EL39/2047</b> |   |       |   |   |  |  |   |   |   |
|                  | Native title cleared, expediated process applies Native Title Area (ARB 11) encroaches by 59891.7397 Ha (100%) Future acts subject to authorisation due to Native Title Claim registered 9 November (WAD 460/2018) encroaches by 59891.7397 Ha (100%) | N/A   | No registered Aboriginal Heritage Sites | HSA 22487 1 encroaches by 2.2724 Ha (<0.01%)<br>HSA 28427 1 encroaches by 140.4711 Ha (0.23%) | Miscellaneous Licence (L39/226) held by AngloGold Ashanti Australia Limited encroaches by 22.0673 Ha (0.04%)<br><br>Pipeline Licence (PL 108) held by APA Operations Pty Limited encroaches by 22.0656 Ha which is 0.04% | GWA/21 encroaches by 59891.7397 Ha (100%)  | Unallocated Crown Land encroaches by 59891.7397 Ha (100%) | N/A   | N/A                                     |

**NOTES:**

- \*Pastoral Lease N049444 (White Cliffs) is held by the Department of Lands.
- \*\* Pastoral Lease N049699 (Laverton Downs) is held by the Department of Lands.

### SCHEDULE 3 – MATERIAL CONTRACT SUMMARIES

#### 1. Share Sale Agreement

The Company (**Buyer**) and the Vendors entered into a Share Sale Agreement on 12 March 2018 (**Execution Date**), which subsequently varied on 20 July 2018 pursuant to a deed of variation, acknowledgement and consent and on 31 December 2018 by a further deed of variation (as so varied, the **Share Sale Agreement**). Completion is subject to the satisfaction of certain conditions precedent, by no later than 31 December 2019, or such later date as may be agreed (**Completion**).

Pursuant to the Share Sale Agreement, and subject to Completion occurring, the Company is to acquire 100% of the fully paid ordinary issued shares of K2O Minerals Pty Ltd (**K2O Minerals**) (**Relevant Shares**), the entity that has legal ownership of the Tenements.

The Share Sale Agreement contains terms and conditions considered standard for an agreement of this nature. The material terms of the Share Sale Agreement are summarised below:

| <b>Subject</b>                          | <b>Provision</b>   |
|---|--|
| Consideration                           | The Vendors agree to sell the Relevant Shares in K2O Minerals to the Company, in consideration for an issue of 5,262,500 Shares ( <b>Vendor Shares</b> ).  |
| Conditions Precedent                    | At Completion, the Vendor Shares are to be issued as the aggregate Vendor Share consideration.<br>Completion under the Share Sale Agreement is conditional upon the satisfaction of two conditions precedent: <ol style="list-style-type: none"> <li>(a) A reasonable expectation by the Directors that Admission (to the ASX) will be approved by ASX; and</li> <li>(b) No material adverse event occurs in respect of K2O Minerals prior to the date of Completion.</li> </ol> |
| Vendors' Representations and Warranties | Amongst other matters, each Vendor warrants that K2O Minerals is debt free and solvent; and the Tenements are owned in their own right and are in good standing.   |
| Buyer's Indemnity                       | The Vendors indemnify the Company against all claims, damages, loss, liabilities and expenses arising out of a breach of a Vendors' warranty, and any taxes incurred arising from the performance of the Vendor's obligations.   |
| Vendors' Indemnity                      | The Company indemnifies the Vendors against: <ol style="list-style-type: none"> <li>(a) any claim against the Vendors to the extent that the claim arises from any breach of either: the Company's</li> </ol>  |

| Subject                                | Provision  |
|--|--|
|  | <p>obligations under the Share Sale Agreement, or of the Company's warranties under the Share Sale Agreement (broadly, these are standard buyer warranties and include that the Company has the authority to enter into the agreement and that it has obtained all consents to do so; that the Company is not insolvent); and</p>  |
| (b)                                    | <p>against any taxes incurred by the Vendors arising from the performance of the Company's obligations under the Share Sale Agreement.</p>   |
| Suspension of Farm-In Agreement clause | <p>Clause 9.2 of the Farm-In Agreement (for a summary of this agreement refer to section 2 of this Schedule 3) will be suspended for the period commencing on the Execution Date and ending on the completion of the sale.</p>   |
|  | <p>Clause 9.2 of the Farm-In Agreement sets out that prior to any listing on a stock exchange, K2O Minerals must either:</p>   |
| (a)                                    | <p>convert its 20% interest in the Tenements into Shares in the Company using the formula stipulated in the Farm-in Agreement; or</p>  |
| (b)                                    | <p>convert its 20% interest in the Tenements into shares in the relevant entity to be listed (i.e. the Buyer), which will be converted by reference to the market value of those shares.</p>   |
|  | <p>Alternatively, the Company may acquire K2O Mineral's interest in the Tenements by issuing Shares in the Buyer.</p>  |
| <b>2. Farm-in Agreement</b>            |  |
|  | <p>K2O Minerals (<b>Owner</b>) and the Company (together the <b>Parties</b>) entered into a farm-in agreement on 12 July 2017 (<b>Commencement Date</b>) which was amended on 20 July 2018 pursuant to a deed of variation, acknowledgement and consent (as so amended, the <b>Farm-in Agreement</b>) on the following terms to explore for minerals in the following initial areas:</p>         |
| (a)                                    | <p>Lake Throssell (Exploration Licence Application 38/3065) (note this licence was subsequently granted on 1 September 2018); and</p>  |
| (b)                                    | <p>Lake Rason (Exploration Licence 38/3089),</p>   |
|  | <p>(together, the <b>Initial Tenements</b>).</p>   |
|  | <p>The Farm-in Agreement contained provisions such that additional tenements could be included under its terms. Under the Farm-in Agreement, the Company has become entitled to an 80% beneficial interest in the Initial Tenements and the following additional tenements, EL38/3298, EL39/2047, EL38/3259, EL38/3299, EL38/3300, EL38/3301 and EL38/3302 (together, the <b>Tenements</b>).</p> |

The material terms of the Farm-in Agreement are summarised below:

| Subject                              | Provision  |
|--------------------------------------|--|
| Additional Assets                    | The Parties both intend to acquire other mineral exploration assets or tenements within Western Australia ( <b>Additional Assets</b> ), and have agreed that any Additional Assets acquired by either party prior to or subsequent to signing the Farm-in form part of the Farm-in.  |
| Fees                                 | <p>The Parties executed the Farm-in upon the Company providing to K2O Minerals:</p> <ul style="list-style-type: none"> <li>(a) Written notice of intention to proceed with the Farm-in;</li> <li>(b) Payment of \$32,500 (non-refundable); and</li> <li>(c) Proof of a minimum of \$400,000 funding by way of a bank statement.</li> </ul> <p>Further, starting three months after the Commencement Date, the Company to pay the Vendor three quarterly payments of \$12,500. All such amounts have been paid as at the date of this Report.</p>   |
| Earning of interest in the Tenements | <p><i>First Earning Period</i></p> <ul style="list-style-type: none"> <li>(a) The Company is entitled to but not obliged to spend \$330,000 (<b>Initial Evaluation Funding</b>) in the 12 months following the Commencement Date (<b>First Earning Period</b>);</li> <li>(b) The Initial Evaluation Funding and any government funding must solely be used for purposes advancing the Tenements for the Evaluation Activities (as defined in the Farm-in Agreement);</li> <li>(c) On payment of the Initial Evaluation Funding, the Company will be deemed to have acquired a 44% beneficial share in the Tenements (<b>First Earned Interest</b>);</li> <li>(d) If the Company contributes Initial Evaluation Funding, the Company can elect to continue to with the Second Earning Period or establish a joint venture with the Owner; and</li> <li>(e) The Company may choose not to continue with the Initial Evaluation Funding by providing written notice to the Owner. The Company must meet any outstanding expenditure relating to statutory commitments and keep the Tenements in good standing until any such written notice is served.</li> </ul> |

| Subject                       | Provision  |
|-------------------------------|--|
|                               | <i>Second Earning Period</i>   |
| (a)                           | After the Company acquires the 44% beneficial share in the Tenements, the Company is entitled but is not obliged to spend \$400,000 ( <b>Second Evaluation Funding</b> ) over the 12 months following the First Earning Period ( <b>Second Earning Period</b> ); |
| (b)                           | On payment of the Second Evaluation Funding, the Company is deemed to have acquired an 80% beneficial interest in the Tenements;   |
| (c)                           | The Parties agree that the Second Evaluation Funding in addition to any government or state funding received by the Owner is to be used for the sole purpose of directly advancing the Tenements; and  |
| (d)                           | The Company has paid the Second Evaluation Funding and the Company is therefore entitled to an 80% beneficial interest in the Tenements.   |
| Earning by way of expenditure | (a) The Company has the sole and exclusive right to access and explore the Tenement's at the Company's sole risk and cost during the First Earning Period and Second Earning Period ( <b>Earning Period</b> );   |
| (b)                           | The Parties agreed that the Company may lodge a caveat to protect its interest under the Farm-in Agreement;  |
| (c)                           | The Company has the sole right to determine the exploration programmes and budgets during the Earning Period; and  |
| (d)                           | The Parties must not voluntarily relinquish ground or surrender rights under a Tenement unless by agreement between the Parties.   |
| Future IPO                    | The Owner acknowledges that the Company intends to list itself on a securities exchange, and agreed to use reasonable endeavours to promote and support the listing.   |
| Vendor Performance Shares     | Clause 9.4 of the Farm-in Agreement sets out that the Company will issue to the Owner (or its shareholders), 4,235,626 performance shares prior to Listing.  |
| Suspension of clause          | The parties have agreed that Clause 9.2 of the Farm-in Agreement is suspended under the Share Sale Agreement.  |

| Subject | Provision   |
|---------|---|
| 9.2     | <p>Clause 9.2 of the Farm-In Agreement states that prior to any listing on a stock exchange, the Owner must either:</p> <ul style="list-style-type: none"> <li>(a) convert its 20% interest in the Tenements into Shares in the Company using the formula stipulated in the Farm-in; or</li> <li>(b) convert its 20% interest in the Tenements into shares into the relevant entity to be listed (i.e. the Company), which will be converted by reference to the market value of those shares.</li> </ul> <p>Alternatively, the Company may acquire K2O Mineral's interest in the Tenements by issuing shares in the Company.</p> |

### 3. Agreement in relation to Mineral Exploration on Ngaanyatjarra Lands

On 28 June 2018, Trigg Mining and K2O Minerals entered into an agreement in respect of mineral exploration on Ngaanyatjarra Lands with Yamangu Ngaanyatjaraku Parna (Aboriginal Corporation) RNTBC, Ngaanyatjarra Land Council (Aboriginal Corporation) and Ngaanyatjarra Council (together, the **Ngaanyatjarra Parties**) (**Exploration Access Agreement**). The Exploration Access Agreement relates to exploration licence EL38/3065.

The material terms of the Exploration Access Agreement are summarised below:

| Subject       | Provision   |
|---------------|---|
| Consent       | The Ngaanyatjarra Parties consent to the grant of exploration licence EL38/3065 and agrees to K2O Minerals / Trigg Mining conducting exploration activities within the area of that exploration licence and have entered into a s31 deed under the NTA.   |
| Access        | Subject to obtaining a council permit and certain other conditions, access is granted to K2O Minerals / Trigg Mining to enter and travel across Ngaanyatjarra lands outside the tenement area for the purpose of accessing exploration licence EL38/3065.   |
| Work Programs | K2O Minerals / Trigg Mining is to provide the Ngaanyatjarra Council with a work program prior to undertaking exploration activities within the tenement area. K2O Minerals / Trigg Mining must not make or permit the making of any application for consent or permission under the Aboriginal Heritage Act 1972 (WA) to use any Ngaanyatjarra lands for a purpose which would be likely to result in a breach of section 17 of that Act unless the Ngaanyatjarra Council has consented in writing. |

| <b>Subject</b>     | <b>Provision</b>   |
|--------------------|--|
| Cultural Awareness | K20 Minerals / Trigg Mining is to provide cultural awareness training to its personnel with responsibility for exploration activities on Ngaanyatjarra lands, or with responsibility for liaising with the Ngaanyatjarra people, or who will be present on Ngaanyatjarra lands for an aggregate period of more than 90 days.   |
| Employment         | K20 Minerals / Trigg Mining are to give preference, in connection with operations in relation to the Ngaanyatjarra lands, to employing a member of the Ngaanyatjarra Land Council or Yamangu Ngaanyatjarraku Parma, or a holder of native title in respect of the Ngaanyatjarra lands if that person meets the eligibility criteria for the relevant position and has no lesser skills, qualifications and experience as other candidates. |
| Ongoing payments   | K20 Minerals / Trigg Mining are to pay annual payments of 5% of the exploration expenditure in respect of exploration licence EL38/3065 (subject to a floor of \$45,000, adjusted for CPI), together with other specified non-material amounts in respect of road maintenance and administrative expenses.   |

# 13. Investment Risks

## 13.1 Introduction

The Securities offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus, before deciding whether to apply for Securities pursuant to this Prospectus and to consult their independent professional advisers.

There are specific risks which relate directly to the Company. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this Section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Securities.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

## 13.2 Company specific

### a) Nature of mineral exploration and exploitation

Possible future development of the Projects is dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk from third parties providing essential services.

If the Company commences production, its operations may be disrupted by a variety of risks and hazards which are beyond its control, including environmental hazards, industrial accidents, technical failures, labour disputes, unusual or unexpected geological formations, unexpected changes in the aquifers, flooding and extended interruptions due to inclement or hazardous weather conditions, fires, explosions or accidents. No assurance can be given that the Company will achieve commercial viability through the exploration or development of its Projects.

The success of the Company will also depend upon the Company having access to sufficient capital to develop its assets, including its ability to maintain Tenements and obtain

all required approvals for its activities. In the event the various exploration programs prove to be unsuccessful this could lead to a diminution in the value of the Tenements which in turn would have an adverse impact on the value of the Shares, a reduction in the cash reserves of the Company and possible relinquishment of the Tenements.

### b) Exploration Target

An Exploration Target for brine containing SOP mineralisation at the Lake Rason Prospect has been reported in accordance with Section 17 of the JORC Code, *"An Exploration Target is a statement or estimate of the exploration potential of a mineral deposit in a defined geological setting where the statement or estimate, quoted as a range of tonnes and a range of grade (or quality), relates to mineralisation for which there has been insufficient exploration to estimate a Mineral Resource"*.

An Exploration Target is conceptual in nature and it is uncertain if further exploration will result in the estimation of a Mineral Resource. In addition, by its very nature, an Exploration Target is necessarily imprecise and depends to some extent on interpretations which may prove to be inaccurate.

An explanation of the basis of the Exploration Target at the Lake Rason Prospect, including relevant information on which it is based, is detailed and should be read in conjunction with Appendix C of the Independent Geologist's Report (refer to Section 11 of this Prospectus).

As further information becomes available through additional field work and analysis, the Company's Exploration Target may change. This may result in alterations to the exploration and evaluation programs.

### c) Inability to abstract brine volume

The Company has utilised specialist consultants in determining its ability to abstract brine from the aquifers, but there is a risk that the Company will be unable to abstract the brine at the predicted rates that are required to establish a full scale commercially viable operation. This can occur due to low permeability of aquifer material, variability in the mineralisation and continuity of the various aquifer layers. As a result, pumping rates may be lower than expected, or require additional bores and/or trenches. Each bore is likely to have a specific life expectancy and will eventually run dry as the brine is extracted. This life expectancy may be variable and shorter than expected.

### d) Variability in brine

Brine deposits may be variable due to the geological layering of the host rock, the location within the palaeodrainage system, inflows of other waters carrying other impurities or fresh water, all of which may affect the brine chemistry across the deposit.

Added to this, there is also the potential for dilution after rainfall which may influence changes in the chemistry of brine recovery. These variability factors may cause different evaporation rates, alternative salt evaporites being formed in the evaporation ponds and require additional pumping volumes due to lower grades.

#### e) Inclement weather and natural disasters

The Company's exploration activities are subject to a variety of risks and hazards which are beyond its control, including hazardous weather conditions such as excessive rain, flooding and fires.

Severe storms and high rainfall leading to flooding and associated damage may result in disruption to exploration activities including field work, evaporation trials, scouring damage to trenches and roadways. Rainfall may also impact and cause dilution of the mineralisation and/variability in the brine deposit.

#### f) Climate change

There are a number of risks related to climate change which may affect the Company, including:

- (i) the changes which may occur to the climate of the area in which the Projects are situated are not able to be predicted. The climate may change in a way which, for example, reduces evaporation rates or increases rainfall or the intensity of weather events in the Tenement areas. These may have an adverse effect on brine recovery and/or cause disruption to field work and exploration activities;
- (ii) changes in governmental policy in response to climate change could adversely impact the value of the Company's assets, its business strategy and/or the costs of its operations; and
- (iii) climate change may have an impact on the operations of participants in the agricultural industry (being the users of SOP), which may lead to reduced demand for SOP.

#### g) Title risk

The Company operates over nine granted exploration licences (Tenements) which permit the Company to undertake exploration. Each Tenement carries with it annual expenditure and reporting commitments, as well as other compliance conditions. Consequently, the Company could lose title or its interest in a Tenement if the conditions are not met or if there are insufficient funds available to meet expenditure commitments.

These exploration tenements are subject to periodic renewal. The renewal of the term of a granted tenement is also subject to the discretion of the relevant Minister. Various conditions may also be imposed as a condition of renewal. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of part of the tenement areas comprising the Company's Projects. The Company makes no assurance that the renewal applications will be granted or applications approved.

#### h) Exploitation, exploration and mining licences

In the event the Company successfully delineates economic deposits on any Tenement, it will need to apply for a mining lease to undertake development and mining on the relevant Tenement. There is no guarantee that the Company will be granted a mining lease if one is applied for and if a mining lease is granted, it will also be subject to conditions which must be met.

#### i) Commodity price volatility

If the Company achieves success leading to mineral production, the revenue of the Company will be derived from the sale of commodities which will expose the Company to commodity price and exchange rate risk. Commodity prices fluctuate and are affected by numerous factors beyond the control of the Company. Such factors include (but are not limited to) the supply and demand for commodities such as SOP, forward selling activities, technological advancements and other macro-economic factors that may affect either commodity prices or exchange rates.

#### j) Statutory approvals

The Company's Projects and operations are subject to Commonwealth and State laws, regulations and specific conditions regarding tenure approvals to explore, construct and operate. There is a risk that such laws, regulations and specific conditions may impact on planned exploration activities and any future permitting required for project development. Key approvals from the Environmental Protection Authority (EPA), Department of Mines, Industry Regulation and Safety (DMIRS), Department of Water (DoW) and any other applicable agency may take longer to be obtained or may not be obtainable at all. The Company has identified that exploration activities may create disturbances associated with exploration drilling, pump testing and trial evaporation ponds during the exploration phase of the project evaluation.

#### k) New operational commodity and lack of experience

The exploration of potash products by way of brine exploration and evaluation is an emerging industry in Australia. As a consequence, there may be a lack of suitably trained professionals within the Australian market to conduct such activities. A failure to source, or a delay in sourcing, appropriately qualified professionals will be likely to have an adverse effect on the Company's ability to conduct its operations and on its financial position.

#### l) Failure to secure native title agreement for mining of Lake Throssell

The Company has in place a native title exploration agreement in respect of exploration licence E38/3065 (forming part of the Lake Throssell Potash Project). However, the Company will be required to negotiate and execute a formal agreement to enable

production to occur at its Lake Throssell Potash Project. The completion of this process may have impacts on timing of development activities at the Project or may not be achieved which may result in the tenement not being able to be mined.

#### **m) Liquidity risk and concentration of Shareholding**

On completion of the Offers, the existing Shareholders of the Company will hold 52.12% of the total issued Share capital of the Company on an undiluted basis, and 37.33% on a fully diluted basis (assuming existing Shareholders do not participate in the Public Offer). Under Chapter 9 of the Listing Rules, a number of the Shares held by existing Shareholders will be subject to an escrow period which may cause a liquidity risk, as some of these Shares may not be traded for up to a period of 24 months. Furthermore, there is no guarantee that there will be an ongoing liquid market for Shares. If illiquidity arises, there is a risk that Shareholders will be unable to realise their investment in the Company.

#### **n) Changes in regulations**

Adverse changes in Federal or State government policies or legislation may affect ownership of mineral interests, taxation, royalties, land access, labour relations and/or the mining and exploration activities of the Company. It is possible that the current system of exploration and mine permitting in Western Australia may change resulting in impairment of rights and possibly expropriation of the Company's properties without adequate compensation.

#### **o) Commercial risks of mineral exploration and extraction**

The Tenements are at various stages of exploration and potential investors should understand that mineral exploration and development is a high-risk undertaking. There can be no assurance that exploration of the Tenements, or any other tenements that may be acquired in the future, will result in the discovery of any economic deposits. Even if the Company identifies a deposit at the Laverton Links or Lake Throssell Potash Projects, or elsewhere, there is no guarantee that the mineral deposit can be economically exploited.

#### **p) Currency volatility**

International prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company are set in Australian dollars, consequently exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined by international markets.

#### **q) Dependence on key personnel**

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on efforts of senior management and its key personnel. There can be no assurance that there will be no detrimental impact on the Company if one or more of these

employees cease their employment. The loss of key employees could cause a significant disruption to the Company and could adversely affect its operations.

#### **r) New projects and acquisitions**

The Company may make further acquisitions as part of future growth plans. In addition to the current Tenements the Company may evaluate and acquire other interests in new potash projects by way of acquisition or investment. The Directors of the Company will use their expertise and experience in the resource sector to assess the value of any new potential projects that have characteristics that are likely to provide returns to Shareholders.

There can be no guarantee that any new acquisition or investment will eventuate from these pursuits, or that any acquisition will result in a return for Shareholders. Such acquisitions or investment may result in use of the Company's cash resources and/or issuances of equity securities, which might involve substantial dilution to some or all of the Shareholders.

#### **s) Environmental risk**

The operations and proposed activities of the Company are subject to Federal and State laws and regulations concerning the environment. As with most exploration projects, the Company's activities, including the Projects, are expected to have an impact on the environment. It is the Company's intention to conduct its activities to the required standard of environmental obligation, including compliance with all environmental laws.

Although the Company believes that it is in compliance in all material respects with all applicable environmental laws and regulations, there are certain risks inherent to its activities, such as accidents or other unforeseen circumstances, which may subject the Company to future liability.

#### **t) Additional funds**

The funds raised under the Public Offer are considered sufficient to meet the exploration and evaluation objectives of the Company as disclosed in Section 6.10 of this Prospectus. Additional funding may be required by the Company to undertake or continue its exploration activities.

In particular, additional funding may be required by the Company in the event exploration costs exceed the Company's estimates, and will be required once those funds are depleted. To effectively implement its plans in the future, to take advantage of opportunities for acquisitions or investments, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur, additional equity or other finance will be required. Depending on the success of its exploration and evaluation activities, further funding may be required to progress the next phases of work programs.

The Company may seek to raise further funds through equity or debt financing, joint ventures, production sharing arrangements, or other means. Failure to obtain sufficient financing for the Company's activities may result in delay or indefinite postponement of exploration, development or production on the Tenements, or even the loss of a Tenement interest.

There can be no assurance that the Company will be able to obtain further financing on a timely basis on favourable terms, or that such further funding will be sufficient to enable the Company to implement its planned commercial strategy. These factors may adversely affect the financial performance of the Company. Further, if additional funds are raised by issuing equity securities, this may result in dilution for some or all of the Shareholders.

#### u) Insurance

The Company insures its operations in accordance with industry practice. However, in certain circumstances, the Company's insurance may not be available or of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered, or fully covered, by insurance could have a material adverse effect on the business, financial condition and/or results of the Company. In addition, there is a risk that an insurer defaults in the payment of a legitimate claim by the Company.

#### v) Contractual disputes

As with any contract, there is a risk that the Company's contracts could be disputed in situations where there is a disagreement or dispute in relation to a term of the contract. Should such disagreement or dispute occur, this may have an adverse impact on the Company's operations and performance generally. It is not possible for the Company to predict or protect itself against all such risks.

#### w) Third party risk

The operations of the Company require the involvement of a number of third parties, including suppliers, contractors and clients.

Financial or operational failure, default or contractual non-compliance on the part of any such third parties may have a material impact on the Company's operations and performance. It is not possible for the Company to predict or protect the Company against all such risks.

#### x) Competition

Although there is currently no Australian production of SOP, there are other mining exploration companies in Australia that are currently seeking to explore, develop and produce SOP. The Company will have no influence or control over the activities or actions of its competitors and other industry participants, whose activities or actions may positively or negatively affect the operating and financial performance of the Company's projects and business. Competitors may have significant additional experience and/or resources to explore, develop and produce competing products, which may adversely affect the Company's financial position or prospects.

#### y) Limited history

The Company was incorporated 26 February 2014 and commenced exploration activities in 2017 and therefore has limited operating history and limited historical financial performance. No assurance can be given that the Company will achieve commercial viability through the successful

exploration and/or mining of the Projects. Until the Company is able to realise value from its Projects, it is likely to incur ongoing operating losses.

## 13.3 Industry specific

### a) Geological, exploration and development

The exploration, development and mining of mineral resources is a high risk, high cost exercise with no guarantee of success. These activities take place over an extended period of time and are often subject to increases, often material, in the costs and timing associated with these activities. Factors beyond the control of the Company may result in the Company's failure to find and/or to be able to economically develop any mineral projects and therefore there is no guarantee as to the financial success of any such activities.

### b) Operational and technical

The operations of the Company will be subject to a number of factors which may include, amongst others:

- (i) failure to discover any mineral deposits;
- (ii) (technical difficulties associated with the actual development and mining of the minerals;
- (iii) failure of the minerals mined to achieve projected grades;
- (iv) adverse events outside the Company's control involving the environment or acts of force majeure;
- (v) increased competition within the industry for access to skilled personnel, equipment, contractors and/or consultants and raw materials in order to carry out the Company's activities; and
- (vi) a viable transport solution to get product to market including access to infrastructure.

### c) Results of studies

Subject to the results of exploration and evaluation programs to be undertaken, the Company intends to progressively undertake a number of studies in respect to the Projects. These studies may include scoping, prefeasibility and feasibility studies.

These studies will be completed within parameters designed to determine the economic feasibility of the Projects within certain limits. There can be no guarantee that any of the studies will confirm the economic viability of the Projects or the results of other studies undertaken by the Company (e.g. the results of a feasibility study may materially differ to the results of a scoping study). Even if a study confirms the economic viability of the Projects, there can be no guarantee that any Project will be successfully brought into production as assumed or within the estimated parameters in the feasibility study (e.g. operational costs and commodity prices) once production commences. Further, the ability of the Company to complete a study may be dependent on the Company's ability to raise further funds to complete the study, if required.

## 13.4 General risks

### a) Economic

General macro-economic conditions, introduction of tax reforms, new legislation, movements in interest and inflation rates, taxation rates and currency exchange rates may each have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

### b) Market conditions

Share market conditions may affect the value of the Company's quoted Securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- general economic outlook;
- introduction of tax reforms or other new legislation;
- interest rates and inflation rates;
- changes in investor sentiment toward particular market sectors;
- the demand for, and supply of, capital; and
- terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

### c) Volatility in the market price of Securities

Following the Company being admitted on the Official List, there is no assurance that an active trading market for its Securities will be sustained. There is also no assurance that the market price for the Shares will not decline below the price at which they were subscribed for.

### d) Compliance with Chapters 1 and 2 of the Listing Rules

There is a risk that the Company may not be able to meet the requirements for Admission. In the event the Offer Conditions are not satisfied, the Company will not proceed with the Public Offer (nor the Vendor Offer).

### e) Cyber risk

The Company's operations are and will continue to be reliant on various computer systems, data repositories and interfaces with networks and other systems. Failures or breaches of these systems (including by way of virus and hacking attacks) have the potential to materially and negatively impact the Company's operations. Whilst the Company has barriers, continuity plans and risk management systems in place, there are inherent limits to such plans and systems. Further, the Company has no control over the cyber security plans and systems of third parties with which it may interface or upon whose services the Company's operations are reliant.

### f) Speculative investment

The above list of risk factors should not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial or operational performance of the Company and the value of the Shares offered under this Prospectus.

Therefore, the Securities to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Securities.

Potential investors should consider that the investment in the Company is highly speculative and should consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

# 14. Material Contracts

## 14.1 Lead Manager Mandate

The Company entered into an agreement to appoint CPS Capital Group Pty Ltd (**CPS**) to act as lead manager and broker to the Public Offer (**Lead Manager**) on 5 July 2018 (as subsequently varied, the **Mandate**). Under the Mandate, CPS will use its best endeavours to raise \$4,500,000 pursuant to the Public Offer.

The material terms of the Mandate are summarised below:

| Subject              | Provision  |
|----------------------|--|
| Offer                | CPS will act as the sole and exclusive lead manager and broker to the Public Offer.  |
| Fees & reimbursement | In relation to the capital raising, the subject of this Prospectus, the Company will pay the following to CPS: <ol style="list-style-type: none"> <li>a management fee of 2% of the funds raised (plus GST);</li> <li>a placing fee of 4% of the funds raised (plus GST). This 4% fee may be shared with third parties who also raise funds;</li> <li>subject to the Company listing on the ASX, 7,500,000 New Options, which may be issued to CPS and/ or its nominee(s); and</li> <li>subject to the Company being admitted to the Official List, a monthly corporate advisory fee of \$6,000 (plus GST) in cash where applicable (<b>Advisory Fees</b>). The corporate advisory mandate is for a 12-month term commencing from Admission and the Advisory Fees are due and payable upon termination by the Company other than for cause.</li> </ol> |
| Termination          | CPS may terminate the Mandate by written notice in the event of the Company's material breach or insolvency. The Company may terminate the Mandate by 7 days written notice and any outstanding expenses will be immediately payable to CPS.   |
| Indemnity            | The Company agrees to indemnify CPS and hold CPS harmless from and against: <ol style="list-style-type: none"> <li>any and all material losses, damages, liabilities and expenses; and</li> <li>all actions, claims, suits or proceedings, which arise either directly or indirectly as a result of CPS providing services under this Mandate.</li> </ol>  |

## 14.2 Executive Services Agreement

As at the date of this Prospectus, Ms Keren Paterson is the Managing Director and CEO of the Company under an employment agreement. It is the intention of the parties that this employment agreement will be superseded by the following agreement upon Admission.

The Company entered into an executive services agreement with Keren Paterson, the Company's Managing Director and Chief Executive Officer (**CEO**), on 12 March 2018 (as varied and amended from time to time) (**Executive Agreement**).

The Executive Agreement contains terms and conditions considered standard for an agreement of this nature. The material terms of the Executive Agreement are summarised below:

| Subject                   | Provision   |
|---------------------------|---|
| Remuneration              | The CEO will receive an annual salary of \$250,000 (excluding statutory superannuation) ( <b>Remuneration</b> ). The Board may at its discretion award cash bonuses, performance rights or options to the CEO. The Company will review the Remuneration annually.   |
| Termination and severance | Either party may terminate the Executive Agreement at any time by giving the 3 months' written notice. If the Company so terminates, then the CEO is entitled to severance payment of an amount equal to 12 months' salary (subject to provisions of the Corporations Act) and any equity-based incentive payments that have been granted to the CEO that have not vested as at the termination date. |

## 14.3 Share Sale Agreement

The Company (**Buyer**) and the Vendors entered into a Share Sale Agreement on 12 March 2018 (**Execution Date**), which was subsequently varied on 20 July 2018 pursuant to a deed of variation, acknowledgement and consent and on 31 December 2018 by a further deed of variation (as so varied, the **Share Sale Agreement**). Completion is subject to the satisfaction of certain conditions precedent, by no later than 31 December 2019, or such later date as may be agreed (**Completion**).

Pursuant to the Share Sale Agreement, and subject to Completion occurring, the Company is to acquire 100% of the fully paid ordinary issued shares of K2O Minerals (**Relevant Shares**), the entity that has legal ownership of the Tenements.

The Share Sale Agreement contains terms and conditions considered standard for an agreement of this nature. The material terms of the Share Sale Agreement are summarised below:

| Subject                                 | Provision   |
|---|---|
| Consideration                           | The Vendors agree to sell the Relevant Shares in K2O Minerals to the Company, in consideration for an issue of 5,262,500 Shares ( <b>Vendor Shares</b> ).<br><br>At Completion, the Vendor Shares are to be issued as the aggregate Vendor Share consideration.   |
| Conditions Precedent                    | Completion under the Share Sale Agreement is conditional upon the satisfaction of two conditions precedent: <ol style="list-style-type: none"> <li>A reasonable expectation by the Directors that Admission will be approved by ASX; and</li> <li>No material adverse event occurs in respect of K2O Minerals prior to the date of Completion.</li> </ol> |
| Vendors' Representations and Warranties | Amongst other matters, each Vendor warrants that K2O Minerals is debt free and solvent; and the Tenements are owned in their own right and are in good standing.  |
| Buyer's Indemnity                       | The Vendors indemnify the Company against all claims, damages, loss, liabilities and expenses arising out of a breach of a Vendors' warranty, and any taxes incurred arising from the performance of the Vendor's obligations.  |

| Subject                                | Provision   |
|--|---|
| Vendors' Indemnity                     | <p>The Company indemnifies the Vendors against:</p> <ul style="list-style-type: none"> <li>a) any claim against the Vendors to the extent that the claim arises from any breach of either: the Company's obligations under the Share Sale Agreement, or of the Company's warranties under the Share Sale Agreement (broadly, these are standard buyer warranties and include that the Company has the authority to enter into the agreement and that it has obtained all consents to do so; that the Company is not insolvent); and</li> <li>b) against any taxes incurred by the Vendors arising from the performance of the Company's obligations under the Share Sale Agreement.</li> </ul>  |
| Suspension of Farm-In Agreement clause | <p>Clause 9.2 of the Farm-In Agreement (see Section 14.4 of this Prospectus) will be suspended for the period commencing on the Execution Date and ending on the completion of the sale.</p> <p>Clause 9.2 of the Farm-In Agreement sets out that prior to any listing on a stock exchange, K20 Minerals must either:</p> <ul style="list-style-type: none"> <li>a) convert its 20% interest in the Tenements into Shares in the Company using the formula stipulated in the Farm-in Agreement; or</li> <li>b) convert its 20% interest in the Tenements into shares in the relevant entity to be listed (<b>Relevant Entity</b>), which will be converted by reference to the market value of those shares.</li> </ul> <p>Alternatively, the Company may acquire K20 Mineral's interest in the Tenements by issuing Shares in the Relevant Entity.</p> |

## 14.4 Farm-in Agreement

K20 Minerals (**Owner**) and the Company (together the **Parties**) entered into a farm-in agreement on 12 July 2017 (**Commencement Date**) which was amended on 20 July 2018 pursuant to a deed of variation, acknowledgement and consent (as so amended, the **Farm-in Agreement**) on the following terms to explore for minerals in the following initial areas:

- a) Lake Throssell (Exploration Licence Application 38/3065 (and subsequently granted on 1 September 2018); and
- b) Lake Rason (Exploration Licence 38/3089),  
(together, the **Initial Tenements**).

The Farm-in Agreement contained provisions such that additional tenements could be included under its terms. Under the Farm-in Agreement, the Company has become entitled to an 80% beneficial interest in the Initial Tenements and the following additional tenements, E38/3298, E39/2047, E38/3259, E38/3299, E38/3300, E38/3301 and E38/3302 (together, the **Tenements**).

The material terms of the Farm-in Agreement are summarised below:

| Subject           | Provision   |
|-------------------|---|
| Additional Assets | <p>The Parties both intend to acquire other mineral exploration assets or tenements within Western Australia (<b>Additional Assets</b>), and have agreed that any Additional Assets acquired by either party prior to or subsequent to signing the Farm-in form part of the Farm-in.</p>  |
| Fees              | <p>The Parties executed the Farm-in upon the Company providing to K20 Minerals:</p> <ul style="list-style-type: none"> <li>a) Written notice of intention to proceed with the Farm-in;</li> <li>b) Payment of \$32,500 (non-refundable); and</li> <li>c) Proof of a minimum of \$400,000 funding by way of a bank statement.</li> </ul> <p>Further, starting three months after the Commencement Date, the Company to pay the Vendor three quarterly payments of \$12,500. All such amounts have been paid as at the date of this Prospectus.</p> |



| Subject                              | Provision  |
|--------------------------------------|--|
| Earning of interest in the Tenements | <p><i>First Earning Period</i></p> <ul style="list-style-type: none"> <li>a) The Company is entitled to but not obliged to spend \$330,000 (<b>Initial Evaluation Funding</b>) in the 12 months following the Commencement Date (<b>First Earning Period</b>);</li> <li>b) The Initial Evaluation Funding and any government funding must solely be used for purposes advancing the Tenements for the Evaluation Activities (as defined in the Farm-in Agreement).</li> <li>c) On payment of the Initial Evaluation Funding, the Company will be deemed to have acquired a 44% beneficial share in the Tenements (<b>First Earned Interest</b>);</li> <li>d) If the Company contributes Initial Evaluation Funding, the Company can elect to continue to the Second Earning Period or establish a joint venture with the Owner; and</li> <li>e) The Company may choose not to continue with the Initial Evaluation Funding by providing written notice to the Owner. The Company must meet any outstanding expenditure relating to statutory commitments and keep the Tenements in good standing until any such written notice is served.</li> </ul> <p><i>Second Earning Period</i></p> <ul style="list-style-type: none"> <li>a) After the Company acquires the 44% beneficial share in the Tenements, the Company is entitled but is not obliged to spend \$400,000 (<b>Second Evaluation Funding</b>) over the 12 months following the First Earning Period (<b>Second Earning Period</b>);</li> <li>b) On payment of the Second Evaluation Funding, the Company is deemed to have acquired an 80% beneficial interest in the Tenements;</li> <li>c) The Parties agree that the Second Evaluation Funding in addition to any government or state funding received by the Owner is to be used for the sole purpose of directly advancing the Tenements; and</li> <li>d) The Company has paid the Second Evaluation Funding and the Company is therefore entitled to an 80% beneficial interest in the Tenements.</li> </ul> |
| Earning by way of expenditure        | <ul style="list-style-type: none"> <li>a) The Company has the sole and exclusive right to access and explore the Tenement's at the Company's sole risk and cost during the First Earning Period and Second Earning Period (<b>Earning Period</b>);</li> <li>b) The Parties agreed that the Company may lodge a caveat to protect its interest under the Farm-in Agreement;</li> <li>c) The Company has the sole right to determine the exploration programmes and budgets during the Earning Period; and</li> <li>d) The Parties must not voluntarily relinquish ground or surrender rights under a Tenement unless by agreement between the Parties.</li> </ul>   |
| Future IPO                           | The Owner acknowledges that the Company intends to list itself on a securities exchange, and agreed to use reasonable endeavours to promote and support the listing.   |
| Vendor Performance Shares            | <p>Clause 9.4 of the Farm-in Agreement sets out that the Company will issue to the Owner (or its shareholders), 4,235,626 Vendor Performance Shares prior to Listing.</p> <p>The terms of the Vendor Performance Shares are set out in Section 15.3 of this Prospectus.</p>  |

| Subject                  | Provision  |
|--------------------------|--|
| Suspension of clause 9.2 | <p>The parties have agreed that Clause 9.2 of the Farm-in Agreement is suspended under the Share Sale Agreement. See Section 14.3 of this Prospectus for further details.</p> <p>Clause 9.2 of the Farm-In Agreement states that prior to any listing on a stock exchange, the Owner must either:</p> <ul style="list-style-type: none"> <li>a) convert its 20% interest in the Tenements into Shares in the Company using the formula stipulated in the Farm-in; or</li> <li>b) convert its 20% interest in the Tenements into shares into the relevant entity to be listed (Relevant Entity), which will be converted by reference to the market value of those shares.</li> </ul> <p>Alternatively, the Company may acquire K2O Mineral's interest in the Tenements by issuing shares in the Relevant Entity.</p> |

## 14.5 Officers' Deed of Indemnity, Insurance and Access

The Company has entered into Deeds of Indemnity, Insurance and Access with each of its Directors and the Company Secretary (each an **Officer**) (**Officers' Indemnity Deed**).

The Officers' Indemnity Deed contains terms and conditions considered standard for deeds of this nature. The material terms are summarised below:

| Subject             | Provision   |
|---------------------|---|
| Indemnity           | The Company agrees to fully indemnify the Officer from certain liabilities incurred as an officer under specific circumstances but subject to the limitations under the Corporations Act.   |
| D&O Insurance       | The Company must ensure that the Officer is covered by a directors' and officers' liability insurance policy in accordance with the terms of the Officer's Indemnity Deed.  |
| Access to documents | The Company must provide access to any relevant Company documents if requested by the Officer, subject to the terms of the Officer's Indemnity Deed.  |
| Confidentiality     | <p>The Officer must keep information relating to the Company confidential, except where disclosure is allowed for a Permitted Purpose, including:</p> <ul style="list-style-type: none"> <li>a) disclosure is required by law; or</li> <li>b) the disclosure is made for the purpose of: (i) legal proceedings, where the Officer is a party, will be a witness, reasonably believes will be brought against them; and (ii) where the Board consents to the disclosure as being in the best interest of the Company.</li> </ul> |

## 14.6 Sub-Lease Agreement

The Company entered into sub-lease agreement with Mainsheet Capital WA Pty Ltd (**Mainsheet**) on 1 December 2018 for the Company to sub-let floor space at 216 St Georges Terrace, Perth (**Sub-Lease Agreement**) and in turn Mainsheet leases the floor space from Bentleys WA (**Bentleys**).

William Bent is also a director and shareholder in Mainsheet. The existence of this interest and this Sub-Lease Agreement have both been noted in the Company's Register of Directors Interests and Related Party Matters. As at the date of this Prospectus, the financial terms of this sub-lease are expected to comprise annual payments of approximately \$15,600.

The Sub-Lease Agreement contains terms and conditions considered standard for agreements of this nature. The material terms are summarised below:

| Subject                        | Provision  |
|--------------------------------|--|
| Term                           | Month to month rental with 30 days' notice. Mainsheet's tenure is dependent on Bentleys.   |
| Fees                           | Mainsheet on-charges the Company \$650 plus GST per desk per month.  |
| Master agreement with Bentleys | Mainsheet retains the master lease agreement with Bentleys, and the Company must comply with Bentley's policies and reasonable requests. |
| Insurances                     | Each sub-tenant must obtain their own worker's compensation and public liability insurance.  |



## 14.7 Gruyere Access Agreement

K2O Minerals has entered into an access agreement with APA Operations Pty Ltd (**APA**) and Gruyere Management Pty Ltd (**Gruyere**) in respect of the following tenements: L38/252 (**Existing Tenement**), E38/3299 and E38/3300 (**New Tenements** means both of E38/3299 and E38/3300 and any tenure granted over them) dated 23 April 2018 (**Gruyere Access Agreement**).

APA currently owns and operates a gas pipeline under pipeline licence PL 114 (**PL 114**) on land which includes the land the subject of the Existing Tenement (**Pipeline**). The Gruyere Access Agreement sets out that PL 114 will overlap with the affected area (which includes the area upon which the New Tenements encroach the Existing Tenement and the areas of PL 114 or any easement both in respect of the Existing Tenement or any tenement put in place of the Existing Tenement (**Affected Area**)).

Under the Gruyere Access Agreement, the parties have agreed terms for multiple party access and Gruyere consents to and will not object to (or will withdraw any objection if already lodged) K2O Mineral's application to register the New Tenement areas which partially encroach on the Existing Tenement area.

The Gruyere Access Agreement contains terms and conditions considered standard for agreements of this nature. The material terms of the Gruyere Access Agreement are summarised below:

| Subject                                      | Provision  |
|--|--|
| Term   | The Gruyere Access Agreement continues until the first to occur of the expiration, surrender or termination of either the New Tenements or the Existing Tenement.  |
| Gruyere Covenants with K2O Minerals          | Gruyere must: <ol style="list-style-type: none"> <li>comply with the provisions of the Mining Act 1978 (WA) and any other applicable laws; and</li> <li>minimise any interference with K2O Mineral's activities on the Affected Area and allow K2O Mineral's access to the Affected Area.</li> </ol>   |
| K2O Mineral's Covenants with Gruyere and APA | K2O Minerals covenants that it will (however its covenants are not limited to): <ol style="list-style-type: none"> <li>allow APA and Gruyere access to the Affected Area;</li> <li>minimise any interference with APA and Gruyere's respective activities or proposed activities on the Affected Area;</li> <li>provide 30 days written notice of its intention to undertake works on the Affected Area; and</li> <li>to rehabilitate and revegetate (as necessary) all damage caused to the Affected Area during its exercise of its rights under the New Tenements.</li> </ol>   |
| Operational matters                          | K2O Minerals will: <ol style="list-style-type: none"> <li>only cross the Pipeline using the designated crossing points and subject to compliance with crossing rules, for example, load weights etc.; and</li> <li>not object to (or will withdraw any objection if already lodged) any application for, or amendment to PL 114 for the Pipeline.</li> </ol>   |
| Conflict                                     | Gruyere's activities will always take priority in the event of any conflict with K2O Mineral's activities.   |
| Indemnity                                    | K2O Minerals indemnifies Gruyere and the Joint Venturers (as defined below) from and against any losses, damages, liabilities and claims suffered or incurred by Gruyere or the Joint Venturers which arise directly or indirectly as the result of any act or omission of K2O Minerals (or their associates) in respect of the Affected Area, except to the extent that any such losses, damages, liabilities and claims arise as a result of the acts or omissions of Gruyere or the Joint Venturers (or either of their associates). <p><b>Joint Venturers</b> means the participants (from time to time) in the Gruyere Project Joint Venture and includes Gold Road (Gruyere) Pty Limited (ACN 612 071 306) and Gruyere Mining Company Pty Ltd (ACN 615 729 005).</p> |
| Consents                                     | K2O Minerals must obtain the prior written consent of the Manager and APA before it undertakes certain activities, including but not limited to: (i) conducting mining in or near the Safety Zone (as defined); (ii) using explosives near the Safety Zone; and (iii) interfering with the draining systems within the Safety Zone. Such consent must not be unreasonably withheld.  |
| Relocation of Infrastructure                 | If K2O Minerals has a bona fide reason to conduct mining activities on the Affected Area and as a result it requires certain infrastructure to be relocated, then the agreement sets out a detailed procedure for this process and procedure.  |

## 14.8 Agreement in relation to Mineral Exploration on Ngaanyatjarra Lands

On 28 June 2018, Trigg Mining and K2O Minerals entered into an agreement in respect of mineral exploration on Ngaanyatjarra Lands with Yarnangu Ngaanyatjarraku Parna (Aboriginal Corporation) RNTBC, Ngaanyatjarra Land Council and Ngaanyatjarra Council (together, the **Ngaanyatjarra Parties**) (**Exploration Access Agreement**). The Exploration Access Agreement relates to exploration licence E38/3065.

The key terms of the Exploration Access Agreement are as follows:

| Subject            | Provision  |
|--------------------|--|
| Consent            | The Ngaanyatjarra Parties consent to the grant of exploration licence E38/3065 and agrees to K2O Minerals / Trigg Mining conducting exploration activities within the area of that exploration licence.  |
| Access             | Subject to obtaining a council permit and certain other conditions, access is granted to K2O Minerals / Trigg Mining to enter and travel across Ngaanyatjarra lands outside the tenement area for the purpose of accessing exploration licence E38/3065.   |
| Work Programs      | K2O Minerals / Trigg Mining is to provide the Ngaanyatjarra Council with a work program prior to undertaking exploration activities within the tenement area. K2O Minerals / Trigg Mining must not make or permit the making of any application for consent or permission under the <i>Aboriginal Heritage Act 1972</i> (WA) to use any Ngaanyatjarra lands for a purpose which would be likely to result in a breach of section 17 of that Act unless the Ngaanyatjarra Council has consented in writing. |
| Cultural Awareness | K2O Minerals / Trigg Mining is to provide cultural awareness training to its personnel with responsibility for exploration activities on Ngaanyatjarra lands, or with responsibility for liaising with the Ngaanyatjarra people, or who will be present on Ngaanyatjarra lands for an aggregate period of more than 90 days.   |
| Employment         | K2O Minerals / Trigg Mining are to give preference, in connection with operations in relation to the Ngaanyatjarra lands, to employing a member of the Ngaanyatjarra Land Council or Yarnangu Ngaanyatjarraku Parna, or a holder of native title in respect of the Ngaanyatjarra lands if that person meets the eligibility criteria for the relevant position and has no lesser skills, qualifications and experience as other candidates.  |
| Ongoing payments   | K2O Minerals / Trigg Mining are to pay annual payments of 5% of the exploration expenditure in respect of exploration licence E38/3065 (subject to a floor of \$45,000, adjusted for CPI), together with other specified non-material amounts in respect of road maintenance and administrative expenses.  |

# 15. Additional Information

## 15.1 Litigation

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

## 15.2 Rights attaching to Shares

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

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

### a) General meetings

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

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

### b) Voting rights

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

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

### c) Dividend rights

Subject to and in accordance with the Corporations Act, the Listing Rules, the rights of any preference Shareholders and to

the rights of the holders of any Shares created or raised under any special arrangement as to dividends, the Directors may from time to time declare a dividend to be paid to Shareholders entitled to such dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to Shareholders any interim dividends that they may determine. Subject to the Corporations Act, dividends need not be paid out of profits. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied. Any amount set aside as a reserve may be used by the Company or invested as the Directors think fit.

When declaring the dividend, the Directors may direct payment of the dividend to be:

- (i) made wholly or in part by the distribution of specific assets or documents of title, including, without limitation, paid-up Shares, debentures or debenture stock of any company. Where any difficulty arises, the Directors may settle it as they think fit; and
- (ii) made payable to particular Shareholders wholly or partly from any fund or reserve, or out of profits derived from any particular source, notwithstanding that the dividend will form part of the assessable income for taxation purposes of some Shareholders and not others.

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

### d) Winding-up

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

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

Subject to the rights of Shareholders entitled to Shares with special rights in a winding-up and the Corporations Act, all monies and property to be distributed among Shareholders on a winding-up shall be distributed in proportion to the Shares held by them, irrespective of the amount paid-up or credited as paid-up on the Shares.

#### e) Shareholder liability

As the Shares under this Prospectus are fully paid Shares, they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

#### f) Transfer of Shares

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

#### g) Variation of rights

Subject to Part 2F.2 of Chapter 2F of the Corporations Act, if at any time the share capital is divided into different classes of Shares, the rights attached to any class (unless otherwise provided) may be varied or abrogated with the:

- (i) sanction of a special resolution passed at a meeting of Shareholders; or
- (ii) consent in writing of the holders of three-quarters of the issued Shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the Shares of that class.

#### h) Alteration of Constitution

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

## 15.3 Rights attaching to Vendor Performance Shares

The following are the terms of the Vendor Performance Shares.

- a) **Vendor Performance Shares:** Each Vendor Performance Share is a share in the capital of the Company.
- b) **General meetings:** The Vendor Performance Shares shall confer on the holder (**Holder**) the right to receive notices

of general meetings and financial reports and accounts of the Company that are circulated to Shareholders. The Holder has the right to attend general meetings of the Company.

- c) **No voting rights:** The Vendor Performance Shares do not entitle the Holder to vote on any resolutions proposed at a general meeting of the Company, subject to any voting rights under the Corporations Act or the Listing Rules where such rights cannot be excluded.
- d) **No dividend rights:** The Vendor Performance Shares do not entitle the Holder to any dividends.
- e) **No rights on winding up:** Upon a winding up of the Company, the Vendor Performance Shares may not participate in the surplus profits or assets of the Company.
- f) **Transfer of Vendor Performance Shares:** A Vendor Performance Share is not transferable.
- g) **Reorganisation of capital:** If the Company's issued capital is reconstructed, all rights of the Holder will be changed to the extent necessary to comply with the Listing Rules at the time of reorganisation provided that, subject to compliance with the Listing Rules, following such reorganisation the economic and other rights of the Holder are not diminished or terminated.
- h) **Application to ASX:** The Vendor Performance Shares will not be quoted on ASX. Upon conversion of the Vendor Performance Shares into Shares, the Company must within seven days after the conversion, apply for and use its best endeavours to obtain the official quotation on ASX of the Shares arising from the conversion.
- i) **Participation in entitlements and bonus issues:** Subject always to the rights under item (g) above, the Holder will not be entitled to participate in new issues of capital offered to Shareholders such as bonus issues and entitlement issues.
- j) **Amendments required by ASX:** The terms of the Vendor Performance Shares may be amended as necessary by the Board in order to comply with the Listing Rules, or any directions of ASX regarding the terms provided that, subject to compliance with the Listing Rules, following such amendment, the economic and other rights of the Holder are not diminished or terminate.
- k) **No other rights:** The Vendor Performance Shares gives the Holder no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.
- l) **Milestones:** The Vendor Performance Shares will convert in two tranches into Shares upon satisfaction of each of the following milestones (each, a **Milestone**):
  - (i) **(Milestone 1):** 2,117,813 Vendor Performance Shares will convert into Shares (**Milestone 1 Vendor Performance Shares**) upon completion of a Scoping Study (as defined in the JORC Code (2012 Edition)) (**JORC Code**) relating to one or more of the Tenements by the date falling two years from the date of the Company's admission to the official

list of the ASX, which demonstrates at the time of reporting that progress to a Pre-feasibility Study can be reasonably justified; and

(ii) **(Milestone 2):** 4,235,626 Vendor Performance Shares less the number of Vendor Performance Shares (if any) previously converted under item (i)(i) above will convert into Shares (**Milestone 2 Vendor Performance Shares**) upon completion, by the date falling four years from the date of the Company's admission to the official list of the ASX, of:

- a) a Pre-Feasibility Study (as defined in the JORC Code) relating to one or more of the Tenements, which demonstrates that all or part of the related Mineral Resources (as defined in the JORC Code) may be converted into an Ore Reserve (as defined in the JORC Code) at the time of reporting; or
- b) a Feasibility Study (as defined in the JORC Code) relating to one or more of the Tenements, which demonstrates that extraction is reasonably justified (economically mineable) at the time of reporting.

For the purposes of these Milestones, "Tenements" means Exploration Licences E38/3089, E39/2047, E38/3259, E38/3298, E38/3299, E38/3300, E38/3301, E38/3302 and E38/3065 granted under the *Mining Act 1978* (WA), and any grant, extension, renewal, conversion or substitution of any of the foregoing.

m) **Conversion of Vendor Performance Shares:** In the event that:

- (i) Milestone 1 is satisfied, then the Milestone 1 Vendor Performance Shares will convert into an equivalent number of Shares; and
- (ii) Milestone 2 is satisfied, then the Milestone 2 Vendor Performance Shares will convert into an equivalent number of Shares.

n) **No conversion if Milestone not achieved:**

Any Vendor Performance Share not converted into a Share as a result of the satisfaction of Milestone 1 by the date falling two years from the date of the Company's admission to the official list of the ASX, or the satisfaction of Milestone 2 by the date falling four years from the date of the Company's admission to the official list of the ASX, will be cancelled.

o) **After conversion:** The Shares issued on conversion of the Vendor Performance Shares will, as and from 5:00pm WST on the date of issue, rank equally with and confer rights identical with all other Shares then on issue and application will be made by the Company to ASX for Official Quotation of the Shares issued upon conversion.

p) **Conversion procedure:** The Company will issue the Holder with a new holding statement for the Shares as soon as practicable following each conversion of Vendor Performance Shares into Shares.

q) **Ranking of Shares:** The Shares into which the Vendor Performance Shares will convert will rank *pari passu* in all respects with the Shares on issue at the date of such conversion.

## 15.4 Options

### a) Director Options

The Company has issued 5,000,000 Options to the Managing Director, in two separate tranches (2,000,000 in tranche 1 and 3,000,000 in tranche 2) (together being the **Director Options**) on the following terms:

#### **Tranche 1 Director Options**

1. The exercise price of each Director Option is \$0.25.
2. Each Director Option shall entitle the holder the right to subscribe (in cash) for one Share in the capital of the Company.
3. The Director Options will expire at 5:00pm WST on 7 January 2023 (**Expiry Date**). Subject to clause (7), Director Options may be exercised at any time prior to the Expiry Date and Director Options not so exercised shall automatically lapse on the Expiry Date.
4. Each Share allotted as a result of the exercise of any Director Option will, subject to the Constitution of the Company, rank in all respects *pari passu* with the existing Shares in the capital of the Company on issue at the date of allotment.
5. A registered owner of a Director Option (**Director Option Holder**) will not be entitled to attend or vote at any meeting of the members of the Company unless they are, in addition to being a Director Option Holder, a member of the Company.
6. The Director Options are not transferrable.
7.
  - (i) The Company will provide to each Director Option Holder a notice that is to be completed when exercising the Director Options (**Notice of Exercise of Options**). Director Options may be exercised by the Director Option Holder by completing the Notice of Exercise of Options and forwarding the same to the Company Secretary to be received prior to the expiry date. The Notice of Exercise of Options must state the number of Director Options exercised and the consequent number of ordinary Shares in the capital of the Company to be allotted; which number of Director Options must be a multiple of 2,500 if only part of the Director Option Holder's total Director Options are exercised, or if the total number of Director Options held by a Director Option Holder is less than 2,500, then the total of all Director Options held by that Director Option Holder must be exercised.

- (ii) Subject to paragraph 7(vii), the Notice of Exercise of Options by a Director Option Holder must be accompanied by payment in full for the relevant number of Shares being subscribed, being an amount of \$0.25 per Share.
  - (iii) Subject to paragraph 7(i) above, the exercise of less than all of a Director Option Holder's Director Options will not prevent the Director Option Holder from exercising the whole or any part of the balance of the Director Option Holder's entitlement under the Director Option Holder's remaining Director Options.
  - (iv) Within 14 business days from the date the Director Option Holder properly exercises Director Options held by the Director Option Holder, the Company shall issue and allot to the Director Option Holder that number of Shares in the capital of the Company so subscribed for by the Director Option Holder.
  - (v) If the Company is listed on the ASX, the Company will within 3 business days from the date of issue and allotment of Shares pursuant to the exercise of a Director Option, apply to the ASX for, and use its best endeavours to obtain, Official Quotation of all such Shares, in accordance with the Corporations Act and the Listing Rules of the ASX.
  - (vi) The Company will generally comply with the requirements of the Listing Rules in relation to the timetables imposed when quoted Director Options are due to expire. Where there shall be any inconsistency between the timetables outlined herein regarding the expiry of the Director Options and the timetable outlined in the Listing Rules, the timetable outlined in the Listing Rules shall apply.
  - (vii) Notwithstanding paragraphs 7(ii) and 7(iii), each Director Option Holder may nominate a Cashless Exercise and if so, the Director Option Holder agrees and acknowledges that the Company will only issue that number of Shares (rounded down to the nearest whole number) as are equal in value to the difference between the exercise price otherwise payable for the Director Options and the then market value of the Shares at the time of exercise, or if the Shares are listed on the ASX, then the Company will only issue that number of Shares (rounded down to the nearest whole number) as are equal to the difference between the exercise price payable for the Director Options and the then market value of the Shares at the time of exercise (determined as the weighted average closing price of the Shares on the ASX over the last 5 days immediately prior to the date of the exercise of the Director Option).
8. In the event of a reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company, all rights of the Director Option Holder will be changed to the extent necessary to comply with the Corporations Act and Listing Rules applying to the reconstruction of capital, at the time of the reconstruction.
  9. There are no participating rights or entitlements inherent in the Director Options to participate in any new issues of

capital which may be made or offered by the Company to its shareholders from time to time prior to the expiry date unless and until the Director Options are exercised. The Company will ensure that during the exercise period, the record date for the purposes of determining entitlements to any new such issue, will be at least five (5) business days after such new issues are announced (or such other date if required under the Listing Rules) in order to afford the Director Option Holder an opportunity to exercise the Director Options held by the Director Option Holder.

10. There are no rights to change the exercise price of the Director Options or the number of underlying Shares if there is a bonus issue to the holders of ordinary shares. If the Company makes a pro rata issue of securities (except a bonus issue) to the holders of ordinary shares (other than an issue in lieu of or in satisfaction of dividends or by way of dividend investment) the Director Option exercise price shall be reduced according to the formula specified in the Listing Rules.

#### **Tranche 2 Director Options**

The terms and conditions of the tranche 2 Director Options are identical to those of the tranche 1 Director Options set out above, save that:

1. The exercise price of each Director Option is \$0.20; and
2. The Director Options will expire at 5:00pm AWST on 31 October 2021 (**Expiry Date**).

#### **b) New Options**

The terms of the New Options are as follows:

1. Subject to paragraph (13), each New Option entitles the holder to subscribe for one Share upon exercise of the New Option.
2. Subject to paragraphs (10) and (12), the amount payable upon exercise of each New Option will be \$0.20 (**Exercise Price**).
3. Each New Option will expire at 5:00pm (WST) on 31 October 2021 (**Expiry Date**). A New Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
4. The New Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).
5. The New Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the New Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each New Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.
6. A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each New Option being exercised in cleared funds (**Exercise Date**).

7. Within 15 Business Days (or such lesser period required by the Listing Rules) after the later of the following:
- (i) the Exercise Date; and
  - (ii) when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,

but in any case no later than 20 Business Days (or such lesser period required by the Listing Rules) after the Exercise Date, the Company will:

- (iii) allot and issue the number of Shares required under these terms and conditions in respect of the number of New Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (iv) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (v) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the New Options.

If a notice delivered under (7)(d) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

8. Shares issued on exercise of the New Options rank equally with the then issued shares of the Company.
9. If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the New Options.
10. If at any time the issued capital of the Company is reconstructed, all rights of a holder of New Options are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.
11. There are no participation rights or entitlements inherent in the New Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the New Options without exercising the New Options.
12. In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to Shareholders after the date of issue of the New Options, the Exercise Price may be reduced in accordance with the formula set out in Listing Rule 6.22.2.

13. If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

- (i) the number of Shares which must be issued on the exercise of a New Option will be increased by the number of Shares which the holder of the New Option would have received if the holder of the New Option had exercised the New Option before the record date for the bonus issue; and
- (ii) no change will be made to the Exercise Price.

14. Subject to completion of and as part of the Public Offer, the Company will apply for quotation of the New Options on ASX.

15. The New Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

### c) Broker Options

Under the Lead Manager Mandate, and subject to the Company listing on the ASX, the Company has agreed to issue a total of 7,500,000 New Options to CPS and/ or its nominees(s) (as defined in Section 14.1 of this Prospectus). These New Options are those the subject of the Broker Options Offer.

## 15.5 Employee Incentive Plans

### a) Loan Funded Plan

The purpose of the Company's loan funded plan is to provide incentives to motivate and maintain existing employees (**Eligible Employee**) and to attract quality new employees (**Loan Funded Plan**). The benefit to Shareholders is derived from the proposition that by retaining and attracting high quality, motivated employees, the Company will maximise its output.

As at the date of this Prospectus, 1,450,000 fully paid ordinary Shares have been issued to Ms Keren Peterson (Managing Director) pursuant to the Loan Funded Plan (**Loan Shares**) as follows:

- 450,000 of the Loan Shares currently held were issued on 22 March 2018 at an issue price of \$0.133 per Share (on a post-Consolidation basis). These Loan Shares vested upon the reporting of an Exploration Target by a Competent Person at the Lake Rason Project.
- 1,000,000 Loan Shares were issued to the Managing Director on 7 January 2019 at an issue price of \$0.125 per Share, to vest upon completion of a Scoping Study (as defined in the JORC Code (2012 Edition)) relating to one or more of Tenements by the date falling two years from the date of Admission, which demonstrates at the time of reporting that progress to a Pre-Feasibility Study can be reasonably justified.

The Loan Shares have an attached limited recourse loan attached to them in respect of the issue price on an interest (and

fee) free basis with a mortgage given to the Company over the Loan Shares (and to which the limited recourse applies). The repayment date is the date falling seven years from the date of issue and the loan must be repaid in full prior to any disposal of the relevant Loan Shares. The Loan Shares are subject to the disposal restrictions in the Loan Funded Plan.

**The material terms of the Loan Funded Plan are summarised below:**

1. The Loan Funded Plan provides the Board with the discretion to invite Eligible Employees to apply for a loan to fund the acquisition of Shares;
2. The maximum amount of any loan must not exceed the subscription price of the Loan Shares;
3. The loan must only be used towards the subscription price for Loan Shares;
4. The loan will be for 7 years or such shorter period as agreed by the Company;
5. The loan is an interest free and limited recourse loan;
6. The Company will have a lien over the Loan Shares while any part of the loan remains unpaid and may take any available actions to it to prevent the transfer of the Loan Shares. Eligible Employees must not otherwise sell, transfer, encumber or otherwise deal with the Loan Shares unless permitted under the Loan Funded Plan or by the Board;
7. The Loan Shares will be forfeited if the loan is not repaid when due if Eligible Employees cease to be an employee or become bankrupt. The Company can then buy-back the Loan Shares at the lesser of the aggregate market price for the Loan Shares as at the date of the buy-back or a value equal to the outstanding balance of the loan amount. Any forfeited Shares which are bought back by the Company will be cancelled;
8. Eligible Employees have no right to any proceeds from the buyback of any Loan Shares and any remaining amount of the loan will be forgiven;
9. The Board may vary the Loan Funded Plan; and
10. The Loan Funded Plan is separate to and does not in any way form part of, vary or otherwise affect the rights and obligations of an employee under the terms of that person's employment or arrangement.

As part of the Loan Funded Plan, the Company will take security over the Loan Shares to secure the repayment of the loan. The Corporations Act restricts a company from taking security over its own shares (section 259B) and financially assisting a person to acquire shares in the company (section 260A) without shareholder approval. Accordingly, the Company obtained Shareholder approval for the purposes of sections 259B and 260A of the Corporations Act to provide the loans to Eligible Employees and take security over the Shares under the Loan Funded Plan at the Shareholder meetings held on 19 February 2018 and on 30 August 2018.

**b) Performance Rights Plan**

The purpose of the Company's performance rights plan is to provide incentives to assist in the reward, retention and motivation of certain employees (**Eligible Employee**), and directly linking reward to employee performance (**Performance Rights Plan**). The Performance Rights Plan also provides employees with an opportunity to share in any future growth in the value of the Company. The benefit to Shareholders is derived from the alignment of employee interests with the interests of Shareholders by providing employees with an incentive opportunity to receive Shares (**Performance Rights**).

As at the date of this Prospectus, there are no Performance Rights on issue.

All Performance Rights will be issued subject to the terms of the Performance Rights Plan as summarised below.

**Material terms of the Performance Rights Plan**

The Performance Rights Plan provides the Board with the discretion to invite Eligible Employees to apply for a specified number of Performance Rights:

1. in exercising that discretion, the Board may have regard to the Eligible Employees' length of service, the contribution or potential contribution made by the Eligible Employee, and any other material the Board considers relevant;
2. the Company's obligation under the Performance Rights Plan to grant Performance Rights is conditional on compliance with all applicable legislation and the Listing Rules;
3. Performance Rights granted under the Performance Rights Plan will be issued for nil consideration;
4. where an Eligible Employee purports to transfer, assign, mortgage, hedge, charge or otherwise dispose of a Performance Right, other than in accordance with the terms under the Performance Rights Plan, the Performance Right immediately lapses;
5. a Performance Right will not vest and be exercisable unless the terms under the Performance Rights Plan have been satisfied;
6. a Performance Right will lapse in certain circumstances, including fraudulent or dishonest conduct, unauthorised dealing, and due dates under the Performance Rights Plan not being met;
7. the Board may vary the Performance Rights Plan, or the terms and conditions of any Performance Right granted under the Performance Rights Plan, and any amendment may be given retrospective effect; and
8. the Performance Rights Plan is separate to and does not in any way form part of, vary or otherwise affect the rights and obligations of an employee under the terms of that person's employment or arrangement.

## 15.6 Interests of Directors

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

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

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

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

For each of the Directors, the proposed annual remuneration (excluding statutory superannuation) for the financial year following the Company being admitted to the Official List together with the relevant interests of each of the Directors in the securities of the Company as at the date of this Prospectus is set out in the table below.

| Director                    | Remuneration<br>\$ per annum <sup>1</sup> | Shares    | Options <sup>3</sup> |
|-----------------------------|---|-----------|----------------------|
| Keren Paterson <sup>2</sup> | 250,000                                   | 3,450,000 | 5,000,000            |
| Michael Ralston             | 60,000                                    | 2,600,000 | nil                  |
| William Bent                | 30,000                                    | 2,000,000 | nil                  |

### Notes:

<sup>1</sup> Payment of fees commenced on 1 August 2017. With effect from 1 June 2018, payments of fees to non-executive directors, together with \$5,000 of Ms Paterson's monthly salary, have been suspended to assist the Company's cashflow position. Payment of Ms Paterson's salary was reinstated from 1 December 2018, following completion of the seed capital raising. The suspended amounts (totalling \$112,500 excluding superannuation as at the date of this Prospectus, and increasing by \$7,500 per month) will be payable upon Admission. Ms Paterson is presently on a salary of \$200,000 per annum (excluding statutory superannuation), which will increase to \$250,000 per annum (excluding statutory superannuation) upon Admission.

<sup>2</sup> 450,000 Shares held personally and issued at \$0.13 per Share under the Loan Funded Plan and 1,000,000 Shares held personally and issued at \$0.125 per Share under the Loan Funded Plan. Please refer to Section 15.5(a) of this Prospectus. As at the date of this Prospectus 450,000 of the Shares issued under the Loan Funded Plan have vested. 2,000,000 Shares held by KP Consulting Group Pty Ltd as trustee for the SSB Trust.

<sup>3</sup> 3,000,000 Director Options exercisable at \$0.20 each and expiring 31 October 2021, 2,000,000 Director Options exercisable at \$0.25 each and expiring 7 January 2023. The terms and conditions of the Director Options are summarised in Section 15.4 of this Prospectus.

Following the successful completion of the Offers, the Directors will have relevant interests in Securities as follows:

| Director                     | Shares    | Options   | Voting Power |
|------------------------------|-----------|-----------|--------------|
| Keren Paterson <sup>1</sup>  | 3,550,000 | 5,050,000 | 6.12%        |
| Michael Ralston <sup>2</sup> | 2,725,000 | 62,500    | 4.7%         |
| William Bent <sup>3</sup>    | 2,075,000 | 37,500    | 3.58%        |

### Notes:

<sup>1</sup> This figure includes 100,000 Shares and 50,000 New Options (\$20,000) which Ms Paterson intends to subscribe for under the Public Offer.

<sup>2</sup> This figure includes 125,000 Shares and 62,500 New Options (\$25,000) which Mr Ralston intends to subscribe for under the Public Offer.

<sup>3</sup> This figure includes 75,000 Shares and 37,500 New Options (\$15,000) which Mr Bent intends to subscribe for under the Public Offer.

The maximum aggregate amount of non-executive directors' fees is \$500,000 per annum as approved by Shareholders in general meeting. The Directors are eligible to participate in the Loan Funded Plan and Performance Rights Plan, subject to any requisite regulatory and Shareholder approval. As at the date of this Prospectus, there is no intention for any Director or employee of the Company to be offered an opportunity to participate in the Loan Funded Plan or Performance Rights Plan or issue any Options to any parties, other than as disclosed in this Prospectus.

The Securities are held by the Directors are held both directly and indirectly. The Directors may apply for Shares pursuant to this Prospectus. Each of the Directors has indicated that it is not their present intention to apply for Shares pursuant to the Public Offer.

## 15.7 Interests of Experts and Advisers

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

- a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- b) promoter of the Company; or
- c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

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

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



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

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

Snowden Mining Industry Consultants Pty Ltd (**Snowden**) has acted as Independent Geologist and has prepared the Independent Geologist's Report which is included in Section 11 of this Prospectus. The Company estimates it will pay Snowden a total of \$3,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Snowden has received fees totalling \$17,750 from the Company for services provided to the Company having acted as Independent Geologist.

BDO Corporate Finance (WA) Pty Ltd (**BDO Corporate Finance**) has acted as Investigating Accountant and has prepared the Investigating Accountant's Report which is included in Section 10 of this Prospectus. The Company estimates it will pay BDO Corporate Finance a total of \$8,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, BDO Corporate Finance has received fees totalling \$20,559 from the Company for services provided to the Company having acted as Investigating Accountant.

BDO Audit (WA) Pty Ltd (**BDO Audit**) are the Auditors of the Company and K2O Minerals. The Company will pay for auditing or related services in the normal course of business. During the 24 months preceding lodgement of this Prospectus with the ASIC, BDO Audit has received fees totalling \$39,975 from the Company for audit services provided to Trigg Mining and K2O Minerals.

Lavan has acted as the solicitors to the Company in relation to the Offer, prepared the Solicitor's Report on Tenements which is included in Section 12 of this Prospectus and has prepared this Prospectus. The Company estimates it will pay Lavan \$30,000 (excluding GST) for these services. Subsequently, fees will be charged in accordance with normal charge out rates. During the 24 months preceding lodgement of this Prospectus with the ASIC, Lavan has received fees totalling \$146,234 from the Company for other services.

CPS Capital Group Pty Ltd (**CPS Capital**) is Corporate Advisor to the Company and Lead Manager to the Offer and will be paid fees as disclosed in Section 14.1 of this Prospectus. During the 24 months preceding lodgement of this Prospectus with the ASIC, CPS Capital has received fees totalling \$97,000 from the Company for other services.

## 15.8 Consents

Each of the parties referred to in this Section:

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

Snowden has given its written consent to being named as Independent Geologist in this Prospectus, the inclusion of the Independent Geologist's Report in Section 11 of this Prospectus in the form and context in which the report is included and the inclusion of statements contained in the Letter from the Chairperson in Section 3, Investment Overview in Section 4 and Company and Project Overview in Section 7 of this Prospectus in the form and context in which those statements are included in this Prospectus. Snowden has not withdrawn its consent prior to lodgement of this Prospectus with the ASIC.

BDO Corporate Finance has given its written consent to being named as Investigating Accountant in this Prospectus and to the inclusion of the Investigating Accountant's Report in Section 10 of this Prospectus in the form and context in which the information and report is included in this Prospectus. BDO Corporate Finance has not withdrawn its consent prior to lodgement of this Prospectus with the ASIC.

BDO Audit has given, and at the time of lodging this Prospectus, has not withdrawn its consent to be named in this Prospectus as the Auditor of the Company and the inclusion of the Historical Financial Information contained in Section 10 of this Prospectus in the form and context in which it is included in this Prospectus.

Lavan has acted as the solicitors to the Company in relation to the Offers and have prepared the Solicitor's Report on Tenements which is included in Section 12 of this Prospectus. Lavan has given its written consent to being named as the solicitors to the Company in this Prospectus and to the inclusion of the Solicitor's Report in the form and context in which it is included. Lavan has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

CPS Capital has acted as Corporate Advisor to the Company and Lead Manager to the Offer. CPS Capital has given its written consent to be named as Corporate Adviser and Lead Manager in the form and context in which it is included in this Prospectus. CPS Capital has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Automatic Pty Ltd (**Automatic**) has given its written consent to being named as the Share Registry to the Company in this Prospectus. Automatic has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

## 15.9 Expenses of the Offers

The total expenses of the Offers (excluding GST) are estimated to be approximately \$540,000 and are expected to be applied towards the items set out in the table below:

| Item of Expenditure                               | (\$)             |
|---|------------------|
| ASIC fees   | \$3,206          |
| ASX fees  | \$80,876         |
| Lead Manager Fees (including Broker Commissions*) | \$270,000        |
| Legal Fees and Solicitor's Report on Tenements    | \$30,000         |
| Independent Geologist's Fees                      | \$3,000          |
| Investigating Accountant's Fees                   | \$8,000          |
| Project Manager Fees                              | \$35,000         |
| Marketing and Roadshow                            | \$80,000         |
| Printing and Distribution                         | \$20,000         |
| Miscellaneous                                     | \$9,918          |
| <b>TOTAL</b>                                      | <b>\$540,000</b> |

\* Broker commissions will only be paid on applications made through a licensed securities dealers or Australian financial services licensee and accepted by the Company (refer to Section 6.19 of this Prospectus for further information). The amount calculated above based on 100% of applications being made in this manner. For those applications made directly to and accepted by the Company no broker commissions will be payable and the expenses of the Offers will be reduced and the additional funds will be put towards working capital.

These total expenses of the Offers include amounts already paid by the Company totalling approximately \$60,000 (excluding GST).

## 15.10 Continuous disclosure obligations

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

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

## 15.11 Electronic Prospectus

Under Regulatory Guide 107, ASIC allows the distribution of an electronic prospectus and electronic application form on the basis of a paper prospectus lodged with the ASIC, and the publication of notices referring to an electronic prospectus or electronic application form, subject to compliance with certain conditions.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please contact the Company and the Company will send you, for free, either a hard copy or a further electronic copy of this Prospectus or both. Alternatively, you may obtain a copy of this Prospectus from the website of the Company at [www.triggmining.com.au](http://www.triggmining.com.au).



The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered. In these circumstances, the Company will deal with all application monies within the time prescribed under the Corporations Act, any repayments of Application monies will be made without interest.

## 15.12 Financial Forecasts

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

## 15.13 Statements of Directors

The Directors report that after due enquiries by them, in their opinion, since the date of the financial statements in the financial information in Section 10 of this Prospectus, there have not been any circumstances that have arisen or that have materially affected or will materially affect the assets the liabilities, financial position, profits or losses or prospects of the Company, other than as disclosed in this Prospectus.

The Directors state that they have made all reasonable enquiries and on that basis have reasonable grounds to believe that any statements made by the Directors in this Prospectus are not misleading or deceptive and that in respect to any other statements made in this Prospectus by persons other than Directors, the Directors have made reasonable enquiries and on that basis have reasonable grounds to believe that persons making the statement or statements were competent to make such statements, those persons have given their consent to the statements being included in this Prospectus in the form and context in which they are included and have not withdrawn that consent before lodgement of this Prospectus with the ASIC, or to the Director's knowledge, before any issue of Securities pursuant to this Prospectus.

# 16. Directors' Authorisation

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

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC and has not withdrawn that consent.



**Keren Paterson**  
*Managing Director and CEO*

For and on behalf of Trigg Mining Limited

# 17. Glossary

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

**\$** means an Australian dollar.

**Admission** means the date on which the Company is admitted to the Official List of ASX.

**Applicant** means a person who applies for Shares and New Options pursuant to the Public Offer using an Application Form.

**Application** means a valid application to subscribe for Shares and New Options under the Public Offer.

**Application Form** means the application form attached to or accompanying this Prospectus relating to the Public Offer, the Vendor Offer, the Seed Options Offer and/or the Broker Options Offer, as the context requires or permits.

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

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

**Auditor** means BDO Audit (WA) Pty Ltd ACN 112 284 787.

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

**Broker Options Offer** means the offer of New Options to the Lead Manager (or its nominee(s)) pursuant to this Prospectus as set out in Section 6.4 of this Prospectus.

**Closing Date** means the closing date of the Public Offer as set out in the indicative timetable in Section 4 of this Prospectus (subject to the Company reserving the right to extend the Closing Date or close the Public Offer early).

**Company** or **Trigg Mining** means Trigg Mining Limited ACN 168 269 752.

**Consolidation** means the Company's consolidation of capital effected on 30 August 2018.

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

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

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

**Director Options** means the Options issued to the Managing Director, the terms of which are contained in Section 15.4(a) of this Prospectus.

**Farm-in Agreement** means the farm-in agreement so defined in Section 14.4 of this Prospectus.

**Exploration Target** has the meaning given to it in clause 12 of the JORC Code and an Exploration Target is not a Mineral Resource. An explanation of the basis of the Exploration Target, including the relevant information on which it is based, is detailed in and should be read in conjunction with Appendix C of the Independent Geologist's Report (refer to Section 11 of this Prospectus).

**Exposure Period** means the period of 7 days after the date of lodgement of this Prospectus, which period may be extended by ASIC by not more than 7 days pursuant to section 727(3) of the Corporations Act.

**Historical Financial Information** has the meaning given in Section 10 of this Prospectus.

**Investigating Accountant** means BDO Corporate Finance (WA) Pty Ltd ACN 124 031 045.

**Investigating Accountant's Report** means the report contained in Section 10 of this Prospectus as prepared by the Investigating Accountant.

**Independent Geologist** means Snowden Mining Industry Consultants Pty Ltd ACN 085 319 562.

**Independent Geologist's Report** means the report contained in Section 11 of this Prospectus as prepared by the Geologist Accountant.

**JORC Code** means the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (as amended from time to time).

**K2O Minerals** means K2O Minerals Pty Ltd ACN 159 782 537.

**Lake Rason Prospect Tenements** is defined in Section 7.1 of this Prospectus.

**Lake Throssell Potash Project** is defined in Section 7.1 of this Prospectus.

**Laverton Links Potash Project** is defined in Section 7.1 of this Prospectus.

**Lead Manager** or **CPS** means CPS Capital Group Pty Ltd ACN 088 055 636 (AFSL 294848).

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

**Loan Funded Plan** has the meaning given in Section 15.5(a) of this Prospectus.

**Managing Director** means Keren Paterson, the Managing Director and CEO of the Company as at the date of this Prospectus.

**Mineral Resource** has that meaning given to that term in the JORC Code.

**Minimum Subscription** has the meaning given in Section 6.5 of this Prospectus.

**Mining Act** means the *Mining Act 1978* (WA).

**MOP** has the meaning given in Section 8.3 of this Prospectus.

**Mt** means million tonnes.

**New Option** means an Option to be issued on the terms set out in Section 15.4(b) of this Prospectus.

**Offers** means the Public Offer, the Vendor Offer, the Seed Options Offer and the Broker Options Offer made pursuant to this Prospectus as set out in Sections 6.1, 6.2, 6.3 and 6.4 of this Prospectus.

**Offer Period** means the period commencing on the Opening Date and ending on the Closing Date.

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

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

**Opening Date** means the date on which the Public Offer opens.

**Option** means an option to acquire a Share.

**Optionholder** means a holder of an Option.

**Reserve** has that meaning given to that term in the JORC Code.

**Performance Rights Plan** has the meaning given in Section 15.5(b) of this Prospectus.

**Projects** means the Laverton Links Potash Project and the Lake Throssell Potash Project.

**Prospectus** means this prospectus including any electronic or online version.

**Public Offer** means the offer of Shares and New Options pursuant to this Prospectus as set out in Section 6.1 of this Prospectus.

**Recommendations** has the meaning given to that term in Section 9.3(a) of this Prospectus.

**Relevant Shares** has the meaning given to that term in Section 14.3 of this Prospectus.

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

**Security** means a Share, New Option or Vendor Performance Share, as the context requires.

**Seed Capital Providers** means the investors in the Company's Share issues implemented in July to December 2017 and in November 2018.

**Seed Options Offer** means the offer of New Options to certain existing Shareholders pursuant to this Prospectus as set out in Section 6.3 of this Prospectus.

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

**Share Registry** means Automic Pty Ltd ACN 152 260 814.

**Shareholder** means a holder of Shares.

**Share Sale Agreement** means the share sale agreement entered into between the Company and K2O Minerals dated 12 March 2018 and as amended on 20 July 2018 and on 31 December 2018.

**SOP** has the meaning given in Section 8.3 of this Prospectus.

**Tenements** means the mining tenements in which the Company has an interest as further described in the Solicitor's Report on Tenements set out in Section 12 of this Prospectus or any one of them as the context requires.

**tpa** means tonnes per annum.

**Transaction** means the sale of the Relevant Shares as set out in the Share Sale Agreement.

**Vendors** means Susetta Holdings Pty Ltd as trustee for the Wheeler Family Trust, Dr Julian Rodney Stephens as trustee for the One Way Trust and Collin Davy as trustee for the Bush Rat Trust jointly as the vendors under the Share Sale Agreement.

**Vendor Offer** means the offer of Securities to the Vendors pursuant to this Prospectus as set out in Section 6.2 of this Prospectus.

**Vendor Performance Share** means a performance share to be issued by the Company the terms of which are set out in Section 15.3 of this Prospectus.

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

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## YOUR PRIVACY

Automic Pty Ltd (ACN 152 260 814) trading as Automic advises that Chapter 2C of the Corporation Act 2001 requires information about you as a securityholder (including your name, address and details of the securities you hold) to be included in the public register of the entity in which you hold securities. Primarily, your personal information is used in order to provide a service to you. We may also disclose the information that is related to the primary purpose and it is reasonable for you to expect the information to be disclosed. You have a right to access your personal information, subject to certain exceptions allowed by law and we ask that you provide your request for access in writing (for security reasons). Our privacy policy is available on our website – [www.automic.com.au](http://www.automic.com.au)

## CORRECT FORMS OF REGISTRABLE TITLE

Note that ONLY legal entities can hold Shares and Options. The application must be in the name of a natural person(s), companies or other legal entities acceptable by the Company. At least one full given name and surname is required for each natural person.

| Type of Investor            | Correct Form of Registration                                  | Incorrect Form of Registration  |
|-----------------------------|---|---------------------------------|
| Individual                  | Mr John Richard Sample  | J R Sample                      |
| Joint Holdings              | Mr John Richard Sample & Mrs Anne Sample                      | John Richard & Anne Sample      |
| Company                     | ABC Pty Ltd   | ABC P/L or ABC Co               |
| Trusts                      | Mr John Richard Sample<br><Sample Family A/C>                 | John Sample Family Trust        |
| Superannuation Funds        | Mr John Sample & Mrs Anne Sample<br><Sample Family Super A/C> | John & Anne Superannuation Fund |
| Partnerships                | Mr John Sample &<br>Mr Richard Sample<br><Sample & Son A/C>   | John Sample & Son               |
| Clubs/Unincorporated Bodies | Mr John Sample<br>< Food Health Club A/C>                     | Food Health Club                |
| Deceased Estates            | Mr John Sample<br><Estate Late Anne Sample A/C>               | Anne Sample (Deceased)          |

## INSTRUCTIONS FOR COMPLETING THE APPLICATION FORM

YOU SHOULD READ THE REFRESHED PROSPECTUS CAREFULLY BEFORE COMPLETING THIS APPLICATION FORM.

This is an Application Form for Fully Paid Ordinary Shares (**Shares**) & free attaching Options (**Options**) in Trigg Mining Limited ACN 168 269 752 (**the Company**), made under the terms of the Public Offer set out in the Supplementary Prospectus dated 23 July 2019, which supplements the Original Prospectus dated 24 April 2019 (together, the Refreshed Prospectus). The expiry date of the Refreshed Prospectus is the date which is 13 months after the date of the Original Prospectus being 24 April 2019.

The Refreshed Prospectus contains important information relevant to your decision to invest and you should read the entire Refreshed Prospectus before applying for Shares and Options. If you are in doubt as to how to deal with this Application Form, please contact your accountant, lawyer, stockbroker or other professional adviser. To meet the requirements of the Corporations Act, this Application Form must not be distributed unless included in or accompanied by the Refreshed Prospectus and any Supplementary Prospectus. While the Refreshed Prospectus is current, the Company will send paper copies of the Original Prospectus and any Supplementary Prospectus and an Application Form, on request and without charge.

- Shares and Options applied for & payment amount** - Enter the number of Shares you wish to apply for. Your application must be for a minimum of 10,000 Shares (with 5,000 free attaching Options) (\$2,000) and then in increments of 2,500 Shares (with 1,250 free attaching Options) (\$500), next enter the amount of the application monies payable. To calculate this amount, multiply the number of Shares applied for by the Offer price, which is A\$0.20 per share.
- Applicant name(s) and postal address** - Note that ONLY legal entities can hold Shares. The application must be in the name of a natural person(s), companies or other legal entities acceptable by the Company. At least one full given name and surname is required for each natural person. You should refer to the table above for the correct forms of registrable title(s). Applicants using the wrong form of names may be rejected. Next, enter your postal address for the registration of your holding and all correspondence. Only one address can be recorded against a holding.
- Contact Details** - Please provide your contact details for us to contact you between 9:00am AWST and 5:00pm AWST should we need to speak to you about your application. In providing your email address, you elect to receive electronic communications. You can change your communication preferences at any time by logging in to the Investor Portal accessible at <https://investor.automic.com.au/#/home>
- CHESS Holders** - If you are sponsored by a stockbroker or other participant and you wish to hold securities allotted to you under this Application on the CHESS subregister, enter your CHESS HIN. Otherwise leave the section blank and on allotment you will be sponsored by the Company and a "Securityholder Reference Number" (SRN) will be allocated to you.
- TFN/ABN/Exemption** - If you wish to have your Tax File Number, ABN or Exemption registered against your holding, please enter the details. Collection of TFN's is authorised by taxation laws but quotation is not compulsory and it will not affect your Application.
- Payment** - Payments for applications made through this Application Form can only be made by cheque. Payment can be made by BPAY but only by making an online application, which can be accessed by following the web address provided on the front of the Application Form. **Do not forward cash with this Application Form as it will not be accepted.** Your cheque must be made payable to "Trigg Mining Limited" and drawn on an Australian bank and expressed in Australian currency and crossed "Not Negotiable". Cheques or bank drafts drawn on overseas banks in Australian or any foreign currency will NOT be accepted. Any such cheques will be returned and the acceptance deemed to be invalid. Sufficient cleared funds should be held in your account as your acceptance may be rejected if your cheque is dishonoured.

## DECLARATIONS

BY SUBMITTING THIS APPLICATION FORM WITH THE APPLICATION MONIES, YOU DECLARE THAT:

- you have received a paper or electronic copy of the Refreshed Prospectus that accompanies this Application Form and have read the Refreshed Prospectus in full and agree to be bound by the terms and conditions of the Public Offer as declared in the Refreshed Prospectus;
- all details and statements made on the Application Form are complete and accurate;
- where information has been provided about another individual, that individual's consent has been obtained to transfer the information to the Company;
- the Company and their respective officers and agents are authorised to do anything on your behalf (including the completion and execution of documents) to enable the Shares and Options to be allocated to you;
- you agree to be bound by the constitution of the Company; and
- neither the Company nor any person or entity guarantees any particular rate of return on the Shares or Options, nor do they guarantee the repayment of capital.

## LODGEMENT INSTRUCTIONS

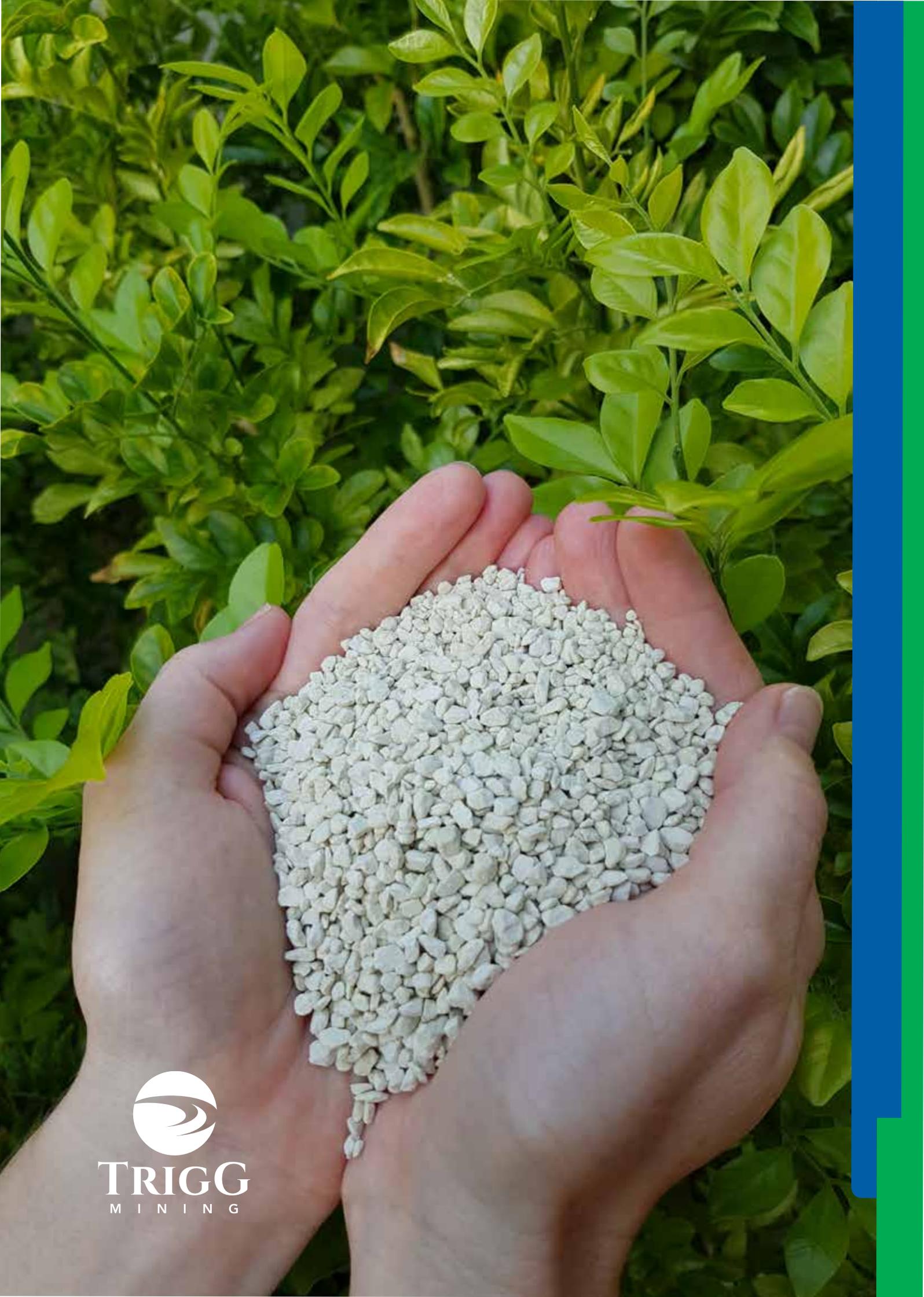
The Public Offer opens at 9:00am (AWST) on 2 May 2019 and is expected to close at 5:00pm (AWST) on 26 August 2019. The Company may elect to extend the Public Offer or close it (after the Public Offer is open) at any earlier date and time, without further notice. Applicants are therefore encouraged to submit their Applications as early as possible. Completed Application Forms and cheques must be:

| POSTED TO:   | DELIVERED TO (during business hours only - 9am to 5pm (AWST):                                |
|--|--|
| Trigg Mining Limited<br>C/- Automic Pty Ltd<br>Level 2, 267 St Georges Terrace Perth WA 6000 | Trigg Mining Limited<br>C/- Automic Pty Ltd<br>Level 2, 267 St Georges Terrace Perth WA 6000 |

**Your Application Form must be received by Automic no later than 5:00pm (AWST) on 26 August 2019.**

If you have any enquiries in respect of this Application, please contact Automic by either phone on 1300 288 664 (within Australia), +61 8 9324 2099 (outside Australia) or at [corporate.actions@automic.com.au](mailto:corporate.actions@automic.com.au).





**TRIGG**  
MINING

