
LUSTRUM MINERALS LIMITED

ACN 609 594 005

(TO BE RENAMED 'NORONEX LIMITED')

NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 11:00AM (WST)
DATE: Wednesday, 30 September 2020
PLACE: Suite 9
330 Churchill Avenue
SUBIACO WA 6008

The business of the Meeting affects your shareholding and your vote is important.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 5:00PM (WST) on Monday, 28 September 2020.

BUSINESS OF THE MEETING

The ASX and its officers take no responsibility for the content of this Notice.

AGENDA

1. RESOLUTION 1 – CHANGE TO NATURE AND SCALE OF ACTIVITIES – PROPOSED ACQUISITION

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

“That, subject to and conditional upon the passing of all Essential Resolutions, for the purpose of Listing Rule 11.1.2 and for all other purposes, approval is given for the Company to make a significant change to the nature and scale of its activities resulting from completion of the Proposed Acquisition, as described in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of this Resolution by or on behalf of a counterparty to the transaction that, of itself or together with one or more transactions, will result in a significant change to the nature and scale of the entity's activities and any other person who will obtain a material benefit as a result of the transaction (except a benefit solely by reason of being a Shareholder), or an associate of that person or those persons. However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

2. RESOLUTION 2 – ISSUE OF SHARES IN CONSIDERATION FOR PROPOSED ACQUISITION

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, subject to and conditional upon the passing of all Essential Resolutions, for the purpose of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 24,000,000 Shares to Larchmont Holdings Pty Ltd (or its nominees) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity), or an associate of that person or those persons. However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or

- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

3. RESOLUTION 3 – ISSUE OF SHARES TO WHITE METAL

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, subject to and conditional upon the passing of all Essential Resolutions, for the purpose of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 5,500,000 Shares to White Metal (or its nominee/s) on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity), or an associate of that person or those persons. However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

4. RESOLUTION 4 – ISSUE OF SHARES PURSUANT TO PUBLIC OFFER

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, subject to and conditional upon the passing of all Essential Resolutions, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 90,000,000 Shares at an issue price of \$0.05 per Share on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity), or an associate of that person or those persons. However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

5. RESOLUTION 5 – ISSUE OF OPTIONS TO ADVISORS IN CONNECTION WITH THE PUBLIC OFFER

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, subject to and conditional upon the passing of all Essential Resolutions, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 12,000,000 Options to advisors in connection with the Public Offer, on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity), or an associate of that person or those persons. However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

6. RESOLUTION 6 – CHANGE OF COMPANY NAME

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

*“That, subject to completion of the Proposed Acquisition and conditional upon the passing of all Essential Resolutions, for the purposes of section 157(1)(a) and for all other purposes, approval is given for the name of the Company to be changed to **Noronex Limited**.”*

7. RESOLUTION 7 – AMENDMENT OF CONSTITUTION

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

“That, subject to and conditional on the completion of the Proposed Acquisition, for the purposes of section 136(2) of the Corporations Act and for all other purposes, approval is given for the Company to amend its existing Constitution to delete all references in the Constitution to “Lustrum Minerals Limited” and replace them with “Noronex Limited.””

8. RESOLUTION 8 – APPOINTMENT OF DIRECTOR – ROBERT KLUG

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, subject to completion of the Proposed Acquisition and conditional upon the passing of all Essential Resolutions, pursuant to and in accordance with the Company’s Constitution and for all other purposes, Robert Klug, having consented to act as a director of the Company, be appointed as a director of the Company with effect on and from completion of the Proposed Acquisition.”

9. RESOLUTION 9 – ADOPTION OF INCENTIVE PERFORMANCE RIGHTS AND OPTIONS PLAN

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 7.2 (Exception 13(b)) and for all other purposes, approval is given for the Company to adopt an employee incentive scheme titled Incentive Performance Rights and Options Plan and for the issue of securities under that Plan, on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is eligible to participate in the employee incentive scheme or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
 - (b) the appointment does not specify the way the proxy is to vote on this Resolution.
- However, the above prohibition does not apply if:
- (a) the proxy is the Chair; and

- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

10. RESOLUTION 10 – RELATED PARTY PARTICIPATION IN PUBLIC OFFER – MR PIERS LEWIS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, subject to and conditional upon the passing of all Essential Resolutions, for the purpose of, Listing Rule 10.11 and for all other purposes, approval is given for the Company to allot and issue up to 1,000,000 Shares to Mr Piers Lewis (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of this Resolution by Mr Piers Lewis (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the entity), or an associate of that person or those persons. However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

11. RESOLUTION 11 – RELATED PARTY PARTICIPATION IN PUBLIC OFFER – MR DAVID PRENTICE

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, subject to and conditional upon the passing of all Essential Resolutions, for the purpose of, Listing Rule 10.11 and for all other purposes, approval is given for the Company to allot and issue up to 900,000 Shares to Mr David Prentice (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of this Resolution by Mr David Prentice (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the entity), or an associate of that person or those persons. However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

12. RESOLUTION 12 – RELATED PARTY PARTICIPATION IN PUBLIC OFFER – MR ROBERT KLUG

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, subject to and conditional upon the passing of all Essential Resolutions, for the purpose of, Listing Rule 10.11 and for all other purposes, approval is given for the Company to allot and issue up to 400,000 Shares to Mr Robert Klug (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of this Resolution by Mr Robert Klug (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the entity), or an associate of that person or those persons. However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

13. RESOLUTION 13 – ISSUE OF OPTIONS TO RELATED PARTY – MR PIERS LEWIS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, subject to and conditional upon the passing of all Essential Resolutions, subject to and conditional upon the passing of all Essential Resolutions, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 3,000,000 Options to Mr Piers Lewis (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Piers Lewis (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the entity), or an associate of that person or those persons. However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
 - (b) the appointment does not specify the way the proxy is to vote on this Resolution.
- However, the above prohibition does not apply if:
- (a) the proxy is the Chair; and
 - (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

14. RESOLUTION 14 – ISSUE OF OPTIONS TO RELATED PARTY – MR ROBERT KLUG

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, subject to and conditional upon the passing of all Essential Resolutions, subject to and conditional upon the passing of all Essential Resolutions, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 3,000,000 Options to Mr Robert Klug (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Robert Klug (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the entity), or an associate of that person or those persons. However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
 - (b) the appointment does not specify the way the proxy is to vote on this Resolution.
- However, the above prohibition does not apply if:
- (a) the proxy is the Chair; and
 - (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

15. RESOLUTION 0 – ISSUE OF OPTIONS TO RELATED PARTY – MR DAVID PRENTICE

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, subject to and conditional upon the passing of all Essential Resolutions, subject to and conditional upon the passing of all Essential Resolutions, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 3,000,000 Options to Mr David Prentice (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr David Prentice (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the entity), or an associate of that person or those persons. However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
 - (b) the appointment does not specify the way the proxy is to vote on this Resolution.
- However, the above prohibition does not apply if:
- (a) the proxy is the Chair; and
 - (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

16. RESOLUTION 16 – ISSUE OF SHARES TO RZJ

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, subject to and conditional upon the passing of all Essential Resolutions, for the purpose of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 2,243,226 Shares to RZJ (or its nominee/s) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity), or an associate of that person or those persons. However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Dated: 31 AUGUST 2020

By order of the Board


Loren King
Company Secretary

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions which are the subject of the business of the Meeting.

1. BACKGROUND TO THE PROPOSED ACQUISITION

1.1 General Background

Lustrum Minerals Limited (ACN 609 594 005) (ASX: LRM) (**Company**) is an Australian public company, which was incorporated on 1 December 2015 and listed on the ASX on 15 November 2017. The Company is a mineral exploration company, which aims to discover commercially significant mineral deposits with the primary purpose of identifying exploration projects in Australia and overseas.

The Company's main focus is the Consuelo Project, which is located adjacent to and in the same geologic formation as the Rolleston open-cut thermal coal mine in the Bowen Basin in Queensland. The Consuelo Project is comprised of three (3) exploration permits (EPCs 2327, 2318 and 2332). To date, the Company has completed three drill holes on EPC 2327 and one at EPC 2318.

On 30 August 2019, the Company requested a voluntary suspension of its securities pending the resolution of several queries made by ASX in respect of certain transactions undertaken by the Company during the financial year ended 30 June 2019. On 28 August 2019 and 11 September 2019, the Company issued responses to these queries. Further details are available on the Company's ASX announcements platform.

Notwithstanding the responses to ASX's queries, the Company was advised that its securities would remain suspended until such time as it could satisfy ASX that the level of its operations were sufficient for the purposes of Listing Rule 12.1 (i.e. sufficient to warrant continued quotation of the Company's securities).

As at the date of this Notice, the Company's securities remain suspended. During the period of suspension, the Company has continued to maintain its interest in the Consuelo Project, with modest exploration and evaluation works completed. In addition, the Company has continued to pursue all options and opportunities to advance other business development opportunities in line with the creation of shareholder value.

1.2 Proposed Acquisition

(a) Background

On 23 July 2020, the Company announced that it had entered into a share sale agreement (**Term Sheet**) with the shareholders of Larchmont Investments Pty Ltd (**Larchmont**) pursuant to which the Larchmont shareholders agreed to sell, and the Company agreed to buy, 80% of the issued capital in Larchmont (**Proposed Acquisition**).

Larchmont holds a portfolio of high-grade copper claims in Canada (**Canadian Projects**). As a condition precedent to the Proposed Acquisition, Larchmont will also be assigned an option to acquire up to a 95% interest in three exclusive prospecting licences that are prospective for sedimentary Cu-Ag mineralisation along the prolific Kalahari Copper Belt that spans Namibia and Botswana (**Namibian Projects**).

The Proposed Acquisition is conditional on the Company obtaining all necessary regulatory and Shareholder approvals to effect the Proposed Acquisition and satisfying all other requirements of ASX for the

reinstatement to official quotation of the Company's Shares on the ASX (among other things).

The key terms of the Term Sheet are set out in Schedule 1.

(b) **Canadian Projects**

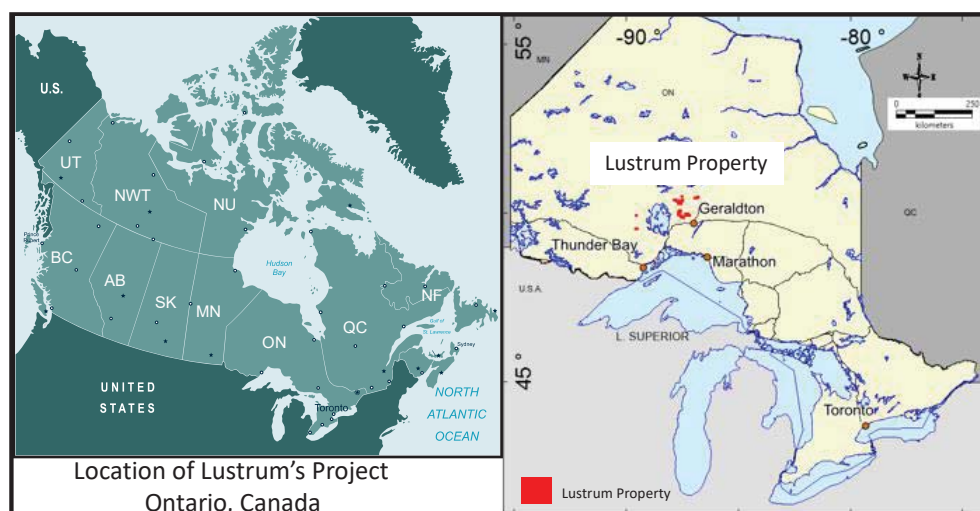


Figure 1: Location of project areas in Ontario, Canada

The Canadian Projects consist of claims in central Ontario, 200kms northeast of the town of Thunder Bay (Figure 1), a key regional centre with significant access to mining expertise, personnel and equipment. The Canadian Projects are accessed from the towns of Geraldton or Beardmore just east of Lake Nipigon. Key infrastructure includes road (TransCanada Highway), nearby rail (Canadian National Railway Line is 20kms away) and power. There are also numerous logging and mining operations in the areas providing excellent access to the claim areas.

The mineral claims comprising the Canadian Projects are 100% held by Canadian company Noronex Ltd (**Noronex**), which upon completion of the Proposed Acquisition, will be a wholly owned subsidiary of Larchmont. Noronex has consolidated over 30,000 Ha of prospective minerals claims in the Onaman-Tashota greenstone belt that are prospective for copper, base and precious metals mineralisation. The key project areas include Onaman, Kupfer, Ryan Block A, Ryan Block B and Amukun which are described in further details below and in Schedule 5.

The most significant mineral asset in Canada is the Onaman property, where the Lynx copper-gold-silver deposit is at an advanced stage of exploration (**Onaman Project**). The Onaman Project includes outcropping mineralisation and hosts numerous other deposits and prospects along strike from Lynx including Headway (Zn-Ag), Cane (Au) and Cane (Cu) which have only seen limited exploration. Lynx is located 5kms south-west from the historic producing Tashota-Nipigon Au-Ag-Cu mine.

The Onaman Project has had 18,992m of diamond drilling to date with significant drill intercepts including:

PROJECT NAME	DRILL HOLE	INTERCEPT
Onaman, Canada ¹	S06-01:	5.0m @ 6.03% Cu, 1.53g/t Au and 154g/t Ag from 96m
	S08-33:	7.5m @ 4.94% Cu, 2.04g/t Au and 136.3 g/t Ag from 111m
	S08-52:	3.7m @ 8.07% Cu, 6.08g/t Au and 236 g/t Ag from 195m

¹ Intervals given are down-hole measured thicknesses; true thicknesses are an average of 84% of these values.

In June 2020, a JORC (2012) compliant resource (reported by G. Kirkham) was completed at the Lynx deposit representing approximately 600 metres of a 12km trend of mineralisation on the Onaman Project. Inferred Mineral Resources with reasonable prospects for eventual economic extraction have been estimated at Lynx in conformance with the JORC Code (2012) as detailed in Table 1.

Zone	Tonnes	Cu%	Au gpt	Ag gpt	Cu pounds	Au ounces	Ag ounces
1	233,037	1.71	0.56	52.01	8,798,433	4,200	389,643
2	96,455	1.75	0.29	38.67	3,716,379	912	119,909
3	132,400	2.01	1.16	42.66	5,864,124	4,927	181,590
4	179,899	1.64	0.38	36.35	6,522,738	2,179	210,221
5	420,292	1.15	0.41	24.66	10,609,378	5,555	333,268
7	568,540	1.79	0.92	46.25	22,441,679	16,829	845,401
Total	1,630,623	1.61	0.66	39.68	57,952,730	34,602	2,080,032

Table 1: Inferred Mineral Resource estimates for the Lynx Project

Notes: Mineral Resources are reported at a 0.5 g/t CuEq block cut-off (within open pit constraints) or a 1.0 CuEq block cut-off (below open pit constraints), and classified in accordance with the JORC Code (2012) by Kirkham Geosystems Ltd. Metal equivalents were calculated using appropriate prices and recoveries as outlined in JORC Table 1 included in Schedule 5 of the Company's ASX announcement dated 23 July 2020 and using the following equation: $\text{CuEq} = 0.85 \times \text{Cu} (\%) + 0.343 \times \text{Au} (\text{g/t}) + 0.004 \times \text{Ag} (\text{g/t})$. Tonnage is reported as dry tonnes.

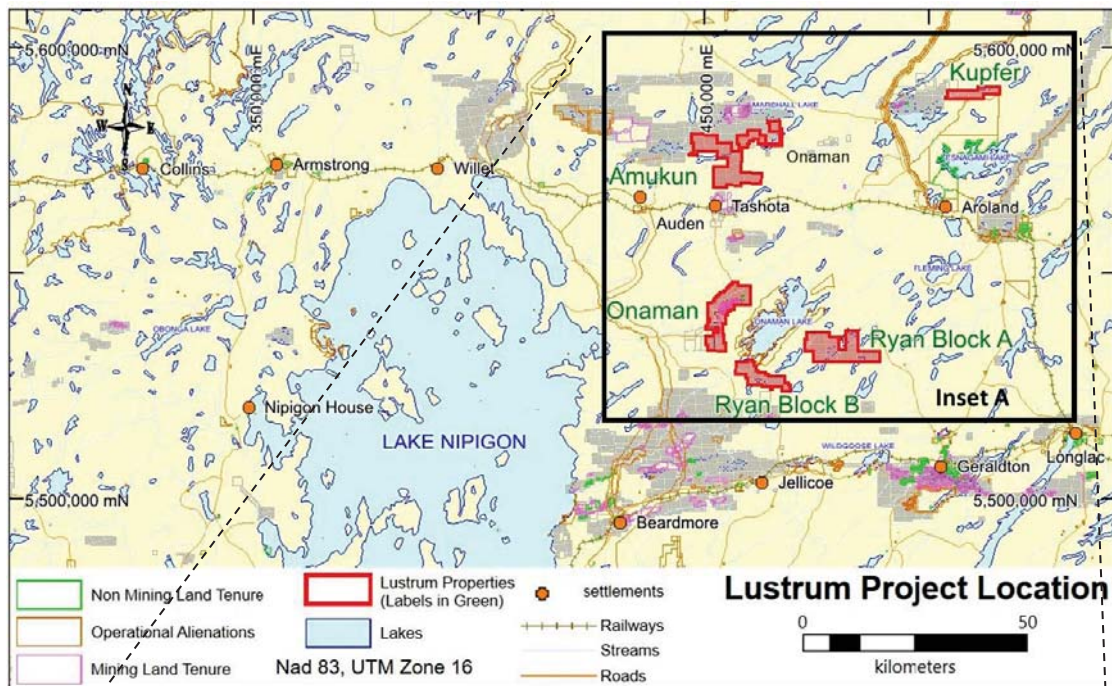
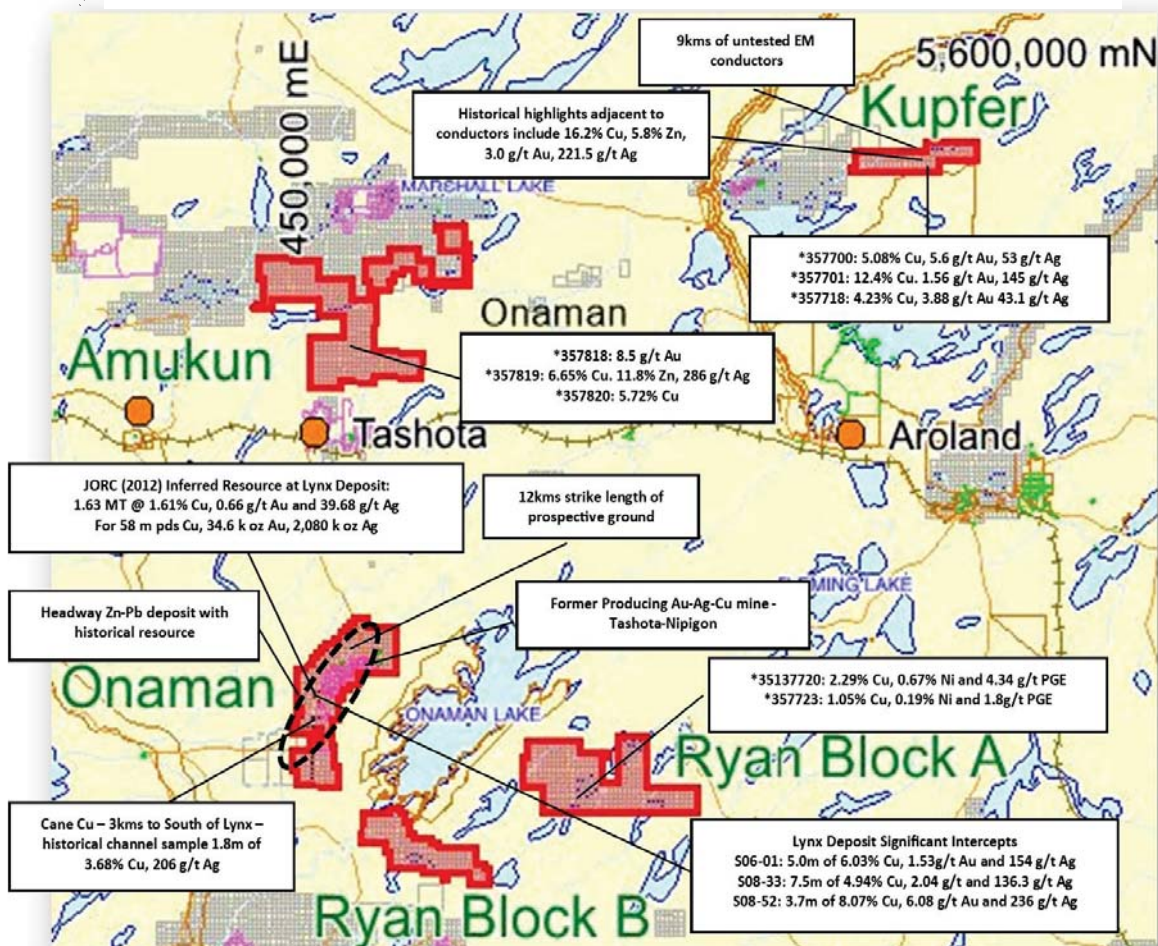


Figure 5: Project locations showing road and rail access to the east of Lake Nipigon



Inset A: Location of JORC (2012) resource estimate at Lynx, historical drilling and Noronex sampling. Note that insufficient information is available to verify historical assays.*

For further information with respect to the Canadian Projects, please refer to the Company's ASX Announcement dated 23 July 2020. The Company confirms that it is not aware of any new information or data that materially affects the information included in its previous announcement with respect to the Canadian Projects and that all material assumptions and technical parameters underpinning the mineral resources estimates in the previous announcement continue to apply and have not materially changed.

1.3 White Metal Option

(a) Background

On 15 October 2019, RZJ Capital Management LLC (an entity controlled by one of the Larchmont shareholders, James Thompson) (**RZJ**) entered into an agreement (**White Metal Agreement**) with TSX-listed White Metal Resources Ltd (TSX: WHM) (**White Metal**), pursuant to which White Metal granted RZJ an option (**White Metal Option**) to earn-in and acquire up to 95% of the issued capital of Aloe Investments Two Hundred and Thirty Seven (Proprietary) Limited (**Aloe 237**). Aloe 237 (a company incorporated in Namibia) is a 95% owned subsidiary of White Metal. The remaining 5% interest in Aloe 237 is held by a local Namibian partner.

Aloe 237 holds a 100% legal and beneficial interest in the Namibian Projects, details of which are set out in section 1.3(b) below.

Under the Term Sheet, settlement of the Proposed Acquisition is conditional upon Larchmont being assigned the White Metal Option.

The material terms of the White Metal Agreement are set out in Schedule 2.

(b) Namibian Projects

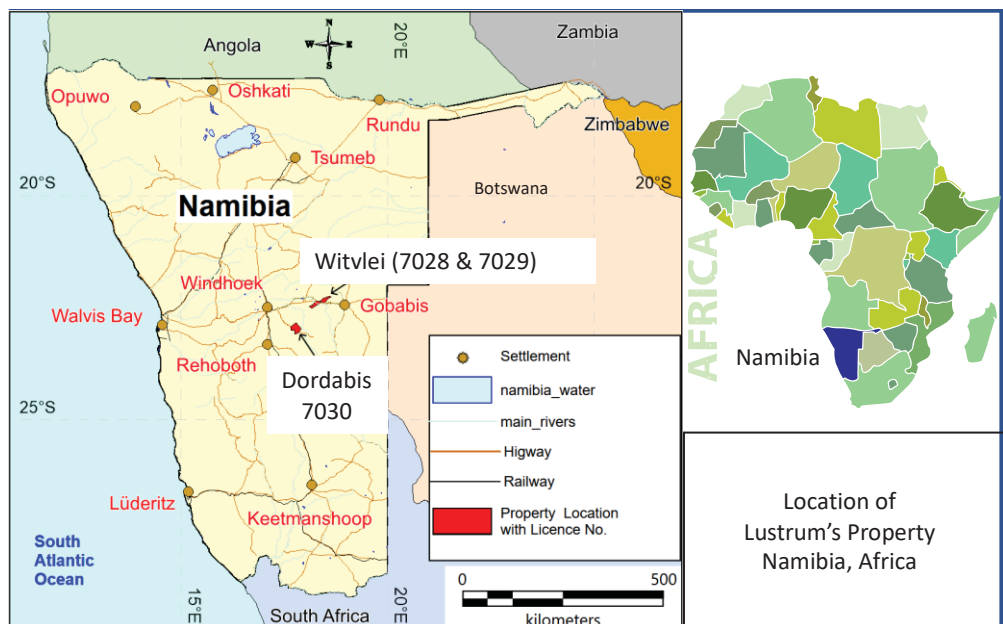


Figure 2: Property Location Map showing claim locations in central Namibia

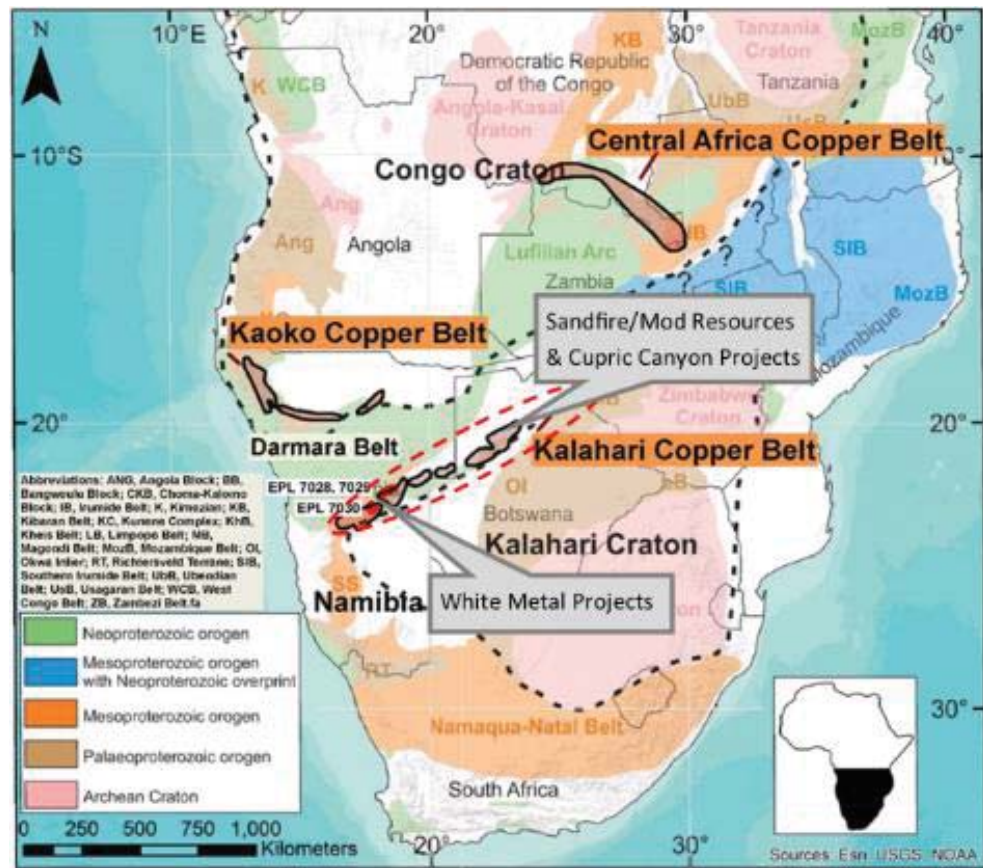


Figure 3: Property location highlighting Kalahari Copper Belt

The Namibian Projects comprise three Exclusive Prospecting Licences (EPLs) covering 78,000Ha that are prospective for sedimentary Cu-Ag mineralisation along the prolific Kalahari Copper Belt that spans Namibia and Botswana. The belt also hosts the Zone 5 deposit (owned by private equity backed Cupric Canyon) and Sandfire Resources' (ASX:SFR) T3 deposit (acquired in the MOD Resources (ASX:MOD) acquisition in 2019) (see Figure 3 above). The Namibian Projects have seen over 150,000m of RC and diamond drilling. The Company will be aiming to leverage the extensive historical exploration data to delineate JORC (2012) compliant resources over the Namibian Projects.

The Namibian Projects consist of the Witvlei (EPLs 7028 and 7029) and Dordabis Projects (EPL 7030). The Namibian Projects are located in central Namibia on the Kalahari Copper belt, 150kms east and 100kms south-east respectively of the capital, Windhoek. Key infrastructure includes an airport (one hour), paved road and rail which intersects the Witvlei properties. There are other mines in similar proximity to Windhoek including copper, gold and uranium mines.

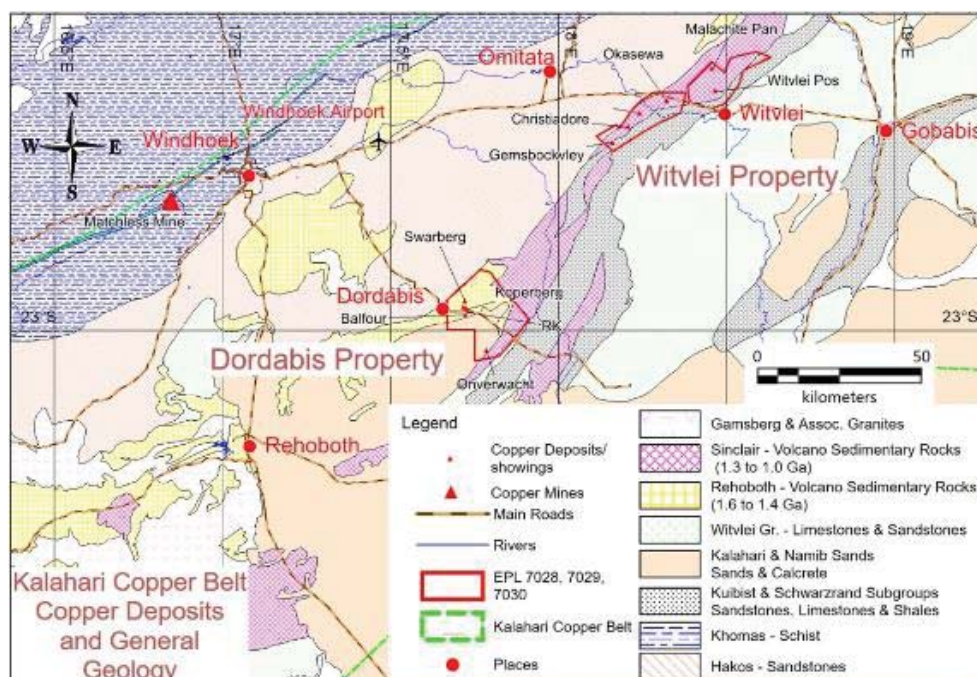


Figure 4: Kalahari Copper Belt geology and key Witvlei and Dordabis project locations

The key project areas (Malachite Pan, Okasewa and Koperberg) are located in the Sinclair Sequence (see Figure 4 above), which lies within deformed Proterozoic basins of the Kalahari Copper Belt.

As part of the exploration strategy, a regional Aerial EM survey will be flown to review the potential for other structures and IP and drilling will be used to expand known deposits that remain open along strike and at depth.

Witvlei Project

To date, six key project areas have been defined at Witvlei including Malachite Pan, Okasewa, Christiadore North & South, Witvlei Pos and Gamsbockvley (see Figure 5 below).

The Witvlei projects have had 101,914m of drilling across 699 holes (96,376m RC and 5,538m diamond) to date with significant drill intercepts including:

PROJECT NAME	DRILL HOLE	INTERCEPT
Okasewa, Namibia ¹	OKRC017:	20m @ 2.15% Cu from 101m down hole
	OKRC026:	54m @ 1.51% Cu from 69m down hole
	OKDD002:	26.6m @ 2.03% Cu from 228.4m
	OKRC187:	29m @ 1.78% Cu from 0m
Malachite Pan, Namibia ¹	MPRC007:	5m @ 2.73% Cu from 66m 4m @ 1.56% Cu from 73m
	MPRC042:	24m @ 1.2% Cu from 0m 13m @ 1.8% Cu from 11m
	MPRC043:	16m @ 1.94% Cu from 46m 4m @ 3.56% Cu from 47m 3m @ 3.09% Cu from 54m
	MPRC115:	11m @ 2.11% Cu from 163m 5m @ 3.38% Cu from 163m
	MPRCDD130:	6m @ 3.86% Cu from 215m

¹ Intervals given are down-hole measured thicknesses; true thicknesses are estimated to be 70 to 80% of the down-hole thickness at Okasewa and 60-70% at Malachite Pan.

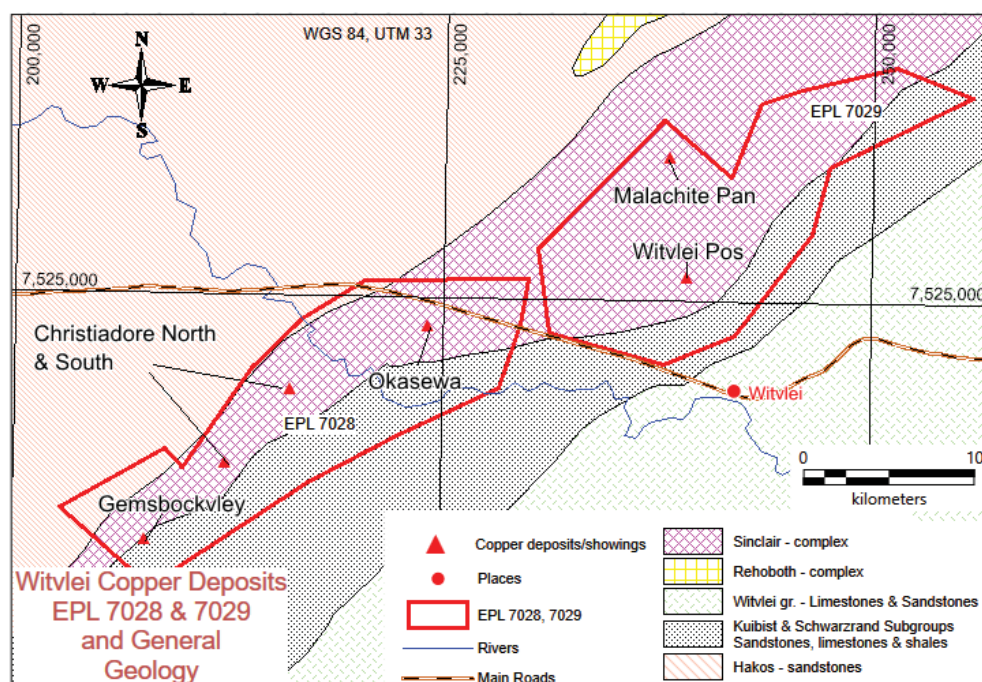


Figure 5: Witvlei Project mineral deposits and prospects

Dordabis project

The Dordabis project includes a number of deposits including Koperberg, RK, RK West, Swartberg, Balfour and Onverwacht (see Figure 6 below). The Dordabis project has had 49,575m of RC drilling across 478 holes to date with significant drill intercepts including:

PROJECT NAME	DRILL HOLE	INTERCEPT
Koperberg, Namibia ¹	KRC54:	37m @ 1.46% Cu from 38m down hole
	including	5m @ 3.34% Cu from 43m down hole
	KRC 55:	78m @ 1.72% Cu from 27m down hole
	including	13m @ 2.6% Cu from 74m down hole
	KRC056:	27m @ 1.87% Cu from 86m
	KRC 67:	21m @ 2.09% Cu from 0m
	KRC 87:	47m @ 146% Cu from 27m down hole
	including	10m @ 2.48% Cu from 44m

¹ Intervals given are down-hole measured thicknesses; true thicknesses are not known

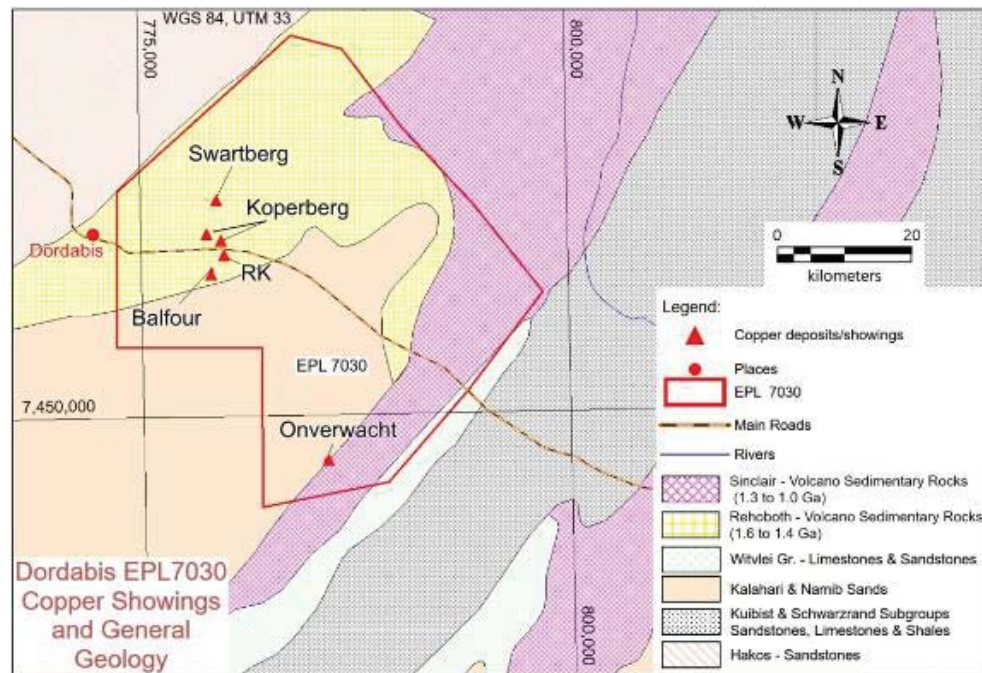


Figure 6: Dordabis Project showing project locations

The Company has reason to believe that the Namibian Projects may contain resources which have been reported in accordance with the 2004 edition of the JORC Code and have not been updated to comply with the 2012 edition of the JORC Code. The Company does not have sufficient information in relation to these potential JORC 2004 resources to provide any further detail or to comply with ASX's reporting requirements for pre-JORC 2012 resources. The Company intends to apply the funds raised pursuant to the Public Offer to seek to identify JORC 2012 compliant resources on the Namibian Projects.

For further information with respect to the Namibian Projects, please refer to the Company's ASX Announcement dated 23 July 2020. The Company confirms that it is not aware of any new information or data that materially affects the information included in its previous announcement with respect to the Namibian Projects.

1.4 Summary of Resolutions

This Notice of Meeting sets out the Resolutions necessary to complete the Proposed Acquisition and associated transactions, being Resolutions 1 to 3(c)(ii), Resolution 8 and Resolution 16 (**Essential Resolutions**). Each of the Essential Resolutions are conditional upon the approval by Shareholders of each of the other Essential Resolutions. If any of the Essential Resolutions are not approved by Shareholders, all of the Essential Resolutions will fail, and completion of the Proposed Acquisition will not occur.

A summary of the Essential Resolutions is as follows:

- (a) (**Resolution 1**): the Proposed Acquisition, if successfully completed, will represent a significant change in the nature and scale of the Company's operations, for which Shareholder approval is required under Listing Rule 11.1.2;
- (b) (**Resolution 2**): the issue of 24,000,000 Shares to Larchmont Holdings Pty Ltd (or its nominee/s) in consideration for the Proposed Acquisition;

- (c) **(Resolution 3)**: the issue of up to 5,500,000 Shares to White Metal (or its nominee/s) in part satisfaction of the Initial Payment with respect to the White Metal Option;
- (d) **(Resolution 3(c)(ii))**: the Company will need to re-comply with Chapters 1 and 2 of the Listing Rules and, to achieve this, must successfully undertake a capital raising by issuing up to 90,000,000 Shares, at \$0.05 per Share, to raise up to \$4,500,000 (at maximum subscription). The Company intends to include a priority offer in the Prospectus which will give existing Shareholders priority to subscribe for Shares for up to an expected amount of \$1,000,000 under the Public Offer (refer to Section 5.1 for further details regarding the proposed priority offer);
- (e) **(Resolution 8)**: the appointment of Mr Robert Klug as an incoming Director; and
- (f) **(Resolution 16)**: the issue of up to 2,243,226 Shares to RZJ (or its nominee/s) as a condition precedent to the assignment of the White Metal Option to Larchmont.

In addition, the Company is seeking Shareholder approval for various other non-Essential Resolutions.

Resolution 5 (which relates to the issue of Options to advisors in connection with the Public Offer), Resolution 6 (which relates to the change of the Company's name), Resolution 0 (which relates to the amendment of the Company's Constitution), Resolutions 10 to 12 (which relate to the participation of Messrs Piers Lewis, David Prentice and Robert Klug in the Public Offer) and Resolutions 13 to 0 (which related to the issue of Options to Messrs Piers Lewis, Robert Klug and David Prentice) are conditional upon and subject to the Essential Resolutions being passed but are not themselves Essential Resolutions.

Resolution 9 (which relates to the adoption of an incentive performance rights and options plan) **has not** been denoted as an Essential Resolutions.

1.5 Regulatory Matters

No person or entity will acquire a holding of Shares of, or increase their holding, to an amount in excess of 20% of all the Shares on issue at completion of the Proposed Acquisition.

Trading in the Company's Shares is currently suspended and will remain suspended until the Company re-complies with Chapters 1 and 2 of the Listing Rules following completion of the Proposed Acquisition. The Proposed Acquisition is conditional on the Company obtaining all necessary regulatory and Shareholder approvals and satisfying all other requirements of ASX for the reinstatement to Official Quotation of the Company's Shares on the ASX (amongst other things).

The Company has made a number of enquiries and investigations into the businesses and assets of Larchmont, Noronex and Aloe 237. These enquiries consisted of having a geologist review previous exploration and geological results in the area of the mineral claims held by Noronex and Aloe 237, reviewing the consolidated audited financial accounts of Larchmont and management accounts of Aloe 237, confirming Noronex's and Aloe 237's title to the mineral claims and undertaking a general corporate legal review of Larchmont, Noronex and Aloe 237. The Company recently completed these due diligence investigations and was satisfied with the results. Consequentially, as was announced by the Company on 23 July 2020, the Company entered into the Term Sheet to acquire 80% of the issued capital of Larchmont.

The Company has undertaken appropriate enquiries into the assets and liabilities, financial position and performance, profits and losses, and prospects of Larchmont for the Company's Board to be satisfied that the Proposed Acquisition is in the best interests of the Company and its Shareholders, subject to it completing the various conditions precedent of the Term Sheet to its satisfaction.

The Company notes that the Term Sheet contains a condition precedent that the Company completes due diligence to its satisfaction. The Company has not yet satisfied or waived this condition precedent, however intends to complete due diligence prior to lodging the Prospectus and seeking reinstatement of its Shares to official quotation.

Should the full due diligence program uncover material findings which are unable to be remedied, the Company will not be able to complete the Public Offer and the Proposed Acquisition will not proceed. In this event, the Company will instead seek to obtain subsequent opportunities to be re-admitted to the Official List of the ASX.

The Board believes it is prudent to seek Shareholder approval prior to completion of the full due diligence program, so as to allow for a minimal period between the completion of the Meeting and the opening of the Public Offer.

ASX has an absolute discretion in deciding whether or not to re-admit the Company to the Official List and to reinstate the Company's Shares to quotation on the Official List and therefore the Proposed Acquisition may not proceed if ASX exercises that discretion. Investors should take account of these uncertainties in deciding whether or not to buy or sell the Company's Securities.

1.6 Previous Security Issues

Neither the Company, Larchmont nor Aloe 237 have issued any securities in the 6 months prior to the date of this Notice.

1.7 Business Model

Following completion of the Public Offer and the Proposed Acquisition, the Company's proposed business model will be to further explore and develop the Canadian Projects and Namibian Projects. The Company's main objectives on completion of the Public Offer are:

- (a) advance its geological understanding via exploration on the Onaman claims and other nearby claims;
- (b) continue prospecting, geophysics, trenching, channel sampling, drilling and assaying on the Onaman and nearby claims;
- (c) convert extensive historical exploration data to grow the existing resource base for the Canadian Projects and delineate JORC 2012 compliant resources on the Namibian Projects;
- (d) target expansion of resources around Onaman and newly discovered areas;
- (e) continue to pursue other acquisitions that have a strategic fit for the Company;
- (f) focus on mineral exploration or resource opportunities that have the potential to deliver growth for Shareholders; and
- (g) implement a growth strategy to seek out further exploration and acquisition opportunities.

1.8 Key Dependencies of the Business Model

The key dependencies influencing the viability of the Proposed Acquisition are:

- (a) the Company's capacity to re-comply with Chapters 1 and 2 of the Listing Rules to enable re-admission to quotation of the Company's Securities;
- (b) completion of the Proposed Acquisition;
- (c) tenure and access to the Projects;
- (d) commodity price volatility and exchange rate risk;
- (e) ability to meet resource and reserves and exploration targets;
- (f) raising sufficient funds to satisfy expenditure requirements, exploration and operating costs; and
- (g) minimising environmental impact and complying with health and safety requirements.

1.9 Key Investment Highlights

The Directors and the Proposed Director are of the view that the key highlights on an investment in the Company include:

- (a) **Advanced Cu-Au and Cu-Ag Projects:** The project interests include copper projects in the leading jurisdictions of Ontario, Canada and the Kalahari Copper Belt, Namibia. The Projects host known high grade copper mineralisation with significant valuable by-products including gold and silver. The mineralisation types include Cu-Au-Ag VMS in Canada and sediment hosted Cu-Ag in Namibia plus other base and precious metals.
- (b) **Significant Scale:** The package includes a large claim area of 310 km² in Canada and 780 km² in Namibia. Over 170,000m of drilling has been conducted on the Projects to date which has identified significant zones of copper mineralisation. The drilling has focussed predominantly on shallower mineralisation that may be amenable to open-pit mining although underground extensions and potential has also been identified for follow up.
- (c) **Rapid Development Pathway and Strategy:** A key strategy is to, where possible, use the extensive drill hole database and geological understanding of the deposits to quickly and cost-effectively delineate JORC (2012) compliant resources on the Namibian Projects and add to the existing JORC (2012) compliant resources on the Canadian Projects. In line with this strategy, Larchmont recently completed a JORC (2012) resource conversion on part of its Cu-Au-Ag deposit in Canada.
- (d) **Exploration Potential:** Improved modern technology and recently updated geological interpretations will be used to further expand the potential of the projects as identified by previous drill programs. Follow up exploration of significant drill intersections including 7.5m of 4.94% Cu, 2.04g/t Au and 136.3 g/t Ag (S08-33) and 20m @ 2.15% Cu (OKRC17) will be conducted as part of the exploration plan. Historical drilling indicates exploration potential at depth.
- (e) **Attractive Copper Market Fundamentals:** The expansion of global industrialisation and electrification is forecast to drive copper demand over the next decade. A supply shortfall is also looming as copper grades decline in existing mines. These factors, along with limited Cu exploration in the last decade, have resulted in forecasts for a significant copper

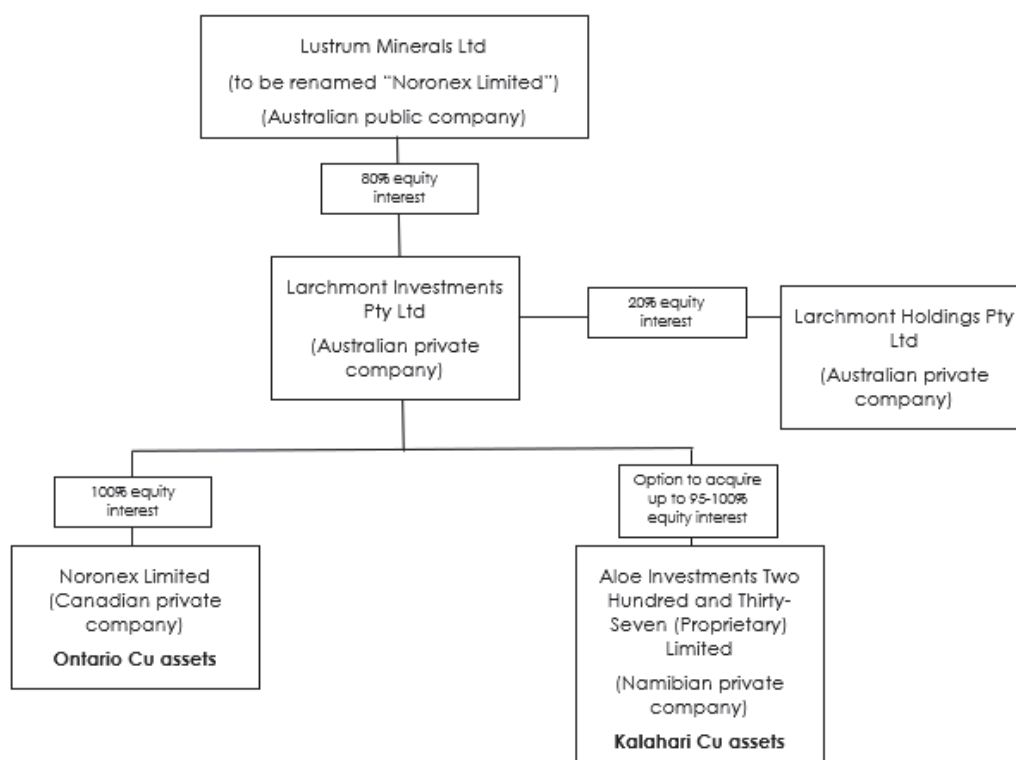
market deficit and potential for increasing copper prices by the early to mid 2020s. Exploration and acquisition efforts by numerous major copper players have been increasingly aimed at growing their copper inventory for this emerging deficit.

- (f) **Experienced Copper Executive to Join Board:** Mr Robert Klug has agreed to join the board upon completion of the Proposed Acquisition. Mr Klug was most recently the Chief Commercial Officer at Sandfire Resources Limited (ASX: SFR), the owner of the De Grussa Cu-Au mine in Western Australia. He was a key part of the team that successfully completed the \$160m acquisition of ASX-listed MOD Resources Ltd (ASX: MOD), the owner of the T3 Cu-Ag project on the Kalahari Copper Belt, Botswana.

1.10 Group Structure

The remaining 20% interest in Noronex is currently held by Michael Stares. Pursuant to a sale deed between Larchmont, the Larchmont shareholders and Mr Stares dated 3 March 2020, subject to and contemporaneously with settlement of the Proposed Acquisition, Larchmont will also acquire Michael Stares' 20% interest in Noronex, so at the time of completion of the Proposed Acquisition, Larchmont shall own 100% of the issued capital of Noronex. In consideration for the sale of his 20% interest in Noronex, Mr Stares will receive 4,800,000 of the 24,000,000 Shares proposed to be issued under the Term Sheet, in consideration for the Proposed Acquisition.

Upon completion of the Proposed Acquisition, the corporate structure of the Company is intended to be as follows:



As at the date of this Notice, the share capital of Larchmont Investments Pty Ltd is held by James Thompson, Sonja Heath and Larchmont Holdings Pty Ltd (in equal shares). As part of the Proposed Acquisition, Larchmont Investments Pty Ltd will undergo a capital restructure so that, upon completion, the remaining 20% interest in Larchmont Investments Pty Ltd will be held by Larchmont Holdings Pty Ltd.

Larchmont Holdings Pty Ltd, an entity controlled by James Thompson (50%) and his spouse, Sonya Heath (50%), is a private investment vehicle for Mr Thompson and Ms Heath and the corporate trustee to their family trust.

As a condition precedent to the Proposed Acquisition, RZJ (an entity controlled by Mr Thompson), will assign its rights under the White Metal Option Agreement to Larchmont.

1.11 Re-compliance with Chapters 1 and 2 of the Listing Rules

ASX has advised the Company that as the Proposed Acquisition will amount to a significant change in the nature and scale of the Company's activities, the Company is required to obtain Shareholder approval for the Proposed Acquisition and must re-comply with Chapters 1 and 2 of the Listing Rules before it can be reinstated to trading on the ASX (including any ASX requirement to treat the Company's Securities as restricted Securities).

Trading in the Company's Shares is currently suspended and will remain suspended until the Company re-complies with Chapters 1 and 2 of the Listing Rules following completion of the Proposed Acquisition. The Proposed Acquisition is conditional on the Company obtaining all necessary regulatory and Shareholder approvals to effect the Proposed Acquisition and satisfying all other requirements of ASX for the reinstatement to Official Quotation of the Company's Shares on the ASX (among other things).

If any of the Essential Resolutions are not approved at the Meeting, the Proposed Acquisition will not be able to proceed, and the Company's Securities will likely remain suspended from trading.

1.12 ASX waivers and confirmations obtained

Listing Rule 2.1 (Condition 2) and Listing Rule 1.1 (Condition 12)

Listing Rule 2.1 (Condition 2) provides that the issue price or sale price of all the securities for which an entity seeks quotation (except options) must be at least 20 cents in cash.

Listing Rule 1.1 (Condition 12) provides that if an entity has options on issue, the underlying security (the exercise price) must be at least 20 cents.

The Company has received a conditional waiver from the requirements of:

- (a) Listing Rule 2.1 (Condition 2) to allow the Company to offer Shares under the Public Offer with an issue price which is less than 20 cents; and
- (b) Listing Rule 1.1 (Condition 12) to allow the Company to be reinstated to the Official List with Options on issue at less than 20 cents each.

The ASX granted the Company a waiver from Listing Rules 2.1 (Condition 2) and 1.1 (Condition 12) to the extent necessary to permit the issue price of the ordinary shares issued under the Prospectus not to be at least \$0.20 each, on the following conditions:

- (c) the issue price of the ordinary securities issued by the Company in connection with the Proposed Acquisition and the Public Offer is not less than \$0.02 each, and the exercise price of the Options is not less than \$0.02 each;
- (d) the terms of the waivers and terms and conditions of the securities are clearly disclosed in this Notice of Meeting and in the Prospectus; and
- (e) Shareholders approve:

- (i) the issue price of the ordinary securities as part of the approvals obtained under Listing Rule 11.1.2 for the Proposed Acquisition and Public Offer; and
- (ii) the exercise price of the options as part of the approvals obtained under Listing Rule 11.1.2 for the Proposed Acquisition.

Listing Rule 10.11

Listing Rule 10.11 requires a listed company to obtain Shareholder approval by ordinary resolution prior to the issue of equity securities, or agreement to issue equity securities, to a related party of the Company.

Listing Rule 10.13 sets out the requirements for Shareholder approval under Listing Rule 10.11. In particular, Listing Rule 10.13.5 provides that the notice of meeting must (inter alia) state the date by which the entity will issue the securities and that the securities must be issued no later than 1 month after the date of the meeting or such later date as may be permitted by any ASX waiver or modification of the Listing Rules.

The Company has received a waiver from the requirements of Listing Rule 10.13.5 to allow the Company to issue the following securities to related parties no later than the earlier of (i) date on which the Shares under the Public Offer are issued, and (ii) 14 December 2020:

- (a) 1,000,000 Shares to Mr Piers Lewis in accordance with his participation under the Public Offer under Resolution 10;
- (b) 900,000 Shares to Mr David Prentice in accordance with his participation under the Public Offer under Resolution 11; and
- (c) 400,000 Shares to Mr Robert Klug in accordance with his participation under the Public Offer under Resolution 12;

ASX granted the waiver from Listing Rule 10.13.5, on the following conditions:

- (a) the Shares must be issued no later than the earlier of (i) the date on which the Shares under the Public Offer are issued, and (ii) 14 December 2020;
- (b) the Shares are issued pursuant to the relevant terms and conditions set out in this Notice of Meeting;
- (c) the circumstances of the Company, as determined by ASX, do not materially change from the date of receipt of Shareholder approval to the date of issue of the Shares; and
- (d) the terms of the waiver are clearly disclosed in this Notice of Meeting and in the Prospectus.

1.13 Indicative timetable

An indicative timetable for completion of the Proposed Acquisition and the associated transactions set out in this Notice is set out below:

Event	Date*
Execution of Term Sheet	22 July 2020
Notice of Meeting for the Proposed Acquisition sent to Shareholders	31 August 2020
Lodge Prospectus with ASIC Opening date of the Public Offer	4 September 2020

Event	Date*
Shareholder Meeting to approve the Proposed Acquisition	30 September 2020
Closing date of the Public Offer	1 October 2020
Settlement of Proposed Acquisition and Public Offer	2 October 2020
Re-quotation on the ASX (subject to the Company re-complying with Chapters 1 & 2 of the Listing Rules)	14 October 2020

*Please note this timetable is indicative only and the Directors reserve the right to amend the timetable as required.

1.14 Public Offer and Proposed Use of Funds

To assist the Company to re-comply with Chapters 1 and 2 of the Listing Rules and to support its strategy post-completion of the Proposed Acquisition, the Company intends, subject to Shareholder approval, to conduct the Public Offer. Shareholder approval for the Public Offer is the subject of Resolution 3(c)(ii).

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

Funds available	Minimum Subscription (\$)	Full Subscription (\$)
Existing cash reserves (31 March 2020)	1,597,593	1,597,593
Funds raised from the Public Offer	3,000,000	4,500,000
Total	4,597,593	6,097,593
Allocation of funds		
<i>Canadian Projects</i>		
Drilling	850,000	1,150,000
Ground and borehole geophysics	475,000	475,000
Geochemistry	200,000	200,000
Mapping and geochemistry	150,000	150,000
Metallurgical testing	50,000	50,000
<i>Namibian Projects</i>		
Review of existing exploration data	20,000	20,000
Baseline environmental studies	10,000	10,000
Airborne EM survey	550,000	550,000
Update of historical resource estimates	30,000	30,000
Ground geophysics	190,000	190,000
Exploration drilling	200,000	1,000,000
<i>General</i>		
Expenses of the Public Offer ¹	245,163	336,974

Administration costs ²	680,000	880,000
Acquisition costs	350,000	350,000
Working capital ³	597,430	705,619
Total	4,597,593	6,097,593

Notes:

1. Expenses of the Public Offer includes legal fees (Australia, Canada, Namibia), ASX fees, advisor fees, Investigating Accountant fees, Independent Geologist fees, Share Registry fees and brokerage costs.
2. Administration costs include, without limitation, general corporate costs such as the provision of contract services to the Company, ASX listing fees, Board and executive remuneration, office rent, and ongoing audit and accounting costs.
3. Working capital provides for future payments made pursuant to the White Metal Agreement (including in part satisfaction of the Initial Payment, as detailed in Schedule 2), additional capital to be used for additional exploration following the planned exploration programs and investment in new mineral exploration projects not yet identified by the Directors, including due diligence costs incurred in consideration of such projects.

In the event the amount raised is between the minimum subscription and the maximum subscription, the funds raised above the minimum subscription will be applied firstly to additional expenses of the Offer and then to additional exploration expenditure on drilling and working capital.

It should be noted that the Company's budgets will be subject to modification on an ongoing basis depending on the results obtained from exploration and evaluation work carried out. This will involve an ongoing assessment of the Company's mineral interests. The results obtained from exploration and evaluation programs may lead to increased or decreased levels of expenditure on certain projects reflecting a change in emphasis.

The above table is a statement of current intentions as at the date of this announcement. 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.

The Directors and the Proposed Director consider that following completion of the Public Offer, the Company will have sufficient working capital to carry out its stated objectives. It should however be noted that an investment in the Company is speculative and investors are encouraged to read the risk factors outlined in Section 1.23.

1.15 Underwriter and Lead Manager

The Public Offer will not be underwritten.

The Company does not intend to appoint a lead manager to the Public Offer

1.16 Pro forma capital structure

The proposed capital structure of the Company following completion of the Proposed Acquisition and issues of all Securities contemplated by this Notice is set out below.

	Number of Shares	
	Minimum Subscription	Maximum Subscription
Current Shares on issue in the Company	33,851,450	33,851,450
Shares to be issued under the Public Offer (which includes the Shares to be issued under the Priority Offer) (Resolution 3(c)(ii))	60,000,000	90,000,000
Shares to be issued to the shareholders of Larchmont (or their nominee/s) as consideration for the Proposed Acquisition of 80% of Larchmont (Resolution 2) Michael Stares (or his nominee/s) will receive 4,800,000 of these Shares as consideration for the sale of his 20% interest in Noronex to Larchmont prior to the Proposed Acquisition	24,000,000	24,000,000
Shares to be issued to White Metal (or its nominee/s) in part satisfaction of the Initial Payment (as defined in Schedule 2) (Resolution 3)	5,500,000	5,500,000
Shares to be issued to RZJ (or its nominee/s) as a condition precedent to the assignment of the White Metal Option to Larchmont (Resolution 16)	2,243,226	2,243,226
TOTAL SHARES	125,594,676	155,594,676

Options	Number
Options currently on issue	Nil
Options to be issued to advisors in connection with the Public Offer (Resolution 5)	12,000,000
Options to be issued to Directors (Resolutions 13-0)	9,000,000
Total Options on completion of the Proposed Acquisition	21,000,000

As at the date of this Notice of Meeting, the Company also has a total of 30,000,000 Performance Shares on issue. The cancellation of these Performance Shares is a condition precedent to the Proposed Acquisition.

No person will acquire a holding of Shares of, or increase their holding, to an amount in excess of 20% of all the Shares on issue on completion of the Proposed Acquisition.

Following the issue of the abovementioned securities (and assuming Minimum Subscription under the Public Offer, with no Shares issued to existing Shareholders under the Public Offer):

- (a) the existing Shareholders will retain approximately 26.95% of the Company's issued Share capital;
- (b) the current Larchmont shareholders and RZJ (an entity controlled by James Thompson) will together hold approximately 17.07% of the Company's issued Share capital;
- (c) Michael Stares will hold approximately 3.82% of the Company's issued Share capital;
- (d) White Metal will hold approximately 4.38% of the Company's issued Share capital
- (e) the investors under the Public Offer will hold approximately 47.77% of the Company's issued Share capital.

1.17 Pro forma balance sheet and financial effect of the Proposed Acquisition

The pro-forma balance sheet of the Company following completion of the Proposed Acquisition and issues of all Securities contemplated by this Notice is set out in Schedule 4. The historical and pro-forma information is presented in an abbreviated form, insofar as it does not include all of the disclosure required by the Australian Accounting Standards applicable to annual financial statements.

The pro forma balance sheet sets out the principal effect of the Proposed Acquisition on the consolidated total assets and total equity interests of the Company.

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

The effect of the Proposed Acquisition on the Company's expenditure will be to increase expenditure as contemplated by the use of funds table set out above.

1.18 Composition of the Board of Directors

Subject to completion of the Proposed Acquisition, it is proposed that Mr David Prentice will resign from the Board, and Mr Robert Klug will be appointed as a Non-Executive Director of the Company. Mr Piers Lewis and Mr Luke Hall will remain as Directors of the Company. Accordingly, upon completion of the Proposed Acquisition, the proposed composition of the Board is as follows:

- (a) *Mr Piers Lewis – Executive Director / Chairman*

Mr Lewis is an experienced executive, board director and team leader, with a diverse background in the resources, banking and technology sectors. In 2011, Mr Lewis founded Smallcap Corporate, a corporate advisory services company. Mr Lewis currently serves as chairman of Cycliq Group (ASX: CYQ), eSense Labs (ASX: ESE), and is company secretary for Grange Resources (ASX: GRR) and Ultima United (ASX: UUL).

Mr Lewis completed a Bachelor of Commerce at the University of Western Australia, qualified as a Chartered Accountant with Deloitte in 2001 and is a member of Chartered Secretaries Australia.

- (b) *Mr Luke Hall – Non-Executive Director*

Mr Hall is a corporate and commercial lawyer with experience in capital raising and structuring issues including Corporations Act and Listing Rule compliance and governance issues, private M&A, private equity transactions, IPOs and backdoor listings. Mr Hall has formerly worked for major mining companies, engineering firms, and contractors in the mining

and engineering sector, including Fluor Corporation, Rio Tinto and Mineral Resources Limited.

(c) *Mr Robert Klug – Non-Executive Director*

Mr Klug is an experienced resource executive with a career spanning more than 20 years in corporate development, legal and commercial roles. Mr Klug has worked in small to mid-cap mining and exploration companies with his most recent role as Chief Commercial Officer and General Counsel of Sandfire Resources (Sandfire). At Sandfire, Mr Klug oversaw copper sales and marketing and was a key part of Sandfire's successful acquisition of MOD Resources in Botswana.

1.19 Director and Proposed Director Interests in Securities

Directors are not required under the Constitution to hold any Shares to be eligible to act as a Director.

Details of the Directors' and the Proposed Director's relevant interest in the Securities of the Company upon completion of the Proposed Acquisition (assuming the Public Offer is fully subscribed) are set out in the table below:

Director	Shares	Options	% (undiluted) ⁴
David Prentice ³	1,000,000 ¹	3,000,000	0.64
Piers Lewis	1,000,000 ²	3,000,000	0.64
Luke Hall	Nil	Nil	Nil
Robert Klug	400,000 ⁵	3,000,000	0.26

Notes:

1. Comprising 100,000 Shares held at the date of this Notice and a maximum of 900,000 additional Shares subscribed for and issued under the Public Offer (subject to the passing of Resolution 11).
2. Assuming Mr Lewis subscribes for and is issued a maximum of 1,000,000 Shares under the Public Offer (subject to the passing of Resolution 10).
3. It is proposed that Mr Prentice will resign upon completion of the Acquisition.
4. Assuming that on completion of the Public Offer (being fully subscribed) and Proposed Acquisition, the Company will have a total of 155,594,676 Shares on issue.
5. Assuming Mr Klug subscribes for and is issued a maximum of 400,000 Shares under the Public Offer (subject to the passing of Resolution 12).

1.20 Advantages of the Proposed Acquisition

The Directors are of the view that the following non-exhaustive list of advantages may be relevant to a Shareholder's decision on how to vote on the Essential Resolutions:

- (a) by acquiring an 80% interest in Larchmont, the Company will obtain an 80% interest in the Canadian Projects and the White Metal Option;
- (b) the potential increase in market capitalisation of the Company following completion of the Proposed Acquisition may lead to access to improved equity capital market opportunities and increased liquidity;
- (c) Shareholders may be exposed to further debt and equity opportunities that the Company was not exposed to prior to the Proposed Acquisition;
- (d) the Company will re-comply with the Listing Rules, ensuring its re-instatement to quotation and continued liquidity of its listed Shares

(however, the Company notes that the ASX reserves the right to re-admit the Company and there is no guarantee that the Company will successfully re-comply with Chapters 1 and 2 of the Listing Rules); and

- (e) the appointment of Mr Robert Klug as a Non-Executive Director will add experience and skill to the Board to assist with the growth of the Company.

1.21 Proposed Disadvantages of the Acquisition

The Directors are of the view that the following non-exhaustive list of disadvantages may be relevant to a Shareholder's decision on how to vote on the Essential Resolutions:

- (a) the Company will be changing the scale of its activities which may not be consistent with the objectives of all Shareholders;
- (b) the Proposed Acquisition, Public Offer and associated transactions the subject of this Notice will result in the issue of a significant number of Shares and new investors which will have a dilutionary effect on the holdings of Shareholders;
- (c) there are inherent risks associated with the change in nature of the Company's activities. Some of these risks are summarised in Section 1.23 below; and
- (d) future outlays of funds from the Company may be required for its proposed business and exploration operations.

1.22 Restricted Securities and free float

Subject to the Company re-complying with Chapters 1 and 2 of the Listing Rules and completing the Public Offer, certain Securities on issue (including the Shares issued in consideration for the Proposed Acquisition (**Consideration Shares**)) may 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.

The Shares issued pursuant to the Public Offer, however, will not be classified as restricted securities and will not be required to be held in escrow.

The Consideration Shares are likely to be restricted from trading for a period of 12 to 24 months after the date of re-admission of the Company to the Official List.

The Company expects to announce to the ASX full details (quantity and duration) of the Securities required to be held in escrow prior to the Company's listed securities being reinstated to trading on ASX (which reinstatement is subject to ASX's discretion and approval).

Assuming minimum subscription under the Public Offer, 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 to the Official List) will be approximately 73%, comprising all Shares issued pursuant to the Public Offer (other than Shares to be applied for by the Directors) and all Shares currently on issue (other than those held by related parties of the Company).

1.23 Risk Factors

The key risks of the Proposed Acquisition are:

- (a) **Risks relating to Change in Nature and Scale of Activities**
 - (i) **Completion Risk**

Pursuant to the Term Sheet, the Company has a conditional right to acquire 80% of the issued capital in Larchmont.

The Proposed Acquisition constitutes a significant change in the nature and scale of the Company's activities and the Company needs to re-comply with Chapters 1 and 2 of the Listing Rules as if it were seeking admission to the Official List of ASX. Trading in the Company's Shares is currently suspended and will remain suspended until the Company re-complies with Chapters 1 and 2 of the Listing Rules following settlement of the Proposed Acquisition.

There is a risk that the conditions for settlement of the Proposed Acquisition cannot be fulfilled, including where the Company is unable to meet the requirements of the ASX for re-quotation of its Securities on the ASX. If the Proposed Acquisition is not completed, the Company will incur costs relating to advisors and other costs without any material benefit being achieved. Should this occur, Shares will not be able to be traded on the ASX until such time as the Company has recompiled with Chapters 1 and 2 of the Listing Rules and Shareholders may be prevented from trading their Shares until such time as a successful re-compliance is completed.

(ii) **Dilution Risk**

The Company currently has 33,851,450 Shares on issue. Pursuant to the Proposed Acquisition, the Company proposes to issue:

- (A) 24,000,000 Shares in consideration for the Proposed Acquisition (including 4,800,000 Shares to be issued to Michael Stares in consideration for the acquisition by Larchmont of his 20% interest in Noronex;
- (B) 5,500,000 Shares in part satisfaction of the Initial Payment under the White Metal Agreement;
- (C) 2,243,226 Shares as a condition precedent to the assignment of the White Metal Option to Larchmont; and
- (D) up to 90,000,000 Shares under the Public Offer.

Following the issue of the abovementioned securities (and assuming maximum subscription under the Public Offer, with no Shares issued to existing Shareholders under the Priority Offer):

- (E) the existing Shareholders will retain approximately 21.75% of the Company's issued Share capital;
- (F) the current Larchmont shareholders and RZJ will together hold approximately 13.78% of the Company's issued Share capital;
- (G) Michael Stares will hold approximately 3% of the Company's issued Share capital;
- (H) White Metal will hold approximately 3.5% of the Company's issued Share capital; and

- (l) the investors under the Public Offer will hold approximately 57.84% of the Company's issued Share capital.

(b) **Risks relating to the Company**

(i) **Suspension**

As the Company's Shares have been suspended from trading for approximately 11 months, there is currently no public market for Shares. There is no guarantee that an active trading market in the Company's Shares will develop or that that prices at which Shares trade will increase following completion of the Proposed Acquisition and the Public Offer. The prices at which Shares trade may be above or below the price of the Public Offer and may fluctuate in response to several factors.

(ii) **Exploration and operating**

The Projects are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings.

The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns or adverse weather conditions, unanticipated operational and technical difficulties, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, industrial and environmental accidents, industrial disputes, unexpected shortages and increases in the costs of consumables, spare parts, plant, equipment and staff, native title process, changing government regulations and many other factors beyond the control of the Company.

The success of the Company will also depend upon the Company being able to maintain title to the mineral exploration licences comprising the Projects and obtaining all required approvals for their contemplated activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the Projects, a reduction in the cash reserves of the Company and possible relinquishment of one or more of the mineral exploration licences comprising the Projects.

(iii) **Contractual Risk**

The Company is earning an interest in the Namibian Projects pursuant to the White Metal Agreement (details of which are summarised in Schedule 2).

The Company is not the registered owner of the Exclusive Prospecting Licences (**EPLs**) which comprise the Namibian Projects and therefore the Company's ability to achieve its objectives in respect of the Namibian Projects is dependent upon it and the registered holder of the EPLs (Aloe 237) complying with its obligations under the White Metal Agreement, and on the registered holder complying with the terms and conditions of the EPLs and any other applicable legislation. Any failure to comply with these obligations may result in the

Company losing its interest in those EPLs, which may have a material adverse effect on the Company's operations and the performance and value of the Shares. The Company has no current reason to believe that the registered owners of the EPLs will not meet and satisfy their respective obligations under the White Metal Agreement, the licence conditions and other applicable legislation.

Upon earning an interest in Aloe 237 and forming a joint venture with White Metal with respect to the Namibian Projects, there is also a risk of financial failure or default under the joint venture arrangements by a participant. Any withdrawal by a joint venture party or any issues with their ability to perform the obligations due under the joint venture arrangements could have a material adverse impact on the financial position of the Company. There is also the risk of disputes arising with the Company's joint venture partners, the resolution of which could lead to delays in the Company's proposed development activities or financial loss.

(iv) **Mine development**

Possible future development of a mining operation at the Company's 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 rock formations, flooding and extended interruptions due to inclement of hazardous weather conditions and fires, explosions or accidents. No assurance can be given that the Company will achieve commercial viability through the development or mining of its projects and treatment of ore.

(v) **Additional requirements for capital**

The funds to be raised under the Public Offer are considered sufficient to meet the immediate objectives of the Company. Additional funding may be required in the event costs exceed the Company's estimates and to effectively implement its business and operational plans in the future to take advantage of opportunities for acquisitions, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur. If such events occur, additional funding will be required.

In addition, should the Company consider that its exploration results justify commencement of production on any of its Projects,

additional funding will be required to implement the Company's development plans, the quantum of which remain unknown at the date of this Notice.

Following completion of the Public Offer, the Company may seek to raise further funds through equity or debt financing, joint ventures, licensing arrangements, or other means. Failure to obtain sufficient financing for the Company's activities may result in delay and indefinite postponement of their activities and the Company's proposed expansion strategy. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing may not be favourable to the Company and might involve substantial dilution to Shareholders.

(vi) **Covid-19**

The outbreak of the coronavirus disease (**COVID-19**) is impacting global economic markets. The nature and extent of the effect of the outbreak on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19. Further, any governmental or industry measures taken in response to COVID-19, including limitations on travel to jurisdictions in which the Company identifies potential end-users for its products, may adversely impact the Company's operations and are likely to be beyond the control of the Company. The Company confirms that it has not been materially affected by the COVID-19 pandemic to date.

The Company is monitoring the situation closely and considers the impact of COVID-19 on the Company's business and financial performance to be limited. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain.

(vii) **Climate Change**

The operations and activities of the Company are subject to changes to local or international compliance regulations related to climate change mitigation efforts, specific taxation or penalties for carbon emissions or environmental damage and other possible restraints on industry that may further impact the Company. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences.

Climate change may also cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns, incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.

(viii) **Reliance on key personnel**

The Company's future depends, in part, on its ability to attract and retain key personnel. It may not be able to hire and retain

such personnel at compensation levels consistent with its existing compensation and salary structure. Its future also depends on the continued contributions of its executive management team and other key management and technical personnel, the loss of whose services would be difficult to replace. In addition, the inability to continue to attract appropriately qualified personnel could have a material adverse effect on the Company's business.

(c) **Industry Specific Risks**

(i) **Tenure and renewal**

Mining and exploration licences are subject to periodic renewal. There is no guarantee that current or future licences or future applications for production licences will be approved.

The mineral licences are subject to the applicable mining acts and regulations in Canada and Namibia. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the licences comprising the Company's Projects. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.

(ii) **Exploration Costs**

The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.

(iii) **Exploration Success**

The mineral assets in which the Company will acquire an interest are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings.

There can be no assurance that exploration of these assets, or any other assets that may be acquired in the future, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

(iv) **Resource, Reserves and Exploration Targets**

Reserve and Resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when initially calculated may alter significantly when new information or techniques become available. In addition, by their very nature Resource and Reserve estimates are imprecise and depend to some extent on interpretations which may prove to be inaccurate.

(v) **Operations**

The operations of the Company may be affected by various factors, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its Projects. Until the Company is able to realise value from its Projects, it is likely to incur ongoing operating losses.

(vi) **Environmental**

The operations and proposed activities of the Company are subject to Australian, Canadian and Namibian laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or fires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations.

The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous making the Company's operations more expensive.

Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programmes or mining activities.

(d) **General Risks**

(i) **Economic**

General economic conditions, introduction of tax reform, new legislation, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company, as well as on its ability to fund its operations.

(ii) **Commodity price volatility and exchange rate risk**

The Company's operating results, economic and financial prospects and other factors will affect the trading price of the Shares. In addition, the price of Shares is subject to varied and often unpredictable influences on the market for equities, including, but not limited to, general economic conditions including the performance of the Australian dollar on world markets, inflation rates, foreign exchange rates and interest rates, variations in the general market for listed stocks in general, changes to government policy, legislation or regulation, industrial disputes, general operational and business risks and hedging or arbitrage trading activity that may develop involving the Shares.

In particular, the share prices for many companies have been and may in the future be highly volatile, which in many cases may reflect a diverse range of non-company specific influences such as global hostilities and tensions relating to certain unstable regions of the world, acts of terrorism and the general state of the global economy. No assurances can be made that the Company's market performance will not be adversely affected by any such market fluctuations or factors.

As the Company's Shares have been suspended from trading for approximately 11 months, there is currently no public market for Shares. There is no guarantee that an active trading market in the Company's Shares will develop or that the prices at which Shares trade will increase following settlement of the Proposed Acquisition and Public Offer. The prices at which Shares trade may be above or below the price of the Public Offer and may fluctuate in response to a number of factors.

(iii) **Competition risk**

The industry in which the Company will be involved is subject to domestic and global competition. Although the Company will undertake reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company.

(iv) **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:

(A) general economic outlook;

(B) introduction of tax reform or other new legislation;

- (C) currency fluctuations
- (D) interest rates and inflation rates;
- (E) changes in investor sentiment toward particular market sectors;
- (F) the demand for, and supply of, capital; and
- (G) 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. Neither the Company, the Directors, or the Proposed Director warrant the future performance of the Company or any return on an investment in the Company.

Securities listed on the stock market experience extreme price and volume fluctuations that have often been unrelated to the operating performance of such companies. These factors may materially affect the market price of the Shares regardless of the Company's performance.

(v) **Agents and contractors**

The Directors are unable to predict the risk of the insolvency or managerial failure by any of the contractors used (or to be used in the future) by the Company in any of its activities or the insolvency or other managerial failure by any of the other service providers used (or to be used in the future) by the Company for any activity.

(vi) **Force majeure**

The Company's projects now or in the future may be adversely affected by risks outside the control of the Company including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

(vii) **Litigation risks**

The Company is exposed to possible litigation risks including native title claims, tenure disputes, environmental claims, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. The Company is not currently engaged in any litigation.

1.24 **Plans for the Company if completion of the Acquisition does not occur**

If any of the Essential Resolutions are not passed and the Proposed Acquisition is therefore not able to be complete, the Company will continue to look for alternative potential business acquisitions to take the Company forward.

Trading in the Company's Shares is currently suspended and will remain suspended until the Company re-complies with Chapters 1 and 2 of the Listing Rules following completion of the Proposed Acquisition or can otherwise satisfy ASX that its level of its operations are sufficient for the purposes of Listing Rule 12.1.

1.25 Directors' interests in the Acquisition

None of the Directors or the Proposed Director have any interest in the Proposed Acquisition, other than as disclosed in this Notice.

1.26 Vendors' interests in the Company

None of the Larchmont vendors (or their associates) are related parties of the Company.

None of the Larchmont vendors have any interest in the Company, other than as disclosed in this Notice.

1.27 Related Parties

Pursuant to Resolutions 10 to 12, the Company is seeking Shareholder approval to enable Directors, Piers Lewis and David Prentice, and proposed Director, Robert Klug, the opportunity to participate in the Public Offer.

Pursuant to Resolutions 13 to 0, the Company is seeking Shareholder approval to permit the issue of Options to current Directors, Piers Lewis and David Prentice, and proposed Director, Robert Klug.

1.28 Forward looking statements

The forward-looking statements in this Explanatory Statement are based on the Company's current expectations about future events. However, they are subject to known and unknown risks, uncertainties and assumptions, many of which are outside the control of the Company and the Directors, which could cause actual results, performance or achievements to differ materially from future results, performance or achievements expressed or implied by the forward-looking statements in this Explanatory Statement. These risks include but are not limited to, the risks detailed in Section 1.23. Forward looking statements include those containing words such as 'anticipate', 'estimates', 'should', 'will', 'expects', 'plans' or similar expressions.

2. RESOLUTION 1 – CHANGE TO NATURE AND SCALE OF ACTIVITIES

2.1 General

Resolution 1 seeks the approval of Shareholders for a change in the nature and scale of the Company's activities via the Proposed Acquisition.

A detailed description of the Proposed Acquisition is outlined in Section 1 above. The key terms and conditions of the Term Sheet and the White Metal Agreement are set out in Schedule 1 and Schedule 2 of this Notice, respectively.

2.2 Listing Rule 11.1

Listing Rule 11.1 provides that where an entity proposes to make a significant change, either directly or indirectly, to the nature or scale of its activities, it must provide full details to ASX as soon as practicable (and before making the change) and comply with the following:

- (a) provide to ASX information regarding the change and its effect on future potential earnings, and any information that ASX asks for;
- (b) if ASX requires, obtain the approval of holders of its shares and comply with any requirements of ASX in relation to the notice of meeting; and
- (c) if ASX requires, meet the requirements of Chapters 1 and 2 of the Listing Rules as if the entity were applying for admission to the Official List.

ASX has indicated to the Company that the change in the nature and scale of the Company's activities as a result of the Proposed Acquisition requires the Company, in accordance with Listing Rule 11.1.2, to obtain Shareholder approval and the Company must comply with any requirements of ASX in relation to the Notice of Meeting.

2.3 Listing Rule 11.1.2

The Company is proposing to undertake the Proposed Acquisition and to re-comply with the Listing Rules.

Listing Rule 11.1.2 empowers ASX to require a listed company to obtain the approval of its shareholders to a significant change to the nature or scale of its activities. The Proposed Acquisition will involve a significant change to the nature or scale of the Company's activities for these purposes and, as its usual practice, ASX has imposed a requirement under Listing Rule 11.1.2 that the Company obtain shareholder approval to the Proposed Acquisition.

Resolution 1 seeks the required Shareholder approval to the Proposed Acquisition and for the purposes of Listing Rule 11.1.2.

2.4 Technical information required by Listing Rule 14.1A

If Resolution 1 is passed, the Company will be able to proceed with the Proposed Acquisition, which will allow the Company to change the nature and scale of its activities.

If Resolution 1 is **not** passed, the Company will not be able to proceed with the Proposed Acquisition. As a result, the Company will be unable to undertake the change of nature and scale of its activities and will likely remain in suspension until it can satisfy ASX that its level of its operations are sufficient for the purposes of Listing Rule 12.1.

2.5 Suspension until re-compliance with Chapters 1 and 2 of the Listing Rules

ASX has also indicated to the Company that the change in the nature and scale of the Company's activities is a back-door listing which consequently requires the Company to (in accordance with Listing Rule 11.1.3) re-comply with the admission requirements set out in Chapters 1 and 2 of the Listing Rules (including any ASX requirement to treat the Company's Securities as restricted Securities).

The Company's securities have been suspended from quotation since 30 August 2019 and, subject to Shareholder approval being obtained, will remain suspended from quotation until the Company has completed the Proposed Acquisition and re-complied with Chapters 1 and 2 of the Listing Rules, including by satisfaction of ASX's conditions precedent to reinstatement.

3. RESOLUTION 2 – ISSUE OF SHARES IN CONSIDERATION FOR PROPOSED ACQUISITION

3.1 General

As at the date of this Notice, the share capital of Larchmont is held by James Thompson, Sonja Heath and Larchmont Holdings Pty Ltd (in equal shares). As part of the Proposed Acquisition, Larchmont will undergo a capital restructure so that, upon completion, the remaining 20% interest in Larchmont will be held by Larchmont Holdings Pty Ltd.

Resolution 2 seeks Shareholder approval for the issue of 24,000,000 Shares to the Larchmont Holdings Pty Ltd (or its nominee/s) in consideration for the acquisition of 80% of the issued capital in Larchmont, in accordance with the Term Sheet.

The Term Sheet provides that upon issue, these Shares will be apportioned as follows:

- (a) 19,200,000 Shares to the Larchmont Holdings Pty Ltd (or its nominee/s); and
- (b) 4,800,000 Shares to Michael Stares (or his nominee), in consideration for the transfer of his 20% interest in Noronex to Larchmont prior to completion of the Proposed Acquisition.

Broadly speaking, and subject to a number of exceptions (**Exceptions**), Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

The proposed issue of the Shares does not fall within any of these Exceptions and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

Resolution 2 seeks the required Shareholder approval to the issue of the Shares under and for the purposes of Listing Rule 7.1.

3.2 Technical information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to this Resolution:

- (a) the maximum number of Shares to be issued is 24,000,000;
- (b) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Shares will occur on the same date;
- (c) the Shares will be issued for nil cash consideration, as part consideration for the Proposed Acquisition;
- (d) 19,200,000 of the Shares will be issued to Larchmont Holdings Pty Ltd (or its nominee/s), and 4,800,000 of the Shares will be issued to Michael Stares (or his nominee), as detailed in Section 3.1 above;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (f) no funds will be raised from the issue as the Shares are being issued as part consideration for the Proposed Acquisition; and
- (g) the material terms of the Term Sheet are summarised at Schedule 1.

3.3 Technical Information required by Listing Rule 14.1A

If Resolution 2 is passed, the Company will be able to proceed with the issue of the Shares. In addition, the issue will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

Resolution 2 is an Essential Resolution. As such, if Resolution 2 is not passed, the Company will not be able to proceed with the Proposed Acquisition.

4. RESOLUTION 3 – ISSUE OF SHARES TO WHITE METAL

4.1 General

Following completion of the assignment of the White Metal Option to Larchmont, Larchmont shall have the right to earn-in and acquire up to a 95% interest in Aloe 237 in multiple stages. Larchmont shall have the right to acquire the initial 50% interest upon satisfaction of the following conditions:

- (a) making a C\$500,000 payment (**Initial Payment**) to White Metal by 15 October 2020 (**Commencement Date**), comprised of:
 - (i) C\$250,000 in cash; and
 - (ii) an additional C\$250,000 in value comprised of cash or Shares in the Company (at a deemed issue price of A\$0.05 per Share);
- (b) making a C\$500,000 payment to Aloe 237 prior to the first anniversary of the Commencement Date, with such funding to be used for completing exploration works on the Namibian Projects;
- (c) making a C\$500,000 payment to Aloe 237 prior to the second anniversary of the Commencement Date, with such funding to be used for completing exploration works on the Namibian Projects; and
- (d) RZJ providing Aloe 237 with \$1,000,000 prior to the third anniversary of the Commencement Date, with such funding to be utilised for completing exploration works on the Namibian Projects.

Resolution 3 seeks Shareholder approval for the issue of up to 5,500,000 Shares to White Metal (or its nominee/s), in part satisfaction of the Initial Payment under the White Metal Agreement. Subject to Shareholder approval, it is proposed that these Shares will be issued at completion of the Proposed Acquisition.

A summary of Listing Rule 7.1 is set out in Section 3.1 above.

This proposed issue of Shares does not fall within any of the Exceptions and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

4.2 Technical information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to this Resolution:

- (a) the maximum number of Shares to be issued is 5,500,000;
- (b) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Shares will occur on the same date;
- (c) the Shares will be issued for nil cash consideration in part satisfaction of the Initial Payment;
- (d) the Shares will be issued to White Metal (or its nominee/s), who are not a related party of the Company;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (f) no funds will be raised from the issue as the Shares are being issued in part satisfaction of the Initial Payment; and

- (g) the material terms of the White Metal Agreement are summarised at Schedule 2.

4.3 Technical Information required by Listing Rule 14.1A

If Resolution 3 is passed, the Company will be able to proceed with the issue of 5,500,000 Shares to White Metal (or its nominee/s). In addition, the issue will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

Resolution 3 is an Essential Resolution. As such, if Resolution 3 is not passed, the Company will not be able to proceed with the Proposed Acquisition.

5. RESOLUTION 3(C)(II) – ISSUE OF SHARES PURSUANT TO PUBLIC OFFER

5.1 General

Resolution 3(c)(ii) seeks Shareholder approval for the issue of up to 90,000,000 Shares at an issue price of \$0.05 per Share, to raise up to \$4,500,000 under the Public Offer (assuming maximum subscription).

The Public Offer will be undertaken via the Prospectus to assist the Company in complying with Chapters 1 and 2 of the Listing Rules (which is required to obtain re-instatement of the Shares to trading on the Official List on completion of the Proposed Acquisition).

As part of the Public Offer, the Company intends to include a priority offer which will give existing Shareholders priority to subscribe for Shares under the Public Offer (**Priority Offer**). It is proposed that under the Priority Offer, the Company will be able to accept applications from the existing eligible Shareholders in priority to the allocation of Shares under the Public Offer to other applicants, up to an expected amount of \$1,000,000. Further details of the Priority Offer will be included in the Prospectus to be released shortly.

The minimum subscription under the Public Offer will be \$3,000,000 (**Minimum Subscription**). It is noted that the Shares the subject of the Public Offer will only be issued if:

- (a) the Minimum Subscription is raised;
- (b) the Company has received conditional approval from ASX for the Company to be reinstated to official quotation on ASX following the Company's compliance with Listing Rule 11.1.3 and Chapters 1 and 2 of the Listing Rules; and
- (c) the issue occurs contemporaneously with settlement of the Proposed Acquisition, which requires, amongst other things, the passing of all Essential Resolutions.

Further details of the Public Offer will be set out in the Prospectus.

A summary of Listing Rule 7.1 is set out in Section 3.1 above.

The proposed issue of Shares does not fall within any of the Exceptions and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

Resolution 3(c)(ii) seeks the required Shareholder approval to the issue of the Shares under and for the purposes of Listing Rule 7.1.

If Resolution 3(c)(ii) is passed, the Company will be able to proceed with the issue of Shares under the Public Offer. In addition, the issue will be excluded from the

calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

Resolution 3(c)(ii) is an Essential Resolution. As such, if Resolution 5 is not passed, the Company will not be able to proceed with the Proposed Acquisition.

5.2 Technical information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to this Resolution:

- (a) the maximum number of Shares to be issued is 90,000,000;
- (b) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Shares will occur on the same date;
- (c) the issue price will be \$0.05 per Share;
- (d) the Shares will be issued to subscribers under the Public Offer. The Directors will determine to whom the Shares will be issued, on a basis to ensure the Company's re-compliance requirements are met, but these persons will not be related parties of the Company;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) the Company intends to use the funds raised from the Public Offer as set out in Section 1.14.

6. RESOLUTION 5 – ISSUE OF OPTIONS TO ADVISORS IN CONNECTION WITH THE PUBLIC OFFER

6.1 General

The Company does not intend to appoint a lead manager to the Public Offer, however it may engage one or more advisors to procure subscriptions under the Public Offer and to assist the Company in meeting its re-compliance requirements.

To this end, Resolution 5 seeks Shareholder approval for the issue of up to 12,000,000 Options (comprising 6,000,000 Options exercisable at \$0.10 on or before the date which is 2 years from their date of issue and 6,000,000 Options exercisable at \$0.15 on or before the date which is 3 years from their date of issue) to potential advisors, in consideration for brokerage services to be provided to the Company in connection with the Public Offer.

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

The proposed issue of the Options does not fall within any of these exceptions and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

Resolution 5 seeks the required Shareholder approval for the issue of the Options under and for the purposes of Listing Rule 7.1.

The effect of Resolution 5 will be to allow the Company to issue the Options during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

6.2 Technical information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to the issue of the Options:

- (a) the maximum number of Options to be issued is 12,000,000;
- (b) the Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Options will occur on the same date;
- (c) the Options will be issued for nil cash consideration as consideration for brokerage services to be provided to the Company in connection with the Public Offer;
- (d) the Options will be issued to potential advisors identified by the Company (or their nominee/s), who are not a related parties of the Company;
- (e) the Options will be issued on the terms and conditions set out in Schedule 3;
- (f) no funds will be raised from the issue of the Options as the Options are being issued as consideration for brokerage services to be provided to the Company in connection with the Public Offer; and
- (g) as at the date of this Notice, no agreements have been entered into with any advisors with respect to the issue of Options, the subject of this Resolution.

6.3 Technical Information Required by Listing Rule 14.1A

If Resolution 5 is passed, the Company will be able to proceed with the issue of the Options. In addition, the issue will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 5 is not passed, the Company will not be able to proceed with the issue of the Options and would need to seek an alternative means of compensating potential advisors.

Resolution 5 **has not** been denoted as an Essential Resolution, however, should Shareholder approval not be received for the issue of the Options, the ability of the Company to complete the Public Offer and satisfy its re-compliance conditions may be jeopardised.

7. RESOLUTION 6 – CHANGE OF COMPANY NAME

Section 157(1)(a) of the Corporations Act provides that a company may change its name if the company passes a special resolution adopting a new name.

Resolution 6 seeks the approval of Shareholders for the Company to change its name to 'Noronex Limited'.

If Resolution 6 is passed the change of name will take effect when ASIC alters the details of the Company's registration.

The proposed name has been reserved by the Company and if Resolution 6 is passed, the Company will lodge a copy of the special resolution with ASIC on completion of the Proposed Acquisition in order to effect the change.

The Board proposes this change of name on the basis that it more accurately reflects the proposed future operations of the Company.

8. RESOLUTION 7 – AMENDMENT TO CONSTITUTION

A company may modify or repeal its constitution or a provision of its constitution by special resolution of Shareholders.

Resolution 7 is a special resolution which will enable the Company to amend its existing Constitution (**Amended Constitution**) to delete all references in the Constitution to “Lustrum Minerals Limited” and replace them with “Noronex Limited.”

A copy of the Amended Constitution is available for review by Shareholders at the office of the Company. A copy of the Amended Constitution can also be sent to Shareholders upon request to the Company Secretary. Shareholders are invited to contact the Company if they have any queries or concerns.

9. RESOLUTION 8 – APPOINTMENT OF ROBERT KLUG

9.1 General

The Company’s Constitution provides that the Company may elect a person as a director by resolution passed in general meeting.

Robert Klug, in accordance with clause 14.3 of the Constitution, subject to completion of the Proposed Acquisition, seeks election from Shareholders.

9.2 Qualifications and other material directorships

Refer to Section 1.18 for the qualifications and material directorships of Mr Klug.

9.3 Independence

Robert Klug has no interests, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect his/her capacity to bring an independent judgement to bear on issues before the Board and to act in the best interest of the Company and its security holders generally.

If elected, the Board does consider that Robert Klug will be an independent director.

9.4 Board recommendation

The Board supports the election of Robert Klug and recommends that Shareholders vote in favour of Resolution 8.

10. RESOLUTION 9 – ADOPTION OF INCENTIVE PERFORMANCE RIGHTS AND OPTIONS PLAN

10.1 General

Resolution 9 seeks Shareholder approval for the adoption of the employee incentive scheme titled “Incentive Performance Rights and Options Plan” (**Plan**) and for the issue of Performance Rights and Options under the Plan in accordance with Listing Rule 7.2 (Exception 13(b)).

The objective of the Plan is to attract, motivate and retain key employees and the Company considers that the adoption of the Plan and the future issue of Performance Rights or Options under the Plan will provide selected employees with the opportunity to participate in the future growth of the Company.

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

Listing Rule 7.2 (Exception 13(b)) provides that Listing Rule 7.1 does not apply to an issue of securities under an employee incentive scheme if, within three years before the date of issue of the securities, the holders of the entity's ordinary securities have approved the issue of equity securities under the scheme as exception to Listing Rule 7.1.

Exception 13(b) is only available if and to the extent that the number of equity securities issued under the scheme does not exceed the maximum number set out in the entity's notice of meeting dispatched to shareholders in respect of the meeting at which shareholder approval was obtained pursuant to Listing Rule 7.2 (Exception 13(b)). Exception 13(b) also ceases to be available if there is a material change to the terms of the scheme from those set out in the notice of meeting.

If Resolution 9 is passed, the Company will be able to issue Performance Rights and Options under the Plan to eligible participants over a period of 3 years. The issue of any Performance Rights or Options to eligible participants under the Plan (up to the maximum number of Securities stated in Section 10.2(c) below) will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

For the avoidance of doubt, the Company must seek Shareholder approval under Listing Rule 10.14 in respect of any future issues of Performance Rights or Options under the Plan to a related party or a person whose relationship with the company or the related party is, in ASX's opinion, such that approval should be obtained.

If Resolution 9 is not passed, the Company will be able to proceed with the issue of Performance Rights and Options under the Plan to eligible participants, but any issues of Performance Rights or Options will reduce, to that extent, the Company's capacity to issue equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the issue of the Performance Rights or Options.

10.2 Technical information required by Listing Rule 7.2 (Exception 13)

Pursuant to and in accordance with Listing Rule 7.2 (Exception 13), the following information is provided in relation to Resolution 9:

- (a) a summary of the key terms and conditions of the Plan is set out in Schedule 5;
- (b) the Company has not issued any Performance Rights or Options under the Plan as this is the first time that Shareholder approval is being sought for the adoption of the Plan;
- (c) the maximum number of Securities proposed to be issued under the Plan, following Shareholder approval, is 7,779,733 Securities, representing 5% of the Shares on issue in the Company upon completion of the Proposed Acquisition (assuming maximum subscription under the Public Offer). The maximum number is not intended to be a prediction of the actual number of securities to be issued under the Plan, simply a ceiling for the purposes of Listing Rule 7.2 (Exception 13(b)); and
- (d) a voting exclusion statement is included in Resolution 9 of this Notice.

11. RESOLUTIONS 10 TO 12 – DIRECTOR PARTICIPATION IN PUBLIC OFFER

11.1 General

As set out above in section 5.1, the Company is seeking Shareholder approval under Resolution 4 for the allotment and issue of up to 90,000,000 Shares at an issue price of \$0.05 per Share to raise up to \$4,500,000 under the Public Offer.

Each of Messrs Piers Lewis, David Prentice and Robert Klug wish to participate in the Public Offer.

Resolutions 10 to 12 seek Shareholder approval for the issue of:

- (a) up to 1,000,000 Shares to Mr Piers Lewis (or his nominee);
- (b) up to 900,000 Shares to Mr David Prentice (or his nominee); and
- (c) up to 400,000 Shares to Mr Robert Klug (or his nominee),

arising from their respective participation in the Public Offer (**Director Participation**).

11.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in Sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in Sections 210 to 216 of the Corporations Act.

The Director Participation will result in the issue of Shares which constitutes giving a financial benefit and Mr Klug is a related party of the Company by virtue of being a proposed Director in accordance with Listing Rule 10.11.1A. Messrs Lewis and Prentice are each a related party by virtue of being a current Director.

The Directors consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Director Participation because the Shares will be issued to Messrs Piers Lewis, Robert Klug and David Prentice on the same terms as Shares will be issued to non-related party participants in the Public Offer and as such the giving of the financial benefit is on arm's length terms.

11.3 Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

- 10.11.1 a related party;
- 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- 10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- 10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3;
or

10.11.5 a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The issue of the Shares falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.

11.4 Listing Rule 7.1

A summary of Listing Rule 7.1 is set out above in Section 5.1.

Approval pursuant to Listing Rule 7.1 is not required for the Director Participation as approval is being obtained under Listing Rule 10.11.

11.5 Technical Information required by Listing Rule 14.1A

If Resolutions 10 to 12 are passed, the Company will be able to proceed with the issue of the Shares to Messrs Lewis, Prentice and Klug, within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Shares to Messrs Lewis, Prentice and Klug (because approval is being obtained under Listing Rule 10.11), the Director Participation will not use up any of the Company's 15% annual placement capacity.

If Resolutions 10 to 12 are not passed, the Company will not be able to proceed with the issue of the Shares to Messrs Lewis, Prentice and Klug and such Shares would form part of the Public Offer.

11.6 Technical Information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to the Director Participation:

- (a) the Shares will be issued to Messrs Lewis, Prentice and Klug (or their respective nominee/s);
- (b) the maximum number of Shares to be issued is:
 - (i) pursuant to Resolution 10, up to 1,000,000 Shares to Mr Piers Lewis (or his nominee);
 - (ii) pursuant to Resolution 11, up to 900,000 Shares to Mr David Prentice (or his nominee); and
 - (iii) pursuant to Resolution 12, up to 400,000 Shares to Mr Robert Klug (or his nominee);
- (c) the Company has been granted a waiver from the requirements of Listing Rule 10.13.5 such that the Shares will be issued no later than the earlier of, (i) the date on which the Shares under the Public Offer are issued, and (ii) 14 December 2020 (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue will occur on the same date;
- (d) the issue price will be \$0.05 per Share, being the same as all other Shares issued under the Public Offer, with all funds raised under the Public Offer to be spent in accordance with the use of funds detailed at Section 1.14;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;

- (f) the funds raised will be used for the same purposes as all other funds raised under the Public Offer as set out in Section 1.14 of this Explanatory Statement; and
- (g) voting exclusion statements are included in Resolutions 10-13 of the Notice

12. RESOLUTIONS 13, 14 AND 0 – ISSUE OF OPTIONS TO RELATED PARTIES

12.1 General

On completion of the Proposed Acquisition, the Company proposes to issue a total of 9,000,000 Options to current Directors, Messrs Piers Lewis and David Prentice, and proposed Director, Robert Klug, comprising:

- (a) 1,500,000 Options (exercisable at \$0.10 on or before the date which is two years from their date of issue) and 1,500,000 Options (exercisable at \$0.15 on or before the date which is three years from their date of issue) to Mr Lewis (or his nominee/s), the subject of Resolution 13;
- (b) 1,500,000 Options (exercisable at \$0.10 on or before the date which is two years from their date of issue) and 1,500,000 Options (exercisable at \$0.15 on or before the date which is three years from their date of issue) to Mr Klug (or his nominee/s), the subject of Resolution 14; and
- (c) 1,500,000 Options (exercisable at \$0.10 on or before the date which is two years from their date of issue) and 1,500,000 Options (exercisable at \$0.15 on or before the date which is three years from their date of issue) to Mr Prentice (or his nominee/s), the subject of Resolution 0,

and otherwise on the terms and conditions set out in Schedule 6.

The Options are being issued to compensate the recipients for additional work done in connection with the Proposed Acquisition and to provide a cost effective, performance linked incentive component in the remuneration package for the recipients, to motivate and reward their performance as Directors.

Resolutions 13 to 0 seek Shareholder approval for the grant of the Options to Messrs Lewis, Klug and Prentice (or their respective nominees) (together, the **Related Parties**).

12.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The grant of Options constitutes giving a financial benefit and Messrs Lewis and Prentice are each a related party of the Company by virtue of being Directors and Mr Klug is a related party by virtue of his anticipated appointment as a Director as part of the Proposed Acquisition.

The Directors consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of the Options because

the agreements to grant the Options were reached as part of the remuneration packages for the Related Parties and are each considered reasonable remuneration in the circumstances, for the purposes of Section 211 of the Corporations Act.

12.3 Listing Rule 10.11

A summary of Listing Rule 10.11 is set out in Section 11.3 above.

As the grant of the Options involves the issue of securities to related parties of the Company, Shareholder approval pursuant to Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in Listing Rule 10.12 do not apply in the current circumstances.

12.4 Technical information required by Listing Rule 14.1A

If Resolutions 13 to 0 are passed, the Company will be able to proceed with the issue of the Options to the Related Parties within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Options (because approval is being obtained under Listing Rule 10.11), the issue of the Options will not use up any of the Company's 15% annual placement capacity.

If Resolutions 13 to 0 are not passed, the Company will not be able to proceed with the issue of the Options.

12.5 Technical Information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to Resolutions 13 to 0:

- (a) the Options will be issued to Messrs Lewis, Klug and Prentice (or their respective nominees), who are each a related party of the Company pursuant to Listing Rule 10.11.1, by virtue of being a Director (in the case of Messrs Lewis and Prentice) or proposed Director (in the case of Mr Klug);
- (b) a total of 9,000,000 Options will be issued to the Related Parties, as described in Section 12.1 above;
- (c) the terms and conditions of the Options are set out in Schedule 6;
- (d) the Options will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Options will occur on the same date;
- (e) the issue price of the Options will be nil. The Company will not receive any other consideration in respect of the issue of the Options (other than in respect of funds received on exercise of the Options);
- (f) the purpose of the issue of the Options is to compensate the Related Parties for additional work done in connection with the Proposed Acquisition and to provide a cost-effective, performance linked incentive component in the remuneration package for the Related Parties to motivate and reward their performance as Directors;

- (g) the current total remuneration package for the Related Parties is as follows:

Director	Remuneration ¹
Mr Piers Lewis (Resolution 13)	\$40,000 per annum
Mr Robert Klug (Resolution 14)	\$40,000 per annum (subject to completion of the Proposed Acquisition)
Mr David Prentice (Resolution 0)	\$60,000 per annum

Notes:

1. Excluding superannuation and subject to completion of the Proposed Acquisition.

If the Options are issued, the total remuneration package for each of Messrs Lewis, Klug and Prentice would increase by \$20,418, being the value of the Options (based on the Black Scholes methodology).

- (h) the Options are not being issued under an agreement; and
- (i) a voting exclusion statement is included in Resolutions 13 to 0 of the Notice.

13. RESOLUTION 16 – ISSUE OF SHARES TO RZJ

13.1 General

On 19 October 2019, a C\$100,000 deposit was paid by RZJ (an entity controlled by James Thompson) to White Metal in consideration for the grant of the White Metal Option (**Deposit**). As a condition precedent to the assignment of the White Metal Option to Larchmont, the Company has agreed to issue RZJ (or its nominee/s) a total of 2,243,226 Shares. It is proposed that these Shares will be issued upon completion of the Proposed Acquisition, prior to re-listing.

Resolution 16 seeks Shareholder approval for the issue of the Shares to RZJ (or its nominee/s).

The number of Shares was determined by dividing the value of the Deposit (A\$112,161.30, based on the AUD:CAD exchange rate at the date of payment) by \$0.05 (being the issue price of the Public Offer).

A summary of Listing Rule 7.1 is set out in Section 3.1 above.

This proposed issue of Shares does not fall within any of the Exceptions and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

13.2 Technical information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to this Resolution:

- (a) the maximum number of Shares to be issued is 2,243,226;
- (b) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Shares will occur on the same date;

- (c) the Shares will be issued for nil cash consideration in part satisfaction of the Initial Payment;
- (d) the Shares will be issued to RZJ (or its nominee/s), who are not a related party of the Company;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (f) no funds will be raised from the issue as the Shares are being issued as a condition precedent to the assignment of the White Metal Option to Larchmont; and
- (g) it is proposed that the Shares will be issued pursuant to a deed of novation between RZJ, Larchmont, White Metal and Aloe 237 which, as at the date of this Notice, is yet to be formally agreed. It is proposed that other than with respect to the issue of the Shares the subject of this Resolution, the deed of novation will be made on customary terms.

13.3 Technical Information required by Listing Rule 14.1A

If Resolution 16 is passed, the Company will be able to proceed with the issue of 2,243,226 Shares to RZJ (or its nominee/s). In addition, the issue will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

Resolution 16 is an Essential Resolution. As such, if Resolution 16 is not passed, the Company will not be able to proceed with the Proposed Acquisition.

GLOSSARY

\$ means Australian dollars.

Amended Constitution has the meaning given in Section 8.

ASIC means the Australian Securities & Investments Commission.

Associated Body Corporate means

- (a) a related body corporate (as defined in the Corporations Act) of the Company;
- (b) a body corporate which has an entitlement to not less than 20% of the voting Shares of the Company; and
- (c) a body corporate in which the Company has an entitlement to not less than 20% of the voting shares.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Canadian Projects has the meaning given in Section 1.2(a).

Chair means the chair of the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means Lustrum Minerals Limited (ACN 140 316 463).

Constitution means the Company's constitution, which was adopted on 29 November 2019.

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

Director Participation has the meaning given in Section 11.1.

Directors means the current directors of the Company.

EPLs means the Exclusive Prospecting Licences comprising the Namibian Projects, being EPL 7028, 7029 and 7030.

Essential Resolution has the meaning given in Section 1.4.

Explanatory Statement means the explanatory statement accompanying the Notice.

General Meeting or **Meeting** means the meeting convened by the Notice.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Listing Rules means the Listing Rules of ASX.

Namibian Projects has the meaning given in Section 1.2(a).

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Official List means the official list of the ASX.

Official Quotation means quotation of securities on the Official List.

Option means an option to acquire a Share.

Plan means the incentive performance rights and option plan, the subject of Resolution 9 and as summarised in Schedule 5.

Priority Offer has the meaning given in Section 5.1.

Projects means the Canadian Projects and the Namibian Projects.

Proposed Acquisition means the Company's acquisition of 80% of the issued share capital of Larchmont.

Proposed Director means Mr Robert Klug.

Prospectus means the full form prospectus to be issued by the Company in connection with the Public Offer.

Proxy Form means the proxy form accompanying the Notice.

Public Offer means the Company's proposed public offer of a minimum of 60,000,000 Shares and maximum of 90,000,000 Shares the subject of Resolution 4.

Re-compliance means the Company re-complying with the admission requirements set out in Chapters 1 and 2 of the Listing Rules.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

RZJ means RZJ Capital Management LLC (an entity controlled by one of the Larchmont shareholders, James Thompson).

Section means a section of the Explanatory Statement.

Securities means the Company's issued securities.

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

Shareholder means a registered holder of a Share.

Term Sheet has the meaning given in Section 1.1(a).

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – TERMS AND CONDITIONS OF TERM SHEET

The material terms of the Term Sheet are as follows:

1. Acquisition

The Company agrees to buy, and the shareholders of Larchmont agree to sell, 80% of their respective fully paid ordinary shares in the capital of Larchmont (**Larchmont Acquisition**).

2. Consideration

The consideration for the Larchmont Acquisition is:

- (a) reimbursement of \$339,460 of expenditure that has been incurred on the Canadian Projects to date; and
- (b) the issue of 24,000,000 Shares, to be apportioned as follows:
 - (i) 19,200,000 Shares to the shareholders of Larchmont; and
 - (ii) 4,800,000 Shares to Michael Stares (**MS**), in consideration for MS agreeing to transfer his 20% interest in Noronex to Larchmont prior to completion of the Larchmont Acquisition.

3. Conditions Precedent

Completion of the Larchmont Acquisition is subject to the satisfaction or waiver of the following outstanding conditions precedent:

- (a) Larchmont having completed due diligence on the Company (to its satisfaction), and the Company having completed due diligence on Larchmont and Noronex (to its satisfaction);
- (b) the Larchmont shareholders, Larchmont and the Company entering into a shareholders agreement in respect of the finance, management and operation of Larchmont;
- (c) the Company obtaining conditional approval from ASX of reinstatement to the official list of the ASX on terms and conditions acceptable to the Company;
- (d) the Company preparing a full-form prospectus and completing a capital raising of a minimum of \$3,500,000 (at an issue price of \$0.05 per Share or such other issue price as agreed between the parties);
- (e) RZJ and Larchmont entering into an agreement pursuant to which RZJ agrees to assign the White Metal Option to Larchmont;
- (f) the parties obtaining all necessary third-party consents or approvals necessary to complete the transactions contemplated by the Term Sheet;
- (g) the cancellation of 15,000,000 Class A and 15,000,000 Class C Performance Shares in the capital of the Company currently on issue; and
- (h) the Company obtaining all necessary shareholder approvals required to complete the Proposed Acquisition and matters contemplated by the Term Sheet.

4. Right of Appointment

The Larchmont shareholders have the right (but not obligation) to appoint one person to the Board of the Company upon completion of the Larchmont Acquisition.

5. Free Carry

Upon completion of the Proposed Acquisition, the 20% minority interest in the Company shall be freely carried up to and including completion of a bankable feasibility study by the Company on the Canadian Projects.

The Term Sheet otherwise contains customary terms and conditions for an agreement of this nature.

SCHEDULE 2 – TERMS AND CONDITIONS OF WHITE METAL AGREEMENT

All \$ amounts shown below are Canadian dollars unless otherwise stipulated. The below summary also assumes that the White Metal Option has been assigned to Larchmont, as contemplated by the Larchmont Agreement.

The material terms and conditions of the White Metal Agreement are as follows:

1. Initial Option

Larchmont will earn up to an initial 50% interest in Aloe 237 (**Initial Option**) upon satisfying the following conditions (**Initial Earn-in Conditions**):

- (a) making a \$500,000 payment (**Initial Payment**) to White Metal on or prior to 15 October 2020 (**Commencement Date**), comprised of:
 - (i) \$250,000 in cash (subject to ASX confirming that such a payment does not contravene ASX Listing Rule 1.1 (Condition 11)); and
 - (ii) an additional \$250,000 in cash or shares in the Company (at a deemed issue price of A\$0.05 per Share);
- (b) making a further \$500,000 payment to Aloe 237 prior to the first anniversary of the Commencement Date, with such funding to be used for completing exploration works on the Namibian Projects;
- (c) making a further \$500,000 payment to Aloe 237 prior to the second anniversary of the Commencement Date, with such funding to be used for completing additional exploration works on the Namibian Projects; and
- (d) making a further \$1,000,000 payment to Aloe 237 prior to the third anniversary of the Commencement Date, with such funding to be used for completing further exploration works on the Namibian Projects.

Larchmont has the right, but not obligation, to request a pro-rata issue of shares in Aloe 237 upon satisfaction of each Initial Earn-in Condition, up to a 50% interest. However, any such interest in Aloe 237 may be clawed back by White Metal if Larchmont has not satisfied each of the Initial Earn-in Conditions by the third anniversary of the Commencement Date.

2. Second Option

Larchmont will be granted an additional 20% interest in Aloe 237 (**Second Option**) by exercising the Initial Option, and upon providing Aloe 237 with an additional \$3,000,000 funding to complete a minimum, in the aggregate, of \$5,000,000 of exploration on the Namibian Projects on or before the fourth anniversary of the Commencement Date.

3. Call Option

Subject to Larchmont having earned a 70% shareholder interest (or 73.5% interest depending on whether the Local Partner has elected to convert their 5% free carried interest to an NPI), through exercise of the Initial Option and the Second Option, and upon completion of a feasibility report with respect to the Namibian Projects, Larchmont have the right to elect to acquire White Metal's shareholder interest (25% to 26.5% interest, depending on whether the Local Partner has elected to convert their 5% free carried interest to an NPI) (**Call Option**) at a valuation to be determined by an independent valuator based on the feasibility report and considering the prevailing market capitalisation of the Company at the time.

Upon exercise of the Call Option, Larchmont may pay the applicable consideration in cash or, at Larchmont's election, 50% cash and 50% shares in the Company (at a deemed price equal to the 10-day volume weighted average price of the Company's shares prior to issuance).

4. Local Partner

A local Namibian partner currently holds a 5% interest in Aloe 237 (**Local Partner**). The Local Partner is free carried for exploration expenditures until an independent pre-feasibility report is completed with respect to the Namibian Projects. At such time, the Local Partner must decide whether to contribute to future expenditures and maintain their interest or convert their interest to a 5% net profits interest (**NPI**), which may be purchased by the remaining partners at any time for USD\$1M.

5. Joint Technical Committee

Upon payment of the Initial Payment, the parties will establish a Joint Technical Committee for the purposes of establishing exploration programs on the Namibian Projects. The Joint Technical Committee will give equal representation between White Metal and Larchmont but White Metal shall be the operator for the purposes of carrying out programs until such time as Larchmont has acquired a 50% interest in Aloe 237.

6. Shareholders agreement

Upon Larchmont acquiring an interest in Aloe 237, the parties shall thereupon enter into a shareholders agreement to govern the parties relationship for financing, managing and operating Aloe 237, to further explore, and if warranted, develop the Namibian Projects based on the respective interests of Larchmont, White Metals and the Local Partner in Aloe 237.

The work programs of Aloe 237 will be managed by a management committee with voting according to the percentage shareholder interests held.

Each shareholder shall have a customary right of first refusal to purchase the other party's shareholding interest, if the other party intends to sell all or part of its shares.

Rights to appoint directors which will be in line with the relevant shareholder's percentage interest in Aloe 237.

The shareholders agreement will otherwise be made on customary terms.

The White Metal Agreement otherwise contains customary terms and conditions for an agreement of this nature.

SCHEDULE 3 – TERMS AND CONDITIONS OF OPTIONS – RESOLUTION 5

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (j), the amount payable upon exercise of each Option will be:

- (i) \$0.10 with respect to 50% of the Options, the subject of Resolution 5 (**Class A Options**); and
- (ii) \$0.15 with respect to the remaining 50% of the Options, the subject of Resolution 5 that are not Class A Options (**Class B Options**),

(**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on the date which is:

- (i) for the Class A Options, two years after the date of their issue; and
- (ii) for the Class B Options, three years after the date of their issue,

(**Expiry Date**).

An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time following the date of issue and will expire on the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

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 Option being exercised in cleared funds (**Exercise Date**).

(g) **Consideration**

The Options will be issued for nil cash consideration.

(h) **Timing of issue of Shares on exercise**

Within 15 Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;

- (ii) 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
- (iii) 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 Options.

If a notice delivered under (h)(ii) 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.

(i) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(j) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.

(k) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(l) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(m) **Transferability**

The Options are not transferable.

SCHEDULE 4 – PRO FORMA BALANCE SHEET

	MINIMUM SUBSCRIPTION			FULL SUBSCRIPTION		
	LRM 31 DEC 19 (1)	Transaction Adjustments (2)	MINIMUM PRO FORMA	LRM 31 DEC 19 (1)	Transaction Adjustments (3)	MAXIMUM PRO FORMA
Current assets						
Cash and cash equivalents	1,751,512	2,184,108	3,935,620	1,751,512	3,588,619	5,340,131
Trade and other receivables	10,787	15,543	26,330	10,787	15,543	26,330
Total current assets	1,762,299	2,199,651	3,961,950	1,762,299	3,604,162	5,366,461
Non-current assets						
Property, plant, and equipment	-	378,584	378,584	-	378,584	378,584
Deferred exploration and evaluation expenditure	-	1,928,134	1,928,134	-	1,928,134	1,928,134
Total non- current assets	-	2,306,718	2,306,718	-	2,306,718	2,306,718
Total assets	1,762,299	4,506,369	6,268,668	1,762,299	5,910,880	7,673,179
Current liabilities						
Trade and other payables	30,383	84,654	115,037	30,383	84,654	115,037
Total current liabilities	30,383	84,654	115,037	30,383	84,654	115,037
Total liabilities	30,383	84,654	115,037	30,383	84,654	115,037
Net assets	1,731,916	4,421,715	6,153,631	1,731,916	5,826,226	7,558,142
Equity						
Issued capital	6,140,048	4,385,489	10,525,537	6,140,048	5,795,489	11,935,537
Share based payment reserve	-	142,927	142,927	-	142,927	142,927
Accumulated losses	(4,408,132)	(491,566)	(4,899,698)	(4,408,132)	(497,055)	(4,905,187)
Non-controlling interest	-	384,865	384,865	-	384,865	384,865
Total equity	1,731,916	4,421,715	6,153,631	1,731,916	5,826,226	7,558,142

SCHEDULE 5 – SUMMARY OF INCENTIVE PERFORMANCE RIGHTS AND OPTION PLAN

The material terms and conditions of the Performance Rights and Options Plan (**Plan**) are as follows:

- (a) **Eligibility:** Participants in the Plan may be:
- (i) a Director (whether executive or non-executive) of the Company and any Associated Body Corporate of the Company (each, a **Group Company**);
 - (ii) a full or part time employee of any Group Company;
 - (iii) a casual employee or contractor of a Group Company to the extent permitted by ASIC Class Order 14/1000 as amended or replaced (**Class Order**); or
 - (iv) a prospective participant, being a person to whom the offer is made but who can only accept the offer if an arrangement has been entered into that will result in the person becoming a participant under subparagraphs (i), (ii), or (iii) above,
- who is declared by the Board to be eligible to receive grants of Options or Performance Rights (**Awards**) under the Plan (**Eligible Participant**).
- (b) **Offer:** The Board may, from time to time, in its absolute discretion, make a written offer to any Eligible Participant to apply for Awards, upon the terms set out in the Plan and upon such additional terms and conditions as the Board determines.
- (c) **Plan limit:** The Company must have reasonable grounds to believe, when making an offer, that the number of Shares to be received on exercise of Awards offered under an offer, when aggregated with the number of Shares issued or that may be issued as a result of offers made in reliance on the Class Order at any time during the previous 3 year period under an employee incentive scheme covered by the Class Order or an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the offer.
- (d) **Issue price:** Performance Rights granted under the Plan will be issued for nil cash consideration. Unless the Options are quoted on the ASX, Options issued under the Plan will be issued for no more than nominal cash consideration.
- (e) **Exercise price:** The Board may determine the Option exercise price (if any) for an Option offered under that Offer in its absolute discretion. To the extent the Listing Rules specify or require a minimum price, the Option exercise price must not be less than any minimum price specified in the Listing Rules.
- (f) **Vesting conditions:** An Award may be made subject to vesting conditions as determined by the Board in its discretion and as specified in the offer for the Awards (**Vesting Conditions**).
- (g) **Vesting:** The Board may in its absolute discretion (except in respect of a change of control occurring where Vesting Conditions are deemed to be automatically waived) by written notice to a Participant (being an Eligible Participant to whom Awards have been granted under the Plan or their nominee where the Awards have been granted to the nominee of the Eligible Participant (**Relevant Person**)), resolve to waive any of the Vesting Conditions applying to Awards due to:
- (i) special circumstances arising in relation to a Relevant Person in respect of those Awards, being:

- (A) a Relevant Person ceasing to be an Eligible Participant due to:
 - (I) death or total or permanent disability of a Relevant Person; or
 - (II) retirement or redundancy of a Relevant Person;
 - (B) a Relevant Person suffering severe financial hardship;
 - (C) any other circumstance stated to constitute “special circumstances” in the terms of the relevant offer made to and accepted by the Participant; or
 - (D) any other circumstances determined by the Board at any time (whether before or after the offer) and notified to the relevant Participant which circumstances may relate to the Participant, a class of Participant, including the Participant or particular circumstances or class of circumstances applying to the Participant,
- (Special Circumstances)**, or
- (ii) a change of control occurring; or
 - (iii) the Company passing a resolution for voluntary winding up, or an order is made for the compulsory winding up of the Company.
- (h) **Lapse of an Award:** An Award will lapse upon the earlier to occur of:
- (i) an unauthorised dealing, or hedging of, the Award occurring;
 - (ii) a Vesting Condition in relation to the Award is not satisfied by its due date, or becomes incapable of satisfaction, as determined by the Board in its absolute discretion, unless the Board exercises its discretion to vest the Award in the circumstances set out in paragraph (g) or the Board resolves, in its absolute discretion, to allow the unvested Awards to remain unvested after the Relevant Person ceases to be an Eligible Participant;
 - (iii) in respect of unvested Awards only, a Relevant Person ceases to be an Eligible Participant, unless the Board exercises its discretion to vest the Award in the circumstances set out in paragraph (g) or the Board resolves, in its absolute discretion, to allow the unvested Awards to remain unvested after the Relevant Person ceases to be an Eligible Participant;
 - (iv) in respect of vested Awards only, a Relevant Person ceases to be an Eligible Participant and the Award granted in respect of that Relevant Person is not exercised within a one (1) month period (or such later date as the Board determines) of the date that person ceases to be an Eligible Participant;
 - (v) the Board deems that an Award lapses due to fraud, dishonesty or other improper behaviour of the Eligible Participant;
 - (vi) the Company undergoes a change of control or a winding up resolution or order is made and the Board does not exercise its discretion to vest the Award; and
 - (vii) the expiry date of the Award.
- (i) **Not transferrable:** Subject to the Listing Rules, Awards are only transferrable in Special Circumstances with the prior written consent of the Board (which may be withheld in its absolute discretion) or by force of law upon death, to the Participant’s legal personal representative or upon bankruptcy to the participant’s trustee in bankruptcy.

- (j) **Shares:** Shares resulting from the exercise of the Awards shall, subject to any Sale Restrictions (refer paragraph (k)) from the date of issue, rank on equal terms with all other Shares on issue.
- (k) **Sale restrictions:** The Board may, in its discretion, determine at any time up until exercise of Awards, that a restriction period will apply to some or all of the Shares issued to a Participant on exercise of those Awards (**Restriction Period**). In addition, the Board may, in its sole discretion, having regard to the circumstances at the time, waive any such Restriction Period.
- (l) **Quotation of Shares:** If Shares of the same class as those issued under the Plan are quoted on the ASX, the Company will, subject to the Listing Rules, apply to the ASX for those Shares to be quoted on ASX within 10 business days of the later of the date the Shares are issued and the date any Restriction Period applying to the Shares ends.
- (m) **No participation rights:** There are no participation rights or entitlements inherent in the Awards and Participants will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Awards without exercising the Award.
- (n) **Change in exercise price of number of underlying securities:** An Award does not confer the right to a change in exercise price or in the number of underlying Shares over which the Award can be exercised.
- (o) **Reorganisation:** If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a Participant are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reorganisation.
- (p) **Amendments:** Subject to express restrictions set out in the Plan and complying with the Corporations Act, Listing Rules and any other applicable law, the Board may, at any time, by resolution amend or add to all or any of the provisions of the Plan, or the terms or conditions of any Award granted under the Plan including giving any amendment retrospective effect.

SCHEDULE 6 – TERMS AND CONDITIONS OF OPTIONS – RESOLUTIONS 13 TO 0

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (j), the amount payable upon exercise of each Option will be:

- (i) \$0.10 with respect to 50% of the Options, the subject of each of Resolutions 13 to 0 (**Class A Options**); and
 - (ii) \$0.15 with respect to the remaining 50% of the Options, the subject of each of Resolutions 13 to 0 that are not Class A Options (**Class B Options**),
- (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on the date which is:

- (i) for the Class A Options, two years after the date of their issue; and
- (ii) for the Class B Options, three years after the date of their issue,

(**Expiry Date**).

An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time following the date of issue and will expire on the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

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 Option being exercised in cleared funds (**Exercise Date**).

(g) **Consideration**

The Options will be issued for nil cash consideration.

(h) **Timing of issue of Shares on exercise**

Within 15 Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;

- (ii) 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
- (iii) 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 Options.

If a notice delivered under (h)(ii) 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.

(i) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(j) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.

(k) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(l) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(m) **Transferability**

The Options are not transferable.

**ANNEXURE A – LARCHMONT AUDITED FINANCIAL ACCOUNTS FOR
THE PERIODS ENDED 30 JUNE 2018, 30 JUNE 2019, AND 31 DECEMBER
2019**

LARCHMONT INVESTMENTS PTY LTD

ABN 98 623 196 823

FINANCIAL REPORT

FOR THE PERIOD ENDED 30 JUNE 2018

LARCHMONT INVESTMENTS PTY LTD
DIRECTORS REPORT
FOR THE PERIOD ENDED 30 JUNE 2018

The directors present their report together with the financial report of Larchmont Investments Pty Ltd (the "Company") for the financial period ended 30 June 2018.

DIRECTORS

The names of the directors in office at any time during or since the end of the financial year are:

James Peter Guest Thompson	(appointed 1 December 2017)
Sonja Louise Newman Heath	(appointed 1 December 2017)

Mr James Peter Guest Thompson also acts as the Company Secretary.

The directors have been in office since the date of incorporation to the date of this report unless otherwise stated.

PRINCIPAL ACTIVITIES

The principal activities of the Company are exploration and development of mineral resources.

RESULTS

The loss of the Company for the financial year amounted to \$128,345.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Other than as reported in the subsequent events section below, no other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

ENVIRONMENTAL REGULATION

The Company's operations are subject to the relevant State and Commonwealth regulations pertaining to exploration and development activities. The Directors do not believe the Company to be in breach of these regulations.

EVENTS SUBSEQUENT TO REPORTING DATE

There has not arisen in the interval between the end of the financial year and the date of this report any other item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company, in future financial years.

LIKELY DEVELOPMENTS

Please refer to the events subsequent to the reporting date paragraph above.

LARCHMONT INVESTMENTS PTY LTD
DIRECTORS REPORT
FOR THE PERIOD ENDED 30 JUNE 2018

DIVIDENDS

No dividends were paid or declared by the Company during the year or since the end of the year.

SHARE OPTIONS

No options over issued shares or interests in the Company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

INDEMNIFICATION AND INSURANCE OF OFFICERS AND AUDITORS

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the Company.

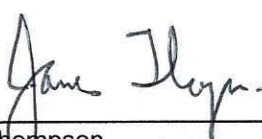
PROCEEDINGS ON BEHALF OF COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of these proceedings. The Company was not a party to any such proceedings during the year.

AUDITORS INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under Section 307C of the Corporations Act 2001 is set out on page 3.

Signed in accordance with a resolution of the Board of Directors:



James Thompson

Dated at Perth: 8th day of June 2020

8 June 2019

Board of Directors
Larchmont Investments Pty Limited
c/o Kennerlys
37 Ord Street
West Perth, WA 6005

Dear Directors

RE: LARCHMONT INVESTMENTS PTY LTD

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Larchmont Investments Pty Ltd.

As the Audit Director for the audit of the financial statements of Larchmont Investments Pty Ltd for the period ended 30 June 2018, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours faithfully

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(An Authorised Audit Company)



Martin Michalik
Director

LARCHMONT INVESTMENTS PTY LTD

**STATEMENT OF PROFIT & LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2018**

	From 1 December 2017 to 30 June 2018 \$
EXPENSES	
Exploration expenditure	(128,083)
Administration	(205)
Travelling expenses	(57)
TOTAL EXPENSES	(128,345)
PROFIT BEFORE TAX	(128,345)
Income tax expense	-
NET LOSS FOR THE YEAR	(128,345)

The accompanying notes form an integral part of the financial statements.

LARCHMONT INVESTMENTS PTY LTD
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2018

	Note	2018 \$
CURRENT ASSETS		
Cash and cash equivalents	4	-
Advance		15,333
TOTAL ASSETS		<u>15,333</u>
 CURRENT LIABILITIES		
Trade and other payables	5	-
 NON-CURRENT LIABILITIES		
Shareholder Advance	7	143,675
TOTAL LIABILITIES		<u>143,675</u>
 NET ASSET DEFICIENCY		<u>(128,342)</u>
 EQUITY		
Share capital		3
Accumulated Losses		(128,345)
TOTAL EQUITY		<u>(128,342)</u>

The accompanying notes form an integral part of the financial statements.

LARCHMONT INVESTMENTS PTY LTD

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2018**

	Share Capital (\$)	Accumulated Losses (\$)	Total Equity (\$)
Balance at 1 December 2017	-	-	-
Issue of Share Capital	3	-	3
Loss for the period	-	(128,345)	(128,345)
Balance at 30 June 2018	3	(128,345)	(128,342)

The accompanying notes form an integral part of the financial statements.

LARCHMONT INVESTMENTS PTY LTD

**STATEMENT OF CASH FLOW
FOR THE PERIOD ENDED 30 JUNE 2018**

	Note	2018 \$
OPERATING ACTIVITIES		
Payment to suppliers		(128,342)
Advances		<u>(15,333)</u>
Net cash outflow from operating activities		<u>(143,675)</u>
INVESTING ACTIVITIES		
Acquisition of subsidiaries, net of cash acquired		<u>-</u>
Net cash from / (used in) Investing activities		<u>-</u>
FINANCING ACTIVITIES		
Share Capital		3
Shareholder Advance	7	<u>143,672</u>
Net cash from / (used in) financing activities		<u>143,675</u>
Net change in cash and cash equivalents		-
Cash and cash equivalents, beginning of period		<u>-</u>
Cash and cash equivalents, end of period	4	<u>-</u>

The accompanying notes form an integral part of the financial statements.

LARCHMONT INVESTMENTS PTY LTD

**DIRECTORS' DECLARATION
FOR THE PERIOD ENDED 30 JUNE 2018**

1. Reporting Entity

Larchmont Investments Pty Ltd is the Company limited by shares, incorporated on 1 December 2017 and domiciled in Australia. The address of the Company's registered office is 37 Ord Street WEST PERTH WA 6005

During the period, Larchmont Investments Pty Ltd acquired 80% equity of Noronex Ltd (Noronex), a Canadian based business, thereby obtaining control. The cost of the acquisition was \$8,416 (CAD \$8,000) which was settled in cash in the 2019 financial year. Noronex Ltd was incorporated on 20 June 2018 and commenced operations from 1 July 2018.

2. Basis of Preparation

a) Statement of Compliance

The directors have prepared the financial statements on the basis that the Company is a non-reporting entity. This financial report is therefore a special purpose financial report that has been prepared in order to meet the requirements of the Corporations Act 2001.

The special purpose financial report has been prepared in accordance with the recognition and measurement aspects of all applicable Australian Accounting Standards ("AASBs") adopted by the Australian Accounting Standards Board ("AASB") and the Corporations Act 2001.

The financial report does not include the disclosure requirements of all AASBs except for the following minimum requirements:

AASB 6	Exploration for and Evaluation of Mineral Resources
AASB 9	Financial Instruments
AASB 101	Presentation of Financial Statements
AASB 107	Cash Flow Statements
AASB 108	Accounting Policies, Changes in Accounting Estimates and Errors
AASB 110	Events after the Reporting Period
AASB 1048	Interpretation of Standards

b) Basis of Measurement

The financial statements have been prepared on a historical cost basis.

c) Functional and Presentation Currency

These financial statements are presented in Australian dollars, which is the Company's functional currency.

d) Use of Estimates and Judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

LARCHMONT INVESTMENTS PTY LTD
DIRECTORS' DECLARATION
FOR THE PERIOD ENDED 30 JUNE 2018

e) Significant Accounting Judgements, Estimates and Assumptions

No significant judgements, estimates and assumptions were required to be made in the preparation of this financial report.

f) Going Concern

The Company reported a loss for the year of \$128,345.

As at 30 June 2018, the Company had a net asset deficiency of \$128,342 and cash and cash equivalents of \$Nil.

During the year, the Company explored and renewed its mineral licences in the ordinary course of business and acquired the Onaman project. The Board has resolved to pay the Company's outstanding liabilities in full.

The company will be financially supported by the shareholders as and when need arises for financial support.

3. Significant Accounting Policies

The accounting policies set out below have been applied consistently to the year presented in these financial statements.

a) Foreign Currency Transactions

Transactions in foreign currencies are translated to the functional currency of the Company at exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the foreign exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

b) Financial Instruments

In the year the Company adopted AASB 9 Financial Instruments. The Company's only financial asset in the year was cash and its only financial liabilities comprised trade payables and accruals, and shareholder loans. The treatment of these items remains unchanged on the adoption of AASB 9.

i) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less.

ii) Other financial liabilities

Other financial liabilities comprise shareholder loans, trade and other payables.

LARCHMONT INVESTMENTS PTY LTD
DIRECTORS' DECLARATION
FOR THE PERIOD ENDED 30 JUNE 2018

c) Exploration and Evaluation Assets

As previously disclosed, the Company's accounting policy for the treatment of its exploration and evaluation expenditures is:

Exploration and evaluation costs are written off in the period they are incurred apart from acquisition costs which are carried forward where right of tenure of the area of interest is current and they are expected to be recouped through sale or successful development and exploitation of the area of interest or, where exploration and evaluation activities in the area of interest have not reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Where an area of interest is abandoned or the Directors decide that it is not commercial, any accumulated acquisition costs in respect of that area are written off in the financial period the decision is made.

Each area of interest is also reviewed at the end of each accounting period and accumulated costs written off to the extent that they will not be recoverable in the future.

Amortisation is not charged on costs carried forward in respect of areas of interest in the development phase until production.

Larchmont's board considers the Company's accounting policy is in accordance with the requirements of AASB 6.

4. Cash and Cash Equivalents

	2018
	\$
Cash at bank	-
Total cash and cash equivalents	-

5. Trade and Other Payables

	2018
	\$
Accounts payables and accruals	-
Total trade and other payables	-

6. Subsequent Events

There has not arisen in the interval between the end of the financial year and the date of this report any other item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company, in future financial years.

7. Shareholder Advance

	2018
	\$
Opening Balance	-
Movements in Shareholder Advance	143,675
Closing Balance	143,675

The shareholder loan is interest free and will not be demanded by the shareholders within the next 12 months from the date of the signing this financial report.

8. Commitments and Contingent Liabilities

The Company does not have any commitments and contingent liabilities as at 30 June 2018.

LARCHMONT INVESTMENTS PTY LTD

**DIRECTORS' DECLARATION
FOR THE PERIOD ENDED 30 JUNE 2018**

As described in the basis of preparation accounting policy included in note 2 to the financial statements, the Company is not a reporting entity and these are special purpose financial statements.

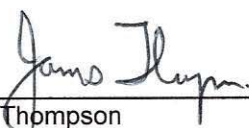
The directors of the Company declare that the financial statements and notes:

- a) comply with the accounting policies as detailed in note 2 to the financial statements; and
- b) presents fairly, in all material respects, the company's financial position as at 30 June 2018 and of its performance for the year ended on that date.

In the directors' opinion

- c) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed on behalf of the directors.


James Thompson

Dated at Perth: 8th day of June 2020

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
THE LARCHMONT INVESTMENTS PTY LIMITED**

Report on the Audit of the Financial Report

Opinion

We have audited the financial report, being a special purpose financial report, of the Larchmont Investments Pty Limited, which comprises the statement of financial position as at 30 June 2018, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the 7 month period then ended, and notes to the financial statements, including a summary of significant accounting policies, and the director's declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Company's financial position as at 30 June 2018 and of its financial performance for the period then ended; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 2 and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Basis of Accounting

Without modifying our opinion, we draw attention to Note 2 of the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Material Uncertainty Relating to Going Concern

As referred to in Note 2 (f) to the financial statements, the financial statements of the Company have been prepared on a going concern basis. As at 30 June 2018, the Company had a net asset deficiency of \$128,342 and cash and cash equivalents of \$nil. The Company had incurred a loss of \$128,345 for the period ended 30 June 2018.

The ability of the Company to continue as a going concern and meet its planned exploration and administration commitments is dependent upon the Company fully financially supported by its shareholders and raising further capital. In the event the Company is not fully financially supported by its shareholders and/or cannot raise further capital, the Company may not be able to meet its liabilities as and when they fall due and the realisable value of the Company's current and non-current assets may be significantly less than book values.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 2 to the financial report is appropriate to meet the requirements of the Corporations Act 2001 and is appropriate to meet the needs of the members. The director's responsibility also includes such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in Internal control that we identify during our audit.

The Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements. We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(An Authorised Audit Company)

Stantons International Audit & Consulting Pty Ltd

A handwritten signature in blue ink, appearing to read 'Martin Michalik', with a stylized flourish at the end.

Martin Michalik
Director

West Perth, Western Australia
8 June 2020

LARCHMONT INVESTMENTS PTY LTD

ABN: 98 623 196 823

CONSOLIDATED FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2019

LARCHMONT INVESTMENTS PTY LTD

DIRECTORS REPORT FOR THE YEAR ENDED 30 JUNE 2019

The Directors of Larchmont Investments Pty Ltd present their report together with the financial statements of the consolidated entity, being Larchmont Investments Pty Ltd (the Company) and its Controlled Entities (the Group) for the year ended 30 June 2019.

DIRECTORS

The following persons were Directors of Larchmont Investments Pty Ltd during or since the end of the financial year:

James Peter Guest Thompson	(appointed 1 December 2017)
Sonja Louise Newman Heath	(appointed 1 December 2017)

Mr James Peter Guest Thompson also acts as the Group Secretary.

The directors have been in office since the date of incorporation to the date of this report unless otherwise stated.

PRINCIPAL ACTIVITIES

The principal activities of the Group are exploration and development of mineral resources.

RESULTS

The loss of the Group attributable to the equity holders of Larchmont Investments Pty Ltd for the financial year ended 30 June 2019 amounted to \$189,073 (2018 Financial Period Ended 30 June: \$128,345).

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Other than as reported in the subsequent events section below, no other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

ENVIRONMENTAL REGULATION

The Group's operations are subject to the relevant State and Commonwealth regulations of Australia and Canada pertaining to exploration and development activities. The Directors do not believe the Group to be in breach of these regulations.

EVENTS SUBSEQUENT TO REPORTING DATE

There has not arisen in the interval between the end of the financial year and the date of this report any other item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Group, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.

LIKELY DEVELOPMENTS

Please refer to the events subsequent to the reporting date paragraph above.

LARCHMONT INVESTMENTS PTY LTD

**DIRECTORS REPORT
FOR THE YEAR ENDED 30 JUNE 2019**

DIVIDENDS

No dividends were paid or declared by the Group during the year or since the end of the year.

SHARE OPTIONS

No options over issued shares or interests in the Group were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

INDEMNIFICATION AND INSURANCE OF OFFICERS AND AUDITORS

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the Group.

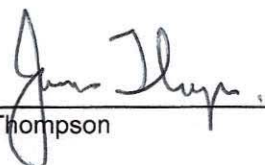
PROCEEDINGS ON BEHALF OF GROUP

No person has applied for leave of Court to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of these proceedings. The Group was not a party to any such proceedings during the year.

AUDITORS INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under Section 307C of the Corporations Act 2001 is set out on page 3.

Signed in accordance with a resolution of the Board of Directors:



James Thompson

Dated at Perth: 8th day of June 2020

8 June 2019

Board of Directors
Larchmont Investments Pty Limited
c/o Kennerlys
37 Ord Street
West Perth, WA 6005

Dear Directors

RE: LARCHMONT INVESTMENTS PTY LTD

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Larchmont Investments Pty Ltd.

As the Audit Director for the audit of the financial statements of Larchmont Investments Pty Ltd for the year ended 30 June 2019, I declare that to the best of my knowledge and belief, there have been no contraventions of:

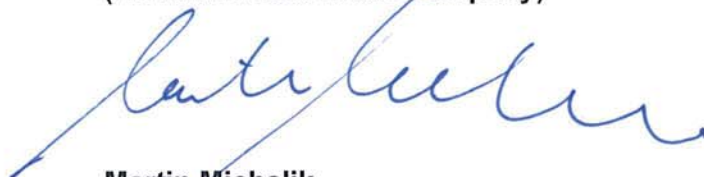
- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours faithfully

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD

(Trading as Stantons International)

(An Authorised Audit Company)



Martin Michalik
Director

LARCHMONT INVESTMENTS PTY LTD

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2019**

	Consolidated 2019 \$	From 1 Dec 2017 to 30 June 2018 \$
INCOME		
Interest Income	-	-
TOTAL INCOME	-	-
EXPENSES		
Exploration expenditure	(195,549)	(128,083)
Administration	(8,101)	(205)
Travelling expenses	(1,741)	(57)
Other expenses	(18,836)	-
TOTAL EXPENSES	(224,227)	(128,345)
LOSS BEFORE TAX	(224,227)	(128,345)
Income tax expense	-	-
LOSS AFTER TAX	(224,227)	(128,345)
OTHER COMPREHENSIVE INCOME/(LOSS)		
Items that may be reclassified subsequently to the profit or loss	15,879	-
Items that will not reclassified to the profit or loss	-	-
OTHER COMPREHENSIVE LOSS FOR THE YEAR, NET OF TAX	15,879	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	(208,348)	(128,345)
NET LOSS FOR THE YEAR ATTRIBUTABLE TO:		
• Non-controlling interest	(35,154)	-
• Equity holders of the Larchmont Investments Pty Ltd	(189,073)	(128,345)
	(224,227)	(128,345)
TOTAL COMPREHENSIVE LOSS ATTRIBUTABLE TO:		
• Non-controlling interest	(31,978)	-
• Equity holders of the Larchmont Investments Pty Ltd	(176,370)	(128,345)
	(208,348)	(128,345)

The accompanying notes form an integral part of the financial statements.

LARCHMONT INVESTMENTS PTY LTD
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

	Note	Consolidated 2019 \$	2018 \$
CURRENT ASSETS			
Cash and cash equivalents	4	8,762	-
Advance		-	15,333
TOTAL CURRENT ASSETS		<u>8,762</u>	<u>15,333</u>
NON-CURRENT ASSETS			
Capitalised Exploration and Development Expenditures	5	441,532	-
TOTAL NON-CURRENT ASSETS		<u>441,532</u>	<u>-</u>
TOTAL ASSETS		<u>450,294</u>	<u>15,333</u>
CURRENT LIABILITIES			
Trade and other payables	6	76,090	-
TOTAL CURRENT LIABILITIES		<u>76,090</u>	<u>-</u>
NON-CURRENT LIABILITIES			
Shareholder Advance	7	708,790	143,675
TOTAL NON-CURRENT LIABILITIES		<u>708,790</u>	<u>143,675</u>
TOTAL LIABILITIES		<u>784,880</u>	<u>143,675</u>
NET ASSET DEFICIENCY		<u>(334,586)</u>	<u>(128,342)</u>
EQUITY			
Share capital		3	3
Reserves		12,703	-
Accumulated losses		(317,418)	(128,345)
		<u>(304,712)</u>	<u>(128,342)</u>
Non-Controlling Interest	8	(29,874)	-
TOTAL EQUITY		<u>(334,586)</u>	<u>(128,342)</u>

The accompanying notes form an integral part of the financial statements.

LARCHMONT INVESTMENTS PTY LTD

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019

	Share Capital	Foreign Currency Translation Reserves	Accumulated Losses	Non- Controlling Interest	Total Equity
	\$	\$	\$	\$	\$
Balance at 1 December 2017	-	-	-	-	-
Issue of Share Capital	3	-	-	-	3
Loss for the period	-	-	(128,345)	-	(128,345)
Balance at 30 June 2018	3	-	(128,345)	-	(128,342)
Loss for the year			(189,073)	(35,154)	(224,227)
Other Comprehensive loss					
Movement in Foreign exchange translation reserves	-	12,703	-	3,176	15,879
Total Comprehensive loss for the year	-	12,703	(189,073)	(31,978)	(208,348)
Issue of Share Capital	-	-	-	2,104	2,104
Balance at 30 June 2019	3	12,703	(317,418)	(29,874)	(334,586)

The accompanying notes form an integral part of the financial statements.

LARCHMONT INVESTMENTS PTY LTD
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	From 1 Dec 2017 to 30 June 2018 \$
OPERATING ACTIVITIES			
Payment to suppliers		(182,495)	(128,342)
Advances		-	(15,333)
Net cash outflow from operating activities		<u>(182,495)</u>	<u>(143,675)</u>
INVESTING ACTIVITIES			
Acquisition of Capitalised Exploration Assets	5	(365,442)	-
Acquisition of subsidiaries, net of cash paid	8	(8,416)	-
Net cash used in Investing activities		<u>(373,858)</u>	<u>-</u>
FINANCING ACTIVITIES			
Share Capital		-	3
Shareholder Advance	7	565,115	143,672
Net cash used in financing activities		<u>565,115</u>	<u>143,675</u>
Net change in cash and cash equivalents		8,762	-
Cash and cash equivalents, beginning of year		-	-
Cash and cash equivalents, end of year	4	<u>8,762</u>	<u>-</u>

The accompanying notes form an integral part of the financial statement.

LARCHMONT INVESTMENTS PTY LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

1. Reporting Entity

Larchmont Investments Pty Ltd is the Group's Ultimate Parent Company limited by shares, incorporated on 1 December 2017 and domiciled in Australia. The address of the Company's registered office is 37 Ord Street WEST PERTH WA 6005

During the prior year, The Group acquired 80% equity of Noronex Ltd (Noronex), a Canadian based business, thereby obtaining control as at 20 June 2018 but commenced operation from 1 July 2018. The cost of the acquisition was \$8,416 (CAD \$8,000) which was settled in cash.

2. Basis of Preparation

a) Statement of Compliance

The directors have prepared the financial statements on the basis that the Group is a non-reporting entity. This financial report is therefore a special purpose financial report that has been prepared in order to meet the requirements of the Corporations Act 2001.

The special purpose financial report has been prepared in accordance with the recognition and measurement aspects of all applicable Australian Accounting Standards ("AASBs") adopted by the Australian Accounting Standards Board ("AASB") and the Corporations Act 2001.

The financial report does not include the disclosure requirements of all AASBs except for the following minimum requirements:

AASB 6	Exploration for and Evaluation of Mineral Resources
AASB 9	Financial Instruments
AASB 101	Presentation of Financial Statements
AASB 107	Cash Flow Statements
AASB 108	Accounting Policies, Changes in Accounting Estimates and Errors
AASB 110	Events after the Reporting Period
AASB 1048	Interpretation of Standards

b) Basis of Measurement

The financial statements have been prepared on a historical cost basis.

c) Functional and Presentation Currency

These financial statements are presented in Australian dollars, which is the Company's functional currency. The function currency and presentation currency of its subsidiary is Canadian dollars.

d) Use of Estimates and Judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

LARCHMONT INVESTMENTS PTY LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

e) Significant Accounting Judgements, Estimates and Assumptions

No significant judgements, estimates and assumptions were required to be made in the preparation of this financial report.

f) Going Concern

The Group reported a loss for the year of \$189,073.

As at 30 June 2019, the consolidated entity had a net asset deficiency of \$334,586 and cash and cash equivalents of \$8,762

During the year, the Company explored and renewed its mineral licences in the ordinary course of business and acquired the Onaman project. The Board has resolved to pay the Company's outstanding liabilities in full.

The Group will be financially supported by the shareholders as and when need arises for financial support.

3. Significant Accounting Policies

The accounting policies set out below have been applied consistently to the year presented in these financial statements.

a) Foreign Currency Transactions

Transactions in foreign currencies are translated to the functional currency of the Company at exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the foreign exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

b) Financial Instruments

In the year the Group adopted AASB 9 Financial Instruments. The Group's only financial asset in the year was cash and its only financial liabilities comprised trade payables and accruals, and shareholder loans. The treatment of these items remains unchanged on the adoption of AASB 9

i) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less.

ii) Other financial liabilities

Other financial liabilities comprise shareholder loans, trade and other payables.

LARCHMONT INVESTMENTS PTY LTD

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

c) Exploration and Evaluation Assets

As previously disclosed, the Group's accounting policy for the treatment of its exploration and evaluation expenditures is:

Exploration and evaluation costs are written off in the year they are incurred apart from acquisition costs which are carried forward where right of tenure of the area of interest is current and they are expected to be recouped through sale or successful development and exploitation of the area of interest or, where exploration and evaluation activities in the area of interest have not reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Where an area of interest is abandoned or the Directors decide that it is not commercial, any accumulated acquisition costs in respect of that area are written off in the financial period the decision is made.

Each area of interest is also reviewed at the end of each accounting period and accumulated costs written off to the extent that they will not be recoverable in the future.

Amortisation is not charged on costs carried forward in respect of areas of interest in the development phase until production.

Larchmont's board considers the Group's accounting policy is in accordance with the requirements of AASB 6.

4. Cash and Cash Equivalents

	2019	2018
	\$	\$
Cash at bank	8,762	-
Total cash and cash equivalents	8,762	-

5. Capitalised Exploration and Development Expenditures

	2019	2018
	\$	\$
Opening Balance	-	-
Expenditure incurred	441,532	-
Closing Balance	441,532	-

6. Trade and Other Payables

	2019	2018
	\$	\$
Accounts payables and accruals	76,090	-
Total trade and other payables	76,090	-

7. Shareholder Advance

	2019	2018
	\$	\$
Opening Balance	143,675	-
Movements in Shareholder Advance	565,115	143,675
Closing Balance	708,790	143,675

The shareholder advance is interest-free and it will not be demanded by the shareholders within 12 months after the date of signing of financial statement.

LARCHMONT INVESTMENTS PTY LTD

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

8. Interests in subsidiaries

8.1. Composition of the Group

The Group includes one subsidiary, Noronex Ltd, with material non-controlling interests (NCI):

Name of the Subsidiary	Country of incorporation and principal place of business	Principal activity	Proportion of ownership interests held by the Group at year end	
			2019	2018
Noronex Ltd	Canada	Exploration and evaluation	80%	-

The subsidiary was incorporate on 20 June 2018 but commenced operation from 1 July 2018. The cost of the acquisition was \$8,416 (CAD\$ 8,000) which was settled in cash.

8.2. Subsidiary with material non-controlling interests

Name	Proportion of NCI ownership interests and voting rights Principal activity		Loss allocated to NCI		Accumulated NCI	
	2019	2018	2019	2018	2019	2018
Noronex Ltd	20%	-	35,154	-	29,874	-

9. Subsequent Events

There has not arisen in the interval between the end of the financial year and the date of this report any other item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Group, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company, in future financial years.

10. Commitment and Contingent Liabilities

The Group does not have any commitments and contingent liabilities as at 30 June 2019.

LARCHMONT INVESTMENTS PTY LTD

**DIRECTORS' DECLARATION
FOR THE YEAR ENDED 30 JUNE 2019**

As described in the basis of preparation accounting policy included in note 2 to the financial statements, the Company is not a reporting entity and these are special purpose financial statements.

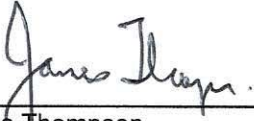
The directors of the Company declare that the financial statements and notes:

- a) comply with the accounting policies as detailed in note 2 to the financial statements; and
- b) presents fairly, in all material respects, the group 's financial position as at 30 June 2019 and of its performance for the year ended on that date.

In the directors' opinion

- c) there are reasonable grounds to believe that the group will be able to pay its debts as and when they become due and payable.

Signed on behalf of the directors.



James Thompson

Dated at Perth: 8th day of June 2020

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
THE LARCHMONT INVESTMENTS PTY LIMITED**

Report on the Audit of the Financial Report

Opinion

We have audited the financial report, being a special purpose financial report, of the Larchmont Investments Pty Limited, which comprises the consolidated statement of financial position as at 30 June 2019, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the director's declaration. The consolidated entity comprises both Larchmont Investments Pty Ltd (the Company) and the entities it controlled during the year end.

In our opinion, the accompanying financial report of the consolidated entity is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2019 and of its financial performance for the period then ended; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 2 and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the consolidated entity in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Basis of Accounting

Without modifying our opinion, we draw attention to Note 2 of the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Material Uncertainty Relating to Going Concern and Capitalised Exploration Costs

- i) As referred to in Note 2 (f) to the financial statements, the financial statements of the consolidated entity have been prepared on a going concern basis. As at 30 June 2019, the consolidated entity had a net asset deficiency of \$334,586 and cash and cash equivalents of \$8,762. The consolidated entity had incurred a loss of \$189,073 for the year ended 30 June 2019.

The ability of the consolidated entity to continue as a going concern and meet its planned exploration and administration commitments is dependent upon the consolidated entity being fully financially supported by its shareholders and raising further capital. In the event the consolidated entity is not fully financially supported by its shareholders and /or raising further capital, the consolidated entity may not be able to meet its liabilities as and when they fall due and the realisable value of the consolidated entity's current and non-current assets may be significantly less than book values.

- ii) The consolidated entity had capitalised exploration and evaluation expenditure as per Note 5 of the financial statements of \$441,532 as at 30 June 2019. The recoverability of the consolidated entity's carrying value of capitalised mining exploration and evaluation expenditure is dependent on the successful commercial exploitation of the assets and/or sale of the assets to generate sufficient funds to at least that of their carrying values. In the event that the consolidated entity is not successful in commercial exploitation and/or sale of the assets, the realisable value of the consolidated entity's assets may be significantly less than their current carrying values.

Responsibilities of the Directors for the Financial Report

The directors of the consolidated entity are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 2 to the financial report is appropriate to meet the requirements of the Corporations Act 2001 and is appropriate to meet the needs of the members. The director's responsibility also includes such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the consolidated entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the consolidated entity or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the consolidated entity's ability to continue as a going

concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the consolidated entity to cease to continue as a going concern.

We evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in Internal control that we identify during our audit.

The Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements. We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(An Authorised Audit Company)

Stantons International Audit & Consulting Pty Ltd



Martin Michalik
Director

West Perth, Western Australia
8 June 2020

LARCHMONT INVESTMENTS PTY LTD

ABN: 98 623 196 823

CONSOLIDATED FINANCIAL REPORT

HALF YEAR ENDED 31 DECEMBER 2019

LARCHMONT INVESTMENTS PTY LTD
DIRECTORS REPORT
FOR THE HALF YEAR ENDED 31 DECEMBER 2019

The Directors of Larchmont Investments Pty Ltd present their report together with the financial statements of the consolidated entity, being Larchmont Investments Pty Ltd (the Company) and its Controlled Entities (the Group) for the half year ended 31 December 2019.

DIRECTORS

The following persons were Directors of Larchmont Investments Pty Ltd during or since the end of the financial year:

James Peter Guest Thompson	(appointed 1 December 2017)
Sonja Louise Newman Heath	(appointed 1 December 2017)

Mr James Peter Guest Thompson also acts as the Group Secretary.

The directors have been in office since the date of incorporation to the date of this report unless otherwise stated.

PRINCIPAL ACTIVITIES

The principal activities of the Group are exploration and development of mineral resources.

RESULTS

The loss of the attributable to the equity holders of Larchmont Investments Pty Ltd for the half year ended 31 December 2019 amounted to \$44,959 (2018: \$138,395).

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Other than as reported in the subsequent events section below, no other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

ENVIRONMENTAL REGULATION

The Group's operations are subject to the relevant State and Commonwealth regulations of Australia and Canada pertaining to exploration and development activities. The Directors do not believe the Group to be in breach of these regulations.

EVENTS SUBSEQUENT TO REPORTING DATE

There has not arisen in the interval between the end of the financial year and the date of this report any other item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Group, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.

LIKELY DEVELOPMENTS

Please refer to the events subsequent to the reporting date paragraph above.

LARCHMONT INVESTMENTS PTY LTD
DIRECTORS REPORT
FOR THE HALF YEAR ENDED 31 DECEMBER 2019

DIVIDENDS

No dividends were paid or declared by the Group during the year or since the end of the year.

SHARE OPTIONS

No options over issued shares or interests in the Group were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

INDEMNIFICATION AND INSURANCE OF OFFICERS AND AUDITORS

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the Group.

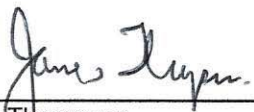
PROCEEDINGS ON BEHALF OF GROUP

No person has applied for leave of Court to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of these proceedings. The Group was not a party to any such proceedings during the year.

AUDITORS INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under Section 307C of the Corporations Act 2001 is set out on page 3.

Signed in accordance with a resolution of the Board of Directors:



James Thompson

Dated at Perth: 8th day of June 2020

8 June 2019

Board of Directors
Larchmont Investments Pty Limited
c/o Kennerlys
37 Ord Street
West Perth, WA 6005

Dear Directors

RE: LARCHMONT INVESTMENTS PTY LTD

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Larchmont Investments Pty Ltd.

As Audit Director for the review of the financial statements of Larchmont Investments Pty Ltd for the six months ended 31 December 2019 I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours faithfully

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LIMITED
(Trading as Stantons International)
(An Authorised Audit Company)



Martin Michalik
Director

LARCHMONT INVESTMENTS PTY LTD

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2019**

	Half year ended 31 Dec 2019 \$	Half year ended 31 Dec 2018 \$
EXPENSES		
Exploration expenditure	(10,003)	(135,812)
Administration	(27,517)	(6,315)
Travelling expenses	(1,741)	-
Other expenses	(8,070)	(19,073)
TOTAL EXPENSES	(47,331)	(161,200)
LOSS BEFORE TAX	(47,331)	(161,200)
Income tax expense	-	-
LOSS AFTER TAX	(47,331)	(161,200)
OTHER COMPREHENSIVE INCOME/(LOSS)		
Items that may be reclassified subsequently to the profit or loss	3,605	9,509
Items that will not reclassified to the profit or loss	-	-
OTHER COMPREHENSIVE LOSS FOR THE YEAR, NET OF TAX	3,605	9,509
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	(43,726)	(151,691)
NET LOSS FOR THE YEAR ATTRIBUTABLE TO:		
• Non-controlling interest	(2,372)	(22,805)
• Equity holders of the Larchmont Investments Pty Ltd	(44,959)	(138,395)
	(47,331)	(161,200)
TOTAL COMPREHENSIVE LOSS ATTRIBUTABLE TO:		
• Non-controlling interest	(1,651)	(20,903)
• Equity holders of the Larchmont Investments Pty Ltd	(42,075)	(130,788)
	(43,726)	(151,691)

The accompanying notes form an integral part of the financial statements.

LARCHMONT INVESTMENTS PTY LTD
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Note	31 December 2019 \$	30 June 2019 \$
CURRENT ASSETS			
Cash and cash equivalents	4	9,243	8,762
Trade and other receivable	5	1,186	-
TOTAL CURRENT ASSETS		<u>10,429</u>	<u>8,762</u>
NON-CURRENT ASSETS			
Capitalised Exploration and Development Expenditures	6	441,532	441,532
TOTAL NON-CURRENT ASSETS		<u>441,532</u>	<u>441,532</u>
TOTAL ASSETS		<u>451,961</u>	<u>450,294</u>
CURRENT LIABILITIES			
Trade and other payables	7	5,660	76,090
TOTAL CURRENT LIABILITIES		<u>5,660</u>	<u>76,090</u>
NON-CURRENT LIABILITIES			
Shareholder Advance	8	824,613	708,790
TOTAL NON-CURRENT LIABILITIES		<u>824,613</u>	<u>708,790</u>
TOTAL LIABILITIES		<u>830,273</u>	<u>784,880</u>
NET ASSET DEFICIENCY		<u>(378,312)</u>	<u>(334,586)</u>
EQUITY			
Share capital		3	3
Reserves		15,587	12,703
Accumulated losses		(362,377)	(317,418)
		<u>(346,787)</u>	<u>(304,712)</u>
Non-Controlling Interest	9	(31,525)	(29,874)
TOTAL EQUITY		<u>(378,312)</u>	<u>(334,586)</u>

The accompanying notes form an integral part of the financial statements.

LARCHMONT INVESTMENTS PTY LTD

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2019

	Share Capital (\$)	Foreign Currency Translation Reserve (\$)	Accumulated Losses (\$)	Non- Controlling Interest (\$)	Total Equity (\$)
Balance at 1 July 2019	3	12,703	(317,418)	(29,874)	(334,586)
Loss for the period	-	-	(44,959)	(2,372)	(47,331)
Other Comprehensive loss					
Movement in Foreign exchange Translation Reserves	-	2,884	-	721	3,605
Total Comprehensive loss for the year	-	2,884	(44,959)	(1,651)	(43,726)
Issue of capital	-	-	-	-	-
Balance at 31 December 2019	3	15,587	(362,377)	(31,525)	(378,312)

LARCHMONT INVESTMENTS PTY LTD

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2019

	Share Capital (\$)	Foreign Currency Translation Reserves (\$)	Accumulated Losses (\$)	Non- Controlling Interest (\$)	Total Equity (\$)
Balance at 1 July 2018	3	-	(128,345)	-	(128,342)
Loss for the period	-	-	(138,395)	(22,805)	(161,200)
Other Comprehensive loss					
Movement in Foreign exchange Translation Reserves	-	7,607	-	1,902	9,509
Total Comprehensive loss for the year	-	7,607	(138,395)	(20,903)	(151,691)
Issue of capital				2,104	2,104
Balance at 31 December 2018	3	7,607	(266,740)	(18,799)	(277,929)

The accompanying notes form an integral part of the financial statements.

LARCHMONT INVESTMENTS PTY LTD

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2019

	Note	Half year ended 31 December 2019 \$	Half year ended 31 December 2018 \$
OPERATING ACTIVITIES			
Payment to suppliers		(39,252)	(120,096)
Net cash outflow from operating activities		<u>(39,252)</u>	<u>(120,096)</u>
INVESTING ACTIVITIES			
Acquisition of Capitalised Exploration Assets	6	(76,090)	(32,572)
Acquisition of subsidiaries, net of cash paid	9	-	(8,416)
Net cash used in Investing activities		<u>(76,090)</u>	<u>(40,988)</u>
FINANCING ACTIVITIES			
Shareholder Advance	8	115,823	163,270
Net cash used in financing activities		<u>115,823</u>	<u>163,270</u>
Net change in cash and cash equivalents		481	2,186
Cash and cash equivalents, beginning of year		8,762	-
Cash and cash equivalents, end of year	4	<u>9,243</u>	<u>2,186</u>

The accompanying notes form an integral part of the financial statement.

LARCHMONT INVESTMENTS PTY LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2019

1. Reporting Entity

Larchmont Investments Pty Ltd is the Group's Ultimate Parent Company limited by shares, incorporated on 1 December 2017 and domiciled in Australia. The address of the Company's registered office is 37 Ord Street WEST PERTH WA 6005

During the prior year, The Group acquired 80% equity of Noronex Ltd (Noronex), a Canadian based business, thereby obtaining control as at 20 June 2018 but commenced operation from 1 July 2018. The cost of the acquisition was \$8,416 (CAD\$ 8,000) which was settled in cash.

2. Basis of Preparation

a) Statement of Compliance

The directors have prepared the financial statements on the basis that the Group is a non-reporting entity. This financial report is therefore a special purpose financial report that has been prepared in order to meet the requirements of the Corporations Act 2001.

The special purpose financial report has been prepared in accordance with the recognition and measurement aspects of all applicable Australian Accounting Standards ("AASBs") adopted by the Australian Accounting Standards Board ("AASB") and the Corporations Act 2001.

The financial report does not include the disclosure requirements of all AASBs except for the following minimum requirements:

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AASB 110	Events after the Reporting Period
AASB 1048	Interpretation of Standards

b) Basis of Measurement

The financial statements have been prepared on a historical cost basis.

c) Functional and Presentation Currency

These financial statements are presented in Australian dollars, which is the Company's functional currency. The function currency and presentation currency of its subsidiary is Canadian dollars.

d) Use of Estimates and Judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

e) Significant Accounting Judgements, Estimates and Assumptions

No significant judgements, estimates and assumptions were required to be made in the preparation of this financial report.

LARCHMONT INVESTMENTS PTY LTD

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2019**

f) Going Concern

The Group reported a loss for the half year of \$44,959.

As at 31 December 2019, the consolidated entity had net asset deficiency of \$378,313 and cash and cash equivalents of \$9,243

During the year, the Company explored and renewed its mineral licences in the ordinary course of business and acquired the Onaman project. The Board has resolved to pay the Company's outstanding liabilities in full.

The Group will be financially supported by the shareholders as and when need arises for financial support.

3. Significant Accounting Policies

The accounting policies set out below have been applied consistently to the year presented in these financial statements.

a) Foreign Currency Transactions

Transactions in foreign currencies are translated to the functional currency of the Company at exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the foreign exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

b) Financial Instruments

In the year the Group adopted AASB 9 Financial Instruments. The Group's only financial asset in the year was cash and its only financial liabilities comprised trade payables and accruals, and shareholder loans. The treatment of these items remains unchanged on the adoption of AASB 9.

i) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less.

ii) Other financial liabilities

Other financial liabilities comprise shareholder loans, trade and other payables.

LARCHMONT INVESTMENTS PTY LTD

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2019**

c) Exploration and Evaluation Assets

As previously disclosed, the Group's accounting policy for the treatment of its exploration and evaluation expenditures is:

Exploration and evaluation costs are written off in the year they are incurred apart from current and they are expected to be recouped through sale or successful development and exploitation of the area of interest or, where exploration and evaluation activities in the area of interest have not reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Where an area of interest is abandoned or the Directors decide that it is not commercial, any accumulated acquisition costs which are carried forward where right of tenure of the area of interest is acquisition costs in respect of that area are written off in the financial period the decision is made.

Each area of interest is also reviewed at the end of each accounting period and accumulated costs written off to the extent that they will not be recoverable in the future.

Amortisation is not charged on costs carried forward in respect of areas of interest in the development phase until production.

Larchmont's board considers the Group's accounting policy is in accordance with the requirements of AASB 6.

4. Cash and Cash Equivalents

	31 December 2019	30 June 2019
	\$	\$
Cash at bank	9,243	8,762
Total cash and cash equivalents	9,243	8,762

5. Trade and Other Receivable

	31 December 2019	30 June 2019
	\$	\$
Accounts receivable and accruals	-	-
Tax Receivable	1,186	-
Total Trade and Other Receivable	1,186	-

6. Capitalised Exploration and Development Expenditures

	31 December 2019	30 June 2019
	\$	\$
Opening Balance	441,532	-
Expenditure incurred	-	441,532
Closing Balance	441,532	441,532

7. Trade and Other Payables

	31 December 2019	30 June 2019
	\$	\$
Accounts payable and accrual	5,660	76,090
Total Trade and Other Payables	5,660	76,090

LARCHMONT INVESTMENTS PTY LTD

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2019**

8. Shareholder Advance

	31 December 2019	30 June 2019
	\$	\$
Opening Balance	708,790	143,675
Movement in Shareholder Advance	115,823	565,115
Closing Balance	824,613	708,790

The shareholder advance is interest-free and it will not be demanded by the shareholders within 12 months after the date of signing of financial statement.

9. Interests in subsidiaries

9.1. Composition of the Group

The Group includes one subsidiary, Noronex Ltd, with material non-controlling interests (NCI):

Name of the Subsidiary	Country of incorporation and principal place of business	Principal activity	Proportion of ownership interests held by the Group at year end	
			31 December 2019	31 December 2018
Noronex Ltd	Canada	Exploration and evaluation	80%	80%

The subsidiary was incorporate on 20 June 2018 but commenced operation from 1 July 2018. The cost of the acquisition was \$8,416 (CAD\$ 8,000) which was settled in cash.

9.2. Subsidiary with material non-controlling interests

Name	Proportion of NCI ownership interests and voting rights Principal activity		Loss allocated to NCI		Accumulated NCI	
	31 December 2019	31 December 2018	31 December 2019	31 December 2018	31 December 2019	31 December 2018
Noronex Ltd	20%	20%	2,372	22,805	31,525	18,799

10. Subsequent Events

There has not arisen in the interval between the end of the financial year and the date of this report any other item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Group, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company, in future financial years.

11. Commitment and Contingent Liabilities

The Group does not have any commitments and contingent liabilities as at 31 December 2019.

LARCHMONT INVESTMENTS PTY LTD
DIRECTORS' DECLARATION
FOR THE YEAR ENDED 31 DECEMBER 2019

As described in the basis of preparation accounting policy included in note 2 to the financial statements, the Company is not a reporting entity and these are special purpose financial statements.

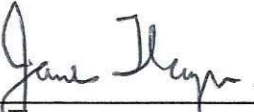
The directors of the Company declare that the financial statements and notes:

- a) comply with the accounting policies as detailed in note 2 to the financial statements; and
- b) presents fairly, in all material respects, the group 's financial position as at 31 December 2019 and of its performance for the period ended on that date.

In the directors' opinion

- c) there are reasonable grounds to believe that the group will be able to pay its debts as and when they become due and payable.

Signed on behalf of the directors.



James Thompson

Dated at Perth: 8th day of June 2020

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
LARCHMONT INVESTMENTS PTY LTD**

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Larchmont Investments Pty Ltd, being a special purpose financial report, which comprises the consolidated statement of financial position as at 31 December 2019, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity, and the consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration for Larchmont Investments Pty Ltd (the consolidated entity). The consolidated entity comprises both Larchmont Investments Pty Ltd (the Company) and the entities it controlled during the half year.

Directors' Responsibility for the Half-Year Financial Report

The directors of Larchmont Investments Pty Ltd are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2019 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Larchmont Investments Pty Ltd, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

Whilst we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

Our review did not involve an analysis of the prudence of business decisions made by the directors or management.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, has been provided to the directors of Larchmont Investments Pty Ltd on 8 June 2020.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Larchmont Investments Pty Ltd is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2019 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

Emphasis of Matter – Basis of Accounting

Without modifying our review conclusion, we draw attention to Note 2 of the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the Corporations Act 2001. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Material Uncertainty related to Going Concern and the Carrying Value of Capitalised Exploration and Evaluation Expenditure

We draw attention in Note 2 (f) and Note 6 to the interim financial report which describe the consolidated entity's use of the going concern basis of preparation of the financial report and the carrying value of capitalised exploration and evaluation expenditure. Our conclusion is not modified in respect of these matters.

- i) As noted in note 2f, as at 31 December 2019, the consolidated entity had net asset deficiency of \$378,313 and cash and cash equivalents of \$9,243. The consolidated entity had incurred a loss for the period ended 31 December 2019 of \$44,959.

The ability of the consolidated entity to continue as a going concern and meet its planned exploration, administration, and other commitments is dependent upon the consolidated entity fully financially supported by its shareholders and or raising further capital. In the event that the consolidated entity is not fully financially supported by its shareholders and or raising further capital, the consolidated entity may not be able to meet its liabilities as and when they fall due, and the realisable value of the Company's current and non-current assets may be significantly less than book values.

- ii) The consolidated entity had capitalised exploration and evaluation expenditure of \$441,532 as at 31 December 2019. The recoverability of the consolidated entity's carrying value of capitalised mining exploration and evaluation expenditure is dependent on the successful commercial exploitation of the assets and/or sale of the assets to generate sufficient funds to at least that of their carrying values. In the event that the consolidated entity is not successful in commercial exploitation and/or sale of the assets, the realisable value of the consolidated entity's assets may be significantly less than their current carrying values.

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(An Authorised Audit Company)

Stantons International Audit & Consulting Pty Ltd

Martin Michalik

Martin Michalik
Director

West Perth, Western Australia
8 June 2020



Lustrum Minerals Limited | ACN 609 594 005

GM Proxy Voting Form

If you are attending the meeting
in person, please bring this with you
for Securityholder registration.

Holder Number:

Vote by Proxy: LRM

Your proxy voting instruction must be received by **11.00am (WST) on Monday 28 September 2020**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY VOTE ONLINE

Vote online at <https://investor.automic.com.au/#/loginsah>

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting form.

- ✓ **Save Money:** help minimise unnecessary print and mail costs for the Company.
- ✓ **It's Quick and Secure:** provides you with greater privacy, eliminates any postal delays and the risk of potentially getting lost in transit.
- ✓ **Receive Vote Confirmation:** instant confirmation that your vote has been processed. It also allows you to amend your vote if required.



SUBMIT YOUR PROXY VOTE BY PAPER

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

VOTING UNDER STEP 1- APPOINTING A PROXY

If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chairman of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided

Individual: Where the holding is in one name, the Shareholder must sign.

Joint holding: Where the holding is in more than one name, all of the Shareholders should sign.

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

ATTENDING THE MEETING

Completion of a Proxy Voting Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Voting Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.

POWER OF ATTORNEY

If a representative as power of attorney of a Shareholder of the Company is to attend the Meeting, a certified copy of the Power of Attorney, or the original Power of Attorney, must be received by the Company in the same manner, and by the same time as outlined for proxy forms.



