

Form 603Corporations Act 2001
Section 671B**Notice of initial substantial holder**To Company Name/Scheme Canyon Resources LimitedACN/ARSN 140 087 261**1. Details of substantial holder (1)**Name Eagle Eye Asset Holdings Pte. Ltd. (EEA), Falcon Eye Trustees Pte. Ltd. as trustee for the Growmax Trust (FET) and Kensington Trust Singapore Limited as trustee for the Tristart Global Trust (KTS)ACN/ARSN (if applicable) UEN 202017880Z / UEN 202112254Z / UEN 201541575GThe holder became a substantial holder on 22 / 12 / 2022**2. Details of voting power**

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes	Voting power (6)
Fully paid ordinary shares	202,900,000	202,900,000	19.99%

3. Details of relevant interests

The nature of the relevant interests the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
EEA	Registered holder of the securities issued pursuant to the subscription agreement between Canyon Resources Limited and EEA, a copy of which is attached at Annexure A.	202,900,000 ordinary shares
FET and KTS	Relevant interest in shares in which EEA has a relevant interest by virtue of section 608(3) of the <i>Corporations Act 2001</i> (Cth), pursuant to control of holding entities and shareholding in EEA.	202,900,000 ordinary shares

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
EEA	EEA	EEA	202,900,000 ordinary shares
FET and KTS			

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-Cash	
Eagle Eye Asset Holdings Pte. Ltd.	22 / 12 / 2022	\$12,174,000	N/A	202,900,000 ordinary shares

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
N/A	N/A

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Eagle Eye Asset Holdings Pte. Ltd.	14 Robinson Road #12-01/-2, Far East Finance Building, Singapore, 048545
Falcon Eye Trustees Pte. Ltd. as trustee for the Growmax Trust	14 Robinson Road #12-01/-2, Far East Finance Building, Singapore, 048545
Kensington Trust Singapore Limited as trustee for the Tristart Global Trust	14 Robinson Road #12-01/-2, Far East Finance Building, Singapore, 048545

Signature

print name GAURAV GUPTA capacity DIRECTOR

sign here



date 28 / 12 / 2022

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
- (9) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

Annexure A

This is Annexure A of 37 pages referred to in Form 603, Notice of Initial Substantial Holder.

I certify that the information contained in this Annexure is true and correct.

Signed



GAURAV GUPTA

Name (BLOCK LETTERS)

Person authorised to sign on behalf of the substantial holders

Capacity - DIRECTOR

Subscription Agreement

Canyon Resources Limited
Eagle Eye Asset Holdings Pte. Ltd.

Parties

- 1 Canyon Resources Limited ACN 140 087 261 of 945 Wellington Street, West Perth, WA Australia 6005 (**Issuer**)
- 2 Eagle Eye Asset Holdings Pte. Ltd. UEN 202017880Z of [REDACTED] (**Subscriber**)

The parties agree

1 Defined terms and interpretation

1.1 Definitions in the Dictionary

A term or expression starting with a capital letter:

- (a) which is defined in the Dictionary in Schedule 1 (**Dictionary**), has the meaning given to it in the Dictionary;
- (b) which is defined in the Corporations Act, but is not defined in the Dictionary, has the meaning given to it in the Corporations Act; and
- (c) which is defined in the GST Law, but is not defined in the Dictionary or the Corporations Act, has the meaning given to it in the GST Law.

1.2 Interpretation

The interpretation clause in Schedule 1 (**Dictionary**) sets out rules of interpretation for this agreement.

2 Subscription

2.1 Subscription Shares

Subject to the terms and conditions of this agreement, the Issuer must allot and issue the Subscription Shares:

- (a) for the Subscription Amount;
- (b) on or before the next Business Day after the Share Completion Date; and
- (c) free of any Security Interests.

2.2 Subscription Options

Subject to the terms and conditions of this agreement, the Issuer must allot and issue, the Subscription Options:

- (a) on the Option Completion Date; and
- (b) free of any Security Interests.

2.3 Subscription

By executing this agreement, the Subscriber hereby:

- (a) applies and subscribes for the Subscription Shares and Subscription Options;
- (b) agrees to become a member of the Issuer with respect to the Subscription Shares, and any Shares issued on exercise of the Subscription Options; and
- (c) agrees to be bound by the constitution of the Issuer.

2.4 Constitution

The Subscriber acknowledges that the Subscription Shares and Subscription Options will be issued subject to the constitution of the Issuer.

2.5 Equal ranking

The Subscription Shares, and any Shares issued on exercise of the Subscription Options, will rank equally in all respects with all other Shares then on issue.

2.6 Use of funds

The Subscription Amount must be applied towards development of the Company's Project, which may include but is not limited to satisfying any conditions of Mining Convention and Mining Tenements, a drilling program at Makan and Ngaoundal Permits, contracting, front end engineering design works and working capital uses.

3 Condition Precedent

3.1 Condition Precedent prior to Option Completion

The Issuer and the Subscriber are only obliged to perform their obligations in relation to Option Completion if the Issuer obtains Shareholder approval by the requisite majority for the issue of the Subscription Options to the Subscriber for the purposes of ASX Listing Rule 7.1 and, if required, ASX Listing Rule 10.11 (and that Condition is not waived in accordance with clause 3.4).

3.2 Best endeavours to satisfy Condition

The Issuer must use its best endeavours to satisfy the Condition on or before 1 March 2023.

3.3 Shareholder approval

Without limiting clauses 3.1 and 3.2, in connection with the Condition, the Issuer must:

- (a) prepare a notice of meeting to seek Shareholder approval, which must include (in each case, subject to the Directors' fiduciary duties):
 - (i) a unanimous recommendation by the Board that Shareholders vote in favour of the required resolutions; and
 - (ii) a statement that each Director intends to vote or procure the voting of, any Shares which they control in favour of the required resolutions;

- (b) subject to the Directors' fiduciary duties, cause the Board to maintain the unanimous recommendation that the Shareholders vote in favour of the required resolutions;
- (c) procure that the Board vote any Shares each Director controls in favour of the required resolutions;
- (d) provide to the Subscriber a draft notice of meeting, for the purpose of enabling the Subscriber to review and comment on that draft document, and taking into account in good faith any reasonable comments provided promptly and in any event within 2 Business Days by or on behalf of the Subscriber prior to providing the draft notice of meeting to ASX for review;
- (e) lodge the draft notice of meeting with ASX for review in accordance with the ASX Listing Rules;
- (f) keep the Subscriber informed of any matters raised by ASX in relation to the notice of meeting and using all reasonable endeavours, in co-operation with the Subscriber, to resolve any such matters; and
- (g) convene a general meeting to seek Shareholder approval for the purposes of the Condition on or before 1 March 2023.

3.4 Waiver of Condition

The Condition is for the benefit of the Issuer and may only be waived if the Issuer:

- (a) gives notice to the Subscriber specifying that it no longer requires the Condition to be fulfilled (provided such waiver is permitted by law and the ASX Listing Rules and that Option Completion has not already occurred); and
- (b) is able to issue the Subscription Options on or before 1 March 2023 without Shareholder approval.

4 Share Completion

4.1 Time and place for Share Completion

Share Completion will take place at 9:00am on the Share Completion Date at the offices of Gilbert + Tobin, Perth or any other time and place agreed between the parties.

4.2 Subscriber's obligations before Share Completion

On execution of this agreement by the last party, the Subscriber must irrevocably direct its Australian legal counsel to transfer the Subscription Amount in Immediately Available Funds to the Issuer as soon as possible.

4.3 Issuer's obligations before Share Completion

Before Share Completion, the Issuer must:

- (a) ensure that the directors of the Issuer hold a meeting at which the directors resolve to allot and issue the Subscription Shares to the Subscriber in consideration of the Subscription Amount; and
- (b) release the Announcement to ASX.

4.4 Obligations at Share Completion

On Share Completion:

- (a) the Subscriber must have paid, and the Issuer must have received the Subscription Amount in Immediately Available Funds; and
- (b) the Issuer must instruct its share registry to issue the Subscription Shares.

4.5 Issuer's obligations after Share Completion

The Issuer must:

- (a) issue the Subscription Shares to the Subscriber on or before the next Business Day after Share Completion;
- (b) immediately following the issue of the Subscription Shares, free from any Security Interest:
 - (i) register or arrange for the registration of the Subscription Shares in the Issuer's register of members, in the name of the Subscriber, free from any Security Interest;
 - (ii) apply for and use its reasonable endeavours to obtain Official Quotation of the Subscription Shares by ASX;
 - (iii) instruct the Issuer's share registry to impose a Holding Lock on the Subscription Shares in accordance with clause 6;
 - (iv) deliver to the Subscriber the CHESS holding statement or issuer-sponsored holding statement for the Subscription Shares; and
 - (v) file with ASIC and ASX all appropriate forms and documents in connection with the issue of the Subscription Shares to the Subscriber, including an Appendix 2A; and
- (c) within 5 Business Days of Share Completion, lodge with ASIC and ASX a cleansing prospectus that qualifies the Subscription Shares for resale under section 708A(11) of the Corporations Act.

4.6 Participation in distributions

The Subscription Shares will only carry the right to participate in a distribution which is declared by the Issuer in respect of the Subscription Shares after the date on which the Subscription Shares are registered in the Issuer's register of members in accordance with clause 4.5.

4.7 Substantial holding notice

Within 5 Business Days after issue of the Subscription Shares, the Subscriber must lodge with ASX and the Issuer a substantial holding notice pursuant to, and in accordance with, section 671B of the Corporations Act.

5 Option Completion

5.1 Issuer's obligations prior to Option Completion

- (a) Prior to the Condition being satisfied or waived (as applicable), the Issuer must:
 - (i) prepare a Prospectus that satisfies the requirements of section 713 of the Corporations Act and which contains an offer of the Subscription Options for issue; and
 - (ii) provide to the Subscriber a draft of the Prospectus, for the purpose of enabling the Subscriber to review and comment on that draft document, and taking into account in good faith any reasonable comments provided promptly and in any event within 2 Business Days by or on behalf of the Subscriber.
- (b) Within 5 Business Days after the Condition is satisfied or waived (as applicable), the Issuer must lodge the Prospectus with ASIC and ASX.
- (c) The Issuer agrees to keep the Subscriber informed of any matters raised by ASIC in relation to the Prospectus and to use all reasonable endeavours, in co-operation with the Subscriber, to resolve any such matters.

5.2 No deficiency in Prospectus

The Issuer must use its best endeavours to ensure the Prospectus does not contain any misleading or deceptive statement or deficiency, including which may result in an order being made by ASIC under section 739 of the Corporations Act.

5.3 Application for Subscription Options

- (a) The Subscriber must lodge a valid application for the Subscription Options under the Prospectus within 5 Business Days of its lodgement with ASIC. The Issuer must accept the Subscriber's application.
- (b) If an order is made by ASIC in respect of the Prospectus prior to the expiry of the exposure period under section 739 of the Corporations Act:
 - (i) the Issuer agrees to issue the Subscription Options to the Subscriber within 2 Business Days of the date of that order, without making offers under a Prospectus; and
 - (ii) the Subscriber agrees not to transfer the Subscription Options in such period between the end of the Escrow Period and the date which is 12 months from the date of issue of the Subscription Options except where such transfer is permitted under section 708 of the Corporations Act and that transferee agrees in writing to the restriction on transfer as set out in this clause.

5.4 Time and place for Option Completion

Option Completion will take place at 9:00am on the Option Completion Date at the offices of Gilbert + Tobin, Perth or such other time and place as agreed between the parties.

5.5 Issuer's obligations at Option Completion

Subject to clause 3.1, at Option Completion, the Issuer must:

- (a) ensure that the directors of the Issuer have held a meeting at which the directors resolve to accept the Subscriber's application for the Subscription Options, and allot and issue the Subscription Options to the Subscriber; and
- (b) issue the Subscription Options to the Subscriber.

5.6 Options Certificates

The Issuer must deliver the Option Certificates for the Subscription Options to the Subscriber within 2 Business Days after Option Completion.

5.7 Registration and filing of Subscription Options

Immediately following Option Completion, the Issuer must:

- (a) register the Subscription Options in the Issuer's options register, in the name of the Subscriber, free from any Security Interest;
- (b) instruct the Issuer's share registry to impose a Holding Lock on the Subscription Options in accordance with clause 6; and
- (c) file with ASIC and ASX all appropriate forms and documents in connection with the issue of the Subscription Options to the Subscriber, including an Appendix 3G.

6 Holding Lock

- (a) The Subscriber agrees to the application of a Holding Lock to the Escrowed Securities during the Escrow Period, which may only be removed in accordance with clause 6(d).
- (b) For the avoidance of doubt, nothing in this clause prevents the Subscriber from:
 - (i) exercising the Subscription Options in accordance with their terms. In circumstances where the Subscription Options are exercised during the Escrow Period, the Shares which are issued to the Subscriber on their exercise will be subject to a Holding Lock for the balance of the Escrow Period;
 - (ii) exercising any voting rights attaching to the Escrowed Securities;
 - (iii) receiving or being entitled to any dividend, return of capital or other distribution attaching to the Escrowed Securities; or
 - (iv) receiving or participating in any rights or bonus issue in connection with the Escrowed Securities.
- (c) The Subscriber must not Deal in the Escrowed Securities during the Escrow Period.
- (d) Subject to clauses 6(e) and 6(f), the Escrow Period will end, and the Issuer must remove the Holding Lock with respect to the Escrowed Securities, in any one of the following scenarios:
 - (i) the announcement of a bona fide third party offer under a Takeover Bid in relation to all or a majority of the Shares, where the third party is not an associate (as defined in section 12 of the Corporations Act) of EEA and EEA has not issued an intention statement relating to that Takeover Bid;

- (ii) an implementation agreement to implement a scheme of arrangement under Part 5.1 of the Corporations Act, in respect of all or a majority of the issued Shares of the Issuer, is announced by the Issuer;
 - (iii) the Issuer enters into any agreement to give effect to a proposal that, if completed, would result in a bona fide third party:
 - (A) acquiring a relevant interest in more than 20% of the Shares; or
 - (B) directly or indirectly acquiring Control of the whole or the vast majority of the business or assets of the Issuer;
 - (iv) to the extent necessary to permit the Subscriber to participate in any equal access share buyback or capital return or capital reduction in respect of the Subscription Securities made by the Issuer in accordance with the Corporations Act;
 - (v) the Condition is not satisfied or waived on or before 1 March 2023;
 - (vi) an Insolvency Event occurs in respect of the Company or any of its material subsidiaries;
 - (vii) the Dealing is required by applicable law (including an order of a court of competent jurisdiction);
 - (viii) the Company announces any proposal to de-list from the official list of the stock exchange operated by ASX; or
 - (ix) where the Board of the Issuer otherwise determines.
- (e) The Issuer must remove the Holding Lock with respect to the Escrowed Securities:
- (i) if no event set out in clause 6(d) has occurred, on the Business Day after the end of the Escrow Period; or
 - (ii) within 2 Business Days of the Subscriber requesting the Holding Lock is removed after an event set out in clause 6(d) occurring.
- (f) The Issuer must comply with the timing requirements set out in ASX Listing Rule 3.10A.
- (g) Notwithstanding any condition to the contrary in this agreement, during the Escrow Period, the Subscriber may transfer all or part of the Subscription Securities to a Related Entity of the Subscriber who does not require a disclosure document or any action of the Issuer under any applicable laws, provided that the Subscriber provides the Issuer with notice of transfer at least 2 Business Days before such transfer and such Related Entity enters into a deed poll in favour of the Issuer agreeing to be bound by the terms and condition of this agreement as if it was the Subscriber.

7 Nominee director

7.1 Appointment of nominee director

- (a) Subject to clause 7.3, the Subscriber is entitled to nominate a director to the Board of the Issuer, and the Issuer will appoint that nominee as a Director, subject to the following conditions being satisfied:

- (i) Share Completion having occurred;
- (ii) the nominee director providing written consent to act;
- (iii) the nominee director providing to the Issuer their valid Australian Director Identification Number or evidence that they have applied for an Australian Director Identification Number where the appointment is before 4 April 2023;
- (iv) the nominee director signing a letter of appointment on terms substantially consistent with the terms of the letters of appointment entered into by the Issuer's other non-executive directors, except as necessary to reflect the terms of this agreement; and
- (v) the Subscriber confirming that:
 - (A) bankruptcy and criminal history checks conducted by the Subscriber have not indicated that the nominee director has been bankrupt or guilty of any criminal offence and provision of those searches to the Issuer, if requested; and
 - (B) the nominee director has sufficient experience and skills and is able to communicate fluently in English.
- (b) If the candidate nominated by the Subscriber as nominee director under clause 7.1(a) does not satisfy each of the conditions set out in clause 7.1(a), the Subscriber may nominate an alternate candidate, who must satisfy each of the conditions set out in clause 7.1(a).
- (c) For the avoidance of doubt, for so long as the Subscriber has a relevant interest in at least 10% of the total issued Share capital of the Issuer, the Subscriber is entitled to nominate a director to the Board of the Issuer and the Issuer will appoint that nominee as a Director, subject to the conditions in clause 7.1(a) being satisfied.

7.2 Reappointment of nominee director

- (a) Subject to clause 7.3, the Issuer must put to its shareholders at the Issuer's first annual general meeting to be held following the appointment of any nominee director pursuant to clause 7, a resolution to reappoint the Issuer's nominee director to the Board in accordance with the Constitution, the ASX Listing Rules and any other applicable laws.
- (b) The Issuer agrees to use reasonable endeavours to encourage the Directors to unanimously recommend that the Shareholders vote in favour of the reappointment of the nominee director under clause 7.2(a), subject at all times to the Directors' fiduciary duties.

7.3 Retirement of nominee director

The nominee director (once appointed) under clause 7.1(a) must retire from office as a director of the Issuer upon the earlier of the following to occur:

- (a) the shareholders of the Issuer do not approve the reappointment of the nominee director as required by the Issuer's constitution, ASX Listing Rules or Corporations Act, in which case the Subscriber can nominate an alternate candidate to be the nominee director, provided that alternate candidate satisfies each of the conditions set out in clause 7.1(a); and

- (b) the Subscriber having a relevant interest in less than 10% of the total issued share capital of the Issuer.

7.4 Information access and sharing rights

- (a) The parties acknowledge and agree that the Subscriber is entitled to receive from its nominee director all information regarding the Issuer or its business which is circulated to Board members or is otherwise reasonably requested by the Subscriber to the extent permitted by law, ASX and ASIC policy, the Issuer's insider trading policies, and appropriate confidentiality and conflict protocols having been agreed by the Subscriber, Issuer and nominee director (each acting reasonably), subject also to compliance with any third party confidentiality requirements and clause 11.
- (b) To the extent permitted by law, the Issuer agrees to cooperate and provide all information reasonably requested by the Subscriber to enable the Subscriber to comply with its reporting requirements to any Governmental Agency (including, without limitation, to assist in responding to any notice).

8 Consultation right

- (a) The Issuer undertakes to the Subscriber that it will provide confidential email notice to the Subscriber not less than 5 Business Days (unless otherwise agreed by the parties) prior to any proposed new equity capital raising by the Issuer, including any issue of securities or other instruments that have rights to convert into equity capital (but for the avoidance of doubt, excludes any Shares or other securities issued or proposed to be issued pursuant to service, remuneration or consultation arrangements) (**Consultation Notice**).
- (b) The Consultation Notice must specify the proposed size, structure and timing of the equity capital raising.
- (c) Upon issuing a Consultation Notice, the Issuer undertakes to consult in good faith with the Subscriber for a period of not less than 4 Business Days (unless otherwise agreed in writing by the parties) with respect to the Subscriber's participation in the equity capital raising which may be subject to any required Shareholder approval.
- (d) Should the Subscriber wish to participate in the equity capital raising, the Subscriber must provide written notice to the Issuer to that effect by no later than the Business Day prior to the time proposed by the Issuer for announcement of that equity capital raising, unless the Issuer agrees otherwise (**Participation Notice**).
- (e) If the Subscriber does provide a Participation Notice to subscribe in the equity capital raising, and Shareholder approval is:
 - (i) not required for the Subscriber to participate in the equity capital raising, the Issuer must use best endeavours to permit the Subscriber to participate in the equity capital raising; or
 - (ii) required for the Subscriber to participate in the equity capital raising, the Issuer must:
 - (A) make the issue of Shares or securities under the equity capital raising to the Subscriber conditional on that Shareholder approval being obtained and take reasonable steps to convene a general meeting within 4 months after announcement of the equity capital raising; and

- (B) use reasonable endeavours to obtain such Shareholder approval, including but not limited to, including in the notice of meeting the recommendation of all non-interested directors that Shareholders vote in favour of the relevant resolution (subject to the Directors' fiduciary duties).
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9 Warranties

9.1 Giving of Warranties

- (a) The Issuer represents and warrants to the Subscriber, and the Subscriber represents and warrants to the Issuer, that each of the Issuer Warranties and the Subscriber Warranties (as applicable) are true and accurate in all material respects:
 - (i) as at the date of this agreement;
 - (ii) as at Share Completion and issue of the Subscription Shares; and
 - (iii) as at Option Completion.
- (b) The Issuer acknowledges that the Subscriber has entered into this agreement in reliance on the Issuer Warranties.
- (c) The Subscriber acknowledges that the Issuer has entered into this agreement in reliance on the Subscriber Warranties.
- (d) Each Warranty must be construed independently and is not limited by reference to another Warranty.
- (e) The Warranties survive Share Completion and Option Completion.

9.2 Issuer Warranties

The Issuer represents and warrants that:

- (a) **corporate existence:** it is a body corporate validly existing under the laws of its place of incorporation;
- (b) **power and capacity:** it has the power and capacity to enter into and perform, or cause to be performed, its obligations under this agreement;
- (c) **authority:** it has taken all necessary corporate actions to authorise the execution, delivery and performance of this agreement and the documents required under this agreement in accordance with their respective terms;
- (d) **validity of obligations:** this agreement constitutes legal, valid and binding obligations upon it enforceable in accordance with its terms;
- (e) **no breach:** the execution, delivery and performance by the Issuer of this agreement complies with:
 - (i) each applicable law and Authorisation;
 - (ii) the Issuer's constitution; and
 - (iii) any material agreement, deed, trust, document or other arrangement;

- (f) **only ordinary shares:** there are no shares in the Issuer on issue apart from Shares;
- (g) **issue of other securities:** other than as contemplated by this agreement, it is not obliged to issue or allot any Shares or other securities of the Issuer, and the Issuer has not granted any person the right to call for the issue or allotment of any Shares or other securities of the Issuer other than as announced to ASX or pursuant to remuneration and service arrangements;
- (h) **information accurate:** all information given by or on behalf of the Issuer or its Officers, employees, consultants or advisers to the Subscriber in respect of the Issuer is accurate and complete in all material respects;
- (i) **litigation:** to the best of the Issuer's knowledge, there is no pending or threatened proceeding or investigation affecting the Issuer or any of its Subsidiaries or any person for whom the Issuer may be liable before a court, authority, commission, Governmental Agency or arbitrator, and the Issuer is not aware of any facts or circumstances likely to lead to any material prosecution, litigation or arbitration involving the Issuer or any person for whom the Issuer may be liable;
- (j) **Subscription Shares:** on the Share Completion Date, (i) the Subscription Shares shall equate to 19.9% of the total issued Share capital of the Company; and (ii) the Subscriber will receive good, valid and incontestable title to the Subscription Shares free from any Security Interest;
- (k) **disclosure compliance:** to the best of the Issuer's knowledge, it has complied with all its disclosure requirements under the Corporations Act and the ASX Listing Rules and there is no material information or circumstance which the Issuer is obliged to notify ASX about pursuant to Listing Rule 3.1 and it has not withheld any information in reliance on the exemption in Listing Rule 3.1A or is in possession of any Inside Information, other than in respect of the transactions contemplated by this agreement;
- (l) **Mining Tenements:**
 - (i) the Issuer holds or controls all Mining Tenements;
 - (ii) the Issuer has complied in all material respects with the terms and conditions of each Mining Tenement and all relevant legislation,
 - (iii) each Mining Tenement is valid, in good standing and is in full force and effect;
 - (iv) there is no matter which would be reasonably likely to result in any Mining Tenement being revoked; and
 - (v) the Issuer has not received written notice from a Governmental Agency within the 12 months prior to the date of this agreement:
 - (A) alleging any breach of any material conditions of any Mining Tenement;
 - (B) imposing any material charge, fine, penalty, order for restitution, compensation or damages under any Mining Tenement; or
 - (C) proposing or effecting any revocation, suspension, cancellation, non-renewal or material variation of any Mining Tenement;

- (m) **Authorisation:** the Issuer and the Subsidiaries hold all Authorisations that are necessary or material to the current conduct of the business of the Issuer and all of these Authorisations are in full force and effect and not liable to be revoked or not renewed except for in the ordinary course or consistent with their terms without any act or omission by the Issuer;
- (n) **no breach:** it is not, and no Subsidiary is, in breach of any material provision of: an applicable law, legally binding requirement of ASIC or ASX, or any other undertaking or instrument or Authorisation or court or administrative order binding on it;
- (o) **guarantees:** other than in the ordinary and usual course of business, there is no material outstanding guarantee, indemnity or similar assurance against loss or other security given by the Issuer or the Subsidiaries; and
- (p) **no Insolvency Event:** no Insolvency Event has occurred in relation to the Issuer or any of its Subsidiaries.

9.3 Subscriber Warranties

The Subscriber represents and warrants that:

- (a) **corporate existence:** it is a body corporate validly existing under the laws of its place of incorporation;
- (b) **power and capacity:** it has the power and capacity to enter into and perform its obligations under this agreement;
- (c) **authority:** it has taken all necessary corporate actions to authorise the execution, delivery and performance of this agreement and the documents required under this agreement in accordance with their respective terms;
- (d) **validity of obligations:** this agreement constitutes legal, valid and binding obligations upon it enforceable in accordance with its terms;
- (e) **no breach:** the execution, delivery and performance by the Subscriber of this agreement complies with:
 - (i) each applicable law and Authorisation;
 - (ii) the Subscriber's constituent documents; and
 - (iii) a Security Interest or document binding on the Subscriber;
- (f) **no disclosure document:** the offer of the Subscription Securities is being made without the preparation and delivery of a disclosure document prepared in accordance with the Corporations Act;
- (g) **related party:** it is not a Related Party of the Issuer;
- (h) **relevant interest and voting power:** the Subscriber has no relevant interest (as defined in the Corporations Act) in Shares and no voting power (as defined in the Corporations Act) in the Issuer, other than as a result of matters contemplated by this agreement;
- (i) **FIRB approvals:** it does not require any FIRB approvals for the execution of this agreement, the subscription for and issue of Subscription Shares or Subscription

Options under this agreement or the right to appoint a nominee director to the Board of the Issuer under this agreement; and

- (j) **no Insolvency Event:** no Insolvency Event has occurred in relation to the Subscriber.

9.4 Adjustment to Subscription Amount

- (a) If payment is made by the Subscriber to the Issuer for a breach of warranty or under an indemnity, the payment is to be treated as an increase in the Subscription Amount.
- (b) If payment is made by the Issuer to the Subscriber for a breach of warranty or under an indemnity, the payment is to be treated as a decrease in the Subscription Amount.

9.5 Subscriber acknowledgements

By signing this agreement, the Subscriber acknowledges that:

- (a) it is aware that publicly available information about the Issuer relating to the Subscription Shares can be obtained from ASX (including its website www.asx.com.au);
- (b) the Issuer may make further disclosures about information that may have a Material Adverse Effect on the price or value of the Subscription Shares prior to the issue of the Subscription Shares and its rights and obligations are not affected by any such disclosures;
- (c) it has:
 - (i) made and relied entirely upon its own assessment of the Issuer, the Subscription Shares and Subscription Options;
 - (ii) conducted its own independent investigation with respect to the Subscription Shares, Subscription Options and the Issuer; and
 - (iii) determined that the Subscription Shares and Subscription Options are a suitable investment for it, both in the nature and the number of the Subscription Shares and Subscription Options being acquired;
- (d) it has not relied on any investigation that the Issuer or any persons acting on its behalf may have conducted with respect to the Subscription Shares, the Subscription Options or the Issuer. None of such persons has made any representation to it, express or implied, with respect to the Subscription Shares, the Subscription Options or the Issuer other than as expressly provided in this agreement;
- (e) the offer to subscribe for Subscription Shares and Subscription Options, and related discussions, does not constitute a securities recommendation and the Issuer and any person acting on its behalf has not had regard to the Subscriber's particular objectives, financial situation and needs; and
- (f) an investment in the Subscription Shares and Subscription Options involves a degree of risk and it has considered the risks associated with the Subscription Shares and Subscription Options in deciding whether to purchase any Subscription Shares or subscribe for Subscription Options.

10 Default and termination

10.1 Failure by a party to Complete

If a party (**Defaulting Party**) does not Complete when required to do so other than as a result of default by the other party, the non-defaulting party may give the Defaulting Party notice requiring it to Complete within 5 Business Days after receipt of the notice.

10.2 Specific performance or termination

If the Defaulting Party does not Complete within the period specified in clause 10.1, the non-defaulting party may choose either to seek specific performance or terminate this agreement. In either case, the non-defaulting party may seek damages for the default.

10.3 Termination for breach of Warranty

A party may terminate this agreement without liability at any time before Completion if any of the Warranties (as applicable) cease to be true, complete and accurate in any material respect.

10.4 Termination

Where a party has a right to terminate this agreement, that right for all purposes will be validly exercised if that party delivers a notice in writing to the other party stating that it terminates this agreement.

10.5 Effect of termination

- (a) Termination of this agreement will not affect any other rights the parties have against one another at law or in equity.
- (b) On termination of this agreement:
 - (i) each party is released from its obligations under this agreement other than the parts of this agreement specified in clause 14.13;
 - (ii) each party retains any rights it has against the other party in connection with any right or Claim which arises before termination; and
 - (iii) the Subscriber must return to the Issuer all documents and other materials in any medium in its possession, power or control which contain information relating to the Subscription Shares and/or Issuer and which have been disclosed to or provided to the Subscriber by the Issuer, except:
 - (A) to the extent it is required to be retained to comply with any applicable law or requirement of any Governmental Agency;
 - (B) to the extent such documents or materials are referred to in any minutes or papers of the board or committee of directors, or any investment committee, of the Subscriber or any of its representatives consistent with the normal practices of the Subscriber and the applicable representatives;
 - (C) to the extent it is stored electronically in servers pursuant to an existing routine data back-up process; or
 - (D) to the extent it relates to any of the Issuer Warranties.

11 Confidentiality

11.1 Confidentiality obligation and exceptions

A party may not disclose the provisions of this agreement or information about another party, or confidential information about the Issuer or its business, except:

- (i) as contemplated by the Announcement;
- (ii) as permitted by this agreement;
- (iii) after getting the written consent of the party to which the information relates;
- (iv) to an Officer, employee, professional adviser, consultant or financier who needs to know such information in the conduct of his duties; or
- (v) as required by an applicable law, legal process, any order or rule of any Government Agency or the rules of a recognised stock exchange, after first consulting with the other parties, about the form and content of the disclosure,

and must use its best endeavours to ensure all permitted disclosures are kept confidential.

12 Dispute resolution

12.1 No proceedings

A party must not start court proceedings about a dispute arising out of this agreement unless it first complies with this clause, except where:

- (a) a party seeks urgent injunctive relief; or
- (b) the dispute relates to compliance with this clause 12.

12.2 Notice

A party claiming that a dispute has arisen must notify the other party giving details of the dispute.

12.3 Best endeavours to resolve

Each party to the dispute must use its best endeavours to resolve the dispute within 5 Business Days following receipt of notice of the dispute or a longer period agreed in writing by the parties to the dispute.

12.4 Negotiate in good faith

If the parties do not resolve the dispute under clause 12.3, a director of each disputing party (where the disputing party is a company), and otherwise the individual, must negotiate in good faith to resolve the dispute for a period of up to 10 Business Days (or a longer period agreed in writing by the parties to the dispute) after the end of the period referred to in clause 12.3. Where one of the disputing parties is the Company, the director must not be a nominee of the other disputing party (unless this is not possible because all persons entitled to appoint directors are party to the dispute).

12.5 Mediation

If the parties do not resolve the dispute under clause 12.4, then the parties must attempt to resolve the dispute by mediation conducted in accordance with the Australian Commercial Disputes Centre Mediation Guidelines which are deemed to be incorporated into this agreement. If the dispute has not been settled within 15 Business Days (or a longer period agreed in writing by the disputing parties) after the appointment of a mediator, the parties shall not be obliged to mediate or continue to mediate and may instead rely on their rights at law, including the right to institute court proceedings.

13 GST

- (a) Any consideration or amount payable under this agreement, including any non-monetary consideration (as reduced in accordance with clause 13(e) if required) (**Consideration**) is exclusive of GST.
- (b) If GST is or becomes payable on a Supply made under or in connection with this agreement, an additional amount (**Additional Amount**) is payable by the party providing the Consideration for the Supply (**Recipient**) equal to the amount of GST payable on that Supply as calculated by the party making the Supply (**Supplier**) in accordance with the GST Law.
- (c) The Additional Amount payable under clause 13(b) is payable at the same time and in the same manner as the Consideration for the Supply but is only payable on receipt of a valid Tax Invoice.
- (d) If for any reason (including, without limitation, the occurrence of an Adjustment Event) the amount of GST payable on a Supply (taking into account any Decreasing or Increasing Adjustments in relation to the Supply) varies from the Additional Amount payable by the Recipient under clause 13(b):
 - (i) the Supplier must provide a refund or credit to the Recipient, or the Recipient must pay a further amount to the Supplier, as appropriate;
 - (ii) the refund, credit or further amount (as the case may be) will be calculated by the Supplier in accordance with the GST Law; and
 - (iii) the Supplier must notify the Recipient of the refund, credit or further amount within 10 Business Days after becoming aware of the variation to the amount of GST payable. If there is an Adjustment Event in relation to the Supply, the requirement for the Supplier to notify the Recipient will be satisfied by the Supplier issuing to the Recipient an Adjustment Note within 10 Business Days after becoming aware of the occurrence of the Adjustment Event.
- (e) Notwithstanding any other provision in this agreement, if an amount payable under or in connection with this agreement (whether by way of reimbursement, indemnity or otherwise) is calculated by reference to an amount incurred by a party, whether by way of cost, expense, outlay, disbursement or otherwise (Amount Incurred), the amount payable must be reduced by the amount of any Input Tax Credit to which that party is entitled in respect of that Amount Incurred.
- (f) Any reference in this clause to an Input Tax Credit to which a party is entitled includes, without limitation, an Input Tax Credit arising from a Creditable Acquisition by that party but to which the Representative Member of a GST Group of which the party is a Member is entitled.

whichever happens first,

but if the delivery or receipt is on a day which is not a Business Day or is after 5.00 pm (Addressee's time) it is deemed to be received at 9.00 am on the following Business Day.

- (c) In this clause, a reference to an addressee includes a reference to an addressee's Officers, agents or employees.

14.2 Costs and expenses

Each party must pay its own costs and expenses of negotiating, preparing, signing, delivering and registering this agreement and any other agreement or document entered into or signed under this agreement.

14.3 Costs of performance

A party must bear the costs and expenses of performing its obligations under this agreement, unless otherwise provided in this agreement.

14.4 Stamp duty

All stamp duty (including fines, penalties and interest) which may be payable on or in connection with this agreement and any instrument executed under or in connection with, or any transaction evidenced by the agreement, is payable by the Subscriber.

14.5 Governing law

The laws of Western Australia, Australia govern this agreement and each party irrevocably and unconditionally submits to the exclusive jurisdiction of the courts of Western Australia, Australia.

14.6 Invalidity

- (a) If a provision of this agreement or a right or remedy of a party under this agreement is invalid or unenforceable in a particular jurisdiction:
 - (i) it is read down or severed in that jurisdiction only to the extent of the invalidity or unenforceability; and
 - (ii) it does not affect the validity or enforceability of that provision in another jurisdiction or the remaining provisions in any jurisdiction.
- (b) This clause is not limited by any other provision of this agreement in relation to severability, prohibition or enforceability.

14.7 Assignment, novation and other dealings

A party must not assign or novate this agreement or otherwise deal with the benefit of it or a right under it, or purport to do so, without the prior written consent of the other party which consent is not to be unreasonably withheld.

14.8 Variation

No variation of this agreement is effective unless made in writing and signed by each party.

14.9 Waiver

- (a) No waiver of a right or remedy under this agreement is effective unless it is in writing and signed by the party granting it. It is only effective in the specific instance and for the specific purpose for which it is granted.
- (b) A single or partial exercise of a right or remedy under this agreement does not prevent a further exercise of that or of any other right or remedy.
- (c) Failure to exercise or delay in exercising a right or remedy under this agreement does not operate as a waiver or prevent further exercise of that or of any other right or remedy.

14.10 Cumulative rights

Except as expressly provided in this agreement, the rights of a party under this agreement are in addition to and do not exclude or limit any other rights or remedies provided by law.

14.11 Severability

Any term of this agreement which is wholly or partially void or unenforceable is severed to the extent that it is void or unenforceable. The validity or enforceability of the remainder of this agreement is not affected.

14.12 Further assurances

Except as expressly provided in this agreement, each party must, at its own expense, do all things reasonably necessary to give full effect to this agreement and the matters contemplated by it.

14.13 Survival and merger

- (a) No term of this agreement merges on completion of any transaction contemplated by this agreement.
- (b) Clause 11 and this clause 14 survive termination or expiry of this agreement together with any other term which by its nature is intended to do so.

14.14 Entire agreement

- (a) This agreement (including its attachments) is the entire agreement between the parties about its subject matter and replaces all previous agreements, understandings, representations and warranties about that subject matter.
- (b) Each party represents and warrants that it has not relied on any representations or warranties about the subject matter of this agreement except as expressly provided in this agreement.

14.15 Counterparts

This agreement may be executed in any number of counterparts, each of which:

- (a) may be executed electronically or in handwriting; and
- (b) will be deemed an original whether kept in electronic or paper form, and all of which taken together will constitute one and the same document.

Without limiting the foregoing, if the signatures on behalf of one party are on more than one copy of this agreement, this shall be taken to be the same as, and have the same effect as, if all of those signatures were on the same counterpart of this agreement.

14.16 Relationship of the parties

Except as expressly provided in this agreement:

- (a) nothing in this agreement is intended to constitute a fiduciary relationship or an agency, partnership or trust; and
- (b) no party has authority to bind any other party.

14.17 Third party rights

Except as expressly provided in this agreement:

- (a) each person who executes this agreement does so solely in its own legal capacity and not as agent or trustee for or a partner of any other person; and
- (b) only those persons who execute this agreement have a right or benefit under it.

Schedule 1 Dictionary

1 Dictionary

In this agreement:

Addressee has the meaning give to it in clause 14.1(a)(ii).

Announcement means the ASX announcement in the form contained in Attachment B.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691).

ASX Listing Rules means the official listing rules of ASX, as amended and waived by ASX from time to time.

Authorisation includes:

- (a) any authorisation, consent, registration, filing, agreement, notice of non objection, notarisation, certificate, licence, approval, permit, authority or exemption from, by or with a Government Agency; and
- (b) in relation to anything which will be prohibited or restricted in whole or in part by law if a Government Agency intervenes or acts in any way within a specific period after lodgement, filing, registration or notification, the expiry of that period without intervention or action.

Board means the board of Directors of the Issuer.

Business Day means a day on which banks are open for business excluding Saturdays, Sundays or public holidays in Perth, Western Australia.

CHESS means Clearing House Electronic Subregister System.

Claim means any allegation, debt, cause of action, liability, claim, proceeding, suit or demand of any nature howsoever arising and whether present or future, fixed or unascertained, actual or contingent whether at law, in equity, under statute or otherwise.

Complete means Share Completion or Option Completion (as appropriate).

Condition means the condition precedent to Option Completion set out in 3.1.

Control has the meaning given in section 50AA of the Corporations Act.

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

Deal or **Dealing** means to directly or indirectly:

- (a) sell, assign, transfer or otherwise dispose (within the meaning given to that term in the ASX Listing Rules) of any legal, beneficial or economic interest in the Escrowed Securities;
- (b) encumber or grant a Security Interest over the Escrowed Securities or any legal, beneficial or economic interest in the Escrowed Securities;

- (c) grant or exercise an option in respect of the Escrowed Securities;
- (d) do, or omit to do, any act if the act or omission would have the effect of transferring, whether directly or indirectly, effective ownership or control of, or any legal, beneficial or economic interest in, the Escrowed Securities; or
- (e) agree or offer to do any of those things in paragraphs (a) to (d) above.

Director means a director of the Issuer.

Dollars, A\$ and \$ means the lawful currency of Australia.

Escrow Period means, in respect of the Subscription Shares, the Subscription Options, and the Shares issued on the exercise of the Subscription Options, the period commencing on Share Completion and ending on the earlier of:

- (f) 12 months after Share Completion; and
- (g) the occurrence of any event listed in 6(d).

Escrowed Securities means the Subscription Shares, Subscription Options, and the Shares issued on the exercise of any Subscription Options, during the Escrow Period.

FIRB means the Foreign Investment Review Board.

Government Agency means any government or governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity whether foreign, federal, state, territorial or local.

GST means goods and services tax or similar value added tax levied or imposed in Australia under the GST Law.

GST Law has the meaning given to it in the *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

Holding Lock has the meaning given to that term in section 2 of the ASX Settlement Operating Rules.

Immediately Available Funds means cash, bank cheque or telegraphic or other electronic means of transfer of cleared funds into a bank account.

Insolvency Event means the occurrence of any one or more of the following events in relation to any person:

- (a) an application is made to a court for an order, or an order is made, that it be wound up, declared bankrupt or that a provisional liquidator or receiver or receiver and manager be appointed, and the application is not withdrawn, struck out or dismissed within 15 Business Days of it being made;
- (b) a liquidator or provisional liquidator is appointed;
- (c) an administrator is appointed to it under sections 436A, 436B or 436C of the Corporations Act;
- (d) a Controller (as defined in section 9 of the Corporations Act) is appointed to it or any of its assets;
- (e) a receiver is appointed to it or any of its assets;

- (f) it enters into an arrangement or composition with one or more of its creditors, or an assignment for the benefit of one or more of its creditors, in each case other than to carry out a reconstruction or amalgamation while solvent;
- (g) it proposes a winding-up, dissolution or reorganisation, moratorium, deed of company arrangement or other administration involving one or more of its creditors;
- (h) it is insolvent as disclosed in its accounts or otherwise, states that it is insolvent, is presumed to be insolvent under an applicable law (including under sections 459C(2) or 585 of the Corporations Act) or otherwise is, or states that it is, unable to pay all its debts as and when they become due and payable;
- (i) it is taken to have failed to comply with a statutory demand as a result of section 459F(1) of the Corporations Act;
- (j) a notice is issued under sections 601AA or 601AB of the Corporations Act and not withdrawn or dismissed within 15 Business Days;
- (k) a writ of execution is levied against it or a material part of its property which is not dismissed within 15 Business Days being for an amount of in excess of \$250,000;
- (l) it ceases to carry on business or threatens to do so; or
- (m) anything occurs under the law of any jurisdiction which has a substantially similar effect to any of the events set out in the above paragraphs of this definition.

Issuer Warranties means the representations and warranties set out in clause 9.2.

Material Adverse Effect means an event where individually, or when aggregated with all such other events, is likely to have a material adverse effect on the business, assets, condition (financial or otherwise), liabilities, results of operations of the Issuer.

Mining Tenement means each of the tenements or licences (including any applications) that forms part of the Project.

Officer means, in relation to a body corporate, a director or secretary of that body corporate.

Official Quotation means quotation by ASX.

Options Certificate means a certificate in the form acceptable to the Subscriber, acting reasonably, which certifies that the person named in the certificate is the holder of the number of Subscription Options stated in the certificate.

Option Completion means the completion of the issue and allotment of the Subscription Options in accordance with this agreement.

Option Completion Date means, either:

- (a) if an order is made by ASIC under section 739 of the Corporations Act, within 2 Business Days after the date the order is made; or
- (b) the date which is 2 Business Days after the date on which the offer period commenced under the Prospectus.

PPS Act means the *Personal Property Securities Act 2009* (Cth).

PPS Security Interest means a security interest as defined in the PPS Act.

Project means the Issuer's Minim Martap Bauxite Project located in Cameroon.

Prospectus means a transaction specific prospectus that satisfies the requirements of section 713 of the Corporations Act and which contains an offer of Subscription Options for issue.

Related Entity means, in respect of any person, a second person that:

- (a) Controls the first person;
- (b) is under the Control of the first person; or
- (c) is under the Control of a third person that also Controls the first person.

Related Party has the meaning given to that term in the Corporations Act.

Security Interest means:

- (a) any third party rights or interests including a mortgage, bill of sale, charge, lien, pledge, trust, encumbrance, power or title retention arrangement, right of set-off, assignment of income, garnishee order or monetary claim and flawed deposit arrangements or any arrangement having a similar effect; and
- (b) a PPS Security Interest,

and includes any agreement to create any of them or allow them to exist.

Share means an ordinary share in the capital of the Issuer.

Share Completion means receipt of the Subscription Amount by the Issuer in Immediately Available Funds in accordance with this agreement.

Share Completion Date means the date on which Share Completion occurs, which must be on or before the date three Business Days after the day on which the last party executes this agreement.

Shareholders means the holders of Shares.

Subscriber Warranties means the representations and warranties set out in clause 9.3.

Subscription Amount means \$12,174,000, being the amount calculated by multiplying the number of Subscription Shares by the Subscription Price.

Subscription Options means 202,900,000 options to acquire Shares with an exercise price of \$0.07 each and an expiry date of 10 August 2025 on the terms set out in Attachment A.

Subscription Price means A\$0.06 for each Subscription Share.

Subscription Shares means 202,900,000 Shares issued under this agreement at the Subscription Price.

Subsidiary has the meaning given to that term in the Corporations Act.

Takeover Bid has the meaning given in the Corporations Act and includes a proportional takeover bid.

Warranties means the Issuer Warranties and the Subscriber Warranties.

2 Interpretation

In this agreement the following rules of interpretation apply unless the contrary intention appears.

- (a) headings are for convenience only and do not affect the interpretation of this agreement.
- (b) the singular includes the plural and vice versa.
- (c) words that are gender neutral or gender specific include each gender.
- (d) where a word or phrase is given a particular meaning, other parts of speech and grammatical forms of that word or phrase have corresponding meanings.
- (e) the words 'such as', 'including', 'particularly' and similar expressions are not used as nor are intended to be interpreted as words of limitation.
- (f) a reference to:
 - (i) a person includes a natural person, partnership, joint venture, government agency, association, corporation or other body corporate;
 - (ii) a thing (including but not limited to a chose in action or other right) includes a part of that thing;
 - (iii) a party includes its successors and permitted assigns;
 - (iv) a document includes all amendments or supplements to that document;
 - (v) a clause, term, party, schedule or attachment is a reference to a clause or term of, or party, schedule or attachment to this agreement;
 - (vi) this agreement includes all schedules and attachments to it;
 - (vii) a law includes:
 - (A) any constitutional provision, treaty, decree, statute, regulation, by-law, ordinance or instrument;
 - (B) any order, direction, determination, approval, requirement, licence or licence condition made, granted or imposed under any of them;
 - (C) any judgment; and
 - (D) any rule or principle of common law or equity,and is a reference to that law as amended, consolidated, replaced, overruled or applied to new or different facts;
 - (viii) an agreement other than this agreement includes an undertaking, or legally enforceable arrangement or understanding whether or not in writing; and
 - (ix) a monetary amount is in Australian dollars.
- (g) when the day on which something must be done is not a Business Day, that thing must be done on the following Business Day.

- (h) in determining the time of day where relevant to this agreement, the relevant time of day is:
 - (i) for the purposes of giving or receiving notices, the time of day where a party receiving a notice is located; or
 - (ii) for any other purpose under this agreement, the time of day in the place where the party required to perform an obligation is located.
- (i) no rule of construction applies to the disadvantage of a party because that party was responsible for the preparation of this agreement or any clause of it.

Execution page

Executed as an agreement.

Signed by **Canyon Resources Limited** in accordance with section 127 of the *Corporations Act 2001* (Cth) by:



Signature of director

Mark Hohnen

Name of director (print)



Signature of director/secretary

Matthew Worner

Name of director/secretary (print)

Signed by authorised signatory for **Eagle Eye Asset Holdings Pte. Ltd.** in the presence of:

Signature of witness

Signature of authorised signatory

Name of witness (print)

Execution page

Executed as an agreement.

Signed by **Canyon Resources Limited** in accordance with section 127 of the *Corporations Act 2001* (Cth) by:

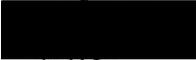
Signature of director

Signature of director/secretary

Name of director (print)

Name of director/secretary (print)

Signed by authorised signatory for **Eagle Eye Asset Holdings Pte. Ltd.** in the presence of:





Signature of witness

Signature of authorised signatory

Name of witness (print)

Attachment A Terms of Subscription Options

The terms of the Subscription Options are as follows:

- (a) Each Subscription Option entitles the holder to subscribe for one Share upon the payment of the exercise price of \$0.07 per Subscription Option (**Exercise Price**).
- (b) No cash consideration is payable for the issue of the Subscription Options.
- (c) The Subscription Options will expire at 5.00 pm, AWST on 10 August 2025 (**Expiry Date**).
- (d) The Subscription Options are transferable subject to the Holding Lock imposed in accordance with this agreement.
- (e) The Subscription Options will not be quoted.
- (f) There are no participating rights or entitlements inherent in these Subscription Options and the holder of the Subscription Options will not be entitled in its capacity as the holder of Subscription Options only to participate in new issues of capital that may be offered to shareholders during the currency of the Subscription Option, unless and until the Subscription Options are exercised.
- (g) Subject to all applicable laws and clause (h), the holder has the right to exercise the Subscription Options prior to the date of determining entitlements to any capital issues to the then existing shareholders of the Issuer made during the currency of the Subscription Options.
- (h) In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Issuer, the Subscription Options will be re-organised as required by the ASX Listing Rules, but in all other respects the terms of exercise will remain unchanged.
- (i) The Subscription Options shall be exercisable by paying the Exercise Price and following the process set out in clause (j).
- (j) The Options may be exercised by the delivery to the registered office of the Issuer of a notice in writing (**Exercise Notice**) stating the intention to exercise all or a specified number of Subscription Options accompanied by an Options Certificate and a cheque made payable to the Company or an electronic payment, of the aggregate Exercise Price of the Subscription Options being exercised. The Exercise Notice and cleared funds must be received by the Issuer during the Exercise Period. An exercise of only some Subscription Options shall not affect the rights of the holder to the balance of the Subscription Options held.
- (k) The Issuer shall allot the resultant Shares and deliver or arrange delivery of a statement of shareholdings with a holders' identification number within 5 Business Days of exercise of the Subscription Options.
- (l) The Shares allotted shall rank, from the date of allotment, equally with the then existing ordinary Shares of the Issuer in all respects, subject to any remaining Escrow Period.
- (m) If there is a bonus share issue as defined in the ASX Listing Rules (**Bonus Issue**) to Shareholders, the number of Shares over which a Subscription Option is exercisable will be increased by the number of Shares which the holder would have received if the Subscription Option had been exercised before the record date for the Bonus Issue (**Bonus Shares**). The Bonus Shares must be paid up by the Issuer out of the profits or reserves (as the case may be) in the same manner as was applied in the Bonus Issue and upon issue rank pari passu in all respects with the other shares of that class on issue at the date of issue of the Bonus Shares.

- (n) If there is a pro rata issue (other than a Bonus Issue) to Shareholders during the currency of, and prior to the exercise of any Subscription Options, the Exercise Price of a Subscription Option will be reduced according to the formula provided for in the ASX Listing Rules (whether or not the Issuer is listed on the ASX at the time).
- (o) The Subscription Options will not give any right to vote or to participate in dividends until Shares are allotted pursuant to the exercise of the relevant Subscription Options.
- (p) Within 5 Business Days after the Subscription Options are exercised, the Issuer will:
 - (i) allot and issue the number of Shares required under these terms and conditions in respect of the number of Subscription Options validly exercised;
 - (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
 - (iii) apply for official quotation on ASX of Shares issued pursuant to the exercise of the Subscription Options.

If the Issuer is required but is unable to deliver a notice under paragraph (p)(ii) or such a notice for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Issuer will lodge with ASIC within 20 Business Days after the date the Subscription Options are exercised a 'cleansing prospectus' prepared in accordance with the Corporations Act and do all such things necessary to ensure that an offer for sale of the Shares does not require disclosure to investors.

Attachment B Announcement

Canyon secures premium ~A\$12.1m Strategic Placement to advance development of Minim-Martap

- Strategic Placement of ~A\$12.1m at \$0.06 per share agreed with Eagle Eye Asset Holdings Pte. Ltd. (“EEA”)
- Strategic Placement price represents a significant premium of [40.7%] to Canyon’s 30-day volume weighted average price (“VWAP”) of \$[0.043] up to and including [x] 2022
- Each Placement Share has, subject to Shareholder approval, an attaching option (exercise price of \$0.07 per option and expiry date of 10 August 2025)
- Following completion of the Strategic Placement of Shares, EEA will own 19.9% of the issued Share capital of Canyon and become the Company’s largest shareholder
- EEA (branded as Fortuna Holdings SFO) is incorporated and based in Singapore and with branch offices in Dubai
 - EEA has a successful track record in investment and developing projects in Africa amongst other geographies.
 - EEA has a long-term vision to develop an integrated bauxite and aluminium value chain from Africa
- EEA represents a highly attractive, long-term strategic partner, with capability to assist Canyon with project funding solutions to facilitate the Project moving towards development
- Upon issue of the Placement Shares, EEA will have the right to nominate one representative to the Canyon Board of Directors
- Placement Shares and Placement Options are subject to a 12-month escrow (subject to certain release events – see below)

Canyon Resources Limited (ASX: CAY) (“Canyon” or the “Company”) is pleased to announce that it has entered into a Subscription Agreement with Eagle Eye Asset Holdings Pte. Ltd. (“EEA”), whereby EEA has agreed to subscribe for \$12,174,000 of fully paid ordinary shares (“Shares”) at \$0.06 per Share (“Placement Shares”) (post-issue, representing a 19.9% shareholding in Canyon Shares on issue) (“Strategic Placement”).

Commenting on the Strategic Placement, EEA’s President & CEO for Mining Investments, Pramod Prusty, said:

“We are pleased to make this strategic investment into Canyon. We are confident about the future development prospects of the Minim-Martap Project and view Cameroon as the new source of high-grade bauxite supply that will feed the world’s growing demand. Our vision with this investment is to participate in the bauxite and aluminium value chain from Africa and importantly, we have a successful track record of investing and developing projects in Africa and are looking to repeat this success with Canyon and the Minim-Martap Project.”

Canyon Chief Executive Officer, Jean-Sebastien Boutet said:

“Canyon is very pleased to welcome EEA as a long-term, strategic investor. EEA’s track record in Africa makes them a highly attractive partner for Canyon as we finalise our permits and approvals required for development. To be able to attract and secure support from EEA is a strong vote of confidence in the Project and the long-term vision for Minim-Martap and we look forward to progressing the Project through the development cycle and creating value for all stakeholders.”

Strategic Investment Overview

The Strategic Placement price of \$0.06 per Placement Share represents a significant premium of:

- [40.7%] to Canyon's 30-day volume weighted average price ("VWAP") of \$0.043 up to and including 14 December 2022; and
- [x]% to Canyon's 15-day VWAP of \$[x] up to and including [x] 2022.

The Strategic Placement will be undertaken utilising the Company's existing ASX Listing Rule 7.1 and 7.1A placement capacities, with [x] Placement Shares to be issued under the Company's Listing Rule 7.1A capacity and the balance to be issued under the Company's Listing Rule 7.1 capacity.

Under the Subscription Agreement, EEA will receive one unlisted option for each Placement Share, each with an exercise price of \$0.07 and an expiry date of 10 August 2025 ("Placement Options"). The Placement Options are subject to Canyon shareholder approval for the purposes of ASX Listing Rule 7.1 and, if required, ASX Listing Rule 10.11, to be sought at an upcoming extraordinary general meeting to be held on or before 1 March 2023.

The Placement Shares, Placement Options and any Shares issued on exercise of the Placement Options will be subject to a 12-month escrow from the date of issue of the Placement Shares, subject to certain release events as set out in Appendix 1 below.

Funds raised from the Strategic Placement will be used for the development of the Project.

A summary of the material terms of the Subscription Agreement is provided in Appendix 1.

About Eagle Eye Asset Holdings

Eagle Eye Asset Holdings Pte. Ltd. ("EEA") (branded as Fortuna Holdings SFO) is a Monetary Authority of Singapore ("MAS") registered single-family office based in Singapore, with offices in Dubai.

EEA aims to build a robust investment portfolio across the mining, clean-energy and health technology industries. Importantly, EEA has a long and successful track record in identifying and investing in high-quality projects in Africa.

Advisers

Ashanti Capital acted as corporate adviser and Gilbert + Tobin acted as legal adviser to Canyon.

Indicative timetable

Event	Date
Announcement of the Strategic Placement	
Settlement of Strategic Placement	
Issue of Placement Shares	
Issue of cleansing prospectus for the Placement Shares	
Expected date of quotation for Placement Shares	
Notice of Extraordinary General Meeting released	
Extraordinary General Meeting to approve related resolutions	
Issue of prospectus in connection with offer of Placement Options	
Potential date for issue of Placement Options (assuming Shareholder approval is obtained)	

The timetable above is indicative only and may be subject to change.

An Appendix 3B for the Placement Shares and Placement Options will be released on the date of this announcement.

This announcement is authorised for release by the Board of Canyon Resources Ltd.

Enquiries:

Jean-Sebastien Boutet
Chief Executive Officer
Canyon Resources Limited
T:+61 8 9322 7600
E: info@canyonresources.com.au

Jonathan van Hazel
Investors Relation & Media
Citadel-MAGNUS
T:+61 8 6160 4906
E : jvanhazel@citadelmagnus.com

About Canyon Resources

Summary

Canyon Resources is developing its flagship Minim Martap Bauxite Project in Cameroon, which contains over 1 billion tonnes of high-grade, low contaminant bauxite, with significant exploration upside. Minim Martap is a world-class Project supported by a Bankable Feasibility Study. Results from the Study confirmed Minim Martap as a robust long-term project, producing some of the highest-grade bauxite globally for an initial 20 years of mining.

The 20-year mining schedule represents only 10.6% of the current Minim Martap Resource and technical studies have identified opportunities for a significant future increase in production tonnages. Cameroon has enjoyed successful development and construction of industry and infrastructure, particularly agriculture, roads, railways and ports, including a hydro-electric powered aluminium smelter at Edea, utilising imported alumina. Importantly, Cameroon provides a solid foundation to support a significant mining industry, from fundamental infrastructure and mineral deposits, to a highly skilled population with experience in technical vocations, exploration, construction and mining.

Forward looking statements

This announcement contains forward-looking statements. These statements can be identified by words such as “anticipate”, “may”, “will”, “expect”, “intend”, “estimate”, “opportunity”, “plan”, “potential”, “project”, “seek”, “believe”, “could”, “future and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that are expected to take place. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, its directors and management that could cause the Company’s actual results to differ materially from the results expressed or anticipated in these statements.

Canyon cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this announcement will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements. Canyon does not undertake to update or revise forward-looking statements, regardless of whether any new information, future events or any other factors affect the information contained in this announcement, except where required by applicable law and ASX requirements.

Appendix 1 - Summary of material terms of Subscription Agreement

The material terms and conditions of the EEA Subscription Agreement are summarised below:

Subscriber	Eagle Eye Asset Holdings Pte Ltd
Strategic Placement Amount	\$12,174,000
Placement Shares	202,900,000
Placement Share Price	\$0.06 per Placement Share
Placement Capacity	<p>The issue of the Placement Shares will be made under Canyon's existing placement capacity under ASX Listing Rule 7.1 and 7.1A:</p> <ul style="list-style-type: none"> • <input checked="" type="checkbox"/> under ASX Listing Rule 7.1A capacity; and • <input checked="" type="checkbox"/> under ASX Listing Rule 7.1 capacity.
Placement Shares completion	Within three business days after execution of the Subscription Agreement.
Placement Options	<p>Under the Subscription Agreement, EEA will receive 202,900,000 Placement Options at an exercise price of \$0.07 with an expiry date of 10 August 2025. The issue of the Placement Options is subject to Canyon shareholder approval for the purposes of ASX Listing Rule 7.1 and, if required, ASX Listing Rule 10.11. The condition may be waived by Canyon if the Placement Options are able to be granted without shareholder approval. Canyon will offer the Placement Options to EEA pursuant to a prospectus in order to provide for the on-sale of the Placement Options and the Shares issued on exercise of the Placement Options without disclosure.</p>
Escrow Period	<p>All Placement Shares and Placement Options issued to EEA will be subject to an escrow period of 12 months from the date of issue of the Placement Shares, subject to the release events noted below. During the relevant escrow period, EEA cannot deal in the Placement Shares and Placement Options. The escrow arrangements will not prevent EEA from exercising the Placement Options in accordance with their terms, however any Shares issued on exercise of those Placement Options will be subject to the remaining portion of the escrow period of the Placement Shares.</p> <p>The securities may be released from escrow in the following circumstances:</p> <ul style="list-style-type: none"> • where shareholder approval for the issue of the Subscription Options is not obtained on or before 1 March 2023 (or that condition to the issue of the Subscription Options is not waived); • Canyon announces an implementation agreement to implement a scheme of arrangement in respect of all or a majority of its issued Shares; • the Company enters into any agreement which would result in a bona fide third party acquiring a relevant interest in more than 20% of Shares or directly or indirectly acquiring control of the whole or vast majority of the Company's business or assets; • to the extent necessary to participate in an equal access buy-back or capital return or reduction;

	<ul style="list-style-type: none"> • an insolvency event occurring with respect to Canyon; • where required by law; • the Company announces a proposal to de-list from the ASX; or • where the Board otherwise determines.
Consultation right	Canyon will provide to EEA confidential notice at least 5 business days before an equity capital raising (excluding equity issues relating to remuneration or incentives), following which EEA and Canyon will negotiate in good faith the terms upon which EEA may participate in the capital raise. If shareholder approval is required for EEA to participate in a capital raise, then Canyon will use reasonable endeavours to obtain such approvals along with the recommendation of all non-interested Directors (subject to their directors' duties).
Board nominee right	Upon the issue of the Placement Shares, at any time that EEA has a relevant interest in 10% or more of Canyon's issued Share capital, EEA will have the right to nominate one representative to the Canyon Board of Directors, subject to usual checks and the nominee having sufficient experience and skills.
Warranties	Customary representations and warranties are provided by Canyon and EEA.