

## SWANSON TANTALUM PROJECT UPDATE

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### HIGHLIGHTS

- Several interested parties with financial capacity engaged in discussions to resume Swanson's development on an investment for equity in-project-company basis
- Information Memorandum finalised to initiate a competitive bidding process

**Arcadia Minerals Limited (ASX:AM7, FRA:8OH) (Arcadia or the Company)** provides an update on the Swanson Tantalum Project (the "Project"), which includes the Swanson Tantalum Mine and exploration potential over pegmatites situated within the TVC Project.

### SWANSON TANTALUM PROJECT UPDATE

As announced on the 31 October 2024, development at the Swanson Tantalite Mine slowed down significantly caused by lack of funding from HeBei Xinjian Construction CC ("HeBei")<sup>1</sup>, the Board has formally decided to terminate the Company's subscription agreement ("Agreement") with HeBei Xinjian Construction CC ("HeBei")<sup>2</sup>. As a result of the termination of the Agreement, Arcadia retains its 80% interest in the Project via the subsidiary holding in Orange River Pegmatite (Pty) Ltd ("ORP").

The Board believes the decision to terminate the Agreement is in the best interests of shareholders as it enables the Company to seek an alternative funding partner to resume development of the Swanson Tantalum Mine. As previously announced, Arcadia had proactively initiated the process of identifying other potential partners to advance the Project, in anticipation of potential funding challenges with HeBei.

The delivery of core equipment consisting of the Multi Gravity Separators ("MGS") and Spiral Circuits to the Project's site remains pending due to outstanding balances (amounting to approximately Au\$548,550) that were not completed by HeBei after the payment of deposits. The suppliers have agreed to hold this equipment for Arcadia until it secures a new funding partner for the Project. To construct the plant equipment ancillary to the core equipment (such as screens, cyclones, filter press, comminution circuit, pumps, thickeners, conveyors, valves and instrumentation and other general plant equipment) has been sourced from several equipment suppliers in Southern Africa on a competitive basis and included in the costings schedule. The directors believe that the equipment necessary to complete the plant can be sourced to complete the construction of the processing plant within the set budget of US\$9,8M<sup>3</sup>.

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<sup>1</sup> Refer to ASX announcement dated 31<sup>st</sup> October 2024 "*Quarterly Activities Report*"

<sup>2</sup> For details of the original subscription agreement, refer to ASX announcement dated 29<sup>th</sup> May 2023 "*Construction funding secured for Swanson Tantalum Project*"

<sup>3</sup> Refer to ASX announcement dated 31 May 2023 "*Feasibility Study Confirms Swanson Project as Significant Cash Generator*"



Development funds spent by HeBei to date (totalling approximately A\$620,000) are considered sunk, with no obligation for repayment by Arcadia to HeBei due to its default on the Agreement. This amount does not include the cost of constructing access roads over the mountainous terrain and the establishment of a processing site, which was completed at Hebei's cost and which is considered an asset of ORP without any obligation by ORP to reimburse Hebei. The processing equipment reportedly purchased by Hebei<sup>4</sup> in China worth approximately A\$2,625,000 was never delivered to the mine site by Hebei and, consequently, transfer of ownership to ORP has not occurred.

The Company has finalised an Information Memorandum to initiate a competitive bidding process immediately and is currently engaged in discussions with several interested parties with the financial capacity to resume the Project's development on an equity basis. The potential for mine life extensions through further exploration of the ~200 pegmatites identified<sup>5</sup> within the TVC Ta-Li Project, has been of significant interest to potential offtake parties and financiers, along with the Project's status as a non-conflict source of tantalum.

For the purpose of Listing Rule 15.5, this announcement has been authorised for release by the Board of Directors of Arcadia Minerals Limited.

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<sup>4</sup> Refer to ASX announcement dated 2 February 2024 "*Company Update: Mine Construction Progress at Swanson*"

<sup>5</sup> Refer to ASX announcement dated 6 May 2022 "*JORC Mineral Resource at Swanson Tantalum Project doubles in size*"

## **ARCADIA MINERALS LIMITED - PROJECTS**

Arcadia Minerals Limited (ASX: AM7) holds a diversified portfolio of resources projects in Namibia, across the critical, precious, and strategic metals sectors. The company's exploration strategy focuses on high-potential regions and advanced-stage projects, providing a balanced approach to creating value for shareholders. For more information, please visit [www.arcadiaminerals.global](http://www.arcadiaminerals.global)

### **Bitterwasser Lithium Project (50% effective Interest)**

The Bitterwasser Lithium Project is a highly prospective lithium asset and is comprised of Lithium-In-Clays and Lithium-In-Brine exploration opportunities. The project has already shown promising lithium concentrations in clay-rich zones and has an established JORC resource. Covering a vast area, the project's large and underexplored areas continue to present significant growth prospects.

### **Kum-Kum Nickel-PGE Project (80% effective interest)**

The Kum-Kum Nickel-PGE Project focuses on the Kum-Kum Intrusive Complex, a geological formation with strong nickel, copper, and platinum group element (PGE) mineralisation. Historical data, combined with recent exploration data, highlights the area's potential for large-scale discoveries of these critical and precious metals.

### **Karibib Copper-Gold Project (68% effective interest)**

The Karibib Copper-Gold Project is located in the Damara Belt, a region known for hosting major copper and gold deposits. Located within a rapidly growing gold district, the project benefits from excellent infrastructure and access to skilled labour. The project has significant potential for a major discovery through the application of modern exploration technology, such as that used by Osino Resources, recently acquired by Yintai Gold for US\$272m in February 2024.

### **Swanson Tantalite Project (80% effective interest in Swanson Tantalum Mine, and an 80% effective interest in TVC Project)**

The Swanson Tantalite Project is focused on tantalum, a critical material in electronics and industrial applications. In addition to the existing JORC resource which confirms the presence of high-grade tantalum, the project also includes multiple follow up pegmatite targets which are prospective for tantalum, lithium and niobium. Significantly, Swanson represents a sustainable and ethical source of tantalum that can be sourced outside of conflict zones, such as the Congo. A bankable feasibility study has been completed for the Project, which demonstrated robust financial outcomes using relatively conservative inputs. A competitive process for attracting a funding partner to continue the development of the Swanson Tantalum Mine is being initiated.

## COMPETENT PERSONS STATEMENT & PREVIOUSLY REPORTED INFORMATION

The information in the referenced announcements footnoted below in the table below that relates to Exploration Results has previously been released to the ASX. The Company confirms that it is not aware of any new information or data that materially affects the information provided in this announcement, and that all material assumptions and technical parameters underpinning the historical announcements tabled below continue to apply. The Company also confirms that the form and context in which the Competent Person's findings presented in this announcement have not been materially modified from the findings presented in the original market announcements. To the extent this report contains exploration results, estimates of mineral resource or ore reserves and supporting information, the Company confirms that the prior written consent of the relevant competent person has been obtained.

The information in this announcement that relates to exploration results fairly represents, information and supporting documentation prepared by the Competent Person(s) whose name(s) appears below, each of whom is either an independent consultant to the Company and a member of a Recognised Professional Organisation or a director of the Company. The Competent Person(s) named below have sufficient experience relevant to the style of mineralisation and types of deposits under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the JORC Code 2012.

Competent Person	Membership	Report/Document
Mr Philip le Roux (Director Arcadia Minerals)	South African Council for Natural Scientific Professions #400125/09	This announcement relating to the Kum-Kum Nickel & PGE Project

Release Date	ASX Announcements
<sup>1</sup> 29 May 2023	<i>Construction Funding secured for Swanson Tantalum Project</i>
<sup>2</sup> 31 October 2024	<i>Quarterly Activities Report for period ended 30 September 2024</i>
<sup>3</sup> 6 May 2022	<i>JORC Mineral Resource at Swanson Tantalum Project doubles in size</i>

## DISCLAIMER

Some of the statements appearing in this announcement may be forward-looking statements. You should be aware that such statements are only predictions and are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to the industries in which Arcadia operates and proposes to operate as well as general economic conditions, prevailing exchange rates and interest rates and conditions in the financial markets, among other things. Actual events or results may differ materially from the events or results expressed or implied in any forward-looking statement. No forward-looking statement is a guarantee or representation as to future performance or any other future matters, which will

be influenced by a number of factors and subject to various uncertainties and contingencies, many of which will be outside Arcadia's control.

The Company does not undertake any obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions or conclusions contained in this announcement. To the maximum extent permitted by law, none of Arcadia, its directors, employees, advisors or agents, nor any other person, accepts any liability for any loss arising from the use of the information contained in this announcement. You are cautioned not to place undue reliance on any forward-looking statement. The forward-looking statements in this announcement reflect views held only as at the date of this announcement.

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