



**ASX ANNOUNCEMENT**

**1 November 2023**

## **NMR enters joint venture exclusivity agreement for two mine-ready gold projects near Charters Towers**

### **HIGHLIGHTS:**

- NMR has entered into a binding exclusivity agreement with Ashby Mining Ltd (**Ashby**) in relation to the Far Fanning and Black Jack deposits both of which are advanced, near mine-ready gold projects
- Far Fanning is an historic mine with an Inferred JORC 2012 resource of **2.3MT @ 1.84g/t Au for 138Koz gold**
- Under the arrangement, Ashby has granted NMR the exclusive right to undertake detailed due diligence investigations into the Far Fanning and Black Jack Projects, and the parties have agreed to negotiate in good faith to enter into a binding joint venture agreement on the basis of a set of key principles (detailed further below)
- On proceeding, the joint venture arrangement will be on attractive commercial terms for NMR including:
  - no upfront cash payment or the issue of NMR scrip
  - NMR to fund exploration and mining works on the JV tenements with a minimum expenditure commitment of \$2million in the first two years
  - NMR obtaining a 60% interest in the joint venture, with a right to increase to an 85% interest once 70,000 tonnes of Au ore has been stockpiled by NMR and is at an economically recoverable grade
- The establishment of the joint venture is conditional upon NMR being satisfied with its due diligence regarding the Far Fanning and Black Jack Projects, renewal of certain tenements and completion of the Ashby IPO (which will deliver ownership of the project tenements to Ashby)

Gold and copper focused company **Native Mineral Resources Holdings Limited** (ASX: NMR), “NMR” or “the Company”, is pleased to announce that it has entered into a binding exclusivity agreement with Ashby Mining Ltd (**Ashby**) in relation to the Far Fanning and Black Jack Projects.

The agreement has been reached as part of a proposed asset divestment by Ashby in connection with its forthcoming listing on the Australian Stock Exchange, and allows NMR the ability to undertake detailed investigations into these projects and a first right to negotiate a joint venture or acquisition for up to 12 months following the end of the exclusivity period in mid-December 2023, if binding terms cannot be agreed by that date.

If a binding joint venture agreement is entered into, NMR will obtain a 60% interest in the joint venture and have responsibility to fund exploration and mining works on the joint venture (JV) tenements with a minimum expenditure commitment of \$2million for the first two years. Upon delivery of 70,000 tonnes of  $\geq 0.6\text{g/t Au}$  ore by NMR from the two projects, NMR's joint venture interest will increase to 85%.

If NMR terminates the exclusivity agreement due to Ashby's breach, or where a binding joint venture agreement cannot be agreed within the exclusivity period, Ashby will grant NMR a 12 month first right of refusal on any proposed full or partial divestment or joint venture of the Far Fanning and Black Jack Projects.

The two projects contain historical mining operations on current mining leases, with Far Fanning having a 2012 JORC compliant mineral resource estimate (MRE) of 2.3MT @ 1.84g/t Au, and Black Jack containing three small shallow oxide pits and extensive historical underground workings.

As part of the deal Ashby will give NMR priority access to treat any ore mined at both projects through Ashby's CIL processing plant which is located at the Black Jack project, on an open book cost plus margin basis.

The establishment of the JV is dependent on NMR completing satisfactory due diligence investigations, and Ashby successfully completing its listing on the ASX, which is currently planned for November 2023. Ashby has entered into a Deed of Company Arrangement with the receivers and managers of Maroon Gold Pty Ltd, pursuant to which it holds rights to acquire the Far Fanning and Black Jack projects upon the successful completion of its IPO.

**NMR's Managing Director, Blake Cannavo, commented:** *“NMR is extremely excited to be able to take advantage of this unique opportunity further investigate its participation in two near-mine projects with no upfront cash payment. Far Fanning and Black Jack are both advanced projects and would give NMR a substantial head start on becoming a miner and gold producer.*

*A joint venture with Ashby in relation to these projects would move NMR from being a small junior explorer with a long lead time to production, to having the ability to be a gold producer in less than two years.*

*We are looking forward to working closely with Ashby over the coming weeks to finalise our due diligence work and agree to a binding legal documentation.”*

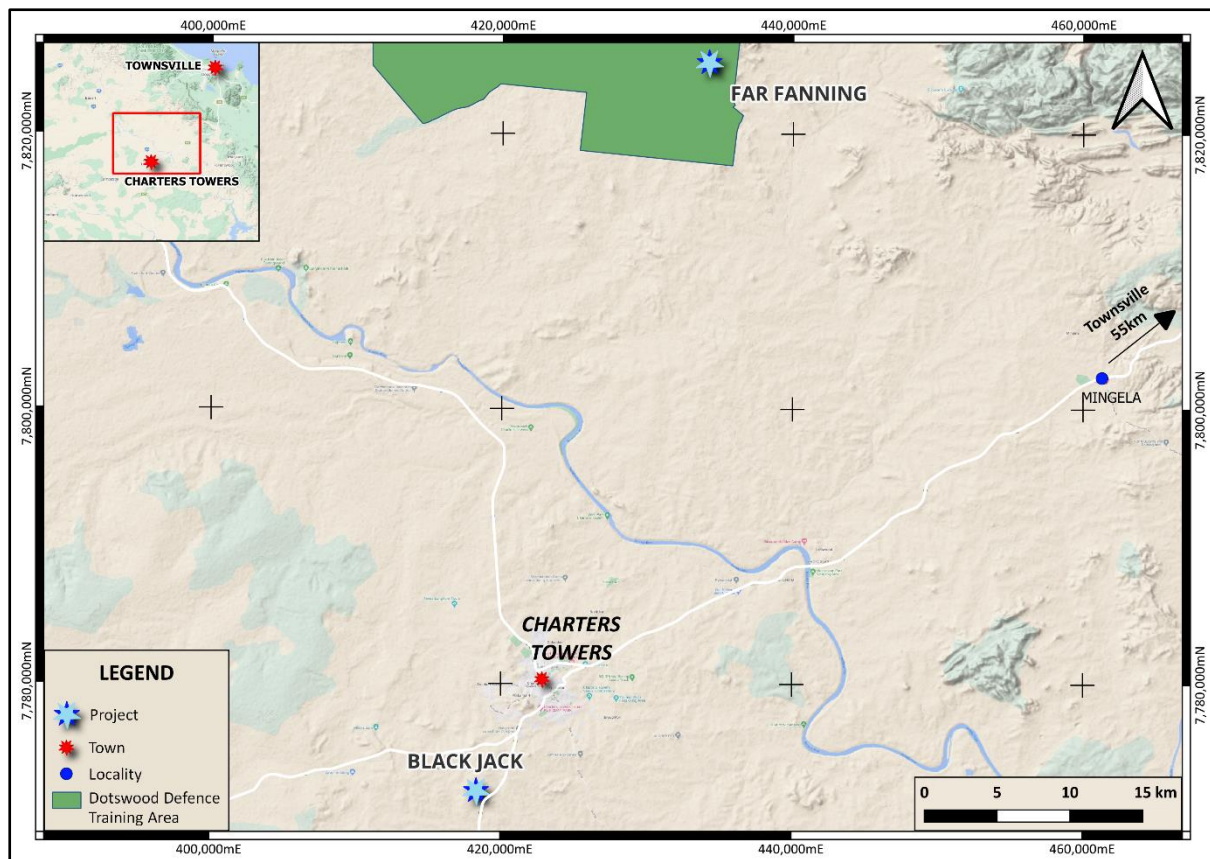


Figure 1: Far Fanning & Black Jack Location

### Far Fanning Project

The Far Fanning project (FF) consists of five Mining Leases (ML) covering an area of 2.6 km<sup>2</sup> granted to Fortified Gold Pty Ltd, a wholly owned subsidiary of Maroon Gold Pty Ltd.

Ashby does not currently own the Far Fanning Gold Project, but it will become an asset of Ashby on the company's admission to the official list of the ASX, which is expected to occur in November 2023.

Ashby has entered into a Deed of Company Arrangement with the receivers and managers of Maroon Gold Pty Ltd, pursuant to which it holds rights to acquire the Far Fanning and Black Jack projects upon the successful completion of its IPO.

FF is located 45 km NE of Charters Towers (Figure 1) and lies on five permitted Mining Leases (ML) with the main historical open pit is only 30 m deep and was last operated in 2005. Additionally, there was a small underground mining operation in the early 2000's.

A JORC 2012 mineral resource estimate (MRE) completed in 2021 updated the Inferred resource to 2.3 Mt at 1.84 g/t for 138,000 oz gold. A Scoping Study pit optimisation demonstrated a pit expansion to 115m depth.

Ashby had planned to undertake programs to improve the confidence in the Far Fanning resource estimate through verification and infill drilling which will support a further MRE update, feasibility study and commencement of mining operations.





Figure 2: Aerial view of the Far Fanning operation

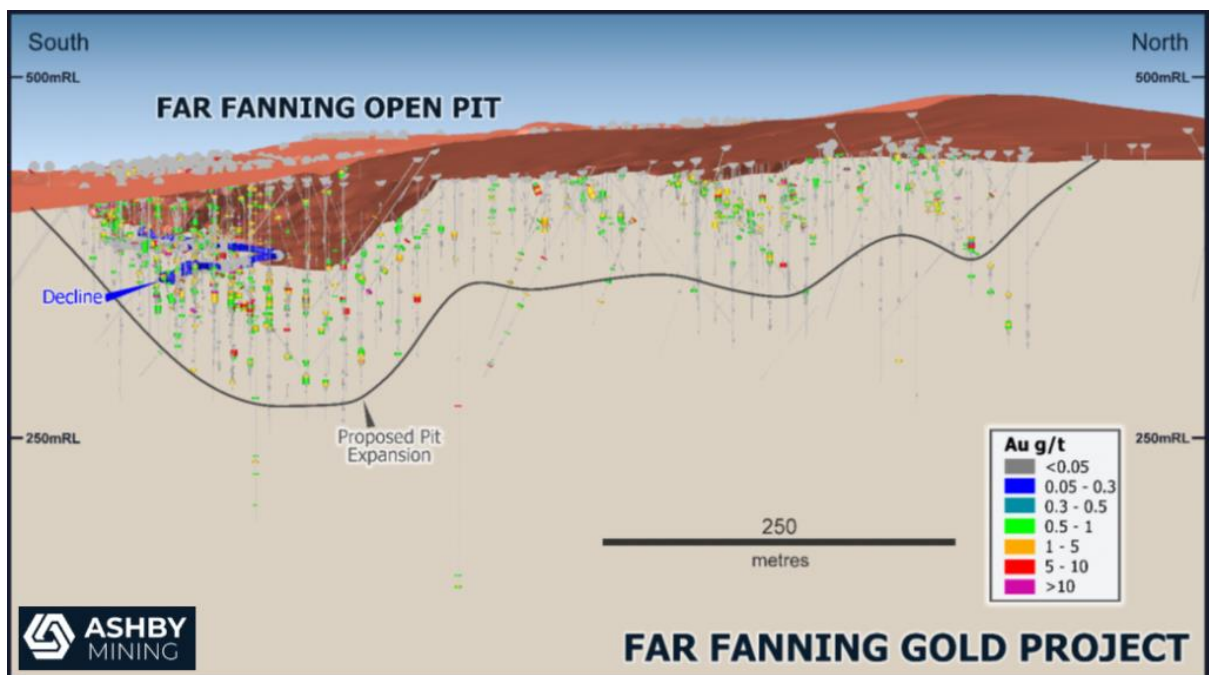


Figure 3: Far Fanning X-Section with proposed pit extension

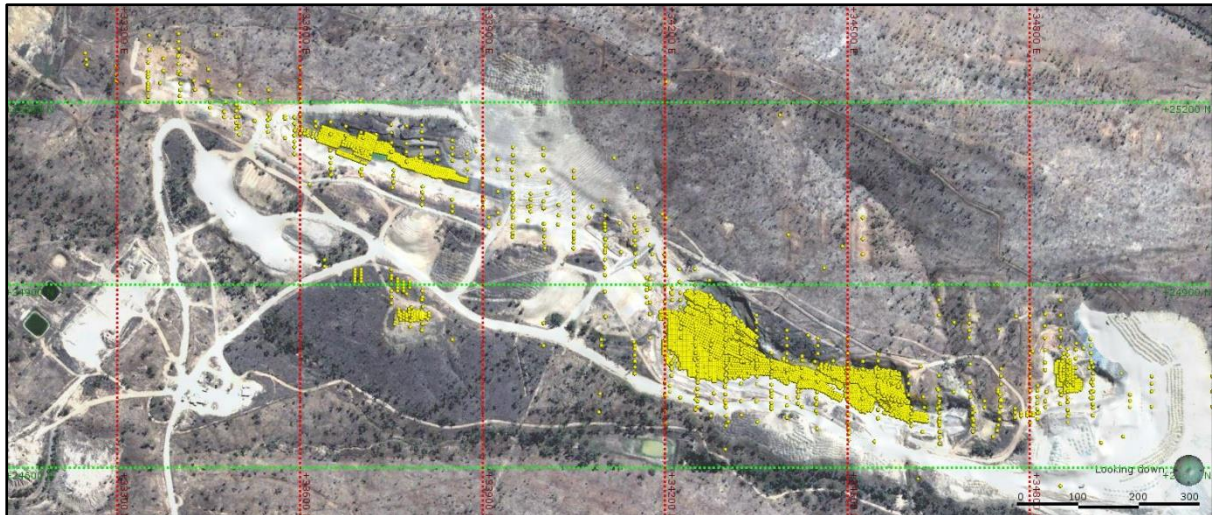


Figure 4: Far Fanning historical drilling (yellow dots are drillholes)

Tenement ID	Type	Area (ha)	Holder
ML 1349	Mining Lease	8.094	Fortified Gold Pty Ltd
ML 1350	Mining Lease	8.094	Fortified Gold Pty Ltd
ML 1351	Mining Lease	8.094	Fortified Gold Pty Ltd
ML 1437	Mining Lease	105.2	Fortified Gold Pty Ltd
ML 1438	Mining Lease	126.5	Fortified Gold Pty Ltd

Table 1: Far Fanning Tenement Status

### **Black Jack Joint Venture**

The Black Jack JV property includes five Mining Leases (ML) which make up part of Ashby's Black Jack project which includes twelve MLs, that are granted to Fortified Gold Pty Ltd, a wholly owned subsidiary of Maroon Gold Pty Ltd (Table 2).

The five MLs in the JV cover three shallow oxide pits that sit above the historic Black Jack underground workings that were worked intermittently from 1875 to 1889, (Figure 5).

The main workings consisted of two shafts to depths of approximately 60m and 90m, and seven levels up to 170m long. The ore shoot pitched to the southeast and reached a maximum length of 122m at a depth of 37m and the lode was up to 0.9m wide and sometimes yielded in excess of 60g/t Au. From 1886 to 1889 production was 11,920t for 20,796 ounces of gold.

Three shallow oxide open cuts were mined along the Black Jack underground mine trend during the 1980's and treated by heap leaching. The existing pits at Black Jack extended to an average vertical depth of 15m and no details are available for the grade of ore, width of lodes or recoveries for the treatment of the ore.

The MLs not included in the JV contain the Black Jack Processing Plant and associated tailings storage facility.



Tenement ID	Type	Area (ha)	Holder
ML 1387	Mining Lease	8.10	Maroon Gold Pty Ltd
ML 1408	Mining Lease	3.03	Maroon Gold Pty Ltd
ML 1428	Mining Lease	27.65	Maroon Gold Pty Ltd
ML 1433	Mining Lease	26.55	Maroon Gold Pty Ltd
ML 1548	Mining Lease	16.19	Maroon Gold Pty Ltd

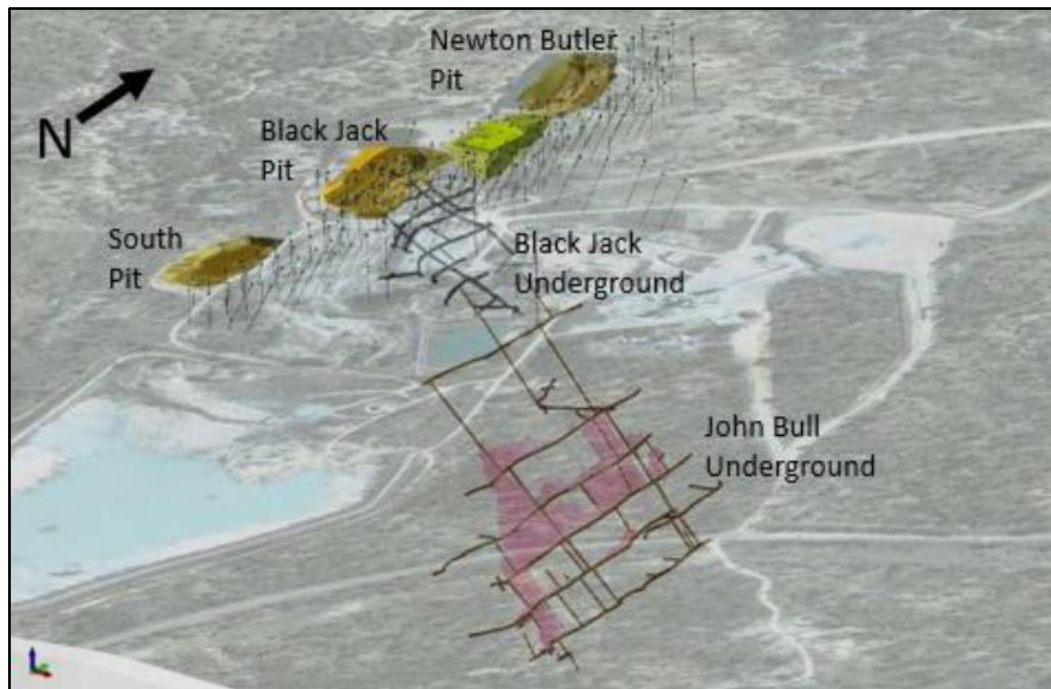
*Table 2: Black Jack Joint Venture Tenements*

### **Black Jack Processing Plant**

The proposed joint venture between NMR and Ashby does not include the Black Jack CIL processing plant which is located within the Black Jack tenements and is currently on care and maintenance (Figure 6).

Ashby will retain ownership and responsibility for any repairs and upgrades to the mill.

Additionally, Ashby will be responsible for all statutory, rehabilitation and environmental requirements, bonds, and sureties for the Black Jack mill. Ashby has agreed to mill ore derived by NRM from the joint venture tenements at the Black Jack CIL processing plant on an open book cost plus an agreed margin basis, in priority to any other ore it may propose to process at the mill.



*Figure 5: Black Jack oblique view of pits & underground workings*



Figure 6: Black Jack site & surface workings



The Board of Native Mineral Resources Holdings Ltd authorised this announcement to be lodged with the ASX.

For more information, please visit [www.nmresources.com.au](http://www.nmresources.com.au) or contact:

**Blake Cannavo**  
Managing Director and Chief Executive Officer

**Native Mineral Resources Holdings Limited**

T: +61 2 6583 7833

E: [blake@nmresources.com.au](mailto:blake@nmresources.com.au)

**Sam Burns**  
Media & Investor Relations

**Six Degrees**

T: +61 400 164 067

E: [sam.burns@sdir.com.au](mailto:sam.burns@sdir.com.au)

### **Competent Person Statement:**

*The information in this report relating to Exploration Results is based on information provided to Mr Greg Curnow, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Greg Curnow is a full-time employee of Native Mineral Resources. Mr Curnow has sufficient experience that is relevant to the styles of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Curnow has no potential conflict of interest in accepting Competent Person responsibility for the information presented in this report and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

### **Forward Looking Statements**

*Native Mineral Resources prepared this release using available information. Statements about future capital expenditures, exploration programs for the Company's projects and mineral properties, and the Company's business plans and timing are forward-looking statements. The Company believes such statements are reasonable, but it cannot guarantee their accuracy.*

*Forward-looking information is often identified by words like "pro forma", "plans", "expects", "may", "should", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", "believes", "potential" or variations of such words, including negative variations thereof, and phrases that refer to certain actions, events, or results that may, could, would, might, or will occur or be taken or achieved. The Company's actual results, performance, and achievements may differ materially from those expressed or implied by forward-looking statements due to known and unknown risks, uncertainties, and other factors.*

*The information, opinions, and conclusions in this release are not warranted for fairness, accuracy, completeness, or correctness. To the maximum extent permitted by law, none of Native Mineral Resources, its directors, employees, agents, advisers, or any other person accepts any liability, including liability arising from fault or negligence, for any loss arising from the use of this release or its contents or otherwise in connection with it.*

*This document does not constitute an offer, invitation, solicitation, or other recommendation to subscribe for, purchase, or sell any security, nor does it constitute a contract or commitment. This release may contain speculative and forward-looking statements subject to risk factors associated with gold, copper, nickel, and other mineral and metal exploration, mining, and production businesses. These statements reflect reasonable expectations, but they may be affected by a variety of variables and changes in underlying assumptions that could cause actual results or trends to differ materially, including price fluctuations, actual demand, currency fluctuations, drilling and production results,*

*Resource or Reserve estimations, loss of market, industry competition, environmental risks, physical risks, legislative changes, and more. Native Mineral Resources confirms that it is not aware of any new information or data that materially affects the information in the following presentation and that all material assumptions and technical parameters underpinning the information provided continue to apply.*