

ASX Announcement

26 June 2024

Connected to Acquire Namibian Uranium and WA Gold Projects

- *Connected IO Limited has entered into binding agreements to acquire:*
 - *100% of the issued capital of Namibia U308 Pty Ltd (**NU308**), which will hold an 80% interest in 1 granted exclusive prospecting licence and 3 EPL applications located in Namibia, which are prospective for uranium; and*
 - *100% of the legal and beneficial interest in 3 exploration licences located in Western Australia, which are prospective for gold.*
 - *The Company intends to undertake a consolidation on a 20 to 1 basis, and issue a Prospectus to raise up to \$5.2 million (before costs) at \$0.20 per Share via a:*
 - *non-renounceable entitlement offer to Shareholders on a 8.5 for 10 basis to raise \$2,700,000; and*
 - *placement to professional and sophisticated investors to raise \$2,500,000.*
 - *The funds raised will primarily be used to complete the Acquisitions and conduct exploration activities.*
 - *On completion, the Company will appoint Warrick Clent as Managing Director and Barend Morkel as a Non-Executive Director, with Adam Sierakowski continuing as the Non-Executive Chairman, and Davide Bosio and Dougal Ferguson resigning as Directors, and.*
 - *The Proposed Transaction is subject to various conditions, including shareholder approval and re-compliance with Chapters 1 and 2 of the Listing Rules.*
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Perth, Western Australia: Connected IO Limited (**ASX: CIO**) (**Connected** or the **Company**) is pleased to announce that it has entered into:

- a share sale agreement (**NU308 Agreement**) with Namibia U308 Pty Ltd (ACN 674 282 341) (**Namibia U308**) and key shareholders of Namibia U308 (**Major NU308 Shareholders**) whereby the Company will acquire 100% of the share capital in Namibia U308 and, in doing so, its 80% legal and beneficial interest in 1 granted tenement (i.e. EPL 6933) and 3 tenement applications (i.e. EPL 9162, EPL 9705 and EPL 9576) located in Namibia (**Namibian Projects**) that are prospective for uranium (**NU308 Acquisition**); and
- a binding term sheet (**ME Agreement**) with Mining Equities Pty Ltd (ACN 627 501 491) (**ME Vendor**) under which the Company proposes to acquire a 100% legal and beneficial interest in the Mt Genoa Project, Civilisation Bore Project and the Pallingup Project located in Western Australia (**WA Projects**) that are prospective for gold (**ME Acquisition**),

(together, the **Acquisitions**), signalling a new strategic direction and potential future for the Company within the minerals exploration industry.

In conjunction with the Acquisitions, the Company plans to undertake:

- a non-renounceable entitlement offer of Shares to eligible Shareholders on an 8.5 for 10 basis to raise \$2,700,000 (before costs) through the issue of 13,500,000 Shares (on a post-Consolidation basis) at an issue price of \$0.20 each (**Entitlement Offer**); and
- a placement of Shares to institutional and professional investors to raise up to \$2,500,000 (before costs) through the issue of up to 12,500,000 Shares at an issue price of \$0.20 each (**Share Placement**),

(together, the **Capital Raisings**), which will provide funding for the Company to adopt and implement its new business undertaking, including exploration activities on the Namibian Projects and the WA Projects.

Completion of the Acquisitions and the Capital Raisings (together, the **Proposed Transaction**) is subject to various conditions being satisfied, including that the Company re-complies with Chapters 1 and 2 of the Listing Rules due to the significant impact that the Proposed Transaction will have on its nature and scale. Among other things, this will require the Company to prepare and lodge a "full form" prospectus with ASIC, which will include offers of Shares for the purposes of the Capital Raisings. Completion will also require the Company to obtain various approvals from Shareholders at the General Meeting to be held on 26 July 2024.

Upon completion of the Proposed Transaction, Connected will effectively transform into a junior minerals explorer and, by re-complying with Chapters 1 and 2 of the Listing Rules with exploration and potential development of the Namibian Projects and the WA Projects as its main business undertaking, the Company's Shares will be reinstated to trading on the ASX.

Following completion of the Proposed Transaction, the Company intends to undertake exploration activities on the Namibian Projects and the WA Projects with the objective of identifying a JORC-compliant mineral resource for further development and, in doing so, potentially creating value for Shareholders.

The timeframe for completing the Proposed Transaction is especially limited in the circumstances as the Company is otherwise facing automatic delisting from the ASX due to its continued period of suspension.

1 NU308 Acquisition

The Company has entered into a share sale agreement (**NU308 Agreement**) with Namibia U308 and the Major NU308 Shareholders under which the Company proposes to acquire 100% of the issued share capital in Namibia U308 and, accordingly, its 80% legal and beneficial interest in 1 granted exclusive prospecting licence (**EPL**) (being EPL 6933) and 3

EPL applications (being EPL 9162, EPL 9576 and EPL 9705) located in Namibia (**Namibian Projects**), which are considered to be prospective for uranium.

In conjunction with the NU308 Agreement, Namibia U308 has entered into 4 deeds of assignment and variation (**Assignment Deeds**) with Resource Capital and each of Auwanga, Kettu Trading, Ploschad Investments and SAA Investments (**Original Holders**) (as applicable) under which Resource Capital will assign its interests and obligations under 4 binding heads of agreements (**HOAs**) with each of the Original Holders (as applicable) to Namibia U308 at completion of the NU308 Agreement. Accordingly, the Assignment Deeds and the HOAs (together, the **Original Holder Agreements**) will be absorbed by the Company through its acquisition of Namibia U308 under the NU308 Agreement and, therefore, the Company will effectively become subject to the Original Holder Agreements.

Summaries of the NU308 Agreement and the Original Holder Agreements are set out in Schedule 1.

2 Namibian Projects

The Namibian Projects are comprised of the Etango North East Project (i.e. EPL 6933), the Swakomund Project (i.e. EPL 9162), the Welwitschia Plain Project (i.e. EPL 9576) and the Rossing Northeast Project (i.e. EPL 9705) located in Namibia, which are each described below.

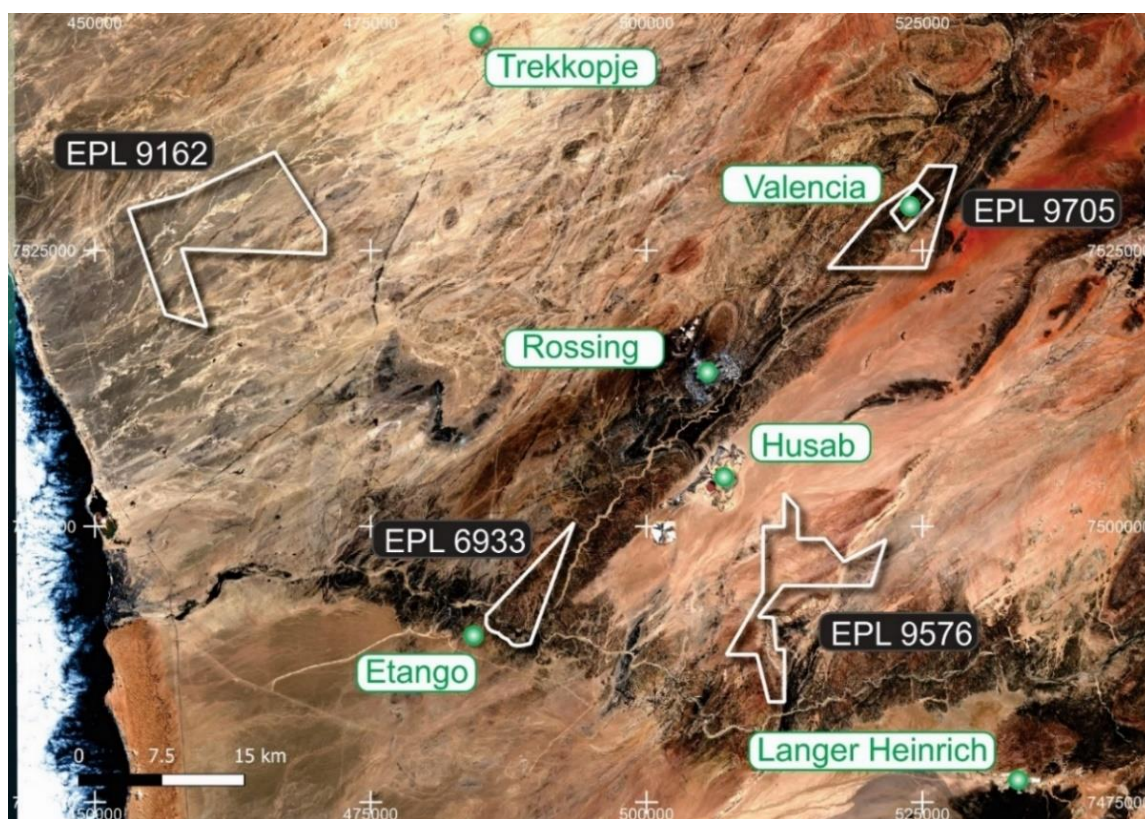


Figure 1: Project Location Map – Namibian Projects

Etango North East Project – EPL 6933

The Etango North East Project comprises the granted exclusive prospecting licence EPL 6933 located in the western part of Namibia, in the Erongo region, on the northernmost part of the Namib-Naukluft National Park and covers an area of 3,028.988 hectares. The Etango North East Project is sandwiched between three coastal towns namely Arandis, Swakopmund and Walvis Bay which are in a radius of approximately 40-50 kilometres.

Infrastructure, electricity, communication and water supply are relatively well accessible to the Etango North East Project, as it lies proximate to advanced projects including active Mining Licence (ML 250) held by Bannerman Mining Resource (Pty) Ltd which is currently under development, and EPL 3138 held by Swakop Uranium (Pty) Ltd which borders EPL 6933 on the southwestern part.

The local geology underlying EPL 6933 comprises several lithostratigraphic units belonging to the Abbabis Metamorphic Complex, the Damara Super Group and associated Intrusive rocks and by the much younger quaternary sediments. The Abbabis Metamorphic Complex rocks dominate and occur throughout the licence area.

The granted exclusive prospecting licence allows for detailed investigations including geological mapping, ground geophysics, geochemical sampling, trenching, drilling, bulk sampling, trial mining.

Swakomund Project – EPL 9162 (Application)

The Swakomund Project comprises the exclusive prospecting licence application EPL 9162 which covers an area of 12,485.527 hectares located proximate to Trekkopje and Klein Trekkopje deposits. The Company considers a potential for calcrete hosted uranium deposits within channels running off nearby "hot" granites and notes prospective targets are currently in the northeast corner of the licence. The Company expects a lower grade but the potential for high tonnes in the style of a uranium deposit. There is extensive sand cover potentially mimicking and masking palaeo channel calcrete desposition.

Welwitschia Plain Project – EPL 9576 (Application)

The Welwitschia Plain Project, comprises the exclusive prospecting licence application EPL 9576 which covers an area of 6,869.728 hectares. The Company's primary target is an alaskite mineralisation within a secondary target of calcrete hosted uranium, which is located 6km east of Husab Uranium Mine on the opposite side of Husab Valley.

The Welwitschia Plain Project areas display characteristics that are suitable for both primary and secondary Uranium mineralisation. The project shows potential for alaskite granitic dykes within the "hot" granite seen in the Uranium radiometric. The structure plays an important role in channelling uraniferous Alaskites.

A number of structural contacts have been identified as priority target areas for primary Uranium mineralisation. The Welwitschia Plain Project contains secondary potential from calcrete-style uranium deposits within channels running off the granites and extensive sand cover displaying signs of calcrete development in the deeper weathered zones.

Rossing Northeast Project – EPL 9705 (Application)

The Rossing Northeast Project comprises the exclusive prospecting licence application EPL 9705 which covers an area of 4,690.8359 hectares. The Rossing Northeast Project is proximate to the Valencia Project (ML 149) which is held by Forsys Metals Corp. (TSX:FSY) and the Rossing Uranium Mine operated by Rossing Uranium Limited, which is located 15km to the Southwest of the Rossing Northeast Project.

Exploration undertaken by Forsys Metals across its Valencia Project has indicated that multiple structural trends that host mineralisation extend into the Rossing Northeast Project. Furthermore, there are potential repetitions of the Valencia Project within EPL 9705 based on radiometric survey results. There are potentially alaskite granitic dykes intruding through the overlying metasediments such as gneiss and marble. Mineralisation at the Valencia Project is hosted within leucogranites with its appearance ranging from aplitic veins to leucogranite pegmatites to massive intrusive granites. The Company understands these intrusions can be easily identified in the field for further target generation.

3 ME Acquisition

The Company has entered into a binding term sheet (**ME Agreement**) with Mining Equities Pty Ltd (ACN 627 501 491) (**ME Vendor**) to acquire a 100% legal and beneficial interest in 3 granted exploration licences (being E70/6165, E09/2465 and E08/3304) located in Western Australia (**WA Projects**), which are considered to be prospective for gold. A summary of the ME Agreement is set out in Schedule 1.

4 WA Projects

The WA Projects are comprised of the Mt Genoa Project (i.e. E70/6165), the Civilization Bore Project (i.e. E09/2465) and the Pallingup Project (i.e. E08/3304) located in Western Australia, which are each described below.

Mt Genoa Project – E09/2465

The Mt Genoa Project, being E09/2465, is a 40 graticular block (i.e. approximately 125.1km²) sized exploration licensed tenement located approximately 145km north-north-east of Paraburdoo in the north-west of Western Australia that is prospective for lead, copper and silver.

The Mt Genoa Project is located in the Mesoproterozoic Edmund Group rocks of the central part of the Capricorn Orogen between the Archean Yilgarn and Pilbara cratons. The Edmund Group occupies the western portion of the Bangemall Super Group and lies unconformably on the Paleoproterozoic Gascoyne Complex.

The early deposition in the project area was controlled by half grabens formed by subsidence along the mantle tapping Lyons River fault zone. The overlying discovery formation is a laterally extensive transgressive characterised by distinctive black chert and silicified pyritic carbonaceous siltstones. This formation is overlain by Devil Creek Formation consisting mainly of dolomitic rocks which are locally stromatolitic. The basin structure and

depositional distribution of sedimentary rocks reflects horst and graben style tectonics resulting in west-north-west striking doubly plunging synclines and anticlines.

The east-south-east plunging Genoa syncline is the dominant feature of the Mt Genoa Project. The western closure of the syncline abuts an interpreted major north-east trending fault along the eastern boundary of the Mt Augustus basement high located 3 kilometres north-west of the Mt Genoa Project. Both the northern and southern limbs of the syncline are very linear reflecting the overprint of major strike faults associated with the mantle tapping Lyons River deformation zone.

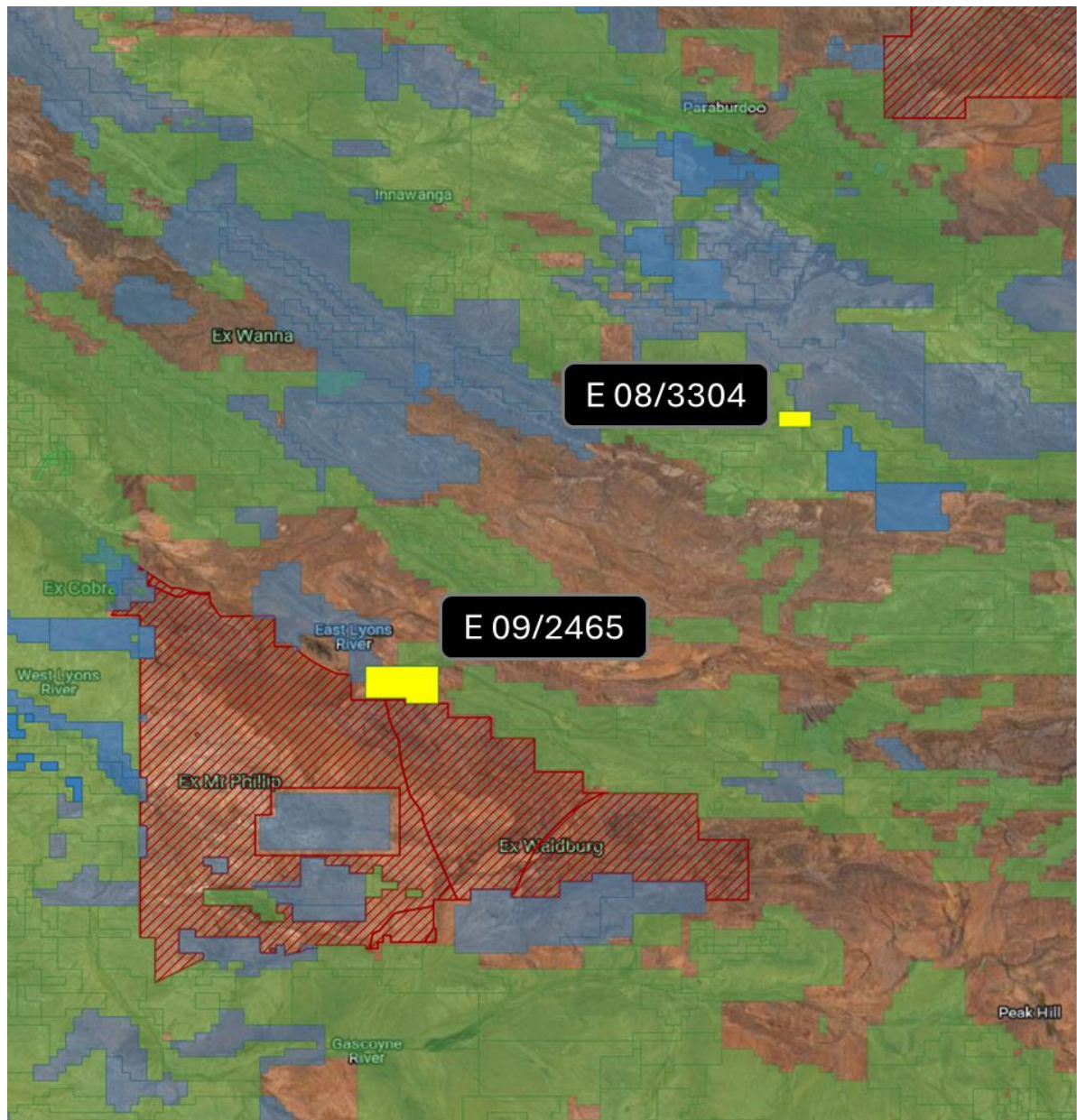


Figure 2: Project Location Map – Mt Genoa Project and Civilisation Bore Project.

Civilization Bore Project – E08/3304

The Civilization Bore Project, being E08/3304, is an 8 graticular block (i.e. approximately 25.13km²) sized exploration licensed tenement located approximately 70km south of

Paraburdoo in the north-west of Western Australia that is prospective for copper, gold and silver. The climate is arid to semi-arid tropical with ephemeral river and creek flows. Heavy rainfall is largely restricted to the summer months usually connected with cyclonic activity.

The Civilization Bore Project is located in the Ashburton Formation in an arcuate shape from west and north Mt Boggola and extending south-east between Mt Boggola and Mt Bresnahan to the unconformity with the overlying Bangemall Super Group sediments. The Ashburton trough is a 450km long arcuate belt of north-west striking, Paleoproterozoic sediments flanking the southern and western margins of the Pilbara Craton. This trough contains largely with Ashburton Formation sediments of the Upper Wyloo Group. The Ashburton Formation consists mostly of siltstone, thin to very thick bedded lithic quartz sandstone pebble to cobble conglomerate and felsic volcanics with minor BIF and mafic volcanics outcropping near Mt Boggola.

The geology is dominated by the unconformity between Ashburton Formation meta-argillite, sandstone and conglomerate and overlying shallowly south dipping dolomites and chert of the Bangemall Group. The unconformity is a major topographic feature outcropping along the northern flank of a large east-west oriented shallowly south dipping chert ridge. To the south of the chert ridge are the monotonous outcrops of shale, argillaceous limestone and minor quartzite.

A volcano-sedimentary sequence has been recognised at the prospect. Basement is comprised of massive and vesicular basalts hosting interflow sediments. This in turn is overlain by ash tuffs, dust tuffs, sandstone, mudstones and siltstones. Jaspilites occur on the western side of the prospect and are interpreted to be a felsic unit overlying unexposed basalts.

Furthermore, two styles of iron mineralisation have been observed. The first style occurs parallel to bedding planes and has an epithermal texture of laminated botryoidal haematite. The second type is zoned, cross cuts the stratigraphy and is composed of massive haematite marginal to buck quartz. Commonly associated with this type of iron veining is iron replacement of transected sandstones.

Pallingup Project – E70/6165

The Pallingup Project, being E70/6165, is a 16 graticular block (i.e. approximately 51km²) sized exploration licensed tenement located approximately 100km north-east of Albany in the south of Western Australia that is prospective for heavy minerals and rare earth elements. Access to the Pallingup Project is available via shire graded gravel roads and property owners tracks reachable from the South Coast Highway from Albany towards Jeramungup.



Figure 3: Project Location Map – Pallingup Project.

The Pallingup Project was targeted initially based on the potential of heavy minerals sand mineralisation occurring along one or more fossil beaches a short distance inland of the southern coast of Western Australia.

The fossil coasts in the Pallingup Project were located initially via drilling in the late 1980s. Fossil rivers drained the Pallingup-Bremer Bay source area during development of a late Eocene coastline, and drilling in this area indicates that heavy mineral bearing sands are associated with offshore marine units and overly typical continental sediments of the earlier Werillup Formation. Within the fossil coastline there are three shorelines at slightly different elevations, signifying fluctuations in sea level during accumulation of the coastal sequence. These shorelines are marked by the formation of discrete beach sand units referred to as the Lower, Middle and Upper Sand.

Potential exists within the area of the Pallingup Project for the Eocene clays, overlying the Proterozoic basement lithologies, to host rare earth mineralisation like that found further east along the coastline in similar geological settings. It should be noted that previous exploration has not focused on this potential due to commodity prices being low for this style of mineralisation during historical exploration efforts.

5 Capital Raisings

To fund the Acquisitions, the Company intends to raise \$2,700,000 (before costs) through the issue of 13,500,000 Shares at an issue price of \$0.20 each under a non-renounceable entitlement offer to eligible Shareholders, with each being offered 8.5 Shares for every 10 Shares it holds at the record date (**Entitlement Offer**). The minimum subscription amount for the Entitlement Offer to complete is \$2,700,000. It is currently anticipated that the record date for determining the entitlements of Shareholders under the Entitlement Offer will be on or about 7 August 2024.

In accordance with Listing Rule 7.2 (Exception 3), the Company may issue any Shares not taken up under the Entitlement Offer (**Shortfall Shares**) via a shortfall facility at the same issue price of \$0.20 each. The Company (in consultation with the Lead Manager) will formulate an allocation policy for any Shortfall Shares, which will be set out in the Prospectus and will inform who may ultimately receive any Shortfall Shares (for example, this may include eligible Shareholders, participants under the Share Placement, other investors identified by the Company or the Lead Manager, etc). Any Shortfall Shares will not be issued any later than 3 months after the closing date of the Entitlement Offer.

The Company also intends to undertake a placement to institutional and professional investors to raise \$2,500,000 (before costs) through the issue of up to 12,500,000 Shares at an issue price of \$0.20 each (**Share Placement**). The minimum subscription amount for the Share Placement to complete is \$1,500,000.

6 Prospectus

The Entitlement Offer and the Share Placement will be made by the Company under a prospectus to be lodged with ASIC for the purposes of its re-compliance with Chapter 1 and 2 of the Listing Rules (**Prospectus**). The Prospectus will be a "full form" disclosure document that complies with the general disclosure requirements under section 710 of the Corporations Act, and is anticipated to be lodged with ASIC on or about 15 July 2024.

The Company may include in the Prospectus a current intention to undertake a non-renounceable entitlement offer of loyalty options to eligible Shareholders about 6 or more months after completion of the Proposed Transaction on terms to be determined by the Company (**Loyalty Offer**). If the Company ultimately decides to proceed with any Loyalty Offer, it will be made under a separate prospectus lodged with ASIC at the relevant time.

7 Lead Manager

The Company has entered into a mandate with 708 Capital Pty Ltd (**Lead Manager**) for its role as lead manager to the Capital Raisings (**LM Mandate**). The material terms of the LM Mandate are set out below.

- (a) (**Services**): The Lead Manager will act as lead manager to the Capital Raisings and, in doing so, use best endeavours to procure investment under the Capital Raisings.
- (b) (**Fees**): The fees payable by the Company under the LM Mandate are:
 - (i) 6,000,000 Broker Options, of which 3,000,000 Broker Options will be issued to the Lead Manager or its nominees (who may be related parties, associates or personnel of the Lead Manager) and the remaining 3,000,000 Broker Options will be issued to third party brokers (who must not be related parties, associates or personnel of the Lead Manager) engaged by the Lead Manager to assist with the Capital Raisings (**Nominated Brokers**); and
 - (ii) a 3% management fee on the total amount raised under the Capital Raisings, and a 3% capital raising fee which it will disburse amongst internal and third party brokers who assist with the Capital Raisings.
- (c) (**Termination**): Either party may terminate the LM Mandate for cause with 7 days of written notice, and accrued fees and expenses must be paid to the Lead Manager.

8 Use of funds

The proposed use of funds raised from the Capital Raisings is set out below.

Item	Minimum Subscription	Maximum Subscription
Exploration expenditure – Namibian Projects	\$1,192,600	\$1,890,940
Exploration expenditure – WA Projects	\$2,214,500	\$2,526,000
Capital raising fees	\$252,000	\$312,000
Other costs related to the Proposed Transaction (e.g. legal, accounting, finance, other advisers and consultants)	\$200,000	\$200,000
General working capital ¹	\$1,640,900	\$1,571,060
Total	\$5,500,000	\$6,500,000

Notes:

- ¹ Working capital may include wages, accounts payable, director fees, contractor fees, rent and outgoings, insurance, accounting, audit, legal, listing and registry fees, and other items of a general administrative nature. These funds

may also be used for corporate expenditure items or in connection with any project, investment or acquisition, as determined by the Company at the relevant time.

- 2 The above table is a statement of current intentions as at the date of this announcement. Shareholders should note that, as with any budget, the allocation of funds set out in the above table may change depending on a number of factors including, but not limited to, the success of exploration, development of new acquisition opportunities or market conditions. In light of this, the Company reserves the right to alter the way the funds are applied.

9 Re-compliance with Chapters 1 and 2

As the Company is proposing to make a significant change in the nature and scale of the Company's activities through the Proposed Transaction, the Company must re-comply with the admission and quotation requirements set out in Chapters 1 and 2 of the Listing Rules prior to its securities recommencing quotation on ASX. Under Listing Rules 11.1.2 and 11.1.3, the change in the nature and scale of the Company's activities requires the approval of Shareholders and the Company to re-comply with the admission and quotation requirements set out in Chapters 1 and 2 of the Listing Rules.

The Company's Shares have been suspended from trading on ASX since 27 July 2022, and will not be reinstated unless the Company acquires a new main business undertaking (as intended by the Proposed Transaction), and ASX is satisfied that the Company has met the requirements of Chapters 1 and 2 of the Listing Rules. Some of the key requirements of Chapters 1 and 2 of the Listing Rules include:

- the Company satisfying the spread requirements relating to the minimum number of Shareholders and the minimum value of the shareholdings of those Shareholders; and
- the Company satisfying the "assets test" set out in Listing Rule 1.3.

In the event that the Company does not receive conditional approval for re-admission to the Official List, the Company will not proceed with the Capital Raisings. In this regard, the Company notes that:

- ASX has an absolute discretion in deciding whether or not to re-admit the Company to the Official List; and
- investors should take account of these uncertainties in deciding whether or not to buy or sell the Company's securities.

The Company has sought in-principle advice from ASX in which ASX has set out, on an in-principle basis, that it has not identified any reasons to date, to exercise its discretion to prevent the Company from being re-admitted to the Official List. Investors are cautioned however, that such advice is not binding and cannot be relied upon to prevent ASX from exercising its discretion as it sees fit.

10 Timetable

The indicative timetable for the Proposed Transaction is set out below.

Event	Date
Announcement of Proposed Transaction to ASX	26 June 2024
Dispatch of Notice of Meeting to Shareholders	26 June 2024
Lodgement of Prospectus with ASIC	15 July 2024
General Meeting for approval of Resolutions by Shareholders	26 July 2024
Record date for Entitlement Offer	7 August 2024
Dispatch of Prospectus to eligible Shareholders	9 August 2024
Opening date for Entitlement Offer	
Last date to extend closing date for Entitlement Offer	27 August 2024
Closing date for Entitlement Offer	30 August 2024
Quotation of Securities on a deferred settlement basis	2 September 2024
Announcement of shortfall for Entitlement Offer to ASX	3 September 2024
Issue of Shares under Capital Raisings	
Issue of Securities under Acquisitions	
Completion of Proposed Transaction	
Reinstatement of Securities to trading on ASX	6 September 2024
Change of name and ticker code for Company	

Note: The above timetable is indicative only and subject to change in accordance with the Listing Rules and applicable laws.

11 Extension of delisting date

Under ASX's policy on the delisting on long term suspended entities set out in ASX Guidance Note 33, the Company may be delisted from the Official List of ASX if it has not been reinstated by 27 July 2024. ASX may agree to a short extension (i.e. up to 3 months) of this deadline if the Company can demonstrate to ASX's satisfaction that it is in the final stages of implementing a transaction that will lead to the resumption of trading in its securities within a reasonable period.

According to ASX Guidance Note 33, ASX considers "final stages" to mean having:

- (a) announced the transaction to the market (i.e. the Proposed Transaction);

- (b) signed definitive legal agreements for the transaction (including any financing required) (i.e. the NU308 Agreement, the ME Agreement and the LM Mandate);
- (c) lodged the prospectus with ASIC (i.e. the Prospectus); and
- (d) obtained shareholder approval for the transaction (i.e. the Transactions Resolutions).

Having satisfied items (a) and (b), and provided items (c) and (d) are satisfied in accordance with the indicative timetable below, the Company anticipates that it will meet the requirements of being in the "final stages" of implementing the Proposed Transaction prior to 27 July 2024. Accordingly, the Company intends to seek an extension to its delisting deadline on this basis so that it can complete the Proposed Transaction in line with the proposed timetable.

It is important to note, however, that ASX ultimately retains a discretion as to whether or not to grant such an extension. If the Company is unable to obtain an extension of current delisting deadline, then the Proposed Transaction will not proceed, and the Company will likely be delisted from the ASX immediately following the deadline.

12 Capital structure

The capital structure of the Company currently and upon completion is set out below.

Security	Existing		Minimum Subscription		Maximum Subscription	
	Number	Proportion	Number	Proportion	Number	Proportion
Existing Shares	317,919,465	81.7%	15,895,973	20.8%	15,895,973	19.6%
Share Placement Shares	-	-	7,500,000	9.8%	12,500,000	15.4%
Entitlement Offer Shares	-	-	13,500,000	17.7%	13,500,000	16.6%
Consideration Shares ²	-	-	8,800,000	11.5%	8,800,000	10.8%
Total Shares	317,919,465	81.7%	45,695,973	59.9%	50,695,973	62.4%
Existing Options ³	71,000,000	18.3%	3,550,000	4.7%	3,550,000	4.4%
Broker Options	-	-	6,000,000	7.9%	6,000,000	7.4%
Incentive Options	-	-	6,000,000	7.9%	6,000,000	7.4%
Performance Rights ⁴	-	-	15,000,000	19.7%	15,000,000	18.5%
Total other Securities	71,000,000	18.3%	30,550,000	40.1%	30,550,000	37.6%
Fully diluted share capital	388,919,465	100%	76,245,973	100%	81,245,973	100%

Notes:

- 1 The Minimum Subscription and Maximum Subscription figures are reflected on a post-Consolidation basis.
- 2 Comprising of 7,500,000 Shares under the NU308 Acquisition and 1,300,000 Shares under the ME Acquisition.
- 3 The existing Options are exercisable at \$0.03 (\$0.60 on a post-Consolidation basis) on or before 1 July 2024.

4 Comprising of the following Performance Rights under the NU308 Acquisition:

- (a) 2,500,000 Class A Performance Rights;
- (b) 2,500,000 Class B Performance Rights;
- (c) 2,500,000 Class C Performance Rights; and
- (d) 7,500,000 Class D Performance Rights.

13 Escrow arrangements

Subject to the Company's Shares being reinstated to trading on the ASX, certain Shares and Options in the Company will be classified by ASX (in its absolute discretion) as restricted securities and will be required to be held in escrow for 24 months from the date of reinstatement. During the period in which these securities are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of his or her Shares in a timely manner.

The Securities likely to be subject to escrow are the Shares and Performance Rights under the NU308 Acquisition, the Shares under the ME Acquisition, the Broker Options and the Incentive Options. Shares offered under the Capital Raisings will not be subject to any escrow restrictions.

Prior to the Company's Shares being reinstated to trading on the ASX, the Company will enter into escrow agreements with the recipients of the restricted securities or issue escrow notices in accordance with Chapter 9 of the Listing Rules, and the Company will announce to ASX full details (quantity and duration) of the Securities required to be held in escrow.

14 Pro forma balance sheet

A pro forma statement of financial position of the Company as at 31 December 2023 based on the reviewed accounts of the Company, the management accounts of Namibia U308 and completion of the Proposed Transaction is set out in Schedule 3.

15 Board of Directors

On Completion of the Proposed Transaction, Dougal Ferguson and Davide Bosio will resign as Directors, Adam Sierakowski will remain as Non-Executive Chairman, and Warrick Clent (CEO and Managing Director) and Barend Morkel (Non-Executive Director) will be appointed to the Board in accordance with clause 11.4(a) of the Constitution. Profiles of the Directors making up the Board on completion are set out below.

Adam Sierakowski – Non-Executive Chairman

Adam Sierakowski is a lawyer and founder of the firm Palisade Corporate (formerly Price Sierakowski) and is the founder and managing director of corporate advisory firm, Trident Capital. Mr Sierakowski has held numerous board positions with ASX listed companies for over 20 years including many as chairman.

Mr Sierakowski has expertise in the areas of mergers and acquisitions, reverse takeovers, IPOs, resources, energy, technology, corporate financing, regulator engagement and

structuring advice. His board roles as both a non-executive and executive director have included private and not for profit entities, applying particular skills in corporate compliance, governance, ESG and strategic planning.

Mr Sierakowski is currently the Non-Executive Chairman of the Company and is proposed to remain the Non-Executive Chairman from completion of the Proposed Transaction.

Mr Sierakowski is not considered to be an independent director.

Warrick Clent – Managing Director and Chief Executive Officer

Warrick Clent is a geologist with over 25 years technical experience in the mining industry, having worked on greenfield through to advanced exploration projects, open cut and underground mines across the commodity spectrum. Mr Clent holds a Bachelor of Science (Geology) degree from the University of Canterbury, New Zealand, a Graduate Diploma in Applied Finance from Kaplan Professional and is a member of the Australasian Institute of Mining and Metallurgy.

Mr Clent's employment experience has seen him manage teams of greater than one hundred people, exploration budgets over \$15,000,000, manage social licence and heritage responsibilities and compliance reporting for organising operating in multiple countries and jurisdictions including Australia, Papua New Guinea and Indonesia.

Mr Clent's most recent role was as Chief Operating officer for Raiden Resources Ltd (ASX: RDN) where he was integral in delivering a JORC compliant 23.4Mt nickel, copper, cobalt and platinum-group-elements resource which has led to the ongoing development of that project.

Mr Clent is not currently a director of the Company but is proposed to be the Managing Director and CEO from completion of the Proposed Transaction.

Barend Morkel – Non-Executive Director

Barend Morkel is a Chartered Accountant having qualified with Ernst & Young South Africa. Mr Morkel has over 19 years of mining sector experience, gained in various senior positions held with Endeavour Mining group, Glencore, China General Nuclear Power Group, Vale, Norilsk Nickel and African Rainbow Minerals. Mr Morkel's mining experience has been in uranium, base, and precious metals commodities and in various stages of project life cycles. He holds an Honors degree in Accounting Science from the University of Pretoria.

Mr Morkel is not currently a director of the Company but is proposed to be a Non-Executive Director from completion of the Proposed Transaction.

16 Risk factors

Key risks associated with the Proposed Transaction and the Company's proposed operations following its completion include those set out below.

(a) ASX delisting deadline

The Company is at risk of being automatically delisted from the ASX on 27 July 2024 under ASX Guidance Note 33 due to its continued period of suspension. If the Company is unable to obtain an extension of this deadline or otherwise complete the Proposed Transaction within the timeframe allowed, the Proposed Transaction will not proceed and the Company will likely be delisted from the ASX.

(b) ASX reinstatement

The Proposed Transaction 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.

There is a risk that the Company may not be able to meet the requirements of the ASX for re-quotation of its Shares on the ASX. Should this occur, the Shares will likely remain in suspension and not be able to be traded on the ASX until such time as those requirements can be met, if at all. Shareholders may be prevented from trading their Shares should the Company be suspended until such time as it does re-comply with the Listing Rules.

(c) Liquidity

On Completion, the Company will issue certain Securities which may be classified by ASX as restricted securities and will be required to be held in escrow for 24 months from the date of reinstatement. Details of the expected escrow restrictions are set out above. The application of the ASX escrow restrictions may be considered to result in a liquidity risk as the issued capital will not be able to be traded freely for a period of time and the ability of a Shareholder to dispose of his or her Shares in a timely manner may be affected.

(d) Dilution

The Company currently has 317,919,465 Shares on issue (on a pre-Consolidation basis). On Completion (assuming the Maximum Subscription under the Share Placement and Entitlement Offer is raised):

- (i) the existing Shareholders will retain approximately 31% of the Company's issued Share capital on an undiluted basis and 19.6% of the Company's issued Share capital on a fully diluted basis;
- (ii) the NU308 Vendors will hold approximately 14.8% of the Company's issued Share capital on an undiluted basis and 9.3% of the Company's issued Share capital on a fully diluted basis;

- (iii) the ME Vendor will hold approximately 2.6% of the Company's issued Share capital on an undiluted basis and 1.6% of the Company's issued Share capital on a fully diluted basis; and
- (iv) the investors under the Share Placement and Entitlement Offer will hold approximately 52% of the Company's issued Share capital on an undiluted basis and 32% of the Company's issued Share capital on a fully diluted basis. There is a risk that the interests of Shareholders will be further diluted as a result of future capital raisings that will be required in order to fund the future development of the Company.

(e) **Completion and counterparties**

There is a risk that the conditions precedent for Completion under the NU308 Acquisition and ME Acquisition will not be fulfilled and, in turn, that Completion will not occur under the respective agreements. The ability of the Company to achieve its stated objectives will depend on the performance by Namibia U308, the NU308 Vendors and the ME Vendor of their obligations under the NU308 Agreement and ME Agreement (as applicable). If a counterparty defaults in the performance of its obligations, it may be necessary for the Company to approach a court to seek a legal remedy, which can be costly and without any certainty of a favourable outcome.

(f) **Limited operational history**

Namibia U308 has limited operational history on which to evaluate its business and prospects. The prospects of the Company must be considered in light of the risks, expenses and difficulties frequently encountered by companies in the early stages of their development, particularly in the mineral exploration sector, which has a high level of inherent risk and uncertainty. No assurance can be given that the Company will achieve commercial viability through the successful exploration on, or mining development of, the NU308 Projects or the WA Projects. Until the Company is able to realise value from the Tenements, it is likely to incur operational losses.

(g) **Jurisdiction**

The Namibian Projects are located in Namibia, which is a developing country. Possible sovereign risks associated with operating in Namibia include, without limitation, changes in the terms of mining legislation, changes to royalty arrangements, changes to taxation rates and concessions and changes in the ability to enforce legal rights. Any of these factors may, in the future, adversely affect the financial performance of the Company and the market price of its Shares. Further, a change in these factors may in turn affect the Company's ability to undertake exploration and development activities on the NU308 Projects in the manner currently contemplated.

(h) **Tenement conditions**

Under the applicable mining legislation (**Minerals Act**), the Minister may cancel an Exclusive Prospecting Licence if the holder fails to comply with the terms and

conditions of the licence or the provisions of the Minerals Act. The Minister shall not however cancel a mineral licence, unless the Minister has given notice informing the holder of his intention to cancel calling upon such holder to make representations; and the Minister having considered such representations, including any steps taken by such holder to remedy the failure in question.

The Company considers the likelihood of tenure forfeiture to be low given the laws and regulations governing exploration in Namibia and the ongoing expenditure budgeted for by the Company. However, the consequence of forfeiture or involuntary surrender of any of the granted Exclusive Prospecting Licence could be significant.

(i) Exploration and development

Mineral exploration and development is a high-risk undertaking. There can be no assurance that exploration of the Namibian and Western Australian Tenements or any other exploration properties that may be acquired in the future will result in the discovery of an economic Mineral Resource.

Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited due to various issues including lack of ongoing funding, adverse government policy, geological conditions, commodity prices or other technical difficulties.

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, unanticipated operational and technical difficulties, industrial and environmental accidents, 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 having access to sufficient development capital, being able to maintain title to its projects and obtaining all required approvals for its activities. In the event that exploration programs are unsuccessful this could lead to a diminution in the value of its projects, a reduction in the cash reserves of the Company and possible relinquishment of part or all of its projects.

(j) 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 comprising the NU308 Projects and WA Projects are subject to the applicable mining acts and regulations in Namibia and Western Australia, respectively. The renewal of the term of a granted tenement is also subject to the discretion of the relevant Minister. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the

licences comprising the Namibia Projects and Western Australian 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.

(k) **Resource estimation**

At present none of the Namibian or Western Australian tenements host a Mineral Resource or Ore Reserve estimate. Whilst the Company intends to undertake exploration activities with the aim of defining a Mineral Resource, no assurances can be given that the exploration will result in the determination of a Mineral Resource. Even if a Mineral Resource is identified, no assurance can be provided that this can be economically extracted. The calculation and interpretation of resource estimates are by their nature expressions of judgment based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly through additional fieldwork or when new information or techniques become available. This may result in alterations to development and mining plans, which may in turn adversely affect the Company's operations.

(l) **Equipment availability**

The Company's ability to undertake mining and exploration activities is dependent upon its ability to source appropriate contractors with access to relevant drilling and other exploration and mining equipment and a skilled workforce to safely operate such equipment. Equipment and labour are not always available and the market for exploration and mining equipment experiences fluctuations in supply and demand. If the Company is unable to source appropriate equipment or a skilled workforce to operate such equipment economically or at all then this may have an adverse impact on the timing and cost effectiveness of the Company's exploration program.

(m) **Operations**

Should the Company be successful in developing a project or projects, the operations of the Company may be affected by various factors, including 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.

(n) **Competition**

The industry in which the Company will be involved is subject to domestic and global competition, including major mineral exploration and production companies. Although the Company will undertake all 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's projects and business.

Some of the Company's competitors have greater financial and other resources than the Company and, as a result, may be in a better position to compete for future business opportunities. Many of the Company's competitors not only explore for and produce minerals, but also carry out refining operations and other products on a worldwide basis. There can be no assurance that the Company can compete effectively with these companies.

(o) **Regulatory**

The Company will need to obtain regulatory approvals and licences to undertake its operations. There is no guarantee that such approvals and licences will be granted. In addition, various conditions may be imposed on the grants of such regulatory approvals and licences which may impact on the cost or the ability of the Company to mine the tenements.

(p) **Use of capital**

The Board has discretion concerning the use of the Company's capital resources as well as the timing of expenditures. Capital resources may be used in ways not previously anticipated or disclosed. The results and the effectiveness of the application of capital resources are uncertain. If they are not applied effectively, the Company's financial or operational performance may suffer.

(q) **General economic conditions**

The operating and financial performance of the Company is influenced by a variety of general economic and business conditions, including levels of consumer spending, commodity prices, inflation, interest rates and exchange rates, supply and demand, industrial disruption, access to debt and capital markets and government fiscal, monetary and regulatory policies. Changes in general economic conditions may result from many factors including government policy, international economic conditions, significant acts of terrorism, hostilities or war or natural disasters. A prolonged deterioration in general economic conditions, including an increase in interest rates or a decrease in consumer and business demand, could be expected to have an adverse impact on the Company's operating and financial performance and financial position. The Company's future possible revenues and Share prices may be affected by these factors, which are beyond the control of the Company.

(r) **Commodity prices**

If the Company achieves success leading to mineral production, the revenue it will derive through the sale of commodities may expose the potential income of the Company to commodity price and exchange rate risks. The price of base metals fluctuate and are affected by numerous factors beyond the control of the Company, such as industrial and retail supply and demand, exchange rates, inflation rates,

changes in global economies, confidence in the global monetary system, forward sales of metals by producers and speculators as well as other global or regional political, social or economic events. Future serious price declines in the market values of minerals which the Company plans to explore for could cause the development of, and eventually the commercial production from, the Projects to be rendered uneconomic. Depending on the prices of commodities, the Company could be forced to discontinue production or development and may lose its interest in, or may be forced to sell, some of its properties. There is no assurance that, even as commercial quantities of base metals are produced, a profitable market will exist for it.

(s) **Exchange rates**

International prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company are and will be taken into account in Australian currency and Namibian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and each of the Australian dollar and Namibian dollar as determined in international markets.

(t) **Government policy**

Any material adverse changes in government policies or legislation of Australia, Namibia or any other country that the Company may acquire economic interests in may affect the viability and profitability of the Company.

(u) **Force majeure**

Events may occur within or outside the markets in which the Company operates that could impact upon the global and Australian economies, the operations of the Company and the market price of its securities. These events include acts of terrorism, outbreaks of international hostilities, fires, global pandemics, floods, earthquakes, labour strikes, civil wars, natural disasters, outbreaks of disease, and other man-made or natural events or occurrences that can have an adverse effect on the demand for the Company's services and its ability to conduct business. Given the Company has only a limited ability to insure against some of these risks, its business, financial performance and operations may be materially adversely affected if any of the events described above occurs.

17 Information required by ASX Guidance Note 12 (Annexure A)

The Company provides the following disclosure in accordance with the ASX Guidance Note 12 – Annexure A, to the extent that the information has not yet been provided elsewhere is this announcement.

(a) **Transaction analysis**

See Schedule 2 for a transaction based comparison table, and Schedule 3 for a pro forma statement of financial position (based on reviewed accounts of the Company

as at 31 December 2023 and management accounts of Namibia U308 as at 31 May 2024).

(b) **Capital structure**

The Company intends to undertake a consolidation of the Company's issued capital on a 20 to 1 basis. See below for a summary of the effect of the Proposed Transaction on the capital structure of the Company.

(c) **Security issues in previous 6 months**

The Company has not issued any Securities in the 6 months prior to the date of this announcement. During this period, Namibia U308 has issued a total of 180,001 fully paid ordinary shares on or about 13 June 2024 at an issue price of \$0.83 each to raise \$149,400. Funds raised from this issue have been spent by Namibia on working capital.

(d) **Control changes**

No person will acquire control of, or voting power of 20% or more in, the Company as a result of the Proposed Transaction.

(e) **Shareholder approvals**

A notice of general meeting seeking Shareholder approval for various resolutions is required to give effect to the Proposed Transaction has been sent Shareholders. The Company will convene a general meeting to be held on 26 July 2024 (**General Meeting**) to seek approval of the resolutions set out below.

- (i) Consolidation of capital.
- (ii) Change in nature and scale of activities.
- (iii) Issue of Shares and Performance Rights to the NU308 Vendors.
- (iv) Issue of Shares to the ME Vendor.
- (v) Issue of Shares under the Share Placement.
- (vi) Issue of Options to the Lead Manager and the Nominated Brokers.
- (vii) Change of company name.
- (viii) Issue of Options to the Relevant Directors.
- (ix) Adoption of the Employee Securities Incentive Plan.
- (x) Approval of potential termination benefits under the Plan.
- (xi) Replacement of the Constitution.

(f) **Principal activities and jurisdictions**

The Company's activities following completion of the Proposed Transaction will be conducted in Namibia and Australia.

(g) **Business model and dependencies**

The Company will undertake exploration on the Namibian Projects and the WA Projects to potentially define a JORC-compliant mineral resource for further development.

Key dependencies influencing the viability of the Company include its ability to:

- (i) re-comply with Chapters 1 and 2 of the Listing Rules to enable re-admission to quotation of the Company's Securities;
- (ii) complete the Acquisitions and the Capital Raisings;
- (iii) obtain and maintain tenure over and access to the Namibian Projects and the WA Projects;
- (iv) generate exploration targets and identify potential resources and reserves on the Namibian Projects and the WA Projects;
- (v) raise sufficient funds to satisfy expenditure requirements from time to time, including exploration and operating costs on the Namibian Projects and the WA Projects; and
- (vi) minimise environmental impact and satisfy health and safety requirements, including on the Namibian Projects and the WA Projects.

(h) **Financial accounts**

See Schedule 3 for the management accounts of Namibia U308 from its incorporation to 31 May 2024.

(i) **Regulatory approvals and conditions**

In order for the Proposed Transaction to complete, the Company requires approval from Shareholders for the Transaction Resolutions, which themselves will satisfy various approval requirements under the Listing Rules, the Corporations Act or otherwise.

In addition, the Company has obtained from ASX:

- (i) a waiver of Listing Rule 1.1 Condition 12 so that the Performance Rights can be issued without having a cash exercise price of at least \$0.20;
- (ii) confirmation that the Performance Rights are appropriate and equitable for the purposes of Listing Rule 6.1; and

- (iii) a waiver of Listing Rule 10.13.5 so that the Incentive Options can be issued up to 3 months after the date of the Meeting instead of 1 month.

Other than as set out or contemplated in this announcement, no further regulatory approvals or conditions are anticipated to be required or appropriate for completion of the Proposed Transaction to occur.

(j) **Facilitation and adviser fees**

The Company will pay fees to the Lead Manager for services to be provided in connection with the Capital Raisings under the LM Mandate summarised in this announcement. No other fees are payable by the Company to any person for finding, arranging, or facilitating the Proposed Transaction.

(k) **Appropriate enquiries**

The Company has undertaken extensive technical, legal and other due diligence enquiries in relation to the Namibian Projects and the WA Projects for the purposes of assessing not only their merits and potential benefit to Shareholders, but also their suitability in constituting the main business undertaking of the Company moving forward on the ASX. The Company has established a formal due diligence program and committee to guide its enquiries for the purposes of the Prospectus that the Company is in the process of preparing in accordance with the "full form" general disclosure requirements in section 710 of the Corporations Act. Accordingly, this due diligence program has been designed to comprehensively capture the material components of the Proposed Transaction (including each of the Acquisitions and the Capital Raisings), as well as various other matters contemplated by or ancillary to the Proposed Transaction.

The due diligence enquiries undertaken so far have enabled the Company to effectively negotiate, and ultimately reach the decision to enter into, the NU308 Agreement and the ME Agreement on terms that it considers present an excellent opportunity and value proposition for Shareholders.

It is noted, however, that the NU308 Agreement and the ME Agreement each contain a condition precedent that the Company completes (or waives) any further due diligence enquiries in its discretion. Given their favourable nature, the Company has not yet waived these conditions precedent so that it can retain the benefit of them until it has completed its due diligence program for lodging the Prospectus with ASIC.

(l) **Continuous disclosure compliance**

The Directors confirm that the Company is in compliance with its continuous disclosure obligations under Listing Rule 3.1.

(m) **ASX not responsible**

ASX takes no responsibility for the contents of this announcement.

The Notice will set out further information about the Proposed Transaction and the resolutions seeking approvals from Shareholders. Accordingly, the Notice is an important document and should be read in its entirety. As further detailed in the Notice, the Board recommends the Proposed Transaction to Shareholders. If Shareholders have any questions relating to the Proposed Transaction, they can contact the Company.

This announcement has been approved and authorised by the Board of Directors of the Company.

Schedule 1 – Acquisition Agreements

1 NU308 Agreement

The material terms of the NU308 Agreement are set out below.

- (a) **(Sale and purchase):** The Company will acquire 100% of the issued share capital in Namibia U308 free from encumbrances.
- (b) **(Consideration):** In addition to a cash deposit of \$100,000, the Company will issue 7,500,000 Shares and 15,000,000 Performance Rights (**NU308 Consideration Securities**) to the NU308 Vendors (or their respective nominees) as consideration for the acquisition.
- (c) **(Conditions):** Completion of the NU308 Agreement is subject to the satisfaction (or any permitted waiver) of certain conditions, including:
 - (i) the Company raising a minimum of \$4,000,000 (before costs) under the Capital Raisings;
 - (ii) the Company completing its due diligence;
 - (iii) the Company obtaining all necessary Shareholder approvals required by the Corporations Act and the Listing Rules;
 - (iv) the Company obtaining all necessary waivers and confirmations required by the Listing Rules;
 - (v) the Company lodging the Prospectus with ASIC for the purposes of the Capital Raisings and re-complying with Chapters 1 and 2 of the Listing Rules;
 - (vi) Namibia U308 paying any amounts owing to creditors on or before completion;
 - (vii) Namibia U308 procuring that the Minor NU308 Shareholders each entering into an agreement with the Company for the transfer of their shares in Namibia U308 to the Company in accordance with the NU308 Agreement;
 - (viii) the Company completing the Consolidation; and
 - (ix) the Company receiving conditional approval from ASX confirming that ASX will grant re-quotation of its Shares on the Official list, on terms reasonably acceptable to the Company.
- (d) **(Completion):** Completion will take place 5 business days after satisfaction (or waiver) of the conditions (or such other date agreed by the parties). On completion,

the Company will acquire 100% of the issued share capital in Namibia U308 in consideration for the issue of the NU308 Consideration Securities.

- (e) **(Warranties)**: Namibia U308 and the Major NU308 Shareholders provide customary warranties and indemnities in favour of the Company, including in relation to title and operations.
- (f) **(Termination)**: The NU308 Agreement contains customary termination rights, including due to the failure of a condition.

The NU308 Agreement otherwise contains customary terms for an agreement of this nature, including in relation to pre-completion steps, completion and post completion obligations.

2 Original Holder Agreements

The material terms of the Original Holder Agreements with each of Auwanga (**Auwanga Agreement**), Kettu Trading (**Kettu Agreement**), Ploschad Investments (**Ploschad Agreement**) and SAA Investments (**SAA Agreement**) (as applicable) are set out below.

- (a) **(Initial SPV interests)**: At completion, Namibia U308 will hold 80% of the issued share capital in (as applicable):
 - (i) **(Auwanga Agreement)**: the Auwanga SPV (with the remaining 20% held by Auwanga), which will hold a 100% legal and beneficial interest in EPL 6933;
 - (ii) **(Kettu Agreement)**: the Kettu SPV (with the remaining 20% held by Ploschad), which will hold a 100% legal and beneficial interest in EPL 9705;
 - (iii) **(Ploschad Agreement)**: the Ploschad SPV (with the remaining 20% held by Ploschad Investments), which will hold a 100% legal and beneficial interest in EPL 9162; and
 - (iv) **(SAA Agreement)**: the SAA SPV (with the remaining 20% held by SAA Investments), which will hold a 100% legal and beneficial interest in EPL 9576.
- (b) **(Consideration Securities)**: At completion, Namibia U308 will assume the liabilities and obligations of Resource Capital, including by paying any outstanding cash amounts to the Original Holders (including \$175,000 to Auwanga under the Auwanga Agreement) and procuring that the Company issues the following Consideration Securities to the Original Holders as NU308 Vendors (as applicable):
 - (i) **(Auwanga Agreement)**: 1,775,000 Shares to Auwanga (or its nominees);
 - (ii) **(Kettu Agreement)**: 1,738,385 Class A Performance Rights to Kettu Trading (or its nominees);
 - (iii) **(Ploschad Agreement)**: 404,225 Class C Performance Rights to Ploschad Investments (or its nominees); and

- (iv) **(SAA Agreement):** 1,738,385 Class B Performance Rights to SAA Investments (or its nominees).

To avoid doubt, these Shares and Performance Rights form part of (and are not in addition to) the Consideration Securities to be issued under the NU308 Agreement.

- (c) **(Additional SPV interests):** At any time after completion, Namibia U308 will have the right to acquire:
 - (A) **(Auwanga Agreement):** an additional 10% of the issued share capital in the Ploschad SPV the Auwanga SPV for cash consideration of A\$200,000 to Auwanga;
 - (B) **(Kettu Agreement):** an additional 10% of the issued share capital in the Kettu SPV for cash consideration of N\$2,500,000 (~A\$200,000) to Kettu;
 - (C) **(Ploschad Agreement):** the remaining 20% of the issued share capital in the Ploschad SPV for cash consideration of N\$5,000,000 (~A\$400,000) to Ploschad; and
 - (D) **(SAA Agreement):** an additional 10% of the issued share capital in the SAA SPV for cash consideration of N\$2,500,000 (~A\$200,000) to SAA.

It is noted that any decision by the Company to ultimately exercise these rights will be subject to any applicable requirements under Listing Rule 1.1 (Condition 11).

- (d) **(Termination):** Namibia U308 may terminate the Assignment Deeds if completion of the NU308 Agreement does not occur by 31 December 2024.
- (e) **(Warranties):** Various customary warranties and indemnities are given by the Original Holders in favour of Namibia U308, including relation to the status of the respective Namibian Projects and the SPVs (as applicable).

The Original Holder Agreements otherwise contain customary terms for agreements of this nature.

3 ME Agreement

The material terms of the ME Agreement are set out below.

- (a) **(Sale and purchase):** The Company will acquire 100% legal and beneficial interest in the WA Projects.
- (b) **(Consideration):** The consideration payable by the Company to the ME Vendor (or its nominees) is 1,300,000 Shares.
- (c) **(Conditions):** Completion of the ME Agreement is subject to the satisfaction (or any permitted waiver) of certain key conditions precedent, including:

- (i) the Company raising a minimum of \$4,000,000 (before costs) under the Capital Raisings;
 - (ii) the Company completing its due diligence;
 - (iii) the Company obtaining all necessary Shareholder approvals required by the Corporations Act and the Listing Rules;
 - (iv) the Company obtaining all necessary waivers and confirmations required by the Listing Rules;
 - (v) the Company lodging the Prospectus with ASIC for the purposes of the Capital Raisings and re-complying with Chapters 1 and 2 of the Listing Rules;
 - (vi) the Company completing the Consolidation; and
 - (vii) the Company receiving conditional approval from ASX confirming that ASX will grant re-quotation of its Shares on the Official list, on terms reasonably acceptable to the Company.
- (d) **(Completion):** Completion will take place 5 business days after the satisfaction (or waiver) of the conditions (or such other date agreed by the parties). On completion, the Company will acquire a 100% legal and beneficial interest in the WA Projects in consideration for the issue of 1,300,000 Shares.
- (e) **(Warranties):** The ME Vendor provides customary warranties and indemnities in favour of the Company, including in relation to title and operations.
- (f) **(Termination):** The ME Agreement contains customary termination rights, including due to the failure of a condition.

The ME Agreement otherwise contains customary terms for an agreement of this nature, including in relation to pre-completion steps, completion and post completion obligations.

Schedule 2 – Transaction based comparison table

Item	Pre-Proposed Transaction ^{1, 2}	Consolidation at 1:20	Effect of Proposed Transaction ³	Post-Proposed Transaction (Pro Forma)	Impact of Proposed Transaction
Total consolidated assets	\$1,402,000	\$1,402,000	\$4,688,000	\$6,112,000	335%
Total equity	\$1,381,000	\$1,381,000	\$6,448,000	\$7,829,000	466%
Half year revenue	\$14,245	\$14,245	\$0	\$14,245	0%
Half year profit (before tax)	-\$203,850	-\$203,850	\$0	-\$203,850	0%
Total number of shares	317,919,465	15,895,973	34,800,000	50,695,973	218%
Total number of options and performance rights	71,000,000	3,550,000	27,000,000	30,550,000	760%

Notes:

- 1 Accounting figures are based on the latest set of reviewed accounts for the Company as at 31 December 2023, rather than at the date of this Notice.
- 2 Security figures are on a pre-Consolidation basis.
- 3 Assumes that the maximum subscription is achieved under the Capital Raisings.

Schedule 3 – Pro forma balance sheet

Item	Consolidated Reviewed 31 Dec 2023	Namibia U308 Unaudited 31 May 2024	Consideration for Acquisitions		Consolidation	Pro Forma Consolidated Post-Proposed Transaction	Effect of Capital Raisings		Consolidated Pro Forma 31 December 2023	
			NU308 Acquisition	ME Acquisition			Minimum Subscription	Maximum Subscription	Minimum Subscription	Maximum Subscription
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
CURRENT ASSETS										
Cash and cash equivalents	1,370	122	(100)			1,392	3,748	4,688	5,140	6,080
Receivables	32					32			32	32
TOTAL CURRENT ASSETS	1,402	122	(100)	0	0	1,424	3,748	4,688	5,172	6,112
NON-CURRENT ASSETS										
Investment in Subsidiaries			1,600	260	(1,860)	0			0	0
Exploration and evaluation assets	0	235			1,741	1,976	0	0	1,976	1,976
TOTAL NON-CURRENT ASSETS	0	235	1,600	260	(119)	1,976	0	0	1,976	1,976
TOTAL ASSETS	1,402	357	1,500	260	(119)	3,400	3,748	4,688	7,148	8,088
CURRENT LIABILITIES										
Trade and other payables	21	238				259	0	0	259	259
TOTAL CURRENT LIABILITIES	21	238	0	0	0	259	0	0	259	259
TOTAL LIABILITIES	21	238	0	0	0	259	0	0	259	259
NET ASSETS	1,381	119	1,500	260	(119)	3,141	3,748	4,688	6,889	7,829
EQUITY										
Issued capital	76,204	124	1,500	260	(124)	77,964	3,166	4,106	81,130	82,070
Reserves	3,697					3,697	582	582	4,279	4,279
Accumulated losses	(78,520)	(5)			5	(78,520)	0	0	(78,520)	(78,520)
TOTAL EQUITY	1,381	119	1,500	260	(119)	3,141	3,748	4,688	6,889	7,829

Notes:

The pro forma adjustments set out below have been made in relation to events which are expected to occur immediately before or upon completion of the Proposed Transaction.

- 1 The Consolidation of the Company's Securities on a 1 for 20 basis.
- 2 The acquisition of 100% of the issued share capital of NU308 for consideration of 7,500,000 Shares at a deemed issue price of \$0.20 each, 15,000,000 Performance Rights convertible into Shares upon the satisfaction of the applicable Milestones on or before 3 years from their issue date, and a cash deposit of \$100,000.
- 3 The acquisition of 100% of the WA Projects for consideration of 1,300,000 Shares at deemed issue price of \$0.20 each.
- 4 The issue of 21,000,000 Shares at \$0.20 each raising \$4,200,000 (before costs) on a Minimum Subscription basis, with the ability to raise \$5,200,000 (before costs) by the issue of up to 26,000,000 Shares on a Maximum Subscriptions basis.
- 5 The cash payment of a 6% (comprising a 3% selling fee and 3% management fee) to the Lead Manager and Nominated Brokers (or their respective nominees) for the Capital Raisings, totalling \$252,000 for the Minimum Subscription and \$312,000 for the Maximum Subscription, and with the issue of 6,000,000 Broker Options with an issue price of \$0.0001

each and are exercisable at \$0.20 on or before 31 December 2026, the expense and value of which have been applied against the capital raised by the Company.

- 6 The costs of the Proposed Transaction totalling \$452,000 on a Minimum Subscription basis and \$512,000 on a Maximum Subscription basis.
- 7 The issue of 6,000,000 Incentive Options to the Relevant Directors for nil cash consideration and are exercisable at \$0.20 on or before 31 December 2026.

Shareholders may view all the Company's ASX announcements on the ASX's website at www.asx.com.au or alternatively on the Company's website at <https://connectedio.com.au/>

This announcement was approved and authorised for release by the Company's Board of Directors.

For further information regarding this announcement please contact Adam Sierakowski, Chairman of Connected IO Limited on 08 6211 5099.