

## Scheme Booklet registered by ASIC

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Big River Gold Ltd (ASX: BRV) (**BRV**) refers to the announcement made on 29 July 2022 in relation to:

- the proposed purchase of all the shares in BRV by way of a scheme of arrangement (**Scheme**), following the execution of the Scheme Implementation Deed with Aura Minerals Inc (TSX: ORA, B3: AURA33) (**Aura**) as announced on 20 April 2022; and
- the orders made by the Supreme Court of Western Australia that BRV convenes a meeting of the General Shareholders and a meeting of the Relevant Shareholder to consider and vote on the Scheme (**Scheme Meetings**) and approving the dispatch of an explanatory booklet providing information about the Scheme, together with the notices of Scheme Meetings (together, the **Scheme Booklet**), to BRV shareholders.

### Scheme Booklet

Big River confirms that the Australian Securities and Investments Commission (**ASIC**) has today registered the Scheme Booklet. A copy of the Scheme Booklet is attached to this announcement and will also be made available on Big River's website at <https://www.bigrivergold.com.au/scheme/>.

The Scheme Booklet is expected to be dispatched to BRV shareholders on or before Thursday, 4 August 2022.\*

BRV shareholders should carefully read the Scheme Booklet in its entirety, including the materials accompanying it, before deciding whether to vote in favour of the Scheme. If after reading the Scheme Booklet you have any questions about the Scheme or the Scheme Booklet, please contact the BRV Shareholder Information Line, details of which are set out in the Scheme Booklet.

### Scheme Meetings

The Scheme Meetings, at which BRV shareholders will vote on the proposed Scheme, are expected to be held as follows:

- for the Relevant Shareholder (as defined in the Scheme Booklet), from 9.30am (AWST) on Friday, 2 September 2022\* at Level 4, 77 St Georges Terrace, Perth, Western Australia (**Relevant Shareholder Scheme Meeting**); and
- for General Shareholders (as defined in the Scheme Booklet), from 10.00am (AWST) on Friday, 2 September 2022\* at Level 4, 77 St Georges Terrace, Perth, Western Australia (**General Scheme Meeting**).

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\*All times and dates are references to the time and date in Perth, Western Australia (**AWST**). All dates are indicative only and, among other things, are subject to the Court approval process, ASX approval and the satisfaction or, where applicable, waiver of the conditions set out in Section 1.7 of the Scheme Booklet. BRV reserves the right to vary the times and dates set out above. Any changes to the above timetable will be announced on ASX and notified on BRV's website at <https://www.bigrivergold.com.au/asx-announcements/>. BRV will continue to update BRV shareholders as to any material developments in relation to the Scheme as the timetable progresses.

Details of how to attend and participate in the Scheme Meeting are contained in your relevant notice of meeting included in the Scheme Booklet.

Only General Shareholders as at 5.00pm (AWST) on Wednesday, 31 August 2022\* will be eligible to vote at the General Scheme Meeting.

Only the Relevant Shareholder will be eligible to vote at the Relevant Shareholder Scheme Meeting.



Andrew Richards

**Executive Chairman**

Released for and on behalf of the Independent Board Committee of Big River Gold Ltd



# Big River Gold Ltd

ACN 106 641 963

## Scheme Booklet

For the scheme of arrangement in relation to the proposed acquisition of Big River Gold Ltd (**BRV**) by Borborema LLC (**Aura BidCo**), a wholly-owned subsidiary of Borborema Inc. (**JVCo**), which is in turn a wholly-owned subsidiary of Aura Minerals Inc. (**Aura**). Unless it makes the Election, the Relevant Shareholder, a current BRV Shareholder holding 17.55% of the total number of BRV Shares, will become a shareholder in JVCo instead of receiving Scheme Cash Consideration.

The Notice of General Scheme Meeting is included in Appendix 3 to this Scheme Booklet and the Notice of Relevant Shareholder Scheme Meeting is included in Appendix 4 to this Scheme Booklet.

The Relevant Shareholder Scheme Meeting will be held from 9.30am (AWST) on Friday, 2 September 2022 at Level 4, 77 St Georges Terrace, Perth, Western Australia.

The General Scheme Meeting will be held from 10.00am (AWST) on Friday, 2 September 2022 at Level 4, 77 St Georges Terrace, Perth, Western Australia.

## VOTE IN FAVOUR

**YOUR VOTE IS IMPORTANT IN DETERMINING WHETHER THE SCHEME PROCEEDS. THE INDEPENDENT BOARD COMMITTEE (IBC) UNANIMOUSLY RECOMMENDS THAT YOU VOTE IN FAVOUR OF THE SCHEME, SUBJECT TO THE INDEPENDENT EXPERT CONTINUING TO CONCLUDE THAT THE SCHEME IS IN THE BEST INTERESTS OF BRV SHAREHOLDERS AND IN THE ABSENCE OF A SUPERIOR PROPOSAL.<sup>1</sup>**

### **THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR URGENT ATTENTION.**

If you are in any doubt as to how to deal with this Scheme Booklet, please consult your broker, financial, taxation or legal adviser immediately. If after reading this Scheme Booklet you have any questions about the Scheme, please call the Shareholder Information Line on 1300 101 594 (within Australia) or +61 2 8072 1412 (outside Australia), Monday to Friday, (excluding public holidays), between 8.30am and 5.00pm (AWST).

<sup>1</sup> In relation to the recommendation of the IBC in respect of the Scheme, BRV Shareholders should have regard to the interests of the IBC members in the outcome of the Scheme which may differ from those of other BRV Shareholders, as further described in Section 1.8.

Legal Adviser to BRV

Financial Adviser to BRV

**MinterEllison** nextlevelcorporate

# Overview of this Scheme Booklet

## Defined terms

Capitalised terms in this Scheme Booklet are defined in the Glossary in Section 10 of this Scheme Booklet or alternatively where the relevant term is first used.

## What is this Scheme Booklet for?

This Scheme Booklet contains information about the proposed acquisition of BRV by Aura BidCo, as announced by BRV on 20 April 2022. Aura BidCo is a wholly-owned subsidiary of JVCo, which in turn is a wholly-owned subsidiary of Aura Minerals Inc.

The acquisition will be effected by way of a scheme of arrangement under the Corporations Act.

Under the Scheme:

- a General Shareholder will receive **\$0.36** for every Scheme Share held by that General Shareholder; and
- the Relevant Shareholder will receive the **Scheme Scrip Consideration** for every Scheme Share held by the Relevant Shareholder (unless the Relevant Shareholder makes the Election).

The Scheme Meetings to consider the Scheme will be held at Level 4, 77 St Georges Terrace, Perth, Western Australia on Friday, 2 September 2022:

- for the Relevant Shareholder, commencing at 9.30am; and
- for General Shareholders, commencing at 10.00am.

The Scheme is subject to the approval of BRV Shareholders at each of the Scheme Meetings. This Scheme Booklet includes information relevant to your decision as a BRV Shareholder regarding whether to approve the Scheme.

## What you should do next

### Read this Scheme Booklet

This Scheme Booklet contains information that is material to your decision regarding whether or not to vote in favour of the Scheme. Accordingly, you should read and carefully consider the information in this Scheme Booklet to help you make an informed voting decision.

BRV Shareholders should refer in particular to Section 4 for guidance on the advantages, disadvantages and other considerations relevant to the Scheme. Answers to some frequently asked questions are included in Section 2.

This Scheme Booklet does not take into account the financial situation, investment objectives and particular needs of any BRV Shareholder. If you have any queries in relation to how the Scheme may affect your specific financial situation, investment objectives or other particular needs, you should consult your broker, financial, taxation or legal adviser before making any decision in relation to your BRV Shares and how to vote at your applicable Scheme Meeting referred to below.

If you have sold all of your BRV Shares, please disregard this Scheme Booklet.

### Vote on the Scheme

As a BRV Shareholder, you have a say in whether or not the Scheme proceeds.

You can vote at the applicable Scheme Meeting:

- by proxy, using the relevant enclosed applicable proxy form; or

- in the case of the Relevant Shareholder, in person, by attending the Relevant Shareholder Scheme Meeting to be held on Friday, 2 September 2022 at Level 4, 77 St Georges Terrace, Perth, Western Australia, commencing at 9.30am (AWST); or
- in the case of General Shareholders, in person, by attending the General Scheme Meeting to be held on Friday, 2 September 2022 at Level 4, 77 St Georges Terrace, Perth, Western Australia, commencing at 10.00am (AWST).

If you vote by proxy, your proxy form must be received by the Share Registry (whether in person, by mail or by fax) by 9.30am (AWST) for the Relevant Shareholder and 10.00am (AWST) for General Shareholders on Wednesday, 31 August 2022.

Further information relating to voting is contained in Section 3, in your applicable notice of Scheme Meeting in Appendix 3 or Appendix 4 to this Scheme Booklet and in the proxy forms for your applicable Scheme Meeting which accompany this Scheme Booklet.

Is the Scheme in the best interests of BRV Shareholders?

✓ The Independent Expert has concluded that, in the absence of a Superior Proposal, the Scheme is **NOT FAIR BUT REASONABLE** and therefore in the **BEST INTERESTS** of BRV Shareholders.

The Independent Expert's Report is included in Appendix 1 to this Scheme Booklet.

What does the IBC recommend?

✓ The IBC **UNANIMOUSLY RECOMMENDS** that you vote **IN FAVOUR OF** the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Shareholders.<sup>2</sup> Subject to the same qualification, all members of the IBC intend to vote all Scheme Shares they hold or control **IN FAVOUR OF** the Scheme.

## IBC's Recommendation

Each member of the IBC named below recommends that you vote in favour of the Scheme, in the absence of a Superior Proposal, and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of BRV Shareholders.<sup>3</sup>

In relation to the unanimous recommendation of the IBC, BRV Shareholders should have regard to the following interests of the IBC members in the outcome of the Scheme which may differ from those of other BRV Shareholders, as further described in the Scheme Booklet.

IBC member	Benefit
John Cathcart	Mr Cathcart holds or controls 750,000 BRV Shares and is expected to receive a benefit of approximately \$270,000 (before tax) on the implementation of the Scheme, being the value of Scheme Cash Consideration in relation to those BRV Shares.
Beau Nicholls	Mr Nicholls holds or controls 650,000 BRV Shares and is expected to receive a benefit of approximately \$234,000 (before tax) on the implementation of the Scheme, being the value of Scheme Cash Consideration in relation to those BRV Shares.
Andrew Richards	Mr Richards holds or controls 4,437,500 BRV Shares and 8,750,000 Performance Rights.  If the Scheme becomes Effective, the vesting rights attaching to Mr Richards' Performance Rights will be automatically waived in accordance with the rules under which the Performance Rights were issued. Further, ASX has granted BRV a waiver from Listing Rule 6.23.3 to permit the extension of the expiry date for 3,750,000 Performance Rights (valued at \$1,350,000 upon exercise,

<sup>2</sup> In relation to the recommendation of the IBC in respect of the Scheme, BRV Shareholders should have regard to the interests of the IBC members in the outcome of the Scheme which may differ from those of other BRV Shareholders, as further described in Section 1.8.

<sup>3</sup> In relation to the recommendation of the IBC in respect of the Scheme, BRV Shareholders should have regard to the interests of the IBC members in the outcome of the Scheme which may differ from those of other BRV Shareholders, as further described in Section 1.8.

calculated on the basis of the Scheme Cash Consideration) held by Mr Richards from 30 June 2022 to 31 December 2022, as detailed in Section 1.19. The waiver is conditional on the Scheme becoming Effective.

On the Scheme becoming Effective, Mr Richards will hold or control a total of 13,187,500 BRV Shares and is expected to receive a benefit of approximately \$4,747,500 (before tax) on the implementation of the Scheme, being the value of Scheme Cash Consideration in relation to those BRV Shares.

Despite these interests, for the reasons set out in Section 4, and subject to the qualifications therein, each member of the IBC considers that it is appropriate for each other member to join in the IBC's unanimous recommendation in favour of the Scheme.

The IBC makes no recommendation in relation to the Scheme Scrip Consideration as it applies to the Relevant Shareholder.<sup>4</sup>

Adrian Goldstone is not a member of the IBC and has elected to not make a recommendation in relation to the Scheme as he holds a professional role with an entity affiliated with the Relevant Shareholder.

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<sup>4</sup> The IBC's lack of recommendation in relation to the Scheme Scrip Consideration is consistent with clause 7.4(a) of the Scheme Implementation Deed. Given the Relevant Shareholder's association with Aura as a result of the Cooperation and Commitment Deed, the IBC does not consider that it is necessary or appropriate to make a recommendation in relation to the Scheme Scrip Consideration.

# Important Dates and Times

All references to time in this Scheme Booklet are references to the time in Perth, Australia unless otherwise stated.

Event	Date (and time)
<b>First Court Date</b> The day on which the Court made orders convening the Scheme Meetings	Friday, 29 July 2022
<b>Date of this Scheme Booklet</b>	1 August 2022
<b>Last time and date for proxy forms</b> Last time and date by which proxy forms or powers of attorney for the Scheme Meetings must be received by the Share Registry (whether in person, by mail or by fax)	9.30am (AWST) for the Relevant Shareholder and 10.00am (AWST) for General Shareholders on Wednesday, 31 August 2022
<b>Voting Record Date</b> Time and date for determining eligibility to vote at the applicable Scheme Meeting	5.00pm (AWST) on Wednesday, 31 August 2022
<b>Relevant Shareholder Scheme Meeting</b>	9.30am (AWST), Friday, 2 September 2022
<b>General Scheme Meeting</b>	10.00am (AWST), Friday, 2 September 2022

All dates and times in the remainder of this timetable are indicative only and, among other things, are subject to all necessary approvals from the Court and Regulatory Authorities. Any changes to the remainder of this timetable (which may include an earlier or later date for the Second Court Hearing) will be announced through ASX and notified on BRV's Website at [www.bigrivergold.com.au](http://www.bigrivergold.com.au)

<b>Second Court Date</b> BRV to apply for Court orders approval of the Scheme	Thursday, 8 September 2022
<b>Effective Date of the Scheme</b> Lodgement by BRV of the Court orders approving the Scheme with ASIC	Friday, 9 September 2022
<b>Suspension of trading in BRV Shares</b>	Close of trading on Friday, 9 September 2022
<b>Record Date</b> Record Date to determine entitlements to Scheme Consideration	5.00pm (AWST) on Tuesday, 13 September 2022
<b>Election Time (for the Relevant Shareholder only)</b> Latest time and date by which the Relevant Shareholder may make an Election to receive Scheme Cash Consideration	5.00pm (AWST) on Tuesday, 13 September 2022
<b>Implementation Date</b> Transfer of Scheme Shares to Aura BidCo and payment of Scheme Consideration to Scheme Participants	Tuesday, 20 September 2022

Please note that all dates are indicative only and subject to change, and among other things, are subject to all necessary approvals from the Court and any other regulatory authority. Any changes to the above timetable (which may include an earlier or later date for the Scheme Meetings or Second Court Hearing) will be announced by BRV to the ASX.

All references to time in this Scheme Booklet are references to Perth, Western Australia time, unless otherwise stated. Any obligation to do an act by a specified time in the Western Australian time zone must be done at the corresponding time in any other jurisdiction.

BRV Shareholders who have elected to receive communications electronically will receive an email that contains instructions about how to view or download a copy of this Scheme Booklet, and to lodge their proxy online. This Scheme Booklet will also be available for viewing and downloading on BRV's Website.

# Important Notices

## General

You should read the whole of this Scheme Booklet before making a decision on how to vote on the resolutions to be considered at either the General Scheme Meeting or Relevant Shareholder Scheme Meeting (as applicable to you). The Notice of General Scheme Meeting is set out in Appendix 3. The Notice of Relevant Shareholder Scheme Meeting is set out in Appendix 4. The applicable proxy form for each Scheme Meeting is enclosed with this Scheme Booklet.

## Purpose of this Scheme Booklet

This Scheme Booklet:

- explains the terms and effect of the Scheme to BRV Shareholders;
- explains the manner in which the Scheme will be considered and, if approved, implemented;
- states any material interests of the Directors, whether as directors, members or creditors of BRV or otherwise, and the effect on those interests of the Scheme as far as that effect is different from the effect on similar interests of other persons; and
- provides the information as is prescribed by the Corporations Act and the regulations to that Act or as is otherwise material to the decision of BRV Shareholders whether to approve the Scheme.

This Scheme Booklet (other than Appendices 2 to 5 inclusive) constitutes the explanatory statement for the Scheme as required by section 412(1) of the Corporations Act.

## No financial product advice

The information contained in this Scheme Booklet is not financial product or investment advice. This Scheme Booklet has been prepared without taking into account **your investment objectives, financial situation, taxation position or other particular needs**. Before deciding how to vote or act, BRV Shareholders and others should consider the appropriateness of the information having regard to their **own investment objectives, financial situation, taxation position and other particular needs and seek financial, taxation and legal advice appropriate to their jurisdiction and circumstances**. BRV is not licensed to provide financial product advice in respect of BRV Shares or any other financial products.

## Responsibility for information

The Aura Information contained in this Scheme Booklet has been prepared by, and is the responsibility of, Aura. Neither BRV, its directors, officers or advisers have verified any Aura Information and do not assume any responsibility for its accuracy or completeness.

RSM has prepared the Independent Expert's Report in relation to the Scheme in Appendix 1 and takes responsibility for that report.

The information contained in the remainder of this Scheme Booklet has been prepared by BRV and is the responsibility of BRV. Neither Aura, its directors, officers or advisers have verified any BRV Information and do not assume any responsibility for its accuracy or completeness.

## BRV Shareholders outside Australia

This Scheme Booklet has been prepared for Australian disclosure requirements. These requirements may be different from those in other jurisdictions. This Scheme Booklet and the Scheme does not in any way constitute an offer of securities in any place in which, or to any person to whom, it would not be lawful to make such an offer.

BRV Shareholders residing outside Australia for tax purposes should also seek specific taxation advice in relation to the Australian and overseas taxation implications of their participation in the Scheme.



## ASIC and ASX

A copy of this Scheme Booklet has been provided to ASIC for the purpose of section 411(2) of the Corporations Act, and registered by ASIC for the purpose of section 412(6) of the Corporations Act.

ASIC has examined a copy of this Scheme Booklet. ASIC has been requested to provide a statement, in accordance with section 411(17)(b) of the Corporations Act, that ASIC has no objection to the Scheme. If ASIC provides a no objection statement, it will be produced to the Court at the time of the Court hearing to approve the Scheme.

Neither ASIC nor any of its officers takes any responsibility for the contents of this Scheme Booklet.

A copy of this Scheme Booklet has been provided to ASX. Neither ASX nor any of its officers takes any responsibility for the contents of this Scheme Booklet.

## Important notice associated with Court order under section 411(1) of the Corporations Act

The fact that under section 411(1) of the Corporations Act the Court has ordered on 29 July 2022 that meetings of BRV Shareholders be convened by BRV to consider and vote on the Scheme and that the Court has approved this Scheme Booklet does not in any way mean that the Court:

- (a) has formed any view as to the merits of the proposed Scheme or as to how BRV Shareholders should vote on the Scheme (on this matter BRV Shareholders must reach their own decision); or
- (b) has prepared, or is responsible for, the content of this Scheme Booklet.

## Forward looking statements

Certain statements in this Scheme Booklet relate to the future. Such statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of BRV to be materially different from expected future results, performance or achievements expressed or implied by such statements.

Such risks, uncertainties and other important factors include among other things, the global economic climate and general economic conditions, the global COVID-19 pandemic, civil unrest, terrorism or other hostilities, including but not limited to the current hostilities in Ukraine and Russia (and its flow on effects) and their human and economic impacts on the supply of labour, food and commodities necessary for societies, economies and industrial developments to function properly, currency fluctuations, interest rates, specific market conditions, commodity price volatility, discrepancies between actual and estimated costs of advancing the Borborema Project, Ore Reserves and Mineral Resources being inaccurate or changing over time, mining operational and development risks, litigation risks, regulatory restrictions (including environmental regulatory restrictions and liability), decisions by governmental authorities, mineral exploration and production, and additional funding requirements.

These statements reflect the expectations of relevant parties' only as of the date of this Scheme Booklet and BRV Shareholders are cautioned not to place undue reliance on such forward looking statements. Neither BRV nor Aura has any obligation to disseminate after the date of this Scheme Booklet any updates or revisions to any such statements to reflect any change in expectations in relation to those statements or any change in events, conditions or circumstances on which any of those statements is based unless, in the case of BRV, it is required to do so pursuant to its continuous disclosure obligations under the Corporations Act and the Listing Rules, or in the case of both BRV and Aura, by an order of the Court.

## Privacy and personal information

BRV and Aura must collect personal information to implement the Scheme. This information may include the name, contact details and security holding of BRV Shareholders, and the name of persons appointed by BRV Shareholders to act as proxy, corporate representative or attorney at the Scheme Meetings. The primary purpose of collection of the personal information is to assist BRV in the conduct of the Scheme Meetings and to enable the Scheme to be implemented by BRV in the manner described in this Scheme Booklet. Without this information, BRV may be hindered in its ability to carry out these purposes to full effect. The collection of certain personal information is authorised by the Corporations Act.

Personal information may be disclosed to the Share Registry, print and mail service providers, authorised securities brokers and to Related Entities of BRV and the parties to the Scheme Implementation Deed.

BRV Shareholders have certain rights to access personal information that has been collected. BRV Shareholders should contact BRV's company secretary in the first instance if they wish to request access to their personal information.

BRV Shareholders who appoint a named person to act as their proxy, corporate representative or attorney at the Scheme Meetings should ensure that they inform that person of the matters outlined above.

## No internet site is part of this Scheme Booklet

BRV and Aura each maintain internet sites at [www.bigrivergold.com.au](http://www.bigrivergold.com.au) and [www.auraminerals.com](http://www.auraminerals.com). Any references in this Scheme Booklet to those or other internet sites are for information purposes only and do not form part of this Scheme Booklet.

## Interpretation

Capitalised terms used in this Scheme Booklet are defined in the Glossary in Section 10. Some of the documents reproduced in the Appendices to this Scheme Booklet have their own defined terms, which are sometimes different from those in the Glossary in Section 10. Any diagrams, charts, graphs and tables appearing in this Scheme Booklet are illustrative only and may not be drawn to scale. Unless otherwise stated, all data contained in diagrams, charts, graphs and tables is based on information available at the date of this Scheme Booklet. All numbers are rounded, unless otherwise indicated. Any discrepancies between totals in tables and sums of components contained in this Scheme Booklet and between those figures and figures referred to in other parts of this Scheme Booklet are due to rounding. The financial amounts in this Scheme Booklet are expressed in Australian currency, unless stated otherwise. A reference to dollars, \$, A\$ or cents is to Australian currency, unless otherwise stated. All times referred to in this Scheme Booklet are references to times in Perth, Western Australia, Australia, unless stated otherwise.

## Date of Scheme Booklet

This Scheme Booklet is dated 1 August 2022.

# Scheme Booklet

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# Letter from the Executive Chairman of BRV

1 August 2022

Dear BRV Shareholder

## Introduction

I am pleased to provide you with this Scheme Booklet, which contains important information for your consideration about the proposed acquisition of BRV by Aura Minerals Inc. (**Aura**), a successful gold and copper producer focused on the Americas and listed on the Toronto Stock Exchange. If approved, the acquisition will be made through Aura BidCo, a wholly-owned subsidiary of JVCo, which in turn is a wholly-owned subsidiary of Aura.

On 19 April 2022 after the close of trading on ASX, BRV and Aura entered into the Scheme Implementation Deed pursuant to which Aura BidCo agreed to acquire all of the shares in BRV under a members' scheme of arrangement between BRV and BRV Shareholders (referred to in this Scheme Booklet as the **Scheme**).

BRV's market announcement dated 19 April 2022 was released by ASX on 20 April 2022 prior to the market opening, and provided the key terms and conditions of the Scheme, including among other things that Aura BidCo would acquire all of the Scheme Shares for the following consideration:

- in the case of General Shareholders, a cash payment of \$0.36 per Scheme Share (**Scheme Cash Consideration**); and
- in the case of Dundee Resources Limited, the Relevant Shareholder, an exchange of JVCo Shares for their Scheme Shares (**Scheme Scrip Consideration**) instead of Scheme Cash Consideration under the Scheme (in the absence of the Relevant Shareholder making an Election to receive Scheme Cash Consideration), in order to form an unlisted incorporated joint venture between the Relevant Shareholder and Aura for the management, financing and development of the Borborema Gold Project, following implementation of the Scheme.

The Scheme Cash Consideration represents a premium of:

- 33.3% to the BRV Share price on the day of the Scheme announcement on 19 April 2022 of \$0.270 per BRV Share;
- 27.2% to the historical 30 trading day VWAP of \$0.283 per BRV Share; and
- a greater than 41% premium to the historical 60, 90 and 180 trading day VWAPs of \$ 0.255, \$0.252 and \$0.254 per BRV Share, respectively.

This Scheme Booklet contains full details of the Scheme. The IBC encourages you to consider the information in this Scheme Booklet to help you determine whether or not to vote in favour of the Scheme.

## Independent Board Committee Recommendation

Following acceptance of Aura's indicative non-binding proposal in relation to a scheme of arrangement, BRV formed an IBC to fully consider the proposal. The IBC comprises John Cathcart, Beau Nicholls and myself as Chair. Adrian Goldstone is not a member of the IBC as he holds a professional role with an entity affiliated with the Relevant Shareholder.

With the assistance of external legal and financial advisors and after considering the advantages and disadvantages of the Scheme, the IBC believes that the Scheme is in the best interests of BRV Shareholders and **unanimously recommends that BRV Shareholders vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of BRV Shareholders.**<sup>5</sup>

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<sup>5</sup> In relation to the recommendation of the IBC in respect of the Scheme, BRV Shareholders should have regard to the interests of the IBC members in the outcome of the Scheme which may differ from those of other BRV Shareholders, as further described in Section 1.8.

**Subject to the same qualification, all the Directors on the IBC intend to cause to be voted all BRV Shares in which they have a Relevant Interest in favour of the Scheme Resolution.**

The reasons for the unanimous recommendation by the IBC are set out in more detail in Section 4.4 of this Scheme Booklet.<sup>6</sup>

In summary, the IBC believes the Scheme provides you with a strong opportunity to realise certain cash proceeds at an attractive premium for your BRV Shares.

The reasons for the IBC's unanimous recommendation are detailed in Section 4.4 of this Scheme Booklet. In particular, the IBC considered the following factors:

- the Independent Expert has concluded that the Scheme is not fair but reasonable and therefore in the best interests of BRV Shareholders in the absence of a Superior Proposal;
- the Scheme Cash Consideration represents an attractive 33.3% premium to the BRV Share price at closing on 19 April 2022, being the last day of trading in BRV Shares immediately before the date the Scheme was announced, and a greater than 41% premium to the 60, 90 and 180 trading day VWAPs for BRV Shares;
- the Scheme Consideration provides attractive liquidity in what has been a highly illiquid stock;
- the Scheme provides General Shareholders with certainty of value and removes the significant exploration, development, procurement, financing, equity dilution and other risks and uncertainties associated with remaining a BRV Shareholder;
- the Relevant Shareholder has agreed to vote (or procure that the Custodian (as that term is defined in the Cooperation and Commitment Deed) votes) all BRV Shares in which it has a Relevant Interest in favour of the Scheme at the Relevant Shareholder Scheme Meeting,<sup>7</sup> and on the Last Practicable Date the Relevant Shareholder owned BRV Shares representing 17.55% of the total number of issued BRV Shares;
- the Scheme is subject to limited conditions and is not subject to a financing condition;
- the price of BRV Shares may fall in the near-term if the Scheme is not implemented and in the absence of a Superior Proposal;
- no Superior Proposal has emerged as at the date of this Scheme Booklet; and
- no brokerage will be payable by BRV Shareholders on the transfer of their BRV Shares under the Scheme.

The IBC also notes a number of disadvantages associated with the Scheme as outlined in Section 4.5 of this Scheme Booklet, which include:

- you may disagree with the conclusions and/or recommendation of the IBC and/or the ultimate conclusion in the Independent Expert's Report, and believe that the Scheme is not in your best interests (although you may otherwise agree with the basis of the Independent Expert's Report);
- you will no longer be able to directly participate in the future financial performance and possible growth of BRV;
- you may find it difficult to identify or invest in an alternative company with similar characteristics to BRV;
- you may consider that there is potential for a Superior Proposal for BRV to emerge in the foreseeable future; and
- the tax implications of the Scheme may not be suitable to your financial circumstances or position.

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<sup>6</sup> In relation to the recommendation of the IBC in respect of the Scheme, BRV Shareholders should have regard to the interests of the IBC members in the outcome of the Scheme which may differ from those of other BRV Shareholders, as further described in Section 1.8.

<sup>7</sup> Under the Cooperation and Commitment Deed, the Relevant Shareholder is contractually obligated to vote in favour of the Scheme and has agreed not to vote in favour of a Third Party Transaction (without prior written consent from Aura).

The IBC believes that the benefits of the Scheme significantly outweigh the potential disadvantages and risks associated with the Scheme.<sup>8</sup>

The IBC makes no recommendation in relation to the Scheme Scrip Consideration as it applies to the Relevant Shareholder.<sup>9</sup>

## Independent Expert

RSM, the Independent Expert engaged by the IBC, has concluded that the Scheme is in the best interests of BRV Shareholders, in the absence of a Superior Proposal. The IBC encourages you to read and consider the Independent Expert's Report, which is contained in Appendix 1 to this Scheme Booklet.

## General Scheme Meeting and Relevant Shareholder Scheme Meeting

As the Relevant Shareholder will receive Scheme Scrip Consideration, unless the Relevant Shareholder makes the Election, the rights of the Relevant Shareholder under the Scheme are sufficiently different from those of the General Shareholders such that the Relevant Shareholder is considered to constitute a separate class of member for the purpose of voting on the Scheme. This means that General Shareholders will have the opportunity to vote independently from the Relevant Shareholder at the General Scheme Meeting but will not be permitted to vote at the Relevant Shareholder Scheme Meeting. Equally, the Relevant Shareholder will vote at the Relevant Shareholder Scheme Meeting but will not be permitted to vote at the General Scheme Meeting.

## Next steps

Your vote is important and I encourage you to vote either by:

- if you are the Relevant Shareholder, attending the Relevant Shareholder Scheme Meeting to be held at 9.30am (AWST) on Friday, 2 September 2022 at Level 4, 77 St Georges Terrace, Perth, Western Australia, or by lodging a proxy vote; or
- if you are a General Shareholder, attending the General Scheme Meeting to be held at 10.00am (AWST) on Friday, 2 September 2022 at Level 4, 77 St Georges Terrace, Perth, Western Australia, or by lodging a proxy vote.

Proxy forms for your applicable Scheme Meeting accompany this Scheme Booklet.

I encourage you to read this Scheme Booklet which contains important information in relation to the Scheme. If you have any questions in relation to the Scheme, please call the Shareholder Information Line on 1300 101 594 (within Australia) or +61 2 8072 1412 (outside Australia), Monday to Friday (excluding public holidays), between 8.30am and 5.00pm (AWST) or contact your broker, financial, taxation, legal or other professional adviser.

On behalf of the IBC, I recommend the Scheme to you and would like to take this opportunity once again to thank you for your support of BRV.

Yours Faithfully



**Andrew Richards**  
Executive Chairman

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<sup>8</sup> In relation to the recommendation of the IBC in respect of the Scheme, BRV Shareholders should have regard to the interests of the IBC members in the outcome of the Scheme which may differ from those of other BRV Shareholders, as further described in Section 1.8.

<sup>9</sup> The IBC's lack of recommendation in relation to the Scheme Scrip Consideration is consistent with clause 7.4(a) of the Scheme Implementation Deed. Given the Relevant Shareholder's association with Aura as a result of the Cooperation and Commitment Deed, the IBC does not consider that it is necessary or appropriate to make a recommendation in relation to the Scheme Scrip Consideration.

# Key reasons to vote in favour of the Scheme

- ✓ The Independent Expert has concluded that the Scheme is not fair but reasonable and therefore in the best interests of BRV Shareholders in the absence of a Superior Proposal.
- ✓ The Scheme Cash Consideration represents an attractive premium of 33.3% the price of a BRV Share on 19 April 2022 (the last day of trading in BRV Shares immediately before the date the Scheme was announced) and a premium of over 41% to the 60, 90 and 180 trading day VWAPs
- ✓ The IBC unanimously recommends you vote in favour of the Scheme Resolution in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of BRV Shareholders<sup>10</sup>
- ✓ The Scheme Cash Consideration provides attractive liquidity in what has been a highly illiquid stock
- ✓ The Scheme provides BRV General Shareholders with certainty of value and removes the risks and uncertainties associated with remaining a BRV Shareholder
- ✓ The Relevant Shareholder has agreed to vote (or procure that the Custodian (as that term is defined in the Cooperation and Commitment Deed) votes) all BRV Shares in which it has a Relevant Interest in favour of the Scheme at the Relevant Shareholder Scheme Meeting<sup>11</sup>
- ✓ The Scheme is subject to limited conditions and is not subject to a financing condition
- ✓ The price of BRV Shares may fall if the Scheme is not approved and in the absence of a Superior Proposal
- ✓ No Superior Proposal has emerged as at the date of this Scheme Booklet
- ✓ No brokerage will be payable by you for the transfer of your BRV Shares under the Scheme

# Potential reasons to vote against the Scheme

- ✗ You may disagree with the conclusions and/or recommendation of the IBC and/or the ultimate conclusion in the Independent Expert's Report, and believe that the Scheme is not in your best interests (although you may otherwise agree with the basis of the Independent Expert's Report)
- ✗ You will no longer be able to directly participate in the future financial performance and possible growth of BRV
- ✗ You may find it difficult to identify or invest in an alternative company with similar characteristics to BRV
- ✗ You may consider that there is potential for a Superior Proposal for BRV to emerge in the foreseeable future
- ✗ The tax implications of the Scheme may not be suitable to your financial circumstances or position

**THE MEMBERS OF THE IBC UNANIMOUSLY RECOMMEND THAT YOU VOTE IN FAVOUR OF THE SCHEME, IN THE ABSENCE OF A SUPERIOR PROPOSAL AND SUBJECT TO THE INDEPENDENT EXPERT CONTINUING TO CONCLUDE THAT THE SCHEME IS IN THE BEST INTERESTS OF BRV SHAREHOLDERS.<sup>12</sup>**

**You should read this Scheme Booklet in full before making any decision on the Scheme. In particular, you should refer to Section 4 for guidance on the advantages and disadvantages of the Scheme. This Scheme Booklet does not take into account the financial situation, investment objectives and particular needs of any BRV Shareholder. You should consult your broker, financial, taxation legal or other professional adviser concerning the impact your decision may have on your own circumstances.**

<sup>10</sup> In relation to the recommendation of the IBC in respect of the Scheme, BRV Shareholders should have regard to the interests of the IBC members in the outcome of the Scheme which may differ from those of other BRV Shareholders, as further described in Section 1.8.

<sup>11</sup> Under the Cooperation and Commitment Deed, the Relevant Shareholder is contractually obligated to vote in favour of the Scheme and has agreed not to vote in favour of a Third Party Transaction (without prior written consent from Aura).

<sup>12</sup> In relation to the recommendation of the IBC in respect of the Scheme, BRV Shareholders should have regard to the interests of the IBC members in the outcome of the Scheme which may differ from those of other BRV Shareholders, as further described in Section 1.8.

# 1. What is the Scheme?

## 1.1 Introduction

This Section 1:

- discusses the purpose and effect of the Scheme;
- provides a summary of the conditions and approvals required for the Scheme to proceed; and
- provides a summary of the rights of BRV and Aura to withdraw from the Scheme.

If the conditions for the Scheme are satisfied or waived (as applicable), the manner in which the Scheme will be implemented is described in Section 1.10.

## 1.2 Background

On 20 April 2022, BRV announced that on 19 April 2022 it had entered into the Scheme Implementation Deed with Aura, under which Aura BidCo will acquire all of the Scheme Shares under a members' scheme of arrangement between BRV and the Scheme Participants.

A copy of the Scheme Implementation Deed is included as Appendix 5 to this Scheme Booklet.

Under the Scheme, a General Shareholder will transfer all of their Scheme Shares to Aura BidCo on the Implementation Date (expected to be 20 September 2022) in consideration for \$0.36 for every Scheme Share held by that General Shareholder, and the Relevant Shareholder will transfer its Scheme Shares on the Implementation Date in consideration for Scheme Scrip Consideration (unless it makes the Election to receive cash, in which case it will receive \$0.36 per Scheme Share it holds).

The Scheme must be approved by the Requisite Majorities of BRV Shareholders at the applicable Scheme Meetings and approved by the Court.

If all of the other approvals and conditions for the Scheme are satisfied or waived (as applicable) the Scheme will constitute a binding arrangement between BRV and each Scheme Participant to undertake the steps required to:

- transfer all of their Scheme Shares to Aura BidCo on the Implementation Date; and
- otherwise give effect to the Scheme.

If all of the approvals and conditions for the Scheme are satisfied or waived (as applicable) the holders of Scheme Shares will be bound by the Scheme whether or not they:

- attend their applicable Scheme Meeting;
- vote at their applicable Scheme Meeting; or
- vote against the Scheme at their applicable Scheme Meetings.

## 1.3 What consideration will you receive under the Scheme?

Provided that the Scheme becomes Effective:

- General Shareholders will receive \$0.36 per Scheme Share they hold (the Scheme Cash Consideration); and
- the Relevant Shareholder will receive the Scheme Scrip Consideration, unless the Relevant Shareholder makes the Election, in which case it will receive \$0.36 per Scheme Share it holds.

## 1.4 Scheme Scrip Consideration formula

The formula to be applied with respect to the JVCo Shares to be issued to the Relevant Shareholder as Scheme Scrip Consideration (unless it makes the Election) is described in the definition of



Scheme Scrip Consideration (being one JVCo Share for every 10 Scheme Shares held by the Relevant Shareholder at the Record Date).

## 1.5 General Scheme Meeting and Relevant Shareholder Scheme Meeting

As the Relevant Shareholder will receive Scheme Scrip Consideration, unless the Relevant Shareholder makes the Election, the rights of the Relevant Shareholder under the Scheme are sufficiently different from those of the General Shareholders such that the Relevant Shareholder is considered to constitute a separate class of member for the purpose of voting on the Scheme. This means General Shareholders will have the opportunity to vote independently from the Relevant Shareholder.

The General Shareholders will vote at the General Scheme Meeting but will not be permitted to vote at the Relevant Shareholder Scheme Meeting. Equally, the Relevant Shareholder will vote at the Relevant Shareholder Scheme Meeting but will not be permitted to vote at the General Scheme Meeting.

Details of the Scheme Meetings are set out in Section 3 and in the Notice of General Scheme Meeting set out in Appendix 3 and in the Notice of Relevant Shareholder Scheme Meeting set out in Appendix 4.

## 1.6 Deed Poll

Aura and JVCo have executed a Deed Poll in favour of the Scheme Participants and promise to acquire, and provide consideration for, all of the Scheme Shares under the Scheme subject to the satisfaction of certain conditions precedent. A copy of the Deed Poll is set out in Appendix 6 to this Scheme Booklet.

## 1.7 Scheme Conditions

Terms capitalised in this Section 1.7 have the meaning given to them in the Scheme Implementation Deed.

The Scheme remains subject to the conditions set out below:

- (a) **(BRV Shareholder Approval)** BRV Shareholders approve the Scheme by the requisite majorities in accordance with section 411(4)(a)(ii) of the Corporations Act (**Requisite Majorities**);
- (b) **(Court approval)** the Court approves the Scheme in accordance with section 411(4)(b) of the Corporations Act;
- (c) **(Regulatory Approvals)** All Regulatory Approvals which Aura and BRV (each acting reasonably) agree are necessary or desirable to implement the Scheme (which shall be deemed to include Regulatory Approvals of ASIC and ASX) are obtained and those approvals have not been withdrawn or revoked by 8.00am (AWST) on the Second Court Date (and in the event of any such withdrawal or revocation at that time, clause 13.1(c) of the Scheme Implementation Deed applies);
- (d) **(No Government Intervention)** No order, temporary restraining order, preliminary or permanent injunction, decree or ruling in each case issued by a court of competent jurisdiction in Australia or Brazil in a proceeding brought by a Governmental Authority which enjoins, restrains or otherwise imposes a legal restraint or prohibition preventing the Scheme or otherwise materially adversely impacts on or impedes implementation of the Scheme and none of those things is in effect as at 8.00am (AWST) on the Second Court Date (and if any enjoiner, restraint or other thing is in place at that time, clause 13.1(c) of the Scheme Implementation Deed applies);
- (e) **(Independent Expert)** The Independent Expert issues a report which concludes that the Scheme is in the best interests of Scheme Participants before the date on which the Scheme Booklet is lodged with ASIC and the Independent Expert does not publicly withdraw, qualify or change that opinion at any time prior to 8.00am (AWST) on the Second Court Date;
- (f) **(No Prescribed Event)** No Prescribed Event occurs between the date of the Scheme Implementation Deed and 8.00am (AWST) on the Second Court Date;

- (g) **(BRV Representations and Warranties)** Each of the BRV Representations and Warranties is true and correct (if the relevant BRV Representation and Warranty is not already subject to a materiality qualifier) in all material respects, in each case as of the date of the Scheme Implementation Deed and as of 8.00am (AWST) on the Second Court Date, except where expressed to be operative at another date;
- (h) **(No Material Adverse Effect)** No Material Adverse Effect has occurred between the date of the Scheme Implementation Deed and 8.00am (AWST) on the Second Court Date; and
- (i) **(Minimum Cash Balance)** As evidenced by a certificate given by an officer of BRV as at 5.00pm (AWST) on the Business Day prior to the Second Court Hearing, BRV has a cash balance of not less than the Minimum Cash Balance.

At the date of this Scheme Booklet neither BRV, Aura, the IBC nor any of the BRV Directors are aware of any circumstances that would cause any of the Scheme Conditions to not be satisfied or which could result in termination of the Scheme Implementation Deed.

BRV will make a statement regarding the status of the Scheme Conditions at the commencement of the Scheme Meeting.

The Scheme Conditions are set out in full in the Scheme Implementation Deed, included at Appendix 5 to this Scheme Booklet.

## 1.8 IBC's recommendation and contingent benefits

As announced by BRV on 20 April 2022, BRV formed the IBC to consider Aura's proposal. The IBC comprises John Cathcart, Beau Nicholls and Andrew Richards. The IBC does not include Adrian Goldstone who is a Director of BRV because Mr Adrian Goldstone has a professional role with an entity affiliated with the Relevant Shareholder.

The members of the IBC unanimously recommend that BRV Shareholders vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of all BRV Shareholders.<sup>13</sup>

Subject to that same qualification, each member of the IBC intends to vote in favour of the Scheme in respect of their own holdings in BRV. As noted above, Mr Adrian Goldstone has a professional role with an entity affiliated with the Relevant Shareholder and is therefore precluded from voting at the Scheme Meetings.

No Superior Proposal has been received as at the date of this Scheme Booklet.

In forming their unanimous recommendation the members of the IBC have carefully considered the conditions, advantages, disadvantages and risks of the Scheme. These matters are described in more detail in Section 4 of this Scheme Booklet and in the Independent Expert's Report in Appendix 1 to this Scheme Booklet. The IBC considers that the advantages of the Scheme outweigh its disadvantages and risks.

In relation to the unanimous recommendation of the IBC, BRV Shareholders should have regard to the following interests of the IBC members in the outcome of the Scheme which may differ from those of other BRV Shareholders.

IBC member	Benefit
John Cathcart	Mr Cathcart holds or controls 750,000 BRV Shares and is expected to receive a benefit of approximately \$270,000 (before tax) on the implementation of the Scheme, being the value of Scheme Cash Consideration in relation to those BRV Shares.
Beau Nicholls	Mr Nicholls holds or controls 650,000 BRV Shares and is expected to receive a benefit of approximately \$234,000 (before tax) on the implementation of the Scheme, being the value of Scheme Cash Consideration in relation to those BRV Shares.

<sup>13</sup> In relation to the recommendation of the IBC in respect of the Scheme, BRV Shareholders should have regard to the interests of the IBC members in the outcome of the Scheme which may differ from those of other BRV Shareholders, as further described in Section 1.8.

Andrew Richards

Mr Richards holds or controls 4,437,500 BRV Shares and 8,750,000 Performance Rights.

If the Scheme becomes Effective, the vesting rights attaching to Mr Richards' Performance Rights will be automatically waived in accordance with the rules under which the Performance Rights were issued. Further, ASX has granted BRV a waiver from Listing Rule 6.23.3 to permit the extension of the expiry date for 3,750,000 Performance Rights (valued at \$1,350,000 upon exercise, calculated on the basis of the Scheme Cash Consideration) held by Mr Richards from 30 June 2022 to 31 December 2022, as detailed in Section 1.19. The waiver is conditional on the Scheme becoming Effective.

On the Scheme becoming Effective, Mr Richards will hold or control a total of 13,187,500 BRV Shares and is expected to receive a benefit of approximately \$4,747,500 (before tax) on the implementation of the Scheme, being the value of Scheme Cash Consideration in relation to those BRV Shares.

The IBC makes no recommendation in relation to the Scheme Scrip Consideration as it applies to the Relevant Shareholder.<sup>14</sup>

## 1.9 Independent Expert's conclusion

BRV engaged the Independent Expert, RSM, to prepare a report expressing an opinion on whether the Scheme is in the best interest of BRV Shareholders.

The Independent Expert has concluded that, in the absence of a Superior Proposal, the Scheme is not fair but reasonable and therefore in the best interests of BRV Shareholders.

The Independent Expert's Report is included as Appendix 1 to this Scheme Booklet. You should read that report as part of your assessment of the Scheme. Section 4 of this Scheme Booklet contains a summary of the key conclusions of the Independent Expert in relation to the Scheme.

## 1.10 Implementation of Scheme

### (a) Scheme Meetings

At the First Court Hearing on 29 July 2022, the Court ordered BRV to convene meetings of BRV Shareholders to consider and vote on the Scheme.

The notice convening the General Scheme Meeting is set out in Appendix 3 to this Scheme Booklet.

The notice convening the Relevant Shareholder Scheme Meeting is set out in Appendix 4 to this Scheme Booklet.

The fact that the Court has ordered that the Scheme Meetings be convened is no indication that the Court has a view as to the merits of the Scheme or as to how BRV Shareholders should vote. On these matters, BRV Shareholders must reach their own decision.

### (b) Eligibility to vote at applicable Scheme Meeting

Each person who is registered on the Share Register as a BRV Shareholder as at 5.00pm (AWST) on Wednesday, 31 August 2022 (**Voting Record Date**) is entitled to attend and vote at their applicable Scheme Meeting for which they are entitled to vote, either in person, by proxy or attorney or, in the case of a corporate BRV Shareholder or proxy, by a representative.

Section 3 provides full details of how to vote at the relevant Scheme Meeting. A proxy form for the relevant Scheme Meeting is enclosed with this Scheme Booklet.

<sup>14</sup> The IBC's lack of recommendation in relation to the Scheme Scrip Consideration is consistent with clause 7.4(a) of the Scheme Implementation Deed. Given the Relevant Shareholder's association with Aura as a result of the Cooperation and Commitment Deed, the IBC does not consider that it is necessary or appropriate to make a recommendation in relation to the Scheme Scrip Consideration.

(c) **Voting majority required**

The Scheme will only become Effective and be implemented if it is:

- agreed to by the Requisite Majorities of holders of BRV Shareholders at their applicable Scheme Meeting; and
- approved by the Court at the Second Court Hearing.

Agreement to the Scheme by BRV Shareholders requires the Scheme Resolution at each of the Scheme Meetings to be agreed to by:

- **(Headcount Test)** a majority in number (that is, more than 50%) of BRV Shareholders present and voting (either in person or by proxy) at their applicable Scheme Meeting; and  
**(voting test)** at least 75% of the total number of votes cast on the resolution by BRV Shareholders present and voting (either in person or by proxy) at their applicable Scheme Meeting.

For clarity, for the purpose of the Relevant Shareholder Scheme Meeting, the Requisite Majorities are both satisfied if the Relevant Shareholder votes in favour of the Scheme.

The Court has the power to approve the Scheme even if the Headcount Test has not been satisfied. For example, the Court may do so if there is evidence that the result of the vote has been unfairly influenced by activities such as Share Splitting. However, there is no guarantee that the Court will grant such a waiver.

The results of the Scheme Meetings will be available as soon as possible after the conclusion of the Scheme Meetings and announced to the ASX ([www.asx.com.au](http://www.asx.com.au)).

(d) **Subsequent to the Scheme Meetings**

If:

- the Scheme is approved by BRV Shareholders at the Scheme Meetings; and
- all other conditions to the Scheme as described in Section 4.7 (other than Court approval of the Scheme) have been satisfied or waived (as applicable),

the further general steps required to implement the Scheme are as described in the remainder of this Section 1.10.

The description of these general steps is based on the obligations that BRV and Aura have under the Scheme Implementation Deed. Aura and JVCo have also signed the Deed Poll in which they covenant in favour of Scheme Participants to perform the actions attributed to them under the Scheme and to provide the Scheme Consideration in accordance with the Scheme. The Scheme Implementation Deed is contained in Appendix 5 to this Scheme Booklet. The Deed Poll is contained in Appendix 6 to this Scheme Booklet.

(e) **Apply to Court for approval of Scheme**

At the Second Court Hearing, BRV will apply to the Court for orders approving the Scheme. It is expected that the Second Court Date will be on or about 8 September 2022. Any change to this date will be announced through ASX and will be available on ASX's website, [www.asx.com.au](http://www.asx.com.au).

The Court has a wide, overriding discretion as to whether or not to approve the Scheme under section 411(4)(b) of the Corporations Act and may refuse to approve the Scheme even if the Scheme Resolutions are passed by the Requisite Majorities of BRV Shareholders.

(f) **Opposing the Scheme**

Any BRV Shareholder and, with the Court's permission, any other interested person, has a right to seek leave to appear at the Second Court Hearing to oppose the approval of the Scheme by the Court, or to make submissions to the Court in relation to the Scheme. If you wish to oppose approval of the Scheme by the Court at the Second Court Hearing you must file with the Court, and serve on BRV, a notice of appearance in the form prescribed under the *Supreme Court (Corporations) (WA) Rules 2004*, together with any affidavit on

which you wish to rely at the hearing. The notice of appearance and affidavit must be served on BRV at its address for service at least one day before the Second Court Date.

The address for service is: Ground Floor, 25 Richardson Street, West Perth, Western Australia, 6005.

**(g) Receipt of Court orders**

If the Court approves the Scheme:

- BRV will make an announcement to ASX notifying the market of the receipt of Court approval and the Record Date, with that announcement to be made on the day on which the Court approves the Scheme; and
- as soon as possible and in any event by 5.00pm (AWST) on the first Business Day after the day on which the Court approves the Scheme, BRV will lodge an office copy of the Court's orders with ASIC under section 411(10) of the Corporations Act. On that date (which is expected to be 9 September 2022), the Scheme will become Effective.

If the Scheme becomes Effective, BRV, Aura and JVCo will become bound to implement the Scheme in accordance with the terms of the Scheme Implementation Deed, the Deed Poll and the Scheme. Only BRV Shareholders who qualify as Scheme Participants will be bound by and have the benefit of the Scheme. Section 1.10(k) of this Scheme Booklet describes the principles in the Scheme for determining the identity of Scheme Participants.

If the Scheme does not become Effective on or before the End Date, the Scheme will lapse and will not be implemented.

**(h) Record Date and suspension of trading of Scheme Shares**

If the Court makes an order at the Second Court Hearing approving the Scheme, BRV will lodge with ASIC an office copy of the order made by the Court under section 411(4)(b) of the Corporations Act approving the Scheme and the Scheme will become Effective.

It is expected that suspension of trading on ASX in BRV Shares will occur from close of trading on the Effective Date or shortly after. On the current timetable, the Effective Date is expected to be 9 September 2022.

**(i) Transfer and registration of Scheme Shares**

Under the Scheme, Scheme Participants irrevocably authorise BRV to transfer all the Scheme Shares, together with all rights and entitlements attaching to the Scheme Shares, to Aura BidCo and BRV will enter Aura BidCo in the Share Register as the holder of the Scheme Shares.

Under the Scheme, each Scheme Participant, without the need for any further act, irrevocably appoints BRV as that Scheme Participant's attorney and agent for the purpose of executing any document necessary to give effect to the Scheme, including (without limitation) the proper instrument of transfer of all or part of the Scheme Shares.

On the Implementation Date, the Scheme Shares held by Scheme Participants will be transferred to Aura BidCo without the need for any further act by any Scheme Participant, by BRV executing and delivering a valid transfer or transfers of the Scheme Shares to Aura under the Corporations Act.

In consideration of the transfer of the Scheme Shares to Aura BidCo, Aura will procure that the Scheme Consideration is paid or provided to each Scheme Participant, in accordance with the provisions of the Scheme. See Section 1.10(j) for further details on the provision of the Scheme Consideration.

**(j) Payment of Scheme Consideration**

BRV Shareholders will be entitled to receive consideration under the Scheme if they are registered as the holders of BRV Shares at 5.00pm (AWST) on the Record Date. The Record Date is currently expected to be 13 September 2022. In this Scheme Booklet, those BRV Shareholders and the BRV Shares that they hold are respectively referred to as Scheme Participants and Scheme Shares.

Two Business Days before the Implementation Date, Aura will transfer the aggregate amount of the Scheme Cash Consideration into a trust account operated on or behalf of BRV. On the Implementation Date, BRV will pay to each relevant Scheme Participant the amount equal to the number of Scheme Shares held by each Scheme Participant multiplied by the Scheme Cash Consideration per BRV Share (subject to any applicable withholding required under the Tax Act). BRV's obligations will be satisfied upon:

- payment by electronic funds transfer (for Scheme Participants who have provided BRV or BRV's Registry with their nominated bank account details); or
- dispatch of a cheque in Australian currency drawn on an Australian bank to each Scheme Participant (excluding the Relevant Shareholder as relevant) by pre-paid post to their address, as it appears in the Share Register.

In the case of Scheme Shares held in joint names, cheques will be payable and forwarded to the holders whose names appear in the Share Register as at the Record Date.

Unless the Relevant Shareholder makes an Election, the Relevant Shareholder will receive the Relevant Proportion of shares in JVCo as Scheme Scrip Consideration.

(k) **Determination of Scheme Participants**

To establish the identity of the Scheme Participants, dealings in BRV Shares or other alterations to the Share Register will only be recognised if:

- in the case of dealings of the type to be effected using CHESS, the transferee is registered in the Share Register as the holder of the relevant BRV Shares on or before the Record Date; and
- in all other cases, registrable transmission applications or transfers in respect of those dealings are received on or before the Record Date at the place where the Share Register is kept.

BRV must register any non-CHESS registrable transmission applications or transfers of BRV Shares by, or as soon as practicable after, the Record Date.

BRV will not accept for registration or recognise for any purpose any transmission application or transfer in respect of BRV Shares received on or after the Record Date or received prior to the Record Date but not in registrable or actionable form, other than a transfer to Aura BidCo in accordance with the Scheme and any subsequent transfer by Aura BidCo or its successors in title.

Under the terms of the proposed Scheme:

- Scheme Participants may not dispose of or otherwise deal with any Scheme Shares or any interest in them after the Record Date; and
- any dealings in Scheme Shares after the Record Date will not be recognised by the Share Registry.

For the purpose of determining entitlements to the Scheme Consideration, BRV must maintain (or cause the Share Registry to maintain) the Share Register until the Scheme Consideration has been provided to the Scheme Participants and Aura BidCo has been entered into the Share Registry as holder of all BRV Shares. The Share Register in this form will solely determine entitlements to the Scheme Consideration.

Any statements of holding for Scheme Shares will cease to have effect from the Record Date as documents or evidence of title in respect of those shares. After the Record Date, each entry current at that date on the Share Register will cease to have effect except as evidence of entitlement to the Scheme Consideration in respect of the Scheme Shares relating to that entry.

As soon as possible on or after the Record Date and in any event within three Business Days after the Record Date, BRV will ensure that details of the names, registered addresses and holdings of Scheme Shares for each Scheme Participant as shown in the Share Register are available to Aura in the form Aura reasonably requires.

(l) **Delisting of BRV**

At a time determined by Aura following the implementation of the Scheme, Aura will cause BRV to apply for the termination of the official quotation of Scheme Shares on ASX and to have itself removed from the official list of ASX. It is expected that this will occur shortly after the Implementation Date.

**1.11 Implementation timetable**

If all necessary approvals and conditions for the Scheme are satisfied or waived (as applicable), it is expected that the Scheme will be fully implemented by 20 September 2022. The key dates and times in relation to the Scheme are set out at the beginning of this Scheme Booklet. Section 1.10 describes in further detail the procedural aspects of the Scheme and how they will be implemented.

**1.12 Warranty provided by Scheme Participants**

If the Scheme becomes Effective, each Scheme Participant will be deemed to have given certain warranties in favour of Aura, including that, as at the Implementation Date:

- all their BRV Shares (including any rights and entitlements attaching to those securities) transferred to Aura BidCo under the Scheme will, at the date of transfer, be fully paid and free from mortgages, charges, liens, encumbrances, pledges, trusts, power or title retentions or flawed deposit arrangements, security interests (including any 'security interests' within the meaning of section 12 of the PPSA) and other interests of third parties of any kind, whether legal or otherwise, and restrictions of transfer of any kind;
- they have full power and capacity to sell and transfer their BRV Shares (including any rights and entitlements attaching to those shares) to Aura BidCo under the Scheme; and
- they have no existing right to be issued any Scheme Shares, BRV Options, Performance Rights, BRV convertible notes or any other BRV Securities.

**1.13 Taxation implications**

A general outline of the taxation implications for certain BRV Shareholders in relation to participating in the Scheme are provided in Section 8. BRV Shareholders should seek their own professional advice regarding the taxation implications relevant to them.

**1.14 Exclusivity**

(a) **No shop**

The Scheme Implementation Deed contains certain exclusivity restrictions that prevent BRV (and its employees and advisers) from soliciting, inviting, encouraging or initiating any inquiry, proposal or discussion by any person with a view to obtaining any offer, proposal or expression of interest from any person in relation to a Competing Transaction.

(b) **No talk**

BRV must not, and must ensure that neither it nor any of its employees and advisers:

- negotiates or enters into negotiations or discussions regarding; or
- participates in negotiations or discussions with any other person regarding,

a Competing Transaction or any agreement, understanding or arrangement that could be reasonably expected to lead to a Competing Transaction, even if that person's Competing Transaction was not directly or indirectly solicited, invited, encouraged or initiated by BRV or any of its employees or advisors or the person has publicly announced the Competing Transaction.

(c) **Notification**

BRV must promptly notify Aura in writing, and in any event within three Business Days, if it (or any of its employees or advisers) becomes aware of any:

- approach with respect to a Competing Transaction;
- request for information relating to any member of the BRV Group or any of their businesses or operations or any request for access to any non-public information

of any member of the BRV Group in connection with a current or future Competing Transaction; or

- provision by BRV or any of its employees or advisors of any information concerning BRV's or its subsidiaries' businesses or operations to any person in relation to a current or future Competing Transaction.

A notification to Aura must include a summary of all material terms and conditions of the Competing Transaction including price and the identity of the third party making the Competing Transaction.

(d) **Matching right**

BRV must not enter into any agreement in relation to the implementation of a Competing Transaction and must procure that the BRV Board and the IBC does not change its recommendation in favour of the Scheme to publicly recommend an actual, proposed or potential Competing Transaction, unless, after taking advice from its outside legal and financial advisors:

- the IBC acting in good faith determines that the Competing Transaction constitutes a Superior Proposal and failure to take action would constitute or is reasonably likely to constitute a breach of what the IBC considers its fiduciary or statutory duties;
- the IBC has provided Aura with notice of the Competing Transaction, setting out the material terms and conditions of the Competing Transaction and a written explanation as to why the IBC considers that the Competing Transaction constitutes a Superior Proposal;
- for at least 5 business days, BRV (and its employees and advisors) has negotiated in good faith with Aura (and its employees and advisors) to the extent Aura wishes to negotiate and make itself reasonably available to negotiate, to enable Aura to propose revisions to the terms of the Scheme Implementation Deed; and
- upon the expiry of the negotiation period, the IBC has considered that the Competing Transaction would nevertheless continue to constitute a Superior Proposal if such revisions proposed by Aura were to be given effect and that the failure of BRV to enter into an agreement to undertake the Competing Transaction and/or procure that the IBC changes its recommendation in favour of the Scheme to publicly recommend the Competing Transaction would constitute or be reasonably likely to constitute a breach of the IBC's fiduciary or statutory duties.

BRV agrees that each successive material modification to the terms of any Competing Transaction will constitute a new Competing Transaction and necessitate the provision of an additional matching right to Aura.

## 1.15 Break fee arrangements

Under the Scheme Implementation Deed, BRV has agreed to pay Aura a break fee of \$920,000 if:

- **(Competing Transaction succeeds)** a Competing Transaction is publicly announced or made before the End Date and, within 12 months from the date of that announcement the Competing Transaction is implemented or completed substantially on the terms described in the public announcement;
- **(change of recommendation)** Aura validly terminates the Scheme Implementation Deed because the IBC or BRV Board (or any member of either of those groups) changes, withdraws or adversely modifies or qualifies its recommendation or the voting intention or otherwise makes a public statement indicating that it no longer supports the Scheme, except where the relevant change, withdrawal or modification of the IBC's recommendation is made:
  - after the Independent Expert concludes that in the opinion of the Independent Expert the Scheme is not in the best interests of BRV Shareholders (other than where the reason for such opinion is a Competing Transaction); or
  - in circumstances arising as a result of Aura's material breach of a term of the Scheme Implementation Deed;



- **(Superior Proposal)** BRV validly terminates the Scheme Implementation Deed before the Second Court Date if the IBC determines that a Competing Transaction is a Superior Proposal, provided there has been no material breach by BRV of its exclusivity arrangements;
- **(breach)** Aura validly terminates the Scheme Implementation Deed before the Second Court Date if BRV commits a material breach of the Scheme Implementation Deed (including a breach of a material representation and warranty given by BRV outlined in Schedule 3 of the Scheme Implementation Deed);
- **(failure of Condition Precedent)** the Scheme Implementation Deed is validly terminated due to BRV's failure to satisfy the Condition Precedent that BRV has as at the business day prior to the Second Court Hearing, a cash balance of not less than the Minimum Cash Balance, other than where that Condition Precedent has not been satisfied due to an expenditure by the BRV Group in an emergency situation.

Aura has agreed to pay the Reverse Break Fee as compensation for costs and expenses incurred by BRV if:

- BRV validity terminates the Scheme Implementation Deed for an unremedied material breach of the Scheme Implementation Deed by Aura (including a breach of material representation or warranty given by Aura and JVCo outlined in clause 5 of the Scheme Implementation Deed); or
- the Scheme comes into effect but Aura and/or JVCo fail to provide the Scheme Consideration.

No break fee is payable if the Scheme comes into effect, and any amount paid by one party to another in respect to the break fee obligations become immediately repayable if the Scheme becomes Effective.

Please refer to clause 11 of the Scheme Implementation Deed in Appendix 5 to this Scheme Booklet for complete descriptions of these arrangements.

## 1.16 Termination rights

### (a) Mutual termination rights

Either Aura or BRV may terminate the Scheme Implementation Deed:

- **(End Date)** if the Scheme has not become Effective by the End Date;
- **(material unremedied breach)** at any time prior to 8.00am (AWST) on the Second Court Date, if the other is in material breach of a term of the Scheme Implementation Deed, provided that Aura or BRV (as the case may be) has given notice to the other setting out the relevant circumstances of such breach and the relevant circumstances continue to exist 10 business days after the time the notice is given;
- **(Governmental restraint)** at any time prior to 8.00am (AWST) on the Second Court Date if any Governmental Authority who must grant a Regulatory Approval that constitutes a Condition Precedent has denied such Regulatory Approval and such denial has become final and non-appealable or any Governmental Authority of competent jurisdiction shall have issued a final and non-appealable order, injunction, decree or other legal restraint or prohibition permanently enjoining or otherwise prohibiting or making illegal the consummation of the Scheme, unless the failure to obtain the Regulatory Approval or the issuance of any such order, injunction, decree or other legal restraint or prohibition is due to the failure of the party seeking to terminate the Scheme Implementation Deed to perform or observe its obligations, covenants and agreements under the Scheme Implementation Deed;
- **(consultation or appeal failure)** if the parties are unable to reach an agreement or do not both wish to pursue the scheme, or if a Scheme Condition may be waived and exists for the benefit of one party only and that party elects to terminate the Scheme, or if the Court refuses to make orders convening the Scheme meeting or approving the Scheme and the parties agree to not pursue an

appeal of the Court's decision to the fullest extent possible or an independent senior counsel advises that, in their opinion, an appeal would have no reasonable prospect of success before the End Date;

- **(agreement)** if agreed to in writing by Aura and BRV.

(b) **Aura termination rights**

In addition to the mutual termination rights, Aura may terminate the Scheme Implementation Deed by written notice to BRV if:

- **(IBC adverse recommendation change)** at any time prior to 8.00am (AWST) on the Second Court Date the IBC or BRV Board changes, withdraws or adversely modifies or qualifies its recommendation or voting intention or otherwise makes a public statement including that it no longer supports the Scheme; or
- **(material unremedied breach of BRV Representations and Warranties)** if at any time prior to 8:00am (AWST) on the Second Court Date:
  - a BRV Representation and Warranty is not true or correct in all material respects (subject to any materiality qualifiers); or
  - any BRV Representation and Warranty in items (k), (w), (y), (z) and (aa) of Schedule 3 of the Scheme Implementation Deed is not true and correct in any respect in relation to any of the Key Mineral Rights (as defined in the Scheme Implementation Deed).

(c) **BRV termination rights**

In addition to the mutual termination rights, BRV may also terminate the Scheme Implementation Deed if prior to 8:00am (AWST) on the Second Court Date:

- **(Superior Proposal)** the IBC determines that a Competing Transaction is a Superior Proposal, provided there has not been a material breach by BRV of its exclusivity obligations; or
- **(material unremedied breach by Aura)** a representation or warranty given by Aura under the Scheme Implementation Deed is not true and correct in all material respects (subject to any materiality qualifiers) provided that BRV has given notice to Aura setting out in detail the relevant circumstances causing the relevant representation or warranty to be not true and correct, and the relevant circumstances continue to exist 10 business days after the time the notice is given.

(d) **Status of conditions and termination rights**

As at the date of this Scheme Booklet, neither BRV nor Aura is aware of any circumstances which would cause any of the conditions summarised in Section 1.7 not to be satisfied or which could result in termination of the Scheme Implementation Deed.

BRV will make a statement regarding the status of the conditions to the Scheme Implementation Deed at the commencement of the Scheme Meetings.

## **1.17 Material Adverse Effect**

Terms capitalised in this Section 1.17 have the meaning given to them in the Scheme Implementation Deed.

A Material Adverse Effect is defined in clause 1 of the Scheme Implementation Deed (included as Appendix 5 to this Scheme Booklet) as to mean any event, matter or circumstance which has, or would be reasonably likely to have, either individually or when aggregated with any other events, matters or circumstances, a material adverse effect on:

- (a) the assets and liabilities (contingent or otherwise), financial condition, business, results of operations or prospects of the BRV Group (taken as a whole);
- (b) the Key Mineral Rights, including the status or terms of (or rights attaching to) the Key Mineral Rights, or the ability of the owner of the Key Mineral Rights to exploit them,

but does not include events, matters or circumstances to the extent resulting from or arising out of:

- (c) any matter that has been Fairly Disclosed;
- (d) changes in general economic or political conditions, law, or capital markets in general;
- (e) any epidemic, pandemic (including COVID-19 or COVID-19 Measures, but only to the extent that the impact of the COVID-19 pandemic or any related COVID-19 Measures in the relevant place change materially after the date of the Scheme Implementation Deed), hurricane, earthquake, flood, weather conditions, calamity or other natural disaster, act of God or other force majeure event (or any worsening of or recovery from any of the foregoing);
- (f) civil or political unrest, any acts of war, or acts of terrorism (including any outbreak, escalation or worsening of any of the foregoing);
- (g) any change in taxation rates, interest rates, exchange rates or the gold price;
- (h) the taking of any action required under the Scheme Implementation Deed, the Scheme or the transactions contemplated by them (other than, to the extent not excluded by another clause of this definition, in compliance with BRV's obligations pursuant to clause 9);
- (i) the execution, delivery or performance of the Scheme Implementation Deed, the announcement or pendency of the Scheme or the other transactions contemplated by the Scheme Implementation Deed; or
- (j) any action (or the failure to take any action) with the written consent or at the written request of Aura,

except, in the case of each of the foregoing paragraphs (d), (e), (f) and (g), if the effects of such events, matters or circumstances are disproportionately adverse to the BRV Group as compared to the effects on other companies in the industry in which the BRV Group operates.

Without limiting the generality of the foregoing, a Material Adverse Effect will be deemed to occur if:

- (i) a change or proposed change of laws or regulations (including in respect of mining, taxation, customs, export, health and safety, environmental or any other matter) of any Governmental Authority of Brazil materially adversely affecting the development, operation, exploitation or economic benefits to BRV of the Key Mineral Rights is announced or made (whether through amendment of existing laws or enactment of new laws, a change having the force of law in the interpretation or application thereof by any judicial, arbitral or administrative body); or
- (ii) at any time Aura or BRV becomes aware of any impairment to the good standing or effectiveness of, or the BRV Group's right, title and interest in, any Key Mineral Right.

Although Material Adverse Effect is defined, it could be open to dispute between the parties as to its occurrence. The absence of the occurrence of a Material Adverse Effect is a condition precedent for BRV (refer to clause 3.1(i) of the Scheme Implementation Deed).

While a Material Adverse Effect may result in a wide range of contractual and commercial outcomes, it is possible that the parties could end up in dispute over the existence of the Material Adverse Effect or its consequence under the Scheme Implementation Deed. This could result in the Scheme not proceeding, the Scheme otherwise being terminated, or a transaction being proposed on different terms in accordance with clause 3.6 of the Scheme Implementation Deed.

### 1.18 Arrangements in relation to Unlisted Options

As at the date of this Scheme Booklet, there are 3,060,000 Unlisted Options on issue held by three holders (**Unlisted Optionholders**).

BRV, Aura and each Unlisted Optionholder have executed an Unlisted Option Cancellation Deed. Under the deed, if the Scheme becomes Effective each of the Unlisted Options will be cancelled on the Implementation Date for cash consideration per Unlisted Option equal to \$0.046 which will be paid by Aura.

ASX has granted BRV a waiver from Listing Rule 6.23.2 to the extent necessary to permit BRV to cancel the Unlisted Options in the manner described above without BRV Shareholder approval. The waiver is conditional on the Scheme becoming Effective.

### 1.19 Arrangements in relation to Performance Rights

As at the date of this Scheme Booklet, BRV has 12,357,500 Performance Rights on issue, comprising of:

Performance Rights Holders	Number
Andrew Richards	8,750,000
Luis Diaz	2,637,500
Diana Lima	970,000

The arrangements under the Scheme in relation to each of the Performance Rights Holders are detailed below.

#### (a) **Andrew Richards**

Under the rules applicable to Mr Richards' Performance Rights, Mr Richards' Performance Rights will vest on the Scheme becoming Effective. Mr Richards has given notice to BRV instructing that the Performance Rights be exercised and converted into BRV Shares immediately upon vesting.

Of Mr Richards' 8,750,000 Performance Rights, 3,750,000 Performance Rights (**Tranche One Rights**) were originally due to expire on 30 June 2022. The BRV remuneration committee, excluding Mr Richards, has passed a resolution extending the expiry date of the Tranche One Rights to 31 December 2022 subject to the Scheme becoming Effective. As detailed in Section 9.8(b), ASX has granted BRV a waiver from Listing Rule 6.23.3 to permit the extension. The waiver is conditional on the Scheme becoming Effective.

#### (b) **Luis Diaz and Diana Lima**

Under the rules applicable to Mr Diaz's and Ms Lima's Performance Rights, the BRV Board may exercise its direction in dealing with such Performance Rights in the event it determines a change of control event is likely to occur.

The Board has accordingly resolved that Mr Diaz's and Ms Lima's Performance Rights will vest on the Scheme becoming Effective. Mr Diaz and Ms Lima have each given notice to BRV instructing that their respective Performance Rights be exercised and converted into BRV Shares immediately upon vesting.

### 1.20 Relevant Shareholder's right to elect to take Scheme Cash Consideration

In accordance with clause 4.4 of the Scheme Implementation Deed but subject to the restrictions on making the Election contained in the Cooperation and Commitment Deed,<sup>15</sup> the Relevant Shareholder may elect to receive Scheme Cash Consideration instead of Scheme Scrip Consideration in respect of its BRV Shares.

The Election must be made using the election form made available to the Relevant Shareholder, completed and signed in accordance with the terms and conditions of the election form, the Scheme Implementation Deed and this Scheme Booklet, and must be received by the Share

<sup>15</sup> The limited circumstances in which the Relevant Shareholder is contractually permitted to make the Election are set out in clause 7 of the Cooperation and Commitment Deed.

Registry prior to 5:00pm (AWST) on the second Business Day following the Effective Date (**Election Time**).

The Relevant Shareholder may withdraw or revoke an Election before the Election Time.

After the Election Time, the Election will be irrevocable unless Aura agrees in writing, in its absolute discretion, to the revocation of the Election.

#### **1.21 Consequences if the Relevant Shareholder votes against Scheme**

Under the Cooperation and Commitment Deed between Aura and the Relevant Shareholder, the Relevant Shareholder is obligated to vote in favour of the Scheme and has agreed not to vote in favour of a Third Party Transaction (without prior written consent from Aura).

As detailed in Section 1.7, the Scheme is conditional on, among other things, the Scheme Resolution being approved at both the General Scheme Meeting and the Relevant Shareholder Scheme Meeting. Therefore, if the Relevant Shareholder does not approve the Scheme Resolution at the Relevant Shareholder Scheme Meeting (in conflict with its obligation under the Cooperation and Commitment Deed) the Scheme will not proceed.

## 2. Frequently asked questions

Set out below are summary answers to some questions that BRV Shareholders may have in relation to the Scheme. This information is a summary only and should be read in conjunction with the remainder of this Scheme Booklet.

### A Questions about the Scheme

Question	Answer	More information
<b>Why have I received this Scheme Booklet?</b>	<p>The Scheme Booklet has been sent to you because you are a BRV Shareholder. The purpose of this Scheme Booklet is to explain the terms of the proposed acquisition by Aura BidCo of all of the Scheme Shares and the manner in which the acquisition will be considered and implemented, and to assist you in making a decision as to whether or not to vote in favour of the Scheme at your applicable Scheme Meeting.</p> <p>If you have sold all of your BRV Shares, please disregard this Scheme Booklet.</p>	Section 1
<b>What is the Scheme?</b>	<p>The Scheme is a legal mechanism under which BRV is asking BRV Shareholders to consider and vote on a proposal to transfer all of their Scheme Shares to Aura BidCo in exchange for Aura paying the Scheme Consideration.</p>	Section 1
<b>What are BRV Shareholders being asked to consider?</b>	<p>If you are a BRV Shareholder, you are being asked to consider and vote on a proposal under which Aura BidCo will acquire all of your Scheme Shares on the Implementation Date under a members' scheme of arrangement between BRV and all persons who hold BRV Shares as at the Record Date (Scheme Participants).</p> <p>The proposal is referred to in this Scheme Booklet as the Scheme.</p> <p>If the Scheme is implemented, the consideration that you will receive in exchange for the transfer of your Scheme Shares on the Implementation Date will be \$0.36 per Scheme Share. The Relevant Shareholder will receive the Scheme Scrip Consideration (unless the Relevant Shareholder makes the Election).</p>	Section 1
<b>What is a members' scheme of arrangement?</b>	<p>A members' scheme of arrangement is a statutory procedure that is commonly used for corporate reconstructions of solvent companies or to enable one company to acquire or merge with another. In this case, the Scheme is the mechanism by which Aura BidCo proposes to acquire all Scheme Shares. The Scheme requires the agreement of BRV Shareholders by the Requisite Majorities and the approval of the Court.</p>	Section 1.2
<b>Is this a takeover offer?</b>	<p>No, however if the Scheme is agreed to by BRV Shareholders and approved by the Court and if all of the other conditions and approvals are satisfied or waived (as applicable) the outcome will be equivalent to a successful 100% takeover bid in that:</p> <ul style="list-style-type: none"><li>▪ all of your Scheme Shares will be transferred to Aura BidCo; and</li><li>▪ Scheme Participants will receive Scheme Consideration for each Scheme Share registered in their name as at the relevant record date,</li></ul> <p>whether or not you were present at your applicable Scheme Meeting and whether or not you voted in favour of or against the resolution to agree to the Scheme or abstained from voting.</p>	Section 1.2

Question	Answer	More information
<b>What are the key conditions that need to be satisfied before the Scheme can proceed?</b>	<p>Implementation of the Scheme is subject to the Scheme Conditions being satisfied or waived.</p> <p>The Scheme will only be implemented if, amongst other things:</p> <ul style="list-style-type: none"> <li>(a) the Requisite Majorities of BRV Shareholders approve the Scheme;</li> <li>(b) the Court approves the Scheme; and</li> <li>(c) the conditions to the Scheme are satisfied or waived.</li> </ul> <p>BRV will make a statement at the commencement of the Scheme Meetings regarding the status of the Scheme Conditions.</p>	Section 1.7
<b>What will be the effect of the Scheme?</b>	<p>If the Scheme becomes Effective:</p> <ul style="list-style-type: none"> <li>(a) Scheme Participants will transfer all of their Scheme Shares to Aura BidCo so that BRV will become a wholly-owned subsidiary of Aura BidCo and be delisted from ASX; and</li> <li>(b) in exchange for the transfer of your Scheme Shares to Aura BidCo: <ul style="list-style-type: none"> <li>(i) if you are a General Shareholder, you will receive \$0.36 cash for each Scheme Share registered in your name as at the Record Date (being the Scheme Cash Consideration); and</li> <li>(ii) the Relevant Shareholder will receive the Scheme Scrip Consideration.</li> </ul> </li> </ul>	Sections 1.10
<b>Why is the Scheme Scrip Consideration only being offered to the Relevant Shareholder?</b>	<p>The Scheme Scrip Consideration consists of shares in JVCo, the manager of Aura BidCo, and is being offered only to the Relevant Shareholder. If the Scheme is implemented and the Relevant Shareholder does not make the Election, the Relevant Shareholder will form an unlisted incorporated joint venture with Aura.</p> <p>The Relevant Shareholder is an active investor focused on delivering long-term, sustainable value as a trusted partner in the mining sector and works with management by applying more than 30 years of mining expertise and investing its own money alongside its capital partners.</p> <p>The Relevant Shareholder represents a complementary joint venture partner for Aura to develop and finance the Borborema Gold Project following Aura BidCo's detailed review of BRV's operations and business, after the Implementation Date.</p>	Section 6
<b>Are there any taxation implications of the Scheme?</b>	<p>A general outline of the tax implications for certain BRV Shareholders is set out in Section 8 of this Scheme Booklet. As the outline is general in nature and does not take into account your individual circumstances, you should not rely on that outline as advice for your particular circumstances.</p> <p>You should seek your own independent advice on the taxation implications applicable to your specific circumstances.</p>	Section 8
<b>Will brokerage be payable if the Scheme is</b>	<p>Brokerage will not be payable if the Scheme goes ahead, and BRV Shares are acquired by Aura BidCo.</p>	Section 4.4

Question	Answer	More information
<b>implemented?</b>		
<b>If the Scheme is not approved, what will be the effect?</b>	<p>If the Scheme is not agreed to by BRV Shareholders or is not approved by the Court and you still hold any BRV Shares at either of those points in time:</p> <ul style="list-style-type: none"> <li>▪ you will not receive any Scheme Consideration;</li> <li>▪ the BRV Share price may fall;</li> <li>▪ you will retain your current investment in BRV Shares and in doing so will continue to retain the benefits of an investment in BRV Shares and continue to be exposed to the risks associated with this investment. These risks include general risks of holding shares and risks that are specific to BRV's business as described in Section 7.2;</li> <li>▪ the advantages of the Scheme, as outlined in Section 4.4, will not be realised and in particular we draw your attention to statements and illustrations provided by the Independent Expert which are reproduced in Section 4.4(a);</li> <li>▪ some of the disadvantages of the Scheme identified in Section 4.5 will no longer be relevant; and</li> <li>▪ BRV will have incurred substantial costs and expended management time and resources for a proposed change of control transaction that does not proceed.</li> </ul>	Sections 4.4 and 4.5
<b>Who is entitled to participate in the Scheme?</b>	BRV Shareholders who are on the Share Register as at 5.00pm (AWST) on the Record Date are entitled to participate in the Scheme.	Section 3.3
<b>How will the Scheme be implemented?</b>	<p>If all of the approvals and conditions for the Scheme are satisfied or waived (as applicable), the Scheme will constitute binding arrangements between BRV and each Scheme Participant to undertake the steps required to:</p> <ul style="list-style-type: none"> <li>▪ transfer all of their Scheme Shares to Aura BidCo; and</li> <li>▪ otherwise give effect to the Scheme.</li> </ul> <p>If all of the approvals and conditions for the Scheme are satisfied or waived (as applicable), you will be bound by the Scheme whether or not you vote at your applicable Scheme Meeting and even if you vote against the Scheme.</p>	Section 1.10
<b>Do I have to sign anything to transfer my Scheme Shares?</b>	<p>No. If the Scheme is approved, BRV will automatically have authority to sign a transfer on your behalf, and then the Scheme Consideration will be paid to you. However, you should be aware that under the Scheme, you are deemed to have warranted to BRV that:</p> <ol style="list-style-type: none"> <li>all your Scheme Shares are fully paid and not encumbered; and</li> <li>you have full power and capacity to sell and transfer your Scheme Shares.</li> </ol> <p>Therefore, you should ensure that these warranties can be given by you before the Implementation Date. Please refer to Section 1.12 for further information.</p>	Section 1.10



Question	Answer	More information
<b>Is a Competing Transaction likely?</b>	<p>Until the Scheme is approved by the Court, there is nothing preventing other parties from making an unsolicited acquisition, merger or other control change proposals for BRV, or from making proposals to purchase some or all of BRV's assets.</p> <p>As at the date of this Scheme Booklet, no Competing Transaction has emerged since the ASX released the announcement of the Scheme on 20 April 2022 and the IBC is not aware of any Competing Transaction that may emerge.</p>	
<b>What happens if a Competing Transaction for BRV emerges?</b>	<p>If a Competing Transaction for BRV emerges prior to the Second Court Hearing, the IBC will carefully consider the proposal to determine whether it is a Superior Proposal and will inform you of any material developments.</p> <p>If members of the IBC withdraw or adversely modify their recommendation to vote in favour of the Scheme, BRV may be obliged to pay the BRV Break Fee of \$920,000 to Aura.</p>	Sections 1.15 and 1.16
<b>Can I sell my BRV Shares now?</b>	<p>Yes. BRV Shareholders may sell their BRV Shares on-market at any time before the close of trading on ASX on the Effective Date which is expected to be 9 September 2022.</p> <p>However, if you do sell your BRV Shares before the Effective Date of the Scheme (the last day of trading in Scheme Shares on ASX before suspension from the Official List of ASX):</p> <ul style="list-style-type: none"> <li>▪ you will not receive any Scheme Consideration;</li> <li>▪ you will receive the prevailing on-market price set at the time of sale which may not be the same price as the Scheme Consideration;</li> <li>▪ you may pay brokerage fees;</li> <li>▪ there may be different tax consequences compared to those that would arise under the implementation of the Scheme; and</li> <li>▪ BRV intends to apply to ASX for BRV Shares to be suspended from official quotation on ASX from close of trading on the Effective Date. Accordingly, you will not be able to sell your BRV Shares on-market after that time.</li> </ul>	Section 4.8
<b>Will I be giving any warranties in respect of my Scheme Shares?</b>	<p>Each Scheme Participant will be taken to have warranted to BRV and Aura, and appointed and authorised BRV as its attorney and agent to warrant to Aura, that all of their Scheme Shares (including any attaching rights and entitlements) which are transferred under the Scheme will, at the date of transfer, be fully paid and free from all mortgages, charges, liens, encumbrances, pledges, security interests and interests of third parties of any kind, whether legal or otherwise, and restrictions on transfer of any kind, and that they have full power and capacity to transfer the Scheme Shares to Aura together with any rights attaching to the Scheme Shares.</p>	Section 1.12
<b>Under what circumstances can Aura terminate the Scheme Implementation Deed?</b>	<p>Aura may terminate the Scheme Implementation Deed, if:</p> <ul style="list-style-type: none"> <li>▪ the IBC or BRV Board changes, withdraws or adversely modifies or qualifies its recommendation or voting intention or otherwise</li> </ul>	Section 1.16

Question	Answer	More information
	<p>makes a public statement indicating that it no longer supports the Scheme; or</p> <ul style="list-style-type: none"> <li>BRV is in material breach of the BRV Representations and Warranties.</li> </ul> <p>In addition, as set out in Section 1.16, there are also other circumstances where either Aura or BRV may terminate the Scheme Implementation Deed.</p>	
<b>Who is Aura BidCo and what are its intentions regarding BRV?</b>	<p>Aura BidCo is a special purpose company incorporated in Delaware, USA for the purpose of acquiring all of the BRV Shares under the Scheme. Aura BidCo is indirectly wholly-owned by Aura.</p> <p>Further information in relation to Aura BidCo, its funding arrangements and intentions for BRV's business if the Scheme is implemented, is set out in Section 6.</p>	Section 6

## B Questions about the Scheme Consideration

Question	Answer	Further Information
<b>Will I be entitled to participate in the Scheme?</b>	<p>Yes, provided:</p> <ul style="list-style-type: none"> <li>all approvals and conditions for the Scheme are satisfied or waived (as applicable); and</li> <li>you are registered as a BRV Shareholder on the Record Date (currently scheduled to be 5.00pm (AWST) on 13 September 2022).</li> </ul>	Section 1.3
<b>What will I receive for my Scheme Shares?</b>	<p>If you are a General Shareholder, you will receive \$0.36 cash for each Scheme Share registered in your name as at the Record Date (being the Scheme Cash Consideration). The Relevant Shareholder will receive the Scheme Scrip Consideration unless the Relevant Shareholder makes the Election to receive Scheme Cash Consideration.</p>	Section 1.10
<b>When will I receive the Scheme Consideration?</b>	<p>If all approvals and conditions for the Scheme are satisfied or waived (as applicable), the Scheme Consideration will be distributed on the Implementation Date</p>	Section 1.10
<b>How will I be paid for my Scheme Shares?</b>	<p>Payment of the Scheme Consideration will be by cheque in Australian currency drawn on an Australian bank or by electronic funds transfer (for Scheme Participants who have provided BRV's Share Registry with their bank account details). Cheques will be dispatched to each Scheme Participant by pre-paid post to their address as it appears in the Share Register.</p>	Section 1.10

## C Questions about the IBC's recommendations and intentions

Question	Answer	Further Information
<b>What does the IBC recommend?</b>	<p>The members of the IBC unanimously recommend that, in the absence of a Superior Proposal and subject to the Independent Expert continuing to maintain that the Scheme is in the best interests of BRV Shareholders, BRV Shareholders vote in favour of the Scheme.<sup>16</sup></p>	Section 4.2

<sup>16</sup> In relation to the recommendation of the IBC in respect of the Scheme, BRV Shareholders should have regard to the interests of the IBC members in the outcome of the Scheme which may differ from those of other BRV Shareholders, as further described in Section 1.8.

Question	Answer	Further Information
	The IBC makes no recommendation in relation to the Scheme Scrip Consideration as it applies to the Relevant Shareholder. <sup>17</sup>	
<b>How are the members of the IBC going to vote?</b>	Each member of the IBC intends to vote all BRV Shares they have an interest in (whether direct or indirect) in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to maintain that the Scheme is in the best interests of BRV Shareholders.	Section 4.2
<b>What is the opinion of the Independent Expert?</b>	The Independent Expert has concluded that the Scheme is not fair but reasonable and therefore is in the best interests of BRV Shareholders. The Independent Expert's Report accompanies this Scheme Booklet as Appendix 1.	Section 4.3 Appendix 1

## D Questions about voting

Question	Answer	Further Information
<b>When and where will the General Scheme Meeting be held?</b>	The General Scheme Meeting will be held at Level 4, 77 St Georges Terrace, Perth, Western Australia on Friday, 2 September 2022 at 10.00am (AWST).	Section 3.1 Appendix 3
<b>When and where will the Relevant Shareholder Scheme Meeting be held?</b>	The Relevant Shareholder Scheme Meeting will be held at Level 4, 77 St Georges Terrace, Perth, Western Australia on Friday, 2 September 2022 at 9.30am (AWST).	Section 3.1 Appendix 4
<b>Why are there two meetings in relation to the Scheme?</b>	As the Relevant Shareholder will receive Scheme Scrip Consideration (unless the Relevant Shareholder makes the Election) the rights of the Relevant Shareholder under the Scheme are sufficiently different from those of the General Shareholders such that the Relevant Shareholder constitutes a separate class of member for the purpose of voting on the Scheme.  This means that the Relevant Shareholder will not be permitted to vote at the General Scheme Meeting. Equally, General Shareholders will not be permitted to vote at the Relevant Shareholder Scheme Meeting.	Section 1.5
<b>What am I being asked to vote on?</b>	You are being asked to vote on whether to approve the Scheme.	Section 1.10
<b>Who is entitled to vote?</b>	BRV Shareholders who are recorded as members on the BRV Register as at 5.00pm (AWST) on 31 August 2022 are entitled to vote at their applicable Scheme Meeting.	Section 3.3
<b>Is voting compulsory?</b>	No, voting is not compulsory. However, the Scheme will only be approved if the Scheme Resolution at each Scheme Meeting achieves the Requisite Majorities. Accordingly, your vote is important in deciding whether the Scheme is approved. The IBC strongly encourages all BRV Shareholders to vote at their applicable Scheme Meeting.  If you cannot attend your applicable Scheme Meeting, you are encouraged to complete the proxy forms accompanying this Scheme Booklet and return it in accordance with the instructions on the form so that it is received by no later than 9.30am (AWST) for the Relevant Shareholder and	Section 4.8

<sup>17</sup> The IBC's lack of recommendation in relation to the Scheme Scrip Consideration is consistent with clause 7.4(a) of the Scheme Implementation Deed. Given the Relevant Shareholder's association with Aura as a result of the Cooperation and Commitment Deed, the IBC does not consider that it is necessary or appropriate to make a recommendation in relation to the Scheme Scrip Consideration.

Question	Answer	Further Information
	10.00am (AWST) for General Shareholders on Wednesday, 31 August 2022.	
<b>How do I vote?</b>	<p>You may vote:</p> <ul style="list-style-type: none"> <li>▪ in person, by attending your applicable Scheme Meeting;</li> <li>▪ by proxy, by completing and lodging the proxy forms accompanying this Scheme Booklet; or</li> <li>▪ in the case of a corporate BRV Shareholder, by a properly appointed corporate representative.</li> </ul>	Section 3.3
<b>What voting majority is required to approve the Scheme?</b>	<p>For the Scheme to be approved, votes in favour of the Scheme must be received from:</p> <p>(a) <b>(Headcount Test)</b> a majority in number (that is, more than 50%) of BRV Shareholders voting at their applicable Scheme Meeting (whether in person, by proxy, by attorney or, in the case of corporate BRV Shareholders or proxies, by corporate representative)*; and</p> <p>(b) <b>(voting test)</b> BRV Shareholders who together hold at least 75% of the total number of BRV Shares voted at their applicable Scheme Meeting.</p> <p>*The Court may by order disregard this requirement. See Section 3.1 for details.</p> <p>For clarity, for the purpose of the Relevant Shareholder Scheme Meeting, the Requisite Majorities are both satisfied if the Relevant Shareholder votes in favour of the Scheme.</p>	Sections 1.10 and 3.1
<b>When will the results of the Scheme Meetings be known?</b>	<p>The result of each Scheme Meeting will be available shortly after the conclusion of each Scheme Meeting on 2 September 2022 and will be announced to the ASX as soon as practicable.</p> <p>The result of the Relevant Shareholder Scheme Meeting will also be announced at the General Scheme Meeting.</p>	
<b>Can I be bound by the Scheme if I do not vote or if I vote against its approval?</b>	<p>Yes, if the Scheme is approved and becomes Effective, any Scheme Share held by you at 5.00pm (AWST) on the Record Date will be transferred to Aura BidCo and you will receive the Scheme Consideration, even if you did not vote on the Scheme, or you voted against it.</p>	Section 4.8
<b>What are my alternatives?</b>	<p>As a BRV Shareholder, your principal alternatives are to:</p> <ul style="list-style-type: none"> <li>▪ vote in favour of the Scheme at your applicable Scheme Meeting (this is the course of action unanimously recommended by the IBC which has concluded that the Scheme is in the best interests of BRV Shareholders in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of BRV Shareholders and whose conclusion is supported by the Independent Expert);</li> <li>▪ vote against the Scheme at your applicable Scheme Meeting; or</li> <li>▪ do nothing; that is, neither vote in favour of nor against the Scheme.</li> </ul>	Section 4.8

## E General questions

Question	Answer	Further Information
<b>Do I have to sign anything in relation to the Scheme?</b>	No. If the Scheme is approved, BRV will automatically have authority to sign a transfer on your behalf, and then the Scheme Consideration will be paid to you.	Section 1.10
<b>What happens if the Scheme becomes Effective?</b>	Trading in the Scheme Shares on ASX will be suspended from the close of trading on the Effective Date and you will receive the Scheme Consideration.	Section 1.10
<b>What happens on the Implementation Date?</b>	On the Implementation Date, Aura BidCo will become the owner of all Scheme Shares and Scheme Participants will be paid the Scheme Consideration for each Scheme Share they own as at the Record Date.  The Implementation Date is currently expected to be 20 September 2022 (however, this is subject to change).	Section 1.10
<b>Can I continue to trade BRV Shares?</b>	Yes, broadly speaking you will be able to trade BRV Shares on ASX until the Scheme becomes Effective, which is expected to be on or about 9 September 2022 if the Scheme is approved.	Section 4.8
<b>What other information is available and who can help answer my questions about the Scheme?</b>	If you have any questions, you should contact your broker, financial, taxation or legal advisor immediately. Alternatively, you can call the Shareholder Information Line on 1300 101 594 (within Australia) or +61 2 8072 1412 (outside Australia), Monday to Friday (excluding public holidays), between 8.30am and 5.00pm (AWST) or visit BRV's Website at <a href="https://www.bigrivergold.com.au/">https://www.bigrivergold.com.au/</a> .	

### 3. How to vote

#### 3.1 Scheme Meeting

The notice convening the General Scheme Meeting is contained in Appendix 3 to this Scheme Booklet and the notice convening the Relevant Shareholder Scheme Meeting is contained in Appendix 4 to this Scheme Booklet. Personalised proxy forms for the Scheme Meeting are enclosed with this Scheme Booklet.

The Relevant Shareholder Scheme Meeting will be held from 9.30am (AWST) on Friday, 2 September 2022 at Level 4, 77 St Georges Terrace, Perth, Western Australia.

The General Scheme Meeting will be held from 10.00am (AWST) on Friday, 2 September 2022 at Level 4, 77 St Georges Terrace, Perth, Western Australia.

For the Scheme to be agreed to by BRV Shareholders, votes in favour of the Scheme must be received from:

- **(Headcount Test)** a majority in number (that is, more than 50%) of the holders of BRV Shares at their applicable Scheme Meeting; and
- **(voting test)** the holders of BRV Shares who together hold at least 75% of the total number of BRV Shares voted at their applicable Scheme Meeting.

The Court has a statutory discretion to disregard the Headcount Test at the Scheme Meetings.

For clarity, for the purpose of the Relevant Shareholder Scheme Meeting, the Requisite Majorities are both satisfied if the Relevant Shareholder votes in favour of the Scheme.

#### 3.2 The purpose and effect of the Scheme is as summarised earlier and is more particularly described in Section 1 of this Scheme Booklet. Your vote is important

Members of the IBC urge all BRV Shareholders to vote on the Scheme at their applicable Scheme Meeting. The Scheme affects your shareholding and your vote at your applicable Scheme Meeting is important in determining whether the Scheme proceeds.

Members of the IBC encourage all BRV Shareholders to vote in favour of the Scheme<sup>18</sup> either by submitting completed proxy forms for your applicable Scheme Meeting to BRV by 9.30am (AWST) for the Relevant Shareholder and 10.00am (AWST) for General Shareholders on Wednesday, 31 August 2022 or attending the General Scheme Meeting on Friday, 2 September 2022 at 10.00am (AWST) (for General Shareholders) or the Relevant Shareholder Scheme Meeting at 9.30am (AWST) (for the Relevant Shareholder) at Level 4, 77 St Georges Terrace, Perth, Western Australia.

#### 3.3 How to vote

##### (a) Voting entitlements

If you are registered as a holder of BRV Shares by the Share Registry at the Voting Record Date (5.00pm (AWST) on Wednesday, 31 August 2022), you will be entitled to vote those BRV Shares at your applicable Scheme Meeting.

Voting at the Scheme Meetings will be conducted by poll.

##### (b) Voting in person

BRV Shareholders or their proxies, attorneys or representatives (including representatives of corporate proxies) wishing to vote in person should attend their applicable Scheme Meeting and bring a form of personal identification (such as their driver's licence).

BRV Shareholders, their attorneys or representatives (including proxies and their representatives) who plan to attend their applicable Scheme Meeting in person are asked to arrive at the venue 30 minutes prior to the time designated for the commencement of the applicable Scheme Meeting, if possible, so that their shareholding may be checked against the Share Register and attendance recorded. Attorneys should bring with them

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<sup>18</sup> In relation to the recommendation of the IBC in respect of the Scheme, BRV Shareholders should have regard to the interests of the IBC members in the outcome of the Scheme which may differ from those of other BRV Shareholders, as further described in Section 1.8.

the original or a certified copy of the power of attorney under which they have been authorised to attend and vote at the meetings.

To vote in person at your applicable Scheme Meeting, you, your proxy, your attorney, your representative or your corporate proxy's representative must attend the applicable Scheme Meeting.

(c) **Voting by proxy**

BRV Shareholders wishing to vote by proxy at their applicable Scheme Meeting must complete and sign or validly authenticate the personalised proxy forms which are enclosed with this Scheme Booklet. A person appointed as a proxy may be an individual or a body corporate.

Completed proxy forms must be delivered to BRV by 9.30am (AWST) for the Relevant Shareholder and 10.00am (AWST) for General Shareholders on Wednesday, 31 August 2022 in any of the following ways:

**By post** in the enclosed reply paid envelope provided to the Share Registry:

Automic Group  
GPO Box 5193  
Sydney NSW 2001

**By hand delivery** to the Share Registry at:

Automic Group  
Level 5, 126 Phillip Street  
Sydney NSW 2000

**By Email** to the Share Registry at [meetings@automicgroup.com.au](mailto:meetings@automicgroup.com.au).

**By fax** to the Share Registry on +61 2 8583 3040 (within Australia or outside Australia)

**Electronically** by visiting <https://investor.automic.com.au/#/loginsah>

**Undirected proxies**

If a BRV Shareholder nominates the chairman of their applicable Scheme Meeting as the BRV Shareholder's proxy, the person acting as chairman of the applicable Scheme Meeting must act as proxy under the appointment in respect of any or all items of business to be considered at that Scheme Meeting.

If a proxy appointment is signed or validly authenticated by the BRV Shareholder but does not name the proxy or proxies in whose favour it is given, the chairman of the applicable Scheme Meeting may at his election (a) act as proxy in respect of any or all items of business to be considered at that Scheme Meeting or (b) complete the proxy appointment by inserting the name or names of one or more BRV Directors or the Company secretary to act as proxy under the appointment, in respect of any or all items of business to be considered at that Scheme Meeting.

Proxy appointments in favour of the chairman of the applicable Scheme Meeting, the secretary or any BRV Director which do not contain a direction will be voted in support of the Scheme resolution at that Scheme Meeting (in the absence of a Superior Proposal prior to the date of the Scheme Meetings).

(d) **Voting by attorney**

If a BRV Shareholder executes or proposes to execute any document, or do any act, by or through an attorney which is relevant to the BRV Shareholder's holding in BRV, that BRV Shareholder must deliver the instrument appointing the attorney to the Share Registry for notation.

BRV Shareholders wishing to vote by attorney at their applicable Scheme Meeting must, if they have not already presented an appropriate power of attorney to BRV for notation, deliver to the Share Registry (at the address or facsimile number provided in Section 3.3(c) of this Scheme Booklet) the original instrument appointing the attorney or a certified copy of it by 9.30am (AWST) on Wednesday, 31 August 2022.

Unless the contrary is evident from the express terms of the power of attorney, any power of attorney granted by a BRV Shareholder will, as between BRV and that BRV Shareholder, continue in force and may be acted on, unless express notice in writing of its revocation or the death of the relevant BRV Shareholder is lodged with BRV.

(e) **Voting by corporate representative**

To vote in person at their applicable Scheme Meeting, a BRV Shareholder or proxy which is a body corporate may appoint an individual to act as its representative.

To vote by corporate representative at their applicable Scheme Meeting, a corporate BRV Shareholder or proxy should obtain an *appointment of corporate representative* form from the Share Registry, complete and sign the form in accordance with the instructions on it. The completed appointment form should be lodged at the registration desk on the day of the applicable Scheme Meeting.

The appointment of a representative may set out restrictions on the representative's powers.

The original form of appointment of a representative, a certified copy of the appointment, or a certificate of the body corporate evidencing the appointment of a representative is prima facie evidence of a representative having been appointed.

The chairman of the meeting may permit a person claiming to be a representative to exercise the body's powers even if they have not produced a certificate or other satisfactory evidence of their appointment.

### **3.4 Further information**

Please refer to the applicable notice of Scheme Meeting in Appendix 3 or Appendix 4 to this Scheme Booklet for further information on voting procedures and details of the resolutions to be voted on at the Scheme Meetings.



## 4. Relevant considerations for BRV Shareholders

### 4.1 Introduction

The purpose of this Section is to identify significant issues for BRV Shareholders to consider in relation to the Scheme.

Before deciding how to vote at their applicable Scheme Meeting, BRV Shareholders should carefully consider the factors discussed below as well as the other information contained in this Scheme Booklet.

Members of the IBC recommend that you consult your broker, financial, taxation, legal or other professional adviser concerning the impact your decision may have on your individual circumstances.

### 4.2 IBC's recommendation and intentions

Members of the IBC have unanimously formed the conclusion that the Scheme is in the best interests of BRV Shareholders and recommend that BRV Shareholders vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to maintain that the Scheme is in the best interests of BRV Shareholders.<sup>19</sup>

In reaching its conclusion, the IBC has had regard to the following matters, as detailed in Section 4.4:

- the Independent Expert has concluded that the Scheme is not fair but reasonable and therefore in the best interests of BRV Shareholders in the absence of a Superior Proposal;
- the Scheme Cash Consideration represents an attractive 33.3% premium to the BRV Share price on 19 April 2022, being the last day of trading in BRV Shares immediately before the date the Scheme was announced, and a greater than 41% premium to the 60, 90 and 180 trading day VWAPs;
- the Scheme Consideration provides attractive liquidity in what has been a highly illiquid stock;
- the Scheme provides BRV General Shareholders with certainty of value and removes the significant exploration, development, procurement, financing, equity dilution and other risks and uncertainties associated with remaining a BRV Shareholder;
- the Relevant Shareholder has agreed to vote (or procure that the Custodian (as that term is defined in the Cooperation and Commitment Deed) votes) all BRV Shares in which it has a Relevant Interest in favour of the Scheme at the Relevant Shareholder Scheme Meeting,<sup>20</sup> and on the Last Practicable Date the Relevant Shareholder owned BRV Shares representing 17.55% of the total number of issued BRV Shares;
- the Scheme is subject to limited conditions and is not subject to a financing condition;
- the price of BRV Shares may fall in the near-term if the Scheme is not implemented and in the absence of a Superior Proposal;
- no Superior Proposal has emerged as at the date of this Scheme Booklet; and
- no brokerage will be payable by BRV Shareholders on the transfer of their BRV Shares under the Scheme.

For the reasons above, the members of the IBC unanimously believe that the advantages of the Scheme outweigh the disadvantages and risks and each member of the IBC intends to vote any interest he has in his BRV Shares in favour of the Scheme, in the absence of a Superior Proposal

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<sup>19</sup> In relation to the recommendation of the IBC in respect of the Scheme, BRV Shareholders should have regard to the interests of the IBC members in the outcome of the Scheme which may differ from those of other BRV Shareholders, as further described in Section 1.8.

<sup>20</sup> Under the Cooperation and Commitment Deed, the Relevant Shareholder is contractually obligated to vote in favour of the Scheme and has agreed not to vote in favour of a Third Party Transaction (without prior written consent from Aura).

and subject to the Independent Expert continuing to maintain that the Scheme is in the best interests of BRV Shareholders.

The IBC makes no recommendation in relation to the Scheme Scrip Consideration as it applies to the Relevant Shareholder.<sup>21</sup>

#### **4.3 Independent Expert's conclusion**

The IBC's unanimous recommendation in relation to the Scheme is supported by the Independent Expert, RSM.

The Independent Expert has concluded that the Scheme is not fair but reasonable and therefore in the best interest of BRV Shareholders.

#### **4.4 Key reasons for IBC's recommendation**

In unanimously recommending the Scheme to BRV Shareholders, the IBC has carefully considered the matters below.

(a) **The Independent Expert has concluded that, in the absence of a Superior Proposal, the Scheme is not fair but reasonable and therefore in the best interests of BRV Shareholders.**

The Independent Expert has concluded that the Scheme is not fair but reasonable and therefore in the best interests of BRV Shareholders, in the absence of a Superior Proposal.

The Independent Expert states at section 2.22 of the Independent Expert's Report:

"Our valuation range for a BRV share of A\$0.48 to A\$0.80 reflects a significant premium over the traded share price of BRV prior to announcement of the proposed Scheme, even after reflecting a typical control premium on the share price. We consider this is likely due to the historically low liquidity of BRV shares, market sentiment for a Brazilian project which has been owned for over 10 years by an ASX listed entity and potential concerns over funding of the rising capital expenditure requirements. BRV would need to raise a significant amount of equity to fund development of the Project; our assessed values assume the Borborema Project is fully funded however any future equity capital raise would have an adverse impact on the assessed value per BRV Share."

To illustrate the adverse impact, the Independent Expert footnotes the following:

"For illustrative purposes, in the event that BRV was required to raise A\$220 million (being 90% of the projected development capex) at a 20% discount to the closing share price of \$0.27 on the last trading day prior to the announcement of the Proposed Scheme, this would result in the issue of an additional 1,018.5 million shares and have the impact of reducing our range of assessed values to between A\$0.269 and A\$0.333 per BRV Share."

Consequently, the IBC considers the Scheme to be an opportunity for BRV Shareholders to avoid the potential adverse impact on the price of a BRV Share implied by the Independent Expert's illustration and instead, realise their investment in BRV at an attractive premium to the historical prices at which BRV Shares traded up to and including 19 April 2022.

The Independent Expert's Report is included in full in Appendix 1 to this Scheme Booklet. That report should be read in its entirety including the assumptions on which the conclusions are based.

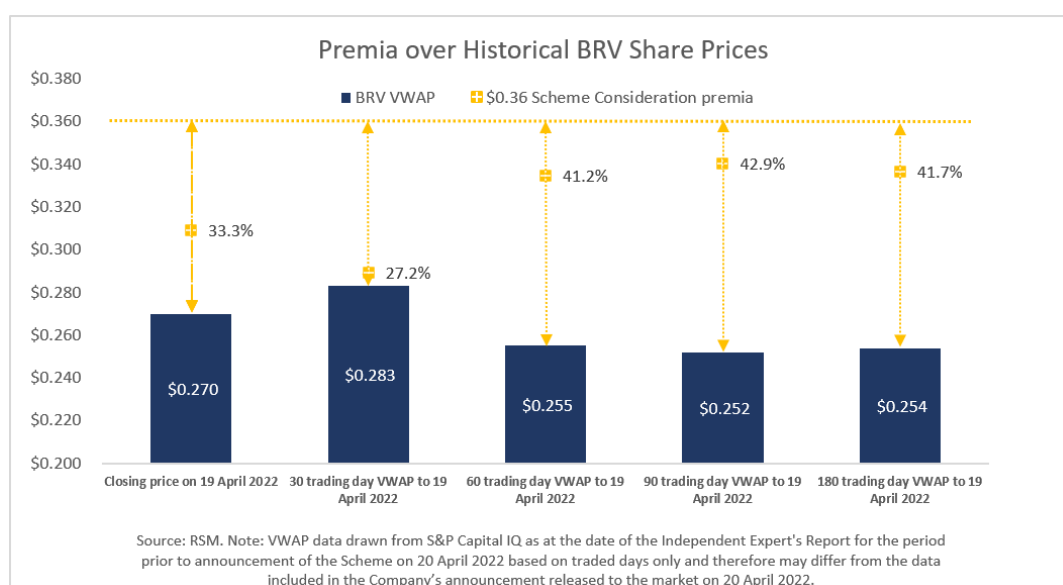
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<sup>21</sup> The IBC's lack of recommendation in relation to the Scheme Scrip Consideration is consistent with clause 7.4(a) of the Scheme Implementation Deed. Given the Relevant Shareholder's association with Aura as a result of the Cooperation and Commitment Deed, the IBC does not consider that it is necessary or appropriate to make a recommendation in relation to the Scheme Scrip Consideration.

(b) **The Scheme Cash Consideration represents an attractive premium to historical BRV Share prices**

As at 19 April 2022<sup>22</sup>, being the last day of trading in BRV Shares immediately before the Scheme was announced, the Scheme Cash Consideration of \$0.36 in cash per Scheme Share represents a premium of:

- 33.3% to the closing price of BRV Shares on 19 April 2022 of \$0.270 per BRV Share;
- 27.2% to the VWAP of BRV Shares in the 30 trading days before 19 April 2022 of \$0.283 per BRV Share;
- 41.2% to the VWAP of BRV Shares in the 60 trading days before 19 April 2022 of \$0.255 per BRV Share;
- 42.9% to the VWAP of BRV Shares in the 90 trading days before 19 April 2022 of \$0.252 per BRV Share; and
- 41.7% to the VWAP of BRV Shares in the 180 trading days before 19 April 2022 of \$0.254 per BRV Share.



Accordingly, the Scheme is an opportunity for BRV Shareholders to realise their investment in BRV at an attractive premium to the historical prices at which BRV Shares have traded up to and including 19 April 2022.

(c) **The Scheme Cash Consideration provides attractive liquidity in what has been a highly illiquid stock**

In addition to the Scheme Cash Consideration of \$0.36 per BRV Share in cash, an important consideration is that the Scheme Cash Consideration provides BRV Shareholders with liquidity and the ability to monetise their investments.

The historical lack of liquidity in the trading of BRV Shares is an important consideration for BRV Shareholders. The liquidity of BRV's shares has been extremely low with only 1.35% of the total free float of BRV's shares traded in the 30 trading day period prior to the announcement of the proposed Scheme and only 7.31% in the 180 trading days prior. A liquid market is generally considered to have approximately 1% of securities traded on a weekly basis.<sup>23</sup>

The Scheme Consideration values BRV at \$87.2 million<sup>24</sup> based on the BRV Shares on issue as of the date of the Independent Expert's Report and excluding the Unlisted Options that will be cancelled and do not form part of the Scheme. However, this value

<sup>22</sup> Note that because Scheme Implementation Deed was announced after-market, the last trading day before the announcement was 19 April 2022, being the same day as the announcement.

<sup>23</sup> See section 2.42 of the Independent Expert's Report.

<sup>24</sup> See section 5.25 of the Independent Expert's Report (242,155,811 BRV Shares at \$0.36 = \$87.176 million).

increases to \$91.6 million once fully diluted for the 12,750,000 Performance Rights, conditional on the Scheme being implemented. By comparison, over the 6 month period prior to the announcement of the Scheme, the total traded value of BRV Shares was approximately \$4.5 million, equivalent to 4.9% of BRV's equity value implied from the fully diluted Scheme Consideration.

The liquidity provided by the offer of Scheme Cash Consideration is a significant consideration behind the IBC's recommendation, particularly in volatile markets.

(d) **The Scheme provides you with certainty of value and removes the risks and uncertainties associated with remaining a BRV Shareholder**

The Scheme Cash Consideration of \$0.36 cash per BRV Share provides a high degree of certainty of value and timing and removes a number of risks associated with BRV if the Scheme is not implemented including equity and debt financing, capital raising and project development execution.

When considering the merits of the proposed Scheme, the IBC had particular regard for:

- the Borborema Project's updated cost estimate based on a 2 million tonne per annum project, and which revealed an additional funding requirement of approximately US\$76.3 million (A\$109.1 million<sup>25</sup>) for a new total development cost including contingencies of US\$174 million (A\$248.7 million<sup>26</sup>) as announced to ASX on 1 April 2022;
- the additional time and expense required, and challenges associated with exploring a project with a larger annual throughput based on the results of recent water studies as announced to ASX on 1 April 2022, and if value accretive, advancing the Borborema Project to a pre-feasibility study and a subsequent definitive feasibility study as well as successfully advancing it to a final investment decision;
- the challenges associated with an ASX junior mining company, such as BRV (with a project in Brazil), securing investment and financing;
- the dilutive impact on BRV Shareholders of any material equity capital raising; and
- the general risks involved with progressing a gold mine from feasibility through to development and production in a foreign jurisdiction such as Brazil (magnified by ongoing travel and labour difficulties associated with the COVID-19 pandemic) and project level risks for management deliverables including timelines, cost, and communication.

Given the challenges outlined above, particularly the funding challenges and resulting dilution of existing Shareholders, the Scheme Cash Consideration provides BRV Shareholders with certainty of value and the proximate opportunity to realise their investment for cash, avoiding the significant risks associated with exposure to gold price, recalibrating the Borborema Project based on a higher throughput, developing a gold mine in Brazil, procuring land to establish a 69kV power line from Currais Novos to site, successfully constructing and commissioning the required facilities, maintaining budget parameters and achieving forecast mining rates, grades and plant commissioning.

The Scheme provides BRV Shareholders with an opportunity to substantially mitigate these risks. Further details of the risks associated with BRV's business and the industry in which it operates are set out in Section 7.

(e) **The Relevant Shareholder has agreed to vote in support of the Scheme**

In accordance with clause 4.1 of the Cooperation and Commitment Deed between the Relevant Shareholder and Aura, the Relevant Shareholder has agreed to vote all BRV Shares in which it has a Relevant Interest in favour of the Scheme at the Relevant

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<sup>25</sup> Based on exchange rate of US\$0.6996:A\$1 as at date of Independent Expert's Report, being 28 July 2022.

<sup>26</sup> Based on exchange rate of US\$0.6996:A\$1 as at date of Independent Expert's Report, being 28 July 2022.

Shareholder Scheme Meeting.<sup>27</sup> See Section 6.8 for further details in relation to the Cooperation and Commitment Deed.

On the Last Practicable Date, the Relevant Shareholder owned BRV Shares representing 17.55% of the total number of issued BRV Shares.

(f) **The Scheme is subject to limited conditions and is not subject to a financing condition**

The Scheme is not subject to a financing condition because the Aura Group will fund the purchase price from existing cash reserves. Refer to Section 6.6 of this Scheme Booklet for further details.

The Scheme is conditional on the satisfaction of a number of other conditions which are more particularly described in Section 1.5 of this Scheme Booklet and the Scheme Implementation Deed, a copy of which is included as Appendix 5 to this Scheme Booklet.

(g) **The price of BRV Shares may fall if the Scheme is not approved**

In the historical trading period before 19 April 2022, being the last trading day of BRV Shares before the Scheme was announced, the 30, 60 and 90 trading day VWAP range of BRV Shares was \$0.252 to \$0.283.

Between 19 April 2022 and the date of this Scheme Booklet, BRV Shares have traded in the range of \$0.270 to \$0.355 per Share. The IBC expects that if the Scheme does not proceed, the price of BRV Shares on ASX may fall, in the absence of a Superior Proposal.

This view is shared by the Independent Expert who states:

"If the Scheme is not approved BRV will continue to be on the official list of the ASX and therefore investors can continue to trade in BRV shares, however we note the historically low liquidity in BRV shares. If the Scheme is not approved, and in the absence of a Superior Proposal, we consider it possible that the price of BRV shares may fall in the near-term, particularly if BRV is unable to secure funding for the Project."<sup>28</sup>

BRV's Share price closed at \$0.27 on 19 April 2022, being the last trading day of BRV Shares before the Scheme was announced.

The chart below is drawn from Figure 7 of the Independent Expert's Report and contrasts the price trend for a BRV Share with that of The S&P All Ordinaries Gold Index for the past year, from April 2021 to April 2022.

Figure 7 Relative movements in BRV's share price



<sup>27</sup> Under the Cooperation and Commitment Deed, the Relevant Shareholder is contractually obligated to vote in favour of the Scheme and has agreed not to vote in favour of a Third Party Transaction (without prior written consent from Aura).

<sup>28</sup> See section 2.34 of the Independent Expert's Report.

The Independent Expert states:

"BRV's share price trended down over the period of review from A\$0.415 on 20 April 2021 to A\$0.270 on 19 April 2022, a decline of 35%. The S&P All Ordinaries Gold Index also trended down over the period of review, but only declined by 7% from 7,194.72 on 20 April 2021 to 7,705.38 on 19 April 2022.

Although the BRV share price followed the general downward trend of the S&P All Ordinaries Gold Index over the period, the above figure suggests that they are not perfectly correlated, with a significant divergence commencing in August 2021 until the announcement of the Scheme."<sup>29</sup>

Additionally, BRV Shareholders should be aware that if the Scheme does not proceed and no Superior Proposal for BRV is received, there are risks associated with a continued investment in BRV as a stand-alone ASX listed company, in particular, with BRV pursuing its growth initiatives and otherwise seeking to execute its current business strategy and the financing of that strategy. These risks are outlined in Section 4.4 below.

(h) **No Superior Proposal has emerged as at the date of this Scheme Booklet**

Since the announcement of the Scheme on 20 April 2022 and up to the date of this Scheme Booklet no Superior Proposal has been received.

Although it is possible that a Superior Proposal could be received prior to the Scheme Meetings, members of the IBC consider that this is unlikely for the following reasons:

- since the announcement of the Scheme on 20 April 2022 and up to the date of this Scheme Booklet, no Competing Transaction has been received; and
- the Scheme Implementation Deed prohibits BRV from soliciting Competing Transactions during the Exclusivity Period. Aura also has a right under the Scheme Implementation Deed to be notified of any Competing Transaction and to match an unsolicited Competing Transaction if one is received by BRV. Please refer to Section 4.7(e) for further information on the BRV's exclusivity arrangements.

(i) **There is no brokerage payable on the transfer of your Scheme Shares**

Scheme Participants will not be required to pay any brokerage on the transfer of their Scheme Shares under the Scheme.

#### **4.5 Possible disadvantages of the Scheme**

The Scheme has a number of disadvantages and risks that BRV Shareholders should consider in deciding how they should vote at their applicable Scheme Meeting.

Although your Directors consider that these disadvantages and risks are outweighed by the advantages of the Scheme and that the Scheme is in the best interest of BRV Shareholders in the absence of a Superior Proposal, BRV Shareholders should consider their individual circumstances in determining how to vote in relation to the Scheme.

(a) **You may disagree with the recommendation of the IBC and/or the Independent Expert**

In concluding that the Scheme is in the best interests of BRV Shareholders the IBC and the Independent Expert are making judgements, in the absence of a Superior Proposal, based on future trading conditions and events which are not predictable with any certainty and which may later prove to be inaccurate (either positively or negatively).

BRV Shareholders may hold a different view from the IBC, and may not agree with the Independent Expert's ultimate conclusion (although may otherwise agree with the basis of the Independent Expert's Report).

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<sup>29</sup> See sections 5.34 and 5.35 of the Independent Expert's Report.

(b) **You will no longer participate in any potential upside that may result from being a BRV Shareholder**

If the Scheme is approved and implemented, you will cease to be a BRV Shareholder. You will forego any potential future dividends from BRV and will no longer participate in any potential future upside of the Company through share price appreciation.

You will also lose your voting rights as a BRV Shareholder and therefore, your ability to influence the future direction of BRV.

All future benefits associated with being a BRV Shareholder will accrue exclusively to Aura BidCo following implementation of the Scheme.

As described in Section 6, if the Scheme is approved and implemented and the Relevant Shareholder receives Scheme Scrip Consideration, the Relevant Shareholder will acquire an indirect interest in BRV through JVCo.

If the Scheme is approved and implemented, BRV will be removed from the official list of ASX. Following delisting, investors will no longer be able to acquire or trade BRV Shares on ASX.

(c) **Difficulty in identifying an alternative investment with similar exposure**

It may be difficult to identify or invest in an alternative business or investment with similar characteristics to BRV. You may prefer to keep your BRV Shares to maintain your investment in a public company with the specific characteristics of BRV in terms of industry, country exposure, gold exposure, development stage, size and other features.

Implementation of the Scheme may result in disadvantages to those who wish to maintain their current investment profile. BRV Shareholders who wish to maintain their investment profile may find it difficult to identify an investment with a similar profile to that of BRV and may incur transaction costs in undertaking any new investment.

(d) **Superior Proposal**

It is possible that a Superior Proposal, which is more attractive for BRV Shareholders than the Scheme, may be made in the future. If the Scheme is implemented Scheme Participants would not obtain the benefit of any Superior Proposal.

The IBC is not aware of any Superior Proposal and confirms that since the Scheme was announced on 20 April 2022 no alternative proposals have been made.

(e) **Tax implications**

The tax consequences of the Scheme will depend on your personal situation. You may consider that the tax consequences of transferring your BRV Shares to Aura BidCo under the Scheme are not attractive to you. The tax treatment may vary between BRV Shareholders depending on the nature and characteristics of each BRV Shareholder and their specific circumstances. BRV Shareholders should read the general outline of the tax implications of the Scheme set out in Section 8 of this Scheme Booklet. However, as that outline is expressed in general terms only, BRV Shareholders should seek professional taxation advice regarding the taxation consequences of the Scheme applicable to their own circumstances.

## **4.6 Implications if the Scheme is not implemented**

This Section 4.6 outlines potential implications for BRV and BRV Shareholders if the Scheme is not implemented.

(a) **You will not receive the Scheme Consideration**

Each BRV Shareholder will retain their BRV Shares and will not receive any Scheme Consideration.

(b) **BRV will remain listed on ASX and continue to operate as a standalone entity**

If the Scheme is not implemented, BRV will remain listed on ASX. BRV Shareholders will therefore continue to be exposed to the risks and benefits of owning BRV Shares, including many of the risks set out in Section 7, as well as Section 4.4(d). We also draw

your attention to the Independent Expert's comments and illustrations reproduced in Section 4.4(a).

(c) **BRV Share price may fall**

The BRV Directors expect that if the Scheme is not implemented the BRV Share price would be likely to trade below its recent trading price, although it is not possible to predict the BRV Share price movement with any degree of certainty.

(d) **Transaction costs will be incurred**

If the Scheme is not implemented, BRV's transaction costs of approximately \$1.5 million will be borne by BRV.

Depending on the reasons why the Scheme does not proceed, either BRV or Aura may be liable to pay a break fee of \$920,000 to the other party. The break fee is not payable if the Scheme does not proceed merely because BRV Shareholders do not approve the Scheme by the Requisite Majorities. Further information in relation to the break fee is set out in Sections 1.15 and 4.7(f) of this Scheme Booklet.

#### **4.7 Other relevant considerations**

(a) **The Scheme has a number of conditions**

In addition to the need to obtain BRV Shareholder and Court approval and while the Scheme is not subject to a financing condition, the Scheme is subject to a number of other conditions. These conditions are outlined in Section 1.7 and are set out in full in clause 3.1 of the Scheme Implementation Deed in Appendix 5 to this Scheme Booklet. All these conditions need to be satisfied (or alternatively waived, in the case of certain conditions that are capable of being waived) in order for the Scheme to proceed.

Your Directors have reviewed the conditions and do not consider them to be unduly onerous or inconsistent with market practice for a transaction of this nature. As at the date of this Scheme Booklet your Directors are not aware of any matter that would result in a breach or non-fulfilment of any of those conditions.

(b) **All or nothing outcome – Scheme**

If all of the conditions and approvals for the Scheme are satisfied or waived (as applicable):

- it will bind all persons registered as BRV Shareholders as at the Record Date, including those who do not vote on the Scheme and those who vote against it, meaning that all persons who qualify as Scheme Participants will relinquish ownership of their Scheme Shares and will be entitled to receive the Scheme Consideration; and
- BRV will become a wholly-owned subsidiary of Aura BidCo and delisted from ASX.

Conversely if all of the conditions and approvals for the Scheme are not satisfied or waived (as applicable), the status quo will be preserved, meaning that:

- BRV Shareholders will retain all of their BRV Shares;
- the existing BRV Board and management will continue to operate BRV's business;
- the advantages of the Scheme, as outlined in Section 4.4, will not be realised and equally some of the disadvantages of the Scheme, as outlined in Section 4.5 will no longer be relevant; and
- BRV Shareholders will retain their current investment in BRV Shares and in doing so will continue to retain the benefits of that investment and continue to be exposed to the risks associated with this investment. These risks include risks that are specific to BRV's business (see Section 7.2).

(c) **Transaction costs**

BRV has already incurred, and will continue to incur costs in respect of the proposal to implement the Scheme. These costs include negotiations with Aura, facilitating Aura's due diligence investigations, the retention of advisers, engagement of the Independent



Expert and preparation of this Scheme Booklet. The total transaction costs expected to be incurred by BRV in relation to the Scheme are estimated to be \$1.5 million.

If the Scheme does not proceed in circumstances where no Superior Proposal emerges, BRV will not receive any material value for the costs it has incurred in connection with the Scheme.

Under the Scheme Implementation Deed entered into between BRV and Aura, a liquidated amount (or break fee) of \$920,000 may become payable by one party to the other in the circumstances described in Sections 1.15 and 4.7(f).

(d) **No brokerage payable on disposal of your Scheme Shares**

If the Scheme Proceeds, Scheme Participants will not be required to pay any brokerage on the disposal of their Scheme Shares under the Scheme.

(e) **Exclusivity arrangements**

The Scheme Implementation Deed contains certain customary exclusivity arrangements agreed to by BRV in favour of Aura, including:

- no shop provisions;
- no talk and no due diligence provisions (with exceptions allowing the IBC or BRV Directors to comply with their fiduciary obligations); and
- a matching right regime in favour of Aura in relation to any Superior Proposal received by BRV.

A more detailed summary of these exclusivity arrangements is set out in Section 1.14. The full terms of these exclusivity arrangements are set out in clause 10 of the Scheme Implementation Deed which is included as Appendix 5 to this Scheme Booklet.

(f) **Break fee**

In certain circumstances, a break fee of \$920,000 may be payable:

- to Aura by BRV (**BRV Break Fee**); or
- to BRV by Aura (**Reverse Break Fee**).

The BRV Break Fee is payable to Aura where:

- a Competing Transaction made in respect of BRV is publicly announced and implemented on the terms described in the public announcement;
- the IBC makes a change in recommendation of the Scheme (except in certain circumstances);
- a Competing Transaction is made in respect of BRV and the IBC publicly announces that it has determined that the Competing Transaction is a Superior Proposal;
- Aura validly terminates the Scheme Implementation Deed for a material breach by BRV;
- the Scheme Implementation Deed is validly terminated because BRV does not hold the Minimum Cash Balance on the business day prior to the Second Court Hearing.

The Reverse Break Fee is payable by Aura to BRV where:

- BRV validly terminates the Scheme Implementation Deed for a material breach by Aura; or
- Aura and/or JVCo fails to provide BRV Shareholders with the Scheme Consideration.

Further details on payment of the break fees are set out in Section 1.15 as well as clause 11 of the Scheme Implementation Deed.

#### 4.8 What are your alternatives?

The following principal alternatives are available to BRV Shareholders. The IBC encourages you to consider your personal risk profile, portfolio strategy, tax position and financial circumstances and seek professional advice before making any decision in relation to your BRV Shares:

<b>Vote in favour of the Scheme</b>	<p>This is the course of action unanimously recommended by members of the IBC, in the absence of a Superior Proposal and subject to the Independent Expert continuing to maintain that the Scheme is in the best interests of BRV Shareholders.<sup>30</sup></p> <p>To follow the IBC's unanimous recommendation, you should vote in favour of the Scheme at your applicable Scheme Meeting.<sup>31</sup></p> <p>For a summary of how to vote on the Scheme, please refer to Section 3 of this Scheme Booklet.</p>
<b>Vote against the Scheme</b>	<p>If, despite the IBC's unanimous recommendation and the conclusion of the Independent Expert, you do not support the Scheme, you may vote against the Scheme at your applicable Scheme Meeting.</p> <p>However, if all of the conditions and approvals for the Scheme are satisfied or waived (as applicable), the Scheme will bind all Scheme Participants, including those who do not attend their applicable Scheme Meeting, those who do not vote on the Scheme and those who vote against it.</p>
<b>Sell your BRV Shares</b>	<p>The existence of the Scheme does not preclude you from selling your BRV Shares, if you wish, provided the transfer form in respect of that sale is received by the Share Registry on or before the Record Date.</p>
<b>Do nothing</b>	<p>BRV Shareholders who do not elect to vote at their applicable Scheme Meeting will:</p> <ul style="list-style-type: none"> <li>▪ if the Scheme becomes Effective and is implemented - have their Scheme Shares compulsorily transferred to Aura BidCo, by operation of the Scheme and be entitled to receive the Scheme Consideration; and</li> <li>▪ if the Scheme is not implemented - retain their Scheme Shares.</li> </ul>

<sup>30</sup> In relation to the recommendation of the IBC in respect of the Scheme, BRV Shareholders should have regard to the interests of the IBC members in the outcome of the Scheme which may differ from those of other BRV Shareholders, as further described in Section 1.8.

<sup>31</sup> In relation to the recommendation of the IBC in respect of the Scheme, BRV Shareholders should have regard to the interests of the IBC members in the outcome of the Scheme which may differ from those of other BRV Shareholders, as further described in Section 1.8.

## 5. Profile of BRV

### 5.1 Introduction

This Section 5 contains information in relation to BRV.

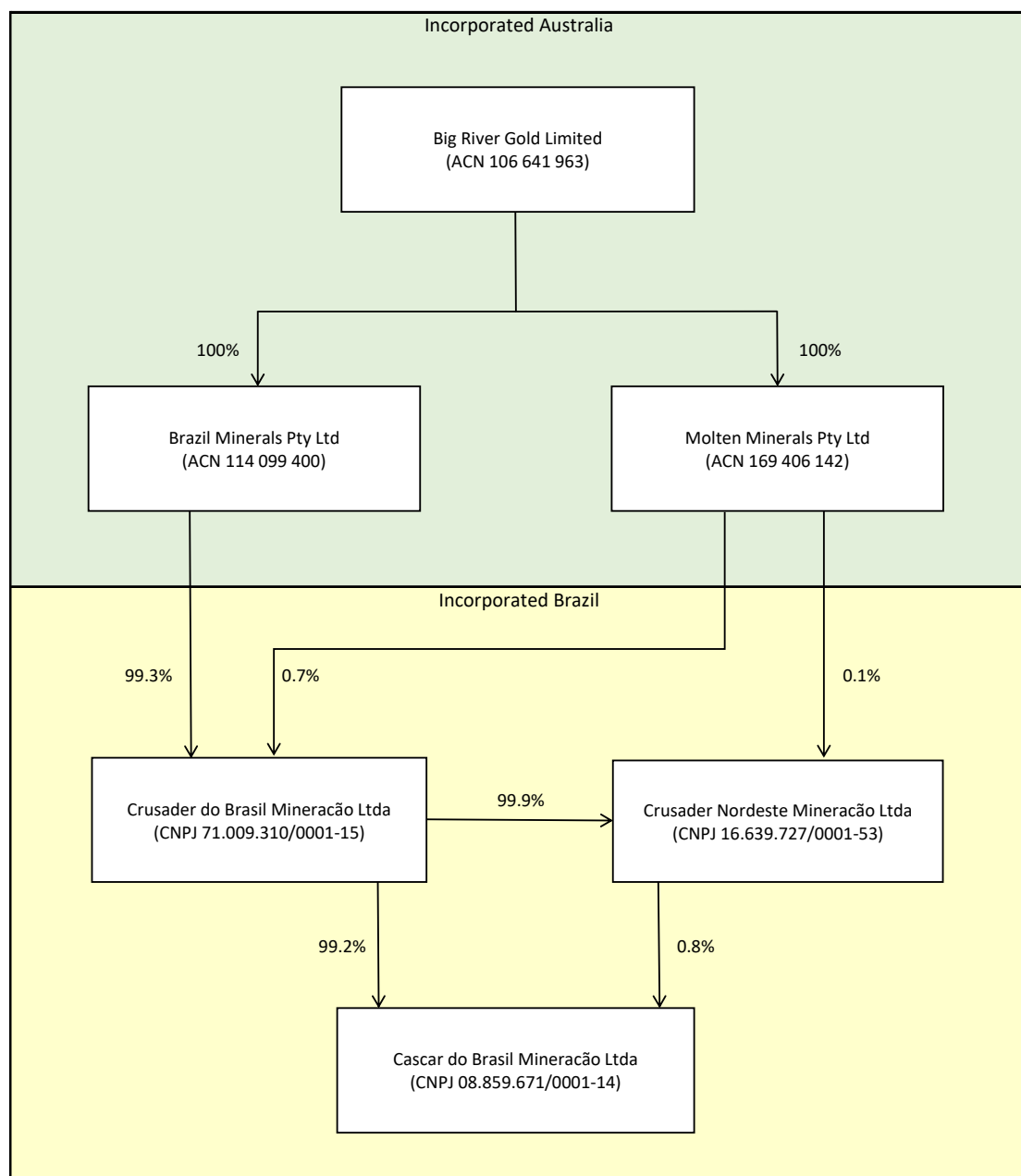
The Independent Expert's Report set out in Appendix 1 to this Scheme Booklet contains further information about BRV.

### 5.2 Background

Big River Gold Ltd (ASX:BRV) was previously called Crusader Resources Ltd (ASX:CAS) before a name change on 12 June 2019. It is a resource company dedicated to the exploration and development of gold and iron projects in Brazil since 2008.

In 2010, BRV acquired the Borborema Gold Project. The Borborema Gold Project was drilled out and feasibility studies were completed before putting it on hold in 2013. BRV secured the Posse iron ore project, which it successfully operated until its sale in July 2017.

### 5.3 BRV Group Structure



## 5.4 Overview of operations

In 2010, BRV acquired the Borborema Gold Project in north-east Brazil and undertook a major drill-out program and open pit feasibility study. The JORC Code resource was estimated to contain 2.43 million ounces of gold grading 1.10 g/t Au and the subsequent reserves estimated in the mining studies totalled 1.61 million ounces grading 1.18 g/t Au.

In 2013, the apparent lack of water to support a process plant of 4 million tonnes per annum (Mtpa) throughput and low gold prices caused the Borborema Gold Project to be put on hold pending improvements in gold price and the securing of adequate process water.

Between 2018 to 2022, the Borborema Gold Project was reviewed and a staged approach was proposed. The approach provided for an initial plant with throughput of 2Mtpa to mine nearly half of the resource with the shortfalls in process water met by securing, pumping and treating sewage water from a nearby town.

Between 2008 and 2017, BRV acquired, developed and successfully operated the Posse iron ore mine in Minas Gerais state of Brazil. This produced more than 2 million tonnes of iron ore before it was sold by BRV in July 2017.

## 5.5 Ore Reserves and Mineral Resources

The current JORC Code Mineral Resources and Reserves statement is summarised in the tables below:

<b>Table 1. Borborema Gold Project Mineral Resource (JORC)</b> <b>Mineral Resource by Multiple Indicator Kriging (MIK) estimation</b>				
Category	Cut-off grade (g/t)	Tonnes (Mt)	Grade (g/t Au)	Contained Gold (Moz)
Measured	0.4	9.82	1.09	0.34
	0.5	8.2	1.22	0.32
Indicated	0.4	53.1	0.99	1.70
	0.5	42.8	1.12	1.55
<b>Total Measured + Indicated</b>	0.4	62.9	1.01	2.04
	0.5	<b>51.0</b>	<b>1.14</b>	<b>1.87</b>
Inferred	0.4	23.2	0.87	0.65
	0.5	17.6	1.00	0.57
<b>Total Mineral Resources</b>	0.4	86.1	0.97	2.69
	0.5	<b>68.6</b>	<b>1.10</b>	<b>2.43</b>

**Mineral Resource (JORC Code) table.** Parent Block 25mE x 25mN x 5mRL. Selective Mining Unit 5mE x 6.25mN x 2.5mRL. Note, appropriate rounding has been applied, subtotals may not equal total figures. (Refer to ASX Announcement of 24 July 2017).

<b>Table 2. Borborema Gold Project Ore Reserve (JORC 2012 Code)</b>				
Category		Tonnes (Mt)	Grade (Au g/t)	Gold to Mill (koz)
<b>Proved Ore Reserves</b>	Oxide	0.65	0.80	17
	Fresh	7.26	1.25	292
<b>Probable Ore Reserves</b>	Oxide	1.68	0.70	38
	Fresh	32.82	1.20	1,260
<b>Total</b>		<b>42.41</b>	<b>1.18</b>	<b>1,610 (1.61Moz)</b>

Ore Reserves estimate for the Borborema Gold Project.

Reported at a 0.4 g/t cut-off for oxide and 0.5g/t cut-off for fresh material.

Note: Appropriate rounding has been applied, subtotals may not equal total figures.

## 5.6 BRV's Board of Directors

The Board consists of the following Directors:

Director's name	Position
Andrew Richards	Executive Chairman
Beau Nicholls	Technical Director
John Cathcart	Non-executive Director
Adrian Goldstone	Non-executive Director

## 5.7 Historical financial information

The summary financial information below has been extracted from the full year financial reports for BRV for the years ended 31 December 2021, 2020 and 2019 respectively (being the last three financial years), which have been audited by Deloitte Touche Tohmatsu and published by BRV on the ASX. The summary financial information is intended to provide a high level overview of BRV's historical financial position and is not intended to provide the level of detail or understanding which is available from a review of the published financial reports which are available on the ASX or BRV's Website.

It should be noted that past financial performance is not an indicator of future performance.

### (a) Consolidated statement of financial performance

	Dec 2021 \$	Dec 2020 \$	Dec 2019 \$
<b>Continuing operations</b>			
<b>Gross Profit</b>	-	-	-
Other income	11,059	1,098,703	313,959
Fair value gain on equity investment at FVPL	-	-	2,250,000
Administration	(900,908)	(1,238,826)	(586,361)
Corporate expenses	(1,719,726)	(2,142,876)	(2,136,710)
Finance costs	(10,616)	(11,209)	(396,020)
Depreciation and amortisation	(71,939)	(36,521)	(38,294)
Exploration and evaluation	(35,373)	(47,717)	(21,860)
Unrealised foreign exchange gain/(loss)	166,778	(397,203)	(48,896)
Other expenses from ordinary activities	(258,261)	(148,125)	(952,661)
<b>Loss before income tax</b>	<b>(2,818,986)</b>	<b>(2,923,774)</b>	<b>(1,616,843)</b>
Income tax (expense)/benefit	-	-	-
<b>Net loss from continuing operations</b>	<b>(2,818,986)</b>	<b>(2,923,774)</b>	<b>(1,616,843)</b>
<b>Discontinued Operations</b>			
Net (loss)/profit from discontinued operations	-	-	6,346,545
<b>Net (loss)/profit for the year</b>	<b>(2,818,986)</b>	<b>(2,923,774)</b>	<b>4,729,702</b>
<b>Other comprehensive income</b>			
<b>Items that may be reclassified subsequently to profit or loss</b>			
Exchange differences arising on translation of foreign operations	(143,659)	(4,293,142)	(127,207)
Exchange differences on translation of discontinued operation	-	-	(6,767,215)
<b>Other comprehensive loss for the year, net of income tax</b>	<b>(143,659)</b>	<b>(4,293,142)</b>	<b>(6,894,422)</b>
<b>Total comprehensive loss for the year attributable to owners of the parent</b>	<b>(2,962,645)</b>	<b>(7,216,916)</b>	<b>(2,164,720)</b>
<b>Loss per share from continuing operations (on a post-consolidation basis)</b>			

Basic (cents per share)	(1.30)	(1.76)	(1.45)
Diluted (cents per share)	(1.30)	(1.76)	(1.45)
<b>(Loss)/profit per share from continuing and discontinued operations (on a post-consolidation basis)</b>			
Basic (cents per share)	(1.30)	(1.76)	4.25
Diluted (cents per share)	(1.30)	(1.76)	3.26

(b) **Consolidated statement of financial position**

	<b>Dec 2021</b>	<b>Dec 2020</b>	<b>Dec 2019</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Current Assets</b>			
Cash and cash equivalents	16,634,896	9,884,673	4,313,096
Trade and other receivables	17,064	57,642	150,207
Other current assets	188,107	126,081	439,698
<b>Total Current Assets</b>	<b>16,840,067</b>	<b>10,068,396</b>	<b>4,903,001</b>
<b>Non-Current Assets</b>			
Exploration and evaluation assets	20,124,567	17,812,173	20,848,286
Property, plant and equipment	128,687	109,431	85,742
Right-of-use asset	108,842	13,600	24,936
<b>Total Non-Current Assets</b>	<b>20,362,096</b>	<b>17,935,204</b>	<b>20,958,964</b>
<b>Total Assets</b>	<b>37,202,163</b>	<b>28,003,600</b>	<b>25,861,965</b>
<b>Current Liabilities</b>			
Trade and other payables	609,966	516,066	564,476
Lease liability - current	41,183	6,933	21,974
<b>Total Current Liabilities</b>	<b>651,149</b>	<b>522,999</b>	<b>586,450</b>
<b>Non-Current Liabilities</b>			
Trade and other payables	1,268,797	1,041,882	620,355
Lease liability – non-current	70,293	-	10,133
<b>Total Non-Current Liabilities</b>	<b>1,339,090</b>	<b>1,041,882</b>	<b>630,488</b>
<b>Total Liabilities</b>	<b>1,990,239</b>	<b>1,564,881</b>	<b>1,216,938</b>
<b>Net Assets</b>	<b>35,211,924</b>	<b>26,438,719</b>	<b>24,645,027</b>
<b>Equity</b>			
<b>Total equity attributable to equity holders of the Company</b>			
Issued capital	113,265,704	102,313,256	94,022,742
Reserves	(10,019,399)	(10,659,142)	3,863,428
Retained earnings	(68,034,381)	(65,215,395)	(73,241,143)
<b>Total Equity</b>	<b>35,211,924</b>	<b>26,438,719</b>	<b>24,645,027</b>

## 5.8 Material changes in the financial position of BRV

During the period 1 January 2022 to 27 July 2022 the following material changes (unaudited) occurred to the financial position of BRV:

- (a) 'Exploration and Evaluation' assets increased by \$4,216,551 due to additional expenditure on the Borborema Project, primarily feasibility studies, and
- (b) 'Issued Capital' increased by \$3,726,627 due to the issue of BRV Shares for the exercise of listed BRV options and other BRV Share issues.

Except as disclosed in this Scheme Booklet, no member of the BRV Board is aware of any material change to the financial position of BRV since the date of its 2021 annual report (dated 31 March 2022) other than as disclosed to ASX.

Copies of BRV's annual reports for the years ended 31 December 2021, 31 December 2020 and 31 December 2019 (being the last three financial years) and any continuous disclosure notice given by BRV after the lodgement of the 2021 annual report may be obtained from the BRV's Website, ASX's website ([www.asx.com.au](http://www.asx.com.au)) or BRV will provide a copy free of charge to anyone who requests a copy before the Scheme is approved by the Court.

## 5.9 BRV's securities and capital structure

### (a) Shares on issue

As at the date of this Scheme Booklet, BRV had 242,155,811 shares on issue.

### (b) Unlisted Options

As at the date of this Scheme Booklet, there are 3,060,000 Unlisted Options on issue held by three Unlisted Optionholders.

BRV, Aura and each Unlisted Optionholder have executed an Unlisted Option Cancellation Deed. Under the deed, if the Scheme becomes Effective each of the Unlisted Options will be cancelled on the Implementation Date for cash consideration per Unlisted Option equal to \$0.046 which will be paid by Aura.

ASX has granted BRV a waiver from Listing Rule 6.23.2 to the extent necessary to permit BRV to cancel the Unlisted Options in the manner described above without BRV Shareholder approval. The waiver is conditional on the Scheme becoming Effective.

Further details in relation to the Unlisted Options are set out in Section 1.18.

### (c) Performance Rights

As at the date of this Scheme Booklet, BRV has 12,357,500 Performance Rights on issue, comprising of:

Performance Rights Holders	Number
Andrew Richards	8,750,000
Luis Diaz	2,637,500
Diana Lima	970,000

As detailed in Section 1.19, all Performance Rights held by the Performance Rights Holders will vest, be automatically exercised and convert into BRV Shares upon the Scheme becoming Effective.

### (d) Substantial holdings

Based on publicly available information, as at the date of this Scheme Booklet, BRV has received notifications from the following BRV Shareholders with substantial holdings in accordance with section 671B of the Corporations Act:

Shareholder name	Number of BRV Shares	Percentage shareholding
Dundee Corporation	42,500,000	17.55%
Beryl Capital Management LP and Associates	14,250,071	5.88%

## 5.10 Interests of BRV Directors in BRV Shares

### (a) BRV Shares held by BRV Directors

As at the date of this Scheme Booklet, the number, description and amount of BRV Shares held by or on behalf of each BRV Director are set out below:

BRV Director	Number of BRV Shares	Percentage interest in BRV's issued capital
Andrew Richards	4,437,500	1.83%
Beau Nicholls	650,000	0.27%
John Cathcart	750,000	0.31%
Adrian Goldstone	Nil	Nil

Other than as set out in above, no BRV Shares are held by or on behalf of BRV Directors as at the date of this Scheme Booklet.

### (b) Other BRV Securities held by BRV Directors

Other than the interests described in Section 5.10(a), as at the date of this Scheme Booklet, the only other BRV Securities held by a BRV Director are the 8,750,000 Performance Rights held by Andrew Richards (as described in section 5.9(c)).

## 5.11 Dealings by BRV Directors in BRV Securities

No BRV Director has acquired or disposed of a relevant interest in any BRV Security in the four month period ending on the date immediately before the date of this Scheme Booklet.

## 5.12 Interests in Aura Securities held directly or indirectly by the BRV Directors

There are no Aura Securities held by or on behalf of any BRV Director as at the date of this Scheme Booklet.

## 5.13 Dealings by BRV Directors in Aura Securities

No BRV Director has acquired or disposed of a relevant interest in any Aura Security in the four month period ending on the date immediately before the date of this Scheme Booklet.

## 5.14 Recent BRV Share performance

The highest recorded trading price of a BRV Share on ASX in the 12 months before the announcement of the Scheme was \$0.608 on 24 August 2021.

The lowest recorded trading price of a BRV Share on ASX in the 12 months before the announcement of the Scheme was \$0.184 on 20 April 2021.

The highest recorded trading price of a BRV Share on ASX in the 3 months before the announcement of the Scheme was \$0.32 on 20 February 2022.

The lowest recorded trading price of a BRV Share on ASX in the 3 months before the announcement of the Scheme was \$0.19 on 28 February 2022.

The latest recorded trading price of a BRV Share on ASX on 19 April 2022 (the last trading day immediately before the announcement of the Scheme on 20 April 2022) was \$0.27.

The trading price range of a BRV Share on ASX on 19 April 2022 (the last trading day immediately before the announcement of the Scheme on 20 April 2022) was \$0.27 to \$0.28.

The last recorded trading price of a BRV Share on ASX on the Last Practicable Date (being the trading day prior to the date of this Scheme Booklet) was \$0.34.

## 5.15 Further information

BRV is listed on ASX. BRV is a disclosing entity for the purposes of the Corporations Act and the ASX Listing Rules and is subject to regular reporting and disclosure obligations that require BRV to immediately disclose to the market any information of which it is aware which a reasonable person may expect to have a material impact on the price or value of BRV's Shares.

ASIC also maintains a record of documents lodged with it by BRV.



BRV is required to prepare and lodge with ASIC and ASX both annual and half year financial statements accompanied by a statement and report from BRV Directors and an audit or review report.

BRV also lodges quarterly activity reports with ASX. Copies of these and other documents lodged with ASIC and ASX are accessible from ASX's website at [www.asx.com.au](http://www.asx.com.au).

## 6. Profile of Aura Group

### 6.1 Introduction

This Section 6 has been prepared by Aura and is the responsibility of Aura. This Section 6 contains information relating to the Aura Group, including Aura, Aura BidCo and JVCo, and outlines how Aura is funding the Scheme Consideration and its intentions in relation to BRV.

### 6.2 Profile of Aura

#### (a) Aura

Aura is a mid-tier gold and copper production company focused on the development and operation of gold and base metal projects in the Americas. Aura's producing assets include the San Andres gold mine in Honduras, the Ernesto/Pau-a-Pique gold mine in Brazil and the Aranzazu copper-gold-silver mine in Mexico. In addition, Aura has two gold projects in Brazil (Almas and Matupá) and one gold project in Colombia (Tolda Fria).

Aura's shares are quoted on the Toronto Stock Exchange under the symbol "ORA" and its Brazilian Depositary Receipts (**BDRs**), each representing one share of Aura, are quoted on the B3, S.A., a stock exchange located in São Paulo, Brazil, under the symbol "AURA33". Aura has a market capitalisation of approximately C\$524 million as at the Last Practicable Date.

Further information on Aura is available from its website at: [www.auraminerals.com](http://www.auraminerals.com).

#### (b) Directors

As at the date of this Scheme Booklet, the directors of Aura are as follows:

Director	Profile
<b>Fabio Luis Ribeiro</b>	<p>Mr Ribeiro has been a director of Aura since February 2020. Mr Ribeiro has worked at Neptuno Fund Ltd as a Fund Manager since May 2005. Mr Ribeiro also worked at Aura as a Technology Strategist from February 2018 until May 2020. Mr Ribeiro has led diverse teams at the dawn of the internet, helping pioneer Brazil's iconic internet service provider, iG, founded and exited a successful business in the aviation industry, SOL, and went on to start Neptuno in 2005, a multi-strategy fund focused in technology and forward-thinking investing. In the last few years, Mr Ribeiro led Neptuno into the venture capital space with a clear vision of empowering entrepreneurs working at the convergence of exponential technologies. In 2019, Mr Ribeiro co-founded TUZ Ventures, an early-stage tech venture capital fund focused in Central Asia.</p> <p>He holds a BA from FAAP in São Paulo, Brazil, a Master of Economics from Bocconi University in Milan, Italy and a Master of Interactive Media/Game Design MFA from the University of Miami, USA. He currently also serves on the boards of the Miami Institute for Data Science and Computing and the School of Communications at the University of Miami.</p>
<b>Pedro Joao Zahran Turqueto</b>	<p>Mr Turqueto has been a director of Aura since July 2022. Mr Turqueto is currently the Vice President of Copa Energia and leads the operations and strategy of the largest LPG distributor in Latin America. Mr Turqueto is also in charge of the strategy at Rede Matogrossense de Comunicação, a media group that operates TV channels, radio stations and websites in the middle east of Brazil.</p> <p>He holds a bachelor's degree in Law from PUC-SP and an MBA from Columbia School of Business in New York.</p>
<b>Stephen Keith</b>	<p>Mr Keith has been a director of Aura since August 2011. Mr Keith is also the Chief Executive Officer (CEO) of Labrador Uranium Inc, since his appointment in August 2021. Mr Keith has over 20 years of experience working on projects in more than 30 countries, with a concentration in the Americas. His experience working with mining and energy companies</p>

	<p>spans spearheading projects from concept through to feasibility studies, engineering design, project management and construction. He has engaged in over C\$2 billion in financings and merger and acquisition deals for natural resource projects.</p> <p>He holds a BSc, Applied Science from Queen's University, an International MBA from York University, Schulich School of Business, and is a Registered Professional Engineer (P.Eng.) in Ontario and British Columbia (retired).</p>
<b>Richmond Fenn</b>	<p>Mr Fenn has been a director of Aura since October 2019. Mr Fenn has been a mining consultant since 2021. Before that, Mr Fenn has worked at Aura as an interim General Manager, supporting ramp-ups at the Gold Road Mine in 2020 and the San Andres operation in 2019. He brings 39 years of base and precious metal experience to Aura. Mr Fenn has extensive experience in mine engineering, mine development and valuation, maintenance and operations in North and South America, Africa and Papua New Guinea. From 2018 to 2019, Mr Fenn was Executive General Manager for the Pueblo Viejo mine in the Dominican Republic, one of the world's largest gold producing mines. In 2016 and 2017, Mr Fenn held positions of increasing responsibility for Freeport McMoRan, Glencore and Barrick Gold.</p> <p>He holds a bachelor's degree in mining engineering from the University of Arizona and is a registered professional engineer.</p>
<b>Paulo Carlos de Brito</b>	<p>Mr de Brito has been a director and the non-executive Chairman of the Aura board of directors since May 2016. Mr de Brito is a businessman with over 45 years of experience in the mining, energy and agricultural sectors. Mr de Brito has worked extensively in Brazil and in several Latin American countries. Mr de Brito has founded several companies including Cotia Trading, S.A. (trading company), Mineração Santa Elina Ind. and Com. S.A. (mining company focused on the development, exploration and research of various minerals), and Biopalma da Amazônia S.A. (palm oil production company).</p>
<b>Bruno Mauad</b>	<p>Mr Mauad has been a director of Aura since October 2020. Mr Mauad is a partner at Kapitalo Investimentos, leading the equities investment strategy since 2015 and has been a member of the executive committee since 2019. He started his career in 2005 at Patria Investimentos as an equity analyst, becoming portfolio manager in 2010, and being responsible for long &amp; short as well as long-only strategies. In 2013, he joined Ashmore Group as a member of the Investment Committee and portfolio manager of the equity strategies.</p> <p>He holds a Bachelor in Public Administration from FGV / EAESP and is a CFA charter holder.</p>
<b>Paulo Carlos de Brito Filho</b>	<p>Mr de Brito Filho has been a director of Aura since October 2020. Mr de Brito Filho is also Chief Executive Officer at Mineração Santa Elina Industria e Comercio, a company that operates in the development and operation of mineral assets in South America, since 2019 and a director of Quanta Geracao, a company that operates in the energy industry through generation and sale of energy from its solar and small hydroelectric plants in Brazil. He has also been a directors of Sertrading, a company focused on the trading industry. Mr de Brito Filho currently serves as a board member of the Museum of Image and Sound.</p>

## 6.3 Profile of Aura BidCo and JVCo

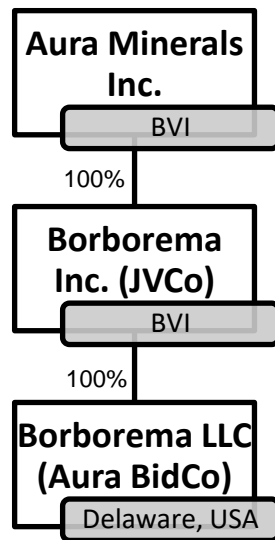
### (a) Overview of ownership structure

Aura BidCo is a wholly-owned subsidiary of JVCo, which is in turn a wholly-owned subsidiary of Aura.

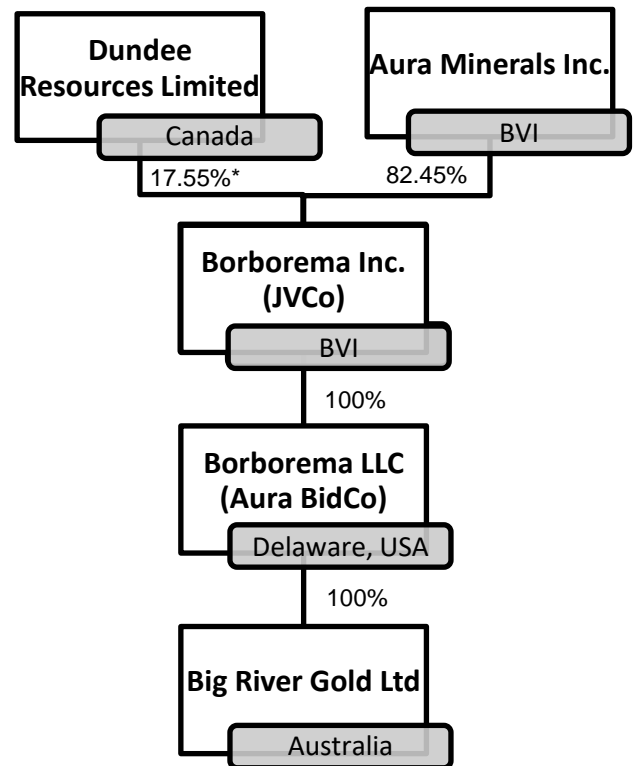
As at the date of this Scheme Booklet, JVCo is wholly-owned by Aura.

The ownership structure of the Aura Group pre and post implementation of the Scheme are illustrated below:

**Pre-implementation of the Scheme:**



**On implementation of the Scheme:**



\* This figure of 17.55% (and the balance of 82.45%) is based on the Relevant Shareholder's holding of BRV Shares on the Last Practicable Date. On implementation of the Scheme, the Relevant Shareholder will receive and hold the Relevant Proportion of JVCo Shares, which will be less than 17.55% as a result of the vesting and exercise of the Performance Rights.

As soon as practicable following the implementation of the Scheme, the Relevant Shareholder will acquire additional shares in JVCo to increase its shareholding in JVCo to 20%. Refer to Section 6.3(c) below for further information.

**(b) Aura BidCo**

Aura BidCo is a special purpose company that was formed on 16 May 2022 for the purpose of acquiring all of the BRV Shares under the Scheme. Aura BidCo is an unlisted, private, limited liability company registered in the state of Delaware, United States of America and has not undertaken any trading activities as at the date of this Scheme Booklet. All of the membership interests in Aura BidCo are owned by JVCo. If the Scheme becomes Effective, Aura BidCo will acquire all BRV Shares on the Implementation Date.

**(c) JVCo**

JVCo is a special purpose company that was incorporated on 6 May 2022 for the purposes of being the joint venture entity to be owned by Aura and the Relevant Shareholder and holding all of the equity in Aura BidCo. JVCo is an unlisted, private company incorporated in the British Virgin Islands and has not undertaken any trading activities as at the date of this Scheme Booklet. As at the date of this Scheme Booklet, all of the shares in JVCo are owned by Aura.

As at implementation of the Scheme, JVCo will have incurred no obligations or liabilities other than in connection with customary corporate establishment and maintenance

arrangements and otherwise in connection with its execution of the Deed Poll and its commitment to issue the JVCo Shares as Scheme Scrip Consideration.

Upon implementation of the Scheme, unless the Relevant Shareholder makes the Election, the provision of the Scheme Scrip Consideration will result in the Relevant Shareholder owning the Relevant Proportion of JVCo Shares and forming a joint venture with Aura.

As soon as practicable following the Implementation Date and in accordance with the Cooperation and Commitment Deed, the Relevant Shareholder will acquire additional shares in JVCo, either by a transfer of shares from Aura or an issue of shares by JVCo, such that it holds 20% of the issued shares in JVCo, with Aura owning the balance of 80%. These additional shares to be acquired by the Relevant Shareholder will be at the value per share implied by the total transaction value for the Scheme (inclusive of the value paid by Aura for the cancellation of the Unlisted Options), and accordingly the cost to the Relevant Shareholder will be more than \$0.36 per JVCo Share (i.e. the Relevant Shareholder will pay more than the Scheme Cash Consideration offered under the Scheme for these additional JVCo Shares).

If the Relevant Shareholder makes the Election, Aura will remain the sole shareholder in JVCo and no joint venture between Aura and the Relevant Shareholder will be formed.

(d) **Manager of Aura BidCo**

The sole member and the manager of Aura BidCo is JVCo. The manager of Aura BidCo is responsible for managing the business and affairs of Aura BidCo. JVCo's role as manager is established through Aura BidCo's limited liability company agreement, subject to the terms of the JVCo Shareholders Agreement and pursuant to the provisions in the Delaware Limited Liability Company Act.

Aura BidCo does not have a board of directors.

(e) **Directors of JVCo**

As at the date of this Scheme Booklet, the sole director of JVCo is Joao Kleber Dos Santos Cardoso. His profile is set out below.

Director	Profile
<b>Joao Kleber Dos Santos Cardoso</b>	Mr Cardoso joined Aura in March 2019 as VP Finance. On 17 February 2020, Mr Cardoso was appointed Chief Financial Officer of Aura, with responsibility for finance, accounting, cash flows and investor relations.  He is an Economist from Unicamp in Brazil and has an MBA from the Kellogg School of Management, with majors in Finance, Strategy and International Business.

It is contemplated that Rodrigo Cardoso Barbosa, Joao Kleber Dos Santos Cardoso, Glauber Rosa Luvizotto and (unless the Relevant Shareholder makes an Election) Adrian Goldstone will be appointed to the JVCo Board following the Implementation Date, together with an additional representative of Aura who has not been identified as at the date of this Scheme Booklet. Profiles of Rodrigo Cardoso Barbosa, Glauber Rosa Luvizotto and Adrian Goldstone are set out below.

Director	Profile
<b>Rodrigo Cardoso Barbosa</b>	Mr Barbosa joined Aura as its Chief Financial Officer in October 2016. On 15 January 2017, Mr Barbosa was appointed as President and Chief Executive Officer ( <b>CEO</b> ) of Aura. On 26 May 2017, Mr Barbosa was appointed as a member of the Aura board of directors but did not stand for re-election in 2020.  Prior to joining Aura, Mr Barbosa was the CEO of Tavex / Santista, a world-leading integrated manufacturer of denim with worldwide operations in Brazil, Europe and North America. During his tenure at Tavex / Santista, Mr Barbosa led a successful strategic, finance, marketing and operations turnaround. Prior to Tavex / Santista, Mr Barbosa was the CFO of the investment holding company of Camargo Correa Group, one of the largest conglomerates in Brazil and parent company of Tavex / Santista.

	Mr Barbosa has an MBA from the University of Southern California (USC) and a Bachelor of Mechanical Engineering from the Universidade Mackenzie in São Paulo, Brazil.
<b>Glauber Rosa Luvizotto</b>	<p>Mr Luvizotto joined Aura as General Manager for the Mexican operations in April 2018. On 17 February 2020, Mr Luvizotto was appointed Chief Operating Officer of Aura. He has a strong technical expertise, especially in underground operations, from working in the mining industry over the last 17 years. Prior to joining Aura, Mr Luvizotto worked as VP Operations at BrioGold Inc. as well as in Yamana Gold Inc. and AngloGold Ashanti Limited.</p> <p>Mr Luvizotto is a mine engineer with qualifications from Ouro Preto Federal University, Brazil and attended the Smith School of Executive Program at Queen's University, Canada.</p>
<b>Adrian Goldstone</b>	<p>Mr Goldstone brings expertise in all aspects of environmental management and project management. He has a strong reputation for creative business solutions. His skills are key to the investment process.</p> <p>As Executive Vice President Dundee Precious Metals from 2006 to 2014, his accountabilities included Sustainable Business Development, Environmental Management, Corporate Social Responsibility and Executive Project Management. Projects Mr Goldstone oversaw included a project in Krumovgrad, Bulgaria, and the smelter emissions upgrade as well as the smelter acid plant in Tsumeb, Namibia.</p> <p>Prior to this, Mr Goldstone was Partner and Managing Director Kingett Mitchell Ltd. for a decade. Kingett Mitchell was a diversified resource and environmental engineering consultancy based in New Zealand. Adrian built a successful international minerals industry consultancy and grew the business to 5 times its size during his tenure. Golder Associates acquired Kingett Mitchell in 2006.</p> <p>Prior to Kingett Mitchell, Mr Goldstone spent 10 years in various roles with Cyprus Minerals and Cyprus Amax in their corporate and international groups.</p>

## 6.4 Overview of the Relevant Shareholder

### (a) Dundee Corporation and the Relevant Shareholder

Dundee Corporation is a public Canadian independent holding company, listed on the Toronto Stock Exchange under the symbol "DC.A".

Through its operating subsidiaries, Dundee Corporation is an active investor focused on delivering long-term, sustainable value as a trusted partner in the mining sector with more than 30 years of experience making accretive mining investments. The Relevant Shareholder is a wholly-owned subsidiary of Dundee Corporation and holds 42,500,000 BRV Shares as at the date of this Scheme Booklet. Upon implementation of the Scheme, Dundee Corporation (through the Relevant Shareholder) will hold the Relevant Proportion of shares in JVCo and as soon as practicable on or after the Implementation Date, the Relevant Shareholder's interest in JVCo will increase to 20% (refer to Section 6.3(c) for details).

The Relevant Shareholder is represented on the board of directors of BRV by its nominee, Adrian Goldstone.

More information about Dundee Corporation is available from their website at: [www.dundeecorporation.com](http://www.dundeecorporation.com).

## 6.5 Rationale for Aura's proposed acquisition of BRV

Aura's proposed acquisition of BRV is consistent with its business strategy to grow beyond its current production plan through advancing high-quality projects that have a clear path to construction and are located in the Americas, preferably in jurisdictions where Aura is already operating. The Borborema Gold Project fits well within this strategy.

The acquisition of the Borborema Gold Project represents an attractive opportunity for Aura to expand its pipeline of development stage projects. The Borborema Gold Project, which is expected to operate an open pit gold project, has a JORC Code compliant Measured and

Indicated Mineral Resource estimate of 1.87Moz Au at 1.14 g/t Au and an additional Inferred Mineral Resource of 0.57Moz Au at 1.0 g/t Au. Aura's management and skilled personnel have extensive experience in the Brazilian mining industry and are well-suited to develop the Borborema Gold Project in partnership with the Relevant Shareholder.

## **6.6 Funding the Scheme Consideration**

### **(a) Maximum Scheme Consideration**

If the Scheme becomes Effective and is implemented, Scheme Participants will receive the Scheme Consideration for each BRV Share held by them as at the Record Date.

The terms of the Scheme provide that Scheme Participants, other than the Relevant Shareholder (unless it makes the Election), will receive the Scheme Cash Consideration of A\$0.36 for every BRV Share that they hold, comprising the Scheme Cash Consideration payable by Aura. Under the terms of the Scheme and Deed Poll, Aura is required to pay the Scheme Cash Consideration into a trust account for the benefit of the Scheme Participants no later than 2 Business Days before the Implementation Date, conditional upon the Scheme becoming Effective.

The Relevant Shareholder, which as at the Last Practicable Date holds approximately 17.55% of all BRV Shares, will receive the Relevant Proportion of JVCo Shares as Scheme Scrip Consideration (unless the Election is made, in which case the Relevant Shareholder will receive Scheme Cash Consideration instead on the same terms as the other Scheme Participants).

Based on the number of BRV Shares and Performance Rights on issue as at the date of this Scheme Booklet:

- if the Relevant Shareholder does not make the Election, then the maximum aggregate Scheme Cash Consideration that will be payable by Aura BidCo is approximately A\$76.3 million; or
- if the Relevant Shareholder makes the Election, then the maximum aggregate Scheme Cash Consideration that will be payable by Aura BidCo is approximately A\$91.6 million.

In addition, Aura will pay an aggregate of A\$140,760 to the Unlisted Optionholders if the Scheme becomes Effective, in accordance with the arrangements described in Section 1.18.

### **(b) Cash funding arrangements**

Aura will fund the Scheme Cash Consideration entirely from Aura's existing cash reserves. As of 31 March 2022, Aura had consolidated unrestricted cash and cash equivalents of approximately US\$193,829,000. These cash reserves are not subject to security interests, rights of set off or other arrangements that might materially affect Aura's ability to use them to pay the Scheme Cash Consideration.

On the basis of the arrangements described above, Aura is of the opinion that it has a reasonable basis for forming the view, and holds the view, that it will be able to satisfy its obligations to pay the aggregate Scheme Cash Consideration as and when it is due under the terms of the Scheme, including in circumstances where the Relevant Shareholder makes the Election.

## **6.7 Intentions following implementation of the Scheme**

### **(a) Introduction**

If the Scheme is implemented, Aura BidCo will become the holder of all BRV Shares, and accordingly, BRV will become a wholly-owned subsidiary of Aura BidCo.

This Section 6.7 sets out the present intentions of JVCo in relation to the continuation of BRV's business in Brazil if the Scheme is implemented. These intentions are consistent with the current intentions of Aura and based on the facts and information concerning BRV and the general business environment that are known to Aura and JVCo at the time of preparation of this Scheme Booklet. Neither Aura nor JVCo currently has full knowledge of all material information, facts and circumstances that are necessary to assess all the operational, regulatory, commercial, taxation and financial implications of its current intentions.

Aura and JVCo intend to undertake a detailed review of BRV's operations and business after the Scheme is implemented. JVCo will make final decisions on these matters following the completion of this review, based on the facts and circumstances at the relevant time and subject to deliberations of the JVCo board of directors in accordance with the JVCo Shareholders Agreement. Accordingly, the statements set out in this Section 6.7 are statements of current intentions only, which may change as new information becomes available or as circumstances change, and which may be superseded by the intention, strategic focus, outlook and decisions of the JVCo Board.

(b) **Removal from ASX**

If the Scheme is implemented, it is intended that the quotation of BRV Shares on the ASX will be terminated and BRV will be removed from the official list of the ASX with effect on or shortly after the Implementation Date.

(c) **Board of directors, management and employees**

If the Scheme is implemented, some or all of the directors of BRV and each of its subsidiaries will be replaced with nominees of JVCo (who are yet to be identified as at the date of this Scheme Booklet).

Aura and JVCo expect there to be significant value and knowledge held by existing employees of BRV. Changes may be made to employee and management roles as a result of potential duplication or redundancy of some roles arising from BRV becoming part of the Aura Group and no longer being listed, although no determination has been made in respect of such changes at the date of this Scheme Booklet. Where possible, job losses will be sought to be minimised through redeployment of the relevant employees elsewhere within the Aura Group. If redundancies do occur, the relevant employees will receive benefits in accordance with their contractual and other legal entitlements.

Any decisions regarding employment arrangements (to the extent they are made) will be made by JVCo following implementation of the Scheme.

(d) **Corporate restructure**

Following the implementation of the Scheme and delisting of BRV from ASX, Aura and JVCo intend to undertake a review of the corporate structure of the BRV Group with a view to determining whether the Australian entities (being, BRV, Brazil Minerals Pty Ltd and Molten Minerals Pty Ltd) should be retained in the Aura Group structure, and where BRV's head office should be in the future. The timing and process for a corporate restructure (if any) will be determined as part of the post-acquisition review.

(e) **Business operations**

Based on its current understanding of BRV's business and subject to completion of the post-acquisition review referred to above, Aura and JVCo intend to continue the current strategic direction of BRV, including developing the Borborema Gold Project. However, Aura BidCo will review BRV's operations to determine and implement improvements to deliver optimal outcomes for JVCo. Any decisions to inject further capital into BRV's business will be subject to JVCo's initial three year business plan, which will be prepared by Aura, with input from the Relevant Shareholder, within the first six months following the closing of the Scheme and post-acquisition review.

(f) **Relevant Shareholder makes the Election**

In the event that the Relevant Shareholder makes the Election and no Scheme Scrip Consideration is issued, Aura will implement the Scheme and make decisions in respect of the BRV business in accordance with the intentions set out in Section 6.7 above, except that Aura and the Relevant Shareholder will not enter into the JVCo Shareholders Agreement (see details below), Adrian Goldstone will not be appointed as a director of JVCo, and future decisions in respect of BRV will be made by Aura exclusively.

## **6.8 Cooperation and Commitment Deed**

On 19 April 2022, Aura and the Relevant Shareholder entered into the Cooperation and Commitment Deed with a view to facilitating the Scheme and subsequently jointly developing the Borborema Gold Project through JVCo. The formation of the JVCo joint venture is conditional on the Scheme becoming Effective and the parties entering into the JVCo Shareholders Agreement (see Section 6.9 for further details of the key agreed terms of the JVCo Shareholders Agreement).



A copy of the Cooperation and Commitment Deed was released to ASX on 20 April 2022. Under the Cooperation and Commitment Deed:

- the Relevant Shareholder (i) must not dispose of any BRV Shares in which it has a Relevant Interest (except to transfer the BRV Shares into its name), (ii) commits to vote in favour of the resolution to approve the Scheme at the relevant Scheme Meeting, and (iii) must not vote in favour of a Third Party Transaction (without the prior written consent of Aura);
- the Relevant Shareholder will not make the Election, except in the limited circumstances in which the Relevant Shareholder is contractually permitted to make the Election (as set out in clause 7 of the Cooperation and Commitment Deed);
- Aura and the Relevant Shareholder will enter into the JVCo Shareholder Agreement before the Implementation Date;
- as soon as practicable following the Implementation Date, the Relevant Shareholder will acquire additional shares in JVCo, either by a transfer of shares from Aura or an issue of shares by JVCo, such that it holds 20% of the issued shares in JVCo, with Aura owning the balance of 80% at this time. These additional shares will be acquired at the value per share implied by the total transaction value for the Scheme (inclusive of the value paid by Aura for the cancellation of the Unlisted Options); and
- following the implementation of the Scheme, the Relevant Shareholder will reimburse to Aura 20% of Aura's reasonable transaction and due diligence costs in relation to the Scheme.

Aura and the Relevant Shareholder have also agreed to customary exclusivity arrangements (no Third Party Transactions, no shop, no talk and no due diligence) during the course of the implementation of the Scheme.

## **6.9 JVCo Shares to be issued to the Relevant Shareholder only**

This Section 6.9 sets out the rights and obligations attaching to the JVCo Shares and a high-level summary of the risks associated with an investment in JVCo. It also identifies some of the key differences between an investment in a BRV Share (being a share in the capital of an Australian-incorporated public company that is admitted to trading on ASX) and a JVCo Share (being a share in the capital of a British Virgin Islands-incorporated company that is not admitted to trading on any securities exchange).

**This Section 6.9 is only relevant to the Relevant Shareholder on the basis that the Relevant Shareholder will receive JVCo Shares as Scheme Scrip Consideration (unless it makes the Election). This information is not relevant for other BRV Shareholders receiving Scheme Cash Consideration.**

### **(a) Overview**

JVCo Shares will be subject to JVCo's Memorandum and Articles of Association (**JVCo MAA**) and the JVCo Shareholders Agreement, the key terms of which have been agreed between Aura and the Relevant Shareholder and will be formally documented prior to implementation in accordance with the Cooperation and Commitment Deed. The JVCo MAA will facilitate, and will be consistent with, the arrangements contemplated in the JVCo Shareholders Agreement.

The Relevant Shareholder is a sophisticated investor that has negotiated and agreed the Cooperation and Commitment Deed with Aura, including the key terms of the JVCo Shareholders Agreement. Nevertheless, the Relevant Shareholder should give consideration to the nature of the JVCo Shares (including in contrast to the nature of BRV Shares), the risk factors relating to JVCo Shares in light of the Relevant Shareholder's circumstances and the rights and obligations under both the JVCo MAA and the JVCo Shareholders Agreement.

### **(b) Rights and obligations attaching to JVCo Shares – JVCo Shareholders Agreement**

Unless the Relevant Shareholder makes the Election, under the terms of the Scheme the Relevant Shareholder will receive shares in JVCo representing the Relevant Proportion.

A summary of the key rights and obligations as provided for by the JVCo Shareholders Agreement, which will be entered into by Aura, the Relevant Shareholder and JVCo

before the implementation of the Scheme, is set out below (defined terms used in the summary are bolded within the summary itself):

<b>1. Parties</b>	<ul style="list-style-type: none"> <li>▪ Aura;</li> <li>▪ Relevant Shareholder,</li> </ul> <p>(each a <b>Shareholder</b> and together, the <b>Shareholders</b>); and</p> <ul style="list-style-type: none"> <li>▪ JVCo</li> </ul>
<b>2. JVCo Board size</b>	5 directors ( <b>Directors</b> )
<b>3. JVCo Board appointments</b>	<ul style="list-style-type: none"> <li>▪ Initially, the Relevant Shareholder shall be entitled to nominate 1 Director and Aura shall be entitled to nominate 4 Directors.</li> <li>▪ Number of directors a Shareholder is entitled to nominate will depend on the percentage of that Shareholder's interest.</li> </ul>
<b>4. JVCo Board voting</b>	Each Director will have 1 vote.
<b>5. JVCo Board decision making</b>	All decisions of the JVCo Board are to be made by a majority vote, except on certain matters reserved for Unanimous Director/Shareholder Approval.
<b>6. Unanimous Director/Shareholder Approval matters</b>	Certain matters will require the unanimous vote of the JVCo Board or the Shareholders (as may be required under applicable law).
<b>7. Shareholder meetings</b>	<ul style="list-style-type: none"> <li>▪ Subject to applicable laws, a minimum of 10 days written notice of shareholders' meetings, accompanied by details of the venue and agenda of business, shall be given to the Shareholders.</li> <li>▪ Quorum required is Shareholders holding at least 90% of shares of JVCo present (in person or by teleconference).</li> <li>▪ If quorum is not reached at the first meeting, the meeting will be adjourned to the same time and place on the fifth business day following the original meeting. If quorum is not reached at the second meeting, the meeting will proceed with the Shareholders present (in person or by teleconference) at that time.</li> </ul>
<b>8. Management</b>	<ul style="list-style-type: none"> <li>▪ The JVCo Board will appoint the officers of JVCo and of the Brazilian subsidiaries.</li> <li>▪ Management of JVCo will be in charge of general administration of JVCo.</li> </ul>
<b>9. Budget and Funding</b>	<ul style="list-style-type: none"> <li>▪ All operations will be conducted in accordance with approved business plans and budgets.</li> <li>▪ JVCo's initial three year business plan will be prepared by Aura, with input from the Relevant Shareholder, within the first six months following the closing of the Scheme.</li> <li>▪ All equity cash call funding payments will be paid pro-rata by the Shareholders in accordance with their Shareholder interests, subject to the funding and dilution provisions.</li> <li>▪ If a Shareholder elects not to contribute to an approved Business Plan and Budget or elects to contribute less than its Shareholder interest, the Shareholder interest will be diluted in accordance with a dilution formula.</li> </ul>

<b>10. Transfers restricted</b>	<p>A Shareholder must not dispose of any of its shareholder interests or shareholder loans in JVCo other than:</p> <ul style="list-style-type: none"> <li>▪ <b>(permitted transfers)</b> to a permitted transferee (e.g. controlled affiliate);</li> <li>▪ <b>(sale by Shareholder)</b> under the right of first offer provisions, provided that the transferee agrees to be bound by the JVCo Shareholder Agreement to the same extent as the transferring Shareholder (as described below); or</li> <li>▪ <b>(tag along rights)</b> under the tag along provision (as described below).</li> </ul>
<b>11. Sale by Majority Shareholder</b>	<p>A Shareholder holding 50.1% or greater interest (<b>Majority Shareholder</b>) may sell its shareholder interests and loans in JVCo through the following process:</p> <ul style="list-style-type: none"> <li>▪ the Majority Shareholder must provide a written notice of its intention to sell (<b>Sale Notice</b>) to the other Shareholder (<b>Minority Shareholder</b>);</li> <li>▪ the Minority Shareholder has 60 days to present an offer for all of the Majority Shareholder's interests, including the terms and conditions of such purchase and consideration payable in cash on closing (<b>Purchase Offer</b>);</li> <li>▪ the Majority Shareholder has 30 days to accept or reject in writing the Purchase Offer; and</li> <li>▪ if rejected, the Majority Shareholder has 120 days to complete the transfer to a third party on terms no less favourable than the Purchase Offer, failing which, the right of first offer of the Minority Shareholder shall apply again.</li> </ul>
<b>12. Sale by Minority Shareholder</b>	<p>A Minority Shareholder may dispose of its shareholder interests and loans in JVCo through the following process:</p> <ul style="list-style-type: none"> <li>▪ the Minority Shareholder provides a written notice of its intention to sell to the Majority Shareholder, including terms and conditions and consideration payable to Minority Shareholder for transfer (<b>Sale Offer</b>);</li> <li>▪ the Majority Shareholder has 30 days to accept or reject the Minority Shareholder's offer; and</li> <li>▪ if rejected, the Minority Shareholder has 90 days to transfer its interest to a third party on terms no less favourable than in the Sale Offer, failing which, the right of first offer of the Majority Shareholder shall apply again.</li> </ul>
<b>13. Tag along rights</b>	<p>If the Majority Shareholder wishes to sell its shareholder interests, such transfer can only proceed if the third party first makes an offer to the Minority Shareholder to acquire its shareholder interest.</p>
<b>14. Dividend policy</b>	<p>Following commencement of commercial production, a compulsory dividend and distribution policy will be implemented.</p>
<b>15. Access to Information</b>	<p>Management shall keep the Shareholders and JVCo Board informed on a timely basis as to the status of operations and submit regular reports to the Shareholders and JVCo Board as agreed between the parties.</p>

(c) **Features of a JVCo shareholding**

Unless it makes the Election, the Relevant Shareholder will receive JVCo Shares, being shares in JVCo, a BVI Business Company incorporated in the British Virgin Islands (**BVI**),

in exchange for its BRV Shares. JVCo Shares will not be listed for trading on a securities exchange.

This section (c) sets out the key features of holding an investment in a BVI Business Company generally and in JVCo specifically. The features are a product of both BVI law and the key terms of the JVCo Shareholders Agreement and the JVCo MAA. The Relevant Shareholder should be aware that these features differ considerably from the features which apply to holding an investment in an ASX-listed company such as BRV.

It is important to note that this summary does not purport to be a complete review of all matters of Australian and BVI company law or highlight all differences between equivalent laws in each jurisdiction.

(i) **Overview of incorporation differences**

JVCo is an unlisted special purpose vehicle which has been incorporated under the BVI Business Companies Act, 2004 (as amended) of the British Virgin Islands (BCA) as a BVI Business Company limited by shares.

Neither the rules in the Corporations Act relating to Australian companies (including in relation to takeovers and minority protection rights) nor the Listing Rules apply, or will come to apply, to JVCo. Instead, the BCA will apply to JVCo. The BCA does not contain all of the same protections for shareholders as those contained in the Corporations Act and the Listing Rules.

(ii) **Overview of constituent document differences**

JVCo's relationship with its shareholders will be governed by the JVCo Shareholders Agreement and JVCo MAA (in addition to the BCA and the common law of the British Virgin Islands).

BRV's relationship with its shareholders is governed by its constitution (lodged with the ASX on 21 August 2019).

The BRV constitution may be modified following implementation of the Scheme by a special resolution passed by what would then be BRV's sole shareholder, Aura BidCo. Aura BidCo will be controlled by JVCo, which will in turn be controlled by Aura and the Relevant Shareholder upon implementation of the Scheme, subject to the rights and obligations in the JVCo Shareholders Agreement.

(iii) **Overview of legislative differences**

The following table summarises some of the key differences between Australian and BVI company laws (including the Listing Rules as they currently apply to BRV) as they are expected to apply to JVCo and the Relevant Shareholder. It is not intended to be, and is not, an exhaustive list of all of the differences between Australian and BVI company law.

BRV (Australia)	JVCo (BVI)
<b>Continuous disclosure and shareholder reports</b>	
BRV must comply with Chapter 3 of the Listing Rules which requires immediate disclosure to the market of certain material price sensitive information.  The Listing Rules and Corporations Act contain requirements for the disclosure of half year and annual reports, and quarterly disclosure in certain circumstances. Financial reports are required to include, among other things, financial statements and notes, a directors' declaration that the disclosing entity will be able to meet its debts as and when they become due and payable, and the directors' opinion that the financial statements and notes comply with accounting standards and give a	The BCA imposes no general obligation on JVCo to make any disclosures or provide reports to its shareholders in connection with material events affecting the business, except in circumstances where shareholder approval of the event is required.

true and fair view of the financial performance of the company.

#### **Filing of documents / access to information**

The Corporations Act requires a corporation to file various documents with ASIC, including its accounts and notification of changes to its constitution (in respect of public companies). Documents filed with ASIC are available to the public.

The Corporations Act also provides for a statutory right to apply to a court for an order permitting the member to inspect the books of a company.

The BCA does not require JVCo to file or share any documents publicly. However, the JVCo Shareholders Agreement will set out information sharing requirements between JVCo and its shareholders.

#### **New share issues**

The BRV Board has the power to cause BRV to issue shares, subject to the law. Listing Rule 7.1 broadly prohibits share issues exceeding 15% of BRV's share capital in any 12 month period without shareholder approval, but subject to certain exceptions. Chapter 7 of the Listing Rules also imposes limits on the ability of BRV to issue securities under a rights issue, dividend or distribution plan or during a takeover unless prescribed conditions are met.

Subject to any restrictions in the JVCo Shareholders Agreement, the JVCo Board shall have the power to issue any unissued shares of JVCo on such terms and conditions as it may determine. Any shares or class of shares may be issued with such rights, restrictions, privileges and benefits, and are stated as applying to each class of shares in the JVCo MAA. Under the BCA, a share having a par value may not be issued for consideration that is less than the par value of share.

#### **Transfer of shares**

Shares are generally freely tradeable. The directors may refuse to register a transfer of shares only if that refusal would not contravene the Listing Rules or the ASX Settlement Operating Rules. The directors must refuse to register a transfer of shares if the Listing Rules require the Company to do so or the transfer is a breach of the Listing Rules.

Subject to the transfer restrictions set out in the JVCo Shareholders Agreement, shares may be transferred by a written instrument of transfer signed by the transferor which contains the name and address of the transferee. The transfer of a share is effective when the name of the transferee is entered on the register of members. The directors may not resolve to refuse or delay the transfer of a share unless the relevant shareholder has failed to pay an amount due in respect of that share.

## Transactions with related parties / persons in a position of influence

### *Related parties*

The Corporations Act prohibits BRV from giving a related party a financial benefit unless it:

- obtains the approval of shareholders and gives the benefit within 15 months after receipt of such approval; or
- the financial benefit is exempt (e.g., indemnities, insurance premiums and payments for legal costs which are not otherwise prohibited by the Corporations Act and benefits given on arm's length terms).

BRV must comply with Chapter 10 of the Listing Rules which imposes certain restrictions on persons in a position of influence, including related parties and substantial shareholders from entering certain transactions with BRV without shareholder approval.

### *Directors with a personal interest*

The Corporations Act generally requires a BRV Director who has a material personal interest in a matter that relates to the affairs of BRV to give the other BRV Directors notice of that interest. That BRV Director must not be present at a meeting where the matter is being considered or vote on the matter unless the other BRV Directors or ASIC approve, or the matter is not one which requires disclosure under the Corporations Act. Under the Corporations Act, failure of an BRV Director to disclose a material personal interest, or voting despite a material personal interest, does not affect the validity of the resolution in which the BRV Director has an interest. BRV Directors, when entering into transactions with BRV, are subject to the common law and statutory duties to avoid conflicts of interest.

### *Related parties*

A director is obliged to disclose any interests they may have in a transaction to be entered into by JVCo, although, in accordance with the JVCo MAA, they will remain entitled in certain circumstances to vote on the transaction, attend meetings in relation to it and be counted for the purposes of the quorum as described above. Should they fail to do so, the transaction will be voidable by JVCo, unless the material facts of the interest are disclosed to the JVCo shareholders and the JVCo shareholders nevertheless ratify or approve the transaction, or JVCo receives fair value for it.

The JVCo Shareholders Agreement will set out additional restrictions and requirements for related party transactions.

## Protection of minorities

Under Australian corporate law, in certain circumstances minority shareholders may:

- pursue a claim of oppression against a company;
- commence a derivative action;
- apply for an order to inspect a company's books; and

apply to have a company wound up.

The BCA contains a series of remedies available to shareholders. Where JVCo conducts some activity which breaches the BCA (or the JVCo MAA), the court can issue a restraining or compliance order.

Shareholders can also bring the following actions:

- derivative actions, which may be brought at the discretion of the court;
- personal actions for breach of a duty owed by the company to the shareholder as a member; and

representative actions: where a member of a company brings proceedings against the company and other members have the same or substantially the same interest in relation to the proceedings, the court may appoint that member to represent all or some of the members having the same interest.

### **Change of activities / disposal of main undertaking**

Chapter 11 of the Listing Rules require a listed entity to obtain shareholder approval in certain circumstances (and where required by the ASX) if it proposes to make a significant change to the nature or scale of its activities.

There are no requirements for JVCo or the directors to obtain the consent of shareholders on a change of the business of JVCo under the BCA.

### **Meetings of shareholders and shareholder approvals**

The Corporations Act requires BRV to hold an annual general meeting at least once in each calendar year, and within five months after the end of its financial year. Under the BRV constitution, BRV directors may convene a general meeting whenever they think fit and must do so as required under the Corporations Act.

A notice of a general meeting of BRV Shareholders must be given at least 28 days before the date of the meeting.

Under the Corporations Act, BRV Shareholders holding at least 5% of the votes that may be cast at a general meeting may by written notice to BRV propose a resolution for consideration at the next general meeting, which must occur more than two months after the date of the notice.

Under the BRV constitution, all matters to be passed at a general meeting require a simple majority unless the Corporations Act and the Listing Rules provides otherwise. Under the Corporations Act, an amendment to the constitution or to change the name of BRV requires a special resolution (passed by 75% or more of the votes cast on the resolution), amongst other matters which require passage by special resolution.

There is no requirement for JVCo to hold an annual general meeting under the BCA. The JVCo Board may convene a meeting of JVCo shareholders whenever in its judgement such a meeting is necessary or it is requested to do so by a shareholder holding 30% or more of the issued JVCo Shares.

The JVCo Shareholders Agreement will set out the minimum notice requirements to convene a shareholder meeting and the matters which require shareholder approval.

### **Appointment of directors**

The BRV Directors may appoint additional directors themselves. Shareholders may also appoint directors by resolution passed in general meeting. Subject to the Listing Rules, under the BRV constitution a BRV Director must not hold office without re-election past the third annual general meeting following the BRV Director's appointment or last election, or for more than 3 years (whichever is the longer).

Under the BCA, directors may be appointed by a resolution passed by shareholders or directors.

Under the JVCo Shareholders Agreement, the JVCo shareholders will be entitled to nominate the JVCo directors. The number of directors a shareholder is entitled to nominate will depend on the percentage of that shareholder's interest in JVCo.

### Payment of dividends and distribution

In accordance with the Corporations Act, BRV must not pay a dividend unless:

- BRV's assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment of the dividend;
- the payment of the dividend is fair and reasonable to BRV Shareholders as a whole; and
- the payment of the dividend does not materially prejudice BRV's ability to pay creditors.

Subject to the Corporations Act, and the terms of issue or rights of any shares with special arrangement as to dividends, and BRV's constitution, BRV Directors may decide to pay a dividend to the BRV Shareholders entitled to the dividend. BRV Directors may rescind a decision to pay a dividend if they decide before the payment date, that BRV's financial position no longer justifies the payment.

The Corporations Act and general law contains a number of statutory duties which are imposed on directors, including the duty of due care and diligence, good faith and avoidance of improper use of position or information.

Under the BCA, a distribution (which includes a dividend) must be authorised by a director resolution which includes a determination that, immediately after making the distribution, JVCo's assets will exceed its liabilities and it will be able to pay its debts when due.

The JVCo Shareholders Agreement will require that dividends will be declared in accordance with JVCo's dividend policy.

### Directors duties

The Corporations Act and general law contains a number of statutory duties which are imposed on directors, including the duty of due care and diligence, good faith and avoidance of improper use of position or information.

The BCA and BVI common law contain a number of statutory and fiduciary duties which are imposed on directors, including the duty to act in the best interests of JVCo, the duty of due care and diligence, the duty to act in good faith and the duty to act for a proper purpose.

### Takeovers, compulsory acquisition, and substantial holdings

Chapter 6 of the Corporations Act sets out Australia's takeover regime. This regime is supplemented by ASIC Regulatory Guides and guidance notes issued by the Australian Takeovers Panel.

The Corporations Act contains certain takeover protections, including provisions:

- in relation to substantial shareholder notice requirements;
- prohibiting increases in holdings from 20% or below to above 20%, or from a starting point above 20% and below 90% of an Australian listed entity or any Australian entity with more than 50 members ('the 20% stop rule' provisions), unless an exception, such as a takeover bid or scheme of arrangement, applies;

There are no requirements under the BCA for shareholders to declare their interests in the shares of JVCo. The British Virgin Islands does not have rules which are similar to those contained in Chapter 6 of the Corporations Act relating to takeovers.



- permitting compulsory acquisition by holders of 90% or more of the relevant shares;
- providing for minimum consideration requirements; and
- prohibiting the provision of collateral benefits by bidders to some (but not all) shareholders.

The takeover regime in Chapter 6 contains a range of rules designed to provide investors with sufficient time and detailed disclosure requirements relating to a takeover bid so that they may assess the offer put to them by the bidder.

(d) **Risks associated with JVCo Shares**

Risk factors that apply to an investment in JVCo following implementation of the Scheme (including as a result of the operation of the JVCo Shareholders Agreement) are materially different from those that apply to the Relevant Shareholder's existing investment in BRV.

Some of the key risk factors applying to an investment in JVCo following implementation of the Scheme are as follows:

<b>x</b>	<p><b>Liquidity and disposal of JVCo Shares</b></p> <p>JVCo is an unlisted company incorporated in the British Virgin Islands and there will be no public market for the trading of JVCo Shares, nor is there expected to be any such market in the near future. Additionally, the JVCo Shareholders Agreement will include restrictions on how the Relevant Shareholder may dispose of JVCo Shares. The lack of liquidity associated with JVCo Shares may affect the price that another person is willing to pay for those JVCo Shares (notwithstanding the financial performance of JVCo and its subsidiaries might suggest the value of those JVCo Shares is higher).</p>
<b>x</b>	<p><b>Australian Corporations Act provisions and protections will not apply to JVCo</b></p> <p>As JVCo will be a British Virgin Islands incorporated company, the provisions of the Australian Corporations Act that apply to BRV will not apply to JVCo, and the equivalent provisions of the BVI Business Companies Act (if any) may not afford the holders of JVCo Shares the same protections. Differences (which may be potentially significant) between corporate regulation in Australia and BVI may exist in the following areas:</p> <ul style="list-style-type: none"> <li>▪ takeovers and compulsory acquisition;</li> <li>▪ directors' duties;</li> <li>▪ protection of minorities and oppression remedies;</li> <li>▪ related party transactions;</li> <li>▪ filing of documents, access to information and shareholder reporting;</li> <li>▪ shareholder approvals;</li> <li>▪ removal of directors; and</li> <li>▪ issue of shares.</li> </ul> <p>Refer to Section 6.9(c) above for further details in respect of some of these differences.</p>
<b>x</b>	<p><b>ASX Listing Rules protections will not apply to JVCo</b></p> <p>As the Listing Rules will not apply to JVCo, investor protections currently available to the Relevant Shareholder in respect of its BRV Shares under the Listing Rules will not apply to JVCo Shares. For example, except as required under the JVCo Shareholders Agreement or BVI company regulations, JVCo is not subject to any requirements:</p> <ul style="list-style-type: none"> <li>▪ to disclose material price sensitive information to its shareholders;</li> </ul>

	<ul style="list-style-type: none"> <li>▪ to ensure that classes of security are appropriate and equitable (including with respect to voting rights of holders of JVCo Shares);</li> <li>▪ to seek shareholder approval for the issue of new securities (subject to various exceptions), which could result in the Relevant Shareholder being more easily diluted;</li> <li>▪ in relation to the entry into transactions with persons in a position of influence such as related parties, or substantial holders, so that such transactions may not require shareholder approval; and</li> <li>▪ restricting JVCo from making significant changes to the nature or scale of JVCo's activities without shareholder approval.</li> </ul>
<b>x</b>	<p><b>JVCo decision making</b></p> <p>Subject to the terms of the JVCo Shareholders Agreement and JVCo MAA, the Relevant Shareholder may not have the ability to determine decisions affecting JVCo, both those made at meetings of the board of directors of JVCo and at any general meeting of JVCo shareholders. Therefore, certain decisions can be made in respect of JVCo without obtaining the approval of the Relevant Shareholder.</p> <p>Refer to Section 6.9(b) above for further details in respect of JVCo decision making.</p>
<b>x</b>	<p><b>Funding requirements</b></p> <p>Subject to decision making in accordance with the terms of the JVCo Shareholders Agreement and JVCo MAA, it is expected that JVCo will pursue the development of the Borborema Gold Project and potentially other initiatives that require funding. As an unlisted company, JVCo may not have the same suite of funding alternatives available to it.</p>
<b>x</b>	<p><b>Reporting requirements</b></p> <p>As an unlisted company, there will not be any requirement for the consolidated JVCo group financial statements to include a corporate governance report, a declaration by the CEO and CFO that the statements give a true and fair view, an 'operating and financial review' nor a directors' report for each half-year.</p>
<b>x</b>	<p><b>Future distributions</b></p> <p>Subject to the terms of the JVCo Shareholders Agreement and JVCo MAA, future distributions will be determined by the JVCo Board. There is no guarantee that future distributions will be paid or, if they are paid, the amount of such distributions.</p>
<b>x</b>	<p><b>Exit of investment in BRV</b></p> <p>JVCo may seek to exit its investment in BRV at some time in the future subject to then prevailing market conditions, the business' performance and other factors which may be considered relevant at the time. There is no guarantee that the Relevant Shareholder will be able to achieve an exit in respect of their JVCo Shares if a decision for exit is not made by JVCo. Conversely, there is no guarantee that the Relevant Shareholder will want to exit their investment in JVCo Shares at the same time as the decision for exit is made by JVCo. The Relevant Shareholder may not agree with the exit strategy adopted or decisions made by JVCo generally, and may not receive the price and return on investment it expects.</p>
<b>x</b>	<p><b>Ongoing BRV and Borborema Gold Project risks</b></p> <p>JVCo Shares will represent an indirect equity interest in the business currently carried on by BRV. Accordingly, whilst other BRV Shareholders will cease to be exposed to these risks on implementation of the Scheme, its holding of JVCo Shares will continue to expose the Relevant Shareholder to a variety of business risks that it is currently exposed to as a BRV Shareholder.</p>

This is a summary of certain risks associated with an investment in JVCo following implementation of the Scheme. It is not intended to be, and is not, an exhaustive list of all of the risks associated with such an investment.

## **6.10 Additional information regarding Aura**

### **(a) Interest in BRV Shares**

Aura and its related entities each have a relevant interest in the 42,500,000 BRV Shares held by the Relevant Shareholder pursuant to the Cooperation and Commitment Deed between Aura and the Relevant Shareholder, as summarised in Section 6.8 above. As at the Last Practicable Date, as a result of the Cooperation and Commitment Deed, Aura and its related entities each have voting power of 17.55% in BRV.

Relevantly, the Cooperation and Commitment Deed prescribes that the Relevant Shareholder:

- (i) must vote (or procure that the Custodian (as that term is defined in the Cooperation and Commitment Deed) votes) all BRV Shares that it has a Relevant Interest in favour of the Scheme at the Scheme Meetings; and
- (ii) must not, and each of its respective related bodies corporate and Associates do not, vote in favour, become involved in, accept or make any public statement that they will accept, vote in favour or otherwise support a Third Party Transaction (as that term is defined in the Cooperation and Commitment Deed).

A complete copy of the Cooperation and Commitment Deed was attached to the initial substantial holder notice lodged with the ASX by Aura on 20 April 2022 and can be obtained from [www.asx.com.au](http://www.asx.com.au).

### **(b) Dealing in BRV Shares in the previous four months**

Other than as contemplated in the Cooperation and Commitment Deed, neither Aura, nor to its knowledge, its Associates (including the Relevant Shareholder), have provided or agreed to provide any consideration for any BRV Shares under any other transaction during the period of four months before the date of this Scheme Booklet.

### **(c) Benefits to holders of BRV Shares**

During the four months before the date of this Scheme Booklet, except as disclosed in this Scheme Booklet, neither Aura, nor to its knowledge, its Associates (including the Relevant Shareholder), have given or offered to give or agreed to give a benefit to another person where the benefit was likely to induce the other person or an associate to vote in favour of the Scheme or dispose of BRV Shares, where the benefit was not offered to all BRV Shareholders.

### **(d) Benefits to BRV officers**

Neither Aura, nor to its knowledge, its Associates (including the Relevant Shareholder), will be making any payments or giving any benefit to any current officers of BRV as compensation or consideration for, or otherwise in connection with, their resignation from their respective offices if the Scheme is implemented.

### **(e) No other Information**

Except as disclosed elsewhere in this Scheme Booklet, there is no other information relating to Aura that is material to the making of a decision in relation to the Scheme, being information that is within the knowledge of any director of Aura, at the date of this Scheme Booklet, which has not been previously disclosed to BRV Shareholders.

## 7. Risk Factors

The risks in this Section 7 are existing risks relating to BRV's business and the industry in which it operates.

The IBC considers that it is appropriate for BRV Shareholders, in considering the Scheme, to be aware there are a number of risks which could materially and adversely affect the future operating and financial performance, and value, of BRV.

Section 7.1 outlines some general investment risks relating to an investment in BRV and Section 7.2 outlines some specific risks relating to an investment in BRV. Section 7.3 acknowledges other unknown risks associated with your investment in BRV.

If the Scheme is implemented, you will cease to be a BRV Shareholder and will also no longer be exposed to the risks set out below.

If the Scheme is not implemented, you will continue to hold your BRV Shares and continue to be exposed to risks associated with that investment and the risks set out below.

You should carefully consider the risks discussed in this Section 7, as well as the other information contained in this Scheme Booklet, before making a decision how you will vote at your relevant Scheme Meeting.

The risks below are general in nature only and do not take into account your individual objectives, financial situation, tax position or particular needs.

Risks relevant to the Relevant Shareholder's acquisition of the JVCo Shares are set out in Section 6.

### 7.1 General market risks

The market price of BRV Shares may be influenced by a number of general factors, including:

#### (a) Economic conditions

Economic conditions, including in Australia, Brazil and more generally globally, may affect the operational and financial performance of BRV. Factors such as fluctuations in currencies, commodity prices, inflation, interest rates, supply and demand and industrial disruption may have an impact on capital, development and other operating costs and share market prices. BRV's future possible operational performance and revenues as well as the BRV Share price can be affected by these factors, all of which are beyond the control of BRV or its Directors.

#### (b) Market conditions

Share market conditions may affect the value of BRV Shares regardless of BRV's operating and financial performance. Share market conditions are impacted by many factors including but not limited to:

- general economic outlook;
- inflation rates, monetary policy, official interest rates and resulting bank lending and savings rates;
- changing risk and return relativities of alternative investment classes such as currencies, commodities, fixed interest, equities, property, and cryptocurrencies as well as changes in equity investor and debt lender sentiment toward particular market sectors and geographies;
- the demand for as well as the supply and cost of capital;
- introduction of fiscal, tax reform or other new legislation;
- civil unrest, terrorism or other hostilities, including but not limited to the current hostilities in Ukraine and Russia (and its flow on effects) and the developing human and economic impacts on the supply of labour, food and commodities necessary for societies, economies and industrial developments to function properly; and
- more recently, first nations empowerment, decarbonisation, social and similar agendas and investment mandates.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general as well as mineral exploration and development stocks in particular. Neither BRV nor the BRV Directors warrant the future performance of BRV or any return on an investment in BRV.

(c) **Unforeseen expenditure risk**

Expenditure may need to be incurred that has not been taken into account by BRV. Although BRV is not aware of any such additional expenditure requirements, if such expenditure is subsequently incurred, this may adversely affect the expenditure proposals of the BRV.

(d) **Insurance**

While the BRV Group may obtain insurance against certain risks in such amounts as it considers adequate, the nature of these risks are such that liabilities could exceed policy limits or that certain risks could be excluded from coverage. There are also risks against which the BRV Group cannot insure against or which it may elect not to insure. The potential costs that could be associated with any liabilities not covered by insurance or in excess of insurance coverage may cause substantial delays and require significant capital outlays, adversely affecting the BRV Group's earnings and competitive position in the future and, potentially, its financial position. In addition, the potential costs that could be associated with compliance with applicable laws and regulations may also cause substantial delays and require significant capital outlays, adversely affecting the BRV Group's operating results, competitive position and potentially, its financial condition.

(e) **Security risk**

The business of BRV may be materially impacted by breaches of security, on-site or via technology, either by unauthorised access, theft, destruction, loss of information or release of confidential data. BRV's security measures may not be sufficient to detect or prevent such breaches of security.

(f) **Coronavirus (COVID-19)**

The outbreak of COVID-19 has materially impacted, and its going nature and variants thereof continues to impact, global markets. The nature and extent of the effect of the outbreak and subsequent variants and mutations on the ongoing development and performance of BRV remains unknown.

BRV's share price may be adversely affected in the short to medium term by the economic uncertainty caused by the ongoing effects of COVID-19 and its variants, particularly in Brazil and the Americas. Further, any governmental or industry measures taken in response to COVID-19 may adversely impact BRV's operations and are likely to be beyond the control of BRV and the Directors. The BRV Directors continue to monitor the situation and have considered the impact of COVID-19 on BRV's business and financial performance including the difficulties in managing the development of the Borborema Project from Australia. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain.

## **7.2 Specific risks relating to BRV and/or the industries in which it operates**

(a) **Corporate costs and Borborema Project funding**

Development of the Borborema Project will require significant capital contributions from BRV and access to external equity and debt financing, the availability and cost of which are presently unknown.

BRV and the Aura Group have agreed on a budget for BRV's expenditure and the Minimum Cash Balance.

However, BRV will need to fund the BRV Break Fee, one-off transaction costs and ongoing exploration, development and other costs associated with the ongoing development of the Borborema Project if the Scheme does not proceed.

The availability and terms of financing for development stage mining assets is uncertain and dependent on a number of factors including feasibility studies, use of funds, Borborema Project economics, a decision to mine, stock market and industry conditions,

Brazil and Americas risk perceptions and mine plan and contracting strategy as well as the price of relevant commodities and exchange rates.

There can be no assurance that financing will be available, or that, if available, the terms of such financing will be favourable to BRV. If BRV obtains debt financing, it will be exposed to the risk of leverage and its activities could become subject to restrictive loan covenants and undertakings. If BRV obtains equity financing, existing BRV Shareholders may suffer material dilution.

(b) **Borborema Project development risk**

The future value of BRV is materially dependent on the success or otherwise of the activities directed towards the development of the Borborema Project. Typically, new gold mining operations (particularly sole development projects) experience a range of problems during planning, development, construction and mine start-up, which delay the commencement of mineral production. Risks include uncertainties associated with projected continuity of ore deposits, fluctuations in grades and values of the gold being mined, and a range of potential unforeseen operational and technical problems. Development may also be adversely affected or hampered by a variety of non-technical issues such as limitations on activities due to land access, power and water infrastructure and supply, seasonal changes, industrial disputes, land claims, indigenous, heritage and environmental legislation, supply chain issues mining legislation and many other factors beyond the control of BRV.

Accordingly, there is no guarantee the Borborema Project will progress to profitable mining operations.

(c) **Mineral Resource and Ore Reserves estimates**

The information on the Borborema Project's Mineral Resources and Ore Reserves contained in Section 5.5 of this Scheme Booklet are estimates only. No assurance is given that any particular level of recovery of gold or other minerals will be realised or that an identified mineral deposit will ultimately become a commercially mineable (or viable) ore body which can be economically exploited. Mineral Resources and Ore Reserves estimates are expressions of judgment based on knowledge, experience and industry practice, and may ultimately prove to be inaccurate and require adjustment. Approximately 70% of the total Mineral Resources (0.5g/t Au cut-off) as measured by tonnage are not Ore Reserves.<sup>32</sup> Mineral Resources which are not Ore Reserves may not have demonstrated economic viability. Estimates, including those contained in this Scheme Booklet, are prepared in accordance with the JORC Code and are expressions of judgment based on knowledge, experience and industry practice, and may require revision based on actual production experience. This could affect BRV's eventual mining plans and ultimately BRV's financial performance and value. Estimates that are valid when made may change significantly as new information becomes available.

More particularly, estimates of recoverable quantities of Proved Ore Reserves and Probable Ore Reserves include assumptions regarding commodity prices, exchange rates, discount rates, production and transportation costs for future cash flows. Estimates also require interpretation of complex and difficult geological and geophysical models in order to make an assessment of the size, shape, depth, uniformity and quality of reserves and their anticipated recoveries now or in the future with the benefit of improving discovery, extraction, production and processing technologies or otherwise.

The economic, geological, and technical factors used to estimate reserves may change from time to time. Further, gold price fluctuations, as well as increased development and production costs or reduced throughput and/or recovery rates, may render resources containing relatively lower grades uneconomic and may materially affect resource estimations.

(d) **Mining operating and development risks**

The BRV Group ability to achieve production, development, operating cost and capital expenditure estimates on a timely basis cannot be assured. Gold mining involves a multitude of risks and may be impacted by factors including ore tonnes, plant commissioning throughputs and actual ramp-up, yield, input prices (some of which are unpredictable and outside the control of the BRV Group particularly in relation to price

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<sup>32</sup> Page II CSA Global Report №: R223.2022 – 47.8mt/68.6mt = 69.7%

impacts from unhealed supply chains resulting from COVID-19 and hostilities in Europe), overall availability of free cash to fund continuing development activities, labour force and/or mining contractor disruptions, cost overruns, changes in the regulatory environment and other unforeseen contingencies. Other risks also exist, including environmental hazards (including discharge of pollutants or hazardous chemicals), industrial accidents and occupational and health hazards. Such occurrences could result in damage to, or destruction of, production facilities, personal injury or death, heritage areas and places of social or cultural significance, watercourse and environmental damage, delays in mining, increased production costs and other monetary losses and possible legal liability to the owner or operator of the Borborema Project.

(e) **Mining risk in foreign jurisdictions, such as Brazil**

The BRV Group's development activities are conducted in Brazil and its operations are subject to regulation by central, state and/or local government bodies in relation to mining operations, environment, community relations and labour force.

The Borborema Project is exposed to various levels of political, economic and other risks and uncertainties which are typical in emerging and developing countries.

The exploration and development activities may be affected to varying degrees by political instability and changes in legislation and regulations relating to foreign investment and the mining industry. Changes, if any, in mining or investment policies or shifts in political attitude in Brazil may adversely affect BRV's development, operating and ultimately, share price performance.

Possible sovereign risks associated with operating in Brazil which may affect the BRV Group's mineral exploration and development activities to varying degrees, include without limitation:

- government regulations with respect to, but not limited to, restrictions on production, price or controls, royalty arrangements, exchange or export controls, currency remittance, income or other taxes, expropriation of property, foreign investment, maintenance of claims, cultural heritage and environmental legislation, land use, illegitimate land claims, availability and use of water and mine safety; and
- lack of certainty with respect to foreign legal systems, which may not be immune to the influence of political pressure, corruption or other factors inconsistent with the rule of law.

Failure to comply with unexpected changes in laws, regulations and permitting requirements may result in enforcement actions against the BRV Group, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, remedial actions, or in civil or criminal fines or penalties being imposed. Any amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse effect on the BRV Group, and the market price of BRV Shares, and potential increases in capital expenditures or production costs or delays in development of the Borborema Project. The occurrence of this materially wide range of factors and uncertainties can in no way be accurately predicted and could have a materially adverse effect on the Borborema Project and BRV's business, financial condition and share price.

(f) **Commodity price volatility**

If the Borborema Project is developed, the main source of revenue for BRV once production commences will be through gold sales. As a result, the financial performance of BRV will be exposed to gold price fluctuations. Changes in the market price of gold, which in the past has fluctuated widely, will affect the estimated profitability (at present) and actual profitability (in the future) of the Borborema Project and BRV's financial condition and in turn, the performance and price levels of BRV Shares.

Commodity prices are affected by numerous factors beyond the control of BRV and the Directors including the level of development, operating and production costs, as well as global and regional demand and supply factors, and macroeconomic factors such as expectations regarding inflation and interest rates, exchange rates, geo-political events, hostilities and war, demand for jewellery and industrial products containing gold, gold

production levels, inventories, cost of substitutes, changes in global or regional investment or consumption patterns, and sales by central banks, other holders and speculators, and global and regional political and economic factors. BRV and the Directors cannot provide any assurance as to the prices that may be achieved for gold and/or other commodities either now or in the future.

Any future production (and/or financing and development in the first instance) from the Borborema Project will be dependent upon commodity prices being adequate to make the Borborema Project economic. Future serious price declines in the market value of gold and/or other commodities could cause the development of, and any commercial production from, a project to be rendered uneconomic. This would materially and adversely affect financing and development and/or production, profitability and BRV's financial position. A decline in the market price of gold may require BRV to write down its Ore Reserves and Mineral Resources estimates which would have a material and adverse effect on its ability to be financed and development. Should any significant write-down in Ore Reserves and Mineral Resources estimates be required, material write-down of BRV's investment in the Borborema Project and increased amortisation may also be required.

**(g) Foreign currency exchange risk**

Currency fluctuations may affect the BRV Group's capital and operating expenses and the cash flow that the BRV Group hopes to realise from its operations. BRV currently reports its financial results in Australian dollars and its operating and capital expenses are largely incurred in Brazilian reals, while the market for gold and other base metals is predominantly denominated in US dollars. The BRV Group's assets and liabilities will be subject to exchange rate fluctuations which could have a material adverse effect on the BRV Group. Fluctuations in exchange rates between currencies in which the BRV Group is exposed to relative to Australian dollars may cause fluctuations in its financial results. In addition, once the BRV Group has commenced production, the appreciation of the Brazilian real, against the United States dollar would increase the costs of gold production at such mining operations, which could materially and adversely affect the BRV Group's earnings and financial condition. The BRV Group may also be exposed to foreign currency risk from investments, costs, revenues and borrowings in a variety of international currencies. The BRV Group does not currently hedge against foreign currency risk. As the BRV Group cannot predict the effect of exchange rate fluctuations upon future operating results, there can be no assurance that exchange rate fluctuations will not have a material adverse effect on its business, operating results or financial condition.

**(h) Local social issues**

The availability of skilled labour in the local community around the Borborema Project is limited and a certain amount of non-local labour will likely be required. These have been and may continue to be exacerbated by any ongoing or returning responses to COVID-19 restricting the availability of skilled local and foreign labour in Brazil. Any influx of non-local labour has potential to cause disruption to the Borborema Project, if it is developed, and potential future operations, and may put a strain on BRV's social licence to operate. Any perception of unfair recruitment practices for local labour along with conflict between local groups has the potential to disrupt the development of the Borborema Project.

**(i) Title**

All of the permits or licences in which the BRV Group holds interests will be subject to applications for renewal or grant (as the case may be). The renewal or grant of the terms of each permit or licence is usually at the discretion of the relevant Governmental Authority.

There may be divergences between the practices adopted by any such Governmental Authority and the strict requirements of law. Additionally, permits are subject to a number of government specific legislative conditions. The inability to meet these conditions, or a Governmental Authority having acted outside of its powers, could affect the standing of a permit or restrict its ability to be renewed. If a permit or licence is not renewed or granted, or is made subject to additional limitations, the BRV Group may suffer significant damage



through loss of the opportunity to develop and discover any mineral resources on that permit or licence.

(j) **Land acquisition**

Land acquisition to establish a 69kV power line from Currais Novos to the Borborema Project has the potential to impact both the Borborema Project development schedule along with the budget. Further compensation amounts may have to be agreed with local land holders, but no assurances can be given as to the final outcome of land acquisition and compensation at this stage.

(k) **Remote operations**

Whilst the BRV Group's primary asset at Borborema is not located in a remote location, any future assets that are may be susceptible to limitations associated with costs and availability of transportation, availability of personnel, specialist services, parts, equipment and supplies on a timely basis.

(l) **Payment obligations**

Under the exploration permits and licences and certain other contractual agreements to which the BRV Group is, or may in the future become party, the BRV Group is or may become subject to expenditure and other obligations. In particular, the permit holders are required to expend the funds necessary to meet the minimum work commitments attaching to the permits and licences. Failure to meet these work commitments will render the permit liable to be cancelled. Further, if any contractual obligations are not complied with when due to be performed, in addition to any other remedies which may be available to other parties, this could result in dilution or forfeiture of interests held by the BRV Group and have a material adverse effect on its business, financial condition and prospects.

(m) **Environmental risks**

The operations and activities of the BRV Group are subject to Brazilian environmental laws and regulations. As with most exploration projects and mining operations, BRV's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. Such impact can give rise to substantial costs for environmental rehabilitation, damage, control and losses. Failure to meet environmental conditions could lead to loss of property, litigation and terminal loss of BRV's assets and undertakings. Any such events would have a materially adverse impact on the price of BRV Shares.

(n) **Contractual risks**

The development of the Borborema Project will rely significantly on strategic relationships with other entities and on a good relationship with regulatory and government authorities, indigenous, landholder and other interest holders. The BRV Group will also need to rely on third parties to provide essential contracting services for the Borborema Project. There can be no assurance that existing relationships will continue to be maintained or that new ones will be successfully formed, and the BRV Group could be adversely affected by changes to such relationships or have difficulties in identifying and forming new and alternative relationships.

(o) **Litigation risks**

Legal proceedings may arise from time to time in the course of the BRV Group's activities. The BRV Group is not currently involved, either directly or indirectly, as claimant or defendant, in any material litigation, claim, arbitration or dispute, that has or could have a material effect on its financial position, and the Directors do not know of any proceedings pending or threatened or of any facts likely to give rise to any proceedings which might materially and adversely affect the BRV Group's position or business. There can be no assurance that there will be no such further proceedings in the future that could affect the reputation, business or performance of the BRV Group. Defence and settlement costs can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, there can be no assurance that the resolution of any particular legal proceeding or any adverse publicity surrounding such claim will not have a

material adverse effect on the BRV Group's business, reputation, prospects, financial condition or results of operations.

(p) **Joint venture risks**

BRV may in the future become a party to joint venture agreements governing the exploration and development of its projects.

There are risks that a joint venture partner may:

- have economic or business interests or targets that are inconsistent with those of the BRV Group;
- take action contrary to the BRV Group's policies or objectives with respect to their investments, for instance by veto of proposals in respect of joint venture operations;
- be unable or unwilling to fulfil their obligations under the joint venture or other agreements; or
- experience financial or other difficulties.

Any of the foregoing may have a material adverse effect on the results of operations or financial condition of the BRV Group. In addition, the termination of these joint venture agreements, if not replaced on similar terms, could have a material adverse effect on the results of operations or financial condition of the BRV Group.

In addition, in certain circumstances, the BRV Group may be liable for the acts or omissions of its partners. If a third party pursues claims against the BRV Group or against a joint venture vehicle in which the BRV Group has an interest as a result of the acts or omissions of the BRV Group's partners, the BRV Group's ability to recover from such partners may be limited. Recovery under such arrangements may involve delay, management time, costs and expenses or may not be possible at all which, in each case, could adversely affect the BRV Group's financial performance and condition.

(q) **Reliance on key personnel**

The responsibility of overseeing the day-to-day operations and the strategic management of BRV depends substantially on its senior management and its key personnel based in Australia and Brazil. There can be no assurance given that there will be no detrimental impact on BRV if one or more of these employees or contractors cease to be employed or contracted by BRV.

(r) **Competition risk**

The gold industry in which the BRV Group is involved is subject to domestic and global competition. Although the BRV Group will undertake all reasonable due diligence in its business decisions and operations, the BRV Group will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the performance and price levels of BRV Shares.

(s) **Tax**

Changes in tax laws in Australia, or the way they are interpreted, may adversely affect the BRV Group's financial position or performance.

(t) **Dividends**

BRV has never paid cash dividends on BRV Shares. BRV may choose to retain some or all of its future earnings, if any, to fund the development and growth of its business, thus reducing or eliminating the payment of cash dividends on BRV Shares for the foreseeable future. The payment of any future dividends will depend upon earnings and BRV's financial condition, current and anticipated cash needs and such other factors as the Board considers appropriate. As a result, BRV Shareholders may have to rely on capital appreciation, if any, to earn a return on investment in BRV Shares in the foreseeable future. The declaration, payment and amount of any future dividends of BRV will depend upon, among other things, BRV's earnings, financial position, cash requirements, availability of profits, as well as provisions for relevant laws or generally accepted

accounting principles from time to time. Furthermore, BRV may in the future become subject to contractual restrictions on, or prohibitions against, the payment of dividends.

### **7.3 Other risks associated with your investment in BRV**

Additional risks and uncertainties not currently known to BRV Group and its Directors may also have a material adverse effect on BRV's financial and operational performance and the price of BRV Shares. The information set out in Sections 7.1 and 7.2 does not purport to be, nor should it be construed as representing, an exhaustive list of all the risks affecting BRV Group, its business or an investment in BRV Shares.

## 8. Taxation implications

### 8.1 Introduction

This Section 8 provides a summary of the general Australian tax implications for BRV Shareholders on disposing of their BRV Shares under the Scheme and should be considered in conjunction with the rest of this Scheme Booklet.

This Section is relevant for Australian resident and foreign resident BRV Shareholders that hold their BRV Shares on capital account. This information relates only to BRV Shares, and not to other rights held over BRV Shares. This Section does not consider the Australian tax consequences for BRV Shareholders:

- who hold their BRV Shares as trading stock or as revenue assets;
- who hold their BRV Shares as assets used in carrying on a business or as part of a profit-making undertaking or scheme;
- who acquired their BRV Shares through an employee share, option or rights scheme;
- who are Australian tax residents but hold their BRV Shares as part of an enterprise carried on, at or through, a permanent establishment in a foreign country;
- who are foreign resident shareholders who have used their BRV Shares at any time in carrying on a business through a permanent establishment in Australia;
- that are financial institutions, insurance companies, partnerships, tax exempt organisations, trusts (except where expressly stated), superannuation funds (except where expressly stated) or temporary residents;
- who are temporary residents as that term is defined in section 995-1(1) of the Tax Act; or
- who are subject to taxation of financial arrangement rules in Division 230 of the Tax Act or the investment manager regime in Division 842 of the Tax Act in relation to gains and losses on their BRV Shares.

The information in this Section 8 is a guide only, and is based on the Australian taxation laws and practice in effect as at the date of this Scheme Booklet. It is not intended to be an authoritative or complete statement or analysis of the taxation laws applicable to the particular circumstances of every BRV Shareholder.

BRV Shareholders should seek independent professional advice regarding the taxation consequences disposing of their BRV Shares under the Scheme. BRV Shareholders who are tax residents of a country other than Australia should also take into account the tax consequences under the laws of their country of residence.

### 8.2 Taxation consequences of disposal of Scheme Shares by Australian residents – General Shareholders

The below is a summary of the income tax consequences relevant for Australian resident General Shareholders who dispose of their Scheme Shares under the Scheme.

Under the Scheme, General Shareholders will dispose of their Scheme Shares by way of transfer to Aura BidCo in exchange for Scheme Cash Consideration.

The disposal of Scheme Shares should constitute a capital gains tax (**CGT**) event for the General Shareholders. The CGT event should happen on the Implementation Date.

#### (a) Calculation of the capital gain or loss

Under the Scheme, General Shareholders should:

- make a capital gain if the capital proceeds received on disposal of their Scheme Shares are more than the cost base of those Scheme Shares; and
- make a capital loss if the capital proceeds received on disposal of their Scheme Shares are less than the reduced cost base of those Scheme Shares.

The capital proceeds received by a General Shareholder under the Scheme will be the Scheme Cash Consideration (i.e. \$0.36 per Scheme Share).

Where a capital gain is made, a General Shareholder's cost base of the Scheme Shares will broadly be the sum of the amount paid to acquire the relevant Scheme Shares and any non-deductible costs associated with the acquisition, holding and disposal of their Scheme Shares (e.g. brokerage fees and stamp duty).

Where a capital loss is made, the reduced cost base of the Scheme Shares is determined in a similar manner.

General Shareholders may be entitled to reduce any capital gain on the disposal of their Scheme Shares by applying the CGT discount (discussed below).

**(b) CGT discount**

Generally, the CGT discount should be available to General Shareholders who are individuals, trusts or complying superannuation funds that have held their Scheme Shares for at least 12 months before the time of their disposal (being the Implementation Date).

Broadly, the CGT discount rules enable the General Shareholders to reduce their capital gain (after the application of any available capital losses) by 50% for individuals and trusts and 33⅓% for complying superannuation funds.

The CGT discount is not available to General Shareholders that are companies.

The application of the CGT discount rules to a General Shareholder that is a trustee of a trust is complex, particularly where distributions to beneficiaries of the trust are attributable to discounted capital gains. General Shareholders that are trustees of trusts should obtain specific tax advice on the application of the CGT discount rules to them.

**(c) Net capital gains or losses**

If a General Shareholder makes a capital gain from the disposal of their Scheme Shares, that capital gain will be combined with any other capital gains that the General Shareholder has made for the income year. Subject to the relevant loss recoupment rules, any available capital losses (including capital losses available from prior years) can then be applied against the total capital gains made for the income year, following which the CGT discount (if available) is applied to any remaining discount capital gains.

A resulting net capital gain will be included in the General Shareholder's assessable income for the income year.

A resulting net capital loss cannot be deducted against other income for income tax purposes, but may be offset against any capital gains made in the current income year, or carried forward to offset capital gains made in future income years (before taking into account the CGT discount, if available). Specific loss recoupment rules apply to companies and trusts to restrict their ability to utilise capital losses in future years in some circumstances. General Shareholders should seek their own tax advice in relation to the operation of these rules.

### **8.3 Taxation consequences of disposal of Scheme Shares by foreign residents – General Shareholders and Relevant Shareholder**

**(a) Capital gains tax for foreign residents**

A foreign resident BRV Shareholder should be able to disregard any capital gain or capital loss that would otherwise arise in respect of the disposal of its BRV Shares unless the BRV Shares constitute *taxable Australian property (TAP)*.

BRV Shares will be TAP where both of the following conditions are satisfied:

- the foreign resident BRV Shareholder (together with its associates) holds 10% or more of the issued shares in BRV at the time of the CGT event resulting from the disposal of the Scheme Shares or for any continuous 12 month period within two years preceding the time of the CGT event (**non-portfolio interest**); and
- more than 50% of the market value of BRV is represented by direct or indirect interests in taxable Australian real property (broadly, Australian land interests or mining rights in respect of resources located in Australia) (**principal asset test**).

While BRV does not expect the principal asset test to be satisfied, any foreign resident BRV Shareholders that own more than 10% of the shares in BRV (on an associate inclusive basis), including the Relevant Shareholder, should obtain their own Australian tax advice in relation to their specific circumstances.

**(b) Foreign resident CGT payment rules**

Generally, foreign resident capital gains withholding at a rate of 12.5% of the capital proceeds applies to a transaction involving the acquisition of a share that is TAP from a 'relevant foreign resident'. A 'relevant foreign resident' for these purposes is any BRV Shareholder, at the time the transaction is entered into, that is:

- known or reasonably believed by Aura BidCo to be a foreign resident;
- reasonably believed by Aura BidCo to not be an Australian resident, and either has an address outside Australia or has authorised Aura BidCo to provide a financial benefit to a place outside Australia; or
- has a connection outside Australia of a kind specified in the regulations.

Provided that the BRV Shares are not TAP, the foreign resident capital gains withholding regime should not apply.

## **8.4 Stamp Duty**

No Australian stamp duty will be payable by a BRV Shareholder on the transfer of their Scheme Shares to Aura BidCo under the Scheme.

No Australian stamp duty should be payable by the Relevant Shareholder on the acquisition of JVCo Shares under the Scheme, unless by reason of the acquisition the Relevant Shareholder commences to hold an associated person or associated transaction inclusive interest of 50% or more in JVCo. For these purposes an 'interest' is generally a right to receive property from JVCo upon a distribution of all its property to its shareholders. The Relevant Shareholder should seek its own independent advice as to the stamp duty implications applicable to its particular circumstances.

## **8.5 GST**

The disposal of Scheme Shares or acquisition of JVCo Shares by a BRV Shareholder pursuant to the Scheme should not be subject to GST, either as an input taxed financial supply, or an out-of-scope supply (depending on the circumstances of the BRV Shareholder).

BRV Shareholders may be charged GST on costs (such as third party brokerage or advisor costs) that relate to their participation in the Scheme. BRV Shareholders may not be entitled to claim full input tax credits for the GST included in such costs that relate to the disposal of Scheme Shares or acquisition of JVCo Shares.

BRV Shareholders should obtain independent advice in relation to the impact of GST on their individual circumstances.

## 9. Additional Information

### 9.1 Introduction

This Section sets out the statutory information required by section 412(1)(a) of the Corporations Act and Part 3 of Schedule 8 to the *Corporations Regulations 2001* (Cth) to be included in this Scheme Booklet, but only to the extent that this information is not otherwise disclosed in other Sections. This Section also includes additional information that your Directors consider material to a decision on how to vote on the resolution to be considered at your applicable Scheme Meeting.

In this Section, the terms 'associate', 'marketable securities', 'related body corporate' and 'subsidiary' have the meanings given to them in the Corporations Act. The term 'executive officer' is used to mean 'senior manager' as defined in the Corporations Act, including the company secretary.

### 9.2 BRV Directors' interests in any contracts with Aura

Adrian Goldstone holds a professional role with an entity affiliated with the Relevant Shareholder (in which Aura has a relevant interest under section 608(8) of the Corporations Act). Accordingly, Mr Goldstone is not a member of the IBC and has elected to not make a recommendation in relation to the Scheme.

No other BRV Director (or any of his associates) has entered into, or otherwise holds any interest in, any contract entered into by Aura or any of its associates.

### 9.3 BRV Directors' interests in agreements or arrangements connected with or conditional on the Scheme

No Director has an interest in any agreement or arrangements connected with or conditional on the Scheme, other than as set out below:

Director	Benefit
John Cathcart	Mr Cathcart holds or controls 750,000 BRV Shares and is expected to receive a benefit of approximately \$270,000 (before tax) on the implementation of the Scheme, being the value of Scheme Cash Consideration in relation to those BRV Shares.
Beau Nicholls	Mr Nicholls holds or controls 650,000 BRV Shares and is expected to receive a benefit of approximately \$234,000 (before tax) on the implementation of the Scheme, being the value of Scheme Cash Consideration in relation to those BRV Shares.
Andrew Richards	<p>Mr Richards holds or controls 4,437,500 BRV Shares and 8,750,000 Performance Rights.</p> <p>If the Scheme becomes Effective, the vesting rights attaching to Mr Richards' Performance Rights will be automatically waived in accordance with the rules under which the Performance Rights were issued. Further, ASX has granted BRV a waiver from Listing Rule 6.23.3 to permit the extension of the expiry date for 3,750,000 Performance Rights (valued at \$1,350,000 upon exercise, calculated on the basis of the Scheme Cash Consideration) held by Mr Richards from 30 June 2022 to 31 December 2022, as detailed in Section 1.19. The waiver is conditional on the Scheme becoming Effective.</p> <p>On the Scheme becoming Effective, Mr Richards will hold or control a total of 13,187,500 BRV Shares and is expected to receive a benefit of approximately \$4,747,500 (before tax) on the implementation of the Scheme, being the value of Scheme Cash Consideration in relation to those BRV Shares.</p>
Adrian Goldstone	Mr Goldstone holds a professional role with an entity affiliated with the Relevant Shareholder. As detailed in 6.3(e), it is also contemplated that Mr Goldstone will be appointed to the JVCo Board following the Implementation Date.

## **9.4 Termination and Retirement benefits**

No payment or other benefit is proposed to be made or given in connection with the Scheme to any director, secretary or executive officer of BRV, or of any Related Entity of BRV, as compensation for loss of, or as consideration for, or in connection with, his or her retirement from office in BRV or in a Related Entity.

## **9.5 Directors' intentions regarding the business, assets and employees of BRV**

If the Scheme is approved and implemented, the existing BRV Board will be reconstituted in accordance with the instructions of Aura BidCo as the only shareholder in BRV. Accordingly, it is not possible for your BRV Directors to provide a statement of their intentions regarding:

- the continuation of the business of BRV or how BRV's existing business will be conducted after the Scheme is implemented;
- any major changes to be made to the business of BRV, including any redeployment of the fixed assets of BRV; or
- the future employment of the present employees of BRV,

in each case, after the Scheme is implemented.

If the Scheme is approved and implemented, Aura BidCo will have 100% ownership of BRV's issued Shares and will control BRV.

Details regarding Aura's intentions in relation to BRV are set out in Section 6.7.

## **9.6 No unacceptable circumstances**

The IBC believes that the Scheme do not involve any circumstances in relation to the affairs of BRV that could reasonably be characterised as constituting unacceptable circumstances for the purposes of section 657A of the Corporations Act.

## **9.7 Copulos Group voting intention statement**

As announced on 20 April 2022, Copulos Group, a former major shareholder which held 18.8% of the total number of BRV Shares on the day of the Scheme announcement, had confirmed its intention (up until 15 July 2022 or such later date agreed in writing) to vote all of the BRV Shares in BRV that it holds (directly or indirectly) at the time of the General Scheme Meeting, in favour of the Scheme. On the Last Practicable Date, Copulos Group held 4,719,334 BRV Shares representing 1.95% of the total number of issued BRV Shares.

## **9.8 ASX waivers**

### **(a) ASX waiver from Listing Rule 6.23.2**

ASX Listing Rule 6.23.2 requires that a change which has the effect of cancelling an option for consideration can only be made if holders of ordinary securities approve the change.

ASX has granted BRV waiver from ASX Listing Rule 6.23.2 to allow for the cancellation of the Unlisted Options in accordance with the Unlisted Option Cancellation Deed arrangements outlined in Section 1.18 without the need to obtain specific Shareholder approval. The waiver is conditional on the Scheme becoming Effective.

### **(b) ASX waiver from Listing Rule 6.23.3**

Listing Rule 6.23.3 states that a change which has the effect of reducing the exercise price, increasing the period for exercise or increasing the number of securities received on exercise cannot be made.

ASX has granted BRV a waiver from Listing Rule 6.23.3 to allow the extension of the expiry date for 3,750,000 Performance Rights held by Mr Richards from 30 June 2022 to 31 December 2022, as detailed in Section 1.19. The waiver is conditional on the Scheme becoming Effective.



## 9.9 Consents and disclaimers

The following parties have given and have not, before the time of registration of this Scheme Booklet by ASIC, withdrawn their written consent to be named in this Scheme Booklet in the form and context in which they are named:

- Automic Group as the Share Registry.
- MinterEllison as legal adviser to BRV;
- NextLevelCorporate Advisory as financial adviser to BRV;
- RSM Corporate Australia Pty Ltd as the Independent Expert; and
- CSA Global Pty Ltd as the Independent Technical Specialist.

Aura has given, and has not, before the time of registration of this Scheme Booklet by ASIC, withdrawn its consent, to the inclusion of Aura Information in this Scheme Booklet and the references to the Aura Information in the form and context in which they are included.

RSM has given, and has not, before the time of registration of this Scheme Booklet by ASIC, withdrawn its consent, to the inclusion of the Independent Expert's Report set out in Appendix 1 to this Scheme Booklet in the form and context in which it is included.

CSA Global Pty Ltd has given, and has not, before the time of registration of this Scheme Booklet by ASIC, withdrawn its consent, to the inclusion of the Independent Technical Report set out in appendix G to the Independent Expert's Report in the form and context in which it is included.

Each of the others named above:

- is named for information purposes only;
- has not authorised or caused the issue of this Scheme Booklet;
- does not make, or purport to make, any statement in this Scheme Booklet or any statement on which a statement in this Scheme Booklet is based other than a statement or report included in this Scheme Booklet with the consent of that party;
- makes no express or implied representation or warranty in relation to this Scheme Booklet;
- to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any material in, or omission from, any part of this Scheme Booklet, other than as described in this Scheme Booklet with the consent of that party; and
- except for Aura, does not assume any responsibility for the accuracy or completeness of Aura Information. The Aura Information has been prepared by and is the responsibility of Aura.

## 9.10 Independent advice

BRV Shareholders should consult their broker, financial, taxation, legal or other professional adviser if they have any queries regarding:

- the Scheme;
- the taxation implications for them if the Scheme is implemented;
- your BRV Directors' recommendations and intentions in relation to the Scheme, as set out in Section 4.2 of this Scheme Booklet; or
- any other aspects of this Scheme Booklet.

BRV Shareholders may also call the Shareholder Information Line on 1300 101 594 (within Australia) or +61 2 8072 1412 (outside Australia), Monday to Friday (excluding public holidays), between 8.30am and 5.00pm (AWST) with any queries they may have on the Scheme.

## 9.11 Other material information

Except as set out in this Scheme Booklet, in the opinion of the IBC, there is no other information material to the making of a decision in relation to the Scheme, being information that is within the knowledge of any BRV Director or of any Related Entity of BRV, which has not been previously disclosed to BRV Shareholders.

BRV will issue a supplementary document to this Scheme Booklet if it becomes aware of any of the following between the date of lodgement of this Scheme Booklet for registration by ASIC and the Effective Date:

- a material statement in this Scheme Booklet that is false or misleading in a material respect;
- a material omission from this Scheme Booklet;
- a significant change affecting a matter included in this Scheme Booklet; or
- a significant new matter that has arisen and that would have been required to be included in this Scheme Booklet if it had arisen before the date of lodgement of this Scheme Booklet for registration by ASIC.

Depending on the nature and timing of the changed circumstances and subject to obtaining any relevant approvals, BRV may circulate and publish any supplementary document by any one or more of the following methods:

- making an announcement to ASX;
- placing an advertisement in a prominently published newspaper which is circulated generally throughout Australia;
- posting the supplementary document to BRV Shareholders at their registered address as shown in the Share Register; and/or
- posting a statement on BRV's corporate website,

as BRV in its absolute discretion considers appropriate, subject to any approval that may be required from the Court. In particular, where the matter is not materially adverse to BRV Shareholders, such circulation and publication may be only by an announcement to ASX.

## 10. Glossary

The following terms used in this Scheme Booklet (including the notices of Scheme Meeting in Appendix 3 and Appendix 4 to this Scheme Booklet) have the meanings given to them below, unless the context otherwise requires:

<b>Appendix</b>	an Appendix to this Scheme Booklet.
<b>ASIC</b>	the Australian Securities and Investments Commission.
<b>Associate</b>	has the meaning given in the Corporations Act.
<b>ASX</b>	ASX Limited (ACN 008 624 691) or, as the context requires, the financial market conducted by it.
<b>Aura</b>	Aura Minerals Inc.
<b>Aura BidCo</b>	Borborema LLC, a wholly-owned subsidiary of JVCo, incorporated in Delaware, USA.
<b>Aura Group</b>	Aura, JVCo and Aura BidCo.
<b>Aura Information</b>	the information prepared by Aura for inclusion in this Explanatory Booklet and for which Aura is responsible, being Section 6 only.
<b>Board or Board of Directors or BRV Board</b>	the board of Directors of BRV as at the date of this Scheme Booklet.
<b>Borborema Project or Borborema Gold Project</b>	BRV's main asset and undertaking in the form of a 100% owned gold project with a resource of 2.43Moz of gold and located in the Seridó area of the Borborema province in north-eastern Brazil, consisting of three mining leases covering a total area of 29 Km <sup>2</sup> .
<b>BRV</b>	Big River Gold Ltd (ACN 120 178 949).
<b>BRV Break Fee</b>	A\$920,000.
<b>BRV Directors or your Directors</b>	the current directors of BRV.
<b>BRV Group</b>	BRV and each of its subsidiaries.
<b>BRV Information</b>	all information included in this Scheme Booklet other than: (a) Aura Information; (b) the information contained in the Independent Expert's Report; and (c) the information contained in the Independent Technical Report.
<b>BRV Representations and Warranties</b>	has the meaning given to that term in the Scheme Implementation Deed (see Appendix 5 to this Scheme Booklet).
<b>BRV Security</b>	any security issued by BRV, including BRV Shares, Unlisted Options and Performance Rights.
<b>BRV Share</b>	a fully paid ordinary share in the capital of BRV.
<b>BRV Shareholder</b>	a person who is registered as the holder of BRV Shares from time to time (or if two or more persons are registered on the Share Register as a member of BRV in respect of the same Shares, those persons together).
<b>BRV's Website</b>	<a href="https://www.bigrivergold.com.au/">https://www.bigrivergold.com.au/</a> .
<b>Business Day</b>	any day that is both a Business Day as defined in the Listing Rules, provided that such a day is not a day on which the banks in Perth, Australia, Miami, United States and Toronto, Canada are authorised or required to close.
<b>CHESS</b>	the Clearing House Electronic Subregister System, the system established and operated by ASX Settlement Limited ACN 088 504 532.

<b>Competing Transaction</b>	has the meaning given to that term in the Scheme Implementation Deed (see Appendix 5 to this Scheme Booklet).
<b>Condition Precedent</b>	has the meaning given to that term in the Scheme Implementation Deed (see Appendix 5 to this Scheme Booklet).
<b>Cooperation and Commitment Deed</b>	the Cooperation and Commitment Deed between Aura and the Relevant Shareholder dated 19 April 2022 as released to the ASX on 20 April 2022.
<b>Corporations Act</b>	the <i>Corporations Act 2001</i> (Cth).
<b>Court</b>	the Supreme Court of Western Australia or such other court of competent jurisdiction as BRV and Aura agree in writing.
<b>Deed Poll</b>	the deed poll executed by Aura and JVCo on 16 June 2022 for the benefit of Scheme Participants in which Aura and JVCo acknowledge and confirm their obligations under the Scheme for the benefit of Scheme Participants. A copy of the executed Deed Poll is reproduced in Appendix 6 to this Scheme Booklet.
<b>Dundee</b>	Dundee Resources Limited.
<b>Effective</b>	when used in relation to the Scheme, the coming into effect, under section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) of the Corporations Act approving the Scheme.
<b>Effective Date</b>	the date upon which the Scheme becomes Effective. The Effective Date is expected to be on or about Friday, 9 September 2022.
<b>Election</b>	a valid election by the Relevant Shareholder to receive their Scheme Consideration in the form of Scheme Cash Consideration in respect of all the BRV Shares held by the Relevant Shareholder on the Record Date, made in accordance with clause 4.4 of the Scheme Implementation Deed and in accordance with the Scheme.
<b>Election Time</b>	5.00pm (AWST) on the Record Date (or any other date as agreed between Aura and BRV).
<b>End Date</b>	19 November 2022, or such other date agreed in writing between BRV and Aura.
<b>First Court Date</b>	the Court hearing on Friday, 29 July 2022, at which BRV made an application to the Court for an order pursuant to section 411(1) of the Corporations Act convening the Scheme Meetings.
<b>First Court Hearing</b>	the hearing of the application made to the Court by BRV for an order to convene the Scheme Meetings.
<b>General Scheme Meeting</b>	the meeting of General Shareholders to be held on Friday, 2 September 2022 at 10.00am (AWST) to consider and vote on the Scheme. The notice convening the Scheme Meeting is contained in Appendix 3 to this Scheme Booklet.
<b>General Shareholder</b>	each person who is a BRV Shareholder, excluding the Relevant Shareholder.
<b>Governmental Authority</b>	means: (a) any national, federal, state, or government or any entity exercising executive, legislative, judicial, arbitral, regulatory, taxing, or administrative functions of or pertaining to government; (b) any agency, division, bureau, department, committee, or other political subdivision of any government, entity or organisation described in the foregoing clause (a) of this definition (including patent and trademark offices); or

	<p>(c) quasi-governmental, self-regulatory agency, commission or authority, including any national securities exchange or national quotation system,</p> <p>and includes ASX, ASIC, TSX, the Takeovers Panel and any Australian, British Virgin Island or Brazilian federal, state, provincial or territory revenue offices.</p>
<b>Headcount Test</b>	the requirement under section 411(4)(a)(ii)(A) of the Corporations Act that the resolution to approve the Scheme at the Scheme Meetings is passed by a majority in number of BRV Shareholders eligible to vote at the Scheme Meetings and who are present and voting, either in person or by proxy.
<b>IBC</b>	the independent board committee of the BRV Board comprising John Cathcart, Beau Nicholls and Andrew Richards.
<b>Implementation Date</b>	the date which is the fifth Business Day after the Record Date or such other date as BRV and Aura agree in writing. The Implementation Date is expected to be on or about Tuesday, 20 September 2022.
<b>Independent Expert</b>	RSM.
<b>Independent Expert's Report</b>	the report from the Independent Expert (a full copy of which is set out in Appendix 1 to this Scheme Booklet), and any update to such report that the Independent Expert issues.
<b>Independent Technical Report</b>	the report by the Independent Technical Specialist set out in appendix G to the Independent Expert's Report.
<b>Independent Technical Specialist</b>	CSA Global Pty Ltd (ACN 077 165 532).
<b>JORC Code</b>	the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 2012, as updated from time to time.
<b>JVCo</b>	Borborema Inc., a wholly-owned subsidiary of Aura incorporated in the British Virgin Islands.
<b>JVCo Board</b>	the board of directors of JVCo.
<b>JVCo Share</b>	an ordinary share in the capital of JVCo.
<b>JVCo Shareholders Agreement</b>	the shareholders agreement to be entered into by the shareholders of JVCo to govern the affairs of JVCo.
<b>Last Practicable Date</b>	Friday, 29 July 2022, being the last practicable date before the finalisation of the Scheme Booklet.
<b>Listing Rules</b>	the official listing rules of ASX.
<b>Material Adverse Effect</b>	has the meaning given to that term in the Scheme Implementation Deed (see Appendix 5 to this Scheme Booklet).
<b>Mineral Resources</b>	has the meaning given to it in the JORC Code.
<b>Minimum Cash Balance</b>	has the meaning given to that term in the Scheme Implementation Deed (see Appendix 5 to this Scheme Booklet).
<b>Ore Reserves</b>	has the meaning given to it in the JORC Code.
<b>Performance Right</b>	a performance right granted by BRV to acquire a BRV Share.
<b>Performance Right Holder</b>	a holder of a Performance Right.
<b>PPSA</b>	the <i>Personal Property Securities Act 2009</i> (Cth).
<b>Probable Ore Reserves</b>	has the meaning given to it in the JORC Code.
<b>Proved Ore Reserves</b>	has the meaning given to it in the JORC Code.
<b>Proxy Forms</b>	the Proxy Forms for each of the Scheme Meetings accompanying this Scheme Booklet or, as the context requires, any replacement or substitute Proxy Form provided by or on behalf of BRV.
<b>Record Date</b>	the date for determining entitlements to the Scheme Consideration, being 5.00pm (AWST time) on the second

	Business Day following the Effective Date (or any other date as agreed by Aura and BRV). The Record Date is expected to be 5.00pm (AWST time) on Tuesday, 13 September 2022.
<b>Regulatory Authority</b>	any approval of, or notification to or waiver from, a Governmental Authority in respect of the Scheme or any aspect of the Scheme, or the expiration of any waiting period required by any applicable law, which is necessary or desirable to implement the Scheme.
<b>Related Entity</b>	<p>of a corporation means:</p> <ul style="list-style-type: none"> <li>(a) a related body corporate of that corporation within the meaning of the Corporations Act; and</li> <li>(b) a trustee of any unit trust in relation to which that corporation, or a corporation referred to in paragraph (a) directly or indirectly: <ul style="list-style-type: none"> <li>(i) controls the right to appoint the trustee;</li> <li>(ii) is in a position to control the casting of more than one half of the maximum number of votes that might be cast at a meeting of holders of units in the trust; or</li> </ul> </li> <li>(c) holds or is in a position to control the disposal of more than one half of the issued units in the trust.</li> </ul>
<b>Relevant Interest or relevant interest</b>	has the meaning given in the Corporations Act.
<b>Relevant Proportion</b>	the proportion, expressed as a percentage, that the Relevant Shares represent of all Scheme Shares, as determined at the Record Date.
<b>Relevant Shareholder</b>	<p>the registered holder of the Relevant Shares being:</p> <ul style="list-style-type: none"> <li>(a) Dundee; or</li> <li>(b) Dundee's custodian, but only in that capacity and only to the extent of its holding of the Relevant Shares (and not to the extent that it holds BRV Shares that are not Relevant Shares).</li> </ul>
<b>Relevant Shareholder Scheme Meeting</b>	the meeting of the Relevant Shareholder to be held on Friday, 2 September 2022 at 9.30am (AWST) to consider and vote on the Scheme. The notice convening the Scheme Meeting is contained in Appendix 4 to this Scheme Booklet.
<b>Relevant Shares</b>	means all BRV Shares in which Dundee has a Relevant Interest.
<b>Reverse Break Fee</b>	A\$920,000.
<b>Requisite Majorities</b>	has the meaning given in Section 1.7(a) in this Scheme Booklet.
<b>RSM</b>	RSM Corporate Australia Pty Ltd.
<b>Scheme or Scheme of Arrangement</b>	<p>the scheme of arrangement under Part 5.1 of the Corporations Act between BRV and the Scheme Participants under which Aura proposes to acquire all of Scheme Shares as set out in Appendix 2 to this Scheme Booklet, subject to any alterations or conditions:</p> <ul style="list-style-type: none"> <li>(a) agreed to in writing by Aura and BRV; or</li> <li>(b) made or required by the Court under section 411(6) of the Corporations Act and agreed to by Aura and BRV.</li> </ul>
<b>Scheme Booklet</b>	this Scheme Booklet dated 1 August 2022 in relation to the Scheme.
<b>Scheme Cash Consideration</b>	the consideration payable for the transfer to Aura BidCo of Scheme Shares held by a General Shareholder as at the Record Date, being, in respect of each Scheme Share, \$0.36.

<b>Scheme Conditions</b>	the conditions precedent to the Scheme specified at clause 3 of the Scheme Implementation Deed.
<b>Scheme Consideration</b>	Scheme Cash Consideration or Scheme Scrip Consideration payable per BRV Share held by a Scheme Participant on the Record Date under the terms of the Scheme.
<b>Scheme Implementation Deed</b>	the deed between BRV and Aura setting out certain arrangements in relation to the Scheme. The Scheme Implementation Deed was released to ASX on 20 April 2022 and is reproduced in Appendix 5 to this Scheme Booklet.
<b>Scheme Meetings</b>	the General Scheme Meeting and the Relevant Shareholder Scheme Meeting, or either one of them as the context requires.
<b>Scheme Participants</b>	each person who is a BRV Shareholder as at the Record Date.
<b>Scheme Resolution</b>	the applicable resolution to be put to BRV Shareholders to approve the Scheme at the Scheme Meetings.
<b>Scheme Scrip Consideration</b>	the consideration payable for the transfer to Aura BidCo of all of the Scheme Shares held by the Relevant Shareholder as at the Record Date, being, in respect of each Scheme Share, one JVCo Share for every 10 Scheme Shares.
<b>Scheme Share</b>	a BRV Share on issue on the Record Date.
<b>Second Court Date</b>	the first day on which the application made to the Court for an order pursuant to section 411(4)(b) of the Corporations Act approving the Scheme is heard or, if the application is adjourned for any reason, the first day on which the adjourned application is heard. This date is expected to be on or about Thursday, 8 September 2022.
<b>Second Court Hearing</b>	the hearing of the application made to the Court for an order pursuant to section 411(4)(b) of the Corporations Act approving the Scheme.
<b>Section</b>	a section of this Scheme Booklet.
<b>Share Register</b>	the register of members of BRV maintained by or on behalf of BRV in accordance with section 168(l) of the Corporations Act.
<b>Share Registry</b>	Automic Group, Level 5, 126 Phillip Street, Sydney NSW 2000.
<b>Share Splitting</b>	the splitting by a holder of BRV Shares into two or more parcels of BRV Shares but which does not result in any change in beneficial ownership of the BRV Shares.
<b>Superior Proposal</b>	has the meaning given to that term in the Scheme Implementation Deed (see Appendix 5 to this Scheme Booklet).
<b>Tax Act</b>	means the <i>Income Tax Assessment Act 1997</i> (Cth), the <i>Income Tax Assessment Act 1936</i> (Cth) or the <i>Taxation Administration Act 1953</i> (Cth), as the context requires.
<b>Third Party Transaction</b>	has the meaning given in the Cooperation and Commitment Deed and has the same meaning as Competing Transaction but includes an offer, proposal, transaction or arrangement where Dundee would dispose of, or be required to dispose of, any BRV Shares in which it has a Relevant Interest.
<b>Unlisted Option</b>	an unlisted option issued by BRV, expiring 4 February 2024, exercisable at \$0.48.
<b>Unlisted Optionholder</b>	a holder of Unlisted Options.
<b>Unlisted Option Cancellation Deed</b>	each cancellation deed entered into between Aura, BRV and each respective Unlisted Optionholder under which each Unlisted Optionholder agreed to the cancellation of its Unlisted Options, subject to the Scheme becoming Effective, for consideration of \$0.046 per Unlisted Option.

<b>Voting Record Date</b>	5.00pm (AWST) on Wednesday, 31 August 2022, being the time and date for determining eligibility to vote at the applicable Scheme Meeting.
<b>VWAP</b>	volume weighted average price.



# Appendix 1 – Independent Expert's Report



## BIG RIVER GOLD LTD

Financial Services Guide and Independent Expert's Report

July 2022

*We have concluded that the Scheme is in the Best Interests of Scheme Participants*

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## FINANCIAL SERVICES GUIDE

### Overview

RSM Corporate Australia Pty Ltd ABN 82 050 508 024 ("RSM Corporate Australia Pty Ltd" or "we" or "us" or "ours" as appropriate) has been engaged to issue general financial product advice in the form of a report to be provided to you.

In the above circumstances we are required to issue to you, as a retail client, a Financial Services Guide ("FSG"). This FSG is designed to help retail clients make a decision as to their use of the general financial product advice and to ensure that we comply with our obligations as financial services licensees.

This FSG includes information about:

- who we are and how we can be contacted;
- the financial services that we will be providing you under our Australian Financial Services Licence, Licence No 255847;
- remuneration that we and/or our staff and any associates receive in connection with the financial services that we will be providing to you;
- any relevant associations or relationships we have; and
- our complaints handling procedures and how you may access them.

### Financial services we will provide

For the purposes of our report and this FSG, the financial service we will be providing to you is the provision of general financial product advice in relation to securities.

We provide financial product advice by virtue of an engagement to issue a report in connection with a financial product of another person. Our report will include a description of the circumstances of our engagement and identify the person who has engaged us. You will not have engaged us directly but will be provided with a copy of the report as a retail client because of your connection to the matters in respect of which we have been engaged to report.

Any report we provide is provided on our own behalf as a financial services licensee authorised to provide the financial product advice contained in the report.

### General Financial Product Advice

In our report we provide general financial product advice, not personal financial product advice, because it has been prepared without taking into account your personal objectives, financial situation or needs.

You should consider the appropriateness of this general advice having regard to your own objectives, financial situation and needs before you act on the advice. Where the advice relates to the acquisition or possible acquisition of a financial product, you should also obtain a product disclosure statement relating to the product and consider that statement before making any decision about whether to acquire the product.

### Benefits that we may receive

We charge various fees for providing different financial services. However, in respect of the financial service being provided to you by us, fees will be agreed, and paid by, the person who engages us to provide the report and such fees will be agreed on either a fixed fee or time cost basis. You will not pay to us any fees for our services; the Company will pay our fees. These fees are disclosed in the Report.

Except for the fees referred to above, neither RSM Corporate Australia Pty Ltd, nor any of its directors, employees or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of the report.

### Remuneration or other benefits received by our employees

All our employees receive a salary.

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## Referrals

We do not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licensed to provide.

## Associations and relationships

RSM Corporate Australia Pty Ltd is beneficially owned by the partners of RSM Australia, a large national firm of chartered accountants and business advisers. Our directors are partners of RSM Australia Partners.

From time to time, RSM Corporate Australia Pty Ltd, RSM Australia Partners, RSM Australia and / or RSM Australia related entities may provide professional services, including audit, tax and financial advisory services, to financial product issuers in the ordinary course of its business.

## Complaints resolution

### Internal complaints resolution process

As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial product advice. All complaints should be directed to The Complaints Officer, RSM Corporate Australia Pty Ltd, P O Box R1253, Perth, WA, 6844.

When we receive a written complaint we will record the complaint, acknowledge receipt of the complaint within 15 days and investigate the issues raised. As soon as practical, and not more than 45 days after receiving the written complaint, we will advise the complainant in writing of our determination. If a complaint is received in advance of a shareholder meeting or other key date where shareholders or investors may be making decisions which are influenced by our report, we will make all reasonable efforts to respond to complaints prior to that date.

### Referral to External Dispute Resolution Scheme

A complainant not satisfied with the outcome of the above process, or our determination, has the right to refer the matter to the Australian Financial Complaints Authority ("AFCA"). AFCA is an independent dispute resolution scheme that has been established to provide free advice and assistance to consumers to help in resolving complaints relating to the financial services industry.

Further details about AFCA are available at the AFCA website [www.afca.org.au](http://www.afca.org.au). You may contact AFCA directly by email, telephone or in writing at the address set out below.

Australian Financial Complaints Authority  
GPO Box 3  
Melbourne VIC 3001  
Toll Free: 1800 931 678  
Email: [info@afca.org.au](mailto:info@afca.org.au)

Time limits may apply to make a complaint to AFCA, so you should act promptly or consult the AFCA website to determine if or when the time limit relevant to your circumstances expires.

## Contact details

You may contact us using the details set out on our letterhead at page 2 of this report.

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28 July 2022

The Independent Directors  
Big River Gold Ltd  
25 Richardson St  
West Perth WA 6005

Dear Directors

## INDEPENDENT EXPERT'S REPORT ("REPORT")

### 1. Introduction

- 1.1 On 20 April 2022, Big River Gold Ltd ("BRV" or "the Company") announced it had entered into a Scheme Implementation Deed ("Implementation Agreement") with Aura Minerals Inc. ("Aura") under which Aura will, subject to satisfaction of various conditions, acquire 100% of the issued capital of BRV via a subsidiary of Aura ("Aura BidCo") by way of a scheme of arrangement under Part 5.1 of the *Corporations Act 2001* (Cth) ("the Act") ("the Scheme").
- 1.2 Dundee Resources Limited ("the Relevant Shareholder"), one of BRV's largest shareholders with a 17.55% voting interest in BRV as at the date of this Report, will receive unlisted shares in the holding company ("JVCo") of Aura BidCo ("Scheme Scrip Consideration") in lieu of the cash consideration offered by Aura. The Relevant Shareholder will receive the equivalent shareholding interest in JVCo, expressed as a percentage, that it holds in BRV at the Record Date of the proposed Scheme ("the Relevant Proportion"). Following successful implementation of the Scheme, it is expected that the Relevant Shareholder will acquire an additional shareholding interest in JVCo so that it will ultimately hold an indirect interest of 20% in the delisted BRV entity.
- 1.3 If the Scheme is implemented, BRV shareholders other than the Relevant Shareholder ("General Shareholders") will receive cash consideration of A\$0.36 per BRV share held on the Scheme record date ("Scheme Cash Consideration"), subject to all applicable conditions being satisfied or waived.
- 1.4 The Relevant Shareholder may elect to receive the Scheme Cash Consideration in lieu of the Scheme Scrip Consideration in respect of all BRV shares held by the Relevant Shareholder on the Scheme record date ("Record Date"), however only in limited circumstances as outlined in the Cooperation and Commitment Deed that accompanies the Form 603 Notice of Initial Substantial Holder lodged with the Australian Securities Exchange ("ASX") dated 19 April 2022 ("Cooperation and Commitment Deed").
- 1.5 If the proposed Scheme is implemented, BRV will be delisted and held under a joint venture between Aura and the Relevant Shareholder.

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RSM Corporate Australia Pty Ltd is beneficially owned by the Directors of RSM Australia Pty Ltd. RSM Australia Pty Ltd is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

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- 1.6 The Scheme is subject to the Supreme Court of Western Australia (“Court”) convening two separate meetings (“Scheme Meetings”) of BRV Shareholders where they will consider resolutions seeking approval of the Scheme (“Scheme Resolutions”). A Scheme Meeting for the General Shareholders, and a separate Scheme Meeting for the Relevant Shareholder, are to be held on or about 2 September 2022. Under the Act, the Scheme will be approved by BRV Shareholders if the Scheme Resolutions are passed by a majority of the BRV shareholders present (in person or by proxy) and voting at their applicable Scheme Meeting, and by at least 75% of the votes cast on the Scheme Resolutions. If this occurs, a second Court hearing will be held to approve the Scheme which, if approved, will become binding on all BRV shareholders who hold BRV shares as at the Record Date (“Scheme Participants”), irrespective of whether or not they voted for the Scheme, and Aura BidCo will acquire 100% of BRV’s shares held by Scheme Participants on the Record Date.
  - 1.7 The Directors of BRV (“Directors”) have requested RSM Corporate Australia Pty Ltd (“RSM”), being independent and qualified for the purpose, to express an opinion as to whether the Scheme is in the best interests of Scheme Participants as a whole.
  - 1.8 Accordingly, we have prepared this Report for the purpose of stating in our opinion whether or not the Scheme, and as such the offer under the Scheme, is in the best interests of Scheme Participants and to set out the reasons for that opinion. Our Report is to be included in the Scheme Booklet and Notice of Meeting to be sent to Scheme Participants in respect of the Scheme Meetings.
  - 1.9 This Report represents general financial product advice only and has been prepared without taking into consideration the individual circumstances of Scheme Participants. The ultimate decision whether to approve the Scheme should be based on each of the Scheme Participants’ assessment of their circumstances, including their risk profile, liquidity preference, tax position and expectations as to value and future market conditions. Scheme Participants should read and have regard to the contents of the Scheme Booklet and Notice of Meeting which has been prepared by the Directors and Management of BRV. Scheme Participants who are in doubt as to the action they should take with regard to the Scheme and the matters dealt with in this Report, should seek independent professional advice.

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## 2. Summary and Conclusion

### Basis of Assessment

- 2.1 In assessing whether the Scheme is “in the best interests” of Scheme Participants, we have considered Australian Securities and Investments Commission (“ASIC”) Regulatory Guide 111 – Content of Expert Reports (“RG 111”), which provides specific guidance as to how an expert is to appraise a Scheme of Arrangement.
- 2.2 Schemes of Arrangement can be used as an alternative to a takeover bid under Chapter 6 of the Act to achieve substantially the same outcome. In these circumstances, RG 111 suggests that the form of analysis to be undertaken by the expert should be the same as for a takeover bid and aligns the assessment of “in the best interests” with the “fair and reasonable” test.
- 2.3 While RG 111 does not define “fair and reasonable” it does provide some guidance as to how the terms should be interpreted for a takeover bid, noting that they are considered as two distinct criteria:
- a takeover offer is considered “fair” if the value of the offer price or consideration is equal to or greater than the value of the securities that are the subject of the offer; and
  - a takeover offer is considered “reasonable” if it is fair or, where the offer is “not fair”, it may still be “reasonable” if the expert believes that there are sufficient reasons for security holders to accept the offer in the absence of any higher bid before the close of the offer.
- 2.4 RG 111 contends that if an expert was to conclude that a scheme is “fair and reasonable” if it was in the form of a takeover bid, it will also be able to conclude that the scheme is “in the best interests” of the members of the company
- 2.5 In effect, the Scheme represents a takeover offer for BRV via an offer of \$0.36 cash consideration per BRV share. Therefore, consistent with the guidance set out in RG 111, in assessing whether or not we consider the Scheme to be “in the best interests” of Scheme Participants, we have:
- a) considered whether the Scheme is “fair” to Scheme Participants by assessing and comparing:
    - the Fair Value of a share in BRV on a controlling basis prior to the Scheme; with
    - the Fair Value of the Scheme Cash Consideration being offered under the Scheme; and
  - b) considered whether the Scheme is “reasonable” to Scheme Participants by undertaking an analysis of the other factors relating to the Scheme which are likely to be relevant to the Scheme Participants, in their decision of whether or not, to approve the Scheme.
- 2.6 Further information on the approach we have employed in assessing whether the Scheme is in “the best interests” of Scheme Participants is set out at Section 3 of this Report.

### Is the Scheme Fair to Scheme Participants?

- 2.7 In assessing whether we consider the Scheme to be fair to Scheme Participants eligible to receive the Scheme Cash Consideration, we have valued a share in BRV prior to implementation of the Scheme, on a controlling basis, and compared it to the value of the consideration offered per BRV share, to determine whether a shareholder would be better or worse off should the Scheme be approved.
- 2.8 Under the terms of the proposed Scheme, General Shareholders will receive Scheme Cash Consideration of \$0.36 for each BRV share held prior to implementation.
- 2.9 As the Relevant Shareholder, Dundee will receive unlisted shares in JVCo in lieu of the Scheme Cash Consideration offered by Aura. The Relevant Shareholder will vote in relation to its interests at a separate scheme meeting which is not the subject of this IER. For the avoidance of doubt, we have not been engaged to form an opinion on the valuation of the Scheme Scrip Consideration received by the Relevant Shareholder. We have considered the alternative offer to the Relevant Shareholder in our assessment of reasonableness of the proposed Scheme.



- 2.10 We have assessed the value of BRV to lie in the range of A\$122.5 million to A\$204.0 million, inclusive of a control premium, which equates to a value per BRV Share of between A\$0.48 and A\$0.80.
- 2.11 Our valuation approach consisted of a “sum-of-parts” basis by aggregating the estimated market value of BRV’s 100% interest in the Borborema Gold Project, together with other assets and liabilities of BRV. Our range of assessed values represents the value of a 100% interest in BRV and incorporates corporate costs savings that would generally be available to a pool of purchasers but does not include any potential strategic or operational synergies available to a specific purchaser.
- 2.12 In arriving at our assessed values, we have placed reliance on the Independent Technical Specialist’s Report (“ITSR”) on the Borborema Project prepared by CSA Global Pty Ltd (“CSA Global”). The ITSR provides a technical review of the inputs to the life-of-mine model developed by BRV to support the Engineering Cost Estimate Study (“ECE”) on the Borborema Project released in April 2022, as an update to the Definitive Feasibility Study (“DFS”) released in 2019. In conjunction with our assessment of market-driven assumptions such as inflation, foreign exchange, commodity prices and discount rate, we prepared a Discounted Cash Flow valuation of the Borborema Mine Plan reflecting recommended adjustments from CSA Global. This resulted in an estimated market value of the Borborema Mine Plan in the range of A\$55.7 million to A\$91.1 million.
- 2.13 Additionally in the ITSR, CSA Global has undertaken a market valuation of the mineral resources outside of the Borborema Mine Plan and other exploration tenements of BRV in accordance with the VALMIN Code. CSA Global has attributed a range of values to these assets of between A\$58.2 million and A\$104.3 million, which equates to approximately 50% of the total assessed value of BRV mineral assets and a value per BRV Share of between \$0.23 and \$0.41. CSA Global relied on the market-based comparative transactions approach to form an opinion on value of these assets, and noted that this opinion on value can only be tested by going to the market. Early-stage development and exploration mineral assets are inherently more risky and therefore valuations can be subjective, particularly with limited comparable transactions to rely on as only six unrelated transactions were identified by CSA Global over a 5-year period. A copy of the ITSR is attached at Appendix G.
- 2.14 A summary of our assessed market value of BRV is shown in the table below:

**Table 1 Assessed value of BRV prior to the Scheme**

A\$m	Fair Value Low	Fair Value High
Borborema Gold Project - Mine Plan	55.7	91.1
Borborema Gold Project - Resources outside of Mine Plan	56.4	98.7
Exploration licences	1.8	5.6
<b>Assessed Value of BRV’s mineral assets</b>	<b>113.9</b>	<b>195.4</b>
Less: Corporate costs	(4.9)	(4.9)
Add: Net cash/(debt)	14.6	14.6
Add: Other net assets	0.1	0.1
Less: Transaction costs	(1.2)	(1.2)
<b>Assessed Value of BRV (controlling basis)</b>	<b>122.5</b>	<b>204.0</b>
Number of shares eligible to participate in the Scheme	254,513,311	254,513,311
<b>Assessed Value of BRV per share (controlling basis)</b>	<b>\$0.48</b>	<b>\$0.80</b>

Source: RSM Analysis

- 2.15 We specifically draw the attention of Scheme Participants to the fact that, whilst BRV’s 100% interest in the Borborema Project is potentially of significant value, the Project is yet to be developed and is still going through feasibility studies including consideration of an expansion to a higher processing rate operation. Funding has not been secured for the development of the Project, which has an estimated capital expenditure of A\$247 million.
- 2.16 We have not adjusted our range of values to reflect any hypothetical capital raising that may be required by BRV to fund the capital contributions and owner’s costs in developing the Borborema Project, as we do not consider there to be a reasonable basis at this time to assess the structure, terms and costs on which that funding might be secured. The issue of new equity would likely have a significant adverse dilutionary and value per share impact given an equity placement would usually be priced at a discount to the traded share price of BRV.

- 2.17 The DCF valuation approach assumes successful development and commissioning of the Project, a timeline which may be some years away from now and with numerous milestones to pass through. Whilst we have included an allowance for execution risk in our discount rate and assessed value, by its nature, the valuation of such assets involves a significantly greater level of judgment than an operating project.
- 2.18 The ability of BRV to unlock value in the Borborema Project is highly dependent on its access to debt and equity funding. There can be no assurance that such funding will be available, or that, if available, the terms of such financing will be favourable to BRV.
- 2.19 In addition, the current economic environment is one of rising inflation and increasing cost pressures on contractors in many developed countries. Gold has traditionally been viewed as an attractive investment asset in low bond yield and economically uncertain environments; with interest rates rising globally to combat inflationary pressures in recent months, gold prices may be impacted adversely if investors seek assets with higher returns. Whilst we consider our assessed range of values to be reasonable based on prevailing market conditions as at 20 April 2022, being the date of announcement of the proposed Scheme, changes in macroeconomic factors including commodity prices and foreign exchange rates could have a material impact on the assessed values.
- 2.20 RSM's forecast foreign exchange, inflation and gold prices have been determined after consideration of the forecasts of various market analysts. However, a wide range of assumptions could credibly be adopted, which would impact assessed values either positively or negatively. This is set out in the sensitivity analysis contained in Section 8 of this Report.
- 2.21 The closing price of BRV shares was \$0.27 on 19 April 2022, being the last day shares were available for trading prior to the announcement of the Scheme, and the volume weighted average price ("VWAP") over the preceding 30 trading days was \$0.283. In the absence of a takeover offer, the traded share price represents the value at which minority shareholders could realise their portfolio investments.
- 2.22 Our valuation range for a BRV share of A\$0.48 to A\$0.80 reflects a significant premium over the traded share price of BRV prior to announcement of the proposed Scheme, even after reflecting a typical control premium on the share price. We consider this is likely due to the historically low liquidity of BRV shares, market sentiment for a Brazilian project which has been owned for over 10 years by an ASX listed entity and potential concerns over funding of the rising capital expenditure requirements. BRV would need to raise a significant amount of equity to fund development of the Project; our assessed values assume the Borborema Project is fully funded however any future equity capital raise would have an adverse impact on the assessed value per BRV Share<sup>1</sup>.
- 2.23 In forming our opinion on whether the Scheme Cash Consideration is fair, we have compared our assessed value of a BRV share on a controlling basis prior to the Scheme with the offered consideration as shown below:

**Table 2 Comparison of assessed value of a BRV share prior to the Scheme and Scheme Cash Consideration**

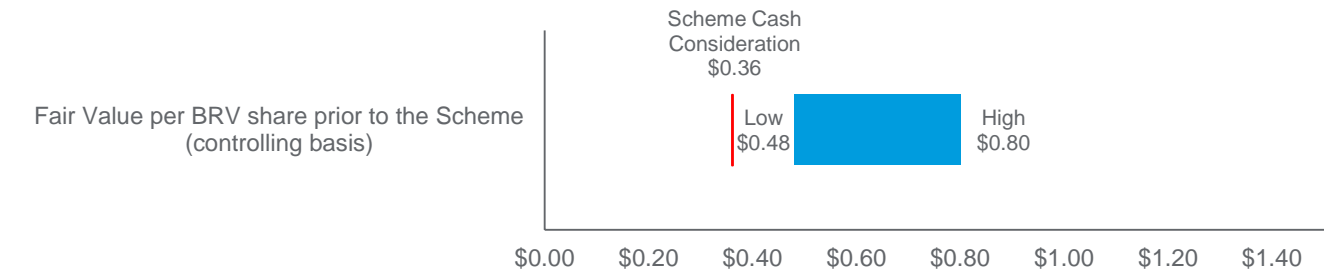
	Fair Value Low AUD	Fair Value High AUD
Fair Value per BRV share prior to the Scheme (controlling basis)	\$0.48	\$0.80
Fair Value of Scheme Cash Consideration	\$0.36	\$0.36

Source: RSM Analysis

<sup>1</sup> For illustrative purposes, in the event that BRV was required to raise A\$220 million (being 90% of the projected development capex) at a 20% discount to the closing share price of \$0.27 on the last trading day prior to the announcement of the Proposed Scheme, this would result in the issue of an additional 1,018.5 million shares and have the impact of reducing our range of assessed values to between A\$0.269 and A\$0.333 per BRV Share.

2.25 The above comparison is depicted graphically in the table below.

Figure 1 Comparison of assessed value of a BRV share prior to the Scheme and Scheme Cash Consideration



Source: RSM Analysis

2.26 As the Fair Value of the consideration offered per BRV share is less than the assessed Fair Value of a BRV share prior to the Scheme, and in the absence of any other relevant information, in our opinion, the Scheme is **not fair** to Scheme Participants. Section 8 of this Report provides further detail on the valuation assessment.

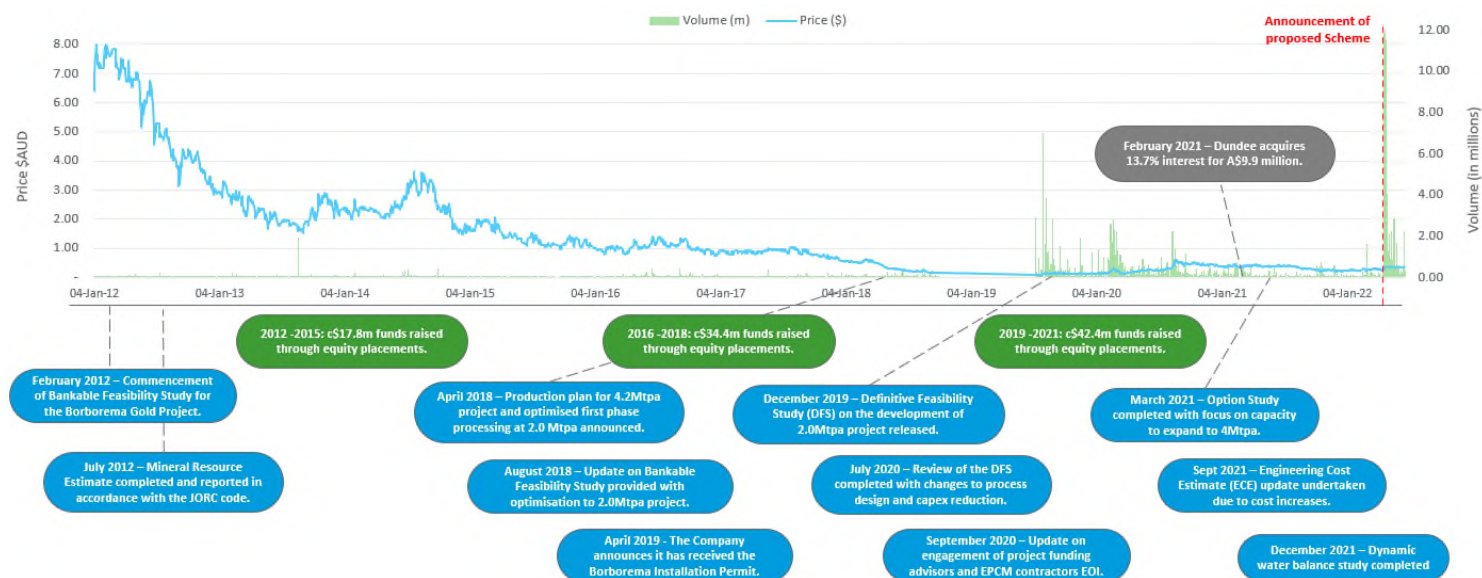
Consideration of other factors relating to the Scheme

- 2.27 RG 111 establishes that an offer is reasonable if it is fair. It might also be reasonable if, despite not being fair, there are sufficient reasons for security holders to accept the offer in the absence of a higher bid. Section 10 of this Report sets out our consideration of other factors relating to the implementation of the Scheme which are likely to be relevant to the decision of Scheme Participants as to whether or not to approve the Scheme. We set out a summary of these factors below.
- 2.28 BRV’s Directors have unanimously recommended that BRV shareholders vote in favour of the Scheme in the absence of a Superior Proposal (as defined in the Scheme Booklet). The Relevant Shareholder, Dundee, has agreed it will vote favour of the Scheme at the Relevant Shareholder Scheme Meeting.

Future prospects of BRV if the Scheme is not approved

- 2.29 If the Scheme is not approved by Scheme Participants, BRV will remain listed on the ASX and will continue to progress development of the Borborema Project.
- 2.30 The assessed value of BRV is predicated on the successful development of the Borborema Project, which is considered to have significant prospective value however realisation of this value will take time, with various development milestones to be completed and significant funding required, and is therefore subject to execution risk some of which may be outside of the control of BRV. It is expected that a significant proportion of the development funding would be sourced from equity, which would result in dilution of existing BRV shareholders if they do not participate in future placements or rights issues.
- 2.31 The timeline below summarises key milestones achieved to date on the Borborema Project and equity funding raised over the same period:

**Figure 2 Borborema Timeline**



- 2.32 As shown in the diagram above, BRV has raised funds in the region of A\$95.0 million over the last 10 years (although noting that the Borborema Project was put on hold in 2013 and BRV operated an iron ore mine in Brazil until divestment in 2017) and would need to raise further equity funding to develop the Borborema Project. Our analysis of the Borborema Mine Plan indicates that up to A\$220 million may need to be sourced from equity investors, assuming a maximum 90% equity contribution to development capex, which would result in potential dilution of existing BRV shareholders from a 100% interest to approximately 21% if they did not participate.
- 2.33 The Company plans to also seek debt funding to develop the Borborema Project, which would expose BRV to the risk of leverage and potentially restrictive covenants. It is uncertain whether debt funding would be available in the current economic environment, and the future provision of such funding would be dependent on gold prices remaining at a level which results in the Borborema Project being economically viable.
- 2.34 If the Scheme is not approved BRV will continue to be on the official list of the ASX and therefore investors can continue to trade in BRV shares, however we note the historically low liquidity in BRV shares. If the Scheme is not approved, and in the absence of a superior proposal, we consider it possible that the price of BRV shares may fall in the near-term, particularly if BRV is unable to secure funding for the Project.
- 2.35 If the Scheme is not approved, transaction costs of approximately A\$1.2 million will still be payable by BRV and no value would be derived from that expenditure.

### The extent to which a control premium is being paid

- 2.36 The Scheme Cash Consideration offered per BRV share is \$0.36 which represents a 33% premium on the closing price of BRV shares of \$0.27 on 19 April 2022 (being the last day shares were available for trading immediately prior to the announcement of the Scheme).
- 2.37 Based on the RSM 2021 Control Premium Study, a study of 605 takeovers and schemes of arrangement involving companies listed on the Australian Securities Exchange over the 15.5 years to 31 December 2020, control premiums of 30% to 37% were paid on the 20 day pre-bid and 2 day pre-bid share prices on transactions in the Metals and Mining Industry in Australia. In determining the control premium, the offer price was compared to the closing trading price of the target company 20, 5 and 2 trading days pre the date of the announcement of the offer. Where the consideration included shares in the acquiring company, the closing share price of the acquiring company on the day prior to the date of the offer was used. The 33% premium of the Scheme Cash Consideration above the BRV closing share price of \$0.27 on 19 April 2022 falls within the control premium range observed in the study.

2.38 An analysis of the implied premium of the offer over the VWAP of BRV shares in the 180 trading days prior to the announcement is set out in the table below:

**Table 3 Comparison of assessed value of a BRV share prior to the Scheme and Scheme Cash Consideration<sup>2</sup>**

Period up to and including 19 April 2022	BRV VWAP \$	Cash Consideration \$	Premium %
5 Trading Days	0.273	0.36	31.9%
10 Trading Days	0.278	0.36	29.5%
30 Trading Days	0.283	0.36	27.2%
60 Trading Days	0.255	0.36	41.2%
90 Trading Days	0.252	0.36	42.9%
180 Trading Days	0.254	0.36	41.7%

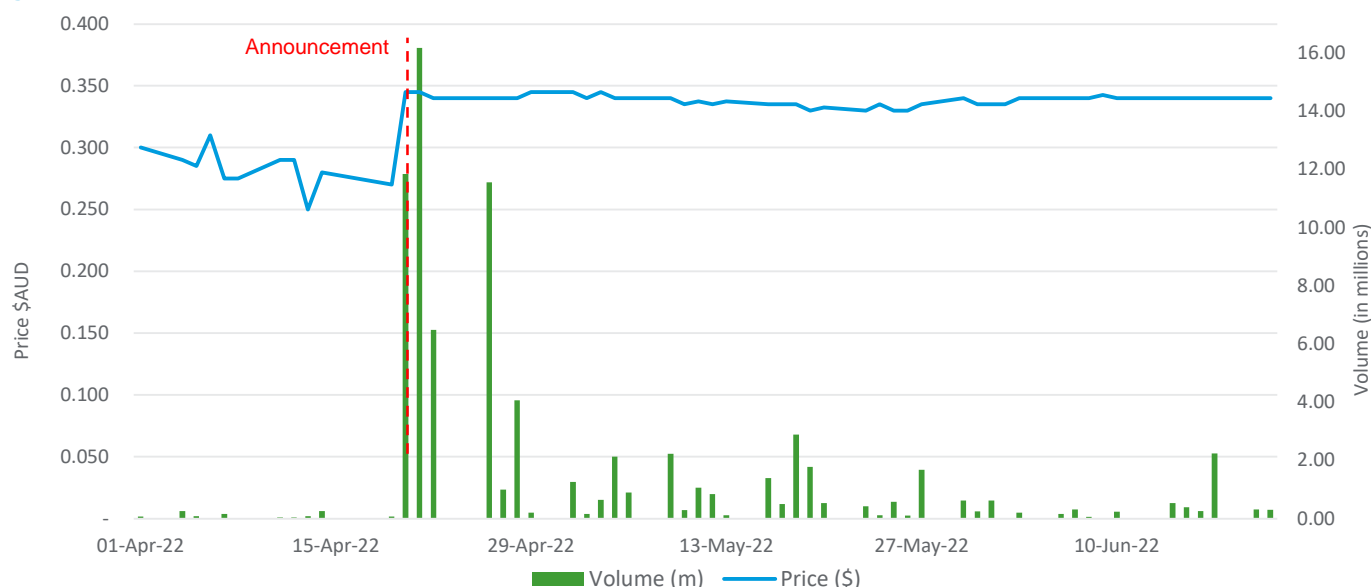
Source: RSM Analysis

2.39 The implied control premium of the offer over the VWAP of BRV Shares ranges from 27.2% to 42.9% over the last eight months, which broadly correlates to the average market premiums paid as set out in the RSM 2021 Control Premium Study.

### The price of BRV's shares after the announcement of the Scheme

2.40 The Scheme was announced to the ASX on 20 April 2022, which saw the closing share price increase by 28% to \$0.345 over the previous closing price of \$0.27 on 19 April 2022. Shown below is a summary of the trading activity of BRV shares in the subsequent period to 21 June 2022.

**Figure 3 Post Announcement share price performance BRV**



Source: S&P Capital IQ

2.41 Since the announcement of the transaction on 20 April 2022, BRV's closing share price has traded at a high of \$0.345 and a low of \$0.330, being discounts of 4% and 9% respectively on the Scheme Cash Consideration of \$0.36 per share. The BRV share price has remained relatively consistent since the announcement, indicating market expectations that the Scheme will be successfully implemented or an alternative superior proposal may emerge.

<sup>2</sup> VWAP data drawn from S&P Capital IQ as at the date of this Report for the period prior to announcement of the Scheme on 20 April 2022 based on traded days only and therefore may differ from the data included in the Company's announcement.



## Liquidity of BRV Shares

- 2.42 Historically, the liquidity of BRV's shares has been extremely low with only 1.35% of the total free float of BRV's shares traded in the 30 trading day period prior to the announcement of the proposed Scheme and only 7.31% in the 180 trading days prior. A liquid market is generally considered to have approximately 1% of securities traded on a weekly basis.
- 2.43 The top 20 shareholders of BRV held 77% of the shares on issue as at 31 May 2022, with 55% held by the five most significant shareholders some of which have taken strategic positions in the Company. BRV has a current market capitalisation of A\$83.4 million, in the last 6 months BRV shares with a combined value of c\$4 million have been traded representing only 5% of the Company's total market value.
- 2.44 The Scheme provides Scheme Participants with an ability to convert their investment in BRV to cash, from an illiquid stock in a relatively volatile market environment as at the date of this Report.

## Advantages of approving the Scheme

- 2.45 The advantages of the Scheme are summarised below:

**Table 4 Advantages of approving the Scheme**

Advantage	Details
Premium to BRV share price and absence of superior proposal	<p>The Scheme Cash Consideration represents a 33% premium to the BRV traded share price on 19 April 2022, being the last day of trading in BRV shares immediately before the date the Scheme was announced, and a 42.9% premium to the 90 trading day VWAP. This is consistent with market studies on the average control premiums paid in Metals &amp; Mining transactions.</p> <p>The Directors have advised that no superior proposal has emerged as at the date of this Report.</p>
Liquidity event	<p>The Scheme Cash Consideration provides Scheme Participants with a liquidity event for what has been a highly illiquid stock with only 7.31% of the shares on issue traded in the 180 days prior to the announcement of the Scheme.</p> <p>This may be of a particular advantage to shareholders with larger parcels of shares given the low liquidity of trading in BRV shares.</p>
Certainty and removal of investment risks	<p>The Scheme provides Scheme Participants with certainty of value and removes the exploration, development, procurement, financing, equity dilution and other risks and uncertainties of remaining a BRV shareholder.</p> <p>Should Scheme Participants resolve to continue holding their BRV shares, the value of a BRV share will be impacted by the Company's ability to successfully secure funding and develop the Borborema Project, in addition to general market and macroeconomic movements.</p>
Fully funded offer	<p>The offer from Aura is a cash offer funded from existing cash reserves and therefore no financing conditions exist.</p>
No transaction fee payable	<p>No brokerage will be payable by Scheme Participants on the transfer of their BRV shares under the Scheme.</p>
The BRV shares may fall below its current level if the Scheme is not implemented	<p>BRV shares may trade at a lower price if the Scheme is not implemented and no superior proposal emerges. The Scheme Cash Consideration offered per BRV share is \$0.36 per share in cash. This value represents a 33% premium on the closing price of BRV shares of \$0.27 on 19 April 2022 (being the last day shares were available for trading immediately prior to the announcement of the Scheme). BRV's shares have not traded above \$0.36 since 11 August 2021.</p> <p>On announcement of the Scheme, the BRV share price rose by 28% to \$0.345 and has traded around this level since. To the extent that the current share price of BRV reflects an expectation that the Scheme will be implemented, or that an alternative offer will emerge, should neither of these outcomes occur it is possible that the BRV share price would fall from its current level.</p>

## Disadvantages of approving the Scheme

2.46 The key disadvantages of the Scheme are:

**Table 5 Disadvantages of approving the Scheme**

Disadvantage	Details
Inability to participate in upside of BRV	Upon implementation of the Scheme, General Shareholders will no longer hold an interest in BRV and therefore will not participate in any potential upside of the Borborema Project.
Change in investment profile	The implementation of the Scheme may result in disadvantages to those who wish to maintain their current investment profile. Scheme Participants who wish to maintain their investment profile may find it difficult to identify an investment with a similar profile to that of BRV and may incur transaction costs in undertaking any new investment.
Loss of potential superior proposal	It is possible that a superior proposal, which is more attractive for Scheme Participants than the Scheme, may be made in the future. If the Scheme is implemented Scheme Participants would not obtain the benefit of any superior proposal. The Directors are not aware of any Superior Proposal (as defined in the Scheme Booklet) and no alternative proposals have been made since the Scheme was announced on 20 April 2022.
Potential tax consequences	The tax implications of the Scheme may not be suitable to the financial circumstances or position of Scheme Participants. The tax treatment may vary between shareholders depending on their individual nature and characteristics and therefore individual taxation advice should be obtained.

## Alternative proposals and likelihood of an alternative takeover offer

- 2.47 The Directors have advised us that no formal alternative offers or approaches by potential acquirers have been received since the announcement of the Scheme on 20 April 2022. The Company has explored opportunities for joint ventures or divestment over the last 18 months arising from unsolicited approaches but no alternative offers to the proposed Scheme have progressed during that time.
- 2.48 We note that the Scheme Implementation Deed prohibits BRV from soliciting competing bids during the exclusivity period with Aura.
- 2.49 The alternative to the Scheme is for Scheme Participants to vote against the Scheme in the hope that they can realise greater value from their investment in BRV either through maintaining BRV as an independent company or through the emergence of a superior proposal to the Scheme. Whilst there is no evidence to suggest that Scheme Participants would be better off under this alternative, it is possible that an alternative offer may emerge. However, since the announcement of the Scheme on 20 April 2022 we understand that no alternative or superior proposals have been put forward as the date of this Report.

## Relevant Shareholder

- 2.50 The Relevant Shareholder, Dundee, holds 17.55% of BRV shares as at the date of this Report and will form a separate class of shareholder for the purposes of the Scheme. There will be two Scheme meetings, one for the Relevant Shareholder and one for the General Shareholders, with each group only permitted to vote at their own meeting. Both scheme meetings will need to pass a resolution approving the Scheme for the Scheme to become effective.
- 2.51 The Relevant Shareholder will receive the Scheme Scrip Consideration in the parent entity of the acquisition entity, JVCo, to result in the Relevant Shareholder holding the same ownership percentage in JVCo as it held in BRV. Subsequently there is an arrangement for the Relevant Shareholder to acquire additional shares in JVCo at the same transaction value as the proposed Scheme (including the cost of acquiring the unlisted BRV options), in order to increase Dundee's equity interest in JVCo to 20% post-implementation to jointly develop the Borborema Project with Aura.

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2.52 Our assessed fair value of a BRV Share exceeds the Scheme Cash Consideration. The scope of our Report does not extend to assessing the value of the Scheme Scrip Consideration, however we note that the market value of shares to be issued to the Relevant Shareholder in JVCo would not necessarily have the same value as our assessed value of a BRV Share prior to the proposed Scheme.

2.53 In this regard, we note the following relevant considerations:

- a. the Relevant Shareholder will receive shares in an unlisted company which typically have a lower value than listed shares (all else being equal) as they are not readily marketable;
- b. the Relevant Shareholder is required to contribute to the equity funding for the Borborema Project in proportion to its 20% interest in JVCo;
- c. the Relevant Shareholder is a substantial shareholder in BRV (and the largest shareholder at the date of this Report) but will be the minority partner in the Joint Venture with Aura. The degree of influence the Relevant Shareholder will have over the Project will therefore be different, and the decision to proceed with development of the Project will be determined by Aura as they are entitled to appoint four of the five Directors to the JVCo Board and will be the majority shareholder; and
- d. the risks associated with the development of the Borborema Project remain, although with significantly increased accessibility to funding from Aura.

2.54 Unless the Relevant Shareholder elects to receive the Scheme Cash Consideration, it will receive the Scheme Scrip Consideration and retain its interest in the Borborema Gold Project. The ability to receive Scheme Scrip Consideration is not available to General Shareholders of BRV.

2.55 However, the agreement with the Relevant Shareholder does not impact the outcome for General Shareholders, if the Scheme is approved then the General Shareholders will receive \$0.36 cash per BRV Share but if the Scheme is not approved then the General Shareholders will retain their interest in BRV and should be cognisant of the various matters set out above.

## Conclusion on Reasonableness

2.56 In the absence of any other relevant information or a superior proposal, and after taking into consideration all the matters raised above, RSM considers the Scheme to be **reasonable** to Scheme Participants.

## Opinion

2.57 In the absence of any other relevant information and/or a superior proposal, RSM considers the Scheme to be **not fair but reasonable** to Scheme Participants, and as such, that the Scheme is **in the best interests** of Scheme Participants.

2.58 Further details on our reasons and the approach we have taken in assessing our opinion is set out in Sections 9 and 10 of this Report.

2.59 An individual shareholder's opinion in relation to the Scheme may be influenced by his or her individual circumstances. If in doubt, shareholders should consult an independent advisor.



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### 3. Scope of the Report

#### Purpose of this Report

- 3.1 The Directors of BRV have requested RSM, being independent and qualified for the purpose, to express an opinion as to whether the Scheme is in the best interests of Scheme Participants who are eligible to receive the Scheme Cash Consideration.
- 3.2 The Relevant Shareholder will be receiving the Scheme Scrip Consideration in respect of its Scheme Shares, unless it makes an election to receive the Scheme Cash Consideration in lieu of the Scheme Scrip Consideration pursuant to the Cooperation and Commitment Deed, and will be considered as a separate class of shareholder for the purposes of the Scheme. Accordingly, it will be voting in relation to its interest at a separate scheme meeting to the General Shareholders.
- 3.3 For the avoidance of doubt, we have not been engaged to opine on, and we have not opined on, whether the Scheme would be in the best interests of the Relevant Shareholder in respect of the Scheme Scrip Consideration. We will only be opining on whether the Scheme is in the best interests of the Relevant Shareholder to the extent that it elects to receive the Scheme Cash Consideration. We have, however, considered the offer to the Relevant Shareholder in assessing whether the Scheme is “reasonable”.

#### Regulatory guidance

- 3.4 It is relevant to note that the expression “in the best interests” is not defined within either the Act or ASIC Regulatory Guides. Therefore, in determining whether the Scheme is in the best interests of the Scheme Participants, we have had regard to the views expressed by the ASIC in RG 111. This regulatory guide provides guidance as to what matters an independent expert should consider to assist security holders to make informed decisions about transactions.
- 3.5 RG 111 prescribes that a key matter that an expert needs to consider when determining the appropriate form of analysis is whether or not the effect of the transactions is comparable to a takeover bid and is therefore representative of a change of control transaction. Where a scheme would achieve substantially the same outcome as a takeover bid, RG 111 aligns “in the best interests” with the “fair and reasonable” test. While RG 111 does not define “fair and reasonable” it does provide some guidance as to how the terms should be interpreted in a range of circumstances. With respect to a takeover bid RG 111 applies the “fair and reasonable” test as two distinct criteria, stating:
- a takeover offer is considered “fair” if the value of the offer price or consideration is equal to or greater than the value of the securities that are the subject of the offer; and
  - a takeover offer is considered “reasonable” if it is fair or, where the offer is “not fair”, it may still be “reasonable” if the expert believes that there are sufficient reasons for security holders to accept the offer in the absence of any higher bid before the close of the offer.
- 3.6 RG 111 contends that if an expert was to conclude that a scheme is “fair and reasonable” if it was in the form of a takeover bid, it will also be able to conclude that the scheme is in the best interests of the members of the company.

#### Adopted basis of evaluation

- 3.7 In effect, the Scheme represents an all-cash offer by Aura for 100% of the shares in BRV held by the Scheme Participants. Therefore, consistent with the guidance set out in RG 111 as summarised above, in assessing whether or not we consider the Scheme to be in “the best interests” of Scheme Participants we have considered whether the Scheme is “fair” by assessing and comparing:
- the Fair Value of a share in BRV on a controlling basis prior to the Scheme; with
  - the Fair Value of the Scheme Cash Consideration being offered under the Scheme.

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- 3.8 On this basis, if the Fair Value of the consideration offered per Scheme Share is equal to or greater than the Fair Value of a BRV share prior to the Scheme, in our opinion, the Scheme would be “fair” and, as such, in the best interests of Scheme Participants.
- 3.9 Our assessment of the Fair Value of a share in BRV has been prepared on a basis which is consistent with the following definition of Fair Value:
- “the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm’s length transaction”.*
- 3.10 In assessing whether the Scheme is in the “best interests” of Scheme Participants, in addition to considering whether or not the Scheme is “fair” to Scheme Participants, we have also considered whether the Scheme is “reasonable” by undertaking an analysis of the following factors:
- the potential advantages and disadvantages of the Scheme;
  - the extent to which a control premium is being paid;
  - the likely price of BRV’s shares if the Scheme is not implemented;
  - the likelihood of an alternative takeover offer emerging;
  - the future prospects of BRV, if the Scheme is not implemented; and
  - the liquidity the Scheme provides.
- 3.11 Our assessment of the proposed Scheme is based on economic, market and other conditions prevailing at the date of this Report.

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## 4. Summary of the Scheme

### Overview

- 4.1 On 20 April 2022, BRV announced it had entered into an Implementation Agreement with Aura to acquire 100% of the issued capital of BRV via Aura BidCo by way of a scheme of arrangement.
- 4.2 Under the terms of the Scheme, all BRV shares held on the Record Date ("Scheme Shares") by General Shareholders will be transferred to Aura BidCo in exchange for the Scheme Cash Consideration of A\$0.36 per Scheme Share, subject to all applicable conditions being satisfied or waived.
- 4.3 The Relevant Shareholder will receive unlisted shares in JVCo, the holding company of Aura BidCo, in lieu of the Scheme Cash Consideration. Following successful implementation of the Scheme, it is expected that the Relevant Shareholder will acquire additional shares in JVCo so that it will hold an indirect interest of 20% in the delisted BRV entity.
- 4.4 BRV must ensure that prior to the Record Date, all BRV performance rights ("Performance Rights") are vested in accordance with their terms and exercised, and if not exercised then cancelled by the BRV Board.
- 4.5 BRV and Aura must ensure that there will be no outstanding BRV unlisted options ("Unlisted Options") on or after the Scheme implementation date. Each holder of Unlisted Options has executed an Unlisted Option Cancellation Deed under which each Unlisted Option will be cancelled for a cash consideration of A\$0.046 if the Scheme is implemented. The consideration for the Unlisted Options has been determined by Aura using a Black-Scholes option valuation methodology.
- 4.6 The Scheme Cash Consideration will be funded entirely from Aura's existing cash reserves and the Scheme is not subject to a financing condition or approval from the Foreign Investment Review Board ("FIRB").
- 4.7 If the Scheme is implemented BRV will become a majority-owned subsidiary of Aura, and the Relevant Shareholder will hold a 20% indirect interest in BRV through JVCo.

### Key conditions of the Scheme

- 4.8 The implementation of the Scheme is subject to a number of conditions precedent. The conditions precedent which must be satisfied or waived are:
  - (a) **BRV shareholder approval:** BRV shareholders approve the Scheme at the Scheme Meeting by the requisite majorities under the Corporations Act.
  - (b) **Court approval:** The Court approves the Scheme in accordance with section 411(4)(b) of the Corporations Act.
  - (c) **Regulatory Approvals:** All regulatory approvals which Aura and BRV, each acting reasonably, agree are necessary or desirable for implementation of the Scheme, including regulatory approvals of ASIC and the ASX are obtained and have not been withdrawn or revoked by 8.00am of the Second Court Date (as defined in the Implementation Agreement).
  - (d) **No Government Intervention:** No temporary restraining order, preliminary or permanent injunction, decree or ruling issued by a court of competent jurisdiction in Australia or Brazil in a proceeding brought by a Governmental Authority which imposes a legal restraint or prohibition preventing or materially adversely impacting on implementation of the Scheme is in effect at 8.00am on the day before the Second Court Date.
  - (e) **Independent Expert:** The Independent Expert issues a report and opines that the Scheme is in the best interests of Scheme Participants at the date on which the Scheme Booklet is lodged with ASIC, and does not change such opinion prior to 8.00am on the Second Court Date.
  - (f) **No Prescribed Event:** No Prescribed Event (as defined in the Implementation Agreement) occurs between the date of the Implementation Agreement and 8.00am on the Second Court Date.

- 
- (g) **BRV's Representations and Warranties:** Each of the BRV Representations and Warranties as set out in the Implementation Agreement is true and correct (if the relevant BRV Representation and Warranty is not already subject to a materiality qualifier) in all material respects, in each case as of the date of the Implementation Agreement and as of 8.00am on the day of the Second Court Date except where expressed to be operative at another date.
  - (h) **BRV Unlisted Options:** Each Unlisted Option holder has entered into a BRV Unlisted Cancellation Option Deed prior to 8.00am on the First Court Date (as defined in the Implementation Agreement).
  - (i) **No Material Adverse Effect:** No Material Adverse Effect (as defined in the Implementation Agreement) has occurred between the date of the Implementation Agreement and 8.00am on the Second Court Date.
  - (j) **Minimum Cash Balance:** BRV has a cash balance not less than the Minimum Cash Balance (as defined in the Implementation Agreement) on 5.00pm on the business day prior to the Second Court Hearing.

## 5. Profile of Big River Gold Ltd

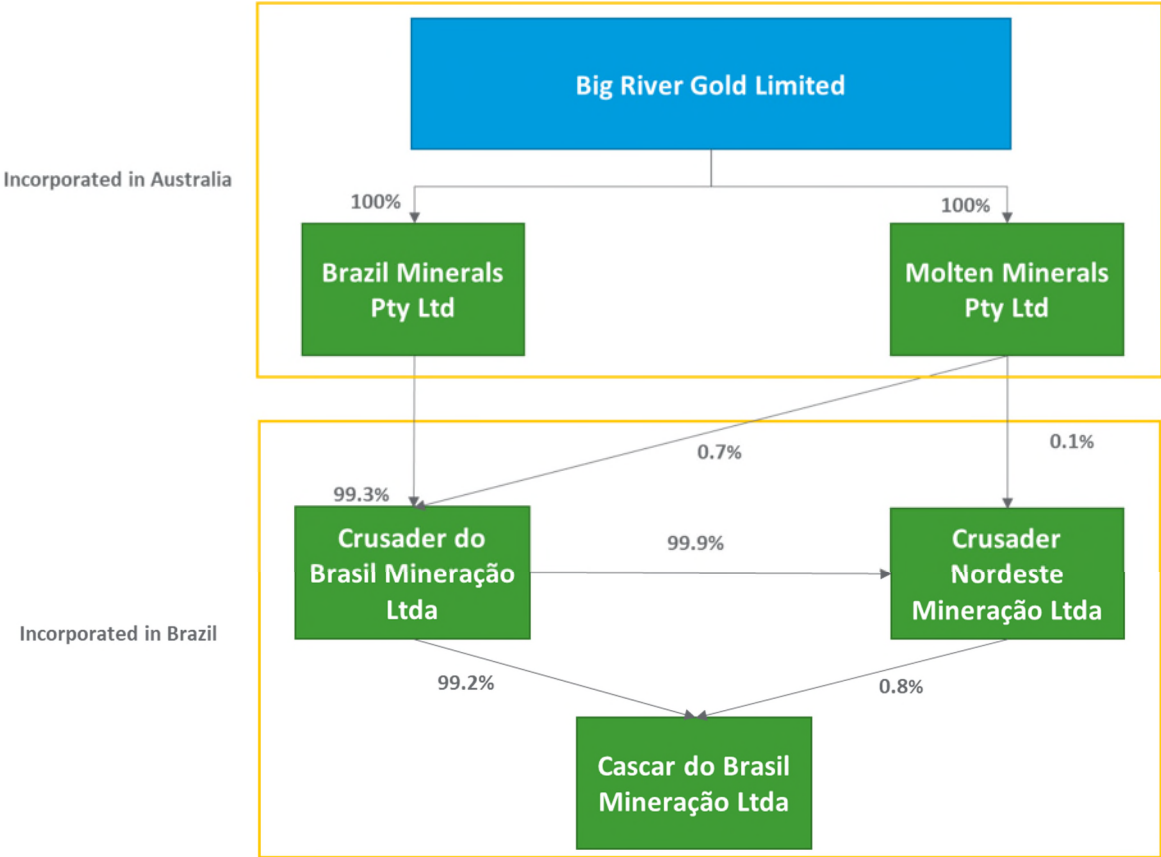
### Overview

- 5.1 Big River Gold Ltd is an Australian company listed on the ASX which engages in the exploration and evaluation of minerals in Brazil.
- 5.2 The Company was formerly known as Crusader Resources Limited before changing its name to Big River Gold Ltd in June 2019. Between 2008 and 2017, BRV acquired, developed and operated the Posse iron ore mine in Brazil; this project was sold in 2017.
- 5.3 The market capitalisation of BRV as at the date of this Report was approximately A\$83.4m.
- 5.4 BRV's flagship project is the Borborema Gold Project, which was acquired in 2010 and is 100%-owned by BRV through its wholly-owned Brazilian subsidiary, Cascar Brasil Mineração Ltda ("Cascar Mineração").
- 5.5 BRV also holds a number of early stage exploration projects via its wholly-owned Brazilian subsidiaries Cascar Mineração and Crusader do Brasil Mineração Ltda ("Crusader do Brasil").

### Legal structure

- 5.6 The corporate structure of Big River Gold Ltd is outlined in the figure below:

Figure 4 Big River Gold Ltd corporate structure



Source: Big River Gold Ltd

## The Borborema Gold Project

5.7 The Borborema Gold Project is located in the Seridó area of the Borborema province, in the State of Rio Grande do Norte in north eastern Brazil. The figure below provides a south-west view over the Borborema pit.

**Figure 5 Borborema Gold Project location**



Source: Big River Gold Ltd

5.8 The Borborema Gold Project consists of three mining leases covering a total area of 29km<sup>2</sup> including freehold title over the main prospect area. In addition, exploration tenements covering a total of 410km<sup>2</sup> extend along the trend of the Borborema mining leases and are considered prospective for adding resources to the Borborema project.

5.9 BRV's JORC 2012 compliant Ore Reserves and Mineral Resource estimate are summarised below.

**Table 6 Borborema Gold Project - Ore Reserves (updated as at 31 December 2017)**

Category	Ore Type	Tonnes (Mt)	Grade (Au g/t)	Mineable Gold (koz)
Proven	Oxide	0.65	0.80	17
	Fresh	7.26	1.25	292
Probable	Oxide	1.68	0.70	38
	Fresh	32.82	1.20	1,260
<b>Total</b>		<b>42.41</b>	<b>1.18</b>	<b>1,610</b>

*Reported at a 0.4 g/t cut-off for oxide and 0.5g/t cut-off for fresh material. The cut-off grades have been based on the latest throughput costs, gold price of US\$1350/oz, metallurgical recovery of 95% and then rounded up. Note, appropriate rounding has been applied, subtotals may not equal total figures.*

Source: BRV Company Presentation to Mines and Money Conference dated 19 October 2021

**Table 7 Borborema Gold Project - Mineral Resources (July 2012 study)**

Category	Cut-off grade (Au g/t)	Tonnes (Mt)	Grade (Au g/t)	Contained Gold Au (Moz)
Measured	0.5	8.2	1.22	0.32
Indicated	0.5	42.8	1.12	1.55
<b>Total Measured and Indicated</b>		<b>51</b>	<b>1.14</b>	<b>1.87</b>
Inferred	0.5	17.6	1	0.57
<b>Total Mineral Resource</b>		<b>68.6</b>	<b>1.1</b>	<b>2.43</b>

*Reported at a 0.5 g/t cut-off. Parent Block 25mE x 25mN x 5mRL. Selective Mining Unit 5mE x 6.25mN x 2.5mRL. Note, appropriate rounding has been applied, subtotals may not equal total figure. Resources are inclusive of reserves.*

Source: BRV Company Presentation to Mines and Money Conference dated 19 October 2021

## Definitive Feasibility Study

- 5.10 In December 2019, BRV completed a Definitive Feasibility Study ("DFS") for the development and construction of Stage 1 of the Borborema Gold Project comprising a single open pit mine and 2 million tonne per annum ("Mtpa") processing plant.
- 5.11 The 2019 DFS was based on an initial mine life of 10.2 years and average annual production of approximately 71,000 ounces ("oz") to produce an estimated 729,000 ounces of gold over the life of mine ("LOM").
- 5.12 The estimated capital expenditure for the Borborema Gold Project was US\$99.3 million, including contingency. Average C1 operating costs over the LOM were estimated at US\$642 per oz.

## Subsequent studies

- 5.13 In July 2020, BRV released the results of a DFS review ("DFS Review") which involved changes being made to the process design and an updated gold price assumption in the financial model that resulted in improved project economics.
- 5.14 Start-up capital costs were reduced to US\$90.7 million, including contingency allowances. Average C1 operating costs over the LOM were also reduced to US\$534 per oz.
- 5.15 In March 2021, BRV conducted another review of the DFS ("Option Study") to assess the most effective use of capital and to optimise proposed process plant designs, comparing the resulting capital costs from an expansion to 4 Mtpa throughput against the 2 Mtpa Stage 1 process plant proposed in the DFS Review.
- 5.16 Capital cost estimates for a 2 Mtpa plant in the Option Study decreased to US\$94.6 million, inclusive of owner's costs and contingencies, however the Option Study notes that the study accuracy had decreased to around  $\pm 30\%$  (while the DFS and DFS review had costings within -10% to +15%).
- 5.17 In April 2022, BRV announced the results of its Engineering Cost Estimate ("ECE") Study. The ECE Study was conducted with the purpose of updating the capital costs developed for the DFS Review and Option Study, while retaining other fundamental and technical assumptions.



5.18 Capital costs reported in the ECE Study increased significantly to US\$174.0 million, inclusive of owner's costs and contingencies, as did C1 operating costs, which rose to US\$811 per oz.

## Directors and management

5.19 The directors and key management of BRV are summarised in the table below.

**Table 8 BRV Directors and key management personnel**

Name	Title	Experience
<b>Mr Andrew Richards</b>	Executive Chairman	Mr Richards is a geologist with over 35 years of experience in the international mining industry including management and project finance. Mr Richards has worked with a variety of commodities including gold, base metals, rare earths and industrial minerals in Australia, Asia, Africa and South America. He has held senior roles in both production and exploration. He is also a non-executive director role at Consolidated Zinc Limited, an ASX listed company.
<b>Mr John Cathcart</b>	Non-Executive Director	Mr Cathcart has 30 years' experience in mining and mining investment analysis. He has extensive experience in technical, corporate and financial roles in the gold, copper and nickel industry across several operations. He has extensive experience in the financial sector with a strong reputation with several major brokers. He is currently an investment manager at Thorney Investments as well as a director at Rawson Lewis, a stockbroking firm. Mr Cathcart is Chairman of the Audit and Risk Committee and Chairman of the Remuneration Committee.
<b>Mr Adrian Goldstone</b>	Non-Executive Director	Mr Goldstone has more than 35 years experience in the resources industry, mostly in executive roles. More recently he has been involved in specialist investment and financing roles. He is the Managing Director, Technical at Dundee Goodman Merchant Partners. His experience and skills include governance, environmental management, social license in the industry and creative business solutions in managing multiple stakeholders. He is also a non-executive director at Saturn Metals Limited, an ASX listed company. Mr Goldstone is a member of both the Audit and Risk Committee and the Remuneration Committee.
Name	Title	Experience
<b>Mr Beau Nicholls</b>	Technical Director	Mr Nicholls is a geologist and project manager with more than 25 years of international experience including in Australia, Eastern Europe, West Africa and South America, and has spent 9 years working in Brazil. He has had senior level experience in technical and corporate management roles in gold exploration and mining companies. He is also a non-executive director at Alvo Minerals Limited, an ASX listed company.
<b>Mr Andrew Beigel</b>	Company Secretary	Mr Beigel has more than 25 years of corporate experience across a variety of industries and executive positions in ASX listed resource companies. He has experience in development and funding of projects and bankable feasibility studies.
<b>Ms Diana Uchoa Torres Lima</b>	Country Manager (Brazil)	Ms Lima holds multiple tertiary qualifications including a Bachelor of Laws from Fumec University, a postgraduate qualification in business administration from Getúlio Vargas Foundation, and a master's degree in labour and private law from PUC Minas. Ms Lima has provided legal services and advice to multiple large mining companies including Jaguar Mining, Aurizona Mining, Mundo Mineração Mining, Daido Chemistry of Brazil, and Nova Era Silicon.
<b>Mr Luis Pablo Carlin Diaz</b>	Vice President, Operations (Brazil)	Mr Diaz is a mining engineer with over twenty years international experience in both operational and corporate management. Mr Diaz has worked in Australia for consulting groups as well as major underground and open pit mining contractors. Recently Mr Diaz held the position of Country Manager, Brazil, for Beadell Resources managing the Tucano gold mine, Brazil's second largest gold mine.

Source: BRV Annual Reports and website

## Financial performance

5.20 The following table sets out a summary of the historical financial performance of BRV for the three years ended 31 December 2021, as extracted from the audited financial statements of the Company.



**Table 9 BRV financial performance**

A\$'000	Ref	CY21	CY20	CY19
<b>Continuing Operations</b>				
<b>Gross Profit / (Loss)</b>	a)	-	-	-
Other Income	b)	11	1,099	314
Fair value gain on equity investment at FVPL		-	-	2,250
Administration expenses		(901)	(1,239)	(586)
Corporate expenses	c)	(1,720)	(2,143)	(2,137)
Finance costs		(11)	(11)	(396)
Depreciation and amortisation		(72)	(37)	(38)
Exploration and evaluation		(35)	(48)	(22)
Unrealised foreign exchange gain/(loss)		167	(397)	(49)
Other expenses from ordinary activities		(258)	(148)	(953)
<b>Net (loss)/profit before income tax</b>	d)	<b>(2,819)</b>	<b>(2,924)</b>	<b>(1,617)</b>
Income tax (expense)/benefit		-	-	-
<b>Net (loss)/profit from continuing operations</b>		<b>(2,819)</b>	<b>(2,924)</b>	<b>(1,617)</b>
Net (loss)/profit from discontinued operations	e)	-	-	6,347
<b>Net (loss)/profit for the year</b>		<b>(2,819)</b>	<b>(2,924)</b>	<b>4,730</b>
Exchange differences arising on translation of foreign operations		(144)	(4,293)	(127)
Exchange differences on translation of discontinued operation		-	-	(6,767)
<b>Total comprehensive (loss)/income for the year</b>		<b>(2,963)</b>	<b>(7,217)</b>	<b>(2,165)</b>

Source: BRV Annual Reports

5.21 We note the following in relation to BRV's financial performance:

- As an exploration company, BRV did not generate any revenue from mining operations over the three years to 31 December 2021;
- Other income comprises profits on the disposal of assets, R&D income, interest revenue and miscellaneous income. Other income for CY20 includes a A\$990k profit from the sale of an asset.
- Corporate expenses, comprising mainly director fees, staff costs and professional fees, was the largest expense category for the Company over the three years to 31 December 2021.
- BRV disclosed a total comprehensive loss of A\$2.2 million, A\$7.2 million and A\$3.0 million for the periods CY19, CY20 and CY21 respectively.
- BRV completed the sale of its Jurueña-Novo Astro Gold projects to Meteoric Resources NL in CY19.

## Dividends

5.22 No dividends have been paid over the period CY19 through CY21.

## Financial position

5.23 The table below sets out a summary of the financial position of BRV as at 31 December 2020 and 31 December 2021.

**Table 10 BRV financial position**

A\$'000	Ref	31-Dec-21	31-Dec-20
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	a)	16,635	9,885
Trade and other receivables		17	58
Other current assets		188	126
<b>Total current assets</b>		<b>16,840</b>	<b>10,068</b>
<b>Non-current assets</b>			
Exploration and evaluation assets	b)	20,125	17,812
Property, plant and equipment		129	109
Right-of-use asset		109	14
<b>Total non-current assets</b>		<b>20,362</b>	<b>17,935</b>
<b>Total assets</b>		<b>37,202</b>	<b>28,004</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	c)	610	516
Borrowings		-	-
Lease liability - current		41	7
<b>Total current liabilities</b>		<b>651</b>	<b>523</b>
<b>Non-current liabilities</b>			
Trade and other payables	c)	1,269	1,042
Lease liability - non-current		70	-
<b>Total non-current liabilities</b>		<b>1,339</b>	<b>1,042</b>
<b>Total liabilities</b>		<b>1,990</b>	<b>1,565</b>
<b>Net assets/ (liabilities)</b>	d)	<b>35,212</b>	<b>26,439</b>
<b>Equity</b>			
Issued capital		113,266	102,313
Reserves		(10,019)	(10,659)
Accumulated losses		(68,034)	(65,215)
<b>Total equity</b>		<b>35,212</b>	<b>26,439</b>

Source: BRV Annual Reports

5.24 We note the following in relation to BRV's financial position:

- BRV's cash and cash equivalents have increased from A\$9.9 million at 31 December 2020 to A\$16.6 million at 31 December 2021, with the increase largely a result of funds received from capital raisings exceeding payments for the Borborema feasibility study, exploration and general overheads.
- Exploration and evaluation assets relate to the Borborema Gold project and include the capitalised expenditure incurred in the acquisition of rights to explore.
- Trade and other payables comprises primarily trade payables and accruals, annual leave and other benefits.
- BRV disclosed a net assets position of A\$26.4 million as at 31 December 2020, which increased to A\$35.2 million as at 31 December 2021.

## Capital structure

5.25 As at 1 July 2022, BRV had 242,155,811 ordinary shares on issue with the top 20 shareholders as set out below.

**Table 11 BRV Top 20 shareholders**

Rank	Name	Shares	%
1	DUNDEE RESOURCES LIMITED	42,500,000	17.55%
2	CITICORP NOMINEES PTY LIMITED	27,229,047	11.24%
3	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	27,108,868	11.19%
4	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	14,767,076	6.10%
5	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED-GSCO ECA	11,000,000	4.54%
6	KAOS INVESTMENTS PTY LIMITED	4,650,000	1.92%
7	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	4,215,565	1.74%
8	UBS NOMINEES PTY LTD	3,800,000	1.57%
9	FARJOY PTY LTD	3,774,668	1.56%
10	NATIONAL NOMINEES LIMITED	3,487,918	1.44%
11	WESTPARK OPERATIONS PTY LTD <WESTPARK OPERATIONS UNIT A/C>	3,370,589	1.39%
12	BNP PARIBAS NOMINEES PTY LTD ACF CLEARSTREAM	3,240,815	1.34%
13	NEWECONOMY COM AU NOMINEES PTY LIMITED <900 ACCOUNT>	3,133,970	1.29%
14	MORGAN STANLEY AUSTRALIA SECURITIES (NOMINEE) PTY LIMITED <NO 1 ACCOUNT>	3,118,681	1.29%
15	ARC RESOURCES PTY LTD <AK GROWTH A/C>	2,812,500	1.16%
16	GUTHRIE CAD/GIS SOFTWARE PTY LTD	2,750,000	1.14%
17	CHRIKIM PTY LTD <GEOFFREY WRIGHT INCOME A/C>	2,386,833	0.99%
18	MISS BELINDA LEES	2,162,500	0.89%
19	CS THIRD NOMINEES PTY LIMITED <HSBC CUST NOM AU LTD 13 A/C>	1,950,002	0.81%
20	CONSTANTINOU EQUITIES PTY LTD <CONSTANTINOU EQUITIES A/C>	1,812,500	0.75%
	<b>Other</b>	51,229,002	30.10%
<b>Total</b>		<b>242,155,811</b>	<b>100%</b>

Source: BRV Management

5.26 At the date of this Report, BRV had the following on issue:

- 3,060,000 Unlisted Options with an exercise price of A\$0.48 and expiry date of 4 February 2024; and
- 12,257,500 Performance Rights which vest on the achievement of various operational milestones.

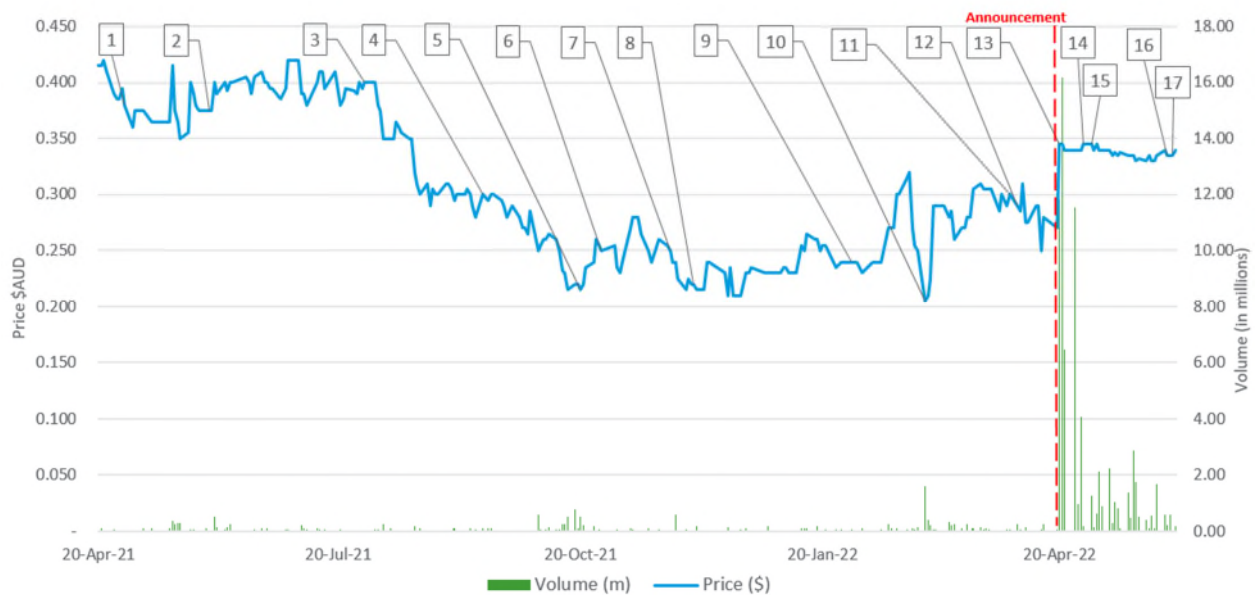
5.27 Unlisted Option holders will receive cash consideration of A\$0.046 if the Scheme is implemented, under the terms of Unlisted Option Cancellation Deeds executed. All Performance Rights on issue will vest and convert into BRV shares if the Scheme is implemented.

5.28 Assuming the Relevant Shareholder receives the Scheme Scrip Consideration, the total cash consideration to be paid by Aura under the Scheme would be A\$76.3 million in relation to ordinary shares and A\$0.14 million in relation to Unlisted Options.

## Share price performance

5.29 The figure below sets out a summary of BRV's closing share price and traded volumes over the 12-month period to 19 April 2022, being the last trading day before the Scheme announcement, and the subsequent period to 3 June 2022.

**Figure 6 BRV recent share trading history**



Source: S&P Capital IQ

5.30 Key announcements made by the Company over the 12-month period to 19 April 2022 are summarised below.

**Table 12 Significant announcements made by BRV before the Scheme announcement**

Ref	Date	Commentary
1	30/04/2021	March Quarterly Cashflows Report, March Quarterly Activities Report, AGM Letter to Shareholders, and Notice of Annual General Meeting / Proxy Form
2	1/06/2021	Annual General Meeting, Operational Update to Shareholders, AGM Presentation, Results of Annual General Meeting and Initial Director's Interest Notice
3	30/07/2021	June Quarterly Cashflows Report and June Quarterly Activities Report
4	13/09/2021	Earnings Results for the Half Year Ended 30 June 202
5	20/10/2021	Mines and Money Conference Presentation
6	29/10/2021	Quarterly Cash Flow Report and Quarterly Activities Report
7	23/11/2021	Big River Gold Ltd presents at 121 Mining Investment EME
8	2/12/2021	Water Studies Provide Process Security
9	31/01/2022	December Quarterly Cash Flow Report and Quarterly Activities Report
10	28/02/2022	Response to ASX Price Query
11	1/04/2022	Annual Report to Shareholders and ECE Study Update and Expansion PFS
12	4/04/2022	Contracts Awarded for Borborema Expansion PFS

Source: ASX and S&P Capital IQ

5.31 Significant announcements made by the Company from the Scheme announcement and up to 3 June 2022 are summarised below.

**Table 13 Significant announcements made by BRV after and including the Scheme announcement**

Ref	Date	Commentary
13	20/04/2022	Cash Offer from Aura Minerals Inc. of A\$0.36 per share and Notice of Initial Substantial Holder – Aura Minerals Inc
14	29/04/2022	Quarterly Cash Flow Report for the quarter ended 31 March 2022
15	2/05/2022	Quarterly Activities Report for the quarter ended 31 March 2022, Letter to shareholders with a Notice of AGM and Scheme Timetable and Notice of AGM/Proxy Form
16	31/05/2022	Borborema Drilling Update and Results of AGM
17	2/06/2022	Letter to Option Holders

Source: ASX and S&P Capital IQ

5.32 Over the period 20 April 2021 to 19 April 2022, being the last day BRV shares were traded prior to the announcement of the Scheme:

- BRV shares traded between a low of A\$0.190 and a high of A\$0.420 per share, and closed at A\$0.270 on the last day of trade prior to the Scheme announcement;
- Approximately 10% of BRV's shares were traded over a 12-month period, demonstrating a low level of stock liquidity; and
- the most significant day of trading over the period was on 28 February 2022, with 1.6 million Shares traded. This corresponded with a significant unexplained movement in the share price, resulting in an ASX price query being issued.

5.33 The following chart illustrates the relative movement in the BRV share price against the S&P/ASX All Ordinaries Gold Index from 20 April 2021 to 19 April 2022, and the period subsequent to the Scheme announcement.

Figure 7 Relative movements in BRV's share price



Source: S&P Capital IQ

- 5.34 BRV's share price trended down over the period of review from A\$0.415 on 20 April 2021 to A\$0.270 on 19 April 2022, a decline of 35%. The S&P All Ordinaries Gold Index also trended down over the period of review, but only declined by 7% from 7,194.72 on 20 April 2021 to 7,705.38 on 19 April 2022.
- 5.35 Although the BRV share price followed the general downward trend of the S&P All Ordinaries Gold Index over the period, the above figure suggests that they are not perfectly correlated, with a significant divergence commencing in August 2021 until the announcement of the Scheme.

## 6. Profile of Aura Minerals Inc.

### Overview

- 6.1 Aura Minerals Inc. is a Toronto Stock Exchange-listed gold and copper production company focused on the development and operation of gold and base metal projects in the Americas.
- 6.2 Aura was formerly known as Aura Gold Inc. before changing its name to Aura Minerals Inc in July 2007.
- 6.3 The market capitalisation of Aura as at the date of this Report was approximately CAD\$492.0m.

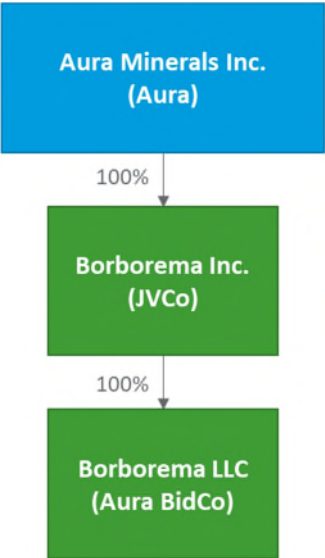
### Summary of projects

- 6.4 Aura’s producing assets include the Ernesto / Pau-a-Pique gold mine in Brazil, the San Andres gold mine in Honduras and the Aranzazu gold, silver and copper mine in Mexico.
- 6.5 Aura’s development assets include the Almas and Matupa gold projects in Brazil and the Tolda Fria gold project in Colombia.
- 6.6 Aura also owns the Gold Road gold mine in Arizona, in the United States of America, which is currently on care and maintenance.

### Legal structure

- 6.7 The ownership structure of Aura Minerals Inc relevant to the BRV acquisition is as per the figure below:

Figure 8 Aura Minerals Inc. Ownership Structure



Source: BRV Scheme Booklet

- 6.8 Aura BidCo is a wholly-owned subsidiary of JVCo, which is in turn wholly-owned by Aura.
- 6.9 Should the Scheme be implemented, the Relevant Shareholder will receive an equivalent shareholding interest in JVCo as it holds in BRV at the Record Date of the proposed Scheme, and will, as soon as practicable following the implementation of the Scheme, acquire additional shares in JVCo to increase its shareholding in JVCo to 20%, thereby reducing Aura’s interest in JVCo to 80%. The delisted BRV entity will be 100% owned by Aura BidCo.

## Directors

6.10 The directors of Aura are summarised in the table below.

**Table 14 Aura directors**

Name	Title	Experience
<b>Mr Paulo Carlos de Brito</b>	Chairman of the Board and a Director (Sao Paulo, Brazil).	Mr de Brito has been a director and the non-executive Chairman of the Aura board of directors since May 2016. Mr de Brito is a businessman with over 45 years of experience in the mining, energy and agricultural sectors. Mr de Brito has worked extensively in Brazil and in several Latin American countries. Mr de Brito has founded several companies including Cotia Trading, S.A. (trading company), Mineracão Santa Elina Ind. and Com. S.A. (mining company focused on the development, exploration and research of various minerals), and Biopalma da Amazônia S.A. (palm oil production company).
<b>Mr Stephen Keith</b>	Director, Lead Director (Ontario, Canada)	Mr Keith has been a director of Aura since August 2011. Mr Keith is also the Chief Executive Officer (CEO) of Labrador Uranium Inc, since his appointment in August 2021. Mr Keith has over 20 years of experience working on projects in more than 30 countries, with a concentration in the Americas. His experience working with mining and energy companies spans spearheading projects from concept through to feasibility studies, engineering design, project management and construction. He has engaged in over C\$2 billion in financings and merger and acquisition deals for natural resource projects. He holds a BSc, Applied Science from Queen's University, an International MBA from York University, Schulich School of Business, and is a Registered Professional Engineer (P.Eng.) in Ontario and British Columbia (retired).
<b>Mr Bruno Mauad</b>	Director (Sao Paulo, Brazil)	Mr Mauad has been a director of Aura since October 2020. Mr Mauad is a partner at Kapitalo Investimentos, leading the equities investment strategy since 2015 and has been a member of the executive committee since 2019. He started his career in 2005 at Patria Investimentos as an equity analyst, becoming portfolio manager in 2010, and being responsible for long & short as well as long-only strategies. In 2013, he joined Ashmore Group as a member of the Investment Committee and portfolio manager of the equity strategies. He holds a Bachelor in Public Administration from FGV / EAESP and is a CFA charter holder.
<b>Mr Philip Reade</b>	Director (Sao Paulo, Brazil)	Mr Reade has been a director of Aura since May 2017. Mr Reade has over 20 years of business experience, mostly as an investor and as an entrepreneur. Since 2016, he has been one of the founders and Managing Partners of Helm Investment Partners, a New York based investment firm that specialises in public equities within country-wide recoveries. For 7 years, until February 2016, Mr Reade was a Partner, Co-Portfolio Manager and Co-Head of the Investment Team at Tarpon Investimentos, one of Brazil's largest independent equities fund with over US\$3 billion (as of April 2017, the fund generated a 21.7% annual return net of fees in US\$, since its inception in 2002). Mr Reade has previously served as Chairman of the board of directors at Cremer, Somos Educação and Omega, and as a member of the board of directors of Metalúrgica Gerdau and Tempo Participações. Prior to Tarpon, Mr Reade was Head of the Brazilian operations of the New York-based hedge fund, Marathon Asset Management, which focused on private and public equities as well as structured credit. Before Marathon, Mr Reade worked for Goldman Sachs in São Paulo as part of the Investment Banking division. Prior to Goldman, he founded and ran Brasilis Seafood, a company that financed seafood processing plants in Brazil. Mr Reade started his career at Brazilian Banco Garantia, founded by Brazilian entrepreneur and 3G founder Jorge Paulo Lemann, and then at McKinsey & Co as a business analyst at the São Paulo office. He holds a BS in Economics from the University of São Paulo and an MBA from Stanford University.
<b>Mr Paulo Carlos de Brito Filho</b>	Director (Sao Paulo, Brazil)	Mr de Brito Filho has been a director of Aura since October 2020. Mr de Brito Filho is also Chief Executive Officer at Mineracão Santa Elina Industria e Comercio, a company that operates in the development and operation of mineral assets in South America, since 2019 and a director of Quanta Geracao, a company that operates in the energy industry through generation and sale of energy from its solar and small hydroelectric plants in Brazil. He has also been a directors of Sertrading, a company focused on the trading industry. Mr de Brito Filho currently serves as a board member of the Museum of Image and Sound.
<b>Mr Fabio Ribeiro</b>	Director (Florida, USA)	Mr Ribeiro has been appointed a director of Aura since February 2020. Mr Ribeiro has worked at Neptuno Fund Ltd as a Fund Manager since May 2005. Mr Ribeiro also worked at Aura as a Technology Strategist from February 2018 until May 2020. Mr Ribeiro has led diverse teams at the dawn of the internet, helping pioneer Brazil's iconic internet service provider, iG, founded and exited a successful business in the aviation industry, SOL, and went on to start Neptuno in 2005, a multi-strategy fund focused in technology and forward-thinking investing. In the last few years, Mr Ribeiro led Neptuno into the venture capital space with a clear vision of empowering entrepreneurs working at the convergence of exponential technologies. In 2019, Mr Ribeiro co-founded TUZ Ventures, an early-stage tech venture capital fund focused in Central Asia. He holds a BA from FAAP in São Paulo, Brazil, a Master of Economics from Bocconi University in Milan, Italy and a Master of Interactive Media/Game Design MFA from the University of Miami, USA. He currently also serves on the boards of the Miami Institute for Data Science and Computing and the School of Communications at the University of Miami.



<b>Mr Richmond Lee Fenn</b>	Director (Arizona, USA)	Mr Fenn has been a director of Aura since October 2019. Mr Fenn has been a mining consultant since 2021. Before that, Mr Fenn has worked at Aura as an interim General Manager, supporting ramp-ups at the Gold Road Mine in 2020 and the San Andres operation in 2019. He brings 39 years of base and precious metal experience to Aura. Mr Fenn has extensive experience in mine engineering, mine development and valuation, maintenance and operations in North and South America, Africa and Papua New Guinea. From 2018 to 2019, Mr Fenn was Executive General Manager for the Pueblo Viejo mine in the Dominican Republic, one of the world's largest gold producing mines. In 2016 and 2017, Mr Fenn held positions of increasing responsibility for Freeport McMoRan, Glencore and Barrick Gold. He holds a bachelor's degree in mining engineering from the University of Arizona and is a registered professional engineer.
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Source: BRV Scheme Booklet

## Capital structure

- 6.11 As at 25 May 2022, Aura had approximately 72.6m ordinary shares on issue with the top shareholder being Paulo Carlos de Brito, the Non-Executive Chairman of the Aura Board, with an interest of 50.89% in Aura shares.

## Cash reserves

- 6.12 As of 31 March 2022, Aura had consolidated unrestricted cash and cash equivalents of approximately US\$193,829,000. These cash reserves are not subject to security interests, rights of set off or other arrangements that might materially affect Aura's ability to use them to pay the Scheme Cash Consideration.

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## 7. Valuation Approach

### Valuation methodologies

7.1 In assessing the Fair Value of an ordinary BRV share on a control basis, we have considered a range of valuation methodologies. RG 111 proposes that it is generally appropriate for an expert to consider using the following methodologies:

- the discounted cash flow ("DCF") method and the estimated realisable value of any surplus assets;
- the application of earnings multiples to the estimated future maintainable earnings or cash flows added to the estimated realisable value of any surplus assets;
- the amount which would be available for distribution on an orderly realisation of assets;
- the quoted price for listed securities; and
- any recent genuine offers received.

7.2 We consider that the valuation methodologies proposed by RG 111 can be split into three valuation methodology categories, as follows.

### Market based methods

7.3 Market based methods estimate Fair Value by considering the market value of a company's securities or the market value of comparable companies. Market based methods include:

- the quoted price for listed securities; and
- industry specific methods.

7.4 The recent quoted price for listed securities method provides evidence of the Fair Value of a company's securities where they are publicly traded in an informed and liquid market.

7.5 Industry specific methods usually involve the use of industry rules of thumb to estimate the Fair Value of a company and its securities. Generally, rules of thumb provide less persuasive evidence of the Fair Value of a company than other market based valuation methods because they may not account for company specific risks and factors.

### Income based methods

7.6 Income based methods estimate value by calculating the present value of a company's estimated future stream of earnings or cash flows. Income based methods include:

- discounted cash flow methods; and
- capitalisation of future maintainable earnings.

7.7 The DCF technique has a strong theoretical basis, valuing a business on the net present value of its future cash flows. It requires an analysis of future cash flows, the capital structure and costs of capital and an assessment of the residual value or the terminal value of the company's cash flows at the end of the forecast period. This method of valuation is appropriate when valuing companies where future cash flow projections can be made with a reasonable degree of confidence.

7.8 The capitalisation of maintainable earnings methodology estimates the Fair Value of a business as being the product of a company's Future Maintainable Earnings ("FME") multiplied by an appropriate earnings multiple. The methodology is commonly applied where earnings are stable and a FME stream can be established with a degree of confidence. Capitalisation multiples can be applied to either estimates of future maintainable operating cash flows, EBITDA, EBIT or net profit after tax. The earnings from any non-trading surplus assets are excluded from the estimate of FME and the value of such assets is separately added to the value of the business in order to derive the total value of the company. The appropriate multiple to be applied is usually derived from an analysis of stock

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market trading multiples of comparable companies (which do not include a control premium) and the implied multiples paid in comparable transactions (which include a control premium).

### **Asset based methods**

- 7.9 Asset based methodologies estimate the Fair Value of a company's securities based on the realisable value of its identifiable net assets. Asset based methods include:
- orderly realisation of assets method;
  - liquidation of assets method; and
  - net assets on a going concern basis.
- 7.10 The value achievable in an orderly realisation of assets is estimated by determining the net realisable value of the assets of a company which would be distributed to security holders after payment of all liabilities, including realisation costs and taxation charges that arise, assuming the company is wound up in an orderly manner. This technique is particularly appropriate for businesses with relatively high asset values compared to earnings and cash flows.
- 7.11 The liquidation of assets method is similar to the orderly realisation of assets method except the liquidation method assumes that the assets are sold in a shorter time frame, reflecting a distressed liquidation value. The liquidation of assets method will result in a value that is lower than the orderly realisation of assets method, and is appropriate for companies in financial distress or when a company is not valued on a going concern basis.
- 7.12 The net assets on a going concern method estimates the market values of the net assets of a company but unlike the orderly realisation of assets method it does not take into account realisation costs. Asset based methods are appropriate when companies are not profitable, a significant proportion of the company's assets are liquid, or for asset holding companies.

### **Selection of valuation methodologies**

#### **Valuation of a BRV share prior to the Scheme**

##### *Sum of the parts*

- 7.13 In valuing a share in BRV prior to the Scheme we have utilised the sum of the parts methodology by aggregating the Fair Value of the following:
- The Borborema Gold Project based on the DFS mine plan updated for the results of the ECE study in April 2022 ("Mine Plan");
  - Borborema Gold Project resources outside of the Mine Plan, as assessed by CSA Global in their Independent Technical Specialists' Report (refer Appendix G);
  - BRV's other Brazilian exploration assets, as assessed by CSA Global in ITSR;
  - BRV corporate costs not included in the Borborema Gold Project financial model; and
  - Net surplus assets not otherwise included above.
- 7.14 We have selected the DCF methodology to assess the Fair Value of the Borborema Gold Project due to the availability of detailed cash flow forecasts which underpin the DFS completed by BRV in December 2019, and which have been subsequently updated following completion of a number of economic studies including the ECE Study in April 2022 ("the Borborema Model").
- 7.15 Under RG 111, ASIC recognises that there may be reasonable grounds for use of the DCF methodology before a project generates cashflows, as long as the expert has reasonable grounds for forward looking information, as at the date of the report.

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- 7.16 As BRV has completed and announced the results of its DFS for the Borborema Gold Project in December 2019, DFS Review in July 2020, Options Study in March 2021 and Engineering Cost Estimate Study in April 2022, we consider that we have a reasonable basis under Regulatory Guide 170 Prospective Financial Information (“RG 170”) and Information Sheet 214 Mining and Resources – Forward – looking statements to apply the DCF methodology.
- 7.17 We have instructed CSA Global to act as an independent technical specialist to review the technical assumptions contained in the Borborema Model in order for us to calculate the Fair Value of the Borborema Gold Project.
- 7.18 We have also instructed CSA Global to provide a valuation of BRV’s other mineral assets, including Borborema Gold Project resources outside of the Mine Plan and the Mara Rosa and Seridó exploration licences.

*Quoted price of listed securities*

- 7.19 Prices at which a company’s shares have been traded on the ASX can, in the absence of low liquidity or unusual circumstances, provide an objective measure of the value of the company, excluding a premium for control.
- 7.20 As a cross-check, we have considered the quoted market price by considering the historical VWAP of BRV shares and the volatility of the share price prior to the announcement of the Scheme. In accordance with RG 111, we have assessed the value of BRV’s shares on the basis of a 100% controlling interest.

## 8. Valuation of Big River Gold Ltd

8.1 As stated in paragraphs 7.13 to 7.20, we have assessed the value of BRV prior to the Scheme utilising the sum of the parts methodology and have also considered the recent quoted price of its listed securities.

### Sum of the parts

8.2 In adopting the sum of the parts methodology, we have aggregated the Fair Value of the following:

- The Borborema Gold Project based on the Mine Plan;
- Borborema Gold Project resources outside of the Mine Plan, as assessed by CSA Global in the ITSR;
- BRV's other Brazilian exploration assets, as assessed by CSA Global in the ITSR;
- BRV corporate costs not included in the Borborema Model; and
- Net surplus assets not otherwise included above.

### Assessment of the Fair Value of the Borborema Gold Project based on the mine plan

8.3 We have assessed the Fair Value of the Borborema Gold Project based on the Mine Plan as summarised in the table below.

**Table 15 Fair Value of the Borborema Gold Project based on the mine plan**

	Fair Value Low US\$m	Fair Value High US\$m	Fair Value Midpoint US\$m
Borborema Gold Project - Mine Plan	39.5	64.6	51.3

Source: RSM Analysis

8.4 We have been provided with the Borborema Model which sets out detailed cash flow projections and technical and operational assumptions for the Borborema Gold Project based on current mine and operational plans. The Borborema Model comprises USD denominated, real, after-tax cash flows over a 10-year mine life.

8.5 CSA Global has reviewed the technical assumptions included in the Borborema Model and has recommended changes to a number of these assumptions. We have incorporated these changes in our DCF valuation to arrive at an adjusted model ("Adjusted Model") for the Borborema Gold Project. The assumptions reviewed by CSA Global include resources and reserves, mining physicals including strip ratios and cut-off grade, processing assumptions including recoveries, production scheduling, pit design, operating costs and capital costs.

8.6 A copy of CSA Global's Independent Technical Specialists' Report is attached at Appendix G.

### Forecast cash flows

8.7 We have performed an analysis of the cash flow projections in the Borborema Model prepared by management based on the existing mine plan, including:

- a. undertaking a methodology logic check (however we have not performed a detailed review nor audit of the Borborema Model);
- b. reviewing the basis of the underlying assumptions such as revenue, operating expenditure, capital expenditure and royalties;
- c. updating the Borborema Model for changes arising from CSA Global's review of technical assumptions and our own work; and
- d. conducting independent research on certain economic inputs such as exchange rates, inflation rates, commodity prices and the discount rate applicable to the future cash flows of the Borborema Gold Project.

- 8.8 The key assumptions adopted in the preparation of the cash flow projections, and the adjustments we have made, are discussed below.
- 8.9 We note that any prospective financial information is dependent upon the outcome of many assumptions, some of which are outside the control of directors and management and may be affected by unforeseen events. Assumptions relating to the prospective financial information can be reasonable at the time of their preparation but can change materially over a relatively short period of time. Accordingly, actual results may vary materially from the forecasts included in the Adjusted Model.

#### *Inflation*

- 8.10 Management has provided us with the Borborema Model, which includes projected life of mine ("LOM") cash flows in real terms.
- 8.11 We have converted the costs provided in the Adjusted Model in real September 2021 terms to real April 2022 terms, based on the historical rate of inflation over the 7-month period to April 2022, then applied our assessed forecast inflation rates as summarised below to convert them to nominal cash flows.

**Table 16 Forecast inflation rates as at 30 April 2022**

Inflation %	2022	2023	2024	Long term
AUD inflation	4.37%	3.16%	2.63%	2.50%
USD inflation	7.00%	3.10%	2.50%	2.00%
BRL inflation	8.90%	4.80%	3.40%	3.00%

Source: Bloomberg, S&P Capital IQ, Federal Open Market Committee, Reserve Bank of Australia, Banco Central Da Brazil and RSM Analysis

- 8.12 Our forecast inflation rates have been assessed having regard to forecasts prepared by economic analysts and commentators, as well as the long term target inflation rates set by the Reserve Bank of Australia, US Federal Reserve and Banco Central Da Brazil as at the Valuation Date.

#### *Commodity prices*

- 8.13 The Borborema Model assumes a base case long-term price for gold of US\$1,600 per ounce on a real basis.
- 8.14 We have adopted forecast nominal gold prices in the Adjusted Model as summarised below.

**Table 17 Forecast gold prices as at 30 April 2022**

Gold (Au) Price USD/Troy oz						Long-term Dec 2027
Nominal	2022	2023	2024	2025	2026	Real
Gold	1,856	1,788	1,766	1,768	1,742	1,677

Source: S&P Capital IQ, Refinitiv Eikon, Consensus Economics and RSM Analysis

- 8.15 In assessing the gold price assumptions, we have had regard to consensus price forecasts sourced from Consensus Economics, S&P Capital IQ and Refinitiv Eikon and adopted the median value in the years to 2026. Beyond 2026, we have adopted the average long-term view of Consensus Economics and S&P Capital IQ.

#### *Foreign exchange*

- 8.16 Fixed and variable operating costs in the Borborema Model are predominantly stated in BRL terms, with only some costs stated in USD terms.
- 8.17 We have converted forecast BRL costs to USD terms in the Adjusted Model, using our forecast exchange rate assumptions as shown below.

**Table 18 Forecast exchange rates as at 30 April 2022**

Exchange Rates											
Real	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032+
USD/BRL	4.97	5.38	5.70	6.05	6.55	6.88	7.38	7.87	8.49	9.10	9.70
BRL/USD	0.20	0.19	0.18	0.17	0.15	0.15	0.14	0.13	0.12	0.11	0.10

Source: Bloomberg and RSM Analysis

8.18 In deriving the exchange rates shown above, we have considered data provided by Bloomberg. Beyond 2031 we have assumed the nominal exchange rate is driven by the relative purchasing power parity between the USD and BRL such that the exchange rate remains constant in real terms.

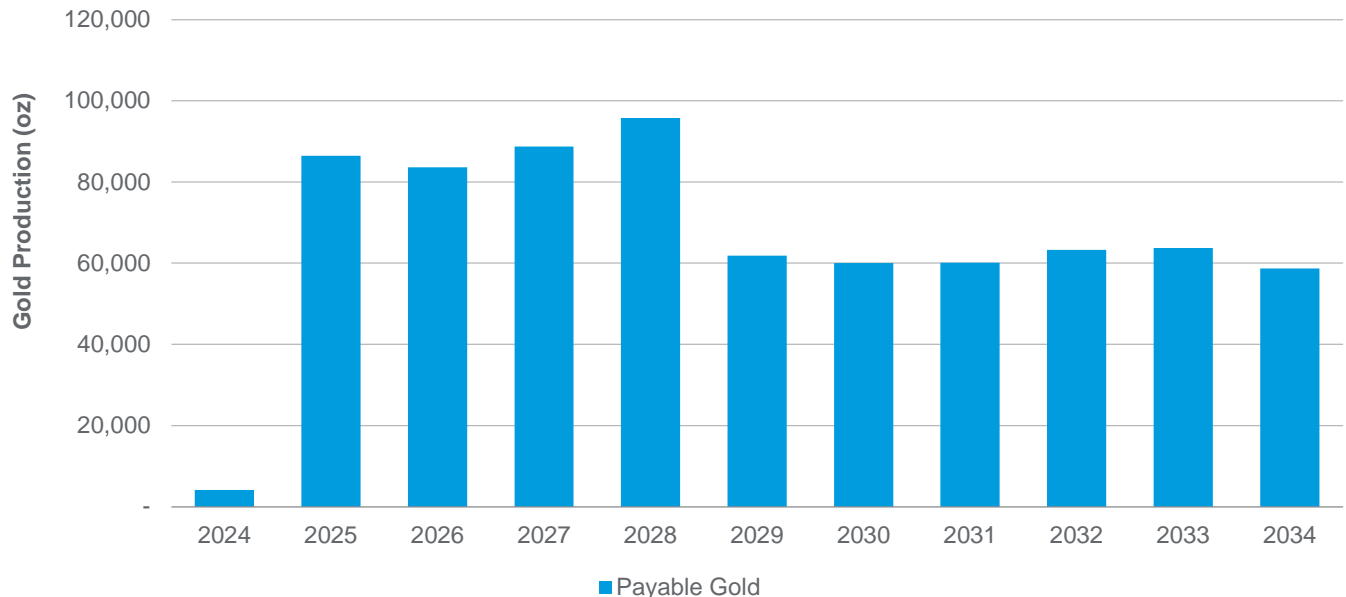
8.19 We note that forecasting of future foreign exchange rates is uncertain given the wide range of factors which influence relative currencies, including interest rates, relative inflation, public debt, political stability, economic growth, balance of trade, current account deficits as well as confidence / market speculation.

#### Revenue

8.20 Total revenue over the life of the mine is projected to be approximately US\$1.3 billion in nominal terms in the Adjusted Model.

8.21 Revenue is derived from the sale of gold. The figure below shows the production profile over the LOM in the Adjusted Model.

**Figure 9 Borborema Gold Project - Gold Production**



Source: Adjusted Model and RSM Analysis

8.22 We note the following in relation to the figure above:

- Approximately 726 thousand ounces ("koz") of gold is projected to be recovered over the life of mine.
- The Borborema Model forecast cash flows commence in July 2020. For the purposes of our valuation, we have pushed back the start date to April 2022 to align with our Valuation Date. Accordingly, in the Adjusted Model, mining is scheduled to commence in June 2024 and processing in December 2024. Operations are forecast to continue for approximately 10 years until November 2034.

- c. CSA Global considers that the Ore Reserves underpinning the production figures in the Borborema Model should have been re-optimised and restated for changes in modifying factors, particularly given the significant increase in gold price since completion of the DFS in 2019. Accordingly, the gold price used to estimate the Ore Reserves introduces a degree of conservatism in the estimate. We have had regard to this in selecting a company specific risk premium for our assessed discount rate as discussed at Appendix D of this report.

### Operating costs

8.23 Operating costs consist of mining costs, processing costs, selling costs, general and administrative costs, non-income taxes and royalties.

8.24 The following figure sets out the projected operating expenditure in the Adjusted Model in nominal terms.

**Figure 10 Borborema Gold Project - Operating Expenses**



Source: Adjusted Model and RSM Analysis

8.25 We note the following in relation to the figure above:

- Total operating costs over the LOM are projected to be US\$535.12 million in nominal terms in the Adjusted Model.
- Mining costs represent approximately 48% of total operating expenses, while processing costs account for approximately 33% of total operating expenses in the Adjusted Model.
- Non-income taxes relating to the importation of goods into Brazil are shown net of refunds, which are assumed to be received 12 months following the invoice date.
- CSA Global has recommended some adjustments to operating expense items which we have reflected in the Adjusted Model:
  - We have increased mining operating costs by using average contractor rates, rather than the lowest rates, based on mining contractor submissions;
  - We have increased the strip ratio used in the calculation of waste costs from 4.14 to 4.24; and
  - We have increased the mining contractor equipment rate by 15%.

8.1 Further details of the adjustments recommended by CSA Global are outlined in their report at Appendix G.

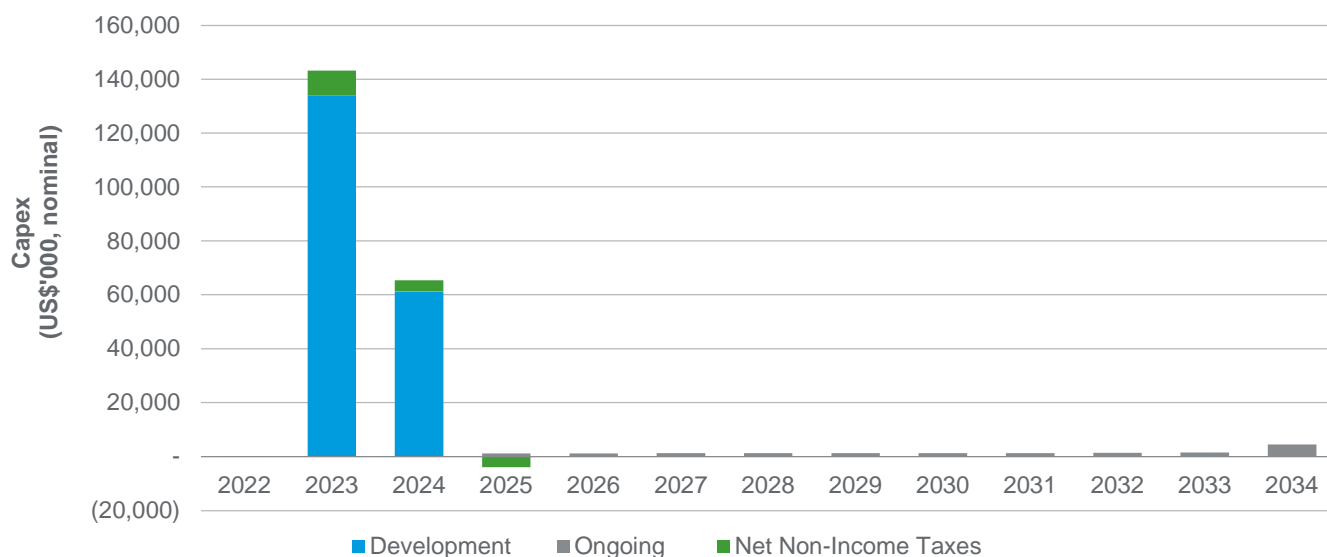


## Capital expenditure

8.2 Capital expenditure broadly comprises initial development capex and ongoing capex.

8.3 The following figure sets out the projected capital expenditure in the Adjusted Model in nominal terms.

**Figure 11 Borborema Gold Project - Capital Expenditure**



Source: Adjusted Model and RSM Analysis

8.4 We note the following in relation to the figure above:

- Total capital expenditure over the LOM is projected to be US\$222.25 million in nominal terms in the Adjusted Model;
- Development capex includes mining pre-production costs and capex relating to the processing facilities, site infrastructure and utilities. Development capex represents approximately 88% of total capex, the majority of which (US\$144.0 million) is forecast to be incurred in 2023.
- Ongoing capex includes sustaining capital and mine closure costs. Sustaining capital costs of US\$1.0 million per annum have been converted to nominal terms in the Adjusted Model. Closure costs totalling US\$3.5 million are forecast in the final 12 months of operations.
- Non-income taxes are shown net of refunds. A refund of US\$4.0 million is forecast to be received in late 2025, 12 months after full operations commence.

8.5 CSA Global states in the ITSR that in its opinion, the Borborema Model comprehensively handles the various taxes, sustaining capital and mine closure costs. Accordingly, we have not made any adjustments to the capital expenditure amounts in the Adjusted Model, save for applying our inflation assumptions to the real amounts to convert them to nominal terms.

8.6 Further details of the considerations made by CSA Global in relation to capex are outlined in their report at Appendix G.

## Taxation

8.7 Cash flows in the Adjusted Model have been modelled on a post-tax basis with a reduced corporate income tax ("IRPJ") rate of 6.25% and a social contribution ("CSLL") rate of 9% applied to taxable income.

8.8 The Project is able to take advantage of the Sudene Tax Incentive in Brazil, which grants a 75% reduction on the 25% IRPJ payable, which results in the total income tax payable being reduced from 34% to approximately 15.25%.

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- 8.9 BRV management has received and provided us with independent tax advice confirming that this reduced corporate tax rate will continue to apply to the Brazilian entities which are already under the special regime, therefore a potential acquirer would not need to re-apply to the tax authorities for the incentive. However if, as part of the acquisition or after the acquisition, the entities are merged with other entities and/or are deregistered, it will be necessary to re-apply to the tax authorities or at least inform them that the companies were merged such that the special regime should apply to the entities in existence after the merger.
- 8.10 Taxable income in the Adjusted Model is based on earnings over the financial year and adjusted for:
- Depreciation of processing plant and infrastructure capital using the straight line method; and
  - Tax losses accumulated and carried forward over the forecast period only, with utilised tax losses limited to a maximum of 30% of taxable income in any period in accordance with Brazilian tax legislation.
- 8.11 For the purpose of determining ungeared post-tax cash flows, financing costs have not been deducted from taxable income.
- 8.12 A range of non-income taxes are applied to opex and capex in the Adjusted Model relating to the importation of goods into Brazil. Refunds on supply taxes are assumed to be received 12 months following the invoice date.

#### *Other assumptions*

- 8.13 In addition to the assumptions discussed in the preceding sections, the following assumptions have also been applied in the Adjusted Model:
- The start date has been changed from 1 July 2020 to 1 May 2022 to align with our valuation assessment date; and
  - Working capital movements have been modelled based on payment terms as advised by BRV management. Revenue from gold sales is assumed to be received within 30 days. Trade payables have been modelled assuming 30 creditor days, however labour costs have been assumed to be paid when incurred.

#### *Discount rate*

- 8.14 The discount rate we have selected allows for both the time value of money and the risks attached to future cash flows. The adopted discount rate is the likely rate of return applicable to BRV which would be required for the risks inherent in investing in the Borborema Gold Project .
- 8.15 We have utilised the weighted average cost of capital ("WACC") as our discount rate. We have assessed the WACC to be in the range of 16.9% to 19.7%.
- 8.16 Details of our assessment of the WACC range are included at Appendix D.

#### *Net Present Value*

- 8.17 The table below sets out our assessment of the net present value of the Borborema Gold Project in USD based on the Mine Plan.

**Table 19 NPV of the Borborema Gold Project based on the mine plan**

	Fair Value Low US\$m	Fair Value High US\$m	Fair Value Mid-point US\$m
Borborema Gold Project – Mine plan	39.5	64.6	51.3

Source: Adjusted Model and RSM Analysis

### Sensitivity analysis

8.18 By their nature, mineral assets are difficult to value. Key considerations in valuing mineral assets include long term views on commodity prices, foreign exchange and inflation, development, operational and financial risks, quality of the underlying resource base and expectations on timing of the future development of assets. While the valuation approach and assumptions represent RSM and CSA Global's views at the time of preparing this Report, changes to market opinions on these key considerations could materially impact the value of the mineral assets.

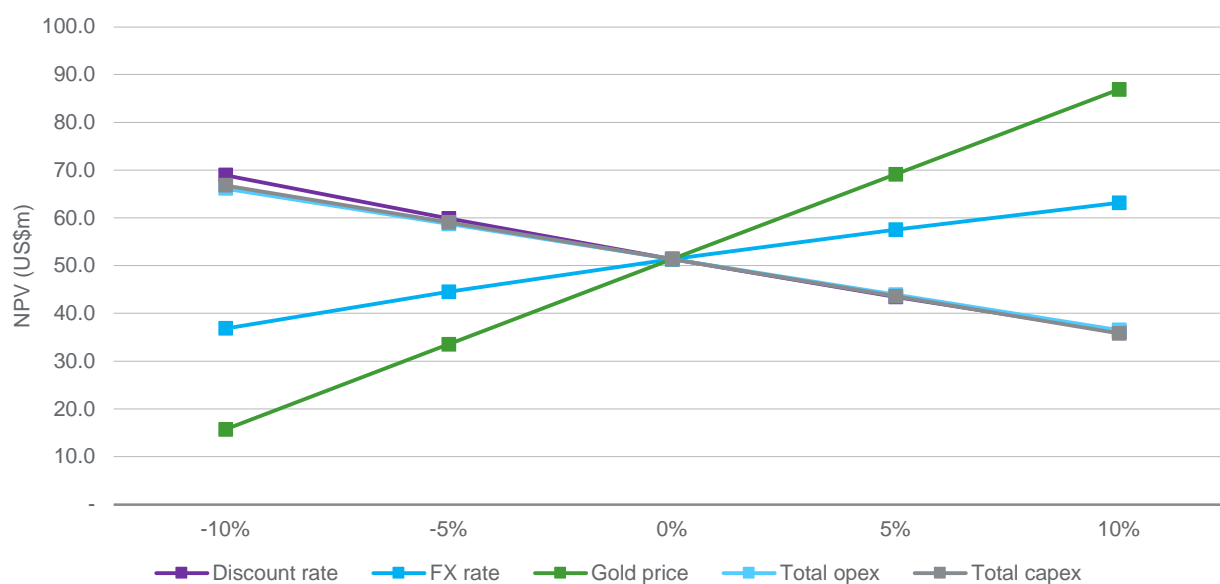
8.19 We have therefore performed a sensitivity analysis on our assessed NPV for the Borborema Gold Project. We have selected sensitivities to test based on the likelihood of changes in the key assumptions that underpin the Adjusted Model.

8.20 We consider the key sensitivities to be:

- Commodity price (gold);
- Exchange rate;
- Operational expenditure;
- Capital expenditure; and
- Discount rate.

8.21 The chart below illustrates the impact on the NPV at the mid-point value of adjusting the above assumptions.

**Figure 12 NPV of Borborema Gold Project based on the Mine Plan – Sensitivity Analysis**



Source: Adjusted Model and RSM Analysis

- 8.22 We note that the value is most sensitive to changes in the gold price and exchange rate. We note that a 5% decrease in the projected gold price would result in an NPV of US\$33.5 million for the Borborema Gold Project, demonstrating a high degree of sensitivity to this assumption.
- 8.23 The value is also relatively sensitive to changes in the discount rate.
- 8.24 Given the requirement to complete further feasibility studies and secure funding for the Project, we have also considered the impact of a 12-month delay to the commencement of production on our assessed NPV. The resulting value reduces to a range of US\$33.0 million to US\$55.2 million.
- 8.25 Scheme Participants should note that each of the variables noted above are unlikely to move in isolation and they may have offsetting or compounding effects. The sensitivities performed do not cover the full range of possible outcomes and there is significant uncertainty involved with forecasting commodity prices in particular.

#### Assessment of the Fair Value of BRV's other mineral assets

- 8.26 CSA Global has assessed the Fair Value of BRV's other mineral assets to be in the range of US\$41.3 million to US\$74.0 million, with a preferred valuation of US\$57.7m. This comprises Borborema Gold Project resources outside of the mine plan, as well as BRV's Seridó and Mara Rosa exploration assets. We set out in the table below a summary of CSA Global's valuation as extracted from the ITSR.

**Table 20 Fair Value of BRV's other mineral assets**

	Fair Value Low US\$m	Fair Value High US\$m	Fair Value Mid-point US\$m
Borborema Gold Project - Resources outside of mine plan	40.0	70.0	55.0
Exploration licences	1.3	4.0	2.7

Source: ITSR

- 8.27 In assessing the Fair Value of the resources outside of the mine plan and the exploration licences, CSA Global has utilised the following methodologies:
- Borborema Gold Project Mineral Resources outside of the mine plan – Comparative Transactions and the Yardstick Approach; and
  - Seridó and Mara Rosa Exploration Licences – Comparative Transactions.
- 8.28 The methodology applied represents the value of a controlling shareholding. Accordingly, we consider the value generated under the sum of the parts methodology to already incorporate a premium for control and no further premium is considered necessary to assess the value of BRV.

#### Assessment of the Fair Value of BRV's corporate costs

- 8.29 We have assessed the net present value of BRV's corporate costs having regard to the costs estimated to be incurred over a 12-month period. These costs will need to be funded by BRV and therefore are incorporated into our assessed value of BRV as a negative value.
- 8.30 We have estimated ongoing corporate overhead costs to be approximately A\$1.8 million per annum based on forecasts provided by BRV adjusted for market synergies. We have assumed these costs will be incurred over the life of the Borborema Gold Project and applied our assessed inflation rates to determine the NPV of BRV's tax-effected corporate costs of A\$4.9 million.

#### Net cash and net surplus assets

- 8.31 We have included net cash of A\$14.6 million held by BRV based on the April 2022 management accounts, as well as adjusted for net surplus assets of A\$0.1 million. We have deducted transaction costs which will be incurred by BRV regardless of whether the Scheme is approved of A\$1.2 million.

## Notional capital raising

- 8.32 RG111 notes that an expert's opinion should be based on reasonable grounds. At the date of this Report, the Company has not engaged in discussions with financiers regarding the potential funding of the development of the Borborema Project since the ECE Study was completed. We have not been provided with any indication as to the achievable debt / equity split, or the likely terms of either debt or equity funding.
- 8.33 We have therefore not adjusted our range of values to reflect any hypothetical capital raising that may be required by BRV to fund the capital contributions and owner's costs in developing the Borborema Project, as we do not consider there to be a reasonable basis at this time to assess the structure, terms and costs on which that funding might be secured. However, we note that the issue of new equity would likely have a significant adverse dilutionary and value per share impact since an equity placement would usually be priced at a discount to the traded share price.

## Valuation summary – Sum of the parts

- 8.34 Our valuation of BRV based on the sum of the parts methodology is summarised below.

**Table 21 Valuation summary – Big River Gold Limited**

	Fair Value Low A\$m	Fair Value High A\$m	Fair Value Midpoint A\$m
Borborema Gold Project - Mine Plan	55.7	91.1	72.4
Borborema Gold Project - Resources outside of Mine Plan	56.4	98.7	77.6
Exploration Licences	1.8	5.6	3.7
<b>Assessed value of BRV's mineral assets</b>	<b>113.9</b>	<b>195.4</b>	<b>153.7</b>
Less: Corporate costs	(4.9)	(4.9)	(4.9)
Add: Net cash/(debt)	14.6	14.6	14.6
Add: Other net assets	0.1	0.1	0.1
Less: Transaction costs	(1.2)	(1.2)	(1.2)
<b>Assessed value of BRV (controlling basis)</b>	<b>122.5</b>	<b>204.0</b>	<b>162.3</b>
Number of shares eligible to participate in the Scheme	254,413,311	254,413,311	254,413,311
<b>Value of BRV per share (controlling basis)</b>	<b>\$0.48</b>	<b>\$0.80</b>	<b>\$0.64</b>

Source: Adjusted Model and RSM Analysis

- 8.35 We have converted the assessed USD value of BRV's mineral assets to AUD terms by applying the AUD:USD foreign exchange rate as at 30 April 2022 of 0.71.
- 8.36 Our assessed value of a BRV share prior to the Scheme is therefore in the range of A\$0.48 to A\$0.80 per share, with a midpoint value of A\$0.64 per share.
- 8.37 The number of shares includes all ordinary shares on issue as at the date of this Report together with the Performance Rights which will vest and convert into ordinary shares on the Scheme becoming effective.
- 8.38 The methodology applied represents the value of a controlling shareholding. Accordingly, we consider the value generated under the sum of the parts methodology to already incorporate a premium for control and no further premium is considered necessary to assess the value of a BRV share on a controlling basis prior to the Scheme.

## Quoted price of listed securities

- 8.39 In order to provide a cross-check to the valuation of a BRV share under the net assets on a going concern basis, we have also assessed the fair value based on the quoted market price.
- 8.40 The assessment only reflects trading prior to the announcement of the Scheme in order to avoid the influence of any movement in price that occurred as a result of the announcement.

## Analysis of recent trading in BRV shares

8.41 The figure below sets out a summary of BRV's closing share prices and traded volumes in the year to 19 April 2022, being the last day BRV shares traded prior to the announcement of the Scheme. The assessment reflects trading prior to the announcement in order to avoid the influence of any movement in price that may have occurred as a result of the announcement of the Scheme.

**Table 22 Closing share prices and recent trading of Big River Gold Limited**



Source: S&P Capital IQ

8.42 RG 111.69 indicates that in order for the quoted market share price methodology to represent a reliable indicator of Fair Value, there needs to be an active and liquid market for the securities. The following characteristics may be considered to be representative of a liquid and active market:

- Regular trading in the company's securities;
- Approximately 1% of the company's securities traded on a weekly basis;
- The bid/ask spread of a company's share must not be so great that a single majority trade can significantly affect the market capitalisation of the company; and
- There are no significant but unexplained movements in the share price.

8.43 To provide further analysis of the quoted market prices for BRV's shares, we have considered the Volume Weighted Average Price ("VWAP") for the 5, 10, 30, 60, 90, 120 and 180 trading days up to and including 19 April 2022, as summarised in the table below.

**Table 23 VWAP of BRV shares**

# of Days	1 Day	5 Day	10 Day	30 Day	60 Day	90 Day	120 Day	180 Day
<b>VWAP</b>	<b>0.276</b>	<b>0.273</b>	<b>0.278</b>	<b>0.283</b>	<b>0.255</b>	<b>0.252</b>	<b>0.249</b>	<b>0.254</b>
Total volume (000's)	67	463	963	2,967	6,807	8,375	10,051	16,112
Total volume as a % of total shares	0.03%	0.21%	0.44%	1.35%	3.09%	3.80%	4.56%	7.31%
Low price	0.270	0.250	0.250	0.250	0.190	0.190	0.190	0.190
High price	0.280	0.295	0.310	0.315	0.320	0.320	0.320	0.405

Source: S&P Capital IQ

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- 8.44 As set out in the table above, BRV's shares fluctuated between \$0.190 and \$0.405 over the 180 trading days to 19 April 2022 and had a VWAP of \$0.254 with a total traded volume of 7.31% of the issued capital.
- 8.45 In the 30 trading days prior to the announcement, BRV's shares fluctuated from \$0.250 and \$0.315 and had a VWAP of \$0.283 with a traded volume of 1.35% of the issued capital.
- 8.46 BRV's close price on 19 April 2022, the last day of trade prior to the Scheme announcement, was \$0.270 with a VWAP of \$0.276. The daily trade price had a low of \$0.270 and a high of \$0.280 with 0.03% of the issued capital traded.
- 8.47 BRV is obligated to comply with the full disclosure regime required by the ASX. As a result, we have assumed that the market is fully informed about the performance and prospects of BRV.

### **Key assumptions**

#### *Value of a BRV share on a minority basis*

- 8.48 Based on the analysis of the recent trading in BRV's shares, we have assessed the value of a BRV share on a minority interest basis to be in the range of \$0.250 and \$0.315, being the low and high traded price in the 30 days prior to announcement, with our preferred value being the 30-day VWAP.

#### *Premium for control*

- 8.49 Obtaining control of an entity usually provides the acquirer with a number of advantages including the following:
- access to potential synergies;
  - control over decision making and strategic direction;
  - access to underlying cash flows; and
  - control over dividend policies.
- 8.50 In the case of publicly traded securities, given the advantages control of an entity provides an acquirer, they are usually expected to pay a premium to the quoted market price to achieve control, which is often referred to as a control premium. Consequently, earnings multiples for listed companies do not reflect the market value of a controlling interest in the company as they are derived from market prices which usually represent the buying and selling of non-controlling portfolio holdings (small parcels of shares).
- 8.51 As the scheme represents a control transaction, in assessing the value of 100% of BRV and a share in BRV we have applied a premium for control.
- 8.52 RSM has conducted a study on 605 takeovers and schemes of arrangement involving companies listed on ASX over the 15.5 years ended 31 December 2020 ("RSM Control Premium Study 2021"). In determining the control premium, RSM compared the offer price to the closing trading price of the target company 20, 5 and 2 trading days pre the date of the announcement of the offer. Where the consideration included shares in the acquiring company, RSM used the closing share price of the acquiring company on the day prior to the date of the offer.
- 8.53 Our study concluded that, on average, control premiums in takeovers and schemes of arrangements involving Australian companies in the Metals & Mining sector were in the range of 29.8% to 36.6%.
- 8.54 On the basis of the above we believe that a premium for control in the range of 30% to 37% is appropriate in assessing the value of a controlling interest in BRV.



## Valuation summary – Quoted price of listed securities

8.55 The table below sets out our assessment of the value of a BRV share on a controlling basis utilising the quoted price of listed securities methodology.

**Table 24 Assessed value of a BRV share - Quoted price of listed securities**

	Low	High	Preferred
Quoted market price (non-controlling basis)	A\$0.250	A\$0.315	A\$0.283
Control premium	30%	37%	33%
<b>Value of BRV share (controlling basis)</b>	<b>A\$0.325</b>	<b>A\$0.432</b>	<b>A\$0.376</b>
<b>Value of BRV share (controlling basis, rounded)</b>	<b>A\$0.33</b>	<b>A\$0.43</b>	<b>A\$0.38</b>

Source: RSM Analysis

## Overall valuation summary and conclusion

8.56 A summary of our assessed values of a BRV share on a controlling basis prior to implementation of the Scheme, derived under the two methodologies, is set out in the table below.

**Table 25 Valuation of a share in BRV**

	Low	High	Preferred/ Midpoint
Sum of the parts methodology	A\$0.48	A\$0.80	A\$0.64
Quoted price of listed securities methodology	A\$0.33	A\$0.43	A\$0.38
<b>Adopted value (controlling basis)</b>	<b>A\$0.48</b>	<b>A\$0.80</b>	<b>A\$0.64</b>

Source: RSM Analysis

8.57 We consider that the Fair Value of a BRV share on a controlling basis is in the range of A\$0.48 to A\$0.80, with a midpoint value of A\$0.64, which has been derived using the sum of the parts methodology.

8.58 Whilst the recent quoted market prices of BRV can provide a useful cross check to our primary methodology, based on our analysis of the recent volume of trading in BRV shares, we do not consider the market to be sufficiently liquid to provide a reliable assessment of their Fair Value on a standalone basis.

## Comparable Transactions

8.59 Our assessed value of BRV on a controlling basis is between US\$86.9 million and US\$144.7 million.

8.60 Based on our midpoint value for BRV of US\$115.1 million and BRV's current reported ore reserves and mineral resources, we have calculated the implied enterprise value to ore reserve multiples and implied enterprise value to mineral resource multiples as set out in the table below.



**Table 26 Reserve and Resource multiples - BRV**

	Date	Gold Price US\$/oz	Implied Enterprise Value <sup>1</sup> US\$m	Reserves Moz	Resources <sup>2</sup> Moz	Reserve Multiple US\$/oz	Resource Multiple US\$/oz
Big River Gold Ltd	30-Apr-22	1911.70	115.1	1.61	1.87	71.5	61.5

Notes:

1. Enterprise value is based on our midpoint value for BRV on a controlling basis.
2. Resources comprise Measured and Indicated resources only.

Source: BRV website and announcements and RSM Analysis

8.61 As a cross-check, we have considered our implied resource and reserve multiples for BRV against those reported in recent Brazilian gold project transactions, where the targets are at a similar stage of development as the Borborema Gold Project. Our analysis is summarised in the table below.

**Table 27 Resource and Reserve multiples – Comparable companies**

Target	Date	Gold Price US\$/oz	Implied Enterprise Value <sup>1</sup> US\$m	Reserves Moz	Resources <sup>2</sup> Moz	Normalised <sup>3</sup>	
						Reserve Multiple US\$/oz	Resource Multiple US\$/oz
Tocantinzinho Gold Project	27-Oct-21	1798.80	55.0	1.783	2.115	32.8	27.6
Amarillo Gold Corporation	29-Nov-21	1785.20	103.3	0.811	1.200	136.3	92.1
<b>Average</b>						<b>84.6</b>	<b>59.9</b>

Notes:

1. Enterprise values have been calculated having regard to the total consideration and, where applicable, the target's most recent reported net debt/(cash) positions. Contingent consideration has been excluded.
2. Resources comprise Measured and Indicated resources only.
3. Reserve and Resource multiples have been normalised to account for variations in gold prices over time.

Source: Company websites and announcements, S&P Capital IQ and RSM Analysis

8.62 The implied Reserve Multiple for BRV of US\$71.50/oz and implied Resource Multiple of US\$61.50/oz lie in the range between the observed multiples on the two recent transactions, and are broadly consistent with the average. However, given the limited comparable transactional data available we have not placed undue reliance on this information in forming our valuation opinion.

## 9. Is the Scheme Fair to Scheme Participants?

- 9.1 ASIC RG 111 defines a takeover offer as being fair if the value of the consideration offered under the takeover or in this case, the Scheme, is equal to or greater than the value of the securities being the subject of the offer.
- 9.2 In assessing whether we consider the Scheme to be fair to Scheme Participants eligible to receive the Scheme Cash Consideration, we have valued a share in BRV prior to the implementation of the Scheme and compared it to the value of the consideration offered per BRV share, to determine whether a shareholder would be better or worse off should the Scheme be approved.
- 9.3 Our assessed values are summarised below.

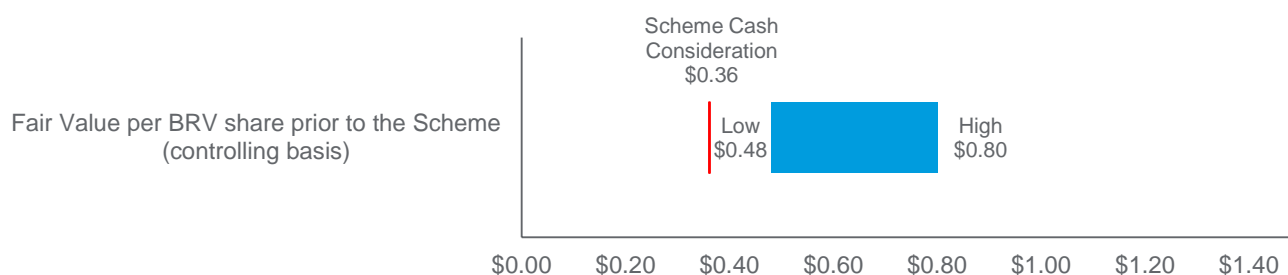
**Table 28 Comparison of assessed value of a BRV share prior to the Scheme and Scheme Cash Consideration**

	Fair Value Low A\$m	Fair Value High A\$m	Fair Value Mid-point A\$m
Fair Value per BRV share prior to the Scheme (controlling basis)	\$0.48	\$0.80	\$0.64
Fair Value of Scheme Cash Consideration	\$0.36	\$0.36	\$0.36

Source: RSM Analysis

- 9.4 The above comparison is depicted graphically in the figure below.

**Figure 13 Comparison of assessed value of a BRV share prior to the Scheme and Scheme Consideration**



Source: RSM Analysis

- 9.5 We consider that, as the Fair Value of the consideration offered per BRV share is less than the Fair Value of a BRV share prior to the Scheme, and in the absence of any other relevant information, in our opinion, the Scheme is **not fair** to Scheme Participants.
- 9.6 However we draw the attention of Scheme Participants to the fact that, whilst BRV's 100% interest in the Borborema Project is potentially of significant value, the Project is yet to be developed and is still going through feasibility studies including consideration of an expansion to a higher processing rate operation. Funding has not been secured for the development of the Project, which has an estimated capital expenditure of A\$247 million.
- 9.7 We have not adjusted our range of values to reflect any hypothetical capital raising that may be required by BRV to fund the capital contributions and owner's costs in developing the Borborema Project, as we do not consider there to be a reasonable basis at this time to assess the structure, terms and costs on which that funding might be secured. The issue of new equity would likely have a significant adverse dilutionary and value per share impact since an equity placement would usually be priced at a discount to the traded share price.
- 9.8 The DCF valuation approach assumes the successful development and commissioning of the Project, a timeline which may be some years away from now and with numerous milestones to pass through. Whilst we have included an allowance for execution risk in our discount rate and assessed value, by its nature, the valuation of such assets involves a significantly greater level of judgment than an operating project.
- 9.9 Our range of assessed values exceeds the price at which, based on current market conditions, we would expect BRV Shares to trade on the ASX in the absence of the proposed Scheme or some superior proposal.

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## 10. Consideration of Other Factors Relating to the Scheme

- 10.1 RG 111 establishes that an offer is reasonable if it is fair. It might also be reasonable if, despite not being fair, there are sufficient reasons for security holders to accept the offer in the absence of a higher bid. We consider and outline in this section of the Report other factors relating to the implementation of the Scheme which are likely to be relevant to the decision of Scheme Participants as to whether or not to approve the Scheme.

### Future prospects of BRV if the Scheme is not approved

- 10.2 If the Scheme is not approved by Scheme Participants, BRV will remain listed on the ASX and will continue to progress development of the Borborema Gold Project.
- 10.3 The assessed value of BRV in the previous section is predicated on the successful development of the Borborema Project, which is considered to have significant prospective value however realisation of this value will take time, with various development milestones to be completed. It is therefore subject to project execution risk, some of which may be outside of the control of BRV.
- 10.4 As set out in the ASX announcement of 1 April 2022, the Company is exploring an expansion to a higher throughput project and, if value accretive, would need to progress to a pre-feasibility study and subsequent definitive feasibility study. If economically viable, funding would then need to be secured before a final investment decision could be made. This would incur additional time and costs in an environment which already presents numerous challenges for progressing a Brazilian project to production.
- 10.5 The ability of BRV to unlock value in the Borborema Project is also highly dependent on its access to debt and equity funding. There can be no assurance that such funding will be available, or that, if available, the terms of such financing will be favourable to BRV.
- 10.6 It is expected that a significant proportion of the current development capex estimate, being A\$247 million as set out in the ECE, would be sourced from equity which would result in dilution of existing BRV shareholders if they do not participate in future placements or rights issues. The Company has not re-engaged with debt funders since the revisions to the 2019 DFS, noting that previous discussions in 2020 did not progress sufficiently on which to rely. Our gearing assumption in the valuation of the Borborema Mine Plan of 10% debt would result in up to A\$220 million needing to be sourced from equity investors leading to potential dilution of existing BRV shareholders from a 100% interest to approximately 21% if they did not participate.
- 10.7 The Company plans to also seek debt funding to develop the Borborema Project, which would expose BRV to the risk of leverage and potentially restrictive covenants. It is uncertain whether debt funding would be available in the current economic environment, and the future provision of such funding would be dependent on gold prices remaining at a level which results in the Borborema Project being economically viable.
- 10.8 If the Scheme is not approved BRV will continue to be on the official list of the ASX and therefore investors can continue to trade in BRV shares, however we note the historically low liquidity in BRV shares. If the Scheme is not approved, and in the absence of a superior proposal, we consider it possible that the price of BRV shares may fall in the near-term and particularly if BRV is unable to secure funding for the Project.
- 10.9 If the Scheme is not approved, transaction costs of approximately A\$1.2 million will still be payable by BRV and no value would be derived from that expenditure.

### The extent to which a control premium is being paid

- 10.10 The Scheme Cash Consideration offered per BRV share is \$0.36 which represents a 33% premium on the closing price of BRV shares of \$0.27 on 19 April 2022 (being the last day shares were available for trading immediately prior to the announcement of the Scheme).
- 10.11 Based on the RSM 2021 Control Premium Study, a study of 605 takeovers and schemes of arrangement involving companies listed on the Australian Securities Exchange over the 15.5 years to 31 December 2020, control premiums of 30% to 37% were paid on the 20 day pre-bid and 2 day pre-bid share prices on transactions in the Metals and Mining Industry in Australia. In determining the control premium, the offer price was compared to the

closing trading price of the target company 20, 5 and 2 trading days pre the date of the announcement of the offer. Where the consideration included shares in the acquiring company, the closing share price of the acquiring company on the day prior to the date of the offer was used.

10.12 The 33% premium of the Scheme Cash Consideration above the BRV closing share price of \$0.27 on 19 April 2022 falls within the control premium range observed in the study.

10.13 An analysis of the implied premium of the offer over the VWAP of BRV shares in the 180 trading days prior to the announcement is set out in the table below:

**Table 29 Comparison of assessed value of a BRV share prior to the Scheme and Scheme Cash Consideration**

Period up to and including 19 April 2022	BRV VWAP \$	Cash Consideration \$	Premium %
5 Trading Days	0.273	0.36	31.9%
10 Trading Days	0.278	0.36	29.5%
30 Trading Days	0.283	0.36	27.2%
60 Trading Days	0.255	0.36	41.2%
90 Trading Days	0.252	0.36	42.9%
180 Trading Days	0.254	0.36	41.7%

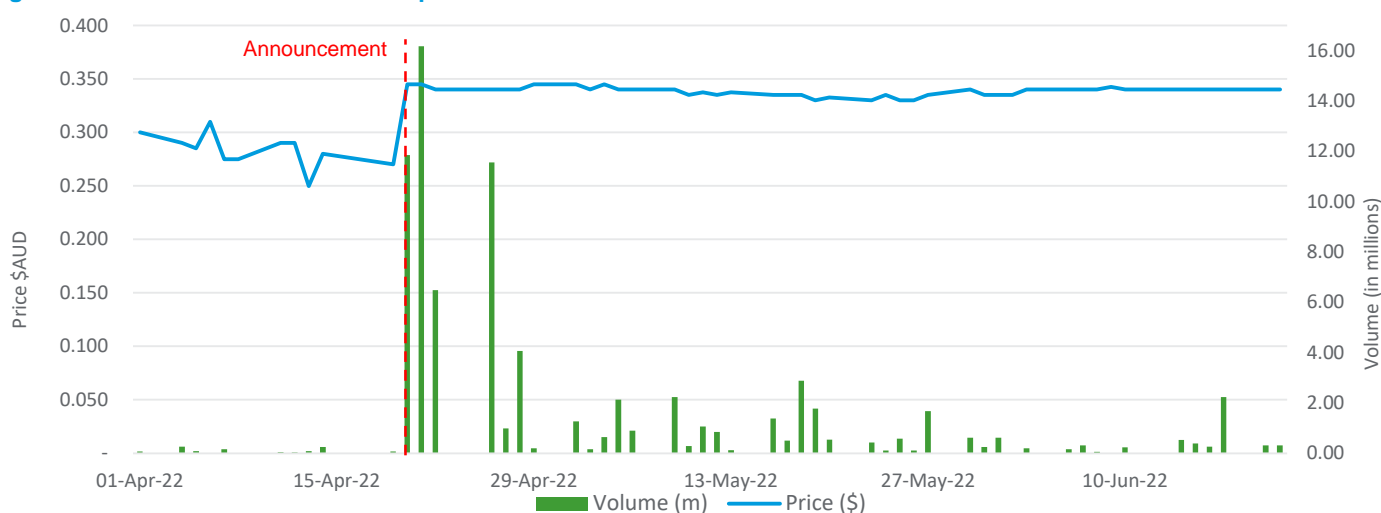
Source: RSM Analysis

10.14 The implied control premium of the offer over the VWAP of BRV shares ranges from 27.2% to 42.9% over the last eight months, which broadly correlates to the average market premiums paid as set out in the RSM 2021 Control Premium Study.

#### The price of BRV's shares after the announcement of the Scheme

10.15 The Scheme was announced to the ASX on 20 April 2022, which saw the closing share price increase by 28% to \$0.345 over the previous closing price of \$0.27 on 19 April 2022. Shown below is a summary of the trading activity of BRV shares in the subsequent period to 21 June 2022.

**Figure 14 Post Announcement share price Performance BRV**



Source: S&P Capital IQ

10.16 Since the announcement of the transaction on 20 April 2022, BRV's closing share price has traded at a high of \$0.345 and a low of \$0.330, being discounts of 4% and 9% respectively on the Scheme Cash Consideration of \$0.36 per share. The BRV Share price has remained relatively consistent since the announcement, indicating market expectations that the Scheme will be successfully implemented or an alternative

10.17 may emerge.

## Liquidity of BRV Shares

- 10.18 Historically, the liquidity of BRV's shares has been extremely low with only 1.35% of the total free float of BRV's shares traded in the 30 trading day period prior to the announcement of the proposed Scheme and only 7.31% in the 180 trading days prior. A liquid market is generally considered to have approximately 1% of securities traded on a weekly basis.
- 10.19 The top 20 shareholders of BRV held 77% of the shares on issue as at 31 May 2022, with 55% held by the five most significant shareholders some of which have taken strategic positions in the Company. BRV has a current market capitalisation of \$74.9 million, in the last 6 months BRV shares with a combined value of c\$4 million have been traded representing only 5% of the Company's total market value.
- 10.20 The Scheme provides Scheme Participants with an ability to convert their investment in BRV to cash, from an illiquid stock in a relatively volatile market environment as at the date of this Report.

## Advantages of approving the Scheme

- 10.21 The advantages of the Scheme are summarised below:

**Table 30 Advantages of approving the Scheme**

Advantage	Details
Premium to BRV share price and absence of superior proposal	<p>The Scheme Cash Consideration represents a 33% premium to the BRV traded share price on 19 April 2022, being the last day of trading in BRV shares immediately before the date the Scheme was announced, and a 42.9% premium to the 90 trading day VWAP. This is consistent with market studies on the average control premiums paid in Metals &amp; Mining transactions.</p> <p>The Directors have advised that no superior proposal has emerged as at the date of this Report.</p>
Liquidity event	<p>The Scheme Cash Consideration provides Scheme Participants with a liquidity event for what has been a highly illiquid stock with only 7.31% of the shares on issue traded in the 180 days prior to the announcement of the Scheme.</p> <p>This may be of a particular advantage to Shareholders with larger parcels of shares given the low liquidity of trading in BRV shares.</p>
Certainty and removal of investment risks	<p>The Scheme provides Scheme Participants with certainty of value and removes the exploration, development, procurement, financing, equity dilution and other risks and uncertainties of remaining a BRV shareholder.</p> <p>Should Scheme Participants resolve to continue holding their BRV shares, the value of a BRV share will be impacted by the Company's ability to successfully secure funding and develop the Borborema Project, in addition to general market and macroeconomic movements.</p>
Fully funded offer	<p>The offer from Aura is a cash offer funded from existing cash reserves and therefore no financing conditions exist.</p>
No transaction fee payable	<p>No brokerage will be payable by Scheme Participants on the transfer of their BRV shares under the Scheme.</p>
The BRV shares may fall below its current level if the Scheme is not implemented	<p>BRV shares may trade at a lower price if the Scheme is not implemented and no superior proposal emerges. The Scheme Cash Consideration offered per BRV share is \$0.36 per share in cash. This value represents a 33% premium on the closing price of BRV shares of \$0.27 on 19 April 2022 (being the last day shares were available for trading immediately prior to the announcement of the Scheme). BRV's shares have not traded above \$0.36 since 11 August 2021.</p> <p>On announcement of the Scheme, the BRV share price rose by 28% to \$0.345 and has traded around this level since. To the extent that the current share price of BRV reflects an expectation that the Scheme will be implemented, or that an alternative offer will emerge, should neither of these outcomes occur it is possible that the BRV share price would fall from its current level.</p>

## Disadvantages of approving the Scheme

10.22 The key disadvantages of the Scheme are:

**Table 31 Disadvantages of approving the Scheme**

Disadvantage	Details
Inability to participate in upside of BRV	Upon implementation of the Scheme, General Shareholders will no longer hold an interest in BRV and therefore will not participate in any potential upside of the Borborema Project.
Change in investment profile	The implementation of the Scheme may result in disadvantages to those who wish to maintain their current investment profile. Scheme Participants who wish to maintain their investment profile may find it difficult to identify an investment with a similar profile to that of BRV and may incur transaction costs in undertaking any new investment.
Loss of potential superior proposal	It is possible that a superior proposal, which is more attractive for Scheme Participants than the Scheme, may be made in the future. If the Scheme is implemented Scheme Participants would not obtain the benefit of any superior proposal. The Directors are not aware of any Superior Proposal (as defined in the Scheme Booklet) and no alternative proposals have been made since the Scheme was announced on 20 April 2022.
Potential tax consequences	The tax implications of the Scheme may not be suitable to the financial circumstances or position of Scheme Participants. The tax treatment may vary between shareholders depending on their individual nature and characteristics and therefore individual taxation advice should be obtained.

## Alternative proposals and likelihood of an alternative takeover offer

10.23 The Directors have advised us that no formal alternative offers or approaches by potential acquirers have been received since the announcement of the Scheme on 20 April 2022. The Company has explored opportunities for joint ventures or divestment over the last 18 months arising from unsolicited approaches but no alternative offers to the proposed Scheme have progressed during that time.

10.24 We note that the Scheme Implementation Deed prohibits BRV from soliciting competing bids during the exclusivity period with Aura.

10.25 The alternative to the Scheme is for Scheme Participants to vote against the Scheme in the hope that they can realise greater value from their investment in BRV either through maintaining BRV as an independent company or through the emergence of a superior proposal to the Scheme. Whilst there is no evidence to suggest that Scheme Participants would be better off under this alternative, it is possible that an alternative offer may emerge. However, since the announcement of the Scheme on 20 April 2022 we understand that no alternative or superior proposals have been put forward as the date of this Report.

## Relevant Shareholder

10.26 The Relevant Shareholder, Dundee, holds 17.55% of BRV shares as at the date of this Report and will form a separate class of shareholder for the purposes of the Scheme. There will be two Scheme meetings, one for the Relevant Shareholder and one for the General Shareholders, with each group only permitted to vote at their own meeting. Both Scheme meetings will need to pass a resolution approving the Scheme for the Scheme to become effective.

10.27 The Relevant Shareholder will receive the Scheme Scrip Consideration in the acquisition entity, JVCo, to result in the Relevant Shareholder holding the same ownership percentage in JVCo as it held in BRV at the Record Date of the proposed Scheme. Subsequently there is an arrangement for the Relevant Shareholder to acquire additional shares in JVCo at the same transaction value as the proposed Scheme (including the cost of acquiring the unlisted BRV options), in order to increase its equity interest in JVCo to 20% post-implementation and jointly developing the Borborema Project with Aura.

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10.28 Our assessed fair value of a BRV Share exceeds the Scheme Cash Consideration. The scope of our Report does not extend to assessing the value of the Scheme Scrip Consideration, however we note that the assessed market value of shares to be issued to the Relevant Shareholder in JVCo would not necessarily have the same value as our assessed value of a BRV Share.

10.29 In this regard, we note the following relevant considerations:

- the Relevant Shareholder will receive shares in an unlisted company which typically have a lower value than listed shares (all else being equal) as they are not readily marketable;
- the Relevant Shareholder is required to contribute to the equity funding for the Borborema Project in proportion to its 20% interest in JVCo;
- the Relevant Shareholder is a substantial shareholder in BRV (and the largest shareholder at the date of this Report) but will be the minority partner in the Joint Venture with Aura. The degree of influence the Relevant Shareholder will have over the Project will therefore be different, and the decision to proceed with development of the Project will be determined by Aura as they are entitled to four of the five Directors on the JVCo Board and will be the majority shareholder; and
- the risks associated with the development of the Borborema Project remain, although with significantly increased accessibility to funding from Aura.

10.30 Unless the Relevant Shareholder elects to receive the Scheme Cash Consideration, it will receive the Scheme Scrip Consideration and retain its interest in the Borborema Gold Project,

10.31 The ability to receive Scheme Scrip Consideration is not available to General Shareholders of BRV. However, the agreement with the Relevant Shareholder does not impact the outcome for General Shareholders, if the Scheme is approved then the General Shareholders will receive \$0.36 cash per BRV Share but if the Scheme is not approved then the General Shareholders will retain their interest in BRV and should be cognisant of the various matters set out above.

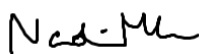
## Conclusion

10.32 In the absence of any other relevant information or a superior proposal, RSM considers the Scheme to be **not fair but reasonable** to Scheme Participants and as such, the Scheme to be **in the best interests** of Scheme Participants.

10.33 An individual shareholder's opinion in relation to the Scheme may be influenced by his or her individual circumstances. If in doubt, shareholders should consult an independent advisor.

Yours faithfully

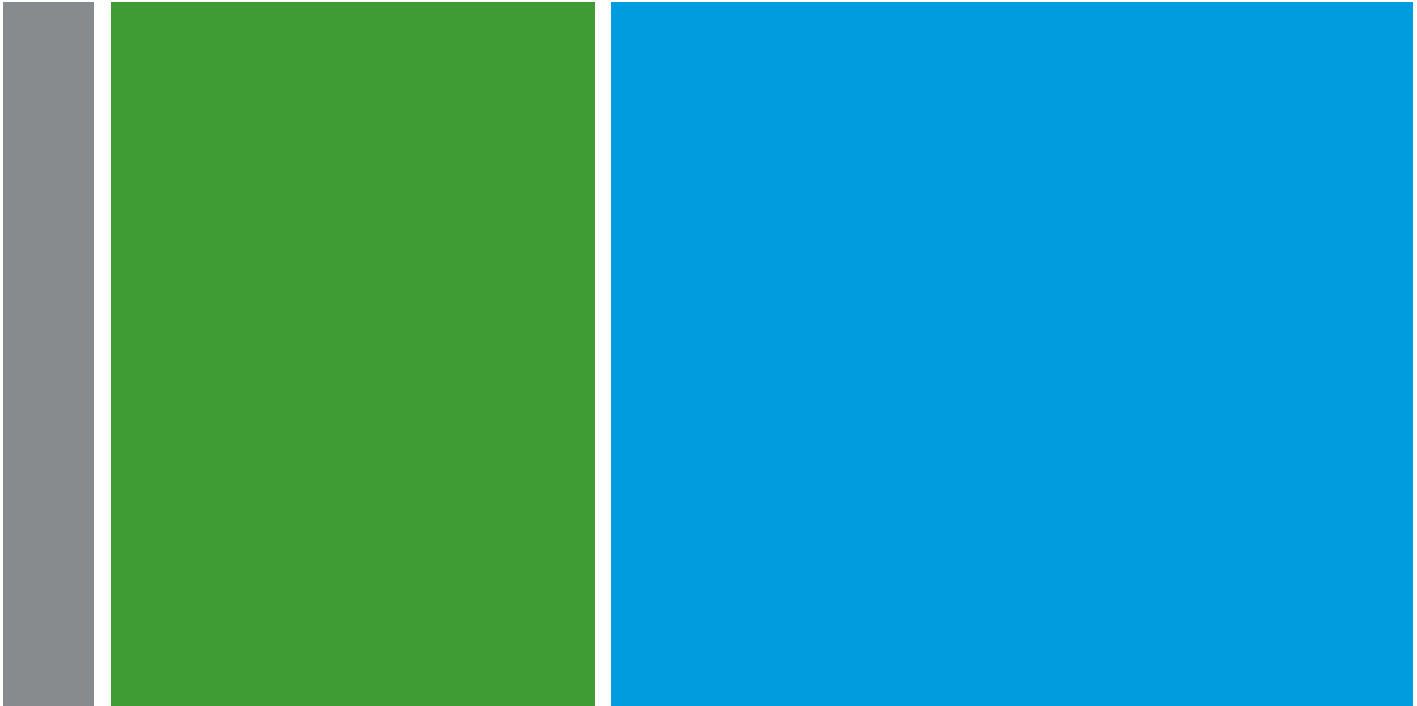
**RSM CORPORATE AUSTRALIA PTY LTD**



Nadine Marke  
Director



Justin Audcent  
Director



APPENDICES



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## APPENDIX A – DECLARATIONS AND DISCLOSURES

### Declarations and Disclosures

RSM Corporate Australia Pty Ltd holds Australian Financial Services Licence 255847 issued by ASIC pursuant to which they are licensed to prepare reports for the purpose of advising clients in relation to proposed or actual mergers, acquisitions, takeovers, corporate reconstructions or share issues.

### Qualifications

Our Report has been prepared in accordance with professional standard APES 225 “Valuation Services” issued by the Accounting Professional & Ethical Standards Board.

RSM Corporate Australia Pty Ltd is beneficially owned by the partners of RSM Australia Pty Ltd (RSM Australia) a large national firm of chartered accountants and business advisors.

Nadine Marke and Justin Audcent are directors of RSM Corporate Australia Pty Ltd. Both Nadine Marke and Justin Audcent are Chartered Accountants with extensive experience in the field of corporate valuations and the provision of independent expert’s reports for transactions involving publicly listed and unlisted companies in Australia.

### Reliance on this Report

This Report has been prepared solely for the purpose of assisting the Big River Gold Ltd shareholders in considering the Scheme. We do not assume any responsibility or liability to any party as a result of reliance on this Report for any other purpose.

### Reliance on Information

Statements and opinions contained in this Report are given in good faith. In the preparation of this Report, we have relied upon information provided by the Directors and management of BRV and we have no reason to believe that this information was inaccurate, misleading or incomplete. However, we have not endeavoured to seek any independent confirmation in relation to its accuracy, reliability or completeness. RSM Corporate Australia Pty Ltd does not imply, nor should it be construed that it has carried out any form of audit or verification on the information and records supplied to us.

The opinion of RSM Corporate Australia Pty Ltd is based on economic, market and other conditions prevailing at the date of this report. Such conditions can change significantly over relatively short periods of time.

In addition, we have considered publicly available information which we believe to be reliable. We have not, however, sought to independently verify any of the publicly available information which we have utilised for the purposes of this report.

We assume no responsibility or liability for any loss suffered by any party as a result of our reliance on information supplied to us.

### Disclosure of Interest

At the date of this Report, none of RSM Corporate Australia Pty Ltd, RSM, Nadine Marke, Justin Audcent, nor any other member, director, partner or employee of RSM Corporate Australia Pty Ltd and RSM Australia has any interest in the outcome of the Scheme, except that RSM Corporate Australia Pty Ltd are expected to receive a fee of \$65,000 plus GST based on time occupied at normal professional rates for the preparation of this Report. The fees are payable regardless of whether BRV receives BRV shareholder approval for the Scheme, or otherwise.

### Consents

RSM Corporate Australia Pty Ltd consents to the inclusion of this Report in the form and context in which it is included with the Notice of Scheme Meeting and Scheme Booklet to be issued to shareholders. Other than this Report, none of RSM Corporate Australia Pty Ltd, RSM Australia and RSM Australia Partners has been involved in the preparation of the Notice of Scheme Meeting or Scheme Booklet. Accordingly, we take no responsibility for the content of the Notice of Scheme Meeting or the Scheme Booklet.

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## APPENDIX B – SOURCES OF INFORMATION

In preparing this Report we have relied upon the following principal sources of information:

- Aura Minerals Inc – Financial statements for the years ended 30 June 2019, 30 June 2020 and 30 June 2021;
- Aura Minerals Inc – TSX Announcements;
- Aura Minerals Inc website;
- Australian Tax Office;
- Banco Central Da Brazil;
- Bloomberg;
- Big River Gold Ltd – ASX Announcements;
- Big River Gold Ltd – Borborema Financial Model v1.30;
- Big River Gold Ltd – Engineering Cost Estimate Study Summary Report dated February 2022;
- Big River Gold Ltd – Financial statements for the years ended 30 June 2019, 30 June 2020 and 30 June 2021;
- Big River Gold Ltd – Management accounts as at 30 April 2022;
- Big River Gold Ltd – Budget summary as at 30 April 2022;
- Big River Gold Ltd – Documentation provided by management;
- Big River Gold Ltd – Share Register;
- Big River Gold Ltd website;
- Cascar – Definitive Feasibility Study Report – Borborema Gold Project dated November 2019;
- Consensus Economics;
- Connect4 database;
- The Cooperation and Commitment Deed between Aura Minerals Inc and Dundee Resources Limited dated 19 April 2019;
- Country Default Spreads and Risk Premiums by Aswath Damodaran of the Stern School of Business NYU;
- CSA Global Pty Ltd – Independent Technical Specialists' Report – Borborema Gold Project, Brazil dated 27 April 2022;
- Federal Reserve Bank of Philadelphia;
- Federal Open Market Committee;
- IBISWorld;
- Information provided to us during correspondence with Directors and management of BRV;
- The International Money Fund;
- Refinitiv Eikon;
- S&P Capital IQ database;
- The Scheme Booklet;
- The Scheme Implementation Deed between Big River Gold Ltd and Aura Minerals Inc dated 19 April 2022;
- The Organisation for Economic Co-operation and Development; and
- U.S. Geological Survey.

## APPENDIX C – GLOSSARY

Term or Abbreviation	Definition
A\$ or AUD	Australian Dollars
the Act	Corporations Act 2001 (Cth)
Adjusted Model	Borborema Model adjusted by RSM
AFCA	Australian Financial Complaints Authority
APES	Accounting Professional & Ethical Standards Board
ASIC	Australian Securities & Investments Commission
ASX	Australian Securities Exchange
Aura, Aura Minerals or ORA	Aura Minerals Inc
Aura BidCo	Subsidiary of Aura Minerals Inc
Borborema Model	Borborema Gold Project financial model provided by Big River Gold Ltd
BRV, the Company	Big River Gold Ltd
Cascar Mineração	Cascar Brasil Mineração Ltda
CGU	Cash generating unit
Control	The power to direct the management and policies of an entity or business enterprise
Control basis or controlling basis	As assessment of the fair value on an equity interest, which assumes the holder or holders have control of the entity in which the equity is held
Control premium	An amount or a percentage by which the pro rata value of a controlling interest exceeds the pro rata value of a non-controlling interest in an entity or business enterprise, to reflect the power of control
Copulos	Copulos Group
Crusader do Brasil	Crusader do Brasil Mineração Ltda
CSA Global	CSA Global Pty Ltd
CSLL	Brazilian social contribution tax
DCF	Discounted cash flow
Deed	Cooperation and Commitment Deed between Aura and Dundee
DFS	Definitive Feasibility Study for Borborema Gold Project (December 2019)
DFS Review	Definitive Feasibility Study Review (July 2020)
Directors	Directors of Big River Gold Ltd
Dundee	Dundee Resources Limited
EBIT	Earnings, Before, Interest and Tax
EBITDA	Earnings, Before, Interest, Tax, Depreciation and Amortisation
ECE Study	Engineering Cost Estimate Study (2021)
Equity	The owner's interest in property after deduction of all liabilities

Term or Abbreviation	Definition
<b>Enterprise Value</b>	Enterprise Value, meaning, the total value of the equity in a business plus the value of its debt or debt-related liabilities, minus any cash or cash equivalents available to meet those liabilities
<b>Fair Value, Fair Market Value or Value</b>	The amount at which an asset could be exchanged between a knowledgeable and willing but not anxious seller and a knowledgeable and willing but not anxious buyer, both acting at arm's length
<b>FME</b>	Future maintainable earnings
<b>FIRB</b>	Foreign Investment Review Board
<b>FSG</b>	Financial Services Guide
<b>General Shareholders</b>	BRV shareholders other than Dundee Resources Limited
<b>Gross Margin</b>	Total sales minus cost of goods sold, divided by total sales revenue, expressed as a percentage
<b>Gross Profit</b>	Total sales minus cost of goods sold
<b>IER or the Report</b>	This Independent Expert's Report
<b>Implementation Agreement</b>	Scheme Implementation Deed with between Big River Gold Ltd and Aura Minerals Inc dated 19 April 2022
<b>IRPJ</b>	Brazilian corporate income tax
<b>ITSR</b>	Independent Technical Specialists' Report on the Borborema Gold Project, Brazil by CSA Global Pty Ltd
<b>JVCo</b>	Holding company of Aura Bidco
<b>Koz</b>	Kilo ounces
<b>Listed Option Holders</b>	Registered holders of listed options in BRV
<b>LOM</b>	Life of mine
<b>Mine Plan</b>	Borborema Gold Project mine plan developed for DFS and updated for ECE Study
<b>Mtpa</b>	Million tonnes per annum
<b>Non-controlling basis</b>	An assessment of the fair value on an equity interest, which assumes the holder or holders do not have control of the entity in which the equity is held
<b>Option Study</b>	Option Study (March 2021)
<b>Performance Rights</b>	Performance rights granted by BRV to acquire a BRV share
<b>Record Date</b>	Record date to determine entitlements to the consideration under the terms of the Scheme
<b>Regulations</b>	Corporations Regulations 2001 (Cth)
<b>Relevant Proportion</b>	The shareholding interest in JVCo, expressed as a percentage, that the Relevant Shareholder holds in BRV at the Record Date of the proposed Scheme
<b>Relevant Shareholder</b>	Dundee Resources Limited
<b>Report</b>	This Independent Expert's Report prepared by RSM
<b>RG 111</b>	ASIC Regulatory Guide 111 Contents of Expert's Reports
<b>RG 170</b>	ASIC Regulatory Guide 170 Prospective financial information
<b>RSM Corporate Australia Pty Ltd, RSM, We, Us, Ours</b>	RSM Corporate Australia Pty Ltd ABN 82 050 508 024

Term or Abbreviation	Definition
<b>RSM Control Premium Study 2021</b>	RSM study of 605 takeovers and schemes of arrangements involving companies listed on the ASX over the 15.5 years ended 31 December 2020
<b>Second Court Hearing Date</b>	The day on which the application is made to the Court for an order pursuant to section 411(4)(b) of the Act approving the Scheme
<b>Scheme, the Scheme</b>	Scheme of Arrangement between Big River Gold Ltd and the Scheme Participants
<b>Scheme Booklet</b>	Booklet prepared for the Scheme to which this Report is attached
<b>Scheme Cash Consideration</b>	Cash consideration of AUD 0.36 per BRV share
<b>Scheme Meetings</b>	Meetings of shareholders where they will consider a resolution seeking approval of the Scheme
<b>Scheme Participants</b>	BRV shareholders as at the Record Date
<b>Scheme Scrip Consideration</b>	Unlisted shares in JVCo to be received by Dundee Resources Limited in lieu of the Scheme Cash Consideration
<b>Scheme Shares</b>	BRV shares on issue on the Record Date
<b>US\$ or USD</b>	United States dollars
<b>USGS</b>	U.S. Geological Survey
<b>Valuation Date</b>	20 April 2022, being the date of announcement (Note: some valuation analysis has been assessed as at 30 April 2022 which is considered to be an appropriate proxy for the valuation date)
<b>VWAP</b>	Volume weighted average share price
<b>WACC</b>	Weighted average cost of capital

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## APPENDIX D – DISCOUNT RATE ASSESSMENT

The WACC represents the weighted rate of return required by providers of both debt and equity to compensate for the time value of money and the perceived risk of the associated cash flows. The discount rates required by providers of both debt and equity are weighted in proportion to the optimal proportions of debt and equity.

The WACC is calculated as follows:

$$WACC = [Re \times E/V] + [Rd \times (1 - tc) \times D/V]$$

Where:

WACC = post tax weighted average cost of capital

Re = required rate of return on equity capital

E = market value of equity capital

V = market value of debt and equity capital (D + E)

Rd = required rate of return on debt capital

D = market value of debt capital

tc = corporate tax rate

### Required rate of return on equity capital (Re)

The Capital Asset Pricing Model (CAPM) can be used to estimate the cost of equity, being the required rate of return or cost of equity of a business.

The CAPM determines the cost of equity by the following formula:

$$Re = Rf + \beta(Rm - Rf) + \alpha$$

The components of the formula are as follows:

Re = Required return on equity;

Rf = Risk free rate of return;

Rm = the expected return from a market portfolio;

$\beta$  = Beta, a measure of the systematic risk of a stock; and

$\alpha$  = specific company risk premium.

### Risk-free rate

The risk-free rate of return compensates investors for the time value of money.

The 10-year United States Treasury bond yield is widely used and is an accepted benchmark for the risk-free return. We have used the 10-year bond rate as this provides the best match against the timeframe of the cash flows being valued. As a large proportion of BRV's substantial shareholders are North American and debt funding is considered to be more achievable in the Canadian or US markets, we have adopted US economic assumptions.

We consider it reasonable to adopt the 10-year United States Treasury bond yield as at 30 April 2022 of 2.89% (Source: S&P Capital IQ) for the risk free rate in the calculation of the WACC.

## Market rate (Rm)

This represents the additional risk in holding the market portfolio of investments. The term  $(R_m - R_f)$  represents the additional return required, above the risk free rate, to hold the market portfolio of investments.  $(R_m - R_f)$  is known as the Equity Market Risk Premium.

There are a number of studies around the Equity Market Risk Premium EMRP with, generally, most estimates falling within a range of 6% to 8%.

Using our professional judgement, RSM has adopted an Equity Market Risk Premium  $(R_m - R_f)$  as at the Valuation Date of between 6% and 7%.

## Beta ( $\beta$ )

The beta coefficient measures the systematic risk of a company compared to the market as a whole. A beta of 1 indicates that the company's risk is comparable to that of the market. A beta greater than 1 represents higher than market risk and a beta below 1 represents lower than market risk.

In assessing beta, we have considered the betas for companies comparable to BRV (Column A). The equity betas are adjusted to remove the effect of company specific debt levels resulting in an ungeared beta (Column B). The ungeared betas are then "regeared" based upon an assessment the average industry gearing ratio and the assessed optimal capital structure which is discussed in more detail below (Column C).

The table below sets out the equity beta analysis in relation to the comparable companies.

**Table 32 Equity Beta Analysis**

Beta Calculation						Column A	Column B	Column C	
Name	Exchange Ticker	Market Cap	Net Debt	Enterprise Value	Total Debt	Levered Beta	Unlevered Beta	Equity Beta	Tax Rate
Big River Gold Limited	ASX:BRV	53.95	(12.01)	59.50	0.08	0.97	0.97	1.04	34%
Los Cerros Limited	ASX:LCL	42.34	(14.00)	40.41	-	1.55	1.55	1.66	34%
G Mining Ventures Corp.	TSXV:GMIN	154.93	(57.42)	125.90	0.09	0.07	0.07	0.07	34%
Belo Sun Mining Corp	TSX:BSX	148.75	(18.11)	166.69	0.02	1.49	1.49	1.60	34%
Goldsource Mines Inc.	TSXV:GXS	29.78	(5.41)	29.82	0.03	2.22	2.22	2.38	34%
TriStar Gold, Inc.	TSXV:TSG	31.85	(4.61)	34.02	-	0.56	0.56	0.60	34%
<b>Min</b>		<b>29.78</b>	<b>(57.42)</b>	<b>29.82</b>	<b>-</b>	<b>0.07</b>	<b>0.07</b>	<b>0.07</b>	<b>34%</b>
<b>Mean</b>		<b>76.93</b>	<b>(18.59)</b>	<b>76.06</b>	<b>0.04</b>	<b>1.14</b>	<b>1.14</b>	<b>1.23</b>	<b>34%</b>
<b>Median</b>		<b>48.15</b>	<b>(13.01)</b>	<b>49.96</b>	<b>0.03</b>	<b>1.23</b>	<b>1.23</b>	<b>1.32</b>	<b>34%</b>
<b>Max</b>		<b>154.93</b>	<b>(4.61)</b>	<b>166.69</b>	<b>0.09</b>	<b>2.22</b>	<b>2.22</b>	<b>2.38</b>	<b>34%</b>

Source: S&P Capital IQ and RSM Analysis

We have adopted 1.10 to 1.20 as the unlevered beta in our assessment of the appropriate WACC for BRV.

## Specific company risk, size premium and country risk premium ( $\alpha$ )

In considering the appropriate WACC for BRV, we have considered the specific risks of the Borborema Gold Project which are not experienced by the listed comparable companies and are therefore not reflected in the reported betas or implied multiples derived from publicly available market data.

Using our professional judgement, we have adopted a company specific risk premium of 8.0% to 9.0% having regard to:

- Brazilian country specific risk, with reference to the Brazilian country risk premium of 2.97% published by the Professor of Finance at Stern School of Business at New York University, Aswath Damodaran;

- The level of conservatism built into the technical assumptions in the Borborema Model, as outlined in the ITSR. This includes the ore reserves estimation, which has not been re-optimised and restated for changes made in the modifying factors including the significantly higher gold price; the use of constant average rates for the variable mining costs, rather than rates that vary with the depth of pit, which would result in cheaper mining costs in the early project years; and the omission of any potential silver or mica revenue, notwithstanding CSA Global notes that the exclusion of silver revenue would have a negligible effect on project value;
- The potential for the asset value to increase with future optimisation studies, including a pre-feasibility study (“PFS”) being undertaken by GR Engineering Services Ltd (“GRES”) relating to the possible expansion of the Borborema Gold Project to 3.6 Mtpa throughput, as noted in the ITSR;
- The development risk associated with bringing the Borborema Gold Project to execution. We have considered the abovementioned conservatism in the model and potential upside in the asset value against the protracted timeline and difficulty in advancing the Borborema Gold Project from feasibility through to development and production. BRV has completed and announced on the ASX the results of several feasibility and optimisation studies for the Borborema Gold Project dating back to 2011. These culminated in the 2019 DFS and subsequent 2020 DFS Review for the 10-year “Stage 1” Borborema Gold Project with a 2 Mtpa plant, completed to an accuracy of  $\pm 10\text{-}15\%$ . However, the Company has since undertaken the 2021 Option Study, where it sought to optimize the proposed process plant designs and compared the resulting capital costs based on an expanded throughput against the 2 Mtpa Stage 1 process plant. BRV has currently engaged GRES to undertake a PFS for the possible expansion to a 3.6Mtpa operation, bringing the accuracy of the studies back to  $\pm 20\text{-}25\%$ , and as a result, the project further from reaching a final investment decision.
- Funding risk - should the project proceed to final investment decision, BRV would be need to secure funding for the Borborema Gold Project. BRV intends to fund the Borborema Gold Project using a combination of equity and debt, however access to debt funding could prove difficult in the current high inflation environment, where central banks are raising interest rates and seeking to tighten the money supply, particularly for a junior miner with a project in Brazil. BRV has not re-engaged with advisors since the release of the ECE Study but previous discussions in relation to the DFS did not progress to acceptable terms and the estimated capital costs have increased significantly since that time. Therefore, there can be no assurance that funding will be available, or on favourable terms to BRV.

### **Required rate of return on debt (Rd)**

The rate of return required by providers of debt includes a risk premium over and above the risk-free rate that reflects the debt risk that is specific to the business being valued. This risk effectively represents the risk of default on payments.

In assessing an appropriate debt premium, we have considered a number of factors including:

- the current yield on BBB and BB rated 10-year US Corporate Bonds;
- an appropriate country risk premium for operations occurring in Brazil;
- the gearing levels adopted for the purposes of calculating the WACC; and
- the prevailing economic conditions as at the date of this report.

Based on the above have adopted a pre-tax cost of debt range of 7.65% to 8.78%.



## Capital structure or gearing level (D/V)

The capital structure or gearing level adopted for the purposes of undertaking the valuation should generally reflect the level of debt that can be reasonably sustained by any company operating in a particular industry as opposed to the actual capital structure adopted by the business.

The optimal capital structure of a business is driven by two main considerations:

- the tax benefits of debt finance i.e. the deductibility of interest payments for the purposes of assessing corporate tax liabilities; and
- the financial risk to equity holders i.e. the risk of financial distress as a result of over-gearing.

In assessing the optimal capital structure of BRV, we have considered the following:

- the gearing levels of comparable companies;
- the level of debt sustainable by the forecast earnings and cash flows of the Borborema Gold Project;
- discussions held by BRV with banks and financial advisers in relation to securing financing for the Borborema Gold Project in 2019/2020; and
- the mine life of Borborema of 10 years (in the absence of any subsequent phases of the Borborema Gold Project).

For the purposes of this valuation we have assessed the optimal gearing level (D/V) as 10.0% (resulting in D/E of 11.0%).

## Corporate tax rate (tc)

The Brazilian Corporate Tax Rate is 34.0%, however, in calculating our WACC we have adopted the reduced Tax Rate of 15.0% which will apply to the Borborema Project cash flows under the Sudene Tax Incentive.

## Assessment of WACC

Based on the assumptions set out above, we have assessed the WACC of Big River Gold Ltd to be in the range of 16.9% and 19.7%, with a mid-point of 18.3%, as set out in the table below:

**Table 33 WACC calculation**

WACC	Min	Midpoint	Max
<b>Beta:</b>			
Unlevered Beta	1.10	1.15	1.20
Marginal Tax Rate	15%	15%	15%
Target Capital Structure:			
Debt	10.0%	10.0%	10.0%
Equity	90.0%	90.0%	90.0%
D/E	11.1%	11.1%	11.1%
<b>Levered Beta</b>	<b>1.20</b>	<b>1.26</b>	<b>1.31</b>
<b>Cost of Equity:</b>			
Risk Free Rate	2.9%	2.9%	2.9%
Market Risk Premium	6.0%	6.5%	7.0%
Alpha (Specific Premium)	8.0%	8.5%	9.0%
<b>Cost of Equity</b>	<b>18.1%</b>	<b>19.6%</b>	<b>21.0%</b>

**Cost of Debt:**

USD BBB/BB Bond Yield	4.3%	4.9%	5.4%
Country Specific Risk	3.0%	3.0%	3.0%
<b>Pre-tax Cost of Debt</b>	<b>7.3%</b>	<b>7.8%</b>	<b>8.4%</b>
<b>Post-tax Cost of Debt</b>	<b>4.8%</b>	<b>5.2%</b>	<b>5.5%</b>
<b>WACC (Post Tax, Nominal)</b>	<b>16.9%</b>	<b>18.3%</b>	<b>19.7%</b>

Source: RSM Analysis

## APPENDIX E – COMPARABLE COMPANIES

The below table provides business descriptions extracted from S&P Capital IQ of the companies utilised as comparables for the WACC calculation.

**Table 34 BRV comparable companies**

Comparable company	Company description
Big River Gold Limited	Big River Gold Limited engages in the exploration and evaluation of minerals in Brazil. The Company's principal property is the Borborema gold project which comprises of three mining leases covering a total area of 29 square kilometres located in the Seridó area of Borborema Province located in north-eastern Brazil. The company was formerly known as Crusader Resources Limited and changed its name to Big River Gold Limited in June 2019. Big River Gold Limited was incorporated in 2003 and is based in West Perth, Australia.
Los Cerros Limited	Los Cerros Limited operates as a mineral exploration company in Colombia. The company explores for gold and copper. It has a 100% interest in the Quinchia gold project covering an area of 10,500 hectares located in central west Colombia; and 90% interest in the Andes gold project totalling an area of 85,000 hectares located in the state of Antioquia. The company was formerly known as Metminco Limited and changed its name to Los Cerros Limited in January 2020. Los Cerros Limited was incorporated in 2006 and is based in West Perth, Australia.
G Mining Ventures Corp.	G Mining Ventures Corp. engages in the acquisition, exploration, evaluation, and development of mineral properties. The company's flagship asset is Tocantinzinho project, an open-pit gold deposit located in Para State, Brazil. It also owns 100% interest in the Cameron Lake project comprising 105 map-designated claims covering 5,699.42 hectares located in the Quebec province, Canada. The company was formerly known as Kanadario Gold Inc. The company was incorporated in 2017 and is based in Quebec, Canada.
Belo Sun Mining Corp	Belo Sun Mining Corp., through its subsidiaries, operates as a gold exploration and development company in Brazil. Its flagship property is its 100% interest in the Volta Grande Gold project consisting of four mining concession applications, 11 exploration permits, and 63 exploration permits extension submitted covering a total area of 175,498 hectares located in the northern region of Pará State, Brazil. The company was formerly known as Verena Minerals Corporation and changed its name to Belo Sun Mining Corp. in July 2010. Belo Sun Mining Corp. was founded in 1996 and is headquartered in Toronto, Canada.
Goldsource Mines Inc.	Goldsource Mines Inc., an exploration stage company, engages in exploration and development of resource properties in Canada and Guyana. It holds 100% interest in the Eagle Mountain gold project that covers an area of approximately 5,050 hectares located in central Guyana, South America. The company was formerly known as International Antam Resources Ltd. and changed its name to Goldsource Mines Inc. in February 2004. Goldsource Mines Inc. was incorporated in 1983 and is headquartered in Vancouver, Canada.
TriStar Gold, Inc.	TriStar Gold, Inc. engages in the acquisition, exploration, and development of precious metal prospects in the Americas. Its flagship property is its 100% owned the Castelo de Sonhos gold project that consists of approximately 17,177 hectares of mineral rights on six contiguous claims located in Pará State, Brazil. The company was incorporated in 2010 and is headquartered in Scottsdale, Arizona.

Source: S&P Capital IQ

## APPENDIX F – INDUSTRY OVERVIEW

### Gold mining

Gold mining is a capital intensive and high-cost process, becoming increasingly difficult as the quality of the ore reserves diminish. Furthermore, there are substantial indirect costs related to exploration, royalties, overheads, marketing and native title law that are usually required to be paid.

The precious metal is non-corrosive and highly malleable. These properties have allowed for the recycling of the metal, often used to produce alternative products. Consequently, both mining ore and recycled gold support the demand for gold.

Over the long term, gold has been shown to be an alternative investment during times of economic uncertainty, as gold prices largely maintain or increase in value. Furthermore, it has also been used as a hedge against inflation as gold usually increases in value when currency declines.

### U.S. Geological Survey - Mineral Commodity Summaries 2022

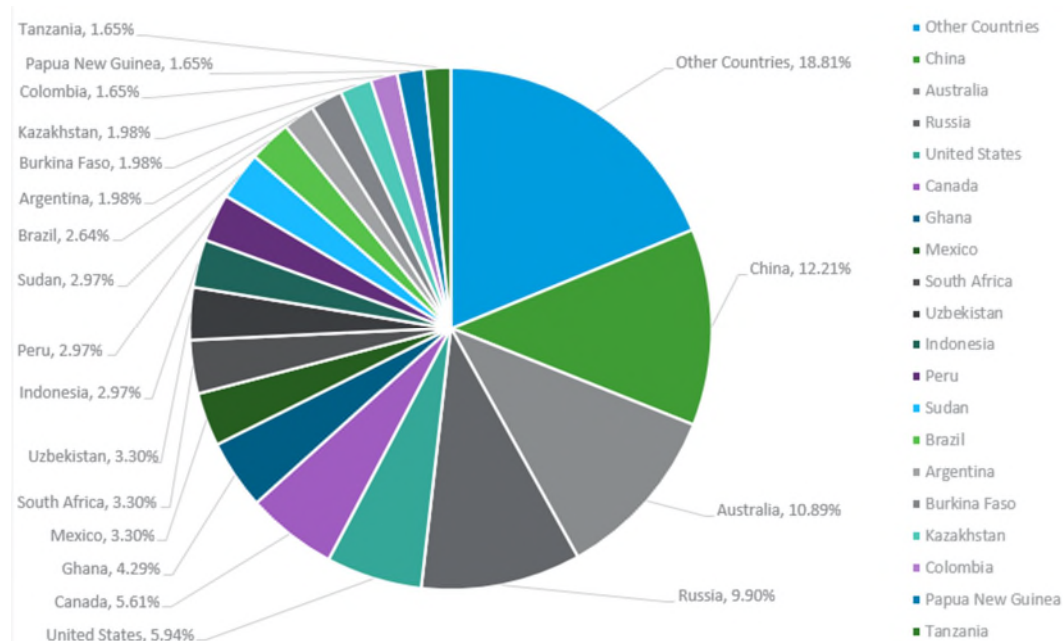
The U.S. Geological Survey (“USGS”) publishes an annual summary on mineral commodities, with the latest report published in January 2022.

The USGS estimated gold production in the US to be approximately 180 metric tons in 2021, a reduction of 7% from 2020. Globally, 2021 gold mine production was estimated to be less than 2020 due to decreased production in Papua New Guinea, Russia and the United States more than offsetting production increases in China, Ghana, Indonesia, South Africa and Tanzania.

The summary indicated the estimated gold price in 2021 was slightly higher than the previous record-high annual price in 2020.

The figure below summarises gold production in 2021, by country.

**Figure 15 Gold production by country - 2021**

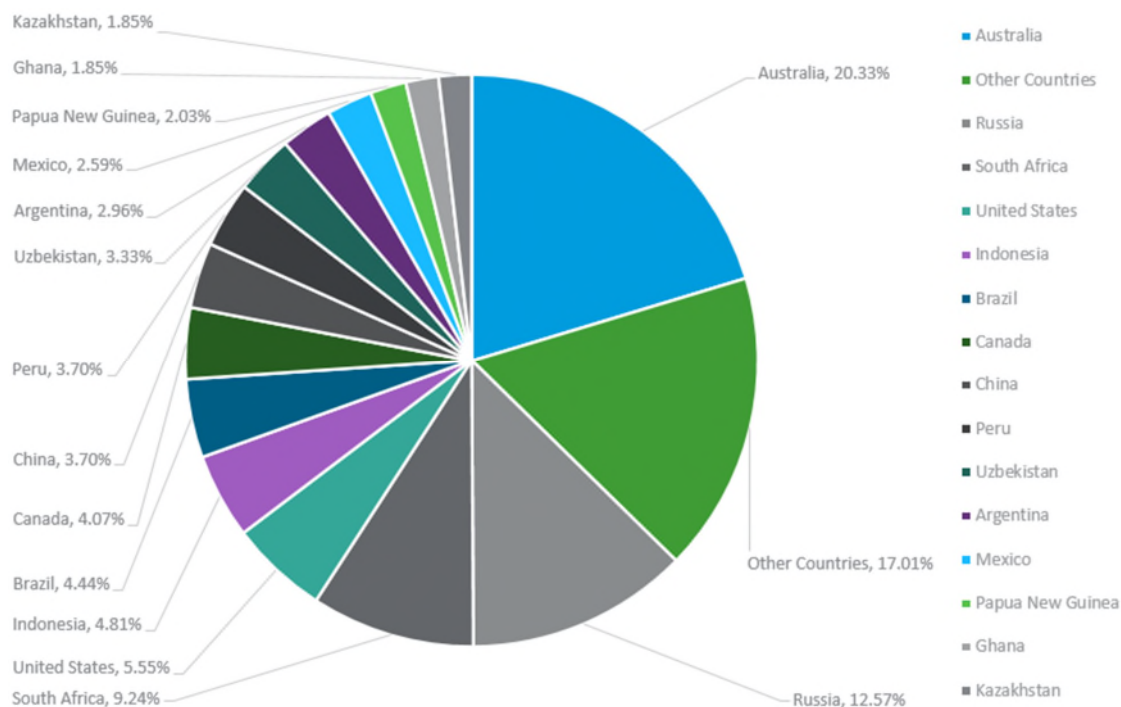


Source: United States Geological Survey

According to the USGS, the total estimated gold ore mined for 2021 was approximately 3,000 metric tons. China was the leading gold producer for 2021 accounting for 12% of global production.

Australia accounted for 10.9% of global gold production in 2021 and Brazil accounted for approximately 2.6% of global production in 2021. Australia and Russia have the largest known gold reserves globally, accounting for around 32.9% collectively, with the remaining gold reserves by country summarised in the figure below.

**Figure 16 Gold reserves by country 2021**



Source: United States Geological Survey

## Gold prices

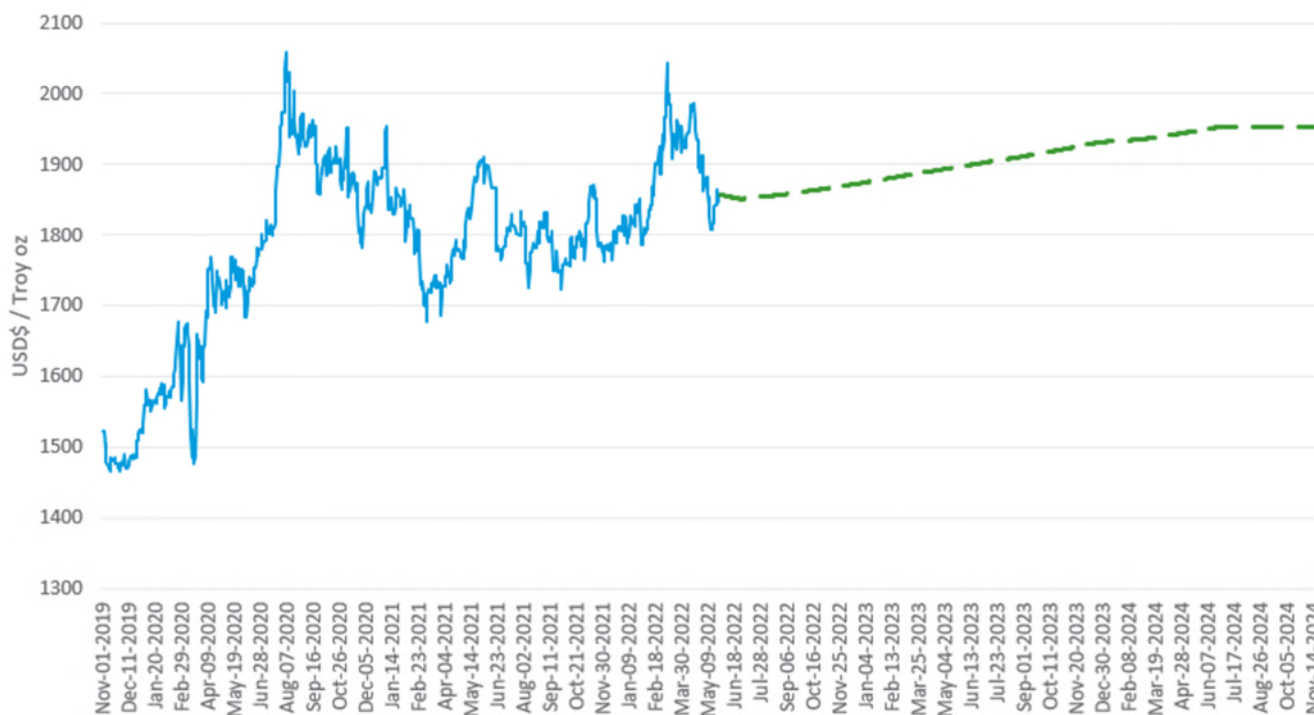
On 31 December 2019 the gold price reached US\$1,519, however shortly afterwards there was a sharp incline which corresponds with the beginning of the COVID-19 pandemic. The pandemic has initially had a largely positive impact on gold prices. As at 31 December 2020 the gold price had increased to US\$1,895 which represented a 25% increase from the 31 December 2019 price.

Towards the beginning of 2021 the gold price reached US\$1,954 per troy ounce before decreasing in March. Subsequently the price increased again in May due to several factors including: that gold demand for safe-haven buying increased owing to the continued global COVID-19 pandemic, global investor uncertainty and U.S. Federal Reserve Board low interest rates.

In February 2022 the gold price spiked above US\$2,000 per troy ounce before reducing into the mid-1,800s. Future contracts indicate there is an expectation the gold price will rise over the period ending November 2024.

The historical gold price since November 2019, together with forecast pricing through to November 2024 is depicted in the graph below:

**Figure 17 Historical and forecast gold prices**



Source: Capital IQ and RSM Analysis

### **IBISWorld gold & silver ore mining in the United States (July 2021)**

Traditionally, investors are inclined to purchase gold and other safe-haven assets in times of economic uncertainty due to the metal's ability to store value and hedge against inflation. Accordingly, demand for gold intensified during the recent economic instability which emerged since the beginning of the COVID-19 pandemic. Since the beginning of the pandemic investors have looked to purchase safe-haven assets in record amounts leading to the world gold price rising to all-time high levels.

Due to current global shifts, the Federal Reserve lowered interest rates to near zero in 2020, in an attempt to combat the adverse effects that the coronavirus pandemic has had on employment conditions and economic activity. As such, many investors are likely to hold gold and silver in their portfolios to mitigate the risk which is associated with a secondary downturn in the economy, rising inflation or another surge of infections. Nevertheless, investors will traditionally seek assets with higher returns, at the expense of gold which may negatively impact demand. As such, gold prices are anticipated to remain volatile over the next five years.

The United States is experiencing depleting resources which is likely to keep domestic production low and drive industry operators' investments towards international operations. Additionally, over the next five years more aggressive gold mining is anticipated to take place in Mexico due to lower labour and regulatory costs enabling lower prices to be passed on to customers. The heightened competition is expected to boost merger and acquisition activity as companies attempt to expand operations to benefit from economies of scale.

Currently the industry experiences a moderate level of globalisation, many of the largest participants are located outside of the USA and maintain extensive global operations.

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The key success factors applicable to the industry are:

- **World Price of Gold** – Increases in the price of gold drive revenue growth for the industry, however, declines in the gold price hinder revenue prospects. The world gold price follows fluctuations in the global supply and demand for the commodity and is expected to rise in 2021, representing a potential opportunity for the industry.
- **Investor Uncertainty** – Gold has long been regarded as a safe and secure investment. Typically, when economic uncertainty rises and investors seek to transfer funds into safer assets, gold demand increases. It is expected that Investor uncertainty will decrease in 2021, posing a potential threat to the industry.
- **Industrial production index** – Primarily gold is utilised in electrical and jewellery applications. As such, the industrial production index provides a measure of manufacturing activity for the industry's major markets. As industrial production increases, demand for gold tends to rise which drives up commodity prices and boosts industry revenue. It is anticipated that industrial production will rise in 2021.

### **Brazilian Economy and Mining Sector**

Brazil is the largest economy in South America, as with many countries the COVID-19 pandemic triggered a deep recession. After a successful vaccination campaign, economic activity recovered strongly in 2021 with GDP growth of 5% but this is expected to slow significantly in 2022 to 0.6%. Rising inflation, the war in Ukraine and tighter financial conditions have eroded economic sentiment through the first quarters of 2022.

In April 2022 annual inflation in Brazil reached 12%, the highest level in 18 years, despite monetary policy tightening measures. The OECD Economic Outlook for Brazil released in June 2022 forecasts a 9.7% CPI increase in 2022 and 5.3% in 2023.

Mining has been an important sector in Brazil for centuries, contributing between 2% to 4% of national GDP over the last decade and c15% of foreign exports. Iron ore, copper and gold generate the highest economic value but Brazil is also host to reserves of nickel, bauxite and niobium.

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## APPENDIX G – INDEPENDENT TECHNICAL SPECIALISTS' REPORT





**CSA Global**  
Mining Industry Consultants  
an ERM Group company

# **BORBOREMA GOLD PROJECT, BRAZIL**

## **Independent Technical Specialists' Report**

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REPORT Nº R223.2022  
6 June 2022



## Report prepared for

Client Name	RSM Corporate Australia and Big River Gold Limited
Project Name/Job Code	BRVITV01
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Contact Title	Executive Chair
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Division	Corporate

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# Executive Summary

The Borborema Gold Project is located in the Seridó area of the Borborema province, within the State of Rio Grande do Norte in north-eastern Brazil. Borborema consists of three mining leases covering a total area of 29 km<sup>2</sup> plus freehold title to the property over the main prospect area. Exploration tenements covering a total 305 km<sup>2</sup> extend along the trend of the Borborema mining leases and remain prospective for adding resources to the Borborema inventory in the near future.

## Borborema Technical Assessment

The Borborema deposit is situated in the Borborema Province within the domain of the Seridó Belt which is an orogenic gold deposit in a sheared and deformed Archaean to Proterozoic age greenstone belt sequence comprised of metamorphosed volcanic-sedimentary rocks units intruded by slightly younger post-tectonic igneous bodies. The deposit occurs in a north-northeast trending structure, part of the northern segment of the Santa Mônica dextral shear zone. The mineralised sequence has been subjected to a complex, multi-stage deformational history.

The main gold orebody is tabular, approximately 3.5 km long in a northeast direction, several hundred metres deep, and approximately 30 m thick. The body dips at 35° southeast and higher-grade sections plunge at a shallow angle to the south-southeast.

The deposit was originally discovered in the 1920s and has been the subject of artisanal mining until 1977. An estimated 150,000 ounces of gold was reported by the DNPM (Mines Department) to have been mined over this period. Xapetuba operated a 150,000 tpa open pit heap-leach operation on oxide material until 1991, when production was suspended, and approximately 100,000 ounces of gold was reportedly recovered with gold recoveries estimated at 70% (Tetra Tech, 2013). Extensive exploration activities including geological mapping, soil geochemistry, regional geophysical surveys and drilling has been carried out over the project area over an extended period. Between 2010 and 2012, Big River Gold Limited (Big River) has drilled a total of 954 drillholes for approximately 87,000 m.

Borborema is considered to be open along strike to the north and south and at depth. Potential exists to increase the Mineral Resource down dip within the mineralised shear zone and there are also indications of mineralisation in parallel structures to the footwall of the main zone. The mineralised zone is observed to increase in grade and width with depth and consideration should be also given for potential underground mining options. Work by Big River in the past highlighted a series of exploration targets along the major shear zone, based on host geology, structural setting (as interpreted by geophysical modelling) and an extensive study of historical geochemical surveys completed in the region.

The project hosts a gold Mineral Resource that was publicly released in 2012, in accordance with the JORC Code (2012). The total resource, at a 0.5 g/t Au cut-off, is 68.6 Mt at 1.10 g/t Au for 2.4 Moz of contained gold metal, with majority of the resource classified in the Indicated (64%) and Inferred (23%) categories. Using a US\$1,425/oz gold price pit shell that delimits the Ore Reserve for a reporting constraint, the Mineral Resource inside the pit constraint is 20.8 Mt at 1.22 g/t Au for 0.8 Moz contained gold metal, with majority of the resource classified as Indicated (63%) and Measured (37%). The remaining Mineral Resource outside the pit constraint (i.e. outside the Ore Reserve) is 47.8 Mt at 1.05 g/t Au for 1.6 Moz contained gold metal, with majority of the resource classified as Indicated (64%) and Inferred (35%). The pit shell used for reporting delimits the Ore Reserve and the Mineral Resource outside of this pit shell have been valued separately.

CSA Global Pty Ltd (CSA Global) is of the opinion that the exploration activities, drill techniques, survey methods, sampling, assaying and quality assurance/quality control completed by Big River are in line with good industry practice and are appropriate for the style of mineralisation. Further, CSA Global is of the view that the Borborema Mineral Resources have been prepared and reported in accordance with the JORC Code (2012) using accepted industry practice including appropriate reference to the guidelines in the JORC Code and have been signed off by an appropriate Competent Person as defined by the JORC Code. CSA Global considers that the complex geology and structural controls on mineralisation at Borborema were examined



with due care, and the estimation approaches selected were appropriate. Also, CSA Global is of the opinion that the classification of the estimate appropriately reflects the consideration of uncertainty, impact and materiality of this uncertainty and the confidence of the Competent Persons who estimated the Mineral Resources (Messers Barnes, Gossage and Platel) in the data and interpretation.

The Mineral Resource appears to be a reasonable assessment of global grade and tonnage based on the data available and geological understanding at the time and is appropriate as an input for use as a basis for mine studies or valuation.

### Valuation of Mineral Assets Outside of the Mine Plan

CSA Global was requested by RSM Australia Pty Ltd to provide an opinion on the value of the Mineral Resources outside of the Borborema mine plan, as well as the remaining Brazilian exploration licences held by Big River.

There are significant declared mineral resources outside of the mine plan, as the mine plan includes only 33% of the declared mineral resources. There is therefore approximately 1.6 Moz of declared Mineral Resources outside of the mine plan, of which more than 1 Moz is in the Indicated category.

The Seridó and Mara Rosa exploration licences are considered early-stage exploration projects and have not yet been extensively explored.

CSA Global relied on the market-based comparative transactions method to form an opinion on the value of these assets and used the yardstick order of magnitude crosscheck on the value of the Mineral Resources outside of the Borborema mine plan.

CSA Global's opinion on the likely market value of Big River's Brazilian mineral assets outside of the Borborema mine plan, as of 19 April 2022, is summarised in Table 1.

Table 1: Valuation of Big River's mineral assets outside of the Borborema mine plan as of 19 April 2022

Mineral asset	Low (US\$ M)	Preferred (US\$ M)	High (US\$ M)
Borborema Mineral Resources outside of mine plan	40	55	70
Serido and Mara Rosa exploration licences	1.3	2.7	4.0

Note: The valuations have been compiled to an appropriate level of precision; values may not add up due to rounding.

It is stressed that the valuation is an opinion as to likely values, not absolute values, which can only be tested by going to the market.

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## Appendices

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# 1 Introduction

## 1.1 Context, Scope, and Terms of Reference

On 19 April 2022, Big River Gold Limited (ASX: BRV) (“Big River” or the “Company”) announced that Aura Minerals Inc. (TSX: ORA) is to acquire 100% of Big River by way of scheme of arrangement.

Big River is a specialised minerals exploration and development company focused on advancing its wholly owned Borborema Gold Project in north-eastern Brazil.

The Borborema Gold Project is located in the Seridó area of the Borborema province, within the State of Rio Grande do Norte in north-eastern Brazil. Borborema consists of three mining leases covering a total area of 29 km<sup>2</sup> plus freehold title to the property over the main prospect area. Exploration tenements covering a total 410 km<sup>2</sup> extend along the trend of the Borborema mining leases and remain prospective for adding resources to the Borborema inventory in the near future.

A Definitive Feasibility Study (DFS) was completed in December 2019 for Stage 1 development of Borborema, and was updated in July 2020.

Big River has appointed RSM Australia Pty Ltd (RSM) to prepare an Independent Experts Report (IER) in relation to the merger by Scheme with Aura Minerals Inc., to inform shareholders of Big River. In preparing the IER, RSM will need to consider the value derived from the project.

RSM has in turn engaged CSA Global Pty Ltd (CSA Global), an ERM Group company, to prepare an independent technical assessment and valuation of the Borborema Project (an Independent Technical Specialists’ Report or “ITSR”) for inclusion in RSM’s IER. The ITSR, or a summary of it, is to be appended to the IER, and as such will become a public document.

The ITSR addresses the following scope of work (collectively “the Services”):

- Review of the technical assumptions in the DFS for the Borborema Gold Project (pricing, foreign exchange and discount rate to be assessed by RSM)
- Valuation of mineral resources/reserves outside of the DFS mine plan at the Borborema Gold Project in accordance with the VALMIN Code.

The Services exclude any work in relation to:

- Commodity price and exchange rate assumptions adopted in the Borborema financial model
- Financial and/or corporate taxation analysis
- Discount rate determination.

In preparing the independent technical assessment and valuation, CSA Global has:

- Adhered to the VALMIN<sup>1</sup> and JORC<sup>2</sup> codes, including the inclusion of appropriate Competent Person’s Statements as required.
- Taken due note of any guidance issued by such bodies as the Australian Securities and Investments Commission (ASIC) and the Australian Securities Exchange (ASX), including ASIC Regulatory Guide 111 – Content of Expert Reports, and ASIC Regulatory Guide 112 – Independence of Experts.
- Taken guidance from the Independent Expert on specific requirements they have.
- Required access to all available information relating to the project. CSA Global has relied on the accuracy and completeness of the data provided to it by Big River, and that the Company has made CSA Global aware of all material information in relation to the project.

<sup>1</sup> Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets (The VALMIN Code), 2015 Edition, prepared by the VALMIN Committee of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. <<http://www.valmin.org>>

<sup>2</sup> Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The JORC Code, 2012 Edition. Prepared by: The Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia (JORC). <<http://www.jorc.org>>



- Required that Big River provide an indemnity to the effect that the Company will indemnify and compensate CSA Global in respect of preparing the ITSr against any and all losses, claims, damages and liabilities to which CSA Global or its Associates may become subject under any applicable law or otherwise arising from the preparation of the ITSr to the extent that such loss, claim, damage or liability is a direct result of Big River or any of its directors or officers knowingly providing CSA Global with any false or misleading information, or the Company, or its directors or officers knowingly withholding material information.
- Required an indemnity that Big River will compensate CSA Global for any liability relating to any consequential extension of workload through queries, questions or public hearings arising from the ITSr.
- Reserved the right to refuse to provide an opinion or report where it is impossible or impractical to obtain enough accurate or reliable data or information.
- Kept records of discussions with the Commissioning Entity, a list of all documents referred to in the ITSr, copies of all Material source documents and our notes.

## 1.2 Compliance with the JORC and VALMIN Codes

The ITSr has been prepared in accordance with the VALMIN Code, which is binding upon Members of the Australian Institute of Geoscientists (AIG) and the Australasian Institute of Mining and Metallurgy (AusIMM), the JORC Code and the rules and guidelines issued by such bodies as the ASIC and ASX that pertain to IERs.

The authors have taken due note of the rules and guidelines issued by such bodies as ASIC and ASX, including ASIC Regulatory Guide 111 – Content of Expert Reports, and ASIC Regulatory Guide 112 – Independence of Experts.

## 1.3 Principal Sources of Information

CSA Global has based its review of the assets on information made available to the principal authors by Big River along with technical reports prepared by consultants, government agencies and previous tenement holders, and other relevant published and unpublished data.

CSA Global Associate Geologist Ruari M McKnight completed a field visit to the Borborema Project in Brazil in May 2017, and CSA Global has relied on this assessment, as there has been no further material drilling on the project since.

CSA Global has also relied upon discussions with Big River’s management for information contained within this assessment relating to the Brazilian exploration assets (Serido and Mara Rosa) these assets are in an early stage of exploration and were not considered to be material to Big River and are of secondary and minor value, and not requiring a field assessment.

CSA Global has relied on the opinion on tenure prepared by Brazilian law firm FFA Legal, as presented in their report titled “Title Opinion on the Mineral Rights held by Cascar Brasil Mineração Ltda’s Group”, dated 10 March 2022. CSA Global makes no other assessment or assertion as to the legal title of the tenements and is not qualified to do so.

CSA Global has endeavoured, by making all reasonable enquiries, to confirm the authenticity, accuracy, and completeness of the technical data upon which this ITSr is based. Unless otherwise stated, information and data contained in this technical report or used in its preparation has been provided by Big River.

## 1.4 Authors of the Report – Qualifications and Competence

This ITSr has been prepared by CSA Global, a privately-owned consulting company that has been operating for over 30 years, with its headquarters in Perth, Western Australia.

CSA Global provides multi-disciplinary services to a broad spectrum of clients across the global mining industry. Services are provided across all stages of the mining cycle, from project generation to exploration, resource estimation, project evaluation, development studies, operations assistance, and corporate advice, such as valuations and independent technical documentation.

The information in this ITSR that relates to the Technical Assessment of Mineral Resources, Exploration Targets, or Exploration Results is based on information compiled and conclusions derived by Ms Sonia Konopa, MSc (Economic Geology), BSc (Applied Geology) Hons, FAusIMM, MAIG. Ms Konopa is employed by CSA Global and is not a related party or employee of Big River. Ms Konopa is a resource geologist, with over 30 years’ international experience in the mining industry. She has previously worked in various operational and leadership roles and has extensive international expertise in consulting services, technical advice and guidance across a range of commodities and geological settings. Ms Konopa has sufficient experience that is relevant to the Technical Assessment of the Mineral Assets under consideration, the style of mineralisation and types of deposit under consideration and to the activity being undertaken to qualify as a Practitioner as defined in the 2015 Edition of the “Australasian Code for the public reporting of technical assessments and Valuations of Mineral Assets”, and as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Ms Konopa consents to the inclusion in the ITSR of the matters based on his information in the form and context in which it appears.

The Mining Assessment of the Borborema Project in this ITSR was completed by CSA Global Principal Mining Engineer, Mark Laing, BEng (Mining) Hons, MAusIMM. Mr Laing is a mining engineer with more than 35 years’ experience, in both open pit and underground mining. He holds Mine Manager’s tickets in Western Australia, Queensland, and Tasmania. Mr Laing has specialised skills in open pit and underground mine design, pit and waste dump optimisation, mine scheduling, reserve reporting, project evaluation, due diligence, and feasibility studies. He has extensive operational experience, built over 30 years of site-based work for a variety of mining companies operating throughout Australia and overseas, has provided both practical as well as management and corporate experience. Mr Laing has strong expertise in precious (gold, silver), base metals (nickel, manganese, zinc, lead), and coal. He has the relevant qualifications, experience, competence, and independence to be considered a “Specialist” under the definitions provided in the VALMIN Code and a “Competent Person” as defined in the JORC Code.

The information in this ITSR that relates to the Valuation of the Big River mineral assets reflects information compiled and conclusions derived by Mr Trivindren Naidoo who is a Member of the AusIMM. He is employed by CSA Global and is not a related party or employee of Big River. Mr Naidoo has sufficient experience relevant to the Technical Assessment and Valuation of the Mineral Assets under consideration and to the activity which he is undertaking to qualify as a Practitioner as defined in the 2015 Edition of the “Australasian Code for the Public Reporting of Technical Assessments and Valuations of Mineral Assets”. Mr Naidoo consents to the inclusion in this ITSR of the matters based on his information in the form and context in which it appears.

The Valuation of Big River’s Mineral Resources outside of the Borborema mine plan and Exploration Tenure was completed by CSA Global Principal Geologist – Valuation, Trivindren Naidoo, MSc (Exploration Geology), Grad.Cert (Mineral Economics), FGSSA, MAusIMM. Mr Naidoo is an exploration geologist with over 20 years’ experience in the minerals industry, including 16 years as a consultant, specialising in project evaluations and technical reviews as well as code-compliant reporting (JORC, VALMIN, NI 43-101 and CIMVAL) and valuation. Mr Naidoo’s knowledge is broad based, and he has wide-ranging experience in the field of mineral exploration, having managed or consulted on various projects ranging from first-pass grassroots exploration to brownfields exploration and evaluation, including the assessment of operating mines. Mr Naidoo is part of CSA Global’s Corporate team and has completed independent evaluations and valuations of numerous mineral assets ranging from early-stage exploration properties to projects with multiple operating mines, across various commodities and jurisdictions.

The reviewer of the ITSR is CSA Global Principal Consultant, Ivy Chen, BAppSc (Geology), Postgrad Dip. Nat Res., FAusIMM, GAICD. Ms Chen is a corporate governance specialist, with over 30 years’ experience in mining and resource estimation. She served as the national geology and mining adviser for the ASIC from 2009 to 2015. Ms Chen’s experience in the mining industry in Australia and China, as an operations and consulting geologist includes open pit and underground mines for gold, manganese and chromite, and as a consulting geologist she has conducted mineral project evaluation, strategy development and implementation, through to senior corporate management roles. Recent projects completed include listings and other commercial transactions on the Australian, Singapore, Hong Kong, and United Kingdom stock

exchanges. Ms Chen is a member of the VALMIN Committee. She has the relevant qualifications, experience, competence, and independence to be considered a “Specialist” under the definitions provided in the VALMIN Code and a “Competent Person” as defined in the JORC Code.

## 1.5 Declarations

The statements and opinions contained in this ITSR are given in good faith and in the belief that they are not false or misleading. The ITSR has been compiled based on information available up to and including the date of the ITSR.

The statements and opinions are based on the reference date of 19 April 2022 and could alter over time depending on exploration results, mineral prices, and other relevant market factors. In CSA Global’s opinion, nothing material has occurred up to the date of this ITSR since the valuation date to affect CSA Global’s technical review and valuation opinion.

The opinions expressed in this ITSR have been based on the information supplied to CSA Global by Big River. The opinions in this ITSR are provided in response to a specific request from RSM to do so. CSA Global has exercised all due care in reviewing the supplied information. Whilst CSA Global has compared key supplied data with expected values, the accuracy of the results and conclusions from the review are entirely reliant on the accuracy and completeness of the supplied data. CSA Global does not accept responsibility for any errors or omissions in the supplied information and does not accept any consequential liability arising from commercial decisions or actions resulting from them. Opinions presented in this ITSR apply to the site conditions and features, as they existed at the time of CSA Global’s investigations, and those reasonably foreseeable. These opinions do not necessarily apply to conditions and features that may arise after the date of this ITSR, about which CSA Global had no prior knowledge nor had the opportunity to evaluate.

CSA Global’s valuations are based on information provided by Big River and public domain information. This information has been supplemented by making all reasonable enquiries within the timeframe available, to confirm the authenticity and completeness of the technical data.

CSA Global considers that its opinion must be considered as a whole and that selecting portions of the analysis, or factors considered by it, without considering all factors and analyses together could create a misleading view of the process underlying the opinions presented in this ITSR. The timing and context of an independent valuation report is complex and does not lend itself to partial analysis or selective interpretations without consideration of the entire ITSR.

CSA Global has no obligation or undertaking to advise any person of any development in relation to the mineral assets which comes to its attention after the date of this ITSR. CSA Global will not review, revise or update the ITSR, or provide an opinion in respect of any such development occurring after the date of this ITSR.

No audit of any financial data has been conducted.

The authors of this ITSR have had no prior association with the Mineral Assets of Big River. Neither CSA Global, nor the authors of this ITSR, have or have had previously, any other material interest in Big River or the mineral properties in which Big River has an interest. CSA Global’s relationship with Big River is solely one of professional association between client and independent consultant.

CSA Global is an independent consultancy. This ITSR is prepared in return for professional fees based upon agreed commercial rates and the payment of these fees is in no way contingent on the results of this ITSR. In accordance with Clause 6.3 of the VALMIN Code, the fee for the preparation of this ITSR is approximately A\$60,000.

No member or employee of CSA Global is, or is intended to be, a director, officer, or other direct employee of Big River. No member or employee of CSA Global has, or has had, any material shareholding in Big River. There is no formal agreement between CSA Global and Big River in relation to CSA Global conducting further work for Big River.

The valuations discussed in this ITSR have been prepared at a valuation date of 19 April 2022. It is stressed the values are opinions as to likely values, not absolute values, which can only be tested by going to the market.

## 2 Big River's Brazilian Tenements

Big River, through wholly owned subsidiaries Cascar Brasil Mineração Ltda (Cascar) and Crusader do Nordeste Mineração Ltda, holds 37 granted tenements, consisting of three granted Mining Licences and 34 granted Exploration Licences (Table 2 and Table 3), as well as one Mining Group application (Table 3).

Table 2: Summary of Big River's granted Brazilian tenure

Project	State	No. of tenements	Situation	Mineral(s)	Area (km <sup>2</sup> )
Borborema	Rio Grande do Norte	3	Development Concession	Gold	29.07
Mara Rosa	Goiás	3	Exploration Authorisation	Gold	27.14
Seridó	Rio Grande do Norte	1	Right to Request Mining	Gold and pegmatite	17.36
	Rio Grande do Norte	2	Exploration Authorisation	Iron	38.67
	Rio Grande do Norte – Paraíba	28	Exploration Authorisation	Gold	248.81
<b>Total</b>		<b>37</b>			<b>361.05</b>

Source: Big River

Table 3: Detailed tenure list

Project	Tenement no.	Status	Holder	Area (km <sup>2</sup> )	State
Borborema	805.049/1977	Mining Concession	Cascar Brasil Mineração Ltda	10.00	Rio Grande do Norte
Borborema	840.149/1980	Mining Concession	Cascar Brasil Mineração Ltda	9.07	Rio Grande do Norte
Borborema	840.152/1980	Mining Concession	Cascar Brasil Mineração Ltda	10.00	Rio Grande do Norte
Borborema	948.262/2014	Mining Group Application	Cascar Brasil Mineração Ltda	29.07	Rio Grande do Norte
Mara Rosa	860.957/2012	Exploration Permit	Cascar Brasil Mineração Ltda	13.62	Goiás
Mara Rosa	860.958/2012	Exploration Permit	Cascar Brasil Mineração Ltda	3.30	Goiás
Mara Rosa	860.959/2012	Exploration Permit	Cascar Brasil Mineração Ltda	10.22	Goiás
Seridó	848.007/2015	Exploration Permit	Crusader do Nordeste Mineração Ltda	1.55	Rio Grande do Norte
Seridó	846.124/2018	Exploration Permit	Crusader do Nordeste Mineração Ltda	18.97	Paraíba
Seridó	848.029/2019	Exploration Permit	Crusader do Nordeste Mineração Ltda	12.00	Rio Grande do Norte
Seridó	848.052/2021	Exploration Permit	Cascar Brasil Mineração Ltda	19.46	Rio Grande do Norte
Seridó	848.053/2021	Exploration Permit	Cascar Brasil Mineração Ltda	19.31	Rio Grande do Norte
Seridó	846.502/2011	Exploration Permit	Cascar Brasil Mineração Ltda	3.91	Paraíba
Seridó	846.503/2011	Exploration Permit	Cascar Brasil Mineração Ltda	0.06	Paraíba
Seridó	846.504/2011	Exploration Permit	Cascar Brasil Mineração Ltda	8.00	Paraíba
Seridó	846.505/2011	Exploration Permit	Cascar Brasil Mineração Ltda	16.78	Paraíba
Seridó	846.131/2012	Exploration Permit	Cascar Brasil Mineração Ltda	7.24	Paraíba
Seridó	846.313/2012	Exploration Permit	Cascar Brasil Mineração Ltda	1.32	Paraíba
Seridó	846.506/2011	Exploration Permit	Cascar Brasil Mineração Ltda	9.38	Paraíba
Seridó	846.604/2011	Exploration Permit	Cascar Brasil Mineração Ltda	0.07	Paraíba
Seridó	846.635/2011	Exploration Permit	Cascar Brasil Mineração Ltda	12.45	Paraíba
Seridó	846.637/2011	Exploration Permit	Cascar Brasil Mineração Ltda	3.98	Paraíba
Seridó	846.638/2011	Exploration Permit	Cascar Brasil Mineração Ltda	8.77	Paraíba
Seridó	846.639/2011	Exploration Permit	Cascar Brasil Mineração Ltda	10.95	Paraíba
Seridó	846.640/2011	Exploration Permit	Cascar Brasil Mineração Ltda	2.10	Paraíba
Seridó	846.643/2011	Exploration Permit	Cascar Brasil Mineração Ltda	0.40	Paraíba
Seridó	846.644/2011	Exploration Permit	Cascar Brasil Mineração Ltda	7.16	Paraíba
Seridó	846.651/2011	Exploration Permit	Cascar Brasil Mineração Ltda	9.13	Paraíba
Seridó	846.654/2011	Exploration Permit	Cascar Brasil Mineração Ltda	7.35	Paraíba

Project	Tenement no.	Status	Holder	Area (km <sup>2</sup> )	State
Seridó	846.130/2012	Exploration Permit	Cascar Brasil Mineração Ltda	6.33	Paraíba
Seridó	846.158/2011	Exploration Permit	Cascar Brasil Mineração Ltda	8.06	Paraíba
Seridó	846.227/2011	Exploration Permit	Cascar Brasil Mineração Ltda	18.39	Paraíba
Seridó	846.316/2012	Exploration Permit	Cascar Brasil Mineração Ltda	2.27	Paraíba
Seridó	848.208/2016	Exploration Permit	Crusader do Nordeste Mineração Ltda	18.55	Rio Grande do Norte
Seridó	848.055/2015	Exploration Permit	Cascar Brasil Mineração Ltda	19.34	Rio Grande do Norte
Seridó	848.281/2014	Exploration Permit	Cascar Brasil Mineração Ltda	19.33	Rio Grande do Norte
Seridó	848.011/2015	Exploration Permit	Crusader do Nordeste Mineração Ltda	14.90	Rio Grande do Norte
Seridó	848.093/2013	Exploration Permit	Crusader do Nordeste Mineração Ltda	17.36	Rio Grande do Norte

Note: Orange highlight – application not yet granted. Green highlight – exploration licence with right to request mining.

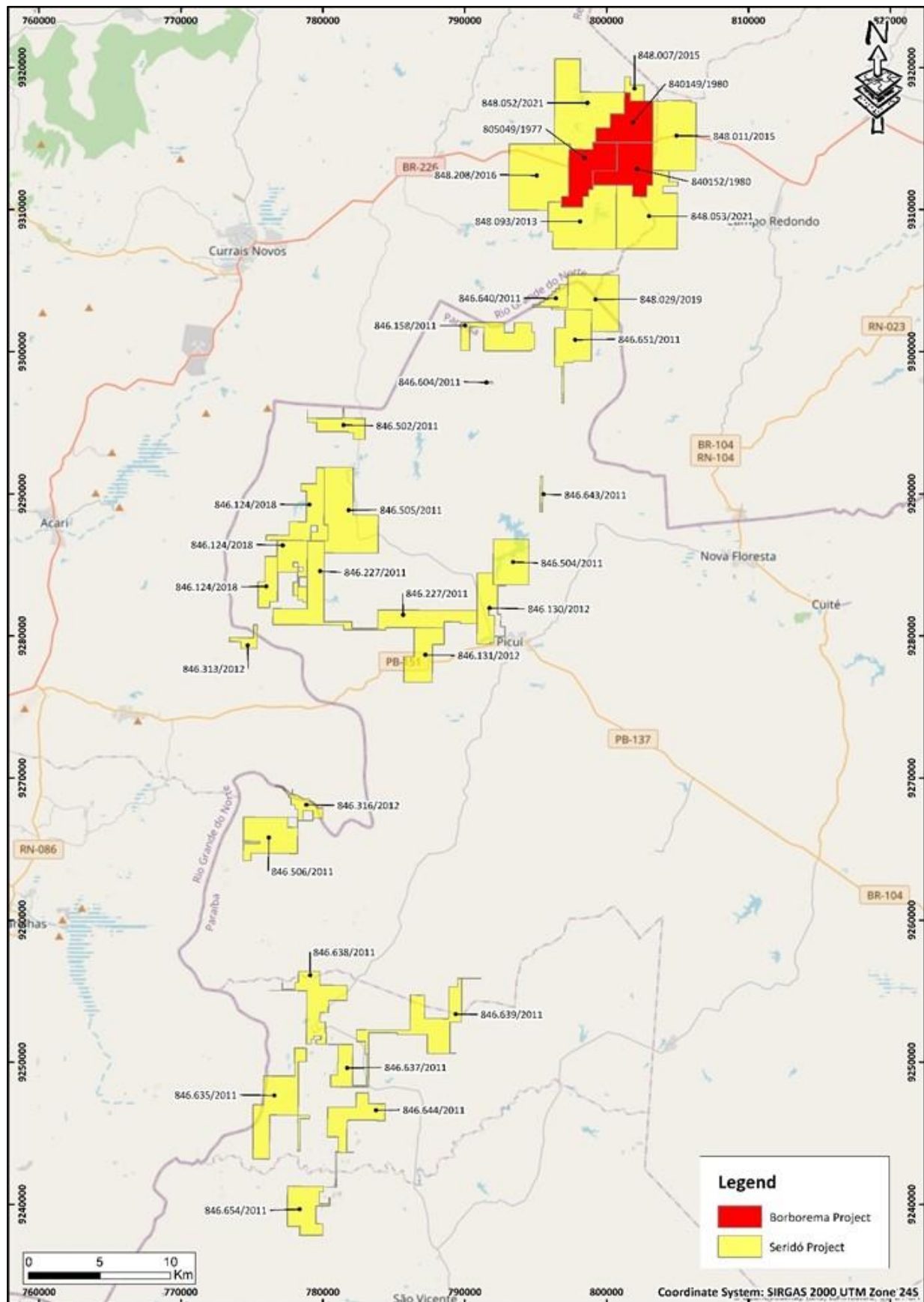
Source: FFA Legal (2022)

Big River's primary project, the development stage Borborema Project, as well as the early stage Seridó Project, are situated in Rio Grande do Norte (Figure 1), whereas the early stage Mara Rosa Project is situated in Goiás (Figure 2).

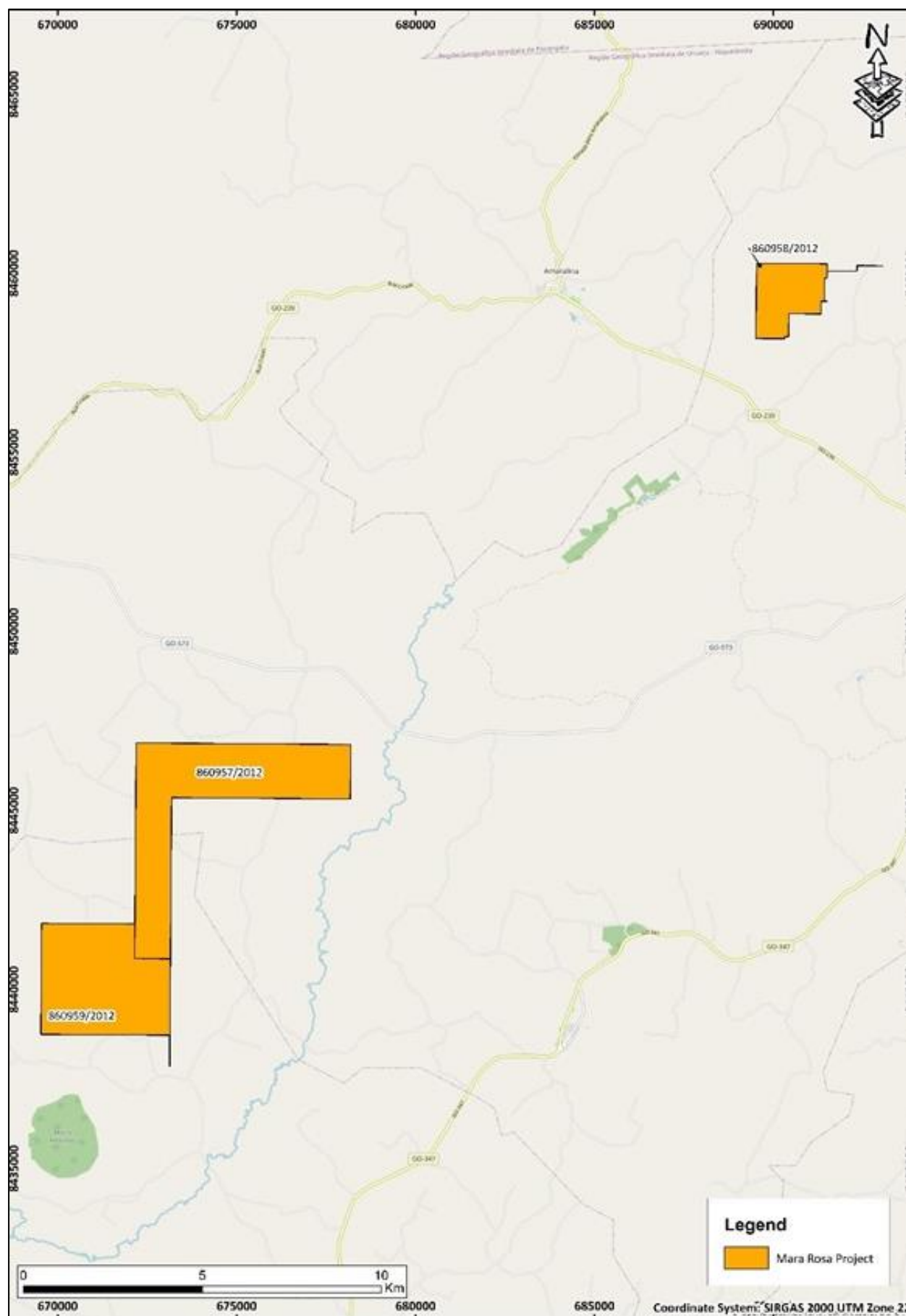
With regards to the current status of the tenements, CSA Global has relied on the opinion of FFA Legal, an independent law firm based in Brazil, in their report titled "Title Opinion on the Mineral Rights held by Cascar Brasil Mineração Ltda's Group", dated 10 March 2022. CSA Global makes no other assessment or assertion as to the legal title of tenements, permits, approvals, etc. and is not qualified to do so.

The FFA Legal report concludes *"the Mineral Rights ... are held by the Company and are duly supported and in good standing, without any defects that may affect their validity, except otherwise provided herein."*





**Figure 1:** Big River's Serido and Borborema tenements  
 Source: Big River



**Figure 2:** Big River's Mara Rosa tenements  
 Source: Big River



### 3 Borborema Gold Project

Borborema is a gold deposit in north-eastern Brazil, set in a high-grade metamorphic sequence of amphibolite facies biotite-bearing gneiss and schist with common garnet, cordierite, andalusite and sillimanite, and subsequent retrograde biotite and muscovite.

The main gold orebody at Borborema is tabular, being striking in a northeast direction, continuing to several hundred metres depth, and being 10 m or more in thickness. This body dips at 35° southeast, and higher-grade sections plunge at a shallow angle to the south-southeast. The main visual guides to mineralisation are quartz veining and sulphide minerals that include pyrrhotite and subordinate arsenopyrite, pyrite, chalcopyrite, galena, and sphalerite. Calcite is minor and retrograde.

The “re-discovery” of the Borborema deposit stemmed from a decision by Big River to focus on gold within the Proterozoic belts of Brazil. As the historical São Francisco mine, Borborema had a large footprint of known mineralisation exposed in the open pit. Borborema was seen as an attractive target with relatively unexplored surroundings, and proximity to infrastructure in a district with an established mining. Historical production from early stages of artisanal mining in Borborema is thought to be significant; mined from gravimetric free gold in sluices, to a more sophisticated production from heap leaching in the later years.

The result of this is a large pit (Figure 3), which overlies the current resource and old heap leach piles in the area.



Figure 3: Current Borborema pit looking to the northeast

#### 3.1 Location and Access

The Borborema Gold Project is located in eastern Brazil, within the State of Rio Grande do Norte at approximately 6°12'27.5" S latitude and 36°17'58.6" W longitude, 140 km west of the state capital, Natal and 30 km east of the regional centre, Currais Novos. Access from Natal to the Borborema Gold Project is via the BR-226 national highway, which crosses the property (Figure 4).



**Figure 4:** Location of Big River’s Borborema Gold Project in Brazil

Borborema has good access, serviced by the asphalted National Highway BR-226 which is in good condition and offers year-round access to the mine-site (Figure 5). The BR-226 is also supported by multiple powerlines offering voltages ranging from 16.9 kV, 138 kV and 230 kV high tensions. The 138 kV is likely to be sufficient for Borborema’s power needs with licensing in place to draw from this power source 6 km from the site. The mine-site, which is currently under care and maintenance, is accessed directly off the BR-226 road with a security detail at the gate and all necessary licences displayed at the mine entrance as required by Brazilian law.



**Figure 5:** BR-226, with asphalt surface and small bridges and powerlines

### 3.2 Topography and Climate

The climate in the region is semi-arid tropical, characterised by hot summers, extending from October to March, and warm, generally dry winters. Mean annual rainfall is 695 mm, falling predominantly between the months of February to July, generally in irregular scattered thunderstorms. Mean annual temperature is 27.5°C, with an average minimum of 18°C and an average maximum of 33°C. The predominant wind direction is from the east at a mean velocity of 1.4 m per second. The mean humidity is 64%, with a total of 2,455 hours of sunshine per annum.

The Borborema Gold Project is located at an altitude of approximately 470–490 m above sea level in a gently undulating upland dissected by shallow valleys occupied by ephemeral streams. The vegetation in the area comprises a dense thorny scrub known as caatinga, with a sparse grass cover and very few large trees.

### 3.3 Mineral Tenure

Cascar is a Brazilian subsidiary company of Big River.

With regards to the current status of the tenements, CSA Global has relied on the opinion of FFA Legal, an independent law firm based in Brazil, in their report titled “Title Opinion on the Mineral Rights held by Cascar Brasil Mineração Ltda’s Group”, dated 10 March 2022. CSA Global makes no other assessment or assertion as to the legal title of tenements, permits, approvals, etc. and is not qualified to do so.

The FFA Legal report concludes *“the Mineral Rights ... are held by the Company and are duly supported and in good standing, without any defects that may affect their validity, except otherwise provided herein.”*

In 2014, Big River applied to amalgamate the three licences into one (948.262/2014) and this process is still ongoing.

Table 4: Borborema Gold Project – tenement details

Region	Project	Ownership	Interest <sup>(2)</sup>	Tenement type	Expiry date	Area (km <sup>2</sup> )	Tenement no.	Comment
Currais Novos/Rn	Borborema	Cascar Brasil Mineração Ltda	100%	Mining Licence	-	29.07	948.262/2014	In 2014, Puma applied to amalgamate the three Borborema licences (805.049/1977, 840.149/1980, 840.152/1980) into a single licence (948.262/2014). This process is still in progress.
Currais Novos/Rn	Borborema	Cascar Brasil Mineração Ltda	100%	Mining Licence	-	(10.00)	805.049/1977	As above.
Currais Novos/Rn	Borborema	Cascar Brasil Mineração Ltda	100%	Mining Licence	-	(9.07)	840.149/1980	As above.
Currais Novos/Rn	Borborema	Cascar Brasil Mineração Ltda	100%	Mining Licence	-	(10.00)	840.152/1980	As above.

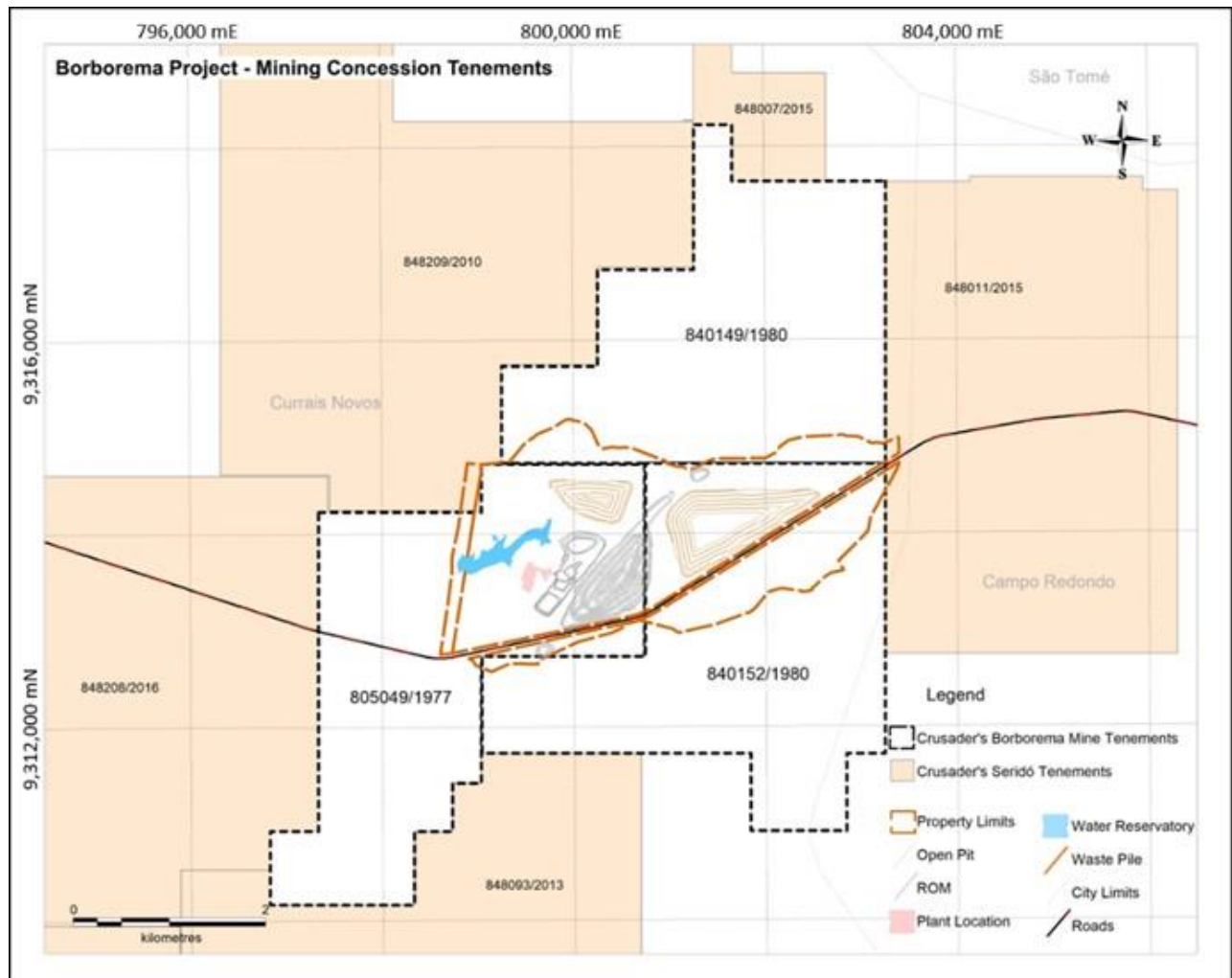


Figure 6: Borborema gold project tenements  
Source: Big River

### 3.4 Local Infrastructure

CSA Global was informed that there are regional water supplies piped from Gargalheiras, however, this supply is restricted for use by the local population, agriculture, and farms. Drinking water is trucked into the local communities and farms and this will be required to meet the potable water requirements of the Borborema Gold Project. Big River is licensed to use the grey water from the nearby town of Currais Novos, which will provide the necessary volumes of water to supply the plant and mine and for dust reduction and other applications. The plant design includes options to reprocess/recycle water where possible to reduce dependence on other water sources. Groundwater sources appear limited as they are provided by fluvial catchment from rain and the Borborema Gold Project is situated in an arid, dry climate.

On site, Big River has a well laid-out camp facility with office and mess facilities, a high quality and well-maintained core shed and sampling shed for laying out core and sample preparation. Figure 7, Figure 8 and Figure 9 illustrate these facilities.





*Figure 7: Borborema office*



*Figure 8: Borborema core shed*



Figure 9: Borborema core shed and core storage

The Borborema Gold Project lies within 25 km of Currais Novos, a traditional mining town with multiple scheelite and scheelite-gold mines active in the area. The town has a mining technician school and an experienced workforce, which will potentially benefit the Borborema Gold Project. Professional staff such as mining engineers and geologists are readily available from the nearby cities of Natal and Recife.

The surrounding vegetation is typical of northeast Brazil, with low undulating hills, scarce vegetation, and arid, sandy soils. The land is generally poor for agriculture and farming with a thin soil cover and poor groundwater supplies due to the impermeable nature of the soils and outcropping lithologies.

There are no surrounding national parks or environmental reserves apart from the standard Legal Reserve that all farms must maintain a portion of their property untouched with native forest or flora. Big River has moved the designated Legal Reserve to other parts of the farms away from the mine and plant area.

### 3.5 Geology

#### 3.5.1 Regional Geology

The Borborema Gold Project is situated in the Borborema Province within the domain of the Seridó Belt in north-eastern Brazil (Figure 10). The deposit is an orogenic gold deposit in a sheared and deformed Archaean to Proterozoic age greenstone belt sequence comprised of metamorphosed volcanic-sedimentary rocks units intruded by slightly younger post-tectonic igneous bodies.

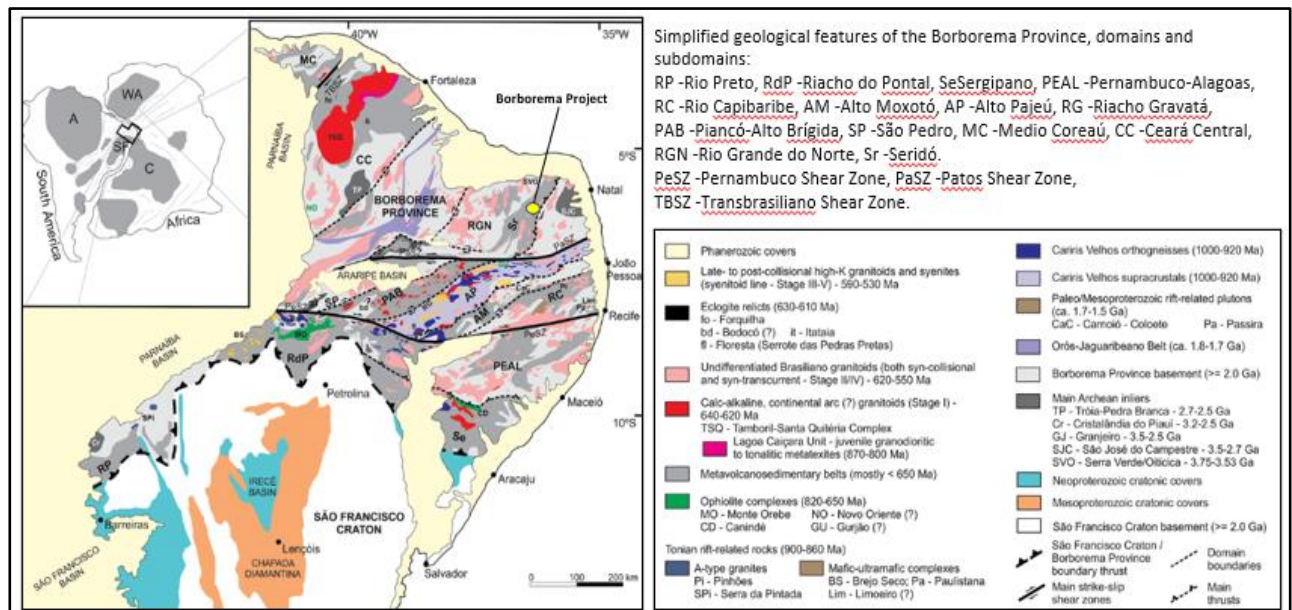


Figure 10: Borborema Province regional geology showing major domains, sub-domains, and structures

Source: Caxito et al. (2020)

The regional basement is comprised of Archaean and Palaeoproterozoic gneisses and migmatites, unconformably overlain by a sequence of supercrustal rocks of Neoproterozoic age belonging to the Seridó Group. The basal unit of this group is the Jucurutu Formation, comprised of gneisses, amphibolites, marbles and calc-silicate rocks, overlain by the Equador Formation, comprising quartzites and meta-conglomerates and the upper Seridó Formation, consisting of mica-schists and phyllites.

During the Brasiliano Orogeny the basement and supercrustal rocks were intruded by dominantly granitic and granodioritic stocks, sills, and dykes. During the Neoproterozoic, the region underwent a complex tectonic evolution involving thrusting (D2) and trans-current shearing (D3), with metamorphic conditions varying from greenschist facies in the west to upper amphibolite facies in the east, with some local anatexis (partial melting).

A series of quartz vein-hosted, or vein-related, gold deposits occur within the Seridó Belt, concentrated along the eastern margin of the Seridó Group, in addition to several tungsten ± bismuth ± gold skarn deposits. The Borborema deposit is the largest known gold occurrence in the province. Figure 11 shows the simplified regional geology with interpreted structures and mineral occurrences in the Seridó Group schists.



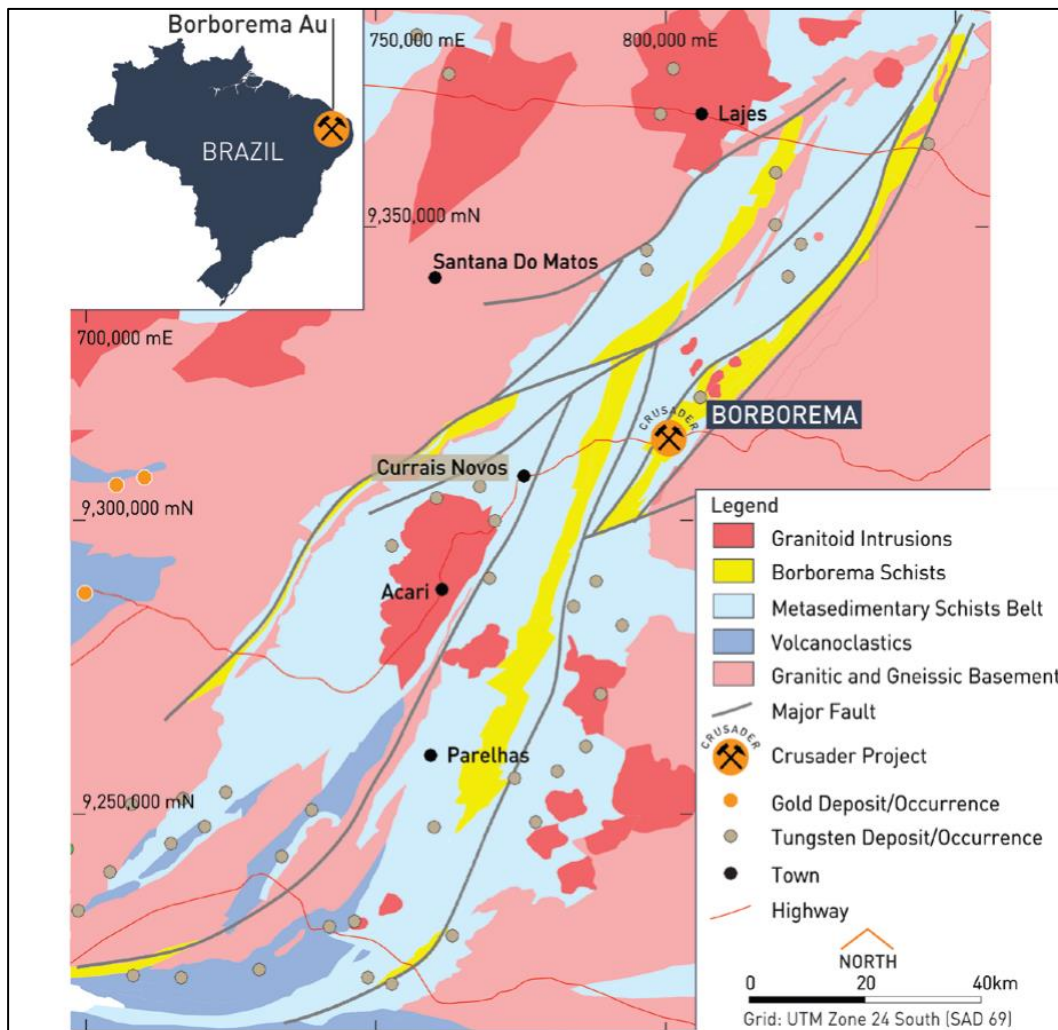


Figure 11: Simplified Borborema regional geology showing major interpreted structures, mineral occurrences along the Serido Group schists

Source: Big River – Company presentation Mines and Money Hong Kong, 2012

### 3.5.2 Local Geology and Mineralisation

The Borborema project area is situated at the top of the Seridó Group (the Seridó Formation), within a sequence of banded arkosic metapelitic schists, subjected to upper-amphibolite facies regional metamorphism (Baars et al., 2011). Mineral assemblages are dominated by plagioclase, K-feldspar and quartz, with subordinate biotite, garnet, sillimanite, cordierite, muscovite and andalusite. Widespread retrograde sericite overprints the prograde mineral assemblage. The schists are intruded by Brasiliano-age pegmatites.

The Borborema deposit is located within a north-northeast trending structure, which forms part of the Santa Mônica dextral shear zone (Araujo et al., 2002) The shear zone displays a penetrative north-northeast trending fabric, dipping east at around 35°. In the project area, the principal mineralised shear zone, termed the Morro Pelado shear is around 30 m thick.

The mineralised sequence has been subjected to a complex, multi-stage deformational history, with folded, sheared, dismembered and boudinaged quartz and quartz-carbonate veins and veinlets commonly associated with the gold mineralisation.

Recrystallised sulphides, dominated by pyrrhotite with lesser pyrite, chalcopyrite, sphalerite and galena are common within the mineralised zones. Stewart (2011) suggests that the gold mineralisation was emplaced at close to peak metamorphism adjacent to D2 shear zones, preferentially in the more psammitic units (Figure 12).



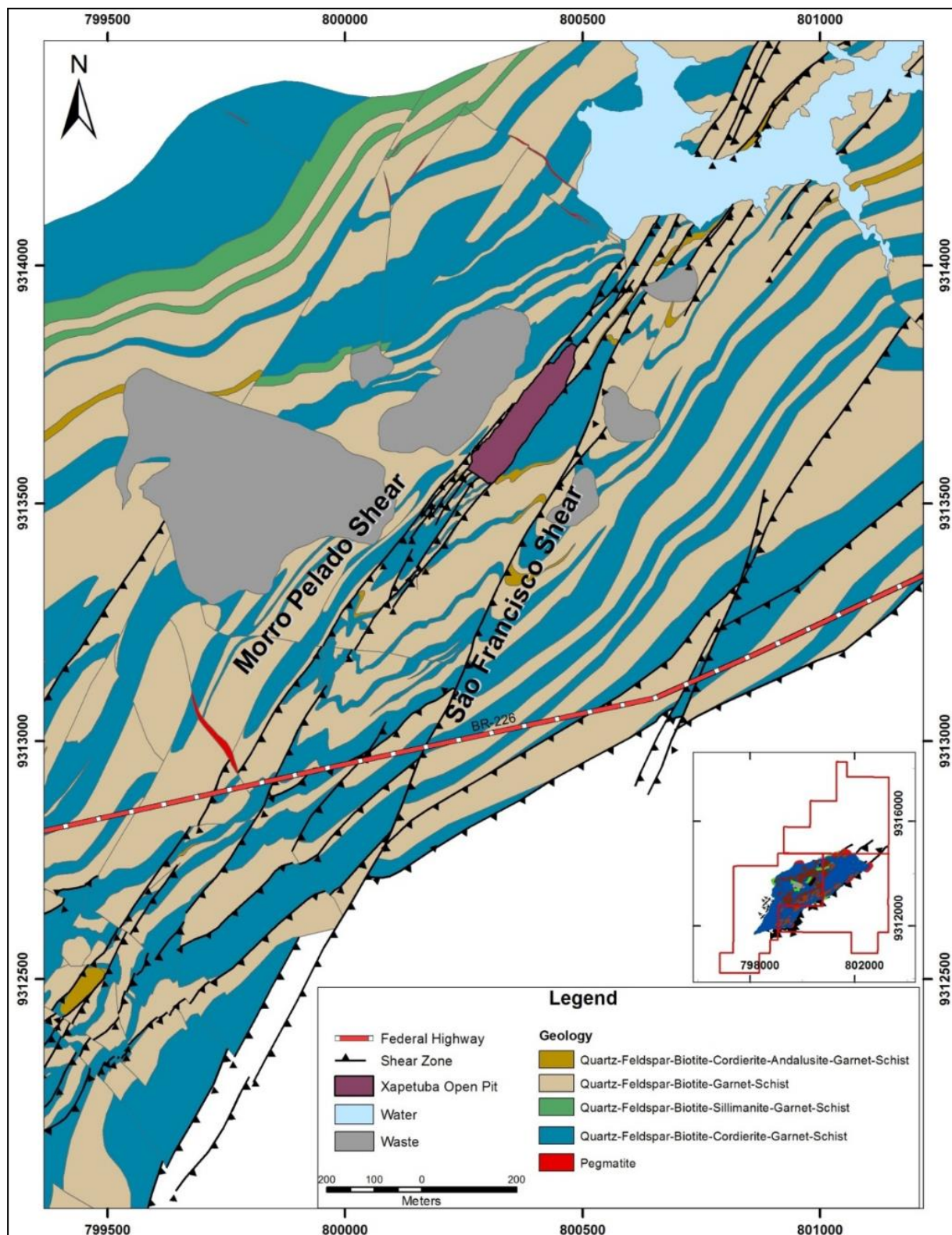


Figure 12: Borborema local geology

Source: Stewart (2011)

The main gold orebody at Borborema is tabular, being 3.5 km long in a northeast direction, continuing to several hundred metres depth, and being 10 m or more in thickness. This body dips at 35° southeast and higher-grade sections plunge at a shallow angle to the south-southeast. The main visual guides to mineralisation are quartz veining and sulphide minerals that include pyrrhotite and subordinate arsenopyrite, pyrite, chalcopyrite, galena, and sphalerite. Calcite is minor and retrograde.

### 3.6 Borborema Exploration and Mining History

#### 3.6.1 Historical Exploration and Mining History

The Borborema mineralisation was discovered by garimpeiros (artisanal miners) in the 1920s and was subject to minimal artisanal mining until 1977. An estimated 150,000 ounces of gold was reported by the DNPM (Mines Department) to have been mined over this period. Borborema was formerly known as the São Francisco mine.

Between 1979 and 1983, Itaperiba Mármores e Granitos Ltda (Itaperiba) completed 13 trenches at Borborema totalling 3,250 m. A very simple resource model was constructed based on the results.

The first relatively modern exploration work was completed by Mineração Xapetuba Ltda (Xapetuba) between 1984 and 1990, during which time 209 reverse circulation percussion (RC) for 5,003 m and 13 diamond core holes for 264 m were drilled.

Xapetuba operated a 150,000 tpa open pit heap-leach operation on oxide material until 1991, when production was suspended due to rapidly declining recoveries as fresher ore was encountered at depth. Approximately 100,000 ounces of gold was reportedly recovered with gold recoveries estimated at 70% (Tetra Tech, 2013).

From 1991 to 1994, Metais do Seridó Ltda (Metasa) attempted rudimentary gravity separation of the heap leach rejects; no production reports have been located.

In 1995, Mineração Santa Elina Indústria e Comercio S/A (Santa Elina) drilled a total of 15 diamond holes for 1,185 m, mainly on the northern extension of the Xapetuba open pit.

The project was subsequently acquired by MGP Mineração e Agropecuaria Ltda (MGP) who began treating the heap leach rejects via gravimetric separation in 1998. This operation was closed in 2000 due to low gold prices.

In 2007, Mineração Caraiba Ltda (Caraiba) took an option over the property and completed 75 diamond drillholes totalling 10,528 m. Caraiba also performed preliminary metallurgical testwork, regional mapping and completed a resource estimate (not reportable under the JORC Code). Caraiba declined to exercise the purchase option and returned the property to MGP.

Big River entered into an option agreement to acquire the property in December 2009 and exercised the option to purchase 100% of the project in June 2010. Title was transferred to Big River’s Brazilian subsidiary, Cascar, in December 2010. Table 5 summarises the historical drilling statistics for Borborema.

Table 5: Borborema historical drilling statistics

Company	Year(s)	Diamond drilling		RC drilling		Total	
		Holes	Metres	Holes	Metres	Holes	Metres
Itaperiba	1979–1983	4	295	-	-	4	295
Xapetuba	1984–1990	13	264	209	5,003	222	5,267
JICA	1991	2	200	-	-	2	200
Santa Elina	1995	15	1,185	-	-	15	1,185
Caraiba	2007	75	10,528	-	-	75	10,528
<b>Total</b>		<b>109</b>	<b>12,472</b>	<b>209</b>	<b>5,003</b>	<b>318</b>	<b>17,475</b>

Source: Barnes et al. (2012)

#### 3.6.2 Exploration by Big River

In addition to drilling, Big River has concentrated on geological and structural mapping and soil sampling within the deposit corridor covering approximately 4 km of strike length. The Company also commissioned a study of the public domain geophysical data which was integrated with both local and regional mapping.



### *Geological and Structural Mapping*

In 2011, John Stewart of PGN Geoscience was engaged by Big River to complete a lithological and structural interpretation of the project and generate an ore genesis model for the mineralisation. Mapping covered an area of around 5 km<sup>2</sup>, focusing on an approximate 4 km strike length of the Saõ Francisco and Morro Pelado shear zones, structures associated with known gold mineralisation at Borborema.

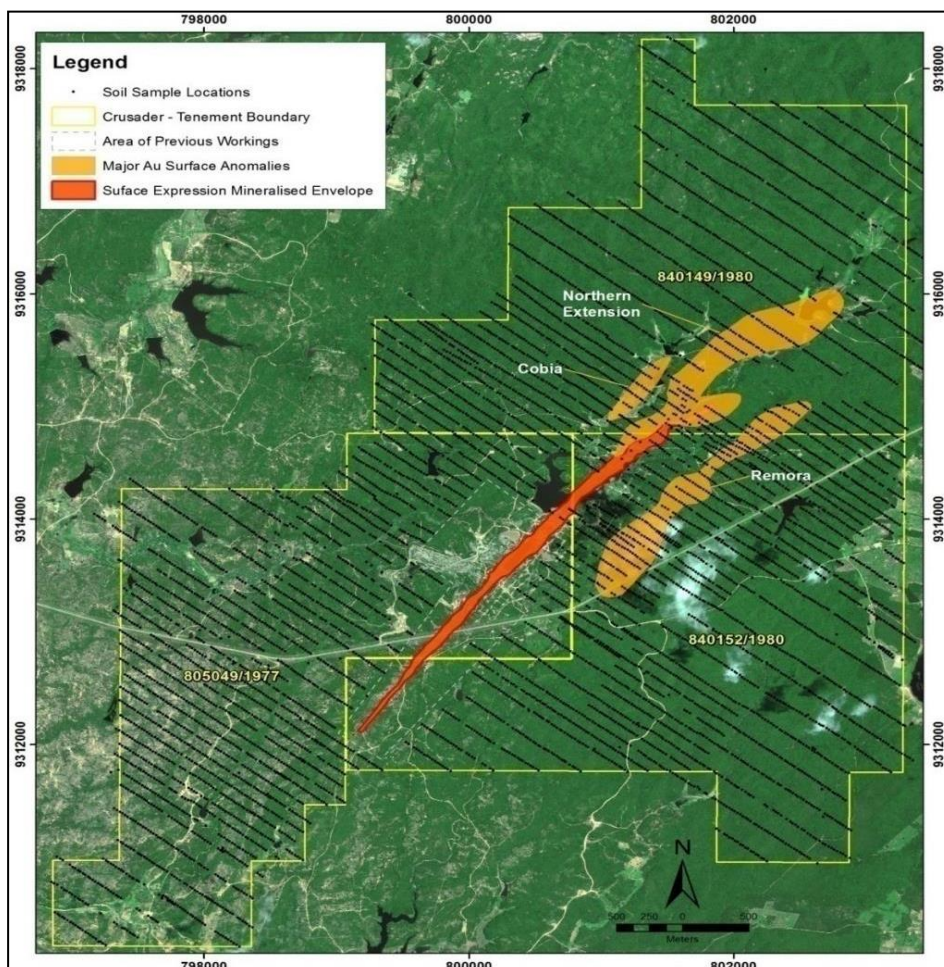
In 2012, Rod Holcombe of HCO Consultants completed a structural analysis of the project integrating in pit mapping and a review of a selection of drill core. His work demonstrated that the ore system is hosted within a strongly folded and locally sheared zone in an overturned limb of a large fold and parallel to the axial plane of the fold.

### *Geophysical Interpretation of Existing Data*

In September 2011, Peter Betts of PGN Geoscience in conjunction with John Stewart conducted a review of the public domain regional geophysical data. This data consisted of aeromagnetic and radiometric data collected on a 1,000 m spaced flight lines. The data was reprocessed and both structurally and lithologically modelled with the additional input of regional mapping traverses by Stewart to constrain the geophysical interpretation.

### *Soil Sampling*

Big River undertook extensive geochemical soil sampling over the entirety of the Borborema licences, except in the areas of previous workings in which the surface material was deemed to no longer be in situ. The results have defined several broad anomalies along strike and parallel to the main Borborema deposit, the larger ones referred to as Cobia, Remora, and Northern Extension (see Figure 13).



**Figure 13:** *Borborema soil sampling and associated gold anomalies*  
Source: Big River

## Drilling

Big River undertook several drilling programs at the Borborema Gold Project between 2010 and 2012 as part of their prefeasibility and feasibility studies. An additional program of metallurgical drilling was completed in 2014 as part of Big River's re-optimisation study. A summary of the drilling is presented in Table 6.

Table 6: Borborema Big River drilling statistics

Drilling program	Diamond drilling		RC drilling		Auger drilling		Total	
	Holes	Metres	Holes	Metres	Holes	Metres	Holes	Metres
Resource	172	39,131	380	23,794	-	-	552	62,925
Metallurgical	8	1,235	-	-	-	-	8	1,235
Sterilisation	-	-	267	13,984	-	-	267	13,984
Brownfields	1	253	76	8,248	-	-	77	8,501
Geotechnical	2	382	-	-	-	-	2	382
Heap leach piles	-	-	-	-	48	250	48	250
<b>Total</b>	<b>183</b>	<b>41,001</b>	<b>723</b>	<b>46,026</b>	<b>48</b>	<b>250</b>	<b>954</b>	<b>87,277</b>

Source: Barnes et al. (2012)

The drilling was completed in various stages and can be grouped as follows:

- **Resource drilling** – A combination of RC and diamond drillholes, which were the principal informing drillholes used in the resource estimation, comprising 172 diamond holes for 39,131 m and 380 RC holes for 23,794 m.
- **Metallurgical drilling** – Large diameter (PQ) metallurgical diamond drilling program consisting of eight drillholes for 1,235 m.
- **Sterilisation drilling** – During 2011 and 2012, Big River undertook a dedicated drilling program to sterilise the areas immediately around the Borborema deposit where permanent infrastructure, waste dumps and tailings storage facilities are planned. The program comprised vertical RC drillholes, generally 50 m deep, with a drillhole spacing of 100 m east-west by 250 m north-south. The sterilisation drilling consisting of 267 drillholes for 13,984 m, indicated that no significant mineralisation exists in the proposed footprint of the Borborema Project.
- **Brownfields exploration drilling** – The main targets generated by the geochemical soil sampling were tested with relatively-shallow RC drillholes. The intention of this program was twofold: either to delineate further gold mineralisation and add to the current resources; or to effectively sterilise these areas so that they could be used for future mine infrastructure. Gold mineralisation was encountered in several drillholes at the Remora, Cobia, and Northern Extension targets.
- **Auger drilling** – Handheld auger drills were used to complete a drilling program of the existing heap-leach piles that were left from the Xapetuba operations. A total of 48 drillholes for 250 m were drilled across the three main piles at approximately 25–30 m spacings. The drillholes were drilled from the surface of the pile down until they intersected the top of the true topographic surface, with drillhole depths varying from 0.3 m to 16.4 m.

All Big River and Caraiba holes were surveyed using a differential global positioning system. Downhole surveys were completed using a Peewee well bore electronic single-shot survey system, which is analogous to a Reflex Easy-Shot, a generally acceptable industry standard approach.

A field visit was completed by CSA Global in May 2017 in support of an IER prepared by BDO on the Brazilian Mineral Assets of Crusader Resources and Stratex International's Dalafin Project (refer to Section 4.1) and found the quality of the exploration work conducted to date at Borborema to be of high quality, and similarly the professional ability of the local team. Drill logs were inspected and found to be appropriate and coherent. The preparation and storage of quarter-core diamond drill core with clearly marked sampling, recoveries, and general quality assurance/quality control (QAQC) was acceptable. An earlier issue with the early QAQC in 2010–2011 relating to samples assayed at Bureau Veritas in Brazil was addressed by re-assaying the

samples at a different laboratory. For drilling completed by Big River, the sample protocols and QAQC processes and monitoring are considered reasonable and meet good industry standard practice.

All mineralised intervals in the core were clearly identified, with sample numbers clearly marked on the core boxes. Diamond holes have been collared with concrete, and re-entry is possible should deeper drilling be required at a later date to test the footwall of the orebody.

### 3.6.3 CSA Global Opinion

CSA Global is of the opinion that the exploration activities, drill techniques, survey methods, sampling, assaying and QAQC completed by Big River are in line with good industry practice and are appropriate for the style of mineralisation. The confidence in the data is appropriately reflected in the classification of the estimates.

## 3.7 Exploration Potential

At Borborema, potential exists to increase the Mineral Resource down dip within the mineralised shear zone (Figure 14). There are also indications of mineralisation in the footwall of the main zone, a target called Remora, which has only had limited work to date. Remora, a mineralised structure parallel to the main Borborema trend, was discovered by soil sampling and follow-up trench sampling and mapping and was confirmed by Big River drilling in 2012. Remora has the potential to fall within the largest Borborema pit and may be an additional source of oxide mineralisation.

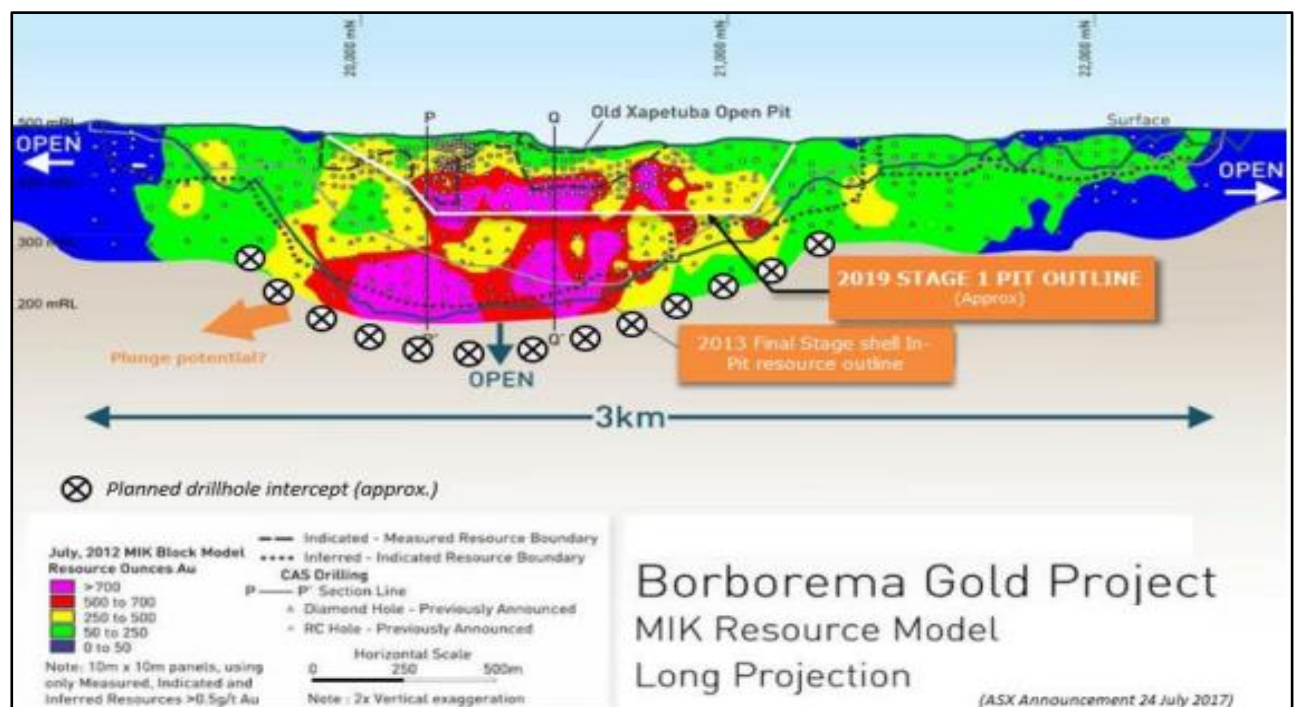


Figure 14: Borborema Mineral Resource model coloured by gold ounces, long section looking west  
Source: Big River, Annual Report 31 December 2021

In-pit mapping and inspection of the long section (see Figure 15) also suggests the presence of a shallowly southerly plunge control on mineralisation, providing an additional focus for near-deposit exploration. The shallow plunge is interpreted by Big River to be the result of an intersection lineation between the main lithology and Santa Mónica shear zone. It has been mapped in pit and is evident in long-section displays of the deposit. The shallow nature of the plunge could limit the outcropping of the mineralisation along strike.

It is also worth noting that the main mineralised zone is increasing in both grade and width with depth, increasing the potential down dip resources, and warranting consideration of underground mining options.



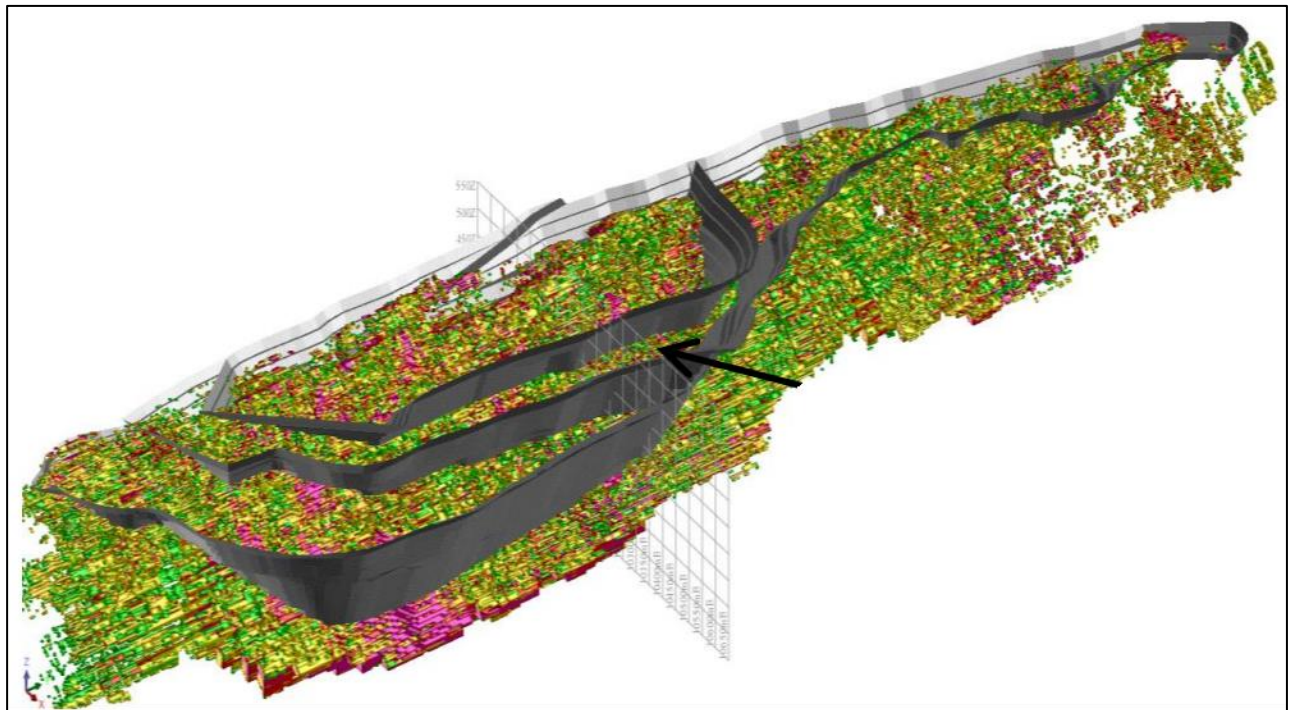


Figure 15: Oblique view, looking northwest, showing Borborema block model and possible staged pit options (south plunging high-grade shoots coloured pink)

Source: Big River

The Borborema deposit is located on a northeast-trending structural zone that extends for over 20 km to the northeast and southwest of the deposit (Figure 16). This structural zone has been geologically mapped and interpreted from historical aeromagnetic geophysics. It is considered likely that similar structural settings occur elsewhere along the Santa Mónica shear zone. Work by Big River in the past (see ASX releases dated 9 March 2012 and 17 July 2012) highlighted a series of exploration targets along the major shear zone, based on host geology, structural setting (as interpreted by geophysical modelling) and an extensive study of historical geochemical surveys completed in the region. Many of the new exploration targets also have evidence of artisanal gold workings.

Only a small portion of the regional structure has been drilled, coinciding with the Borborema deposit. The drilling at the extremities of the Borborema orebody intersects mineralisation in the structural zone and is considered open along strike in both directions and at depth.

Mapping of the geology along strike and around the Borborema region has identified the main host rock types and these have been mapped as being sub-parallel to the structural zone identified above. A clear connection between specific lithology and mineralisation has yet to be defined, however, the mineralised lithologies extend along strike with the main mineralised zone.

Shallow cover has concealed surface geology and structure around the region and therefore changes in structure, which may have significant implications in defining additional mineralisation in the area, are yet to be mapped.

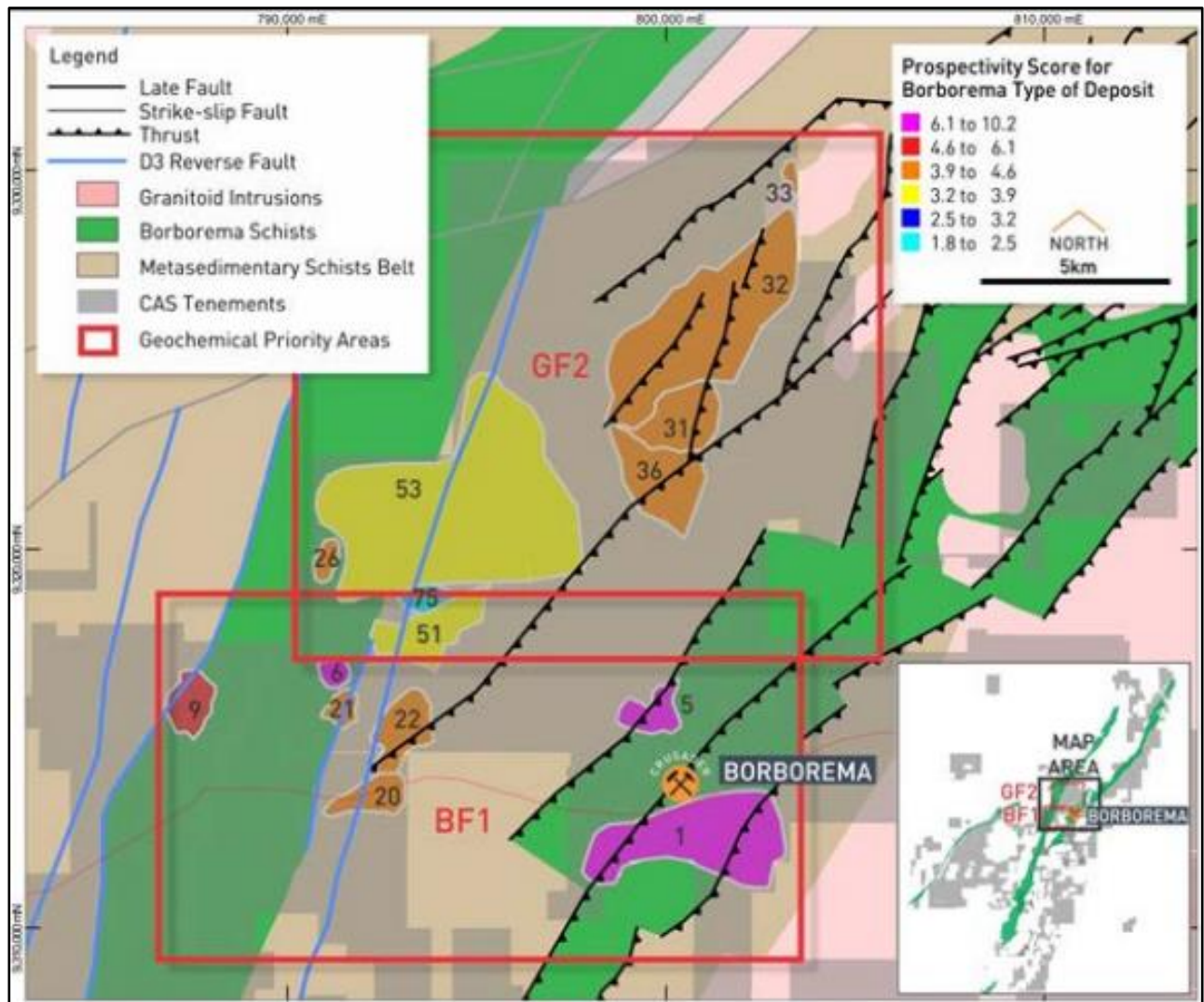


Figure 16: Regional gold anomalous geochemical catchments showing a parallel series of northeast-trending structures in the same host rocks as Borborema mineralisation as well as ranked prospectivity scores  
Source: Big River, ASX release dated 17 July 2012

Importantly, the observed correlation of gold mineralisation with magnetic pyrrhotite (confirmed by magnetic susceptibility measurements on drill core, Figure 17) has significant implications for identifying additional mineralisation, both along strike and at depth. The historical 1980s aeromagnetics were very broadly spaced and therefore may have missed important targets for additional mineralisation. It is also worth noting that no significant ground magnetic surveys have been completed by Big River or other groups.

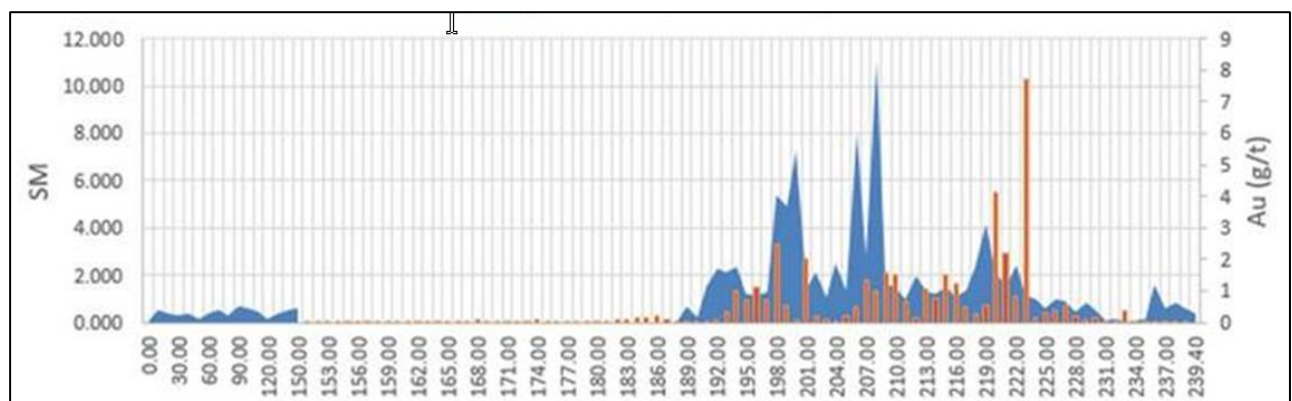


Figure 17: Correlation of magnetic susceptibility (SM, LHS) and gold grade (g/t Au, RHS) in drillhole CRDD106  
Source: Big River

Additionally, the character of the mineralised zones, comprising deformed quartz veining and silicification in some of the higher-grade zones, together with the association with disseminated sulphides, suggest that induced polarisation (IP) and resistivity geophysical surveys may be an effective tool to target gold mineralisation. The mineralisation being expressed as high resistivity, due to silicification, and high chargeability, due to the disseminated sulphides zones.

IP surveys coupled with a detailed aeromagnetic surveys (50 m line spacing) would help define the structural controls, noting that higher-grade zones are generally associated with a greater degree of deformation and shearing. This could also help define potential parallel shear zones, as well as test the CPRM magnetic anomaly on the southeast of the main orebody, noting that the higher-grade zones within the main orebody have a shallow southeast plunge.

There is also a potential in the Borborema tenements adjoining the Seridó area, where a magnetic anomaly was detected. Targets were proposed in this region for future exploration activities by Big River.

### 3.7.1 CSA Global Opinion

CSA Global is of the opinion that the exploration prospectivity potential for the Borborema Project is high. There is good potential to increase the existing Mineral Resource both down dip and along strike, as well as delineate other mineralised structures parallel to the main ore hosting structure. The main regional structure that the Borborema orebody is hosted in has a 20 km strike extent and only a relatively small portion of this has been drilled to date. The combination of a favourable regional geological location and local host geology, highly prospective structural framework, and coincident geochemical soil anomalies, confirm the prospectivity of the area for discovery of additional gold mineralisation.

## 3.8 Mineral Resource

### 3.8.1 Borborema Mineral Resource

Historical Mineral Resources have been completed for Borborema by Coffey Mining Pty Ltd in 2010, and Trepanier Pty Ltd and EGRM Consulting Pty Ltd in 2011. The current Mineral Resource estimate for Borborema was completed by Trepanier Pty Ltd, EGRM Consulting Pty Ltd in July 2012 and was prepared and reported in accordance with the JORC Code. The work was completed by Mr Lauritz Barnes, Mr Brett Gossage and Mr Aidan Platel (Platel Consulting Pty Ltd), who are independent consultants to Big River and are members of the AusIMM. Messers Barnes, Gossage and Platel have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration to qualify as Competent Person's as defined by the JORC Code. Mr Barnes has completed three site visits in 2010, 2011 and 2012 and observed most key aspects related to the data inputs that inform the Mineral Resource estimate.

Table 7 summarises the 2012 reported Mineral Resource which was reported in accordance with JORC 2012 (Barnes et al., 2017) and publicly reported by Big River in the ASX release dated 24 July 2017.

Table 7: Borborema 2012 Mineral Resource, no pit constraint

Category	2012 Borborema Mineral Resource (no pit constraint)		
	Tonnes (Mt)	Grade (g/t)	Contained metal (koz)
Measured	8.2	1.22	320
Indicated	42.8	1.12	1,547
Inferred	17.6	1.00	566
<b>Total</b>	<b>68.6</b>	<b>1.1</b>	<b>2,430</b>

Note: Mineral Resources are reported inclusive of Ore Reserves, above a 0.5 g/t Au cut-off (fresh) and 0.4 g/t cut-off (oxide).

Source: Big River, ASX release dated 24 July 2017

No further drilling or resource definition work has been completed at Borborema since the preparation of the 2012 Mineral Resource. Consequently, there have been no changes that materially impact on the resource estimate nor necessitated reason to update the resource model.



A number of mining studies have been completed over the history of the project, and these are detailed in Section 3.9. In December 2019, a DFS – a update to the original feasibility study undertaken in 2011 – was completed using updated modifying factors, commodity prices, and costs. In 2020, 2021 and April 2022, Big River completed additional economic studies (summarised in Section 3.9) using updated gold prices and other cost related factors.

The Mineral Resource model has been reported using an updated pit shell used to constrain the Ore Reserve and based on a gold price of US\$1,245/oz. It should be noted that the Mineral Resource model is unchanged from 2012 and the only change for reporting purposes is the pit shell used to report and meet the reasonable prospects of eventual economic extraction requirements of the JORC Code. The reporting for the resource is shown in Table 8 and has been split to show the total resource, compared to the resource inside the pit shell and the resource outside the pit shell. The pit shell used for reporting delimits the Ore Reserve and the Mineral Resources outside of the pit shell have been valued separately.

Table 8: *Borborema 2012 Mineral Resource, total (no pit constraint), inside pit and outside pit (optimised pit constraint based on US\$1,245/oz Au price)*

Resource category	Tonnes (Mt)	Au grade (g/t)	Contained Au metal (koz)
<b>TOTAL 2012 Borborema Mineral Resource at 0.5 g/t Au cut-off grade</b>			
Measured	8.1	1.22	320
Indicated	42.8	1.12	1,546
Inferred	17.6	1.00	567
<b>Total</b>	<b>68.6</b>	<b>1.10</b>	<b>2,433</b>
<b>Inside Pit 2012 Borborema Mineral Resource at 0.5 g/t Au cut-off grade</b>			
Measured	7.4	1.26	300
Indicated	13.3	1.19	511
Inferred	0.1	0.89	2
<b>Total</b>	<b>20.8</b>	<b>1.22</b>	<b>813</b>
<b>Outside Pit 2012 Borborema Mineral Resource at 0.5 g/t Au cut-off grade</b>			
Measured	0.8	0.82	20
Indicated	29.5	1.09	1,036
Inferred	17.5	1.00	564
<b>Total</b>	<b>47.8</b>	<b>1.05</b>	<b>1,620</b>

Notes:

- Total Mineral Resources are reported inclusive of Ore Reserves, above a 0.5 g/t Au cut-off, no pit constraint applied.
- Mineral Resources reported inside and outside pit use an optimised pit shell at US\$1,245/oz gold as a reporting constraint.
- Rounding has been applied and may result in apparent differences between subtotals and total figures.

Figure 18 shows the 2012 Mineral Resource block model coloured by gold grade and the US\$1,245 pit shell outline used in Table 8 to constrain the reporting for inside and outside the pit. The left image is a plan view at 380 RL and the right image is a cross section at 20,700 N (local grid) looking north.

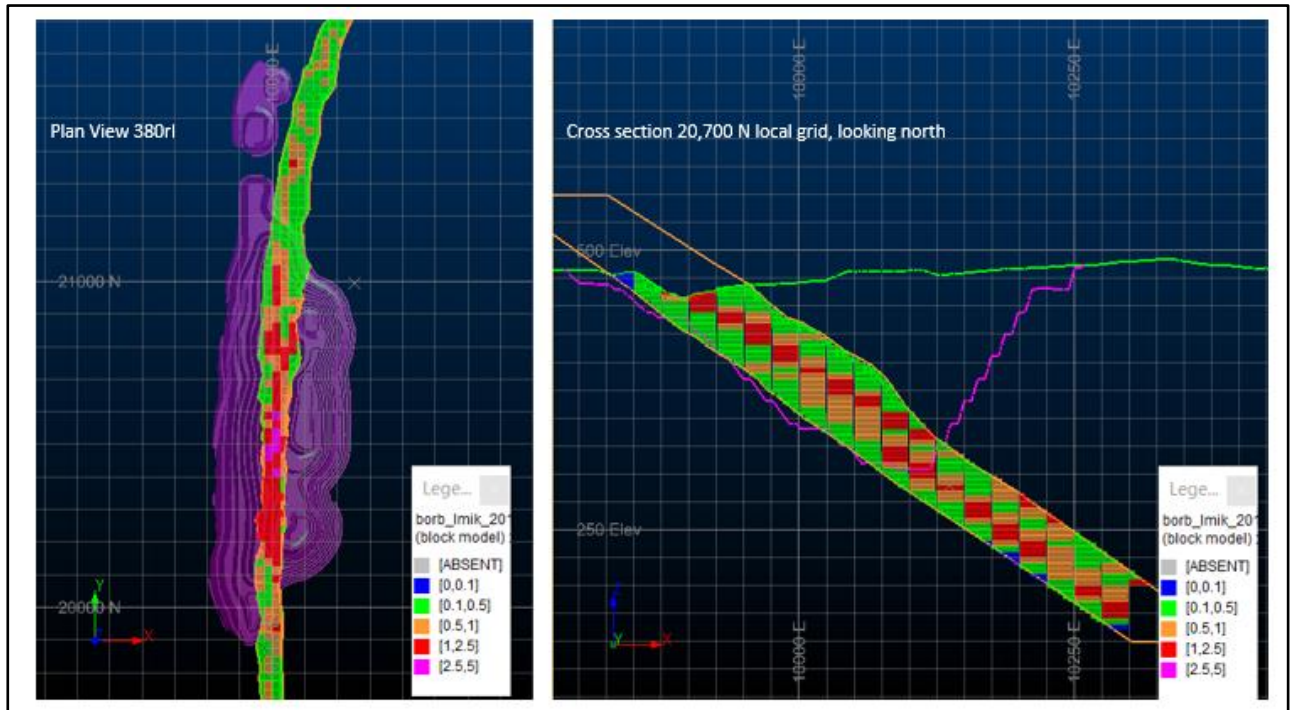


Figure 18: 2012 Borborema block model coloured by gold showing US\$1,245 optimised pit shell outline  
 Plan view (left image) at 380 RL and cross section 20,700 N (right image) local grid looking north.

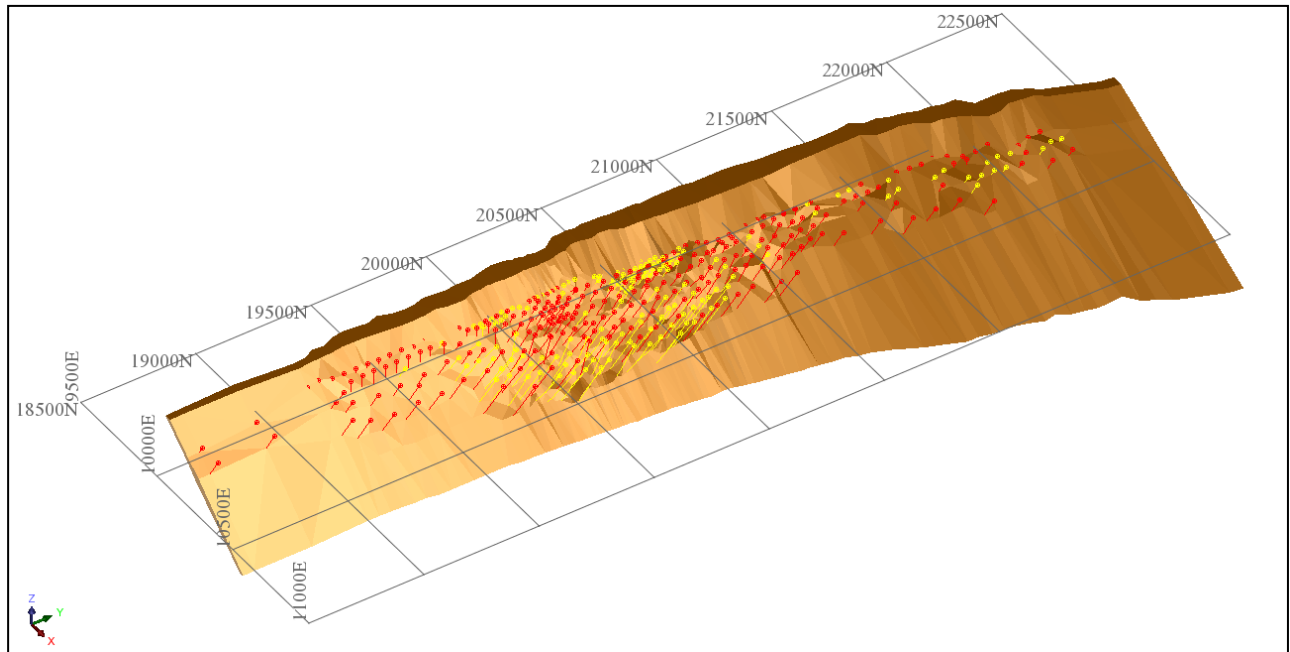
### 3.8.2 Modelling, Estimation Parameters and Methodology

Multiple indicator kriging (MIK) was used to estimate grade. Review of the geology and gold grades at Borborema showed no clear relationship between geology and anomalous gold grades at the cut-off grades of interest. A high level of spatial variability was noted, and a 0.1 g/t Au lower cut-off grade was selected as an appropriate basis to interpret a mineralisation zone.

The grades captured within the mineralisation zone interpretation show a moderate to high level of short-scale variability and on this basis a non-linear grade estimation approach was considered appropriate.

A single wireframe (Figure 19) of the mineralisation zone was generated using 0.1 g/t Au to interpret a grade shell constraint. The mineralised zone was subdivided into three domains, the Southern (Zone 1), Central (Zone 2) and Northern (Zone 3) domains at 20,050 mN and 21,300 mN, to better constrain the higher-grade Central Domain, versus the northern and southern regions of the deposit. An oxidation surface based on drillhole coding was interpreted flagged into the model. Oxidation is generally shallow being on average 10 m to 15 m depth. Interpretation was done on local grid east-west cross sections at a nominal spacing of 50 m with infill down to 25 m in the shallow part of the Central Zone.

Two-metre downhole composites were used to stabilise and reduce the total sample variance. Seventeen indicator variograms were modelled to support the MIK estimation. Relative nugget values between 52% and 68% indicated substantial short-range variability of between 20 m in the first structures and up to 110 m in the second. Table 9 summarises the block model parameters.



**Figure 19:** 3D view Borborema mineralisation wireframe and drilling, looking northwest  
Source: Barnes et al. (2012)

**Table 9:** Borborema block model parameters

Parameter	East	North	Elevation
Origin minimum	9,000	18,000	150
Origin maximum	11,150	23,500	600
Parent block size (m)	25	25	5
Sub-block size (m)	5	6.25	2.5

Source: Barnes et al. (2012)

Grades were estimated within the interpreted mineralised envelopes, using MIK and 2 m composited gold data for each domain, with soft boundaries between domains. Kriging parameters were determined from variography, the sample search routine based on neighbourhood testing. Grade was generally interpolated in three passes (50 m x 50 m x 25 m, 75 m x 75 m x 35 m, and 150 m x 150 m x 70 m). A change of support was applied to the MIK estimate, to reflect the anticipated mining selectivity and estimate the proportion of ore above a particular cut-off grade, within panels large enough for robust estimation. A selective mining unit (SMU) of 5.0 m x 6.25 m x 2.5 m was used.

Density was based on a total of 36,444 bulk density measurements obtained using the Archimedes process. A total of 4,665 samples represented mineralised fresh material. There were fewer oxide samples (1,806), however, CSA Global does not consider this to be material as the oxide represents a relatively insignificant proportion of the deposit, and this is still a statistically reasonable number of samples. There was a low variability in the density measurements and 2.76 t/m<sup>3</sup> was applied in fresh rock and 2.65 t/m<sup>3</sup> was applied to the oxide zone for estimating tonnages.

### 3.8.3 Model Validation and Resource Classification

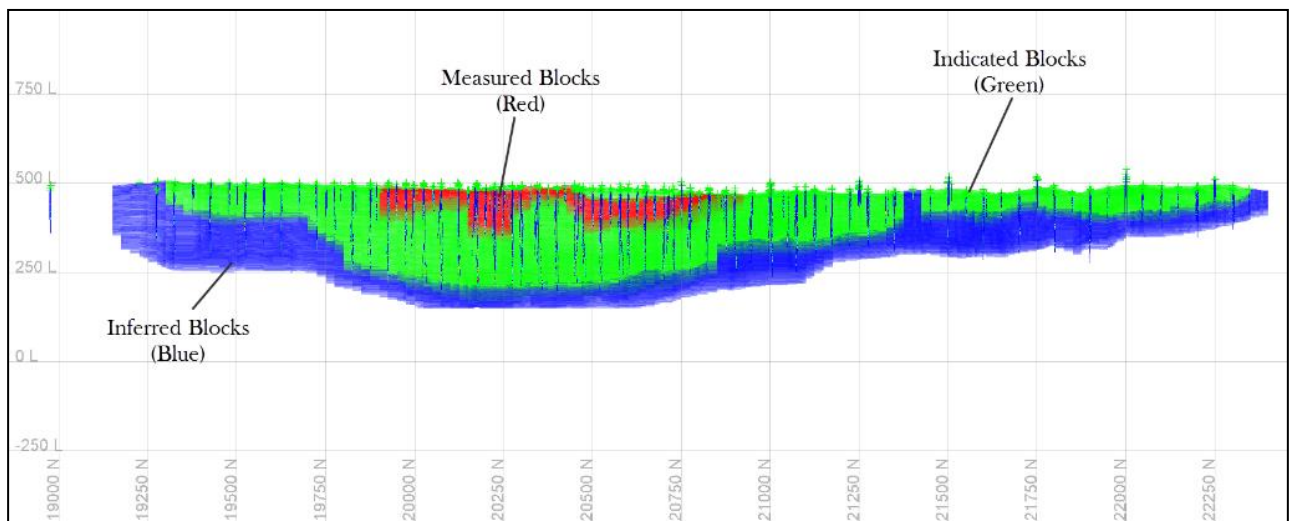
The resource estimate was validated visually and statistically, by comparing block model and composite data in cross section, long section, and plan views, and using swathe plots in northing, easting, and elevation. Correlation between data and estimate was acceptable where sufficient data existed; however, in the regions of low data density, the estimates showed evidence of smoothing.

Studies by Bloy and Nicolls (2015a, 2015b, 2015c) indicate that it may be possible to apply a different style of estimate to the Borborema mineralisation, one more suited to a higher-grade lower tonnes approach, which could potentially exclude more sub-economic grade material. The result was, as expected, a reduction of the contained ounces in the low-grade margins, and an increase in the grade above cut-offs. These

estimates were largely indicative, and not completed to sufficient rigour to be declared in accordance with the JORC Code.

Cube Consulting Pty Ltd completed an independent review of the resource model in March 2018, and in general found that the domaining approach, process and methodology used for estimation along with the approach to resource classification was reasonable. No fatal flaws were identified although some areas for improvement were suggested.

The resource classification was largely based upon data density, with consideration also for data quality and understanding of the controls on mineralisation. A wireframe was created around the area of higher density drilling. Measured Resources were generally drill tested at <25 m, Indicated Resources generally 25 m <50 m and Inferred Resources 75 m extension down dip from Indicated blocks, or on <100 m spaced drill sections. Figure 20 illustrates the relative proportions of the different categories of classified resources.



**Figure 20:** Borborema resource classification, long section looking west  
Source: Barnes et al. (2012)

### 3.8.4 CSA Global Opinion

CSA Global is of the opinion that the Borborema Mineral Resources have been prepared and reported in accordance with the JORC Code (2012) using accepted industry practice including appropriate reference to the guidelines in the JORC Code and have been signed off by an appropriate Competent Person as defined by the JORC Code.

CSA Global considers that the complex geology and structural controls on mineralisation at Borborema were examined with due care, and the estimation approaches selected were appropriate. Further they are of the opinion that the classification of the estimate appropriately reflects the consideration of uncertainty, impact and materiality of this uncertainty and the confidence of the Competent Persons who estimated the Mineral Resources (Messers Barnes, Gossage and Platel) in the data and interpretation.

## 3.9 Mining Studies

### 3.9.1 Borborema – Studies, Reports and Announcements

Big River has completed, and announced on the ASX, high-level results of several feasibility and optimisation studies for Borborema since 2011. These studies are ongoing, as the Company seeks to maximise the value of the Borborema Gold Project.

On 16 November 2012, Big River released a Proved and Probable Ore Reserve for Borborema, which was completed in accordance with the JORC Code (2004). The Ore Reserve estimate was based on the work completed in a draft feasibility study for the project. The Ore Reserve estimate comprised 42.4 Mt at a grade of 1.18 g/t with contained gold of 1.61 Moz.

A draft feasibility study based on processing 4.2 Mtpa was completed in 2012 by Tetra Tech Mining and Minerals Brazil (Tetra Tech) but not adopted due to the falling gold price from April 2013. This Ore Reserve statement was based on modifying factors that were reviewed by CSA Global and found to be reasonable for the time of estimation.

In January 2018, Big River commissioned Tetra Tech to review the project data and complete an optimised study for the initial development of Borborema. Tetra Tech has prepared an updated capital and operating cost estimate for the processing plant and infrastructure costs.

On 8 February 2018, Big River announced the results of an optimisation study for the Borborema Gold Project. The announcement described an optimised project plan that focuses on the mining and processing of the upper 20 Mt within the overall Ore Reserve. This optimised “Stage 1” for Borborema, targeted a processing rate of 2.0 Mtpa for a 10.2-year mine life. Big River indicated that the remaining 22 Mt of the current Ore Reserve statement would be subject to a future work plan of exploration and studies to target an optimisation of the value of the remaining Mineral Resource. The net present value (NPV) cash flow indicated from this optimisation case has been indicated to be approximately US\$117 million at a discount rate of 8% and US\$98 million at a discount rate of 10%.

On 6 March 2018, Big River released an Ore Reserve update stating for the Borborema Gold Project as of 31 December 2017, to bring the resource reporting in alignment with the requirements of the JORC (2012) guidelines. The Borborema Ore Reserve estimate values of ore tonnes, grade and contained gold ounces were unchanged from previous estimates.

On 11 April 2018, Big River announced a comparison between a base case mining the 42 Mt at 1.18 g/t Au Ore Reserve processed at 4.2 Mtpa and an “optimised” case of 20 Mt at 1.14 g/t Au processed at 2.0 Mtpa. The NPV produced from these studies were US\$116 million and US\$118 million respectively when using an 8% discount rate and a gold price of US\$1,301/oz.

Big River announced its DFS for the 10-year Stage 1 (2 Mtpa) in December 2019 with NPV<sub>8%</sub> (pre-tax) of US\$218 million and US\$203 million (post-tax) using a gold price of US\$1,550/oz. This study was subsequently updated and announced in July 2020 and produced 730,000 ounces gold with the financial metrics of NPV<sub>8%</sub> (pre-tax) of US\$342 million and US\$287 million (post-tax) using a gold price of US\$1,400/oz. Table 10 describes the key results from the 2020 DFS compared to the 2019 DFS.

Table 10: Borborema 2020 DFS key results

Key parameters	2019 DFS	Revised/Updated 2020 DFS
Mineral Resources (reported above 0.5 g/t Au cut-off, 2013) <sup>3</sup>	68.6 Mt at 1.10 g/t Au (2.43 Moz)	
Stage 1 Ore Reserve scheduled to be mined in DFS <sup>4</sup>	20.0 Mt at 1.22 g/t Au (784,480 oz)	
Gold produced	729,374 ounces	
<b>Capital costs</b>		
- Processing plant capital costs	US\$60.03 M	US\$54.43 M
- Non-processing infrastructure and owner's costs	US\$27.94 M	US\$24.95 M
- Contingency	US\$11.36 M	US\$11.33 M
<b>Total capital summary</b>	<b>US\$99.33 M</b>	<b>US\$90.71 M</b>
NPV (8%, pre-tax)	US\$218 M	US\$342 M
NPV (8%, post-tax)	US\$203 M	US\$287 M
Internal rate of return (pre-tax)	43.6%	64.7%
Internal rate of return (post-tax)	41.8%	57.9%
Payback from commencement of production	2.4 years	1.4 years
Life of Mine C1 Cash Costs	US\$642/oz	US\$534/oz
Life of Mine All-In-Sustaining-Costs	US\$839/oz	US\$713/oz

<sup>3</sup> Resources (inclusive of Reserves) estimated in 2013, and updated for JORC 2012. Refer ASX Announcement 24 July, 2017.

<sup>4</sup> Pit optimisation and Reserves estimated using gold price of US\$1,250/oz; Updated DFS (2020) cashflow analysis used US\$1550/oz compared with the 2020 DFS which used US\$1400/oz. Only Measured and Indicated Resources were scheduled in mining – no Inferred Category Resources have been considered.



Production summary – life-of-mine	2019 DFS	Revised/Updated 2020 DFS
Mine life (from commissioning date)	10.2 years	
Strip ratio (waste (t): ore (t))	4.2	
Mill throughput (total)	20.0 Mt	
Grade	1.22 g/t Au	
Recovery	92.5%	
Gold produced – over life of mine	729,374 ounces	
Life-of-mine project economics	2019 DFS	Revised/Updated 2020 DFS
Study gold price	US\$1,400/oz	US\$1,550/oz
Gross revenue, life of mine	US\$1,021 M	US\$1,131 M
Operating costs, life of mine	US\$494 M	US\$389 M
<b>Capital</b>		
- Capital – Project Plant (including contingency)	US\$99.3 M	US\$90.71 M
- Working capital – Mine establishment pre-production	US\$6.6 M	US\$5.36 M
- Capital – sustaining and mine closure costs	US\$21.0 M	US\$20.97 M
EBITDA	US\$527.3 M	US\$724.2 M
NPAT	US\$328.3 M	US\$526.6 M

Big River announced the results of its Engineering Cost Estimate (ECE) study on 1 April 2022 based on mining 20.1 Mt at 1.22 g/t Au at 2 Mtpa for a 10-year mine life. Using a US\$1,600/oz gold price and a 8% discount rate, the NPV was US\$168 million with internal rate of return (IRR) of 26.7% (pre-tax), and US\$138 million with IRR of 24.0% (post-tax). All-In-Sustaining-Costs (AISC) was US\$918/oz (post tax). Table 11 describes the key financial and operation assumptions used in the 2021 Option Study and the March 2022 ECE Update.

Table 11: Borborema Project – key financial and operation assumptions

	2021 Option Study	March 2022 ECE Update
<b>Economic inputs and study accuracy</b>		
Gold price	US\$1,550	US\$1,600
Exchange rate (BRL:USD)	0.20:1	Unchanged
Royalty	1.50%	Unchanged
Corporate tax rate	15.25%	Unchanged
NPV discount rate	8%	Unchanged
Study accuracy	±30%	±20% - 25%
<b>Capital costs</b>		
Plant capex	US\$58.2 M	US\$71.7 M
Indirect and infrastructure capex	US\$12 M	US\$59.5 M
Pre-production owner's costs	US\$16.1 M	US\$23 M
Contingency	US\$11.3 M	US\$19.8 M
<b>Total capital and owner's costs (including contingency)</b>	<b>US\$97.6 M</b>	<b>US\$174 M</b>
<b>Operational assumptions</b>		
Mining method	Contract miner, open pit	Unchanged
Processing	CIL, three-stage crush, mill to 106 um, elution, water filtered from tails and stored with waste in dumps	Unchanged process, however, some modifications in plant choice reflected in capital and operating costs (see Appendix A). Adopted CIP over CIL and went to single stage crushing followed by SAG/B milling rather than just ball mill.
Process water (no tailings dam, tails filtered to)	No tailings dam, tails filtered to recycle water and any process water shortfall augmented with treated town grey water	Unchanged, however, some modifications in plant choice and site water management reflected in capital and operating costs
Mine life	10.2	10.0

	2021 Option Study	March 2022 ECE Update
Ore mined (life of mine)	20.1 Mt	20.0 Mt
Strip ratio [Waste(t):Ore(t)]	4.2	Unchanged
Feed tonnage rate	2 Mtpa	Unchanged
Feed grade (average)	1.22 g/t	Unchanged
Mill recovery rate	92.50%	92.10%
Gold produced, Stage 1	729,400 ounces	722,500 ounces
<b>Operating costs</b>		
C1 Site Cost/oz	US\$534	US\$811
AISC/oz (Pre-tax)	US\$713	US\$852

On 4 April 2022, Big River announced that GR Engineering Services (GRES) had been engaged to undertake prefeasibility studies for a possible expansion at the Borborema Gold Project in Brazil to 3.6 Mtpa and scheduled for completion in Q2, 2022. This follows the findings of an ECE study for a 2 Mtpa project and internal studies reviewing expansion options after an improved process water outlook was identified (refer ASX release dated 1 April 2022). GRES will complete the prefeasibility studies at an accuracy of  $\pm 20\%$  to 25% with design limits of 3.6 Mtpa throughput from a preliminary open pit shell containing 46.4 Mt at 1.13 g/t Au of ore and total 248 Mt ore and waste movement.

CSA Global considers that the current proposed optimisations of the Borborema Gold Project are likely to identify opportunities to increase the value of the asset. As this work is completed to an appropriate level of confidence, these optimisations should be introduced to the Life of Mine Plan and included in future Ore Reserve estimations.

### 3.9.2 Borborema Ore Reserves

The following are key extracts from the Borborema Ore Reserve statement (31 March 2021) that address the basis for the estimate.

There has been no change to the Borborema Gold Project Ore Reserves since 2017 when a JORC Ore Reserve was declared (as of 31 December 2017 and published on 6 March 2018); these are described in Table 12.

Table 12: Borborema Gold Project Ore Reserve

Category		Tonnes (Mt)	Grade (Au g/t)	Gold to mill (koz)
Proven	Oxide	0.65	0.80	17
	Fresh	7.26	1.25	292
Probable	Oxide	1.68	0.70	38
	Fresh	32.82	1.20	1,260
<b>Total</b>		<b>42.41</b>	<b>1.18</b>	<b>1,610</b>

Notes: Reported at a 0.4 g/t cut-off for oxide and 0.5 g/t cut-off for fresh material. The cut-off grades have been based on the latest throughput costs, gold price of US\$1,301/oz. Appropriate rounding has been applied; subtotals may not equal total figures. Reported in accordance with the JORC Code (2012).

These are the same Ore Reserves declared in November 2012. The Ore Reserves were re-stated using the same tonnes and grade despite significant changes in the gold price, exchange rates, capital costs and other modifying factors. Big River noted that the final pit design which the original reserves were based was at a gold price of US\$1,350/oz.

Table 13: Borborema Gold Project key financial parameter comparison

Key Parameter	Reserves July 2017	July 2020	% Change
Gold price (US\$)	\$1,210	\$1,843 (month average)	52%
Exchange rate (BRL:US\$)	3.3	5.3	61%
Gold price (BRL)	3,993	9,215	231%
Brazil CPI	1,295.8 (July 2017)	1,422.4 (July 2020)	10%

Big River declared the Ore Reserve based on a Stage 1 plan of a 2 Mtpa development of a Stage 1 pit design, containing 20.0 Mt at 1.22 g/t for mill feed gold of 784,480 ounces, and project footprint north of the existing highway, south of the existing powerlines and on Company owned land. It was expected that future project area expansion to encompass the final open pit would recover the remaining Ore Reserves.

In CSA Global's professional opinion, the Ore Reserves should have been re-optimised and restated for the changes made in the modifying factors especially given the significant increase in gold price. CSA Global notes that the gold price used to estimate the Ore Reserves introduces a degree of conservatism in the estimate.

### 3.9.3 Mineral Resource Estimate

The Mineral Resource estimate used for the Ore Reserves has used MIK to estimate grade. MIK was used to estimate the block grades within the mineralisation envelope to represent a SMU of 5 m(E) x 6.25 m(N) x 2.5 m(RL).

The Mineral Resource shown in Table 14 has been classified on the basis of confidence in the geological model, continuity of mineralised zones, drilling density, confidence in the underlying database and the available bulk density information.

Table 14: Borborema Mineral Resource by MIK estimation

Category (>0.5 g/t cut-off grade)	Tonnes (Mt)	Grade (g/t Au)	Au ounces (koz)
Measured	8.2	1.22	320
Indicated	42.8	1.12	1,547
<b>Measured + Indicated</b>	<b>51.0</b>	<b>1.14</b>	<b>1,867</b>
Inferred	17.6	1.00	566
<b>TOTAL RESOURCE</b>	<b>68.6</b>	<b>1.10</b>	<b>2,430</b>

Notes: Mineral Resource (JORC 2012) reported above 0.5 g/t Au cut-off. Parent block 25 m(E) x 25 m(N) x 5 m(RL). SMU 5 m(E) x 6.25 m(N) x 2.5 m(RL). Appropriate rounding has been applied; subtotals may not equal total figures.

Source: ASX release, 24 July 2017

### 3.9.4 Material Assumptions and Outcomes

The work completed on the Borborema Gold Project since the November 2012 Ore Reserve includes internally generated reports and studies as well as the incomplete bankable feasibility study (BFS), which was suspended in 2013 when the falling gold price and poor process water availability rendered the study financials obsolete. The 2013 draft BFS work was based on a processing rate of 4.2 Mtpa. Big River completed an internal optimisation review into a 2 Mtpa development for Stage 1 of the Borborema Gold Project in May 2016 (refer ASX release dated 16 May 2016). The Ore Reserve is considered to be defined by studies at a prefeasibility level that includes appropriately detailed application of modifying factors.

The Ore Reserve update was based on mining the deposit to support a production rate of 4 Mtpa of ore for approximately 11 years. This is a similar life of mine plan to that contemplated in the 2012 draft feasibility study. The pit will be mined in stages. The first stage will be north of the existing highway, south of the existing powerlines and on Company owned land. During the initial stage, the necessary arrangement to divert the highway and powerlines will be addressed by Big River. Refer to Figure 21 which shows the general site layout from the 2013 draft BFS. Figure 22 shows a northwest-southeast cross section through the deposit.



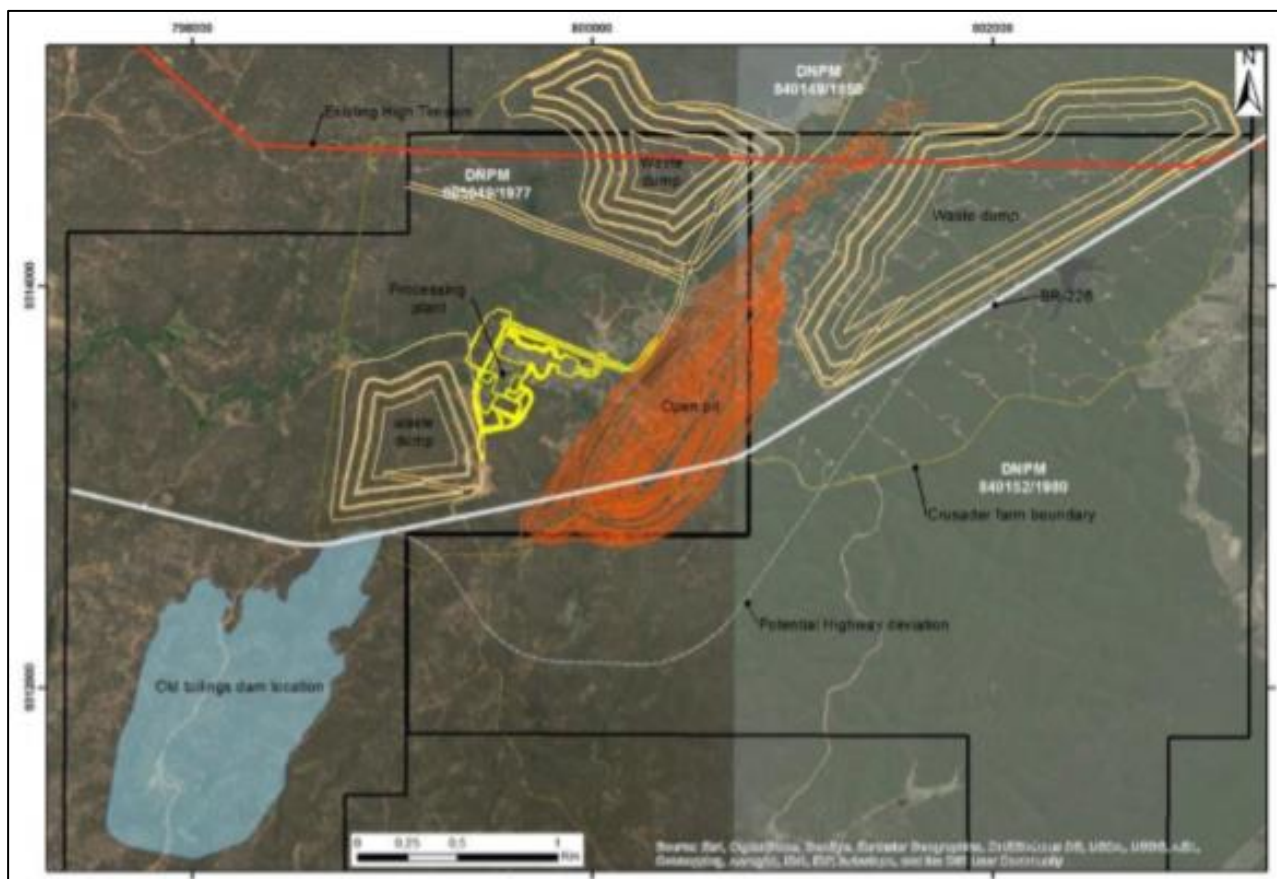


Figure 21: Borborema general layout (2013) showing Ore Reserve open pit

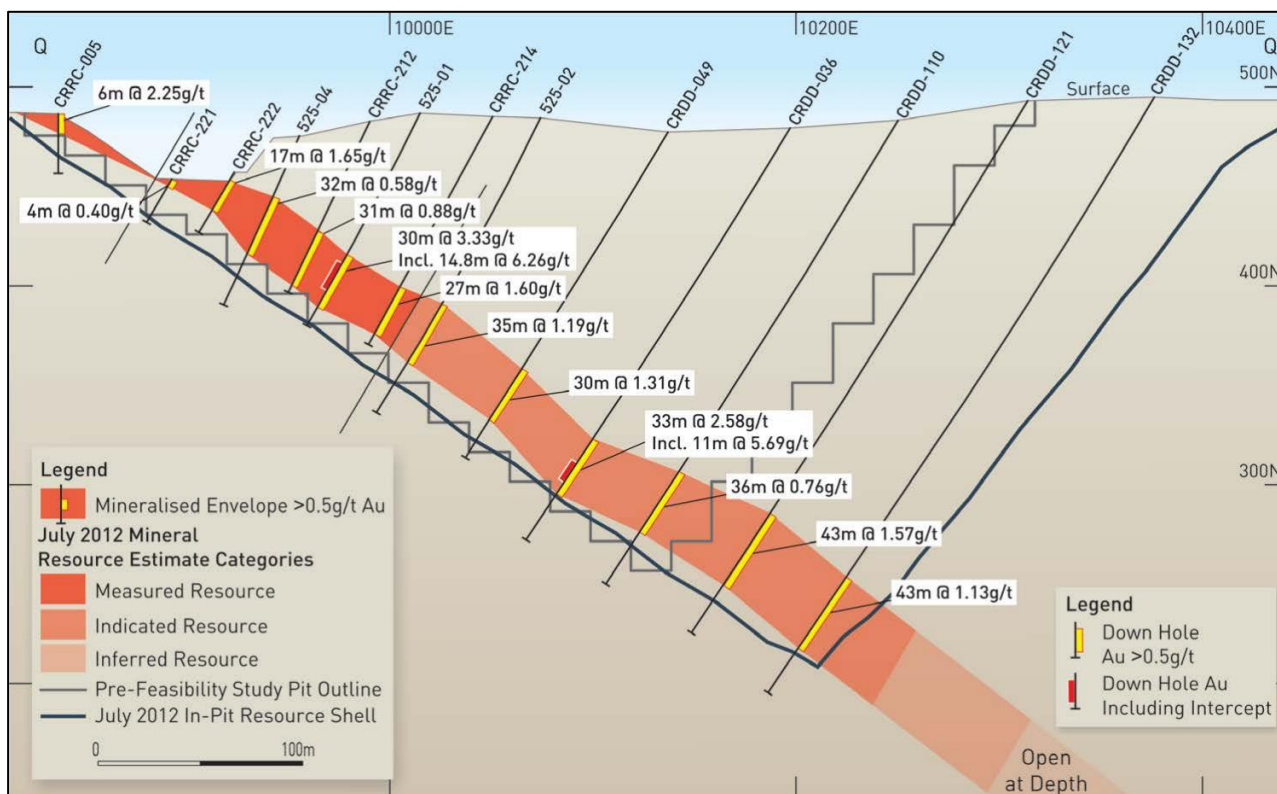


Figure 22: Borborema Gold Project – cross section (northwest to southeast)  
Source: Big River

### 3.9.5 Mining Factors and Assumptions

The open pit mining method is intimately linked to geology/grade control and planned drilling and blasting practices. The mining of the ore zone and adjacent waste is planned at a nominal 5 m bench height using a face shovel or backhoe excavator with a front-end loader as backup. This will allow mining selectivity, provided mining of the gently dipping ore zone is always from hangingwall to footwall.

Most of the waste will be mined on a nominal 10 m bench height using face shovels with a front-end loader as backup.

Weathered or oxidised ore is a small proportion (less than 6%) of the total Ore Reserve. Grade or metallurgical variation is not significant and therefore no blending of crusher feed will be required. Where practical, lower-grade ore (mining block grades less than 0.7 g/t Au) will be preferentially stockpiled to maximise the mill feed grade.

The 2013 study was based on owner mining with specialist contractors employed for delivery of bulk explosives, maintenance of the mining equipment and for tyre services. Since 2017, the assumption was changed to reflect contract mining.

The final pit design was based on the highest average discounted cash flow (DCF) pit shell generated in Whittle pit optimisation software. Measured and Indicated Mineral Resources within the final pit design have been converted to Proved and Probable Ore Reserves.

Internal or adjacent waste included within the Mineral Resource MIK model is deemed sufficient to account for dilution and a 2% reduction in the contained quantity of the Mineral Resources within the pit designs has been allowed for ore loss during mining. The Ore Reserves are therefore as delivered to the processing plant.

### 3.9.6 Metallurgical and Processing

The process flowsheet developed in 2012 for treating Borborema material was based on a carbon-in-leach (CIL) processing route and included:

- Three-stage crushing.
- Ball milling
- Leaching in sodium cyanide.
- Cyanide destruction of leach tails.
- Tails storage was initially in a conventional storage dam, but more recent work will mean filtration and dry stacking of tailings and co-disposal with mine waste. Water is reclaimed and recycled back to the process plant.
- Elution using a ZADRA circuit.
- Electrowinning.
- Carbon regeneration.
- Smelting to produce doré.

The process flowsheet is described in Figure 23.



The metallurgical recoveries for gold and silver used in the draft BFS are 94% for gold and 55% for silver. There are no deleterious elements associated with ore processing.

- Primary jaw crushing to yield a product of 80% passing 115 mm with emergency mill feed stockpile and re-feed system. Average plant utilisation of 75% resulting in required crusher feed rate of 304 tph when processing at the 2 Mtpa rate.
- SAG and ball milling comminution circuit (SABC) with cyclone classification fed at a rate of 250 tph to achieve a product size of 80% passing 106  $\mu\text{m}$  (91.3% utilisation). The SAG mill will be 7 m in diameter with a 3,200 kW motor, and the ball mill will 5.0 m x 8.75 m with a 3,500 kW motor.
- Gravity gold recovery via a centrifugal concentrator and intensive leach reactor.
- CIL gold leaching and adsorption circuit (seven tanks).
- AARL gold elution and recovery circuit with thermal carbon regeneration.
- Tailings cyanide recovery, cyanide destruction, thickening and vacuum belt filtration circuits.
- Process plant ancillaries including reagents preparation facilities, oxygen plant, and water and air systems.

There are no deleterious elements associated with ore processing.

Consumption rates were estimated based upon the comminution testwork results.

Liners unit costs supplied by GRES from selected equipment vendor advice.

Grinding media for the SAG and ball mills where:

- Consumption rates were estimated based upon the comminution testwork results by GRES
- Media unit costs supplied by Cascar.

Reagents consumption rates were estimated based upon laboratory testwork results, vendor testwork and first principles by GRES.

Reagents unit costs were supplied by Cascar after seeking quotes, including:

- Quicklime
- Sodium cyanide
- Sodium hydroxide
- Hydrochloric acid
- Sodium metabisulphite
- Copper sulphate
- Hydrated lime
- Flocculant
- Activated carbon
- Liquified petroleum gas
- Borax
- Nitre
- Silica.

Reagents and consumables consumption rates and unit costs were used to calculate annual usage rates and costs as well as unit costs (US\$/t milled) as shown in Figure 24. Total annual reagents and consumables costs of US\$11.3 million per year and equivalent to US\$5.61/t milled.

All ECES Costs in Q3 2021 US Dollars															
			US\$:€		1.19		R\$:US\$			5.0		R\$:US\$		4.17	
Item	Unit Basis (-)	Unit Price (US\$/Unit)	Value (-)	2 Mtpa 2021 ECES Basis					Cost			2019 DFS Cost			
				(Unit/a)	(Unit/t Milled)	(Unit/Smelt)	(Unit/a)	(US\$/a)	(US\$/t Milled)	(R\$/t Milled)	(R\$/t Milled)	(US\$/t Milled)			
General															
Annual Throughput	t		2,000,000												
Strips/annum	#		312												
Smelts/annum	#		104												
Consumables															
Jaw Crusher Liners	set	28,000		4			4	112,000	0.06	0.28					
SAG Mill Liners	set	690,200		1			1	690,200	0.35	1.73	1.08	0.26			
Ball Mill Liners	set	152,320		1			1	152,320	0.08	0.38	0.42	0.10			
SAG Mill Grinding Media	kg	1.34			0.47		938,637	1,257,774	0.63	3.14	0.75	0.18			
Ball Mill Grinding Media	kg	1.30			0.54		1,075,940	1,398,722	0.70	3.50	0.71	0.17			
Smelting Crucibles	each	1,500		12			12	18,000	0.01	0.05					
Total Consumables								3,629,016	1.81	9.07	2.96	0.71			
Reagents															
Activated Carbon	kg	3,740			0.030		60,000	224,400	0.11	0.56					
Quicklime	kg	0.174			0.430		860,000	149,640	0.07	0.37	0.85	0.20			
Sodium Cyanide - Total	kg	2,689			0.369		738,474	1,985,757	0.99	4.96	4.12	0.99			
LPG	kg	1,500			0.227		454,132	681,198	0.34	1.70	1.04	0.25			
Sodium Hydroxide (48%)	kg	0.702			0.069		137,621	96,651	0.05	0.24	0.27	0.07			
Hydrochloric Acid (32%)	kg	0.542			0.052		103,737	56,192	0.03	0.14	0.16	0.04			
Leach Aid	kg	20.00			0.001		2,833	56,664	0.03	0.14					
Sodium Metabisulphite	kg	1,451			0.679		1,357,858	1,969,802	0.98	4.92	0.36	0.09			
Copper Sulphate	kg	5,358			0.096		192,071	1,029,142	0.51	2.57	1.60	0.38			
Hydrated Lime	kg	0.297			0.381		762,605	226,303	0.11	0.57	0.00				
Flocculant	kg	5,053			0.110		220,000	1,111,568	0.56	2.78	0.42	0.10			
Soda Ash	kg	1,235				10	1,040	1,284	0.001	0.00	0.00				
Borax	kg	1,342				30	3,120	4,187	0.002	0.01	0.00				
Silica	kg	1,013				30	3,120	3,161	0.002	0.01	0.00				
Nitre	kg	1,355				30	3,120	4,228	0.002	0.01	0.00				
DFS Contingency (5%)	kg											0.093			
Total Reagents								7,600,175	3.80	19.00	8.82	2.21			
Total Reagents and Consumables								11,229,191	5.61	28.07	11.78	2.92			
Difference from 2019 DFS									92%	138%					

Figure 24: Reagents and consumables Worksheet – Rev H – ECES Report

Overall, in CSA Global’s opinion the processing cost and gold recoveries assumed are reasonable.

### 3.9.7 Environmental

The major studies incorporated by the Environmental Impact Study (EIA) and Environmental Report (RIMA) included the following:

- Physical environment assessment
- Terrestrial fauna and flora inventory survey
- Physical-chemical and bacteriological analyses of water
- Aquatic fauna and flora inventory survey and assessment
- Socio-economic assessment
- Analysis of environmental impacts, impact mitigation measures and environmental control programs
- Archaeological inventory survey.

Geochemical testing has shown that the Borborema tailings and waste rock are geochemically inert. The results from static geochemical testing and on-site geochemical kinetic testing completed over a period of two years show no alkaline drainage risk and no acid rock drainage risk from the waste samples. Also, the kinetic cells have not exhibited metals leaching of significant concern.

Big River has received the critical Pre-Licence (Licença Previa or “LP”) for its Borborema Gold Project from the Rio Grande do Norte State Government Environmental Department (IDEMA). This is approval of the EIA, based on the reduced project footprint for Stage 1 of the project and dry stacked tailings.

Importantly, the state Ministério Público (Public Ministry) has positively reviewed the licence and endorsed the licence issue by IDEMA.

### 3.9.8 Social

Strong support for the project has been received from both the environmental agency, local municipal council, the State Government of Rio Grande do Norte and the local community.

### 3.9.9 Infrastructure

The draft BFS has identified suitable existing local infrastructure to support the development of the project. The land required to develop Stage 1 of the project is owned by Big River.

Currais Novos with a population of approximately 45,000, is located 30 km west of the Borborema Gold Project and provides a full range of commercial services, banking facilities, hotel accommodation, potential staff accommodation, schooling, and basic medical and hospital facilities.

Project infrastructure requirements include:

- Access roads
- Mining contractor facilities, haul roads, etc.
- Fuel, reagents, and consumables storage facilities
- Process plant buildings, workshops, and warehouse
- Power supply infrastructure including the 69 kV HV power transmission line from Currais Novos (25 km), main site switchyard and site distribution
- Water supply infrastructure including the sewage collection and pumping system at Currais Novos, 17 km pipeline to site, site sewage treatment facility, water storage ponds and tanks, a reverse osmosis treatment plant for elution water requirements and potable water treatment plant
- Helicopter landing pad.



### 3.9.10 Revenue Assumptions

Revenue is based on a US\$ gold price and the BRL:US\$ exchange rate as of 31 December 2017 to derive the BRL gross revenue per ounce. In November 2012, this was US\$1,350/oz and a BRL:US\$ rate of 2.0:1 or BRL2,700/oz. In December 2017, this was US\$1,301/oz and a BRL:US\$ rate of 3.3:1 or BRL4,293/oz.

The latest studies used in the ECE used a gold price of US\$1,600/oz and a BRL:US\$ rate of 5.0:1 or BRL8,000/oz.

*Table 15: Economic Study assumptions*

	2019 DFS	Option Study	ECE
Gold price (US\$/oz)	1,550	1,550	1,600
Exchange rate (BRL/US\$)	0.24	0.20	0.20
NPV discount rate	8%	8%	8%
Corporate taxation (Sudene concession)	15.25%	15.25%	15.25%
Mine life	10 years	10 years	10 years
Study accuracy	±10-15%	±30%	±20-25%

The current gold price and Brazilian Real exchange rates (as of 21 May 2022) are US\$1,846.53/oz and 4.88:1 respectively.

### 3.9.11 Operating Costs

2012 BFS operating costs for mining, treatment, and general and administration (G&A) were derived from first principles by Auralia Mining Consulting and Kirk Mining Consultants (mining), Tetra Tech (treatment and services), and Big River (general and administration), with input in all areas from L&M Assessoria.

In November 2012, the average mining cost was estimated at US\$2.71/t mined and the average mill throughput cost (processing plus G&A) was US\$14.68/t milled. The final BFS unit costs were a little less than these. Due to the net impact of exchange rates and domestic inflation, as well as allowing for an envisaged initial lower mining and milling rate, it is believed that current mining and milling operating costs have not increased in US\$ terms since the November 2012 estimates and subsequent Ore Reserves updates. These conclusions are based on the 2021 Option Study and the March 2022 ECE Update.

As the revenue from gold sales is effectively received in US\$ exchange rates for the Brazilian Real and to a lesser extent, other currencies have been used at the prevailing public mid-rate when costs have been estimated.

Transportation and local freight costs have been provided by international and local suppliers as part of the estimation of capital and operating costs and are well established for projects in Brazil.

Off-site refining costs have been based on typical rates prevailing in Brazil and are within a small range for refining of bars of gold doré.

The royalty paid to the Brazilian government will be 1.5% of gross revenue. There are no other royalties payable.

The 2.0 Mtpa operating cost estimate was developed by Big River, GRES and Cascar and the general input was presented as:

- Foreign currency exchange rates of:
  - R\$5.0 (Brazilian Real):US\$
  - A\$0.75 (Australian Dollar):US\$
  - €1.10 (Euro):US\$.
- Power supply unit cost of R\$0.3468/kWh.
- Diesel supply unit cost of R\$4.49/litre.
- Contract mining costs were developed on the basis of the 2019 DFS open pit with respect to ore and waste tonnes, pit dimensions, etc. Mining rates were initially provided by Cascar on the basis of

preliminary enquiries to Fagundes and Minax and are summarised in Section 3.9.14 where MFC converted the received costs to a standardised US\$/t basis. Big River selected the Fagundes basis for the ECE as follows:

- Ore drill and blast, load and haul, crusher feed and monthly management fee (MMF) of \$2.07/t
- Ore drill and blast, load and haul, crusher feed and MMF of \$2.22/t
- Filtered tailings load and haul and placement at the co-disposed waste/tails dumps (2019 DFS basis) of \$1.78/t
- Grade control allowance of \$0.60/t ore (not allowed for by the contractors).
- Total Big River production labour was calculated as R\$18 million per year or US\$3.75 million per year.
- Total annual power usage estimated at 87.2 GWh for a corresponding annual average power cost of US\$7.76 million per year.
- Total annual reagents and consumables costs of US\$11.3 million per year and equivalent to US\$5.61/t milled.
- Total plant annual factored maintenance cost of US\$3.15 million per year or US\$1.58/t milled.
- Total annual G&A costs were estimated at US\$5.45 million per year and equivalent to US\$2.27/t milled.
- Total vehicles and equipment rental, maintenance and fuel costs are estimated at US\$1.73 million per year.

Table 16 describes the ECE operating cost estimate summary.

Table 16: ECE operating cost estimate summary

Operating costs line item	Average cost		
	(US\$ M per annum)	(US\$/t milled)	(US\$/oz)
Contract mining	27.25	13.63	377
Labour (BRG mining, process and administration)	3.78	1.89	52
Water (potable off-site supply)	0.07	0.04	1
Power	6.05	3.02	84
Diesel (excludes mining)	0.36	0.18	5
Plant maintenance	3.23	1.62	45
Reagents and consumables	11.23	5.61	155
Equipment hire	0.89	0.44	12
Transport	1.07	0.54	15
G&A	5.47	2.73	76
<b>Total</b>	<b>59.40</b>	<b>29.70</b>	<b>822</b>

### 3.9.12 Cut-Off Grades

Cut-off grades vary with material type (oxide and fresh) due to varying mill throughput rates and processing costs. The calculated cut-off grades used for the ore reserves are 0.4 g/t for oxide ore and 0.5 g/t for fresh ore.

$$\text{Cut-off grade} = \frac{(\text{process} + \text{overhead cost}) \times (1 + \text{Mining Dilution}(\%))}{\text{Payable Gold Price} \times \text{Process Recovery} (\%)}$$

Using the current financial model parameters of US\$1,600 gold price, US\$12.89/t milled, 92.4% recovery and allowing for royalties and sustaining capex, the cut-off grade is approximately 0.3 g/t.

In CSA Global's opinion, the cut-off grade for Ore Reserve reporting should be reviewed to increase the reserve base.

### 3.9.13 Capital Estimates

Capital costs were estimated by Tetra Tech and other feasibility study contributors in 2013 as part of the draft BFS for a 4.2 Mtpa process plant. Capital costs included the mining fleet, mine pre-production costs, process facilities, site infrastructure, tailings dam, utilities and support facilities and a contingency and at that time totalled US\$300 million. The latest estimates for the capital cost are US\$174 million, based on the ECE study released by Big River on 1 April 2022, with the main reduction to the BFS being due to the reduction in mill capacity to 2 Mtpa, switching to contract mining and removing the tailings dam. Filtered tailings are planned to be co-disposed within the waste dump.

### 3.9.14 Economic Outcomes

CSA Global was requested to review the Ore Reserve estimate assumptions and key DCF inputs and was supplied the Borborema financial model “220303\_BORBOREMA\_v1.30.xlsm” which is the main tool used for the analysis. The financial model is a comprehensive Microsoft Excel-based DCF model developed by Vector Financial Modelling, including full allowance for all taxes, sustaining capital and mine closure costs. Revenue, exchange rates and key cost inputs were as described in Section 3.9.10. The discount rate used in the 2013 BFS was 5% but the latest model has used an 8% discount rate.

Supporting documentation reviewed included the following files:

- 1. ECE Opex - Rev G AB - Rec to Fin Model.xlsx
- 2. Opex costs - BRV Borb Fin model v1.30.xlsx
- 3. Borborema 2021 ECES Opex Summary - Rev I - Summary Report.xlsx
- 4. Borborema Option models with 2022 Fagundes mining rates.xlsx
- Borborema 2021 ECES Summary Report - Appendices.pdf
- Borborema 2021 ECES Summary Report - Complete.pdf
- Borborema Project – Independent Technical Report – Definite Feasibility Study – Mining Section
- borb\_lmik\_2012\_dm\_model.dm - Geology Model in Datamine format
- Seq\_Crusader\_Summary\_enviado.xlsx - Wave schedule for first 4 years.

### Mining Pre-Production Costs

As shown in the “3. Borborema 2021 ECES Opex Summary - Rev I - Summary Report.xlsx”, \$4,432,468 is provided for “OC - Mine infrastructure” which agrees with the number provided in the financial model.

Table 17: Borborema mine infrastructure

Area Level 2	Install manhours	Install cost (US\$)
1011 Mine Pit Preparation (including Pre-stripping)	1,062	141,653
1021 Mine Workshop / Support Facilities / Area of Manoeuvring	3,387	451,593
1031 Fuel Station (Mine Area)	-	-
1041 Powder Magazine and Accessories Building	4,610	614,620
1051 Waste Dump NW	2,651	353,469
1061 Waste Dump NE	-	-
1081 Haul Roads	20,768	2,769,029
1092 Low Grade Stockpile	766	102,104
<b>Total</b>		<b>4,432,468</b>

In CSA Global’s Expert opinion, these mining pre-production costs are reasonable. Prestripping of waste is allowed for in the operating costs.



### Reconciliation of Operating Costs to Financial Model

Mining operating costs estimates were based on the lowest of two mining contractor submissions (Fagundes and Minax) and were collated by Gary Jobson of Macromet. Table 18 shows the received mining contractor rates.

Table 18: Borborema mining contractor submission rates

Item	Unit	Fagundes	Minax	Average
<b>Ore</b>				
Drill and blast	\$/t	0.61	1.19	0.90
Load and haul	\$/t	1.33	1.32	1.33
Crusher feed	\$/t	0.06	0.00	0.03
MMF	\$/t	0.07	0.18	0.13
<b>Total</b>	<b>US\$/t</b>	<b>2.07</b>	<b>2.70</b>	<b>2.38</b>
<b>Waste + Marginal</b>				
Drill and blast	\$/t	0.61	1.19	0.90
Load and haul	\$/t	1.54	1.61	1.57
MMF	\$/t	0.07	0.18	0.13
<b>Total</b>	<b>US\$/t</b>	<b>2.22</b>	<b>2.99</b>	<b>2.60</b>
<b>Filtered Tailings</b>	<b>\$/t</b>	<b>1.78</b>	<b>1.88</b>	<b>1.83</b>
Fresh water transport	\$/m <sup>3</sup>	6.06	6.48	6.27

In CSA Global's opinion, the unit rates are low compared with Brazilian mining industry rates; CSA Global considers that a more conservative approach to financial modelling should be adopted based on the average contractor's cost rather choosing the lowest rates.

Total mining contract costs were averaged to produce unit rates for input to the financial model. Waste costs were multiplied by the average strip ratio to generate the waste unit rate. Contractor rates were adjusted by BRV to exclude supply taxes and where necessary new calculations of supply taxes were modelled and then multiplied by the exchange rate (5 BRL:US\$) to get the Brazilian unit rates used in the financial model. Table 19 shows an extract from the Borborema 2022 ECE showing the calculations while Table 20 describes the unit mining rates applied in the Borborema financial model.

Table 19: Borborema extract from 2022 ECE

Area/Line Item	2022 ECE			
	US\$ per year	US\$/t milled	US\$/oz recovered	% Total opex
<b>Mining</b>				
Mobilisation and site establishment	Included within Owners Costs			
Ore – Drill, blast, load and haul, crusher feed, and MMF	4,138,716	2.07	57	7.0
Waste and low-grade ores – drill, blast, load and haul, and MMF	18,360,328	9.18	254	30.9
Drill and blast	Included Above			
Grade control	1,200,000	0.60	17	2.0
Pre-operating	Included within Owners Costs			
<b>Ore and Waste Mining – Subtotal</b>	<b>23,699,044</b>	<b>11.85</b>	<b>328</b>	<b>39.9</b>
Filtered tailings load, haul and place	3,551,167	1.78	49	6.0
<b>MINING TOTAL (including Tailings)</b>	<b>27,250,211</b>	<b>13.63</b>	<b>377</b>	<b>45.9</b>

Table 20: Borborema rates used in financial model

	Contractor rates (US\$/t milled)	Adjusted rates (US\$/t milled)	BRL rates in FM (BRL/t milled)
Ore – Drill, blast, load and haul, crusher feed, and MMF	2.07	1.73	8.67
Waste and low-grade ores – Drill, blast, load and haul, and MMF	$2.22 \times 4.14^* = 9.18$	7.78	38.90
Grade control	0.60	0.59	2.94
Mining contractor equipment and diesel		1.34	6.70
Filtered tailings load, haul and place	1.78	1.45	7.23

\*The calculated strip ratio used in the ECE is slightly different to the financial model strip ratio (4.14 vs 4.24). This would increase the overall waste cost by 2.4%.

The BRL rates were used as a fixed input in the financial model for the variable mining costs. This implies that the cost of mining is the same regardless of from where in the pit the ore/waste is mined. The use of average strip ratio to determine the waste mining cost is similarly misleading as strip ratios will vary according to the mining schedule in each pit stage.

CSA Global disagrees with using “constant” average rates in the financial model and suggests developing a separate mining cost model as input to the financial model as mining costs will vary with depth of the pit. For the purposes of financial modelling, this may result in a slight increase in project NPV value due to the cheaper mining costs in the early project years, with the higher costs in the later years having less influence.

Table 21 shows the Borborema ECE financial model parameters.

Table 21: Borborema ECE financial model parameters

Financial model parameter	Unit	Value
<b>Physicals</b>		
Ore tonnes	Mt	20.1
Ore gold grade	g/t	1.22
Waste tonnes	Mt	85.0
Strip ratio	t:t	4.24
Overall gold recovery	%	92.4
<b>AISC</b>		
Pre-tax	US\$/oz	846
Post-tax	US\$/oz	918
Revenue less AISC	US\$/oz	682
CI costs	US\$/oz	805
<b>Life-of-Mine</b>		
Revenue	US\$/oz	1,162
Capex	US\$/oz	191
Initial capex	US\$/oz	178
Opex	US\$/oz	606
<b>Project returns</b>		
Pre-tax NPV	M	168
Pre-tax IRR	%	26.7
Post-tax NPV	M	138
Post-tax IRR	%	24.0
Equity post-tax NPV	US\$ M	139
Equity post-tax IRR	%	32.6

In CSA Global's opinion the financial model comprehensively handles the various taxes, sustaining capital and mine closure costs, however, it inadequately treats mining and processing costs by applying constant unit rates. Mining costs should increase with depth. This can impact the NPV calculation particularly with the

staged mining approach. For the purposes of financial modelling, this may result in a slight increase in project NPV value due to the cheaper mining costs in the early project years, but it would be good for BRV to model this.

CSA Global agrees with the strategy to seek an increased processing rate and re-optimize to improve project economics.

### *Pit Stage Designs*

The Stage 1 pit design with the phases set at end of Years 1, 2, 3, 4, 7 and Final (life-of-mine) were reviewed. While there are five cutbacks before the final design which improves economics by minimising strip ratio, there are some awkward geometries, narrow mining widths and stranded areas which would complicate mining. Figure 25 shows the plan view of mining the Stage 1 pit with phases at Year 1, 2, 3, 4, 7 and Final at the 480 mRL.

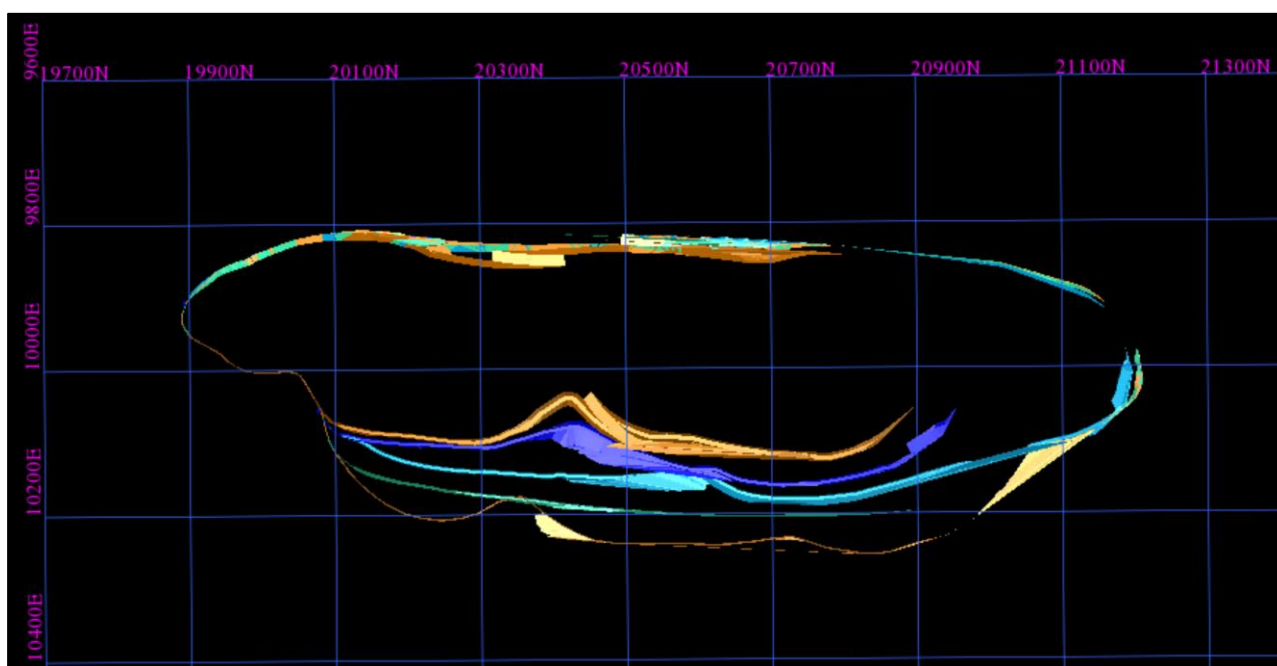


Figure 25: Stage 1 pit designs with phases at Year 1, 2, 3, 4, 7 and Final – 480 mRL

From a safety and practical viewpoint, CSA Global recommends re-designing the pit with fewer stages, removing pinch points and stranded areas, and plan wider cutbacks. This could have a slight negative effect to the NPV, but it should be modelled by BRV.

### *Differences in Production Schedules*

Table 22 below presents mining quantities (ore and waste and tailings) for the project as designed by GE21 for the Stage 1 pit. The mine production scheduling was generated based on a production rate of 2.0 Mtpa and applied a cut-off grade of 0.7 g/t Au in Years 1 to 4 to generate stockpiles that would be recovered in the later years.

Table 22: Borborema Stage 1 pit mining scheduling

	ROM		STK_IG* Balance		ROM+STK		STK_LG**		Waste (Mt)	W+STK_LG (Mt)	Strip ratio (t/t)	Total (Mt)
	Mt	Grade	Mt	Grade	Mt	Grade	Mt	Grade				
Pre-stripping	-	-	-	-	-	-	-	-	2.4	2.4	-	2.4
Year 1	2.0	1.45	1.1	0.63	2.0	1.45	3.1	0.30	10.6	13.7	7.4	16.8
Year 2	2.0	1.41	1.2	0.63	2.0	1.41	3.2	0.30	9.3	12.5	6.8	15.8
Year 3	2.1	1.50	0.9	0.63	2.1	1.50	2.8	0.30	10.6	13.4	6.9	16.3
Year 4	2.0	1.64	0.8	0.62	2.0	1.64	1.2	0.32	11.3	12.6	6.8	15.3
Years 5 to 7	3.7	1.25	-2.3	0.63	6.0	1.01	2.1	0.31	20.4	22.6	3.8	26.2
Years 8 to Final	4.3	1.22	-1.7	0.63	6.0	1.05	3.1	0.31	2.5	5.6	0.9	9.9
<b>Total</b>	<b>16.0</b>	<b>1.37</b>	<b>-</b>	<b>-</b>	<b>20.0</b>	<b>1.22</b>	<b>15.6</b>	<b>0.31</b>	<b>67.1</b>	<b>82.7</b>	<b>4.14</b>	<b>102.7</b>

\*IG – Intermediary Grade (0.5<Au<0.7).

\*\*LG – Low Grade.

Table 23 describes the mining physicals and unit cost in the financial model.

Table 23: Borborema financial model mining physicals

	Units	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	Total
<b>Mining</b>													
Waste moved	Mt	13.80	13.74	15.06	13.60	7.37	7.58	7.58	2.36	1.89	1.89	0.16	<b>85.01</b>
Ore mined	Mt	1.82	2.06	2.06	2.02	2.03	2.02	2.02	2.02	2.02	1.84	0.15	<b>20.06</b>
Total movement	Mt	15.63	15.79	17.12	15.62	9.40	9.60	9.60	4.38	3.91	3.72	0.31	<b>105.07</b>
Strip ratio	W:O	7.57x	6.68x	7.30x	6.72x	3.64x	3.75x	3.75x	1.17x	0.93x	1.03x	1.04x	<b>4.24x</b>
Mining cost	US\$/t mined	1.62	1.80	1.67	1.80	2.99	2.92	2.92	6.40	7.17	6.89	6.86	<b>2.65</b>
Mining cost	US\$/t ore	13.89	13.85	13.85	13.87	13.87	13.87	13.87	13.87	13.87	13.97	13.98	<b>13.88</b>

The source of the monthly production schedule in the financial model was not provided in full by BRV, however, the first four years schedule by GE21 which was the basis for the schedule WAVE included in the financial model for the DFS and ECE Study, was supplied ("Seq\_Crusader\_Summary\_enviado.xlsx"). In comparing the WAVE schedule with the financial model schedule, CSA Global can confirm where the grades are derived from. There are minor differences in tonnes, however, overall for the first four years, the numbers agree between these two schedules if the 2.4 Mt pre-strip is ignored.

There is a discrepancy in the total material mined between the GE21 pit scheduling and the financial model (102.7 Mt vs 105.07 Mt) and the strip ratio (4.14 vs 4.24). The 2.4 Mt difference appears to show that the pre-strip has been removed from the front end and added in the back end. A quick check showed 104 Mt was within the pit "ano10\_local\_rampa\_dtm\_validtr\_menorestr\_1.dtm" based on the "borb\_lmik\_2012\_dm\_model.dm" block model.

In CSA Global's opinion, Big River has not provided the full monthly schedule to verify the correct pit tonnes input to the financial model. However, minor changes to the schedule will have only a minor effect on the project value.

CSA Global agrees with utilising a higher-grade cut-off for mill processing in the early project years while stockpiling lower-grade material is an appropriate strategy.

As indicated earlier, in CSA Global's opinion, it is inappropriate for financial modelling to use average mining cost per ore tonne as mining costs vary with depth. A mining cost model should be developed for input into the financial model to test the true impact on NPV.

### Variable Strip Ratios

The mining schedule as shown in the financial model has some large and small monthly strip ratios which would necessitate increasing or decreasing the mining fleet to meet demand. Figure 26 shows the mining volumes and strip ratio graph from the financial model.

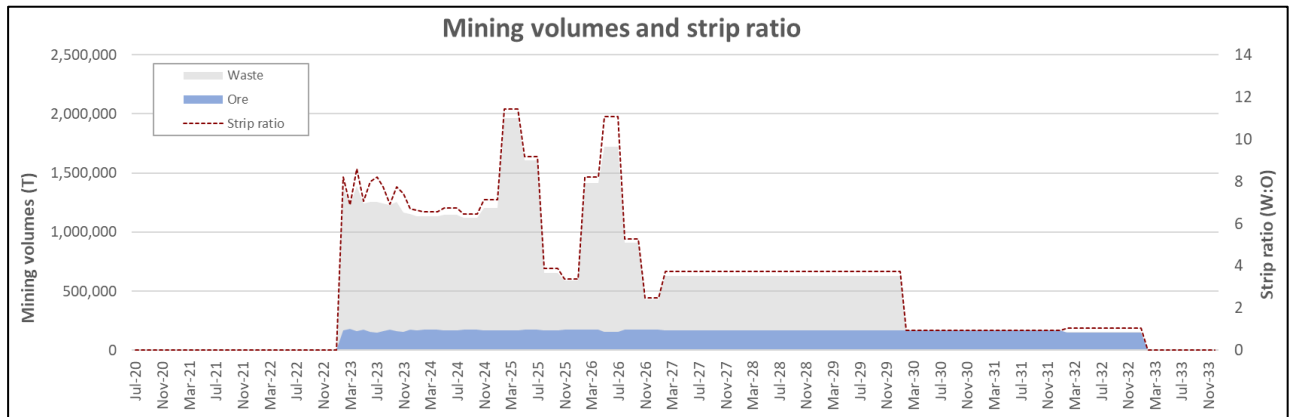


Figure 26: Mining volumes and strip ratio in the financial model

In CSA Global’s opinion, the mining schedule should be “smoothed” to provide a more constant total mining movement and more even strip ratio to avoid rapidly increasing and decreasing the mining fleet to meet the schedule.

### Mineralised Waste Stockpiles

There is 15.6 Mt at ~0.3 g/t Au planned to be mined and separately stockpiled. Although not economic under current financial parameters, it may be processed in the future, or an alternative processing route could be investigated (e.g. heap leach).

CSA Global agrees with the approach to separately stockpile this mineralised waste material.

### Silver Credits and Refining Costs

BRV was unable to obtain accurate quotes from Brazilian gold refineries for smelting and refining costs, however, BRV’s expectations are that these costs would range between 1.5% and 2% gold revenue. These costs would be more than covered by the value of receipts from silver so was excluded from the model. It is therefore implicit in the model that smelting and refining costs are equal to the value of the silver credits.

In CSA Global’s opinion, the silver revenue should be properly accounted for in the financial model. CSA Global notes that the exclusion of silver in the current model will have a negligible effect on overall NPV.

### Mica

BRV has indicated that there is potential to extract mica from the tailings to add to the revenue feed. CSA Global has not considered the potential for mica extraction to add value to the project in this review.

### Conclusion

CSA Global considers the 2 Mtpa Stage 1 mining input to the financial model to have several deficiencies, particularly the use of average costing and driving the mining cost base on the ore tonnes mined as mining costs vary with depth. For the purposes of financial modelling, this may result in a slight increase in project NPV value due to the cheaper mining costs in the early project years.

CSA Global considers that the current proposed optimisations of the Borborema Gold Project are likely to identify opportunities to increase the value of the asset. As this work is completed to an appropriate level of confidence, these optimisations should be introduced to the Life of Mine Plan and included in future Ore Reserve estimations.

To assist RSM to flex the financial model, CSA Global makes the following suggestions:

- Increase the mining costs by using the average contractor rates cost
- Increase the strip ratio in the rate calculation to 4.24
- Inflate the mining contractor equipment rate by 15%
- Adjust the supply taxes at the same proportion.
- No changes to the processing unit rates.

Table 23 describes the suggested changes to the financial model.

Table 24: *Borborema financial model mining physicals*

	Current contractor rates (US\$/t milled)	Current adjusted rates (US\$/t milled)	Current BRL rates in FM (BRL/t milled)	Suggested contractor rates (US\$/t milled)	Suggested adjusted rates (US\$/t milled)	Suggested BRL rates in FM (BRL/t milled)	% Increase
Ore – Drill, blast, load and haul, crusher feed and MMF	2.07	1.73	8.67	2.38	1.99	9.95	14.7%
Waste and low-grade ores – Drill, blast, load and haul, and MMF	2.22 x 4.14* = 9.18	7.78	38.90	2.60 x 4.24* = 11.02	9.34	46.70	20.0%
Grade control	0.60	0.59	2.94	0.6	0.59	2.94	0%
Mining contractor equipment and diesel		1.34	6.70		1.541	7.71	15.0%
Filtered tailings load, haul and place	1.78	1.45	7.23	1.83	1.49	7.45	3.1%

## 4 Valuation

Valuation of Mineral Assets is not an exact science, and a number of approaches are possible – each with varying positives and negatives. While valuation is a subjective exercise, there are several generally accepted procedures for establishing the value of Mineral Assets. CSA Global consider that, wherever possible, inputs from a range of methods should be assessed to inform the conclusions about the Market Value of Mineral Assets.

The valuation is always presented as a range, with the preferred value identified. The preferred value need not be the median value and is determined by the Practitioner based on their experience and professional judgement.

Refer to Appendix A for a discussion of valuation approaches and valuation methodologies, including a description of the VALMIN classification of Mineral Assets.

### 4.1 Previous Valuations

In June 2017, CSA Global prepared an independent opinion on the value of the Mineral Resources outside of the Borborema mine plan, to inform an IER prepared by BDO on the Brazilian Mineral Assets of Crusader Resources and Stratex International's Dalafin project in Senegal. The Seridó and Marar Rosa exploration licences were not valued in this exercise.

CSA Global's opinion was that the Borborema Mineral Resources outside of the mine plan lay within a range of A\$26.7 million to A\$40.0 million, with a preferred value of A\$33.3 million, as of 12 June 2017.

CSA Global is not aware, nor has CSA Global been made aware of, any other publicly disclosed valuation opinions on Big River's Brazilian mineral assets.

### 4.2 Valuation Approach

CSA Global considers the Borborema Mineral Resources outside of the mine plan, as summarised in Table 25, to represent a pre-development project, as defined in the VALMIN Code, whereas CSA Global considers the Seridó and Mara Rosa exploration licences to represent early-stage exploration projects.

The valuation basis and valuation methods considered in this report are summarised in Table 26.

Table 25: Borborema Mineral Resources outside of the mine plan

Resource category	Outside Pit 2012 Borborema Mineral Resource at 0.5 g/t Au cut-off grade		
	Tonnes (Mt)	Au grade (g/t)	Contained Au metal (koz)
Measured	0.8	0.82	20
Indicated	29.5	1.09	1,036
Inferred	17.5	1.00	564
<b>Total</b>	<b>47.8</b>	<b>1.05</b>	<b>1,620</b>

Table 26: Valuation basis and methods considered

Mineral Asset	Stage	Basis of valuation	Valuation method
Borborema Mineral Resources outside of the mine plan	Pre-development	1.62 Moz gold	Comparative Transactions, Yardstick crosscheck
Seridó and Mara Rosa exploration licences	Early-stage Exploration	332 km <sup>2</sup>	Comparative Transactions

### 4.3 Commodities Market

The gold price history in US\$/oz and A\$/oz for the period 31 March 2013 to 6 May 2022 is illustrated in Figure 27. The spot gold price on 19 April 2022 was US\$1,953.22/oz.

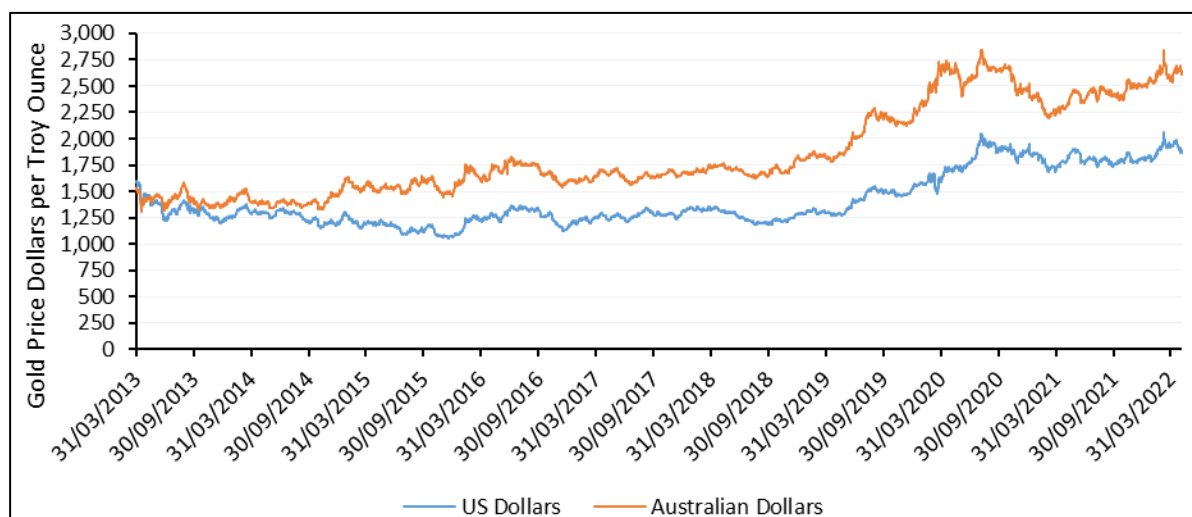


Figure 27: Gold price history

This variation in gold prices over time in US\$ and A\$ terms, highlights the need to normalise transaction to account for variations in gold prices and foreign exchange rates over time.

## 4.4 Comparative Transactions Valuation

In analysing the transactions, all amounts were converted to US\$ at the relevant exchange rate at the time of the transaction announcement. Joint venture transactions were only valued to the first earn-in milestone and any subsequent earn-in milestones were ignored. Exploration expenditure was discounted at a nominal 10% over the earn-in period, to bring future expenditure back to a present value. Future payments contingent on a future milestone such as declaration of a Mineral Resource or decision to mine were ignored.

### 4.4.1 Mineral Resources

CSA Global identified seven transactions involving Brazilian gold mineral resources at a stage deemed similar to the Borborema Project, that occurred within the past five years, and for which sufficient information was available in the public domain to allow meaningful analysis of the transaction. The transactions are listed and analysed in Table B1 (Appendix B).

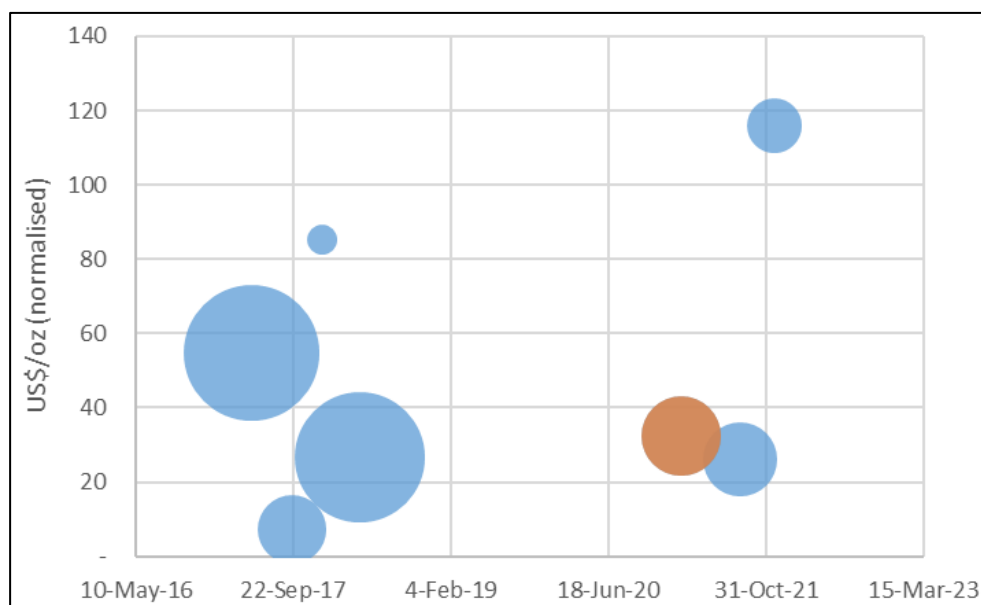
The normalised US\$/oz values were calculated using the spot gold price as of 19 April 2022 (US\$1,953.22).

A summary of the Mineral Resource transactions is presented in Table 27 and Figure 28. These transactions encompass a range of grade, metallurgical performance, and mining scenarios. The use of a weighted average limits the influence of transactions involving small Mineral Resources but does increase the influence of transactions involving larger Mineral Resources. Note that the median value (US\$32.45/oz) represents a corporate transaction involving the Borborema Project, whereby Dundee Corporation acquired a 10.3% interest in Big River from the Copulos Group of Companies in February 2021.

Table 27: Analysis of comparative Mineral Resource transactions (US\$/oz normalised)

	All transactions	Excluding outliers
Number of transactions	7	5
Minimum	7.13	26.13
Maximum	116.02	85.24
Mean	49.76	45.03
Median	32.45	32.45
Geomean	36.56	40.24
Weighted average	40.71	39.24





**Figure 28:** Comparative Brazilian gold mineral resource transactions

*Note: Bubble size proportional to declared Mineral Resource (largest 7.3 Moz, smallest 0.4 Moz). Highlighted transaction is Dundee acquisition of 10.3% interest in BRV.*

Based on this analysis, CSA Global selected a preferred valuation factor of US\$40/oz, a low valuation factor of US\$20/oz and a high valuation factor of US\$60/oz.

The preferred valuation factor was rounded from the weighted average and the geometric mean when the high and the low outliers were excluded. This was similar to the weighted average for all transactions.

The low and the high valuation factors are rounded from the 20<sup>th</sup> and the 80<sup>th</sup> percentile respectively, when the high outlier is excluded.

Applying these valuation factors to the 1.62 Moz of declared Mineral Resource not included in the Borborema mine plan results in the valuation summarised in Table 28.

**Table 28:** Valuation of Borborema Mineral Resources outside of the mine plan, based on Comparative Transactions

Au (koz)	Factor (US\$/oz)			Valuation (US\$ M)		
	Low	Preferred	High	Low	Preferred	High
1,620	20	40	60	32.4	64.8	97.2

*Note: The valuations have been compiled to an appropriate level of precision; values may not add up due to rounding.*

#### 4.4.2 Exploration Licences

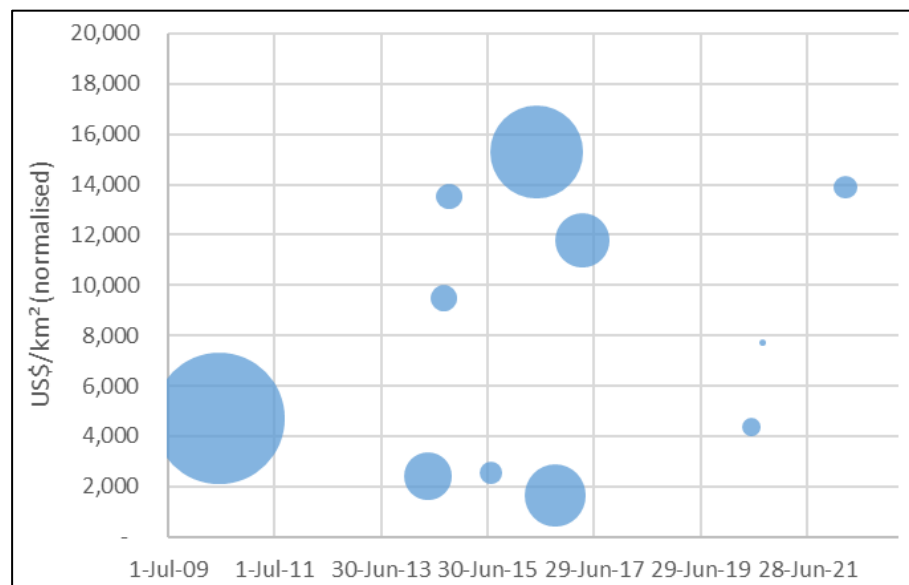
CSA Global identified 13 transactions involving Brazilian gold exploration tenure at a stage deemed similar to the Seridó and Mara Rosa projects, that occurred after January 2010, and for which sufficient information was available in the public domain to allow meaningful analysis of the transaction. The transactions are listed and analysed in Table B2 (Appendix B).

The normalised US\$/oz values were calculated using the spot gold price as of 19 April 2022 (US\$1,953.22).

A summary of the gold exploration tenure transactions is presented in Table 29 and Figure 29. These transactions encompass a range of areal extent, geology, and prospectivity. The use of a weighted average limits the influence of transactions involving areal extents but does increase the influence of transactions involving larger tenure areas.

**Table 29:** Analysis of comparative exploration tenure transactions (US\$/km<sup>2</sup> normalised)

	All transactions	Excluding outliers
Number of transactions	13	11
Minimum	1,657	1,657
Maximum	152,734	15,316
Mean	23,934	7,944
Median	9,500	7,706
Weighted average	9,570	7,574



**Figure 29:** Comparative Brazilian gold exploration tenure transactions (outliers excluded)

Note: Bubble size proportional to area of tenure (largest 3,400 km<sup>2</sup>, smallest 9 km<sup>2</sup>).

Based on this analysis, CSA Global selected a preferred valuation factor of US\$8,000/km<sup>2</sup>, a low valuation factor of US\$4,000/km<sup>2</sup> and a high valuation factor of US\$15,000/km<sup>2</sup>.

The preferred factor is rounded from the mean, median and weighted average, which are all fairly similar when the two high outliers are excluded.

The high valuation factor is rounded from the maximum value when the two high outliers are excluded, and the low valuation factor is rounded from the lowest value transaction within the last five years.

**Table 30:** Valuation of Big River’s Brazilian exploration licences based on Comparative Transactions

Project	Licences	Area (km <sup>2</sup> )	Valuation factors (US\$/km <sup>2</sup> )			Value (US\$ million)		
			Low	Preferred	High	Low	Preferred	High
Mara Rosa	3	27.14	4,000	8,000	15,000	0.1	0.2	0.4
Seridó	31	304.84	4,000	8,000	15,000	1.2	2.4	4.6
<b>Total</b>	<b>34</b>	<b>331.98</b>				<b>1.3</b>	<b>2.7</b>	<b>5.0</b>

Note: The valuations have been compiled to an appropriate level of precision; values may not add up due to rounding.

## 4.5 Yardstick Order of Magnitude Crosscheck

CSA Global used the Yardstick method as an order of magnitude check on the Borborema Mineral Resources outside of the mine plan valuation completed using comparable transactions. The Yardstick order of magnitude check is simplistic (e.g. it is very generalised and does not address project specific value drivers but takes an “industry-wide” view). It provides a non-corroborative valuation check on the primary comparative transactions’ valuation method, allowing CSA Global to assess the reasonableness of the derived comparative transactions valuation and whether there are any potential issues with the preferred primary valuation method.

For the Yardstick order of magnitude check, CSA Global used the spot price for gold as of 19 April 2022 of US\$1,953.22/oz.

In addition, CSA Global utilised the following commonly used Yardstick factors:

- Inferred Mineral Resources: 0.5% to 1% of spot price
- Indicated Mineral Resources: 1% to 2% of spot price
- Measured Mineral Resources: 2% to 5% of spot price.

The spot price for gold as of 19 April 2022 used for the Yardstick order of magnitude check was consistent with that used for the evaluation of Comparative Transactions data so that the results could be compared.

A summary of the Yardstick order of magnitude crosscheck valuation based on the yardstick factors above, resulted in the valuation ranges and preferred values for the Mineral Resources outside the mine plan in Table 31.

Table 31: Crosscheck order of magnitude valuation of Borborema Mineral Resources outside of the mine plan

Resource classification	Au (koz)	Valuation (US\$ M)		
		Low	Preferred	High
Measured	20.0	0.8	1.4	2.0
Indicated	1,036.0	20.2	30.3	40.5
Inferred	564.0	5.5	8.3	11.0
<b>Total</b>	<b>1,620.0</b>	<b>26.5</b>	<b>40.0</b>	<b>53.4</b>

Note: The valuations have been compiled to an appropriate level of precision; values may not add up due to rounding.

CSA Global note the overlap in valuation ranges seen in the Comparative Transactions method and the Yardstick crosscheck, indicating that the valuation range derived from the primary valuation method is reasonable.

## 4.6 Valuation Opinion

CSA Global has valued the Borborema Mineral Resources outside of the mine plan, as well as Big River's Brazilian exploration licences.

CSA Global's opinion on the likely market value of Big River's Brazilian mineral assets outside of the Borborema mine plan, as of 19 April 2022, is summarised in Table 32 and illustrated in Figure 30 and Figure 31.

Table 32: Valuation of Big River's mineral assets outside of the Borborema mine plan as of 19 April 2022

	Low (US\$ M)	Preferred (US\$ M)	High (US\$ M)
Borborema Resources outside of mine plan	40	55	70
Serido and Mara Rosa exploration licences	1.3	2.7	4.0

Note: The valuations have been compiled to an appropriate level of precision; values may not add up due to rounding.

It is stressed that the valuation is an opinion as to likely values, not absolute values, which can only be tested by going to the market.

In forming an opinion on the market value of the Borborema Mineral Resources not included in the mine plan, CSA Global has considered valuations derived from the Comparable Transactions as a primary method and the Yardstick order of magnitude as a crosscheck method (Figure 30).

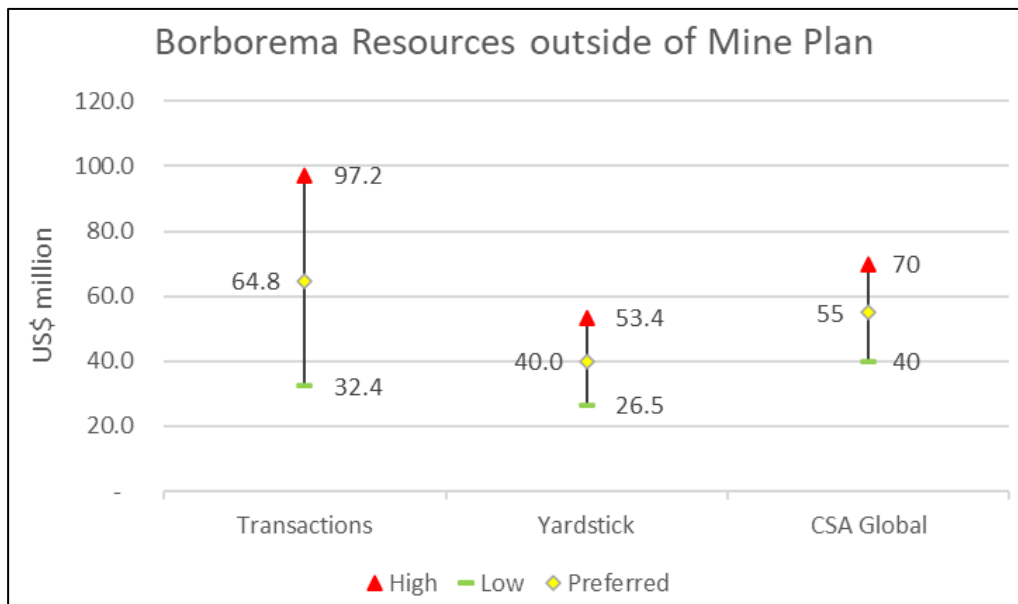


Figure 30: Borborema Mineral Resources outside of mine plan

CSA Global has selected a preferred value of US\$55 million, based primarily on the Comparative Transactions method, but also informed by the upper end of the Yardstick crosscheck. CSA Global then applied a range of 27% above and below the preferred value, to derive a reasonable valuation range. The range of approximately 30% above and below the preferred value represents CSA Global’s view on an appropriate valuation range for a mineral asset at this stage.

The secondary valuation by the Yardstick order of magnitude check determined that the Comparative Transactions valuation was reasonable, with the significant overlap supporting the order of magnitude of the primary method.

In forming an opinion on the market value of Big River’s Brazilian exploration licences, CSA Global has considered valuations derived from the Comparative Transactions as a primary valuation method (Figure 31).

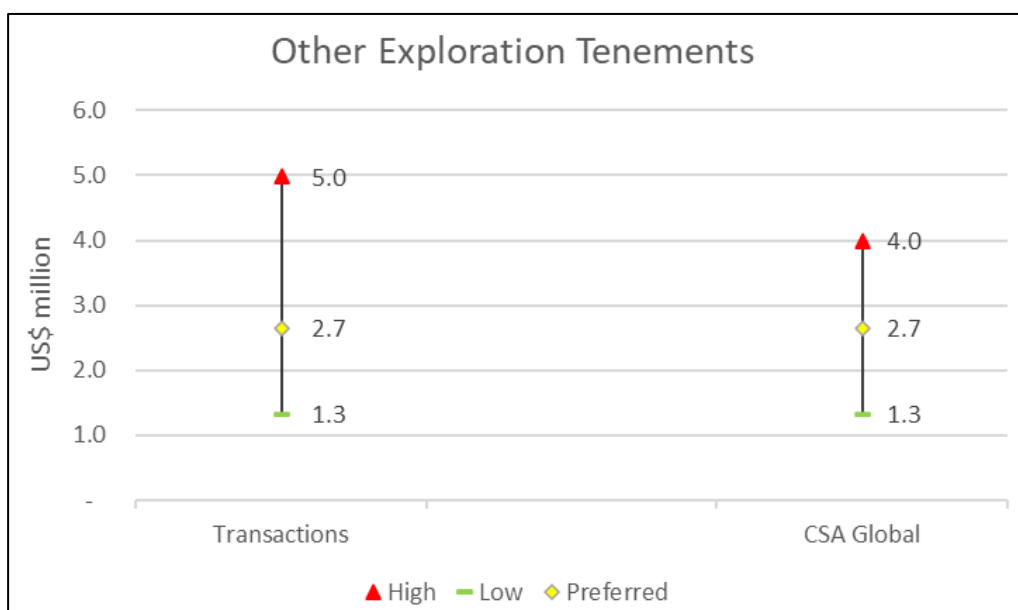


Figure 31: Borborema, other exploration tenements

CSA Global has not conducted a secondary check valuation on the exploration ground value, as there is inadequate information of sufficient quality to estimate a reliable Brazilian base acquisition cost (BAC) to carry out a Kilburn valuation. Additionally, the minimal expenditure by the Company to date on exploration for these tenements would make an expenditure-based approach unsuitable. As the value of the exploration



tenements is much lower than the value of the mineral resources both in and outside the mine plan, CSA Global consider that one robust primary valuation method for the exploration tenure is sufficient.

CSA Global has selected a preferred value of US\$2.7 million based on the Comparative Transactions and has applied a range of 50% above and below the preferred value to derive a reasonable valuation range. The range of approximately 50% above and below the preferred value represents CSA Global’s view on an appropriate valuation range for a mineral asset at this stage.

## 5 References

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## 6 Glossary

Below are brief descriptions of some terms used in this report. For further information or for terms that are not described here, please refer to internet sources such as Wikipedia ([www.wikipedia.org](http://www.wikipedia.org)).

The following entries are taken from the VALMIN Code.

**Annual Report** means a document published by public corporations on a yearly basis to provide shareholders, the public and the government with financial data, a summary of ownership and the accounting practices used to prepare the report.

**Australasian** means Australia, New Zealand, Papua New Guinea, and their offshore territories.

**Code of Ethics** means the Code of Ethics of the relevant Professional Organisation or Recognised Professional Organisations.

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

**Experts** are persons defined in the Corporations Act whose profession or reputation gives authority to a statement made by him or her in relation to a matter. A Practitioner may be an Expert. Also see Clause 2.1.

**Exploration Results** is defined in the current version of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Refer to <http://www.jorc.org> for further information.

**Feasibility Study** means a comprehensive technical and economic study of the selected development option for a mineral project that includes appropriately detailed assessments of applicable Modifying Factors together with any other relevant operational factors and detailed financial analysis that are necessary to demonstrate at the time of reporting that extraction is reasonably justified (economically mineable). The results of the study may reasonably serve as the basis for a final decision by a proponent or financial institution to proceed with, or finance, the development of the project. The confidence level of the study will be higher than that of a Prefeasibility Study.

**Financial Reporting Standards** means Australian statements of generally accepted accounting practice in the relevant jurisdiction in accordance with the Australian Accounting Standards Board (AASB) and the Corporations Act.

**Information Memoranda** means documents used in financing of projects detailing the project and financing arrangements.

**Investment Value** means the benefit of an asset to the owner or prospective owner for individual investment or operational objectives.

**Life-of-Mine Plan** means a design and costing study of an existing or proposed mining operation where all Modifying Factors have been considered in sufficient detail to demonstrate at the time of reporting that extraction is reasonably justified. Such a study should be inclusive of all development and mining activities proposed through to the effective closure of the existing or proposed mining operation.

**Member** means a person who has been accepted and entitled to the post-nominals associated with the AIG or the AusIMM or both. Alternatively, it may be a person who is a member of a Recognised Professional Organisation included in a list promulgated from time to time.

**Mineable** means those parts of the mineralised body, both economic and uneconomic, that are extracted or to be extracted during the normal course of mining.

**Mine Design** means a framework of mining components and processes taking into account mining methods, access to the Mineralisation, personnel, material handling, ventilation, water, power and other technical requirements spanning commissioning, operation and closure so that mine planning can be undertaken.

**Mine Planning** includes production planning, scheduling and economic studies within the Mine Design taking into account geological structures and mineralisation, associated infrastructure and constraints, and other relevant aspects that span commissioning, operation and closure.

**Mineral** means any naturally occurring material found in or on the Earth’s crust that is either useful to or has a value placed on it by humankind, or both. This excludes hydrocarbons, which are classified as Petroleum.

**Mineralisation** means any single mineral or combination of minerals occurring in a mass, or deposit, of economic interest. The term is intended to cover all forms in which mineralisation might occur, whether by class of deposit, mode of occurrence, genesis or composition.

**Mineral Project** means any exploration, development or production activity, including a royalty or similar interest in these activities, in respect of Minerals.

**Mineral Securities** means those Securities issued by a body corporate or an unincorporated body whose business includes exploration, development or extraction and processing of Minerals.

**Mineral Resources** is defined in the current version of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Refer to <http://www.jorc.org> for further information.

**Mining** means all activities related to extraction of Minerals by any method (e.g. quarries, open cast, open cut, solution mining, dredging etc).

**Mining Industry** means the business of exploring for, extracting, processing, and marketing Minerals.

**Modifying Factors** is defined in the current version of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Refer to <http://www.jorc.org> for further information.

**Ore Reserves** is defined in the current version of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Refer to <http://www.jorc.org> for further information.

**Panel** (capitalised P) is a term used to describe a unit of volume (or area) within a resource model that comprises a multiple of selective mining units (SMUs).

**Petroleum** means any naturally occurring hydrocarbon in a gaseous or liquid state, including coal-based methane, tar sands and oil-shale.

**Petroleum Resource and Petroleum Reserve** are defined in the current version of the Petroleum Resources Management System (PRMS) published by the Society of Petroleum Engineers, the American Association of Petroleum Geologists, the World Petroleum Council and the Society of Petroleum Evaluation Engineers. Refer to <http://www.spe.org> for further information.

**Preliminary Feasibility Study (Preliminary Study)** means a comprehensive study of a range of options for the technical and economic viability of a mineral project that has advanced to a stage where a preferred mining method, in the case of underground mining, or the pit configuration, in the case of an open pit, is established and an effective method of mineral processing is determined. It includes a financial analysis based on reasonable assumptions on the Modifying Factors and the evaluation of any other relevant factors that are sufficient for a Competent Person, acting reasonably, to determine if all or part of the Mineral Resources may be converted to an Ore Reserve at the time of reporting. A Preliminary Feasibility Study is at a lower confidence level than a Feasibility Study.

**Professional Organisation** means a self-regulating body, such as one of engineers or geoscientists or of both, that:

- a) admits members primarily on the basis of their academic qualifications and professional experience
- b) requires compliance with professional standards of expertise and behaviour according to a Code of Ethics established by the organisation
- c) has enforceable disciplinary powers, including that of suspension or expulsion of a member, should its Code of Ethics be breached.

**Public Presentation** means the process of presenting a topic or project to a public audience. It may include, but not be limited to, a demonstration, lecture or speech meant to inform, persuade or build good will.

**Quarterly Report** means a document published by public corporations on a quarterly basis to provide shareholders, the public and the government with financial data, a summary of ownership and the accounting practices used to prepare the report.

**Royalty or Royalty Interest** means the amount of benefit accruing to the royalty owner from the royalty share of production.

**Scoping Study** means an order of magnitude technical and economic study of the potential viability of Mineral Resources. It includes appropriate assessments of realistically assumed Modifying Factors together with any other relevant operational factors that are necessary to demonstrate at the time of reporting that progress to a Preliminary Feasibility Study can be reasonably justified.



**Selective Mining Unit (SMU)** is a defined volume within a Mineral Resource estimate block model that is the smallest volume which is likely to be individually defined (selected) as ore/waste at the time of mining.

**Status** in relation to Tenure means an assessment of the security of title to the Tenure.

**Vendor Consideration Opinion** means a Public Report involving a Valuation and expressing an opinion on the fairness of the consideration paid or benefit given to a vendor, promoter or provider of seed capital.

**Code Principles** means the fundamental principles of the VALMIN Code, which are Competence, Materiality and Transparency.

**Commissioning Entity** is the organisation, company or person that commissions a Public Report.

**Competence** or being Competent requires that the Public Report is based on work that is the responsibility of suitably qualified and experienced persons who are subject to an enforceable professional Code of Ethics. Also see Clause 3.2 for guidance on Competence.

**Effective Date** means the date upon which the Technical Assessment or Valuation is considered to take effect. This may be different from the Valuation Date or the date upon which an event (such as preparation, transaction or site visit) actually occurred or is recorded.

**Independence** or being Independent requires that there is no present or contingent interest in the Assets, nor is there any association with the Commissioning Entity or related parties that is likely to lead to bias. Also see Clause 0 for guidance on Independence.

**Independent Expert Report** means a Public Report as may be required by the Corporations Act, the Listing Rules of the ASX or other security exchanges prepared by a Practitioner who is acknowledged as being independent of the Commissioning Entity. Also see ASIC Regulatory Guides RG 111 and RG 112 as well as Clause 5.5 of the VALMIN Code for guidance on Independent Expert Reports.

**Market Value** means the estimated amount of money (or the cash equivalent of some other consideration) for which the Mineral Asset should exchange on the date of Valuation between a willing buyer and a willing seller in an arm's length transaction after appropriate marketing wherein the parties each acted knowledgeably, prudently and without compulsion. Also see Clause 8.1 for guidance on Market Value.

**Materiality** or being **Material** requires that a Public Report contains all the relevant information that investors and their professional advisors would reasonably require, and reasonably expect to find in the report, for the purpose of making a reasoned and balanced judgement regarding the Technical Assessment or Mineral Asset Valuation being reported. Where relevant information is not supplied, an explanation must be provided to justify its exclusion. Also see Clause 3.2 for guidance on what is Material.

**Mineral Asset** means all property including (but not limited to) tangible property, intellectual property, mining and exploration Tenure and other rights held or acquired in connection with the exploration, development of and production from those Tenures. This may include the plant, equipment and infrastructure owned or acquired for the development, extraction and processing of Minerals in connection with that Tenure.

Most Mineral Assets can be classified as either:

- a) Early-stage Exploration Projects – Tenure holdings where mineralisation may or may not have been identified, but where Mineral Resources have not been identified.
- b) Advanced Exploration Projects – Tenure holdings where considerable exploration has been undertaken and specific targets identified that warrant further detailed evaluation, usually by drill testing, trenching or some other form of detailed geological sampling. A Mineral Resource estimate may or may not have been made, but sufficient work will have been undertaken on at least one prospect to provide both a good understanding of the type of mineralisation present and encouragement that further work will elevate one or more of the prospects to the Mineral Resources category.
- c) Pre-Development Projects – Tenure holdings where Mineral Resources have been identified and their extent estimated (possibly incompletely), but where a decision to proceed with development has not been made. Properties at the early assessment stage, properties for which a decision has been made not to proceed with development, properties on care and maintenance and properties held on retention titles are included in this category if Mineral Resources have been identified, even if no further work is being undertaken.
- d) Development Projects – Tenure holdings for which a decision has been made to proceed with construction or production or both, but which are not yet commissioned or operating at design levels. Economic viability of Development Projects will be proven by at least a Prefeasibility Study.

e) Production Projects – Tenure holdings – particularly mines, wellfields and processing plants – that have been commissioned and are in production.

**Practitioner** is an Expert as defined in the Corporations Act, who prepares a Public Report on a Technical Assessment or Valuation Report for Mineral Assets. This collective term includes Specialists and Securities Experts. Also see Clause 2 for guidance on Practitioners.

**Production Target** means a projection or forecast of the amount of Minerals to be extracted from particular Tenure for a period that extends past the current year and the forthcoming year.

**Public Report** means a report prepared for the purpose of informing investors or potential investors and their advisers when making investment decisions, or to satisfy regulatory requirements. It includes, but is not limited to, Annual Reports, Quarterly Reports, press releases, Information Memoranda, Technical Assessment Reports, Valuation Reports, Independent Expert Reports, website postings and Public Presentations. Also see Clause 5 for guidance on Public Reports.

**Reasonableness** implies that an assessment which is impartial, rational, realistic and logical in its treatment of the inputs to a Valuation or Technical Assessment has been used, to the extent that another Practitioner with the same information would make a similar Technical Assessment or Valuation. Also see Clause 4.1 for guidance on Reasonableness and Reasonableness Test.

**Reasonable Grounds Requirement** has the meaning referred to in sections of the Corporations Act and sections of the Australian Securities and Investments Commission Act 2001 that require statements about future matters to be based on reasonable grounds (as of the date of making the statement) or else they will be taken to be misleading.

**Reasonableness Test** is defined in clause 4.1(b).

**Recognised Professional Organisation** means any professional organisation listed on the VALMIN website as a Recognised Professional Organisation (refer to [www.valmin.org/competent.asp](http://www.valmin.org/competent.asp))

**Representative Specialists** are persons who are the nominated representative(s) of a legally constituted body, and who supervise the preparation of a Public Report and accept responsibility for it on behalf of that body. Representative Specialists are Specialists.

**Securities** has the meaning as defined in the Corporations Act.

**Securities Expert** are persons whose profession, reputation or experience provides them with the authority to assess or value Securities in compliance with the requirements of the Corporations Act, ASIC Regulatory Guides and ASX Listing Rules.

**Specialists** are persons whose profession, reputation or relevant industry experience in a technical discipline (such as geology, mine engineering or metallurgy) provides them with the authority to assess or value Mineral Assets.

**Specialist Report** is defined in Clause 5.5.

**Technical Assessment** is an evaluation prepared by a Specialist of the technical aspects of a Mineral Asset. Depending on the development status of the Mineral Asset, a Technical Assessment may include the review of geology, mining methods, metallurgical processes and recoveries, provision of infrastructure and environmental aspects.

**Technical Assessment Report** involves the Technical Assessment of elements that may affect the economic benefit of a Mineral Asset.

**Technical Value** is an assessment of a Mineral Asset’s future net economic benefit at the Valuation Date under a set of assumptions deemed most appropriate by a Practitioner, excluding any premium or discount to account for market considerations.

**Tenure** is any form of title, right, licence, permit or lease granted by the responsible government in accordance with its mining legislation that confers on the holder certain rights to explore for and/or extract agreed minerals that may be (or is known to be) contained. Tenure can include third-party ownership of the Minerals (for example, a royalty stream). Tenure and Title have the same connotation as Tenement.

**Transparency** or being **Transparent** requires that the reader of a Public Report is provided with sufficient information, the presentation of which is clear and unambiguous, to understand the report and not be misled by this information or by omission of Material information that is known to the Practitioner.

**Valuation** is the process of determining the monetary Value of a Mineral Asset at a set Valuation Date.

**Valuation Approach** means a grouping of valuation methods for which there is a common underlying rationale or basis.

**Valuation Date** means the reference date on which the monetary amount of a Valuation in real (dollars of the day) terms is current. This date could be different from the dates of finalisation of the Public Report or the cut-off date of available data. The Valuation Date and date of finalisation of the Public Report must not be more than 12 months apart.

**Valuation Methods** means a subset of Valuation Approaches and may represent variations on a common rationale or basis.

**Valuation Report** expresses an opinion as to monetary Value of a Mineral Asset but specifically excludes commentary on the value of any related Securities.

**Value** means the Market Value of a Mineral Asset. See definition of Market Value.

## 7 Abbreviations and Units of Measurement

°	degrees
°C	degrees Celsius
A\$	Australian dollars
AIG	Australian Institute of Geoscientists
AISC	All-In Sustaining Costs
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange
Au	gold
AusIMM	Australasian Institute of Mining and Metallurgy
BAC	base acquisition cost
BFS	bankable feasibility study
Big River	Big River Gold Limited
Caraiba	Mineração Caraiba Ltda
Cascar	Cascar Brasil Mineração Ltda
CIL	carbon-in-leach
CIP	carbon-in-pulp
CSA Global	CSA Global Pty Ltd
DCF	discounted cash flow
DFS	definitive feasibility study
ECE	Engineering Cost Estimate
EIA	environmental impact study
G&A	general and administration
g/t	grams per tonne
GRES	GR Engineering Services
IER	Independent Experts Report
IP	induced polarisation
IRR	internal rate of return
Itaperiba	Itaperiba Mármore e Granitos Ltda
ITSR	Independent Technical Specialists’ Report
km	kilometres
km <sup>2</sup>	square kilometres
koz	thousand ounces
kV	kilovolts
kW	kilowatts
kWh	kilowatt hours
m	metre(s)
M	million(s)

Metasa	Metais do Seridó Ltda
MGP	Mineração Agropecuaria Ltd
MIK	multiple indicator kriging
MMF	monthly management fee
Moz	million ounces
Mt	million tonnes
Mtpa	million tonnes per annum
NPV	net present value
oz	ounce(s)
QAQC	quality assurance and quality control (for sampling and assaying)
RC	reverse circulation percussion
RSM	RSM Australia Pty Ltd
SABC	semi-autogenous grinding and ball milling comminution circuit
SAG	semi-autogenous grinding
Santa Elina	Mineração Santa Elina Industrie e Comercio S/A
Silvrex	Silvrex Limited
SMU	selective mining unit(s)
t	tonne(s)
Tetra Tech	Tetra Tech Mining and Minerals Brazil
tpa	tonnes per annum
tph	tonnes per hour
TSX	Toronto Stock Exchange
US\$	US dollars
Xapetuba	Mineração Xapetuba Ltda

## Appendix A Valuation Approaches

Valuation of Mineral Assets is not an exact science; and a number of approaches are possible, each with varying strengths and shortcomings. Whilst valuation is a subjective exercise, there are a number of generally accepted methods for ascertaining the value of Mineral Assets. CSA Global consider that, wherever possible, inputs from a range of methods should be assessed to inform the conclusions about the Market Value of Mineral Assets.

The valuation opinion is always presented as a range, with the preferred value identified. The preferred value need not be the median value and is determined by the Practitioner based on their experience and professional judgement.

### Background

Mineral Assets are defined in the VALMIN Code<sup>5</sup> as all property including (but not limited to) tangible property, intellectual property, mining and exploration Tenure and other rights held or acquired in connection with the exploration, development of and production from those Tenures. This may include the plant, equipment and infrastructure owned or acquired for the development, extraction and processing of Minerals in connection with that Tenure.

Business valuers typically define market value as “The price that would be negotiated in an open and unrestricted market between a knowledgeable, willing, but not anxious buyer, and a knowledgeable, willing but not anxious seller acting at arm’s length.” The accounting criterion for a market valuation is that it is an assessment of “fair value”, which is defined in the accounting standards as “the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm’s length transaction.” The VALMIN Code defines the value of a Mineral Asset as its Market Value, which is “the estimated amount (or the cash equivalent of some other consideration) for which the Mineral Asset should exchange on the date of Valuation between a willing buyer and a willing seller in an arm’s length transaction after appropriate marketing where the parties had each acted knowledgeably, prudently and without compulsion”.

Market Value usually consists of two components, the underlying or Technical Value, and a premium or discount relating to market, strategic or other considerations. The VALMIN Code recommends that a preferred or most-likely value be selected as the most likely figure within a range after considering those factors which might impact on Value.

The concept of Market Value hinges upon the notion of an asset changing hands in an arm’s length transaction. Market Value must therefore consider, inter alia, market considerations, which can only be determined by reference to “comparable transactions”. Generally, truly comparable transactions for Mineral Assets are difficult to identify due to the infrequency of transactions involving producing assets and/or Mineral Resources, the great diversity of mineral exploration properties, the stage to which their evaluation has progressed, perceptions of prospectivity, tenement types, the commodity involved and so on.

For exploration tenements, the notion of value is very often based on considerations unrelated to the amount of cash which might change hands in the event of an outright sale, and in fact, for majority of the tenements being valued, there is unlikely to be any “cash equivalent of some other consideration”. Whilst acknowledging these limitations, CSA Global identifies what it considers to be “comparative transactions” (i.e. transactions that are useful to consider) to be used in assessing the values to be attributed to Mineral Assets.

### Valuation Methods for Mineral Assets

The choice of valuation methodology applied to Mineral Assets, including exploration licences, will depend on the amount of data available and the reliability of that data.

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<sup>5</sup> *Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets (The VALMIN Code) 2015 Edition*. Prepared by the VALMIN Committee, a joint committee of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists.

The VALMIN Code classifies Mineral Assets into categories that represent a spectrum from areas in which mineralisation may or may not have been found through to Operating Mines which have well-defined Ore Reserves, as listed below:

- **“Early-stage Exploration Projects”** – Tenure holdings where mineralisation may or may not have been identified, but where Mineral Resources have not been identified.
- **“Advanced Exploration Projects”** – Tenure holdings where considerable exploration has been undertaken and specific targets identified that warrant further detailed evaluation, usually by drill testing, trenching or some other form of detailed geological sampling. A Mineral Resource (as defined in the JORC<sup>6</sup> Code) estimate may or may not have been made but sufficient work will have been undertaken on at least one prospect to provide both a good understanding of the type of mineralisation present and encouragement that further work will elevate one or more of the prospects to the Mineral Resources category.
- **“Pre-Development Projects”** – Tenure holdings where Mineral Resources have been identified and their extent estimated (possibly incompletely) but where a decision to proceed with development has not been made. Properties at the early assessment stage, properties for which a decision has been made not to proceed with development, properties on care and maintenance and properties held on retention titles are included in this category if Mineral Resources have been identified, even if no further work is being undertaken.
- **“Development Projects”** – Tenure holdings for which a decision has been made to proceed with construction or production or both, but which are not yet commissioned or operating at design levels. Economic viability of Development Projects will be proven by at least a Prefeasibility Study.
- **“Production Projects”** – Tenure holdings – particularly mines, wellfields and processing plants – that have been commissioned and are in production.

Each of these different categories will require different valuation methodologies, but regardless of the technique employed, consideration must be given to the perceived “market valuation”.

The Market Value of Exploration Properties and Undeveloped Mineral Resources can be determined by the following general approaches: Income, Market and Cost (Table A1). The Market Value of Development and Production Projects are best assessed using the Market and Income approaches, whereas the Market Value of Exploration projects are best assessed using the Market and Cost approaches.

Table A1: Valuation approaches for different types of mineral properties (VALMIN, 2015)

Valuation approach	Exploration properties	Mineral Resource properties	Development properties	Production properties
Income	No	In some cases	Yes	Yes
Market	Yes	Yes	Yes	Yes
Cost	Yes	In some cases	No	No

## Income

### *The Discounted Cash Flow (DCF) /Net Present Value (NPV) Method*

The DCF valuation method recognises the time value of money, it is most suitable for Development Projects, where detailed studies have been completed to justify input assumptions and Production Projects, where there is actual historical data to justify input assumptions. Less commonly the DCF methodology is applied to Pre-Development Projects.

<sup>6</sup> Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code) 2012 Edition. Prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia (JORC).

The DCF valuation method provides a means of relating the magnitude of expected future cash profits to the magnitude of the initial cash investment required to purchase a mineral asset or to develop it for commercial production. The DCF valuation method determines:

- The NPV of a stream of expected future cash revenues and costs
- The internal rate of return (IRR) that the expected cash flows will yield on a given cash investment.

The DCF valuation method is a forward-looking methodology, requiring that forecasts be made of technical and economic conditions which will prevail in the future. All future predictions are inherently uncertain. The level of uncertainty reduces as the quality of the data available to project future rates of production and future costs, increases.

It is important to understand certain fundamental attributes of the mining industry in undertaking a DCF such as:

- An Ore Reserve and in some cases Mineral Resource is the basis of any mineral development.
- Costs are determined by the number of tonnes mined and processed, while revenues are determined by the number of tonnes, pounds or ounces of metal produced. The two are related by the recovered grade of the ore.
- Profit is typically more sensitive to changes in revenue than to changes in costs.
- The commodity price is a principal determinant of revenue but is also the factor with the greatest level of financial risk.

The most significant factors, which must be considered in a DCF valuation of a mineral asset is the reliability of the Mineral Resource and Ore Reserve, particularly with respect to recovered grade, the price at which the product is sold and the risk of not maintaining the projected level of commodity price.

Key inputs into the DCF valuation method for a mineral asset valuation are:

- Life-of-mine planning assumptions.
- Capital cost estimates – can be the initial cost of constructing the project and/or the ongoing cost of sustaining the productive life of the operation.
- Operating cost estimates - costs incurred both on-site in producing the commodity which is shipped from the property, and off site, in the transportation and downstream processing of that commodity into saleable end products.
- Revenue estimates – revenue in the mining context is the product of the following factors:
  - The tonnage of ore mined and processed
  - The grade of the ore
  - The metallurgical recovery
  - The price of the saleable commodity.
- Taxation and royalty payments.
- Discount rate – represents the risk adjusted rate of interest expected to be yielded by an investment in the mineral asset.

The Income Approach is not appropriate for properties without Mineral Resources. It should be employed only where enough reliable data are available to provide realistic inputs to a financial model, preferably based on studies at or exceeding a prefeasibility level.

## Market

### *Comparative Transaction Method*

The Comparative Transactions Method looks at prior transactions for the property and recent arm's length transactions for comparative properties.



The Comparative Transaction method provides a useful guide where a mineral asset that is generally comparable in location and commodity has in the recent past been the subject of an “arm’s length” transaction, for either cash or shares.

For the market approach resources are not generally subdivided into their constituent JORC Code categories. The total endowment or consolidated in situ resources are what drives the derivation of value. Each transaction implicitly captures the specific permutation of resource categories in a project. There are too many project specific factors at play to allow any more than a consideration of price paid versus total resource base. Therefore, considering individual project resource permutations is neither practicable nor useful for this valuation approach. To that end CSA Global’s discussion of the market approach is predicated on the consolidated resource base, to allow application of the method.

Where a progressively increasing interest is to be earned in stages, it is likely that a commitment to the second or subsequent stages of expenditure will be so heavily contingent upon the results achieved during the earlier phases of exploration that assigning a probability to the subsequent stages proceeding will in most cases be meaningless. A commitment to a minimum level of expenditure before an incoming party can withdraw must reflect that party’s perception of minimum value and should not be discounted. Similarly, any up-front cash payments should not be discounted.

The terms of a sale or joint venture agreement should reflect the agreed value of the tenements at the time, irrespective of transactions or historical exploration expenditure prior to that date. Hence the current Value of a tenement or tenements will be the Value implied from the terms of the most recent transaction involving it/them, plus any change in Value as a result of subsequent exploration.

High quality Mineral Assets are likely to trade at a premium over the general market. On the other hand, exploration tenements that have no defined attributes apart from interesting geology or a “good address” may well trade at a discount to the general market. Market Values for exploration tenements may also be impacted by the size of the land holding, with a large, consolidated holding in an area with good exploration potential attracting a premium due to its appeal to large companies.

### *Yardstick*

The Rule-of-Thumb (Yardstick) method is relevant to exploration properties where some data on tonnage and grade exist, and these properties may be valued by methods that employ the concept of an arbitrarily ascribed current in situ net value to any Ore Reserves (or Mineral Resources) outlined within the tenement (Lawrence 2001, 2012).

Rules-of-Thumb (Yardstick) methods are commonly used where a Mineral Resource remains in the Inferred category and available technical/economic information is limited. This approach ascribes a heavily discounted in situ value to the Resources, based upon a subjective estimate of the future profit or net value (say per tonne of ore) to derive a rule-of-thumb.

This Yardstick multiplier factor applied to the Resources delineated (depending upon category) varies depending on the commodity. Typically, a range from 0.4% to 3% of the current spot price is used for base metals and platinum group metals, whereas for gold and diamonds a range of 2% to 5% of the current spot price is used, and typically much lower factors are applied for bulk commodities. The method estimates the in situ gross metal content value of the mineralisation delineated (using the spot metal price and appropriate metal equivalents for polymetallic mineralisation as at the valuation date).

The chosen percentage is based upon the valuer’s risk assessment of the assigned Mineral Resource category, the commodity’s likely extraction and treatment costs, availability/proximity of transport and other infrastructure (particularly a suitable processing facility), physiography and maturity of the mineral field, as well as the depth of the potential mining operation.

This method is best used as a non-corroborative check on the order of magnitude of values derived using other valuation methods that are likely to better reflect project-specific criteria.

## Cost

Appraised Value or Exploration Expenditure method considers the costs and results of historical exploration.

The Appraised Value method is based on the premise that the real value of an exploration property lies in its potential for the existence and discovery of an economic mineral deposit (Roscoe, 2002). It utilises a Multiple of Exploration Expenditure (MEE), which involves the allocation of a premium or discount to past relevant and effective expenditure using the Prospectivity Enhancement Multiplier (PEM). This involves a factor which is directly related to the success (or failure) of the exploration completed to date, during the life of the current tenements.

Guidelines for the selection of a PEM factor have been proposed by several authors in the field of mineral asset valuation (Onley, 1994). Table A2 lists the PEM factors and criteria used in this report.

*Table A2: PEM factors*

PEM range	Criteria
0.2-0.5	Exploration (past and present) has downgraded the tenement prospectivity, no mineralisation identified
0.5-1.0	Exploration potential has been maintained (rather than enhanced) by past and present activity from regional mapping
1.0-1.3	Exploration has maintained, or slightly enhanced (but not downgraded) the prospectivity
1.3-1.5	Exploration has considerably increased the prospectivity (geological mapping, geochemical or geophysical activities)
1.5-2.0	Scout drilling (rotary air blast, aircore, reverse circulation percussion) has identified interesting intersections of mineralisation
2.0-2.5	Detailed drilling has defined targets with potential economic interest
2.5-3.0	A Mineral Resource has been estimated at Inferred JORC category, no concept or scoping study has been completed
3.0-4.0	Indicated Mineral Resources have been estimated that are likely to form the basis of a Prefeasibility Study
4.0-5.0	Indicated and Measured Resources have been estimated and economic parameters are available for assessment

## Geoscience Factors

The Geoscience Factor (or Kilburn) method (GFM), as described by Kilburn (1990), provides an approach for the technical valuation of the exploration potential of mineral properties, on which there are no defined resources. It seeks to rank and weight geological aspects, including proximity to mines, deposits and the significance of the camp and the commodity sought.

Valuation is based upon a calculation in which the geological prospectivity, commodity markets, and mineral property markets are assessed independently. The GFM is essentially a technique to define a Value based upon geological prospectivity. The method appraises a variety of mineral property characteristics:

- Location with respect to any off-property mineral occurrence of value, or favourable geological, geochemical or geophysical anomalies
- Location and nature of any mineralisation, geochemical, geological or geophysical anomaly within the property and the tenor of any mineralisation known to exist on the property being valued
- Number and relative position of anomalies on the property being valued
- Geological models appropriate to the property being valued.

The GFM systematically assesses and grades these four key technical attributes of a tenement to arrive at a series of multiplier factors (Table A3).

Table A3: Geoscientific Factor Ranking

Rating	Address/Off-property factor	On-property factor	Anomaly factor	Geological factor
0.5	Very little chance of mineralisation; Concept unsuitable to the environment	Very little chance of mineralisation; Concept unsuitable to the environment	Extensive previous exploration with poor results	Generally unfavourable lithology; No alteration of interest
1	Exploration model support; Indications of prospectivity; Concept validated	Exploration model support; Indications of Prospectivity; Concept validated	Extensive previous exploration with encouraging results; Regional targets	Deep cover; Generally favourable lithology/alteration (70%)
1.5	Reconnaissance (rotary air blast/aircore) drilling with some scattered favourable results; Minor workings	Exploratory sampling with encouragement	Several early-stage targets outlined from geochemistry and geophysics	Shallow cover; Generally favourable lithology/alteration 50–60%
2	Several old workings; Significant reverse circulation percussion drilling leading to advanced project	Several old workings; Reconnaissance drilling or reverse circulation drilling with encouraging intersections	Several well-defined targets supported by recon drilling data	Exposed favourable; Lithology/alteration
2.5	Abundant workings; Grid drilling with encouraging results on adjacent sections	Abundant workings; Core drilling after reverse circulation percussion with encouragement	Several well-defined targets with encouraging drilling results	Strongly favourable lithology, alteration
3	Mineral Resource areas defined	Advanced resource definition drilling (early stages)	Several significant sub-economic targets; No indication of “size”	Generally favourable lithology with structures along strike of a major mine; Very prospective geology
3.5	Abundant workings/mines with significant historical production; Adjacent to known mineralisation at Prefeasibility Study stage	Abundant workings/mines with significant historical production; Mineral Resource areas defined	Several significant sub-economic targets; Potential for significant “size”; Early-stage drilling	
4	Along strike or adjacent to Resources at Definitive Feasibility Study stage	Adjacent to known mineralisation at Prefeasibility Study stage	Marginally economic targets of significant “size” advanced drilling	
4.5	Adjacent to development stage project	Along strike or adjacent to Resources at Definitive Feasibility Study stage	Marginal economic targets of significant “size” with well drilled Inferred Resources	
5	Along strike from operating major mine(s)	Adjacent to development stage project	Several significant ore grade co-relatable intersections	

The Geoscience Rating Factor valuation method is a subjective valuation method and different valuation practitioners are likely to derive different on-off property, anomaly, and geological factors, based on their interpretation and understanding of the project. Different descriptions of the rating factors also exist. However, provided the same rating system of factors and descriptions of their values is used, the results from different practitioners should not be dramatically different.

The Basic Acquisition Cost (BAC) is an important input to the GFM. In essence, it is the average cost to acquire and hold an average age tenement in the jurisdiction and it is determined by summing the costs to identify an area of interest, application fees, annual rents and other government costs, work required to facilitate granting (e.g. native title, environmental etc.) and minimum annual statutory expenditures. In other words, the BAC is the total average expenditure per standard unit area (km<sup>2</sup>, hectare, sub-block, etc.) and captures the identification cost and then the application and retention costs. Each factor is then multiplied serially by the BAC to establish the overall technical value of each mineral property. A fifth factor, the market factor, is then multiplied by the technical value to arrive at the fair market value.

The standard references on the method (Kilburn 1990; Goulevitch and Eupene, 1994) do not provide much detail on how the market factor should be ascertained. CSA Global takes the approach of using the implied value range from our selected Comparable Transactions to inform the selection of a GFM market factor. Our presumption is that the comparatives are capturing the market sentiment, so any other valuation method should not be significantly different (order of magnitude).

This is achieved by finding the market factor that produces an average GFM preferred value per unit area for whole project (i.e. total preferred GFM value divided by the total area) that falls within the range of the comparatives implied values per unit area. It is CSA Global’s view that this adequately accounts for global market factors on an empirical basis. For example, if the implied value range is \$100/km<sup>2</sup> to \$2,000/km<sup>2</sup>, then the market factor should give an average GFM preferred value per unit area that falls within that range.

CSA Global generally would select a market factor (rounded to an appropriate number of significant digits) that gives a value closer to the upper end of the range (though this is the valuer’s judgement call). This is because the GFM is a tool that addresses the exploration potential of a project and is best suited to informing the upper end of valuation ranges for a project.

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## Appendix B Comparative Transactions

Table B1: Comparative Brazilian gold mineral resource transactions

Date announced	Project	Gold price (US\$/oz)	State	Seller	Buyer	Equity %	Transaction type	Contained Au (oz)	% M+I MR	Transaction details	Implied US\$/oz	Normalised US\$/oz
29 Nov 2021	Posse	1,786.23	Goiás	Amarillo Gold Corporation	Hochschild Mining PLC	100	Asset	1,201,700	97.5	Pre-production	107.46	116.02
9 Aug 2021	Tocantinzinho	1,729.14	Para	Eldorado Gold Corporation	G Mining Ventures Corp.	100	Asset	2,152,000	95	Pre-production – construction planned	23.23	26.13
5 Feb 2021	Borborema	1,808.24	Rio Grande do Norte	Copulos Group of Companies	Dundee Corporation	10.3	Corporate	2,430,000	77	Feasibility stage	30.05	32.45
20 Apr 2018	Volta Grande	1,338.58	Para	Agnico Eagle Mines Limited	Undisclosed	9.57	Corporate	6,751,000	77	Pre-production – construction planned – stalled by litigation	18.31	26.72
22 Dec 2017	Coringa	1,274.29	Para	Anfield Gold Corp.	Serabi Gold PLC	100	Asset	376,000	52	Feasibility stage	55.61	85.24
18 Sep 2017	CentroGold	1,309.22	Maranhão	Jaguar Mining Inc.	Avanco Resources Limited	100	Asset	1,863,000	64	Scoping Study	4.71	7.13
11 May 2017	Brio Gold Inc.	1,224.45	Cajueiro	Yamana Gold Inc.	Underwriters	23.7	Corporate	7,274,000	65	Operating (Pilar. Riacho dos Machados, Fazenda Brasileiro), Scoping/ Prefeasibility Study (C1 Santa Luz)	33.98	54.63

Table B2: Comparative Brazilian gold exploration tenure transactions

Date announced	Project	State	Gold price (US\$/oz)	Seller	Buyer	Equity (%)	Transaction type	Area (km <sup>2</sup> )	Implied value US\$/km <sup>2</sup>	Normalised US\$/km <sup>2</sup>
15 Mar 2022	Tucuma properties	Para	1,925.05	Soma Gold Corp.	Ero Copper Corp.	100	Asset	104	19,053	13,904
25 Aug 2020	Sao Chico	Para	1,920.86	Lara Exploration Ltd	Serabi Gold plc	100	Asset	9	10,571	7,706
9 Jun 2020	Crepuri	Para	1,718.72	Altamira Gold Corp.	Mineracao do Para Ltda	100	Asset	68	5,509	4,363
22 Aug 2017	Campo Largo	Parana	1,287.32	Mr Sabino Rodrigo de Freitas	Quinto Resources Inc.	15	Joint venture	18	127,037	152,734
6 Apr 2017	Tucano	Amapá	1,252.07	Mineração Vale dos Reis Ltda	Beadell Resources Limited	30	Joint venture	576	10,013	11,796
7 Feb 2017	Faina Goldfields	Goiás	1,234.01	Orinoco Gold Limited	AngloGold Ashanti	70	Joint venture	200	58,817	71,024
5 Oct 2016	Para Exploration Package		1,269.72	Terrative Minerais SA	Centaurus Metals Limited	100	Joint venture	750	1,417	1,657
27 May 2016	Aurizona	Maranhão	1,216.25	Luna Gold Corp	AngloGold Ashanti	70	Joint venture	1,702	13,197	15,316
21 Jul 2015	Faina Area	Goiás	1,107.65	Mineração Goiás Velho	Orinoco Gold Limited	80	Asset	105	1,929	2,531
9 Oct 2014	Exploration Licences	Apui	1,226.75	Raquel Correia da Silva	BBX Minerals Limited	100	Asset	127	9,559	13,520
1 Sep 2014	Eldorado Do Juma	Amazonas	1,286.50	BBX Minerals Limited	Arnaldo Villar Da Silva	75	Asset	143	6,699	9,500
14 May 2014	Juruena and Novo Astro	Mato Grosso and Amapá	1,305.25	Lao Dourado Inc	Crusader Resources Limited	100	Asset	447	1,709	2,404
15 Jun 2010	Iriiri	Mato Grosso and Amapá	1,225.00	Votorantim Metals	Golden Star Resources Ltd	50	Joint venture	3,400	3,434	4,690



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# Appendix 2 – Scheme

# Scheme of Arrangement

Big River Gold Ltd (**BRV**)

Scheme Participants

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# Scheme of Arrangement

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# Scheme of Arrangement

## Details

Parties	BRV and Scheme Participants	
BRV	Name	<b>Big River Gold Ltd</b>
	ACN	106 641 963
	Address	Level 29, 221 St Georges Terrace Perth WA 6000
	Email	Andrew.Richards@bigrivergold.com.au
	Attention	Andrew Richards
	Copy to	Shaun McRobert, MinterEllison  shaun.mcrobert@minterellison.com
<b>Scheme Participants</b>	Each registered holder of BRV Shares as at the Record Date.	
<b>Governing law</b>	Western Australia	

# General terms

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## 1 Definitions and interpretation

### 1.1 Definitions

Unless the contrary intention appears, these meanings apply:

**ASIC** means the Australian Securities & Investments Commission.

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

**ASX Listing Rules** means the listing rules of ASX and any other applicable rules of ASX modified to the extent of any express written waiver by ASX.

**ATO** means the Australian Taxation Office.

**Aura** means Aura Minerals Inc., a company formed in the British Virgin Islands.

**Aura BidCo** means a wholly-owned Subsidiary of Aura nominated by Aura in accordance with clause 2.3 of the Scheme Implementation Deed.

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

**BRV Shareholder** means each person who is registered in the Register of BRV as a holder of BRV Shares.

**Business Day** means a business day as defined in the ASX Listing Rules, provided that such day is not a day on which the banks in Perth, Australia, Miami, United States and Toronto, Canada are authorised or required to close.

**CHESS** means the clearing house electronic sub-register system of share transfers operated by ASX Settlement Pty Ltd.

**Commissioner** means the Commissioner of Taxation of Australia.

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

**Court** means the Supreme Court of Western Australia, or another court of competent jurisdiction under the Corporations Act agreed in writing by BRV and Aura.

**Deed Poll** means the deed poll executed by Aura and JVCo substantially in the form of Annexure B of the Scheme Implementation Deed or as otherwise agreed by Aura and BRV under which each of Aura and JVCo covenants in favour of each Scheme Participant to perform their respective obligations attributed to them under this Scheme.

**Details** means the section of this document headed "Details".

**Effective** means the coming into effect, pursuant to section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) of the Corporations Act in relation to this Scheme, but in any event at no time before an office copy of the order of the Court is lodged with ASIC.

**Effective Date** means the date on which this Scheme becomes Effective.

**Election** means a valid election by the Relevant Shareholder to receive their Scheme Consideration in the form of Scheme Cash Consideration in respect of all the BRV Shares held by the Relevant Shareholder on the Record Date, made in accordance with the terms of the Scheme Implementation Deed.

**Election Form** means a form issued by or on behalf of BRV for the purposes of the Relevant Shareholder making the Election, in a form agreed by BRV and Aura.

**Election Time** means 5.00pm on the Record Date, or such other date as is agreed in writing between BRV and Aura.

**Encumbrance** means any security for the payment of money or performance of obligations, including a mortgage, charge, lien, pledge, trust, power or title retention or flawed deposit arrangement, "security interest" as defined in sections 12(1) or 12(2) of the PPSA, right of first refusal, pre-emptive right, any similar restriction, or any agreement to create any of them or allow them to exist.

**End Date** means the End Date determined in accordance with the Scheme Implementation Deed.

**Governmental Authority** means:

- (a) any national, federal, state, or government or any entity exercising executive, legislative, judicial, arbitral, regulatory, taxing, or administrative functions of or pertaining to government;
- (b) any agency, division, bureau, department, committee, or other political subdivision of any government, entity or organisation described in the foregoing clause (a) of this definition (including patent and trademark offices); or
- (c) quasi-governmental, self-regulatory agency, commission or authority, including any national securities exchange or national quotation system,

and includes ASX, ASIC, TSX, the Takeovers Panel and any Australian, British Virgin Island or Brazilian federal, state, provincial or territory revenue offices.

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

**Implementation Date** means the 5th Business Day following the Record Date or such other date after the Record Date as is agreed in writing by Aura and BRV.

**JVCo** means a wholly-owned Subsidiary of Aura to be incorporated in the British Virgin Islands.

**JVCo Share** means an ordinary share in the capital of JVCo.

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

**Record Date** means 5.00pm on the 2nd Business Day following the Effective Date or any other date as agreed by BRV and Aura.

**Register** means the register of members of BRV maintained by or on behalf of BRV in accordance with section 168(1) of the Corporations Act.

**Registered Address** means, in relation to a BRV Shareholder, the address shown in the Register.

**Registry** means Automic Pty Ltd or such other person nominated by BRV to maintain the Register.

**Relevant Interest** has the meaning given in sections 608 and 609 of the Corporations Act.

**Relevant Number** means the minimum number of whole BRV Shares as, when multiplied by the Scheme Cash Consideration, generates a value that is not less than the amount of any tax that Aura is required to pay under Subdivision 14-D in respect of the acquisition of BRV Shares from the Relevant Shareholder.

**Relevant Shares** means all BRV Shares in which Dundee Resources Limited has a Relevant Interest.

**Relevant Shareholder** means the registered holder of the Relevant Shares, but only in that capacity and only to the extent of its holding of the Relevant Shares (and not to the extent that it holds BRV Shares that are not Relevant Shares).

**Rights** means all accretions, rights and benefits attaching to, or arising from, the BRV Shares directly or indirectly, including any capital returns, all dividends and all rights to receive them and rights to receive or subscribe for shares, notes, bonds, options or other securities or entitlements declared, paid or issued by BRV.

**Scheme** means this scheme of arrangement between BRV and Scheme Participants under which all of the BRV Shares will be transferred to Aura BidCo under Part 5.1 of the Corporations Act as described in clause 5 of this Scheme, in consideration for the Scheme Consideration, subject to any amendments or conditions made or required by the Court pursuant to section 411(6) of the Corporations Act to the extent they are approved in writing by BRV and Aura in accordance with clause 11.1 of this Scheme.

**Scheme Booklet** means, in respect of the Scheme, the information booklet approved by the Court and despatched to BRV Shareholders which includes the Scheme and an explanatory statement complying with the requirements of the Corporations Act.

**Scheme Cash Consideration** means the consideration payable for the transfer to Aura BidCo of BRV Shares held by a Scheme Participant, being, in respect of each BRV Share, \$0.36.

**Scheme Consideration** means the Scheme Cash Consideration or the Scheme Scrip Consideration payable per BRV Share held by a Scheme Participant on the Record Date under the terms of the Scheme.

**Scheme Implementation Deed** means the Scheme Implementation Deed dated 19 April 2022 between BRV and Aura under which, amongst other things, BRV has agreed to propose this Scheme to BRV Shareholders, and each of Aura and BRV have agreed to take certain steps to give effect to this Scheme, a copy of which was released to ASX on 20 April 2022.

**Scheme Meeting** means the meeting(s) of BRV Shareholders ordered by the Court to be convened pursuant to section 411(1) of the Corporations Act at which BRV Shareholders will vote on this Scheme. If a meeting of more than one class of BRV Shareholders is ordered by the Court, all references to "Scheme Meeting" will be interpreted as a reference to each or all of those meetings.

**Scheme Participant** means each person who is a BRV Shareholder as at the Record Date.



**Scheme Participant Declaration** means a declaration in accordance with the requirements of section 14-225 of Schedule 1 of the TAA that covers (at least) the Implementation Date.

**Scheme Scrip Consideration** means one JVCo Share for every 10 BRV Shares.

**Scheme Transfer** means, for each Scheme Participant, a duly completed and executed proper instrument of transfer of the BRV Shares held by that Scheme Participant for the purposes of section 1071B of the Corporations Act, which may be a master transfer of all BRV Shares.

**Second Court Date** means the first day on which an application made to the Court under section 411(4)(b) of the Corporations Act approving the Scheme is heard or scheduled to be heard or, if the application is adjourned for any reason, the date on which the adjourned application is heard or scheduled to be heard.

**Subsidiary** has the meaning given to it in the Corporations Act.

**TAA** means the *Taxation Administration Act 1953* (Cth).

**Trust Account** means an Australian dollar denominated trust account operated by or on behalf of BRV to hold the Scheme Cash Consideration on trust for the purpose of paying the Scheme Cash Consideration to the Scheme Participants in accordance with clauses 6.2 and 6.5 of this Scheme.

**TSX** means Toronto Stock Exchange Inc. or the market operated by it, as the context requires.

## 1.2 General interpretation

Headings and labels used for definitions are for convenience only and do not affect interpretation. Unless the contrary intention appears, in this document:

- (a) the singular includes the plural and vice versa;
- (b) the meaning of general words is not limited by specific examples introduced by “including”, “for example”, “such as” or similar expressions;
- (c) a reference to “**person**” includes an individual, a body corporate, a partnership, a joint venture, an unincorporated association and an authority or any other entity or organisation;
- (d) a reference to a particular person includes the person’s executors, administrators, successors, substitutes (including persons taking by novation) and assigns;
- (e) a reference to a time of day is a reference to the time in Perth, Western Australia;
- (f) a reference to dollars, \$ or A\$ is a reference to the currency of Australia;
- (g) a reference to “law” includes common law, principles of equity and legislation (including regulations);
- (h) a reference to any legislation includes regulations under it and any consolidations, amendments, re-enactments or replacements of any of them;

- (i) a reference to “**regulations**” includes instruments of a legislative character under legislation (such as regulations, rules, by-laws, ordinances and proclamations);
- (j) a reference to a group of persons is a reference to any 2 or more of them jointly and to each of them individually;
- (k) a period of time starting from a given day or the day of an act or event, is to be calculated exclusive of that day;
- (l) if a party must do something under this document on or by a given day and it is done after 5.00pm on that day, it is taken to be done on the next day; and
- (m) if the day on which a party must do something under this document is not a Business Day, the party must do it on the next Business Day.

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## 2 Preliminary

### 2.1 BRV

BRV is:

- (a) a public company limited by shares;
- (b) incorporated in Australia and registered in Western Australia; and
- (c) admitted to the official list of ASX and BRV Shares are officially quoted on ASX.

As at [●] 2022, BRV had on issue [●] BRV Shares.

### 2.2 Aura, Aura BidCo and JVCo

- (a) Aura is:
  - (i) a company formed in the British Virgin Islands; and
  - (ii) its common shares are listed and posted for trading on the TSX.
- (b) Aura BidCo is a company registered in Delaware, United States of America.
- (c) JVCo is a company formed in the British Virgin Islands.

### 2.3 Scheme Implementation Deed and Deed Poll

- (a) BRV and Aura have agreed by executing the Scheme Implementation Deed to implement the terms of this Scheme.
- (b) This Scheme attributes actions to Aura and JVCo but does not itself impose an obligation on Aura and JVCo to perform those actions, as they are not parties to this Scheme. Aura and JVCo have executed the Deed Poll for the purpose of covenanting in favour of the Scheme Participants to perform (or procure the performance of) the obligations attributable to Aura and JVCo as contemplated by this Scheme, including to provide or procure the provision of the Scheme Consideration to the Scheme Participants.

## **2.4 If Scheme becomes Effective**

If this Scheme becomes Effective:

- (a) in consideration of the transfer of each BRV Share to Aura BidCo, Aura will provide or procure the provision of the Scheme Consideration to each Scheme Participant in accordance with the terms of this Scheme;
- (b) all BRV Shares, together with all Rights attaching to the BRV Shares as at the Implementation Date, will be transferred to Aura BidCo on the Implementation Date; and
- (c) BRV will enter the name of Aura BidCo in the Register in respect of all BRV Shares transferred to Aura BidCo in accordance with the terms of this Scheme with the result that Aura BidCo will hold all BRV Shares.

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## **3 Conditions precedent**

### **3.1 Conditions precedent to Scheme**

This Scheme is conditional on, and will have no force or effect until, the satisfaction of each of the following conditions precedent:

- (a) as at 8.00am on the Second Court Date, the Scheme Implementation Deed and Deed Poll not having been terminated in accordance with their respective terms;
- (b) all of the conditions precedent in clause 3.1 of the Scheme Implementation Deed having been satisfied or waived (other than the condition precedent relating to the Court having approved this Scheme in accordance with section 411(4)(b) of the Corporations Act) in accordance with the terms of the Scheme Implementation Deed;
- (c) the Court having approved this Scheme, with or without any modification or condition, pursuant to section 411(4)(b) of the Corporations Act, and if applicable, BRV and Aura having accepted in writing any modification or condition made or required by the Court under section 411(6) of the Corporations Act; and
- (d) the coming into effect, pursuant to section 411(10) of the Corporations Act, of the orders of the Court made under section 411(4)(b) of the Corporations Act (and, if applicable, section 411(6) of the Corporations Act) in relation to this Scheme on or before the End Date (or any later date BRV and Aura agree in writing in accordance with the Scheme Implementation Deed).

### **3.2 Conditions precedent and operation of clause 5**

The satisfaction of each condition of clause 3.1 of this Scheme is a condition precedent to the operation of clause 5 of this Scheme.

### **3.3 Certificate in relation to conditions precedent**

- (a) BRV and Aura must provide to the Court on the Second Court Date a certificate, or such other evidence as the Court requests, confirming (in respect of matters within their knowledge) whether or not all of the conditions precedent set out in clause 3.1 of this Scheme (other than the conditions precedent in clauses 3.1(c) and 3.1(d) of this Scheme) have been satisfied or waived as at 8.00am on the Second Court Date.

- (b) Unless the Court requires otherwise, the certificate referred to in this clause 3.3 will constitute conclusive evidence of whether the conditions precedent referred to in clause 3.1 of this Scheme (other than the conditions precedent in clauses 3.1(c) and 3.1(d) of this Scheme) have been satisfied or waived as at 8.00am on the Second Court Date.

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## **4 Scheme**

### **4.1 Effective Date**

Subject to clause 4.2, this Scheme will come into effect pursuant to section 411(10) of the Corporations Act on and from the Effective Date.

### **4.2 End Date**

This Scheme will lapse and be of no further force or effect if:

- (a) the Effective Date does not occur on or before the End Date; or
- (b) the Scheme Implementation Deed or Deed Poll is terminated in accordance with its respective terms.

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## **5 Implementation of Scheme**

### **5.1 Lodgement of Court orders with ASIC**

If the conditions precedent set out in clause 3.1 of this Scheme (other than the condition precedent in clause 3.1(d) of this Scheme) are satisfied, BRV must lodge with ASIC, in accordance with section 411(10) of the Corporations Act, an office copy of the Court order approving this Scheme as soon as possible, and in any event by no later than 12.00pm on the first Business Day after the day on which the Court approves this Scheme or such later time as Aura and BRV agree in writing.

### **5.2 Transfer and registration of BRV Shares**

On the Implementation Date, but subject to the provision of the Scheme Consideration for the BRV Shares in accordance with clauses 6.5 and 6.7 of this Scheme and Aura having provided BRV with written confirmation of the provision of the Scheme Consideration:

- (a) all BRV Shares, together with all Rights attaching to them as at the Implementation Date, will be transferred to Aura BidCo, without the need for any further act by any Scheme Participant (other than acts performed by BRV as attorney and agent for Scheme Participants under clause 9 of this Scheme), by:
  - (i) BRV delivering to Aura BidCo a duly completed and executed Scheme Transfer executed on behalf of the Scheme Participants by BRV, for registration; and
  - (ii) Aura BidCo duly executing the Scheme Transfer and delivering it to BRV for registration; and
- (b) as soon as practicable after receipt of the duly executed Scheme Transfer, BRV must enter, or procure the entry of, the name of Aura BidCo in the Register in respect of all BRV Shares transferred to Aura BidCo in accordance with the terms of this Scheme.

### **5.3 Entitlement to Scheme Consideration**

On the Implementation Date, in consideration for the transfer to Aura BidCo of all BRV Shares, each Scheme Participant will be entitled to receive the Scheme Consideration in respect of each of their BRV Shares in accordance with clause 6 of this Scheme.

### **5.4 Title and rights in BRV Shares**

Subject to the provision of the Scheme Consideration for the BRV Shares as contemplated by clauses 6.5 and 6.7 of this Scheme, on and from the Implementation Date, Aura BidCo will be beneficially entitled to all BRV Shares transferred to it under the Scheme, pending registration by BRV of Aura BidCo in the Register as the holder of the BRV Shares.

### **5.5 Scheme Participants' agreements**

Under this Scheme, each Scheme Participant agrees to the transfer of their BRV Shares, together with all Rights attaching to them, in accordance with the terms of this Scheme. In relation to such transfer, each Scheme Participant also provides the authorities and acknowledgements in clause 11.3.

### **5.6 Warranty by Scheme Participants**

Each Scheme Participant warrants to Aura and is deemed to have authorised BRV to warrant to Aura as agent and attorney for the Scheme Participant by virtue of this clause 5.6, that on the Implementation Date:

- (a) all their BRV Shares (including any Rights attaching to them) transferred to Aura BidCo under this Scheme will, as at the date of the transfer, be fully paid and free from all Encumbrances and interests of third parties of any kind whether legal or otherwise, and restrictions on transfer of any kind;
- (b) they have full power and capacity to sell and to transfer their BRV Shares (including any Rights attaching to those shares) to Aura BidCo under this Scheme; and
- (c) they have no existing right to be issued any BRV Shares, options exercisable into BRV Shares, BRV convertible notes or any other BRV securities.

### **5.7 Transfer free of Encumbrances**

To the extent permitted by law, all BRV Shares (including any Rights attaching to them) which are transferred to Aura BidCo under this Scheme will, at the date of the transfer of them to Aura BidCo, vest in Aura BidCo free from all Encumbrances and interests of third parties of any kind, whether legal or otherwise, and free from any restrictions on transfer of any kind not referred to in this Scheme.

### **5.8 Appointment of Aura as sole proxy**

Subject to the provision of the Scheme Consideration for the BRV Shares as contemplated by clauses 6.5 and 6.7 of this Scheme, on and from the Implementation Date until BRV registers Aura BidCo as the holder of all of the BRV Shares in the Register, each Scheme Participant:

- (a) irrevocably appoints BRV as attorney and agent (and directs BRV in such capacity) to appoint Aura and each of its directors from time to time (jointly and each of them individually) as its sole proxy, and where

applicable corporate representative, to attend shareholders' meetings, exercise the votes attaching to BRV Shares registered in its name and sign any shareholders resolution, and no Scheme Participant may itself attend or vote at any of those meetings or sign any resolutions, whether in person, by proxy or by corporate representative (other than pursuant to this clause 5.8(a));

- (b) must take all other actions in the capacity of the registered holder of BRV Shares as Aura directs; and
- (c) acknowledges and agrees that in exercising the powers referred to in clause 5.8(a), Aura and any director or corporate representative nominated by Aura under clause 5.8(a) may act in the best interests of Aura as the intended registered holder of the BRV Shares.

BRV undertakes in favour of each Scheme Participant that it will appoint Aura and each of its directors from time to time (jointly and each of them individually) as that Scheme Participant's proxy or, where applicable, corporate representative in accordance with clause 5.8(a) of this Scheme.

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## **6 Scheme Consideration**

### **6.1 Consideration under this Scheme**

- (a) Each Scheme Participant is entitled to receive the Scheme Consideration.
- (b) On the Implementation Date, Aura:
  - (i) must provide or procure the provision of the Scheme Consideration to the Scheme Participants in accordance with this clause 6; and
  - (ii) agrees to make or procure the payment of the Scheme Consideration in accordance with this clause 6.

### **6.2 Determination of Scheme Consideration**

- (a) If a Scheme Participant is not the Relevant Shareholder, then the Scheme Consideration applicable for the Scheme Participant is the Scheme Cash Consideration for each BRV Share held by that Scheme Participant on the Record Date.
- (b) If a Scheme Participant is the Relevant Shareholder who has not made an Election before the Election Time, then the Scheme Consideration applicable for the Relevant Shareholder is the Scheme Scrip Consideration for each BRV Share held by the Relevant Shareholder on the Record Date.
- (c) If the Scheme Participant is the Relevant Shareholder who has made an Election before the Election Time, then the Scheme Consideration applicable to the Relevant Shareholder for each BRV Share held by the Relevant Shareholder on the Record Date is the Scheme Cash Consideration per BRV Share held by the Relevant Shareholder on the Record Date.

### **6.3 Election procedure**

- (a) BRV must provide or procure the provision of an Election Form to the Relevant Shareholder, with the Scheme Booklet that is sent to them.

- (b) Subject to clauses 6.3(c), 6.3(d) and 6.3(e), the Relevant Shareholder will be entitled to make an Election. An Election will take effect in accordance with the Scheme (provided that the Relevant Shareholder who makes an Election is also a Scheme Participant).
- (c) For an Election to be valid:
  - (i) the Relevant Shareholder must complete and sign the Election Form in accordance with the terms and conditions of the Election Form, the instructions in the Scheme Booklet, this Scheme and this clause 6.3; and
  - (ii) the Election Form must be received by the Registry at the address specified on the Election Form before the Election Time, unless Aura and BRV agree otherwise in writing, in their absolute discretion.
- (d) If the Relevant Shareholder makes an Election, that Election will apply in respect of all of the BRV Shares held by the Relevant Shareholder as at the Record Date, regardless of whether the Relevant Shareholder's holding at the Record Date is greater or less than the Relevant Shareholder's holding at the time it made its Election, unless Aura otherwise agrees in writing, in its absolute discretion.
- (e) The Relevant Shareholder may withdraw or revoke an Election by lodging a replacement Election Form so that it is received by the Registry at the address specified on the Election Form before the Election Time. After the Election Time, an Election made by the Relevant Shareholder will be irrevocable unless Aura agrees in writing, in its absolute discretion, to the revocation of the Election.

#### **6.4 Satisfaction of obligations in relation to Scheme Cash Consideration**

The obligation of Aura to make or procure the payment of the Scheme Cash Consideration will be satisfied by Aura depositing or procuring the deposit of, no later than 5.00pm on the day that is two Business Days before the Implementation Date, in Immediately Available Funds, the aggregate amount of the Scheme Cash Consideration payable to the relevant Scheme Participants (less any amount withheld in accordance with clause 6.10) into the Trust Account (except that the amount of any interest on the amount deposited will be to Aura's account).

#### **6.5 Payment of Scheme Cash Consideration**

- (a) On the Implementation Date, subject to the receipt of the aggregate amount of the Scheme Cash Consideration in accordance with clause 6.4 of this Scheme, BRV must pay to each relevant Scheme Participant an amount equal to the Scheme Cash Consideration for each BRV Share transferred to Aura BidCo on the Implementation Date by that Scheme Participant.
- (b) The obligations of BRV under clause 6.5(a) will be satisfied by BRV (in its absolute discretion, and despite any election referred to in clause 6.5(b)(i) or authority referred to in clause 6.5(b)(ii) made or given by the relevant Scheme Participant):
  - (i) paying, or procuring the payment of, the relevant amount in Australian currency by electronic means to a bank account nominated by the Scheme Participant, where the Scheme Participant has made a valid election prior to the Record Date in

accordance with the requirements of the Registry to receive dividend payments from BRV to that bank account;

- (ii) paying, or procuring the payment of, the relevant amount in Australian currency by electronic means to a bank account nominated by the Scheme Participant by an appropriate authority from the Scheme Participant to BRV; or
- (iii) dispatching, or procuring the dispatch of, a cheque drawn on an Australian bank for the relevant amount in Australian currency to the Scheme Participant by pre-paid ordinary post (or, if the address of the Scheme Participant in the Register is outside Australia, by pre-paid airmail post) to their address recorded in the Register on the Record Date.

(c) In the event that:

- (i) a Scheme Participant does not have a Registered Address and no account has been notified in accordance with clause 6.5(b)(i) or 6.5(b)(ii) or a deposit into such an account is rejected or refunded; or
- (ii) a cheque issued under clause 6.5(b)(iii) has been cancelled in accordance with clause 6.6(a),

BRV as the trustee for the Scheme Participant may credit the amount payable to the relevant Scheme Participant to a separate bank account of BRV (**Separate Account**) to be held until the Scheme Participant claims the amount or the amount is dealt with under the *Unclaimed Money Act 1990* (WA). To avoid doubt, if the amount is not credited to a Separate Account, the amount will continue to be held in the Trust Account until the Scheme Participant claims the amount or the amount is dealt with under the *Unclaimed Money Act 1990* (WA). Until such time as the amount is dealt with under the *Unclaimed Money Act 1990* (WA), BRV must hold the amount on trust for the relevant Scheme Participant, but any interest or other benefit accruing from the amount will be to the benefit of Aura. An amount credited to the Separate Account or Trust Account (as applicable) is to be treated as having been paid to the Scheme Participant when credited to the Separate Account or Trust Account (as applicable). BRV must maintain records of the amounts paid, the people who are entitled to the amount and any transfers of the amounts.

- (d) To the extent that, following satisfaction of BRV's obligations under clause 6.5(c), there is a surplus in the amount held in the Trust Account, that surplus may be paid by BRV to Aura.

## 6.6 Unclaimed Monies

BRV may cancel a cheque issued under clause 6.5 of this Scheme if the cheque:

- (a) is returned to BRV; or
- (b) has not been presented for payment within 6 months after the date on which the cheque was sent.

During the period of 1 year commencing on the Implementation Date, on request from a Scheme Participant, BRV must reissue a cheque that was previously cancelled under this clause 6.6.



## 6.7 Provision of Scheme Scrip Consideration

Unless the Relevant Shareholder makes an Election in which case clauses 6.4, 6.5 and 6.6 apply:

- (a) on the Implementation Date, JVCo must:
  - (i) procure the issue of such number of JVCo Shares to which the Relevant Shareholder is entitled as Scheme Scrip Consideration pursuant to the Scheme to the Relevant Shareholder; and
  - (ii) procure the entry in JVCo's share register of the name and address of the Relevant Shareholder in respect of the JVCo Shares issued to the Relevant Shareholder; and
- (b) as soon as practicable following the Implementation Date, JVCo must send or procure the sending of a certificate to the Relevant Shareholder reflecting the issue of such JVCo Shares.

## 6.8 Ranking of JVCo Shares

The JVCo Shares issued pursuant to the Scheme must, upon issue, rank equally in all respects with all other JVCo Shares and be free from any Encumbrance.

## 6.9 Fractional entitlements

Where the calculation of the Scheme Consideration to be issued to a particular Scheme Participant would result in the Scheme Participant becoming entitled to a fractional entitlement to a JVCo Share, the fractional entitlement will be rounded down to the nearest whole number

## 6.10 Foreign resident capital gains tax withholding

- (a) If Aura determines, having regard to professional advice, that Aura is required by Subdivision 14-D of Schedule 1 of the TAA (**Subdivision 14-D**) to pay any amounts to the Commissioner in respect of the acquisition of BRV Shares from certain Scheme Participants, Aura is permitted to deduct the relevant amounts from the payment of the Scheme Cash Consideration to those Scheme Participants, and must remit such amounts to the Commissioner. The aggregate sum payable to Scheme Participants shall not be increased to reflect the deduction and the net aggregate sum payable to those Scheme Participants shall be taken to be in full and final satisfaction of the amounts owing to those Scheme Participants.
- (b) Aura acknowledges and agrees that it shall not pay any amounts to the Commissioner under clause 6.10(a) or clause 6.10(e) with respect to a Scheme Participant where Aura:
  - (i) receives a Scheme Participant Declaration from the Scheme Participant prior to the Implementation Date; and
  - (ii) does not know that the Scheme Participant Declaration is false.
- (c) BRV agrees Aura may approach the ATO to obtain clarification as to the application of Subdivision 14-D to this Scheme and will provide all information and assistance Aura reasonably requires in making any such approach.
- (d) The parties agree to consult in good faith as to the application of Subdivision 14-D, including taking into account any clarification provided

by the ATO following any process described in clause 6.10(c). The parties agree to take all actions that they agree (each acting reasonably) are necessary or desirable following that consultation which may include, without limitation, making amendments to this document and the Deed Poll to ensure that relevant representations are obtained from Scheme Participants.

- (e) If Aura makes the determination under clause 6.10(a) in respect of the Relevant Shareholder and the Relevant Shareholder has not made an Election before the Election Time:
  - (i) for the purposes of this clause 6.10, the Relevant Shareholder will be taken to have made an Election before the Election Time in respect of the Relevant Number of BRV Shares; and
  - (ii) Aura is permitted to deduct the relevant amount from the payment of the Scheme Consideration (being the Scheme Cash Consideration) to the Relevant Shareholder, and must remit that amount to the Commissioner, with the remaining Scheme Consideration (being the Scheme Scrip Consideration) to be provided to the Relevant Shareholder without any increase for the amount so deducted in full and final satisfaction of the amount of Scheme Consideration payable to the Relevant Shareholder.

#### **6.11 Orders of a Court or Governmental Authority**

- (a) BRV may deduct and withhold from any consideration which would otherwise be provided to a Scheme Participant in accordance with this clause 6, any amount which BRV and Aura determine is required to be deducted and withheld from that consideration under any applicable law, including any order, direction or notice made or given by a court of competent jurisdiction or by another Governmental Authority.
- (b) To the extent that amounts are so deducted or withheld, such deducted or withheld amounts will be treated for all purposes under this Scheme as having been paid to the person in respect of which such deduction and withholding was made, provided that such deducted or withheld amounts are actually remitted to the appropriate taxing agency.
- (c) If written notice is given to BRV of an order, direction or notice made or given by a court of competent jurisdiction or by another Governmental Authority that:
  - (i) requires consideration which would otherwise be provided to a Scheme Participant in accordance with this clause 6 to instead be paid or provided to a Governmental Authority or other third party, then BRV shall be entitled to procure that provision of that consideration is made in accordance with that order, direction or notice (and payment or provision of that consideration in accordance with that order, direction or notice will be treated for all purposes under this Scheme as having been paid or provided to that Scheme Participant); or
  - (ii) prevents consideration being provided to any particular Scheme Participant in accordance with this clause 6, or the payment or provision of such consideration is otherwise prohibited by applicable law, BRV shall be entitled to (as applicable) direct Aura not to pay or procure the payment of such Scheme Consideration as that Scheme Participant would otherwise be entitled to under this clause 6, until such time as payment or

provision of the consideration in accordance with this clause 6 is permitted by that order or direction or otherwise by law,

and the payment or retention by BRV (or the BRV Registry) will constitute the full discharge of BRV's obligations under clause 6.5 with respect of the amount so paid or retained until, in the case of clause 6.11(c)(ii), it is no longer required to be retained.

## **6.12 Joint holders**

In the case of BRV Shares held in joint names:

- (a) any cheque required to be sent under this Scheme must be payable to the joint holders and sent to the holder whose name appears first in the Register on the Record Date; and
- (b) any document required to be sent under this Scheme will be sent to the holder whose name appears first in the Register as at the Record Date.

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# **7 Dealings in BRV Shares**

## **7.1 Determination of Scheme Participants**

To establish the identity of the Scheme Participants, dealings in BRV Shares or other alterations to the Register will only be recognised by BRV if:

- (a) in the case of dealings of the type to be effected using CHESS, the transferee is registered in the Register as the holder of the relevant BRV Shares on or before the Record Date; and
- (b) in all other cases, registrable transmission applications or transfers in registrable form in respect of those dealings are received on or before the Record Date at the place where the Register is kept,

and BRV will not accept for registration, nor recognise for any purpose (except a transfer to Aura BidCo under this Scheme and any subsequent transfer by Aura BidCo or its successors in title), any transfer or transmission application or other request received after such times, or received prior to such times but not in registrable or actionable form, as appropriate.

## **7.2 Register**

BRV must register any registrable transmission applications or transfers of the BRV Shares received in accordance with clause 7.1(b) of this Scheme on or before the Record Date.

## **7.3 No disposals after Record Date**

- (a) If this Scheme becomes Effective, a holder of BRV Shares (and any person claiming through that holder) must not dispose of or purport or agree to dispose of any BRV Shares or any interest in them after the Record Date in any way except as set out in this Scheme and any such disposal will be void and of no legal effect whatsoever.
- (b) BRV will not accept for registration or recognise for any purpose any transmission, application or transfer in respect of BRV Shares received after the Record Date (except a transfer to Aura BidCo pursuant to this Scheme and any subsequent transfer by Aura BidCo or its successors in title).

#### **7.4 Maintenance of BRV Register**

For the purpose of determining entitlements to the Scheme Consideration, BRV will maintain the Register in accordance with the provisions of this clause 7 until the Scheme Consideration has been paid to the Scheme Participants and Aura BidCo has been entered in the Register as the holder of all BRV Shares. The Register in this form will solely determine entitlements to the Scheme Consideration.

#### **7.5 Effect of certificates and holding statements**

Subject to provision of the Scheme Consideration and registration of the transfer to Aura BidCo contemplated in clauses 5.2 and 7.4 of this Scheme, any statements of holding in respect of BRV Shares will cease to have effect after the Record Date as documents of title in respect of those shares (other than statements of holding in favour of Aura BidCo and its successors in title). After the Record Date, each entry current on the Register as at the Record Date (other than entries in respect of Aura BidCo or its successors in title) will cease to have effect except as evidence of entitlement to the Scheme Consideration in respect of the BRV Shares relating to that entry.

#### **7.6 Details of Scheme Participants**

Within 3 Business Days after the Record Date, BRV will ensure that details of the names, Registered Addresses and holdings of BRV Shares for each Scheme Participant, as shown in the Register at the Record Date, are available to Aura in such form as Aura reasonably requires.

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### **8 Suspension and delisting**

- (a) BRV will apply to ASX to suspend trading on ASX in BRV Shares with effect from the close of trading on ASX on the Effective Date.
- (b) On a date after the Implementation Date to be determined by Aura, and to take effect only after the transfer of BRV Shares has been registered in accordance with clause 5.2, BRV will apply for termination of the official quotation of BRV Shares on ASX and to have itself removed from the official list of ASX.

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### **9 Power of attorney**

Each Scheme Participant, without the need for any further act by any Scheme Participant, irrevocably appoints BRV and each of its directors and secretaries (jointly and each of them individually) as its attorney and agent for the purpose of:

- (a) executing any document necessary or expedient to give effect to this Scheme including the Scheme Transfer;
- (b) enforcing the Deed Poll against Aura,

and BRV accepts such appointment.

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## **10 Notices**

### **10.1 No deemed receipt**

If a notice, transfer, transmission application, direction or other communication referred to in this Scheme is sent by post to BRV, it will not be taken to be received in the ordinary course of post or on a date and time other than the date and time (if any) on which it is actually received at BRV's registered office or at the office of the registrar of BRV Shares.

### **10.2 Accidental omission**

The accidental omission to give notice of the Scheme Meeting or the non-receipt of such a notice by any BRV Shareholder, director or auditor will not, unless so ordered by the Court, invalidate the Scheme Meeting or the proceedings of the Scheme Meeting.

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## **11 General**

### **11.1 Variations, alterations and conditions**

- (a) BRV may, with the consent of Aura, by its counsel or solicitor, consent on behalf of all persons concerned to any variations, alterations or conditions to this Scheme which the Court thinks fit to impose.
- (b) Each Scheme Participant agrees to any such alterations or conditions which BRV has consented to pursuant to clause 11.1(a).

### **11.2 Further actions**

BRV and Aura must do anything necessary (including executing agreements and documents on their own behalf or, in relation to BRV, on behalf of each Scheme Participant) or incidental to give full effect to this Scheme and the transactions contemplated by it.

### **11.3 Scheme Participants' agreements**

Each Scheme Participant irrevocably:

- (a) agrees to the transfer of their BRV Shares together with all Rights attaching to them in accordance with this Scheme;
- (b) agrees to the variation, cancellation or modification of the Rights attached to their BRV Shares constituted by or resulting from this Scheme;
- (c) consents to BRV and Aura doing all things necessary, expedient or incidental to give full effect to this Scheme and the transactions contemplated by it including executing all deeds, instruments, transfers or other documents;
- (d) agrees to, on the direction of Aura, destroy any holding statements or share certificates relating to their BRV Shares;
- (e) agrees and acknowledges that the payment of the Scheme Consideration in accordance with clause 6 constitutes satisfaction of all that person's entitlements under this Scheme;

- (f) acknowledges that this Scheme binds BRV and all of the Scheme Participants from time to time (including those who do not attend the Scheme Meeting and those who do not vote, or vote against this Scheme, at the Scheme Meeting); and
- (g) in relation to the Relevant Shareholder, if JVCo Shares are to be issued pursuant to the Scheme:
  - (i) agrees to become a member of JVCo for the purposes of clause 6.7 and for all other purposes, and to have its name and address entered in JVCo's share register; and
  - (ii) accepts the JVCo Shares issued pursuant to the Scheme on the terms and conditions of the constitution of JVCo and agrees to be bound by the constitution of JVCo and the shareholders agreement relating to JVCo, each being substantially in the form provided to the Relevant Shareholder before or around the same time as the Election Form or such later time as agreed between Aura and the Relevant Shareholder.

#### **11.4 No liability when acting in good faith**

Without prejudice to the parties' rights under the Scheme Implementation Deed, neither BRV nor Aura, nor any of their respective officers, will be liable for anything done or omitted to be done in the performance of this Scheme in good faith.

#### **11.5 Enforcement of Deed Poll**

BRV undertakes in favour of each Scheme Participant to enforce the Deed Poll against Aura on behalf of and as agent and attorney for the Scheme Participants.

#### **11.6 Stamp duty**

Aura will pay all stamp duty (including any fines, penalties and interest) payable in connection with this Scheme.

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## **12 Governing law**

### **12.1 Governing law and jurisdiction**

The law in force in the place specified in the Details governs this document. The parties submit to the non-exclusive jurisdiction of the courts of that place.

### **12.2 Serving documents**

Without preventing any other method of service, any document in an action in connection with this document may be served on a party by being delivered or left at that party's address set out in the Details, provided that a copy of the document (or details of it) must also be sent by email to the email address set out in the Details.

# Appendix 3 – Notice of General Scheme Meeting

## Notice of Court Ordered Meeting of General Shareholders

Notice is hereby given that, by order of the Supreme Court of Western Australia (**Court**) made on 29 July 2022 pursuant to section 411(1) of the Corporations Act, the Court has directed that a meeting of Big River Gold Ltd's (ACN 106 641 963) (**BRV**) shareholders (excluding the **Relevant Shareholder**, being Dundee Resources Limited) (**General Shareholders**) be held at Level 4, 77 St Georges Terrace, Perth, Western Australia on Friday, 2 September 2022 commencing at 10.00am (AWST) (**General Scheme Meeting**).

### Purpose of the General Scheme Meeting

The purpose of the General Scheme Meeting is to consider and, if thought fit, to agree (with or without any alterations or conditions agreed or any alterations or conditions required by the Court) to a scheme of arrangement proposed to be made between BRV and BRV Shareholders (**Scheme**).

A copy of the Scheme and the explanatory statement required by section 412 of the Corporations Act in relation to the Scheme are contained in the Scheme Booklet of which this Notice of General Scheme Meeting forms part. Terms and abbreviations used (and not otherwise defined) in this Notice of General Scheme Meeting have the same meaning as set out in the glossary of defined terms in Section 10 of the Scheme Booklet.

### Scheme Resolution – Approval of Scheme

The General Scheme Meeting will be asked to consider and, if thought fit, pass the following resolution:

*"That under and in accordance with the provisions of section 411 of the Corporations Act 2001 (Cth), the members agree to the arrangement proposed between Big River Gold Ltd (**BRV**) and the holders of its fully paid ordinary shares, designated the **Scheme**, as contained in and more particularly described in the Scheme Booklet accompanying the notice convening this meeting (with or without any alterations or conditions agreed or any alterations or conditions required by the Court) and the Independent Board Committee of BRV is authorised to implement the Scheme with any such alterations or conditions."*

BY ORDER OF THE COURT



.....  
Andrew Beigel  
Company Secretary



## **NOTES TO THE NOTICE OF COURT ORDERED GENERAL SCHEME MEETING**

### **General**

This Notice of General Scheme Meeting should be read in conjunction with the entire Scheme Booklet of which this Notice of General Scheme Meeting forms part. The Scheme Booklet contains important information to assist you in determining how to vote on the Scheme Resolution. The Scheme Booklet includes a copy of the Scheme (refer to Appendix 2) and the explanatory statement required by section 412 of the Corporations Act in relation to the Scheme.

### **Terminology**

Capitalised terms which are defined in the Scheme Booklet which accompanies this Notice of General Scheme Meeting have the same meaning when used in this Notice of General Scheme Meeting (including these notes) unless the context requires otherwise.

### **Quorum**

Quorum for the General Scheme Meeting is at least two General Shareholders (present in person or by proxy, corporate representative or attorney under power and entitled to vote).

### **Chair**

The Court has directed that Mr Shaun McRobert act as chair of the General Scheme Meeting, or failing him, Mr Anthony Italiano, and has directed the chair to report the result of the General Scheme Meeting to the Court. Mr McRobert is a partner at Minter Ellison, lawyers to BRV, and Mr Italiano is an employee of BRV. Neither Mr McRobert nor Mr Italiano hold any shares in BRV.

### **Majorities Required**

In accordance with section 411(4)(a)(ii) of the Corporations Act, the resolution to approve the Scheme must be passed at the General Scheme Meeting by:

- unless the Court orders otherwise, a majority in number (more than 50%) of the General Shareholders present and voting (whether in person, by proxy, by attorney or, in the case of a General Shareholder that is a corporation, by corporate representative) at the General Scheme Meeting; and
- at least 75% of the total number of votes cast in favour of the resolution by General Shareholders present and voting (whether in person, by proxy, by attorney or, in the case of a General Shareholder that is a corporation, by corporate representative) at the General Scheme Meeting.

As detailed below, the Scheme will only become Effective and be implemented if it is:

- agreed to by the requisite majorities of General Shareholders at the General Scheme Meeting;
- agreed to by the Relevant Shareholder at the Relevant Shareholder Scheme Meeting; and
- approved by the Court at the Second Court Hearing.

### **Relevant Shareholder Approval**

In accordance with clause 3.1 of the Scheme Implementation Deed, and as set out in Section 1 of the Scheme Booklet, the Scheme must be approved by the Relevant Shareholder at the Relevant Shareholder Scheme Meeting (in addition to General Shareholders at the General Scheme Meeting) to proceed.

The Relevant Shareholder Scheme Meeting will be held immediately prior to the General Scheme Meeting at 9.30am (AWST) on Friday, 2 September 2022.

### **Court Approval**

In accordance with section 411(4)(b) of the Corporations Act, to become Effective, the Scheme (with or without any alterations or conditions agreed or any alterations or conditions required by the Court) must also be approved by an order of the Court and an office copy of the orders of the Court approving the Scheme must be lodged with ASIC. If the Scheme Resolution is passed at both Scheme Meetings by the majority required, and the other Scheme Conditions (other than approval by the Court) are satisfied or waived by the time required under the Scheme, BRV intends to apply to the Court for the necessary orders to approve the Scheme.

### **General Shareholders who are Entitled to Vote**

Pursuant to section 411 of the Corporations Act and all other enabling powers, the Court has determined that the time for determining a person's entitlement to vote at the Scheme Meeting is 5:00pm (AWST) on Wednesday, 31 August 2022. Only those General Shareholders entered on the Share Register as at that time will be entitled to attend and vote at the General Scheme Meeting either in person, by proxy, by attorney or, in the case of a General Shareholder that is a corporation, by corporate representative. Registrable transfers or transmission applications received after this time will be disregarded in determining entitlements to vote at the Scheme Meeting.

### **How to Vote**

Voting at the General Scheme Meeting will be by poll.

General Shareholders can vote in one of the following ways:

- attending the General Scheme Meeting and voting on their own behalf or by attorney or, in the case of a General Shareholder that is a corporation, by corporate representative; or
- by appointing one or more proxies to attend the General Scheme Meeting and vote on their behalf, using the Proxy Form enclosed with the Scheme Booklet or lodging a proxy vote online in accordance with the instructions on the Proxy Form.

### **Attendance**

General Shareholders, authorised proxies, attorneys and corporate representatives can attend and participate in the General Scheme Meeting.

### **Additional Voting Instructions**

Method	Voting instructions
In Person	<p>You will be able to participate and vote at the General Scheme Meeting by attending Level 4, 77 St Georges Terrace on Friday, 2 September 2022 at 10.00am (AWST).</p> <p>If you attend the General Scheme Meeting and vote in your capacity as a General Shareholder, any votes cast by your proxy or attorney (if any) will not be counted.</p> <p>Given the current COVID-19 circumstances and in the interests of public health and safety of BRV Shareholders, BRV will implement arrangements to allow BRV Shareholders to physically attend the General Scheme Meeting in accordance with COVID-19 protocols and government advice.</p> <p>BRV will strictly comply with any applicable limitations on indoor gatherings in force at the time of the General Scheme Meeting. If you attend the General Scheme</p>

Method	Voting instructions
	<p>Meeting in person, you will be required to adhere to COVID-19 protocols in place at the time of the Meeting.</p>
<p><b>By Proxy</b></p>	<p>To appoint a proxy to vote on your behalf in respect of the Scheme, you can complete the enclosed personalised Proxy Form in accordance with the instructions and return it to Automic. Alternatively, you can lodge your proxy online in accordance with the instructions on the Proxy Form.</p> <p>If your proxy is signed by an attorney, please also enclose the authority under which the proxy is signed (or a certified copy of the authority).</p> <p>Proxy Forms and powers of attorney must be received by the BRV's Share Registry, Automic, by no later than 10.00am (AWST) on Wednesday, 31 August 2022 (or if the General Scheme Meeting is adjourned, at least 48 hours before the resumption of the General Scheme Meeting). Proxy Forms and powers of attorney received after this time will not be valid. Accordingly, you should ensure that it is posted, delivered or lodged online in sufficient time for it to be received by Automic by that time. In addition, if you intend to mail your Proxy Form or return your Proxy Form in person, you should ensure that you allow sufficient time for it to be received by Automic by 10.00am (AWST) on Wednesday, 31 August 2022.</p> <p>If you are entitled to cast two or more votes, you may appoint two proxies. You must specify the names of each proxy. You may specify the proportion or the number of votes that each proxy is appointed to exercise. If numbers or proportions of votes are not specified, each proxy may exercise half of the votes you are entitled to cast. Fractions of votes will be disregarded.</p> <p>If you hold BRV Shares jointly with one or more other persons, in order for your proxy appointment to be valid, each of you must sign the Proxy Form.</p> <p>A proxy may, but need not be, a BRV Shareholder.</p> <p>If a proxy is instructed to abstain from voting on any item of business, that person is directed not to vote on the General Shareholder's behalf on a poll and the BRV Shares the subject of the proxy appointment will not be counted in computing the required majority.</p> <p>If a proxy is not directed how to vote on an item of business, the proxy may vote or abstain from voting, as that person thinks fit.</p> <p>If an appointment directs the way the proxy is to vote on the resolution:</p> <ul style="list-style-type: none"> <li>• if the proxy is the chair – the proxy must vote on the poll and must vote in the way directed; and</li> <li>• if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote in the way directed.</li> </ul> <p>General Shareholders who return their Proxy Forms with a direction on how to vote but without nominating the identity of their proxy will be taken to have appointed the chair of the Scheme Meeting as their proxy to vote on their behalf.</p> <p>BRV confirms that it will appoint an independent nominee to act as chair of the General Scheme Meeting.</p> <p>If:</p> <ul style="list-style-type: none"> <li>• a General Shareholder nominates the chair of the General Scheme Meeting as their proxy; or</li> <li>• the chair of the General Scheme Meeting is otherwise appointed to act as proxy,</li> </ul>

Method	Voting instructions
	<p>then the person acting as chair of the General Scheme Meeting in respect of an item of business at the meeting must act as proxy in respect of the resolution to be considered at the General Scheme Meeting.</p> <p>If a Proxy Form is returned but the nominated proxy does not attend the General Scheme Meeting or attends but does not vote on the poll, the chair of the General Scheme Meeting will act in place of the nominated proxy and vote in accordance with any instructions.</p> <p>The chair of the General Scheme Meeting intends to vote undirected proxies of which he/she is appointed as proxy in favour of the resolution to approve the Scheme (in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interest of BRV Shareholders).</p> <p>A vote cast in accordance with the appointment of a proxy is valid even if before the vote was cast the appointor:</p> <ul style="list-style-type: none"> <li>• died;</li> <li>• became mentally incapacitated;</li> <li>• revoked the power; or</li> <li>• transferred the BRV Shares in respect of which the vote was cast,</li> </ul> <p>unless BRV received written notification of the death, mental incapacity, revocation or transfer before the meeting or, if applicable, the resumption of any adjourned meeting.</p> <p>Appointing a proxy will not preclude you from attending the General Scheme Meeting in person and voting at the General Scheme Meeting instead of your proxy. In this scenario the appointment of your proxy is not revoked but your proxy must not speak or vote at the meeting while you are so present.</p>
<b>By Power of Attorney</b>	<p>Your vote may be cast by a duly authorised attorney. An attorney need not be a BRV Shareholder.</p> <p>If you intend to appoint an attorney to attend the General Scheme Meeting and vote on your behalf, you may do so by providing a power of attorney duly executed by you in the presence of at least one witness, and specifying your name, the company (that is, Big River Gold Ltd), and the attorney, and also specify the meeting at which the appointment may be used. The appointment may be a standing one.</p> <p>The original or a certified copy of the power of attorney or other authority (if any) under which the instrument is signed must be received by Automic by no later than 10.00am (AWST) on Wednesday, 31 August 2022.</p> <p>The power of attorney must be delivered by posting it to Automic in accordance with the instructions on the Proxy Form.</p>
<b>By Corporate Representative</b>	<p>A General Shareholder that is a body corporate may appoint an individual to act as its representative at the General Scheme Meeting.</p> <p>To vote by corporate representative at the General Scheme Meeting, a corporate BRV Shareholder should obtain an "Appointment of Corporate Representative" form from Automic and complete that form in accordance with its instructions.</p> <p>Corporate representative appointment forms should be provided to Automic before commencement of the General Scheme Meeting.</p>

Method	Voting instructions
<b>Further Information</b>	For further information, you can call the Shareholder Information Line on 1300 101 594 (within Australia) or +61 2 8072 1412 (outside Australia), Monday to Friday (excluding public holidays), between 8.30am and 5.00pm (AWST).

### **Jointly Held BRV Shares**

If the BRV Shares are jointly held, only one of the joint shareholders is entitled to vote. If more than one General Shareholder votes in respect of jointly held BRV Shares, only the vote of the General Shareholder whose name appears first on the BRV Register will be counted.

### **Advertisement**

Where this notice of meeting is advertised unaccompanied by the Scheme Booklet, a copy of the Scheme Booklet can be obtained by anyone entitled to attend the General Scheme Meeting from BRV's website <https://www.bigrivergold.com.au/>, or by contacting the Shareholder Information Line on 1300 101 594 (within Australia) or +61 2 8072 1412 (outside Australia), Monday to Friday (excluding public holidays), between 8.30am and 5.00pm (AWST)

# Appendix 4 – Notice of Relevant Shareholder Scheme Meeting

## Notice of Court Ordered Meeting of the Relevant Shareholder

Notice is hereby given that, by order of the Supreme Court of Western Australia (**Court**) made on 29 July 2022 pursuant to section 411(1) of the Corporations Act, the Court has directed that a meeting of the **Relevant Shareholder** (being Dundee Resources Limited) of Big River Gold Ltd (ACN 106 641 963) (**BRV**) be held at Level 4, 77 St Georges Terrace, Perth, Western Australia on Friday, 2 September 2022 commencing at 9.30am (AWST) (**Relevant Shareholder Scheme Meeting**).

### Purpose of the Relevant Shareholder Scheme Meeting

The purpose of the Relevant Shareholder Scheme Meeting is to consider and, if thought fit, to agree (with or without any alterations or conditions agreed or any alterations or conditions required by the Court) to a scheme of arrangement proposed to be made between BRV and BRV Shareholders (**Scheme**).

A copy of the Scheme and the explanatory statement required by section 412 of the Corporations Act in relation to the Scheme are contained in the Scheme Booklet of which this Notice of Relevant Shareholder Scheme Meeting forms part. Terms and abbreviations used (and not otherwise defined) in this Notice of Relevant Shareholder Scheme Meeting have the same meaning as set out in the glossary of defined terms in Section 10 of the Scheme Booklet.

### Scheme Resolution – Approval of Scheme

The Relevant Shareholder Scheme Meeting will be asked to consider and, if thought fit, pass the following resolution:

*"That under and in accordance with the provisions of section 411 of the Corporations Act 2001 (Cth), the member agrees to the arrangement proposed between Big River Gold Ltd (**BRV**) and the holders of its fully paid ordinary shares, designated the **Scheme**, as contained in and more particularly described in the Scheme Booklet accompanying the notice convening this meeting (with or without any alterations or conditions agreed or any alterations or conditions required by the Court) and the Independent Board Committee of BRV is authorised to implement the Scheme with any such alterations or conditions."*

BY ORDER OF THE COURT



.....  
Andrew Beigel  
Company Secretary

## **NOTES TO THE NOTICE OF COURT ORDERED RELEVANT SHAREHOLDER SCHEME MEETING**

### **General**

This Notice of Relevant Shareholder Scheme Meeting should be read in conjunction with the entire Scheme Booklet of which this Notice of Relevant Shareholder Scheme Meeting forms part. The Scheme Booklet contains important information to assist you in determining how to vote on the Scheme Resolution. The Scheme Booklet includes a copy of the Scheme (refer to Appendix 2) and the explanatory statement required by section 412 of the Corporations Act in relation to the Scheme.

### **Terminology**

Capitalised terms which are defined in the Scheme Booklet which accompanies this Notice of Relevant Shareholder Scheme Meeting have the same meaning when used in this Notice of Relevant Shareholder Scheme Meeting (including these notes) unless the context requires otherwise.

### **Quorum**

The quorum for the Relevant Shareholder Scheme Meeting will be constituted by the Relevant Shareholder (present in person or by proxy, corporate representative or attorney under power and entitled to vote).

### **Chair**

The Court has directed that Mr Shaun McRobert act as chair of the Relevant Shareholder Scheme Meeting, or failing him, Mr Anthony Italiano, and has directed the chair to report the result of the Relevant Shareholder Scheme Meeting to the Court. Mr McRobert is a partner at Minter Ellison, lawyers to BRV, and Mr Italiano is an employee of BRV. Neither Mr McRobert nor Mr Italiano hold any shares in BRV.

### **Approval Required**

In accordance with section 411(4)(a)(ii) of the Corporations Act, the resolution to approve the Scheme at the Relevant Shareholder Scheme will be passed if the Relevant Shareholder votes in favour of the Scheme.

As detailed below, the Scheme will only become Effective and be implemented if it is:

- agreed to by the requisite majorities of General Shareholders at the General Scheme Meeting;
- agreed to by the Relevant Shareholder at the Relevant Shareholder Scheme Meeting; and
- approved by the Court at the Second Court Hearing.

### **General Shareholder Approval**

In accordance with clause 3.1 of the Scheme Implementation Deed, and as set out in Section 1 of the Scheme Booklet, the Scheme must be approved by the requisite majorities of General Shareholders at the General Scheme Meeting (in addition to the Relevant Shareholder at the Relevant Shareholder Scheme Meeting) to proceed.



The General Scheme Meeting will be held immediately after the Relevant Shareholder Scheme Meeting at 10.00am (AWST) on Friday, 2 September 2022.

### **Court Approval**

In accordance with section 411(4)(b) of the Corporations Act, to become Effective, the Scheme (with or without any alterations or conditions agreed or any alterations or conditions required by the Court) must also be approved by an order of the Court and an office copy of the orders of the Court approving the Scheme must be lodged with ASIC. If the Scheme Resolution is passed at both Scheme Meetings by the majority required, and the other Scheme Conditions (other than approval by the Court) are satisfied or waived by the time required under the Scheme, BRV intends to apply to the Court for the necessary orders to approve the Scheme.

### **Entitlement to Vote**

Pursuant to section 411 of the Corporations Act and all other enabling powers, the Court has determined that the time for determining a person's entitlement to vote at the Scheme Meeting is 5:00pm (AWST) on Wednesday, 31 August 2022. The Relevant Shareholder must be entered on the Share Register as at that time to be entitled to attend and vote at the Relevant Shareholder Scheme Meeting either in person, by proxy, by attorney or by corporate representative. Registrable transfers or transmission applications received after this time will be disregarded in determining entitlements to vote at the Scheme Meeting.

### **How to Vote**

Voting at the Relevant Shareholder Scheme Meeting will be by poll.

The Relevant Shareholder can vote in one of the following ways:

- attending the Relevant Shareholder Scheme Meeting and voting on their own behalf or by attorney or corporate representative; or
- by appointing one or more proxies to attend the Relevant Shareholder Scheme Meeting and vote on their behalf, using the Proxy Form enclosed with the Scheme Booklet or lodging a proxy vote online in accordance with the instructions on the Proxy Form.

### **Attendance**

The Relevant Shareholder, authorised proxies, attorneys and corporate representatives can attend and participate in the Relevant Shareholder Scheme Meeting.

### **Additional Voting Instructions**

Method	Voting instructions
In Person	<p>You will be able to participate and vote at the Relevant Shareholder Scheme Meeting by attending Level 4, 77 St Georges Terrace on Friday, 2 September 2022 at 9.30am (AWST).</p> <p>If you attend the Relevant Shareholder Scheme Meeting and vote in your capacity as a Relevant Shareholder, any votes cast by your proxy or attorney (if any) will not be counted.</p> <p>Given the current COVID-19 circumstances and in the interests of public health and safety of BRV Shareholders, BRV will implement arrangements to allow BRV Shareholders to physically attend the Relevant Shareholder Scheme Meeting in accordance with COVID-19 protocols and government advice.</p>

Method	Voting instructions
	<p>BRV will strictly comply with any applicable limitations on indoor gatherings in force at the time of the Relevant Shareholder Scheme Meeting. If you attend the Relevant Shareholder Scheme Meeting in person, you will be required to adhere to COVID-19 protocols in place at the time of the Meeting.</p>
<p><b>By Proxy</b></p>	<p>To appoint a proxy to vote on your behalf in respect of the Scheme, you can complete the enclosed personalised Proxy Form in accordance with the instructions and return it to Automic. Alternatively, you can lodge your proxy online in accordance with the instructions on the Proxy Form.</p> <p>If your proxy is signed by an attorney, please also enclose the authority under which the proxy is signed (or a certified copy of the authority).</p> <p>Proxy Forms and powers of attorney must be received by the BRV's Share Registry, Automic, by no later than 9.30am (AWST) on Wednesday, 31 August 2022 (or if the Relevant Shareholder Scheme Meeting is adjourned, at least 48 hours before the resumption of the Relevant Shareholder Scheme Meeting). Proxy Forms and powers of attorney received after this time will not be valid. Accordingly, you should ensure that it is posted, delivered or lodged online in sufficient time for it to be received by Automic by that time. In addition, if you intend to mail your Proxy Form or return your Proxy Form in person, you should ensure that you allow sufficient time for it to be received by Automic by 9.30am (AWST) on Wednesday, 31 August 2022.</p> <p>If you are entitled to cast two or more votes, you may appoint two proxies. You must specify the names of each proxy. You may specify the proportion or the number of votes that each proxy is appointed to exercise. If numbers or proportions of votes are not specified, each proxy may exercise half of the votes you are entitled to cast. Fractions of votes will be disregarded.</p> <p>If you hold BRV Shares jointly with one or more other persons, in order for your proxy appointment to be valid, each of you must sign the Proxy Form.</p> <p>A proxy may, but need not be, a BRV Shareholder.</p> <p>If a proxy is instructed to abstain from voting on any item of business, that person is directed not to vote on the Relevant Shareholder's behalf on a poll and the BRV Shares the subject of the proxy appointment will not be counted in computing the required majority.</p> <p>If a proxy is not directed how to vote on an item of business, the proxy may vote or abstain from voting, as that person thinks fit.</p> <p>If an appointment directs the way the proxy is to vote on the resolution:</p> <ul style="list-style-type: none"> <li>• if the proxy is the chair – the proxy must vote on the poll and must vote in the way directed; and</li> <li>• if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote in the way directed.</li> </ul> <p>If the Relevant Shareholder returns their Proxy Forms with a direction on how to vote but without nominating the identity of their proxy, the Relevant Shareholder will be taken to have appointed the chair of the Scheme Meeting as their proxy to vote on their behalf.</p> <p>BRV confirms that it will appoint an independent nominee to act as chair of the Relevant Shareholder Scheme Meeting.</p> <p>If:</p> <ul style="list-style-type: none"> <li>• the Relevant Shareholder nominates the chair of the Relevant Shareholder Scheme Meeting as their proxy; or</li> </ul>

Method	Voting instructions
	<ul style="list-style-type: none"> <li>the chair of the Relevant Shareholder Scheme Meeting is otherwise appointed to act as proxy,</li> </ul> <p>then the person acting as chair of the Relevant Shareholder Scheme Meeting in respect of an item of business at the meeting must act as proxy in respect of the resolution to be considered at the Relevant Shareholder Scheme Meeting.</p> <p>If a Proxy Form is returned but the nominated proxy does not attend the Relevant Shareholder Scheme Meeting or attends but does not vote on the poll, the chair of the Relevant Shareholder Scheme Meeting will act in place of the nominated proxy and vote in accordance with any instructions.</p> <p>The chair of the Relevant Shareholder Scheme Meeting intends to vote undirected proxies of which he/she is appointed as proxy in favour of the resolution to approve the Scheme (in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interest of BRV Shareholders).</p> <p>A vote cast in accordance with the appointment of a proxy is valid even if before the vote was cast the appointor:</p> <ul style="list-style-type: none"> <li>died;</li> <li>became mentally incapacitated;</li> <li>revoked the power; or</li> <li>transferred the BRV Shares in respect of which the vote was cast,</li> </ul> <p>unless BRV received written notification of the death, mental incapacity, revocation or transfer before the meeting or, if applicable, the resumption of any adjourned meeting.</p> <p>Appointing a proxy will not preclude you from attending the Relevant Shareholder Scheme Meeting in person and voting at the Relevant Shareholder Scheme Meeting instead of your proxy. In this scenario the appointment of your proxy is not revoked but your proxy must not speak or vote at the meeting while you are so present.</p>
<b>By Power of Attorney</b>	<p>Your vote may be cast by a duly authorised attorney. An attorney need not be a BRV Shareholder.</p> <p>If you intend to appoint an attorney to attend the Relevant Shareholder Scheme Meeting and vote on your behalf, you may do so by providing a power of attorney duly executed by you in the presence of at least one witness, and specifying your name, the company (that is, Big River Gold Ltd), and the attorney, and also specify the meeting at which the appointment may be used. The appointment may be a standing one.</p> <p>The original or a certified copy of the power of attorney or other authority (if any) under which the instrument is signed must be received by Automic by no later than 9.30am (AWST) on Wednesday, 31 August 2022.</p> <p>The power of attorney must be delivered by posting it to Automic in accordance with the instructions on the Proxy Form.</p>
<b>By Corporate Representative</b>	<p>The Relevant Shareholder may appoint an individual to act as its representative at the Relevant Shareholder Scheme Meeting.</p> <p>To vote by corporate representative at the Relevant Shareholder Scheme Meeting, the Relevant Shareholder should obtain an "Appointment of Corporate Representative" form from Automic and complete that form in accordance with its instructions.</p>

Method	Voting instructions
	Corporate representative appointment forms should be provided to Automic before commencement of the Relevant Shareholder Scheme Meeting.
<b>Further Information</b>	For further information, you can call the Shareholder Information Line on 1300 101 594 (within Australia) or +61 2 8072 1412 (outside Australia), Monday to Friday (excluding public holidays), between 8:30am and 5.00pm (AWST).

#### **Advertisement**

Where this notice of meeting is advertised unaccompanied by the Scheme Booklet, a copy of the Scheme Booklet can be obtained by anyone entitled to attend the Relevant Shareholder Scheme Meeting from BRV's website <https://www.bigrivergold.com.au/>, or by contacting the Shareholder Information Line on 1300 101 594 (within Australia) or +61 2 8072 1412 (outside Australia), Monday to Friday (excluding public holidays), between 8.30am and 5.00pm (AWST).

# Appendix 5 – Scheme Implementation Deed

# Scheme Implementation Deed

Dated 19 April 2022

Big River Gold Ltd (**BRV**)

Aura Minerals Inc. (**Aura**)

**King & Wood Mallesons**  
Level 30  
QV1 Building  
250 St Georges Terrace  
Perth WA 6000  
Australia  
T +61 8 9269 7000  
F +61 8 9269 7999  
DX 210 Perth  
www.kwm.com  
Ref:HFL:AZ:ABV 608-0067868

# Scheme Implementation Deed

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# Scheme Implementation Deed

## Details

Parties	Aura and BRV	
Aura	Name	<b>Aura Minerals Inc.</b>
	Formed in	British Virgin Islands
	Address (for notice purposes)	c/o Aura Technical Services Inc. 78 SW 7 ST Suite 7144, Miami, FL 33130
	Email	
	Attention	Rodrigo Barbosa
BRV	Name	<b>Big River Gold Ltd</b>
	ACN	106 641 963
	Address	Level 29, 221 St Georges Terrace, Perth WA 6000
	Email	
	Attention	Andrew Richards
<b>Governing law</b>	Western Australia	
<b>Recitals</b>	<b>A</b>	Aura and BRV have agreed that Aura BidCo will acquire all of the ordinary shares in the capital of BRV by means of a scheme of arrangement under Part 5.1 of the Corporations Act.
	<b>B</b>	At the request of Aura, BRV intends to propose the Scheme, and to issue the Scheme Booklet.
	<b>C</b>	BRV and Aura have agreed to implement the Scheme on the terms and conditions of this document.

# Scheme Implementation Deed

## General terms

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### 1 Definitions and interpretation

#### 1.1 Definitions

Unless the contrary intention appears, these meanings apply:

**Accounting Standards** means:

- (a) the requirements of the Corporations Act relevant to the preparation and contents of financial reports; and
- (b) the accounting standards approved under the Corporations Act, being the Australian Accounting Standards and any authoritative interpretation issued by the Australian Accounting Standards Board.

**ASIC** means the Australian Securities & Investments Commission.

**Associate** has the meaning set out in section 12 of the Corporations Act, as if section 12(1) of the Corporations Act included a reference to this document and BRV was the designated body.

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

**ASX Listing Rules** means the listing rules of ASX and any other applicable rules of ASX modified to the extent of any express written waiver by ASX.

**ATO** means the Australian Taxation Office.

**Aura BidCo** has the meaning given to that term in clause 2.3(a).

**Aura Group** means Aura and its Subsidiaries.

**Aura Indemnified Parties** means Aura, its directors, other officers and advisers, its Related Bodies Corporate and the directors, other officers and advisers of each of their Related Bodies Corporate.

**Aura Information** means the information regarding Aura provided by Aura to BRV in writing for inclusion in the Scheme Booklet, being information regarding Aura required to be included in the Scheme Booklet under the Corporations Act, Corporations Regulations or ASIC Regulatory Guide 60. Aura Information does not include information about the BRV Group (except to the extent it relates to any statement of intention relating to the BRV Group following the Effective Date), information provided by BRV to Aura (or otherwise obtained from BRV's public filings on ASX and ASIC) contained in, or used for the preparation of, the information regarding the Aura Group or the Independent Expert's Report.

**Authorised Officer** means a director, officer or secretary of a party or any other person nominated by a party to act as an Authorised Officer for the purposes of this document.

**Break Fee** means \$920,000.

**BRV Board** means the board of directors of BRV.

**BRV Confidential Information** means all confidential, proprietary or non-public information regardless of how the information is stored or delivered, exchanged between the parties before, on or after the date of this document, relating to the business or affairs of BRV.

**BRV Constitution** means the constitution of BRV.

**BRV Expenditure Plan** means the month-by-month document titled 'Budget Cashflow FY22\_FINAL mthly' in the 'Financial Information > 2022 BRV Budget' folder in BRV's virtual data room.

**BRV Group** means BRV and its Subsidiaries.

**BRV Indemnified Parties** means BRV, its directors, other officers and advisers and its Related Bodies Corporate and the directors, other officers and advisers of each of BRV's Related Bodies Corporate.

**BRV Information** means all information contained in the Scheme Booklet other than the Aura Information and the Independent Expert's Report.

**BRV Listed Option** means an ASX listed option issued by BRV, expiring 30 June 2022, exercisable at \$0.16.

**BRV Option Deed** means a deed between BRV, a BRV Unlisted Optionholder and Aura (in a form agreed between the parties prior to the date of this document) under which those parties agree to cancel all of the BRV Unlisted Options held by that BRV Unlisted Optionholder with effect on the Implementation Date, conditional on the Scheme becoming Effective, for the BRV Unlisted Option Consideration.

**BRV Performance Right** means an entitlement granted by BRV for the holder of the entitlement to be allocated a BRV Share subject to the satisfaction of any applicable vesting conditions.

**BRV Representations and Warranties** means the representations and warranties of BRV set out in Schedule 3.

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

**BRV Shareholder** means each person registered in the Register as a holder of BRV Shares.

**BRV Unlisted Option** means an unlisted option issued by BRV, expiring 4 February 2024, exercisable at \$0.48.

**BRV Unlisted Option Consideration** means, in respect of a BRV Unlisted Option, the value determined by Aura (and confirmed by BRV, both acting reasonably) by the application of a Black-Scholes valuation based on the Scheme Consideration.

**BRV Unlisted Optionholder** means a holder of BRV Unlisted Options.

**Business Day** means a business day as defined in the ASX Listing Rules, provided that such day is not a day on which the banks in Perth, Australia, Miami, United States and Toronto, Canada are authorised or required to close.

**Commissioner** means the Commissioner of Taxation of Australia.

**Competing Transaction** means an offer, proposal, transaction or arrangement (whether by way of stock purchase, tender offer, exchange offer, merger, consolidation, share exchange, business combination, joint venture, reorganisation, recapitalisation, takeover bid, scheme of arrangement, capital reduction, buy back, sale, lease or assignment of assets, sale or issue of securities, reverse takeover bid, dual listed company structure (or other synthetic merger), deed of company arrangement, debt for equity arrangement or otherwise), or a series of any of the foregoing (other than the Scheme), which, if completed, would mean:

- (a) a person (other than Aura or its Related Bodies Corporate), whether alone or together with its Associates, would:
  - (i) directly or indirectly acquire a Relevant Interest in or become the holder of 20% or more of the BRV Shares (other than as custodian, nominee or bare trustee);
  - (ii) acquire control of BRV, within the meaning of section 50AA of the Corporations Act; or
  - (iii) directly or indirectly acquire, obtain a right to acquire, or otherwise obtain an interest in (including through any license arrangement) 20% or more of the consolidated assets of the BRV Group; or
- (b) Aura would be required to abandon, or otherwise fail to proceed with, the Scheme.

**Conditions Precedent** means the conditions precedent set out in clause 3.1.

**Confidentiality Agreement** means the Confidentiality Agreement between Aura and BRV dated 3 November 2021.

**Controller** has the meaning it has in the Corporations Act.

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

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

**Costs** includes costs, charges and expenses, including those incurred in connection with advisers and any legal costs on a full indemnity basis.

**Court** means the Supreme Court of Western Australia, or another court of competent jurisdiction under the Corporations Act agreed in writing by BRV and Aura.

**COVID-19** means SARS-CoV-2 or COVID-19, and any evolutions or mutations thereof (including any subsequent waves or outbreaks thereof).

**COVID-19 Measures** means any quarantine, "shelter in place", "stay at home", workforce reduction, social distancing, shut down, closure, sequester, safety or similar laws, rules, regulations, directives, guidelines or recommendations promulgated by any Governmental Authority of competent jurisdiction, including the Australian Government Department of Health and the World Health Organisation in connection with or in response to COVID-19.

**Deed Poll** means a deed poll substantially in the form of Annexure B to this document.

**Details** means the section of this document headed "Details".

**Disclosure Letter** means the disclosure letter dated the date of this document and delivered by BRV to Aura together with this document.

**Disclosure Materials** means the information disclosed in BRV's virtual data room as at 11.59pm on 13 April 2022 (including management presentations and all written responses provided to written questions or requests for information in the virtual data room as at that time), as evidenced by the 'Project North' electronic archive provided by BRV to Aura or one of its advisers prior to or promptly after the execution of this document (a copy of such archive to be sent by USB by BRV to Aura's financial adviser following execution).

**Duty** means any stamp, transaction or registration duty or similar charge which is imposed by any Governmental Authority and includes any associated interest, penalty, charge or other amount which is imposed.

**Effective**, when used in relation to the Scheme, means the coming into effect, pursuant to section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) of the Corporations Act in relation to the Scheme, but in any event at no time before an office copy of the order of the Court is lodged with ASIC.

**Effective Date** means the date on which the Scheme becomes Effective.

**Election** means a valid election by the Relevant Shareholder to receive their Scheme Consideration in the form of Scheme Cash Consideration in respect of all the BRV Shares held by the Relevant Shareholder on the Record Date, made in accordance with clause 4.4 and otherwise in accordance with the Scheme.

**Election Form** means a form issued by or on behalf of BRV for the purposes of the Relevant Shareholder making an Election, in a form agreed by BRV and Aura.

**Election Time** means 5.00pm on the second Business Day following the Effective Date or any other date as agreed in writing between BRV and Aura.

**Encumbrance** means any security for the payment of money or performance of obligations, including a mortgage, charge, lien, pledge, trust, power or title retention or flawed deposit arrangement, "security interest" as defined in sections 12(1) or 12(2) of the PPSA, right of first refusal, preemptive right, any similar restriction, or any agreement to create any of them or allow them to exist.

**End Date** means the date that is 7 months after the date of this document or such other date as is agreed in writing by Aura and BRV.

**Exclusivity Period** means the period commencing on the date of this document and ending on the earliest of:

- (a) the Effective Date;
- (b) the End Date; and
- (c) the termination of this document in accordance with its terms.

**Fairly Disclosed** means fully and fairly disclosed, with sufficient detail and context as to enable a reasonable person who is experienced in transactions similar to the Scheme, or experienced in a business similar to the type of business generally conducted by BRV, to identify the nature and scope of the relevant matter, event or circumstance:

- (a) by BRV in the Disclosure Materials;

- (b) in a Transaction Document;
- (c) in any announcement made by BRV on the ASX prior to the date of this document;
- (d) in any publicly accessible document lodged by or on behalf of BRV with ASIC 5 Business Days prior to the date of this document; or
- (e) in the Disclosure Letter.

**FIRB Act** means the *Foreign Acquisitions and Takeovers Act 1975* (Cth).

**First Court Date** means the first day on which an application made to the Court, in accordance with clause 6.2(h), for orders under section 411(1) of the Corporations Act convening the Scheme Meeting is heard.

**Fundamental Representation and Warranty** means a BRV Representation and Warranty in Schedule 3 that is annotated with an asterisk (ie. “ \* “).

**Governmental Authority** means:

- (a) any national, federal, state, or government or any entity exercising executive, legislative, judicial, arbitral, regulatory, taxing, or administrative functions of or pertaining to government;
- (b) any agency, division, bureau, department, committee, or other political subdivision of any government, entity or organisation described in the foregoing clause (a) of this definition (including patent and trademark offices); or
- (c) quasi-governmental, self-regulatory agency, commission or authority, including any national securities exchange or national quotation system,

and includes ASX, ASIC, TSX, the Takeovers Panel and any Australian, British Virgin Island or Brazilian federal, state, provincial or territory revenue offices.

**GST** has the meaning given in the GST Act.

**GST Act** means the *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

**GST Law** means any law relating to GST.

**Headcount Test** means the requirement under section 411(4)(a)(ii)(A) of the Corporations Act that the resolution to approve the Scheme at the Scheme Meeting is passed by a majority in number of BRV Shareholders (or, if relevant, class thereof) present and voting, either in person or by proxy.

**IBC** means the independent board committee of the BRV Board, established in connection with the transactions the subject of this document.

**IFRS** means International Financial Reporting Standards.

**Implementation Date** means the 5th Business Day following the Record Date or such other date after the Record Date as is agreed in writing by BRV and Aura.

**Incoming Directors** means the directors of BRV to be designated by Aura and to be appointed on the Implementation Date.



**Indebtedness** of any person means:

- (a) the outstanding principal amount of, accrued and unpaid interest on, and other payment obligations or liabilities (including any prepayment premiums, penalties, make-whole payments, termination fees, reimbursement obligations, breakage costs and other fees and expenses that are payable upon repayment of such obligations) of such person arising under, consisting of, pursuant to, or in respect of:
  - (i) indebtedness for borrowed money or indebtedness evidenced by notes, bonds, debentures or other debt securities;
  - (ii) the deferred purchase price of property or services (including any earn out obligations whether or not contingent and regardless of when due) (but excluding trade payables, accrued expenses and current accounts, in each case, incurred and paid in the ordinary course of business);
  - (iii) any letter of credit, bank guarantee, bankers' acceptance or other similar instrument, in each case, to the extent drawn, issued for the account of such person;
  - (iv) any hedging agreement, derivative instrument or similar arrangement, including any interest rate swap, currency swap, forward currency or interest rate contracts or other interest rate or currency hedging arrangements (in each case valued at their termination value as of immediately prior to the date of determination);
  - (v) any transaction related to the securitisation of assets (including inventory or receivables) for financing purposes to any third party, including all factoring and inventory agreements and similar agreements executed for the purpose of obtaining financing;
  - (vi) any obligations in respect of dividends declared but not paid;
  - (vii) any obligations in respect of a capital or finance lease (in which case only the capitalised portion thereof shall constitute Indebtedness); and
- (b) any obligation of another person of the kind described in paragraph (a) for which such person is responsible or liable, directly or indirectly, as obligor, guarantor, surety or otherwise or in respect of which such person has pledged any of its assets as collateral therefor.

**Independent Expert** means the independent expert appointed by BRV under clause 6.2(c).

**Independent Expert's Report** means the report from the Independent Expert for inclusion in the Scheme Booklet, including any update or supplementary report, stating whether in the Independent Expert's opinion the Scheme is in the best interests of BRV Shareholders.

A person is **Insolvent** if:

- (a) it is (or states that it is) an insolvent under administration or insolvent (each as defined in the Corporations Act);
- (b) it is in liquidation, in provisional liquidation, under administration or wound up or has had a Controller appointed to any part of its property;

- (c) it is subject to any arrangement (including a deed of company arrangement or scheme of arrangement), assignment, moratorium, compromise or composition, protected from creditors under any statute or dissolved (in each case, other than to carry out a reconstruction or amalgamation while solvent on terms approved by the other parties to this document);
- (d) an application or order has been made (and in the case of an application which is disputed by the person, it is not stayed, withdrawn or dismissed within 14 days), resolution passed, proposal put forward, or any other action taken, in each case in connection with that person, which is preparatory to or could result in any of the things described in any of the above paragraphs;
- (e) it is taken (under section 459F(1) of the Corporations Act) to have failed to comply with a statutory demand;
- (f) it is the subject of an event described in section 459C(2)(b) or section 585 of the Corporations Act (or it makes a statement from which another party to this document reasonably deduces it is so subject);
- (g) it is otherwise unable to pay its debts when they fall due; or
- (h) something having a substantially similar effect to any of the things described in the above paragraphs happens in connection with that person under the law of any jurisdiction.

**Intellectual Property** means:

- (a) trademarks, service marks, brand names, internet domain names, internet and social media usernames, logos, symbols, certification marks, trade dress and other indications of origin, the goodwill associated with the foregoing and registrations in any jurisdiction of, and applications in any jurisdiction to register, the foregoing, including any extension, modification or renewal of any such registration or application;
- (b) inventions, discoveries and ideas, whether patentable or not, in any jurisdiction;
- (c) patents, applications for patents (including divisions, continuations, continuations in part and renewal applications), all improvements thereto, and any renewals, extensions or reissues thereof, in any jurisdiction;
- (d) non-public information, trade secrets and know-how, including processes, technologies, protocols, formulae, prototypes and confidential information and rights in any jurisdiction to limit the use or disclosure thereof by any person;
- (e) writings and other works, whether copyrightable or not and whether in published or unpublished works, in any jurisdiction;
- (f) rights of publicity, likeness rights, or other similar personality rights;
- (g) registrations or applications for registration of copyrights in any jurisdiction, and any renewals or extensions thereof; and
- (h) any similar intellectual property or proprietary rights.

**JVCo** means a wholly-owned Subsidiary of Aura to be incorporated in the British Virgin Islands.

**JVCo Share** means an ordinary share in the capital of JVCo.

**JVCo Shareholders Agreement** means the shareholders agreement to be entered into by the shareholders of JVCo on or after the Implementation Date to govern the affairs of JVCo.

**Key Mineral Rights** means the Mineral Rights identified in Part A of Schedule 2.

**Losses** means all claims, demands, damages, losses, costs, expenses (including reasonable fees of counsel) and liabilities.

**Material Adverse Effect** means any event, matter or circumstance which has, or would be reasonably likely to have, either individually or when aggregated with any other events, matters or circumstances, a material adverse effect on:

- (a) the assets and liabilities (contingent or otherwise), financial condition, business, results of operations or prospects of the BRV Group (taken as a whole); or
- (b) the Key Mineral Rights, including the status or terms of (or rights attaching to) the Key Mineral Rights, or the ability of the owner of the Key Mineral Rights to exploit them,

but does not include events, matters or circumstances to the extent resulting from or arising out of:

- (c) any matter that has been Fairly Disclosed;
- (d) changes in general economic or political conditions, law, or capital markets in general;
- (e) any epidemic, pandemic (including COVID-19 or COVID-19 Measures, but only to the extent that the impact of the COVID-19 pandemic or any related COVID-19 Measures in the relevant place change materially after the date of this document), hurricane, earthquake, flood, weather conditions, calamity or other natural disaster, act of God or other force majeure event (or any worsening of or recovery from any of the foregoing);
- (f) civil or political unrest, any acts of war, or acts of terrorism (including any outbreak, escalation or worsening of any of the foregoing);
- (g) any change in taxation rates, interest rates, exchange rates or the gold price;
- (h) the taking of any action required under this document, the Scheme or the transactions contemplated by them (other than, to the extent not excluded by another clause of this definition, in compliance with BRV's obligations pursuant to clause 9);
- (i) the execution, delivery or performance of this document, the announcement or pendency of the Scheme or the other transactions contemplated by this document; or
- (j) any action (or the failure to take any action) with the written consent or at the written request of Aura,

except, in the case of each of the foregoing paragraphs (d), (e), (f) and (g), if the effects of such events, matters or circumstances are disproportionately adverse to the BRV Group as compared to the effects on other companies in the industry in which the BRV Group operates.

Without limiting the generality of the foregoing, a Material Adverse Effect will be deemed to occur if:

- (i) a change or proposed change of laws or regulations (including in respect of mining, taxation, customs, export, health and safety, environmental or any other matter) of any Governmental Authority of Brazil materially adversely affecting the development, operation, exploitation or economic benefits to BRV of the Key Mineral Rights is announced or made (whether through amendment of existing laws or enactment of new laws, a change having the force of law in the interpretation or application thereof by any judicial, arbitral or administrative body); or
- (ii) at any time Aura or BRV becomes aware of any impairment to the good standing or effectiveness of, or the BRV Group's right, title and interest in, any Key Mineral Right.

**Material Contract** means any agreement entered into by a member of the BRV Group:

- (a) with a total value of greater than A\$500,000 (in respect of the BRV Group) or a contract that is otherwise price sensitive or material in the context of the business or operations of the BRV Group;
- (b) which requires a member of the BRV Group to pay an amount in order to terminate the contract on less than 12 months' notice;
- (c) which, if revoked or terminated, would materially adversely impact the ability of any member of the BRV Group to conduct its business in substantially the same manner and at the same locations as conducted in the six months preceding the date of this document;
- (d) granting any right of first refusal, right of first offer or similar right with respect to any material assets, rights or properties of the BRV Group, including any royalty on production from the properties covered by the Mineral Rights or granting any right in favour of a third party to receive any payment (whether in cash or in kind) in respect of production from the Mineral Rights;
- (e) that obligates in any material respect any member of the BRV Group (or that will obligate in any material respect any member of the expanded Aura Group following implementation of the Scheme) to conduct business with any third party on an exclusive basis or contains "most favoured nation" or similar provisions that are material in relation to the conduct of business with the relevant third party; or
- (f) that is a material joint venture, partnership or earn-in / farm-out arrangement.

**Mineral Rights** means all of the mineral rights owned by, or leased or licensed to, a member the BRV Group, identified in Schedule 2 (including, for the avoidance of doubt, the Key Mineral Rights).

**Minimum Cash Balance** means, if the date on which the certificate contemplated in clause 3.1(j) is delivered is:

- (a) during the month of July 2022, then A\$13,570,000;
- (b) during the month of August 2022, then A\$12,550,000;

- (c) during the month of September 2022, then A\$11,290,000;
- (d) during the month of October 2022, then A\$9,870,000;
- (e) during the month of November 2022, then A\$8,610,000.

**Outgoing Directors** means the directors of BRV in office immediately prior to the implementation of the Scheme.

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

**Prescribed Event** means, except to the extent contemplated by this document or the Scheme, any of the following events:

- (a) **(conversion)** BRV converts all or any of its shares into a larger or smaller number of shares;
- (b) **(reduction of share capital)** BRV or another member of the BRV Group (other than a wholly owned Subsidiary of BRV) resolves to reduce its share capital in any way or resolves to reclassify, combine, split or redeem or repurchase directly or indirectly any of its shares;
- (c) **(buy-back)** BRV or another member of the BRV Group (other than a wholly owned Subsidiary of BRV):
  - (i) enters into a buy-back agreement; or
  - (ii) resolves to approve the terms of a buy-back agreement under the Corporations Act;
- (d) **(distribution)** BRV makes or declares, or announces an intention to make or declare, any distribution (whether by way of dividend, capital reduction or otherwise and whether in cash or in specie);
- (e) **(issuing or granting shares or options)** any member of the BRV Group:
  - (i) issues shares;
  - (ii) grants an option over its shares; or
  - (iii) agrees to make an issue of or grant an option over shares,

in each case to a person that is not BRV or a wholly owned Subsidiary of BRV other than the issue of BRV Shares in connection with the exercise or vesting of any BRV Listed Option, BRV Unlisted Option or BRV Performance Right (on issue on the date of this document) in the ordinary course in accordance with their terms as of the date of this document;
- (f) **(securities or other instruments)** any member of the BRV Group issues, or agrees to issue, or publicly announces that it intends to issue, securities or other instruments convertible into shares in each case to a person that is not BRV or a wholly owned Subsidiary of BRV other than the issue of shares in connection with the exercise or vesting of any BRV Listed Option, BRV Unlisted Option or BRV Performance Right (on issue on the date of this document) in the ordinary course in accordance with their terms as of the date of this document;

- (g) **(constitution)** BRV or any non-wholly owned Subsidiary of BRV adopts a new constitution or modifies or repeals its constitution or a provision of it;
- (h) **(acquisitions, disposals or tenders)** any member of the BRV Group:
  - (i) acquires or disposes of;
  - (ii) agrees to acquire or dispose of; or
  - (iii) offers, proposes, announces a bid or tenders for, any business, entity or undertaking or assets comprising a business;
- (i) **(commitments)** any member of the BRV Group:
  - (i) enters into any contract or commitment (including in respect of any Indebtedness) requiring payments by the BRV Group in excess of A\$250,000 (individually or in aggregate) but excluding any drilling or assaying costs, any payment required by law and any other item Fairly Disclosed in the BRV Expenditure Plan;
  - (ii) without limiting the foregoing, (i) agrees to incur or incurs capital expenditure of more than A\$250,000 (individually or in aggregate) but excluding any drilling or assaying costs or other item Fairly Disclosed in the BRV Expenditure Plan (ii) incurs any Indebtedness of an amount in excess of A\$250,000 (individually or in aggregate);
  - (iii) waives any material third party default where the financial impact on the BRV Group will be in excess of A\$250,000 (individually or in aggregate); or
  - (iv) accepts as a compromise of a matter less than the full compensation due to a member of the BRV Group where the financial impact of the compromise on the BRV Group is more than A\$250,000 (individually or in aggregate);
- (j) **(encumbrances)** any member of the BRV Group creates, or agrees to create, any Encumbrance over or declares itself the trustee of all or a material part of the BRV Group's business or property;
- (k) **(merger)** (i) BRV or (ii) any material member of the BRV Group, merges or consolidates, or agrees to merge or consolidate, or publicly announces that it intends to merge or consolidate, with any other person (other than, in the case of paragraph (ii), BRV or a wholly owned Subsidiary of BRV) or restructures, reorganises or completely or partially liquidates or dissolves;
- (l) **(Insolvency)** BRV or any of its material Subsidiaries becomes Insolvent, provided that a Prescribed Event will not include any matter:
  - (m) that has been Fairly Disclosed;
  - (n) required by law, regulation, changes in generally accepted accounting principles or by an order of a court or Governmental Authority;
  - (o) made at the written request of Aura; or

- (p) the undertaking of which Aura has approved in writing (which approval will not be unreasonably withheld, delayed or conditioned, and will not be withheld if to do so would contravene competition laws).

**Record Date** means 5.00pm on the 2nd Business Day following the Effective Date or any other date as agreed by BRV and Aura.

**Register** means the register of members of BRV maintained by or on behalf of BRV in accordance with section 168(1) of the Corporations Act.

**Registry** means Automic Pty Ltd or such other person nominated by BRV to maintain the Register.

**Regulator's Draft** means the draft of the Scheme Booklet in a form acceptable to both parties which is provided to ASIC for review pursuant to section 411(2) of the Corporations Act.

**Regulatory Approval** means any approval of, or notification to or waiver from, a Governmental Authority in respect of the Scheme or any aspect of the Scheme, or the expiration of any waiting period required by any applicable law, which is necessary or desirable to implement the Scheme.

**Related Body Corporate** has the meaning it has in the Corporations Act.

**Relevant Interest** has the meaning it has in sections 608 and 609 of the Corporations Act.

**Relevant Shares** means all BRV Shares in which Dundee Resources Limited has a Relevant Interest.

**Relevant Shareholder** means the registered holder of the Relevant Shares (being, at the date of this document, Citicorp Nominees Pty Ltd), but only in that capacity and only to the extent of its holding of the Relevant Shares (and not to the extent that it holds BRV Shares that are not Relevant Shares).

**Reverse Break Fee** has the meaning given to that term in clause 11.3.

**Representative** means, in relation to a party:

- (a) a Related Body Corporate;
- (b) a director, officer or employee of the party or any of the party's Related Bodies Corporate; or
- (c) an adviser or consultant to the party or any of the party's Related Bodies Corporate.

**Scheme** means the scheme of arrangement under part 5.1 of the Corporations Act, substantially in the form of Annexure A, together with any amendment or modification made pursuant to section 411(6) of the Corporations Act, under which all the BRV Shares will be transferred to Aura BidCo.

**Scheme Booklet** means the information booklet to be approved by the Court and despatched to BRV Shareholders which includes the Scheme and an explanatory statement complying with the requirements of the Corporations Act, the Independent Expert's Report and notices of meeting and proxy forms.

**Scheme Cash Consideration** means the consideration payable for the transfer to Aura BidCo of BRV Shares held by a Scheme Participant, being, in respect of each BRV Share, \$0.36.

**Scheme Consideration** means the Scheme Cash Consideration or the Scheme Scrip Consideration payable per BRV Share held by a Scheme Participant on the Record Date under the terms of the Scheme.

**Scheme Meeting** means the meeting of BRV Shareholders to be ordered by the Court and convened pursuant to section 411(1) of the Corporations Act. If a meeting of more than one class of BRV Shareholders is ordered by the Court, all references to "Scheme Meeting" will be interpreted as a reference to each or all of those meetings.

**Scheme Participant** means each person who is a BRV Shareholder as at the Record Date.

**Scheme Participant Declaration** means a declaration in accordance with the requirements of section 14-225 of Schedule 1 of the TAA that covers (at least) the Implementation Date.

**Scheme Scrip Consideration** means one JVCo Share for every 10 BRV Shares, or such other ratio as Aura may determine prior to the First Court Date.

**Second Court Date** means the first day on which an application made to the Court under section 411(4)(b) of the Corporations Act approving the Scheme is heard or scheduled to be heard or, if the application is adjourned for any reason, the date on which the adjourned application is heard or scheduled to be heard.

**Share Splitting** means the splitting by a BRV Shareholder of BRV Shares into two or more parcels of BRV Shares but which does not result in any change in beneficial ownership of the BRV Shares.

**Subsidiary** of an entity means another entity which:

- (a) is a subsidiary of the first entity within the meaning of the Corporations Act; and
- (b) is part of a consolidated entity constituted by the first entity and the entities it is required to include in the consolidated financial statements it prepares, or would be if the first entity was required to prepare consolidated financial statements.

**Superior Proposal** means a genuine Competing Transaction which the IBC, acting in good faith, and after taking advice from its outside legal adviser and financial adviser (who must be reputable advisers experienced in transactions of this nature), determines:

- (a) would, if completed substantially in accordance with its terms, result in the acquisition of control of BRV or all or substantially all of the BRV Group or the assets of the BRV Group;
- (b) is reasonably likely to be completed in accordance with its terms on a reasonable timeline; and
- (c) is of a higher financial value and more favourable to BRV Shareholders (other than the Relevant Shareholder) as a whole than the Scheme (as may be revised in accordance with clause 10.8, if applicable),

in each case taking into account all aspects of the Competing Transaction, including the terms of the Competing Transaction, the price and/or value of the Competing Transaction, any conditions, timing considerations and any other matters affecting the probability of the Competing Transaction being completed in accordance with its terms, the identity, expertise, reputation and financial



condition of the person making the proposal, and legal, regulatory and financial matters.

**TAA** means the *Taxation Administration Act 1953* (Cth).

**Tax** means any tax, levy, charge, excise, GST, impost, rates, Duty, fee, deduction, compulsory loan or withholding, which is assessed, levied, imposed or collected by any fiscal Governmental Authority and includes any interest, fine, penalty, charge, fee, expenses or other statutory charges or any other such amount imposed by any fiscal Governmental Authority on or in respect of any of the above.

**Tax Act** means the *Income Tax Assessment Act 1936* (Cth) or the *Income Tax Assessment Act 1997* (Cth), or both as the context requires.

**Tax Law** means a law with respect to or imposing any Tax.

**Tax Return** means any return relating to Tax including any document which must be lodged with a Governmental Authority or which a taxpayer must prepare and retain under a Tax Law (such as an activity statement, amended return, schedule or election and any attachment, substantiation or workings required under any Tax Law).

**Timetable** means the indicative timetable set out in Schedule 1, subject to any amendments agreed by the parties in writing.

**Transaction Document** means any of:

- (a) this document;
- (b) the Scheme;
- (c) the Deed Poll;
- (d) the Confidentiality Agreement; and
- (e) any other document which the parties agree in writing is a Transaction Document.

**TSX** means Toronto Stock Exchange Inc. or the market operated by it, as the context requires.

## 1.2 General interpretation

Headings and labels used for definitions are for convenience only and do not affect interpretation. Unless the contrary intention appears, in this document:

- (a) the singular includes the plural and vice versa;
- (b) the meaning of general words is not limited by specific examples introduced by “including”, “for example”, “such as” or similar expressions;
- (c) a reference to “person” includes an individual, a body corporate, a partnership, a joint venture, an unincorporated association and an authority or any other entity or organisation;
- (d) a reference to a particular person includes the person's executors, administrators, successors, substitutes (including persons taking by novation) and assigns;

- (e) a reference to a time of day is a reference to the time in Perth, Western Australia;
- (f) a reference to dollars, \$ or A\$ is a reference to the currency of Australia;
- (g) a reference to “law” includes common law, principles of equity and legislation (including regulations);
- (h) a reference to any legislation includes regulations under it and any consolidations, amendments, re-enactments or replacements of any of them;
- (i) a reference to “regulations” includes instruments of a legislative character under legislation (such as regulations, rules, by-laws, ordinances and proclamations);
- (j) a reference to a group of persons is a reference to any 2 or more of them jointly and to each of them individually;
- (k) a period of time starting from a given day or the day of an act or event, is to be calculated exclusive of that day;
- (l) if a party must do something under this document on or by a given day and it is done after 5.00pm on that day, it is taken to be done on the next day; and
- (m) if the day on which a party must do something under this document is not a Business Day, the party must do it on the next Business Day.

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## 2 Agreement to propose and implement Scheme

### 2.1 BRV to propose Scheme

BRV agrees to propose the Scheme on and subject to the terms and conditions of this document.

### 2.2 Agreement to implement Scheme

The parties agree to implement the Scheme on the terms and conditions of this document.

### 2.3 Aura BidCo and JVCo

- (a) Aura will nominate:
  - (i) a wholly-owned Subsidiary of Aura to be formed as a limited liability company under the laws of the state of Delaware, United States of America (**Aura BidCo**) to acquire all the BRV Shares under the Scheme; and
  - (ii) a wholly-owned Subsidiary of Aura as JVCo,

by providing a written notice to BRV at least 5 Business Days prior to the First Court Date which sets out the details of Aura BidCo and JVCo.
- (b) Aura must procure that each of Aura BidCo and JVCo complies with all the relevant obligations of Aura BidCo and JVCo respectively under this document as if those entities were a party to it.

- (c) To avoid doubt, the nomination of Aura BidCo or JVCo does not relieve Aura of any of its obligations under this document, including the obligation to pay or issue (or procure the payment or issue of) the Scheme Consideration in accordance with the terms of the Scheme or the Reverse Break Fee.

## 3 Conditions Precedent

### 3.1 Conditions Precedent to Scheme

Subject to this clause 3, the Scheme will not become Effective, and the obligations of Aura under clause 4.3 are not binding, until each of the following Conditions Precedent is satisfied or waived to the extent and in the manner set out in this clause 3.

Condition Precedent		Party entitled to benefit	Party responsible
(a)	<b>(BRV Shareholder Approval)</b> BRV Shareholders approve the Scheme by the requisite majorities in accordance with the Corporations Act.	Cannot be waived	BRV
(b)	<b>(Court approval)</b> The Court approves the Scheme in accordance with section 411(4)(b) of the Corporations Act.	Cannot be waived	BRV
(c)	<b>(Regulatory Approvals)</b> All Regulatory Approvals which Aura and BRV (each acting reasonably) agree are necessary or desirable to implement the Scheme (which shall be deemed to include Regulatory Approvals of ASIC and ASX) are obtained and those approvals have not been withdrawn or revoked by 8.00am on the Second Court Date (and in the event of any such withdrawal or revocation at that time, clause 13.1(c) applies).	Both	Both
(d)	<b>(No Government Intervention)</b> No order, temporary restraining order, preliminary or permanent injunction, decree or ruling in each case issued by a court of competent jurisdiction in Australia or Brazil in a proceeding brought by a Governmental Authority which enjoins, restrains or otherwise imposes a legal restraint or prohibition preventing the Scheme or otherwise materially adversely impacts on or impedes implementation of the Scheme and none of those things is in effect as at 8.00am on the Second Court Date (and if any enjoinder, restraint or other thing is in place at that time, clause 13.1(c) applies).	Both	Both
(e)	<b>(Independent Expert)</b> The Independent Expert issues a report which concludes that the Scheme is in the best interests of Scheme Participants before the date on which the	BRV	BRV

Condition Precedent		Party entitled to benefit	Party responsible
	Scheme Booklet is lodged with ASIC and the Independent Expert does not publicly withdraw, qualify or change that opinion at any time prior to 8.00am on the Second Court Date.		
(f)	<b>(No Prescribed Event)</b> No Prescribed Event occurs between the date of this document and 8.00am on the Second Court Date.	Aura	BRV
(g)	<b>(BRV Representations and Warranties)</b> Each of the BRV Representations and Warranties is true and correct (if the relevant BRV Representation and Warranty is not already subject to a materiality qualifier) in all material respects, in each case as of the date of this document and as of 8.00am on the Second Court Date, except where expressed to be operative at another date.	Aura	BRV
(h)	<b>(BRV Unlisted Options)</b> Prior to 8.00am on the First Court Date, each BRV Unlisted Optionholder has entered into a BRV Unlisted Option Deed in accordance with clause 5.2.	Aura	Both
(i)	<b>(No Material Adverse Effect)</b> No Material Adverse Effect has occurred between the date of this document and 8.00am on the Second Court Date.	Aura	BRV
(j)	<b>(Minimum Cash Balance)</b> As evidenced by a certificate given by an officer of BRV as at 5.00pm on the Business Day prior to the Second Court Hearing, BRV has a cash balance of not less than the Minimum Cash Balance.	Aura	BRV

### 3.2 Reasonable endeavours

Each of BRV and Aura agrees to use all reasonable endeavours to procure that:

- (a) each of the Conditions Precedent for which it is a party responsible (as noted in clause 3.1):
  - (i) is satisfied as soon as practicable after the date of this document; and
  - (ii) continues to be satisfied at all times until the last time it is to be satisfied (as the case may require); and
- (b) there is no occurrence that would prevent the Condition Precedent for which it is a party responsible being satisfied.

### 3.3 Regulatory matters

Without limiting clause 3.2, each party:

- (a) **(applying for Regulatory Approvals)** must promptly apply for or file all relevant Regulatory Approvals for which it is the party responsible and provide the other parties with a copy of those applications or notifications (provided that any commercially sensitive information may be redacted from the copy provided);
- (b) **(assistance)** agrees to provide reasonable assistance to the other parties in order to enable the other parties to obtain any Regulatory Approvals for which the other party is the party responsible;
- (c) **(Regulatory Approvals process)** must take all steps it is responsible for as part of the Regulatory Approval process, including responding to requests for information and documentary material at the earliest practicable time;
- (d) **(representation)** has the right to be represented and make submissions at any meeting with any Governmental Authority relating to a Regulatory Approval; and
- (e) **(consultation)** must consult with the other parties in advance in relation to all applications and other communications (whether written or oral, and whether direct or via a Representative) with any Governmental Authority relating to any Regulatory Approval and keep the other parties fully informed of progress in relation to the obtaining of the Regulatory Approval and:
  - (i) provide the other parties with drafts of any applications and other written communications to be sent to a Governmental Authority and make any amendments as the other party reasonably requires; and
  - (ii) provide copies of any written communications sent to or received from a Governmental Authority to the other parties promptly upon despatch or receipt (as the case may be),

in each case to the extent it is reasonable to do so.

### 3.4 Waiver of Conditions Precedent

- (a) A Condition Precedent may only be waived in writing by the party or parties entitled to the benefit of that Condition Precedent as and to the extent noted in clause 3.1 and will be effective only to the extent specifically set out in that waiver.
- (b) A party entitled to waive the breach or non-fulfilment of a Condition Precedent under this clause 3.4 may do so in its absolute discretion.
- (c) If either BRV or Aura waives the breach or non-fulfilment of all or any portion of a Condition Precedent in accordance with this clause 3.4, then:
  - (i) subject to clause 3.4(c)(ii), that waiver precludes that party from suing the other party for any breach of this document arising as a result of the breach or non-fulfilment of that portion of such Condition Precedent or arising from the same event which gave rise to the breach or non-fulfilment of that portion of such Condition Precedent; but

- (ii) if the waiver of all or any portion of the Condition Precedent is itself conditional and the other party:
    - (A) accepts the condition, the terms of that condition apply notwithstanding any inconsistency with clause 3.4(c)(i); or
    - (B) does not accept the condition, the Condition Precedent or a portion thereof has not been waived.
- (d) A waiver of a breach or non-fulfilment in respect of a Condition Precedent does not constitute:
  - (i) a waiver of a breach or non-fulfilment of any other Condition Precedent arising from the same event; or
  - (ii) a waiver of a breach or non-fulfilment of that Condition Precedent resulting from any other event.

### 3.5 Notices in relation to Conditions Precedent

Each party must:

- (a) **(notice of satisfaction)** promptly notify the other party of satisfaction of a Condition Precedent and must keep the other parties informed of any material development of which it becomes aware that may lead to the breach or non-fulfilment of a Condition Precedent which it is responsible for satisfying; and
- (b) **(notice of failure)** promptly notify the other parties of a breach or non-fulfilment of a Condition Precedent which it is responsible for satisfying, or of any event which will prevent the Condition Precedent being satisfied.

Failure to provide a notice required by this clause 3.5 will not give rise to the failure of a Condition Precedent or any right to terminate this document.

### 3.6 Consultation on failure of Condition Precedent

If:

- (a) there is a breach or non-fulfilment of a Condition Precedent which is not waived in accordance with this document by the time or date specified in this document for the satisfaction of the Condition Precedent; or
- (b) there is an act, failure to act or occurrence which will prevent a Condition Precedent from being satisfied by the time or date specified in this document for the satisfaction of the Condition Precedent (and the breach or non-fulfilment which would otherwise occur has not already been waived in accordance with this document),

the parties must consult in good faith with a view to determine whether both parties wish to pursue the Scheme and, if so:

- (c) whether the Scheme may proceed by way of alternative means or methods;
- (d) to extend the relevant time for satisfaction of the Condition Precedent or to adjourn or change the date of an application to the Court; or
- (e) to extend the End Date.

### **3.7 Failure to agree**

If under clause 3.6 the parties are unable to reach agreement or do not both wish to pursue the Scheme in each case within 5 Business Days of commencing consultation with the other (or any shorter period ending at 5.00pm on the day before the Second Court Date):

- (a) subject to clause 3.7(b), either party may terminate this document (and that termination will be in accordance with clause 13.1(d)); or
- (b) if a Condition Precedent may be waived and exists for the benefit of one party only, that party only may waive that Condition Precedent or terminate this document (and that termination will be in accordance with clause 13.1(d)),

in each case by 5.00pm on the Business Day before the Second Court Date.

A party will not be entitled to terminate this document under this clause if the relevant Condition Precedent has not been satisfied or agreement cannot be reached as a result of a breach of this document by that party or a deliberate act or omission of that party in breach of this document.

### **3.8 Scheme voted down because of the Headcount Test or other conduct**

If the Scheme is not approved by BRV Shareholders at the Scheme Meeting by reason only of the non-satisfaction of the Headcount Test and BRV and Aura consider, acting reasonably, that Share Splitting or some abusive or improper conduct may have caused or contributed to the Headcount Test not having been satisfied, then BRV must:

- (a) apply for an order of the Court contemplated by section 411(4)(a)(ii)(A) of the Corporations Act to disregard the Headcount Test and seek Court approval of the Scheme under section 411(4)(b) of the Corporations Act, notwithstanding that the Headcount Test has not been satisfied; and
- (b) make such submissions to the Court and file such evidence as counsel engaged by BRV to represent it in Court proceedings related to the Scheme, in consultation with Aura, considers is reasonably required to seek to persuade the Court to exercise its discretion under section 411(4)(a)(ii)(A) of the Corporations Act by making an order to disregard the Headcount Test.

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## **4 Outline of Scheme**

### **4.1 Scheme**

BRV must propose a scheme of arrangement under which:

- (a) all of the BRV Shares held by Scheme Participants at the Record Date will be transferred to Aura BidCo; and
- (b) each Share Scheme Participant who holds BRV Shares will be entitled to receive the Scheme Consideration in respect of those BRV Shares.

### **4.2 Scheme Consideration**

Subject to and in accordance with this document and the Scheme, each Scheme Participant is entitled to receive the Scheme Consideration in respect of each BRV Share held by that Scheme Participant.

### **4.3 Provision of Scheme Consideration**

Subject to this document and the Scheme, Aura undertakes to BRV (in its own right and separately as trustee or nominee of each Scheme Participant) that, in consideration of the transfer to Aura BidCo of each BRV Share held by a Scheme Participant, Aura will, on the Implementation Date:

- (a) procure that Aura BidCo accepts that transfer; and
- (b) provide or procure the provision of the Scheme Consideration to each Scheme Participant in accordance with the Scheme.

### **4.4 Election procedure**

- (a) BRV must provide or procure the provision of an Election Form to the Relevant Shareholder, with the Scheme Booklet that is sent to the Relevant Shareholder.
- (b) Subject to clauses 4.4(c), 4.4(d) and 4.4(e), the Relevant Shareholder will be entitled to make an Election. An Election will take effect in accordance with the Scheme (provided that the Relevant Shareholder is a BRV Shareholder as at the Record Date).
- (c) For an Election to be valid:
  - (i) the Relevant Shareholder must complete and sign the Election Form in accordance with the terms and conditions of the Election Form, the instructions in the Scheme Booklet, the Scheme and this clause 4.4; and
  - (ii) the Election Form must be received by the Registry at the address specified on the Election Form before the Election Time (and a copy of the Election Form must be provided to Aura by the Relevant Shareholder as promptly as practicable thereafter),

unless Aura agrees otherwise in writing, in its absolute discretion.

- (d) If the Relevant Shareholder makes an Election, that Election will apply in respect of all of the BRV Shares held by the Relevant Shareholder as at the Record Date, regardless of whether the Relevant Shareholder's holding at the Record Date is greater or less than the Relevant Shareholder's holding at the time it made its Election, unless Aura and BRV agree otherwise in writing, in their absolute discretion.
- (e) The Relevant Shareholder may withdraw or revoke an Election by lodging a replacement Election Form so that it is received by the Registry at the address specified on the Election Form before the Election Time. After the Election Time, an Election made by the Relevant Shareholder will be irrevocable unless Aura agrees in writing, in its absolute discretion, to the revocation of the Election.
- (f) The Election Form must include the relevant matters set out in the Scheme and must otherwise be in a form agreed by Aura and BRV (each acting reasonably) in writing.

### **4.5 Determination of Scheme Consideration**

- (a) If a Scheme Participant:
  - (i) is not the Relevant Shareholder; or



- (ii) is the Relevant Shareholder who has made an Election before the Election Time,

then the Scheme Consideration applicable for that Scheme Participant is the Scheme Cash Consideration for each BRV Share held by that Scheme Participant on the Record Date.

- (b) If a Scheme Participant is the Relevant Shareholder who has not made an Election before the Election Time, then the Scheme Consideration applicable for the Relevant Shareholder is the Scheme Scrip Consideration for each BRV Share held by the Relevant Shareholder on the Record Date.

#### **4.6 JVCo Shares**

Aura undertakes in favour of BRV (in its own right and on behalf of the Relevant Shareholder) that:

- (a) the JVCo Shares issued as Scheme Scrip Consideration will, on their issue, have the rights set out in the JVCo Shareholders Agreement and will rank equally in all respects with all other JVCo Shares; and
- (b) on issue, each JVCo Share will be fully paid and free from any Encumbrance.

#### **4.7 Fractional entitlements**

Where the calculation of the Scheme Consideration to be issued to a particular Scheme Participant would result in the Scheme Participant becoming entitled to a fractional entitlement to a JVCo Share, the fractional entitlement will be rounded down to the nearest whole number.

#### **4.8 No amendment to the Scheme without consent**

BRV must not consent to any modification of, or amendment to, or the making or imposition by the Court of any condition in respect of, the Scheme without the prior written consent of Aura (which may be withheld in its sole discretion).

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## **5 Treatment of other BRV securities**

### **5.1 BRV Performance Rights**

Subject to the Scheme becoming Effective, BRV must take such action as is necessary to ensure that, prior to the Record Date, all BRV Performance Rights will vest in accordance with their terms and be exercised (if applicable), and the resulting BRV Shares are issued, which action will include:

- (a) the BRV Board accelerating the vesting of, or waiving any vesting conditions or vesting periods applying to, any or all BRV Performance Rights (subject to the proper exercise of the BRV Board's discretion);
- (b) the BRV Board taking all reasonable steps and actions as are necessary to ensure that all BRV Performance Rights that are vested but are not exercised by the Record Date are cancelled with effect from the Record Date;
- (c) BRV not amending, varying or waiving any commitment given at or around the time of this document by a holder of BRV Performance

Rights to exercise their BRV Performance Rights immediately upon vesting;

- (d) BRV making all necessary applications to the ASX for waivers under the ASX Listing Rules (if required); and
- (e) BRV issuing or procuring the issue or transfer of such number of BRV Shares as required by the terms of the BRV Performance Rights before the Record Date so that the holders of BRV Performance Rights can participate as Scheme Participants in the Scheme and receive the Scheme Consideration.

## **5.2 BRV Unlisted Options**

- (a) BRV and Aura must, as soon as possible after the date of this document, take all action necessary to ensure that there will be no outstanding BRV Unlisted Options on or after the Implementation Date.
- (b) Without limiting the generality of clause 5.2(a), BRV and Aura must, as soon as possible after the date of this document (and, in any event, not later than the First Court Date):
  - (i) take all action necessary to cause all outstanding BRV Unlisted Options to be cancelled in accordance with a BRV Option Deed;
  - (ii) if applicable, make any necessary waiver applications or requests for ASX consent under the ASX Listing Rules in respect of the actions under this clause 5.2(b); and
  - (iii) not amend, vary or waive any obligation or commitment given in a BRV Option Deed entered into at or around the time of this document by a holder of BRV Unlisted Options.

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# **6 Implementation**

## **6.1 General obligations**

BRV and Aura must each:

- (a) use all reasonable endeavours and commit necessary resources (including management and corporate relations resources and the resources of external advisers); and
- (b) procure that its officers and advisers work in good faith and in a timely and co-operative fashion with the other party (including by attending meetings and by providing information),

to produce the Scheme Booklet and implement the Scheme as soon as reasonably practicable and in accordance with the Timetable.

## **6.2 BRV's obligations**

BRV must take all reasonable steps to implement the Scheme on a basis consistent with this document as soon as reasonably practicable and must:

- (a) **(announcement)** as soon as practicable following execution of this document, announce, in the form agreed by the parties prior to execution

of this document (on the basis of statements made to BRV by each member of the IBC) that:

- (i) the IBC intends to unanimously recommend to Scheme Participants that the Scheme be approved; and
- (ii) each BRV Board member who holds or controls BRV Shares intends to vote (or cause to be voted) such BRV Shares in favour of the Scheme,

subject to:

- (iii) the Independent Expert concluding, and continuing to conclude, that the Scheme is in the best interests of BRV Shareholders; and
  - (iv) there being no Superior Proposal;
- (b) **(preparation of Scheme Booklet)** subject to clause 6.2(e)(i), as soon as practicable after the date of this document, prepare and despatch the Scheme Booklet:
- (i) in accordance with all applicable laws, including the Corporations Act, Corporations Regulations, ASIC Regulatory Guide 60 and the ASX Listing Rules; and
  - (ii) which includes a statement:
    - (A) by the IBC, unanimously recommending that BRV Shareholders vote in favour of the Scheme subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of BRV Shareholders and there being no Superior Proposal;
    - (B) that each BRV director who holds or controls BRV Shares intends to vote (or cause to be voted) such BRV Shares in favour of the Scheme subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of BRV Shareholders and there being no Superior Proposal;
- (c) **(Independent Expert)** promptly appoint the Independent Expert and provide any assistance and information reasonably requested by the Independent Expert to enable the Independent Expert to prepare its report for the Scheme Booklet as soon as practicable;
- (d) **(section 411(17)(b) statement)** apply to ASIC for a statement pursuant to section 411(17)(b) of the Corporations Act stating that ASIC has no objection to the Scheme;
- (e) **(consultation with Aura)** consult with Aura as to the content and presentation of:
- (i) the Scheme Booklet, which includes:
    - (A) allowing Aura a reasonable opportunity to review and make comments on successive drafts of the Scheme Booklet (accepting that any review of the Independent Expert's Report is limited to review for factual accuracy of those parts that include information relating to Aura and that BRV makes no representation as to the extent

to which the Independent Expert will receive or consider those comments);

- (B) taking any timely and reasonable comments made by Aura into account in good faith when producing a revised draft of the Scheme Booklet;
- (C) providing to Aura a revised draft of the Scheme Booklet within a reasonable time before the Regulator's Draft is provided to ASIC for its review pursuant to section 411(2) of the Corporations Act is finalised; and
- (D) obtaining Aura's consent to the inclusion of the Aura Information (including in respect of the form and context in which the Aura Information appears in the Scheme Booklet); and

- (ii) documents required for the purposes of the Court hearings held for the purposes of sections 411(1) and 411(4)(b) of the Corporations Act in relation to the Scheme (including originating processes, affidavits, submissions and draft minutes of Court orders), and consider in good faith, for the purpose of amending drafts of those documents, any comments on, or suggested amendments to, those documents received from Aura in a timely and reasonable manner prior to filing those documents with the Court;

(f) **(lodgement of Regulator's Draft)**

- (i) no later than 14 days before the First Court Date, provide an advanced draft of the Regulator's Draft to ASIC for its review for the purposes of section 411(2) of the Corporations Act, and provide a copy of the Regulator's Draft to Aura as promptly as practicable thereafter; and
- (ii) keep Aura reasonably informed of any issues raised by ASIC in relation to the Regulator's Draft and, where practical to do so, consult with Aura in good faith prior to taking any steps or actions to address those issues (provided that, where those issues relate to Aura or any Aura Information, BRV must not take any steps to address them without Aura's prior written consent);

(g) **(supplementary disclosure)** if, after despatch of the Scheme Booklet, BRV becomes aware:

- (i) that information included in the Scheme Booklet is or has become misleading or deceptive in any material respect (whether by omission or otherwise); or
- (ii) of information that is required to be disclosed to BRV Shareholders under any applicable law but was not included in the Scheme Booklet,

promptly consult with Aura in good faith as to the need for, and the form of, any supplementary disclosure to BRV Shareholders, and make any disclosure that BRV considers reasonably necessary in the circumstances, having regard to applicable laws and to ensure that there would be no breach of paragraph (h) in Schedule 3 if it applied as at the date that information arose;

- (h) **(Court application)** apply to the Court for an order under section 411(1) of the Corporations Act directing BRV to convene the Scheme Meeting;
- (i) **(registration of Scheme Booklet)** after the Court orders BRV to convene the Scheme Meeting, request ASIC to register the explanatory statement included in the Scheme Booklet in relation to the Scheme in accordance with section 412(6) of the Corporations Act;
- (j) **(send Scheme Booklet)** send the Scheme Booklet to BRV Shareholders as soon as practicable after the Court orders BRV to convene the Scheme Meeting;
- (k) **(Regulatory Approvals)** consult with Aura in relation to the Regulatory Approvals to which the Condition Precedent in clause 3.1(c) applies and announce to ASX as soon as practicable after the date of this document but in any event no later than two weeks before the date of the Scheme Meeting the existence and nature of any such Regulatory Approvals (excluding any ASIC and ASX Regulatory Approvals of a procedural nature that apply to a scheme of arrangement);
- (l) **(Scheme Meeting)** convene the Scheme Meeting to agree to the Scheme in accordance with any orders made by the Court pursuant to section 411(1) of the Corporations Act;
- (m) **(director's voting)** use its reasonable endeavours to procure that each member of the BRV Board votes any BRV Shares in which they have a Relevant Interest in favour of the Scheme subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Shareholders and there being no Superior Proposal;
- (n) **(Court approval)** subject to all Conditions Precedent (other than the Condition Precedent in clause 3.1(b) being satisfied or waived in accordance with this document, apply to the Court for an order approving the Scheme in accordance with sections 411(4)(b) and 411(6) of the Corporations Act;
- (o) **(promotion of Scheme)** provide all reasonable co-operation in the promotion of the Scheme to BRV Shareholders as requested by Aura (acting reasonably);
- (p) **(Conditions Precedent certificate)** at the hearing on the Second Court Date, provide to the Court (through its counsel):
  - (i) a certificate signed by one of its directors and made in accordance with a resolution of its board confirming (in respect of matters within BRV's knowledge) whether or not the Conditions Precedent for which it is responsible, as noted in clause 3.1 (other than the Condition Precedent in clause 3.1(b)), have been satisfied or waived in accordance with clause 3, a draft of which must be provided to Aura by 5.00pm on the Business Day prior to the Second Court Date; and
  - (ii) any certificate provided to it by Aura under clause 6.3(l);
- (q) **(lodge copy of Court order)** lodge with ASIC an office copy of the Court order approving the Scheme as approved by the BRV Shareholders in accordance with section 411(10) of the Corporations Act on the first Business Day after that office copy is received (or any later date agreed in writing by Aura);

- (r) **(Register)** close the Register as at the Record Date to determine the identity of Scheme Participants and their entitlements to Scheme Consideration;
- (s) **(instruments of transfer)** subject to Aura satisfying its obligations under clause 4.3, on the Implementation Date:
  - (i) execute proper instruments of transfer and effect the transfer of all the BRV Shares to Aura BidCo in accordance with the Scheme; and
  - (ii) register all transfers of BRV Shares held by Scheme Participants to Aura BidCo;
- (t) **(suspension of trading)** apply to ASX to suspend trading in BRV Shares with effect from the close of trading on the Effective Date;
- (u) **(listing)** take all reasonable steps to maintain BRV's listing on ASX, notwithstanding any suspension of the quotation of BRV Shares, up to and including one Business Day after the Implementation Date, including making appropriate applications to ASX and ASIC and take all steps reasonably requested by Aura to obtain the approval of ASX to the de-listing of BRV following implementation of the Scheme;
- (v) **(Registry details)** subject to the terms of the Scheme, provide all necessary directions to the Registry promptly to provide any information that Aura requires in relation to the Register, including any sub-register, and where requested by Aura, BRV must procure whatever information to be provided in the electronic form as is reasonably requested by Aura;
- (w) **(proxy solicitation)** if requested by Aura, retain a proxy solicitation services firm to assist BRV with the solicitation of votes at the Scheme Meeting and provide Aura with copies of or access to information regarding the Scheme Meeting generated by that firm, including promptly advising Aura, at times that Aura may reasonably request and at least on a daily basis on each of the last 5 Business Days prior to the date of the Scheme Meeting, as to the aggregate tally of the votes received by BRV in respect of the Scheme;
- (x) **(compliance with laws)** do everything reasonably within its power to ensure that the Scheme is effected in accordance with all applicable laws and regulations; and
- (y) **(other steps)** do all other things necessary to give effect to the Scheme and the orders of the Court approving the Scheme in accordance with all applicable laws and regulations and to the extent that those other things are reasonably within its power.

### 6.3 Aura's obligations

Aura must take all reasonable steps to assist BRV to implement the Scheme on a basis consistent with this document and as soon as reasonably practicable, and in particular must:

- (a) **(execute documents and perform acts)** execute all documents and do all acts and things within its power as may be necessary for the implementation and performance of the Scheme;
- (b) **(assistance with Scheme Booklet and Court documents)** promptly provide any assistance or information reasonably requested by BRV or its Representatives in connection with the preparation of the Scheme

Booklet (including any supplementary disclosure to BRV Shareholders) and any documents required to be filed with the Court in respect of the Scheme, promptly review the drafts of the Scheme Booklet (including any updated or supplementary Scheme Booklet) and Court documents prepared by BRV and provide comments on those drafts in a timely manner and in good faith;

- (c) **(Aura Information)** prepare and promptly provide to BRV for inclusion in the Scheme Booklet the Aura Information (in accordance in all material respects with all applicable laws, including the Corporations Act, Corporations Regulations, ASIC Regulatory Guide 60 and the ASX Listing Rules), which will include, if requested by BRV, ASIC or the Court, a summary of the material terms of the JVCo Shareholders Agreement in connection with the issue of the Scheme Scrip Consideration, and consent to the inclusion of that information in the Scheme Booklet;
- (d) **(further Aura Information)** promptly provide to BRV any further or new Aura Information as may arise after the Scheme Booklet has been sent to BRV Shareholders and until the date of the Scheme Meeting as may be necessary to ensure that the Aura Information contained in the Scheme Booklet is not, having regard to applicable disclosure requirements, false, misleading or deceptive in any material respect (including because of any material omission) and to ensure that there would be no breach of clause 12.5(i) if it applied as at the date on which the further or new Aura Information arose;
- (e) **(supplementary disclosure)** promptly provide to BRV any information and disclosures concerning Aura as may arise after the Scheme Booklet has been sent to BRV Shareholders and until the date of the Scheme Meeting as is as reasonably requested by BRV for inclusion in any supplementary disclosure to BRV Shareholders in clause 6.2(g);
- (f) **(verification)** undertake appropriate verification processes for the information supplied by Aura in the Scheme Booklet and if requested by BRV in writing, provide a certificate to BRV attesting to the fact appropriate verification processes have been undertaken in respect of such information prior to lodgement of the Scheme Booklet (or any supplementary Scheme Booklet) with ASIC and prior to filing of the Scheme Booklet (or any supplementary Scheme Booklet) with the Court;
- (g) **(Independent Expert information)** provide any assistance or information reasonably requested by the Independent Expert in connection with the preparation of the Independent Expert's Report;
- (h) **(Consent)** provide a consent and use all reasonable endeavours to obtain consents from third parties in such form as BRV reasonably requires in relation to the form and content in which the Aura Information appears in the Scheme Booklet;
- (i) **(Deed Poll)** no later than 9.00am on the Business Day prior to the First Court Date, sign and deliver the Deed Poll and procure that JVCo sign and deliver the Deed Poll;
- (j) **(representation)** procure that, if Aura so elects, Aura is represented by counsel at the Court hearings convened for the purposes of section 411(4)(b) of the Corporations Act;
- (k) **(Regulatory Approvals)** consult with BRV in relation to the Regulatory Approvals to which the Condition Precedent in clause 3.1(c) applies to enable BRV to comply with its obligation under clause 6.2(k);

- (l) **(Conditions Precedent certificate)** before 8.00am on the Second Court Date, provide to BRV for provision to the Court at the hearing on that date a certificate signed by one of its officers and made in accordance with a resolution of its board confirming (in respect of matters within Aura's knowledge) whether or not the Conditions Precedent for which Aura is responsible, as noted in clause 3.1 (other than clause 3.1(b)), have been satisfied or waived in accordance with clause 3, a draft of which must be provided to BRV by 5.00pm on the Business Day prior to the Second Court Date;
- (m) **(Scheme Consideration)** if the Scheme becomes Effective, pay or procure the payment of the Scheme Consideration in the manner and amount contemplated by clause 4.3(b) and the terms of the Scheme; and
- (n) **(Share transfer)** if the Scheme becomes Effective, procure that Aura BidCo accept a transfer of the BRV Shares as contemplated by clause 4.3(a) and execute instruments of transfer in respect of the BRV Shares.

#### **6.4 Scheme Booklet responsibility statement**

The responsibility statement to appear in the Scheme Booklet, in a form to be agreed by the parties, will contain words to the effect of:

- (a) BRV has prepared, and is responsible for, the content of the Scheme Booklet other than, to the maximum extent permitted by law, the Aura Information, the Independent Expert's Report or any other report or letter issued to BRV by a third party and that Aura and its directors and officers do not assume any responsibility for the accuracy or completeness of the sections of the Scheme Booklet that BRV has prepared and has responsibility for; and
- (b) Aura has prepared, and is responsible for, the Aura Information in the Scheme Booklet (and no other part of the Scheme Booklet) and that BRV and its directors and officers do not assume any responsibility for the accuracy or completeness of the sections of the Scheme Booklet that Aura has prepared and has responsibility for.

#### **6.5 Disagreement on content of Scheme Booklet**

If Aura and BRV disagree on the form or content of the Scheme Booklet, they must consult in good faith to try to settle an agreed form of the Scheme Booklet. If complete agreement is not reached after reasonable consultation, then:

- (a) if the disagreement relates to the form or content of the Aura Information or information related to the Aura Group contained in the Scheme Booklet, BRV will make any amendments as Aura reasonably requires; and
- (b) if the disagreement relates to the form or content of any other part of the Scheme Booklet, the BRV Board will, acting in good faith, decide the final form or content of the disputed part of the Scheme Booklet.

#### **6.6 Verification**

BRV and Aura must each undertake appropriate verification processes for the information supplied by that party in the Scheme Booklet.



## 6.7 Conduct of Court proceeding

BRV and Aura are entitled to separate representation at all Court proceedings relating to the Scheme. This document does not give BRV or Aura any right or power to give undertakings to the Court for or on behalf of the other party without that party's written consent. BRV and Aura must give all undertakings to the Court in all Court proceedings which are reasonably required to obtain Court approval and confirmation of the Scheme as contemplated by this document.

## 6.8 Appeal process

If the Court refuses to make orders convening the Scheme Meeting or approving the Scheme, Aura and BRV must appeal the Court's decision to the fullest extent possible except to the extent that:

- (a) the parties agree otherwise; or
- (b) an independent senior counsel advises that, in their opinion, an appeal would have no reasonable prospect of success before the End Date,

in which case either party may terminate this document in accordance with clause 13.1(d).

## 6.9 No partnership or joint venture

Subject to this document, nothing in this clause 6 requires either party to act at the direction of the other. The business of each party will continue to operate independently from the other until the Implementation Date. The parties agree that nothing in this document constitutes the relationship of a partnership or a joint venture between the parties.

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# 7 Recommendations and intentions

## 7.1 BRV Board recommendation

BRV must ensure that any public announcement made by BRV or the IBC in respect of the Scheme, and in the Scheme Booklet itself, states that:

- (a) the IBC considers the Scheme to be in the best interests of BRV Shareholders, and that the IBC unanimously recommends that BRV Shareholders vote in favour of the Scheme (**Recommendation**); and
- (b) each director of BRV intends to cause any BRV Shares in which they have a Relevant Interest to be voted in favour of the Scheme (**Voting Intention**),

unless:

- (c) there is a Superior Proposal; or
- (d) the Independent Expert concludes in the Independent Expert's Report (or any update or variation to that report) that the Scheme is not in the best interests of BRV Shareholders, or adversely changes its previously given opinion in the Independent Expert's Report (or any update or variation to that report) that the Scheme is in the best interests of BRV Shareholders.

## 7.2 Qualification of Recommendation or Voting Intention

For the purposes of clauses 7.1 and 13.2(a), customary qualifications and explanations contained in:

- (a) the Scheme Booklet or any public announcement in relation to a Recommendation or Voting Intention to the effect that the Recommendation or Voting Intention is made:
  - (i) in the absence of a Superior Proposal;
  - (ii) in respect of any public announcement issued before the issue of the Scheme Booklet includes a qualification substantively along the lines of, *'subject to the Independent Expert concluding in the Independent Expert's Report (and continuing to conclude) that the Scheme is in the best interests of BRV Shareholders'*; or
  - (iii) in respect of the Scheme Booklet or any public announcements issued at the time of or after the issue of the Scheme Booklet, includes a qualification substantively along the lines of *'subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of BRV Shareholders'*; or
- (b) any public announcement or other statement made by BRV, the IBC or any member of the IBC:
  - (i) to the effect that BRV Shareholders should take no action pending the IBC's assessment of a bona fide written Competing Transaction received in respect of BRV (being a Competing Transaction that was not received by BRV in breach of its obligations under clause 10); or
  - (ii) where the IBC has determined that any such Competing Transaction is a Superior Proposal, to the effect that BRV Shareholders should take no action pending the completion of the matching right process set out in clause 10.8,

will not be regarded as a failure to make, or an adverse change, withdrawal, adverse modification or adverse qualification of, a Recommendation or Voting Intention, or an endorsement or recommendation of a Competing Transaction, and will not contravene this clause 7 or trigger a right for Aura to terminate this document under clause 13.2(a).

## 7.3 Confirmation

BRV represents and warrants to Aura that each member of the IBC has confirmed that they intend to provide the Recommendation and each director of BRV has confirmed that each director of BRV intends to provide the Voting Intention, and their agreement not to do anything inconsistent with their Recommendation and Voting Intention (including withdrawing, changing or in any way qualifying their Recommendation or Voting Intention) other than in circumstances referred to in paragraphs (c) and (d) of clause 7.1.

## 7.4 Scheme Scrip Consideration

Notwithstanding anything else in this clause 7 or elsewhere in this document, the parties acknowledge and agree that:

- (a) each member of the IBC may, in their sole and absolute discretion, make the Recommendation in respect of the Scheme Cash Consideration and make no recommendation in respect of the Scheme Scrip Consideration; and
- (b) no IBC member will have failed to comply with this clause 7 (or any other provision of this document) where he or she does anything contemplated by clause 7.4(a).

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## 8 Directors and employees

### 8.1 Appointment / retirement of BRV directors

On the Implementation Date, but subject to the Scheme Consideration having been provided to the Scheme Participants and receipt by BRV of signed consents to act of each Incoming Director, BRV must:

- (a) cause the appointment of each Incoming Director to the board of directors of each member of the BRV Group as of such Implementation Date; and
- (b) procure that each of the Outgoing Directors retire from the board of directors of each member of the BRV Group and provide written notice to the effect that they have no claim outstanding for loss of office, remuneration or otherwise against the BRV Group or Aura,

in each case, in accordance with the BRV Constitution, the Corporations Act and the ASX Listing Rules.

### 8.2 Directors' and officers' insurance

- (a) Subject to the Scheme becoming Effective and subject to the Corporations Act, Aura undertakes in favour of BRV and each other person who is a BRV Indemnified Party that it will, for a period of 7 years from the Implementation Date:
  - (i) ensure that the constitutions of BRV and each other member of the BRV Group (including any successor entities thereto) continue to contain the rules that are contained in those constitutions at the date of this document that provide for each company to indemnify each of its directors and officers against any liability incurred by that person in his or her capacity as a director or officer of the relevant BRV Group member to any person other than a member of the Aura Group; and
  - (ii) procure that BRV and each other member of the BRV Group comply with any deeds of indemnity, access and insurance entered into by them in favour of their respective directors and officers from time to time.
- (b) Subject to the Scheme becoming Effective, at or prior to the Implementation Date, BRV must purchase a 7-year prepaid "run-off" directors' and officers' liability insurance policy (**D&O Run-Off Policy**) on terms and conditions providing coverage retentions, limits and other material terms (including in relation to deductibles) substantially equivalent to the current policies of directors' and officers' liability insurance maintained by members of the BRV Group with respect to matters arising at or prior to the Implementation Date. In connection with obtaining such D&O Run-Off Policy, BRV must consult in good faith with Aura regarding the proposed terms of the D&O Run-Off Policy (and its

costs) and permit Aura to participate in all negotiations over such terms. The premium for the D&O Run-Off Policy must not exceed 380% of the current premium on BRV's current directors' and officers' liability insurance policy (plus GST, plus stamp duty).

### **8.3 Period of undertaking**

The undertakings contained in clause 8.2 are given until the earlier of:

- (a) the end of the relevant period specified in that clause; or
- (b) the relevant member of the BRV Group ceasing to be part of the Aura Group.

### **8.4 Release of BRV Indemnified Parties**

Subject to the Corporations Act, Aura releases its rights, and agrees with BRV that it will not make a claim against any BRV Indemnified Party (other than BRV and its Subsidiaries) as at the date of this document and from time to time in connection with:

- (a) BRV's execution or delivery of a Transaction Document;
- (b) any breach of any BRV Representation and Warranty or any other BRV Group entity in this document;
- (c) the implementation of the Scheme; or
- (d) any disclosures containing any statement which is false or misleading whether in content or by omissions,

whether current or future, known or unknown, arising at common law, in equity, under statute or otherwise, except where the BRV Indemnified Party has engaged in wilful misconduct or fraud. Nothing in this clause 8.4 limits any termination rights of Aura under clause 13.1 or 13.2.

### **8.5 Benefit of undertaking for BRV Group**

BRV acknowledges that it receives and holds the benefit of clause 8.2 and clause 8.4 to the extent it relates to each BRV Indemnified Party on behalf of each of them.

### **8.6 Release of Aura Indemnified Parties**

Subject to the Corporations Act, BRV releases its rights, and agrees with Aura that it will not make a claim against any Aura Indemnified Party (other than Aura and its Subsidiaries) as at the date of this document and from time to time in connection with:

- (a) Aura's execution or delivery of a Transaction Document;
- (b) any breach of any representations and warranties of Aura or any other Aura Group entity in this document;
- (c) the implementation of the Scheme; or
- (d) any disclosures containing any statement which is false or misleading whether in content or by omissions,

whether current or future, known or unknown, arising at common law, in equity, under statute or otherwise, except where the Aura Indemnified Party has engaged in wilful misconduct or fraud. Nothing in this clause 8.6 limits any termination rights of BRV under clause 13.1 or 13.3.

## **8.7 Benefit of undertaking for Aura Group**

Aura acknowledges that it receives and holds the benefit of clause 8.6 to the extent it relates to each Aura Indemnified Party on behalf of each of them.

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# **9 Conduct of business**

## **9.1 Overview**

From the date of this document up to and including the Implementation Date, BRV must, and must cause each member of the BRV Group to, use all reasonable endeavours to conduct its business in all material respects in the ordinary course consistent with the BRV Expenditure Plan, business plans and budgets Fairly Disclosed to Aura and in substantially the same manner as previously conducted.

## **9.2 Specific obligations**

Without limiting clause 9.1 and other than with the prior written approval of Aura (such approval not to be unreasonably withheld or delayed), BRV must, during the period contemplated by clause 9.1, procure that each member of the BRV Group:

- (a) **(business and material assets)** maintains the condition of its business and material assets in all material respects, and maintains valid and in good standing all licenses and permits required to conduct such business;
- (b) **(Mineral Rights)** maintains all Mineral Rights in good standing and will do all things necessary to ensure that the Mineral Rights are free from all Encumbrances by the Implementation Date;
- (c) **(expenditure)** operates in accordance with the BRV Expenditure Plan and will quarantine (and will not expend) any payments received by BRV from holders of BRV Listed Options on exercise of BRV Listed Options;
- (d) **(key officers and employees)** keeps available the services of its key officers and key employees;
- (e) **(relationships)** preserves its material relationships with key suppliers, regulators, licensors, licensees, joint venture participants and others with whom it has business dealings, in all material respects;
- (f) **(change of control provisions)** identifies any change of control or similar provisions in any Material Contract, and obtains the consents of relevant persons who have rights in respect of those Material Contracts, and cooperates with Aura in good faith to discuss obtaining consent in respect of such other significant contracts for, the transactions contemplated by the Scheme, provided that:
  - (i) Aura must cooperate with, and provide reasonable assistance to BRV to obtain such consents, including by promptly providing any information reasonably required by counterparties;

- (ii) BRV is not required to make any payment to obtain any such consent prior to the Implementation Date; and
  - (iii) a failure by BRV or a member of the BRV Group to obtain any such consent in and of itself will not constitute a breach of this document by BRV;
- (g) **(consultation)** subject to compliance with law, consults with Aura with respect to decisions regarding its business and operations that will have an impact on the BRV Group (including a post-Implementation impact), other than decisions in the normal course of business consistent with past practice; and
- (h) **(notifications)** promptly notify Aura in writing of:
- (i) the occurrence, after the date of this document, of a Material Adverse Effect;
  - (ii) on and from 1 January 2022, a material departure from the BRV Expenditure Plan or any event, circumstance or development that may reasonably be expected to result in a breach of the Condition Precedent in clause 3.1(j);
  - (iii) any notice or other communication from any person alleging that the consent (or waiver, permit, exemption, order, approval, agreement or confirmation) of that person (or another person) is or may be required in connection with this document or the Scheme; or
  - (iv) any material claims commenced or, to the knowledge of BRV, threatened, that relate to or involve BRV, any member of the BRV Group, the Mineral Rights, this document or the Scheme.

### 9.3 Prohibited actions

Other than as specified in Schedule 2 of the Disclosure Letter or with the prior written approval of Aura (such approval not to be unreasonably withheld or delayed), BRV must not, and must ensure that each member of the BRV Group does not, during the period referred to in clause 9.1:

- (a) **(Material Contracts)** other than in the ordinary course of business or as would not be adverse to the BRV Group in any material respect, enter into, terminate (other than non-renewals occurring in the ordinary course of business), amend or waive any right under, or agree to do any of the foregoing with respect to, any Material Contract;
- (b) **(Mineral Rights)** take any action that results or could result in a Material Adverse Effect relating to the Mineral Rights, that would impede or restrict the ability to transfer any of the Mineral Rights, or that creates or could create any Encumbrance on the Mineral Rights;
- (c) **(capital expenditure)** incur or make any capital expenditures or enter into arrangements or agreements providing for capital expenditures or otherwise commit to do so, whether in one transaction or in a series of related transactions, in excess of A\$100,000 in the aggregate or individually;
- (d) **(expenditure)** materially depart from the BRV Expenditure Plan;
- (e) **(derivative instruments)** enter into any agreement, arrangement or transaction with respect to derivative instruments (including swaps,

futures contracts, forward commitments, commodity derivatives or options) or similar instruments;

- (f) **(accounting policies)** change any accounting policy applied by a member of the BRV Group to report their financial position in any material respect other than any change required by a change in the Accounting Standards;
- (g) **(tax)** settle or compromise or make, change or revoke any concessions in relation to any material tax claims, liabilities or disputes or make any election in relation to tax, or otherwise engage in any transaction, act or event which gives rise to any tax liability which is outside the ordinary course of business as it was conducted prior to the date of this document;
- (h) **(legal proceedings)** settle any legal proceedings, claim, investigation, arbitration or other like proceedings (including administrative proceedings or any other proceedings, investigations or similar conducted by or on behalf of a Governmental Authority), except where such settlement would result in monetary obligations involving the payment of monies of not more than A\$100,000 (net of all amounts covered by existing insurance policies) in the aggregate or individually, does not involve the imposition of injunctive relief or other non-monetary obligations, including admission of wrongdoing (other than to pay such monies or customary confidentiality or other non-monetary obligations that are incidental to the agreement to pay such monies) on the BRV Group and would not create any adverse precedent that would be material to the BRV Group;
- (i) **(compensation and employment arrangements):**
  - (i) increase the remuneration of, or otherwise vary the service or employment arrangements with, any of its current or former directors, officers, or employees;
  - (ii) grant any new equity-based awards or amend or modify the terms of any outstanding equity-based awards;
  - (iii) pay or award, or agree to pay or award, any cash bonuses or cash incentive compensation, termination or retention payments;
  - (iv) pay or agree to pay to any current or former director, officer, employee or other service provider any pension, retirement allowance or other benefit in excess of those in place as of the date of this document and included in the Disclosure Materials or permitted in accordance with clause 9.3(i)(vi);
  - (v) enter into any new, or amend any existing, employment, change in control, retention or severance or termination agreement with any current or former director, officer, employee or other service provider, other than (i) agreements with new hires or newly promoted employees who are permitted to be hired or promoted under clause 9.3(i)(vi) where such agreements are materially consistent with those provided to other similarly situated employees and do not provide any retention, equity award grants or enhanced (change in control) severance, or (ii) to provide severance compensation and severance benefits (excluding any enhanced change in control severance) in the ordinary course of business as it was conducted prior to the date of this document to employees who

are terminated under circumstances permitted by clauses 9.3(i)(v) and 9.3(i)(vi);

- (vi) offer employment to, promote an existing employee, or terminate the employment of any employee or individual service provider, other than terminations for “cause”;
  - (vii) enter into, amend or terminate any collective bargaining agreement or other labour agreement; or
  - (viii) waive any non-competition or non-solicitation obligation of any BRV senior manager;
- (j) **(accelerate rights)** accelerate or fund the rights of any of its directors, officers or employees to compensation or benefits of any kind (including under any BRV executive or employee share plans), other than as required or permitted under clause 5.1, 5.2 or 9.3(i);
- (k) **(Intellectual Property)**
- (i) sell, assign, transfer or grant any exclusive license to; or
  - (ii) abandon or permit to let lapse or expire (other than immaterial in-bound licenses to the BRV Group that the BRV Group would allow to expire in the ordinary course of business in accordance with their terms),
- any Intellectual Property material to the business of the BRV Group as conducted as of the date of this document, and as proposed by the BRV Group as of the date of this document to be conducted in the future;
- (l) **(Indebtedness)** incur, assume, guarantee or become liable for any Indebtedness, other than intercompany Indebtedness wholly between members of the BRV Group;
- (m) **(real property)**
- (i) acquire or agree to acquire any material real property or enter into, or agree to enter into, any material lease or sublease of real property (whether as a lessor, sublessor, lessee or sublessee);
  - (ii) sell, assign, dispose of, surrender or exercise any right to terminate, or agree to sell, assign, dispose of, surrender or exercise any right to terminate, any material lease or sublease of real property (whether as a lessor, sublessor, lessee or sublessee) other than, in each case, expirations or surrenders of any leases or subleases in accordance with their terms or in the ordinary course of business;
  - (iii) materially modify or amend or exercise any right to renew any material lease, or waive any material term or condition thereof or grant any consents thereunder; or
  - (iv) grant or otherwise create or consent to the creation of any easement, covenant, restriction, assessment or charge affecting, in any material respect, any material real property leased by a member of the BRV Group, or any interest therein or part thereof;



- (n) **(Prescribed Events)** take any action that, or fail to take any action whose omission, would give rise to any Prescribed Event; or
- (o) **(agree)** agree to do any of the matters set out above.

#### **9.4 Exceptions to BRV conduct of business provisions**

Nothing in this clause 9 restricts the ability of BRV to take any action which:

- (a) is expressly required or permitted by a Transaction Document or the BRV Expenditure Plan;
- (b) is required by law or regulation;
- (c) is taken as a necessary and integral part of obtaining or maintaining insurance coverage for the BRV Group (or any member of the BRV Group) or the business conducted by the BRV Group (or any member of the BRV Group) if in the reasonable opinion of BRV, such insurance is required in the ordinary course of BRV's business and consistent with past practice;
- (d) has been agreed to in writing by Aura (with such agreement not to be unreasonably withheld, delayed or conditioned); or
- (e) is reasonably and prudently required to respond to any epidemic, pandemic (including COVID-19 or any COVID-19 Measures), hurricane, earthquake, flood, weather conditions, calamity or other natural disaster, act of God or other force majeure event (or any worsening of or recovery from any of the foregoing) and it is impractical to seek the approval of Aura prior to giving effect to the response.

#### **9.5 Access to people and BRV Information**

- (a) Between the date of this document and the Implementation Date and for so long as the IBC continues to publicly recommend that BRV Shareholders vote in favour of the Scheme, BRV must, and must procure that each of its Representatives, provide as soon as reasonably practicable Aura and its Representatives with any documents, records, and other information reasonably requested by them and provide Aura and its officers and advisers with reasonable access to BRV's officers and advisers which Aura reasonably requires for the purposes of:
  - (i) keeping Aura informed of material developments relating to the BRV Group (including in respect of BRV's financial position and performance, and management control systems);
  - (ii) applying for all relevant Regulatory Approvals and advancing the receipt of those approvals; and
  - (iii) preparing for carrying on the business of BRV following implementation of the Scheme; and
  - (iv) any other purpose which is agreed in writing between the parties (acting reasonably),

provided that compliance with any such request would not, in the reasonable opinion of BRV (acting in good faith), result in undue disruption to the BRV Group's business and provided that BRV is not required to facilitate physical access where BRV is restricted from doing so by any COVID-19 Measures.

- (b) BRV will not be required to provide any access or take any action contemplated by clause 9.5(a) to the extent that:
  - (i) it concerns the IBC's consideration of the Scheme or any Competing Transaction; or
  - (ii) to do so would breach any applicable law or regulation or any obligations of confidentiality owed to third parties as of the date of this document, provided that BRV shall, and shall cause its Subsidiaries to, use all reasonable endeavours to make appropriate substitute disclosure arrangements under circumstances in which such restrictions apply (including (a) obtaining any required consent from any third party and (b) redacting such information only to the extent necessary to comply with any law, regulation or obligation of confidentiality or to prevent loss of legal privilege) and to provide such information as to the applicable matter as can be conveyed.

## 9.6 Communications with Governmental Authorities

Without limiting clause 3.3(e), each party will promptly notify the other party of any material communication it receives from any Governmental Authority in connection with the transactions contemplated by the Transaction Documents and, subject to applicable law, provide the other party with a copy of any such communication that is in writing. Each party will keep the other party reasonably informed on a timely basis of the status of discussions with any Governmental Authority relating to the transactions contemplated by the Transaction Documents. Each party will use reasonable endeavours to consult with the other party and its counsel before participating in any substantive meeting or discussion with any Governmental Authority in connection with the transactions contemplated by the Transaction Documents and to give the other party and its counsel (or for matters that are highly confidential and competitively sensitive, outside counsel only) the opportunity to attend at and participate in that meeting or discussion.

## 9.7 Removal of Encumbrance

Promptly following the date of this document and in any event prior to the Scheme Meeting (or such other date as is agreed to in writing by the parties), BRV must:

- (a) procure the removal of the PPS registration number 201811260034563 from the PPS Register; and
- (b) provide evidence of actions contemplated in clause 9.7(a) to the reasonable satisfaction of Aura.

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# 10 Exclusivity

## 10.1 No existing discussions

BRV represents and warrants that, other than the discussions with Aura in respect of the Scheme, it is not currently in negotiations or discussions in respect of any Competing Transaction with any person. From the date of this document, BRV will promptly enforce the terms of any confidentiality agreement entered into with a party other than Aura in relation to a Competing Transaction and will promptly request the return or destruction of all BRV Confidential Information from that party and terminate its access to any BRV Confidential Information on an ongoing basis. BRV agrees not to waive, and to promptly enforce, any standstill obligations of that party (to the extent applicable).

## **10.2 No-shop**

During the Exclusivity Period, BRV must ensure that neither it nor any of its Representatives directly or indirectly:

- (a) solicits, invites, facilitates, encourages, initiates or otherwise cooperates with any enquiries, negotiations or discussions; or
- (b) communicates any intention to do any of these things,

with a view to obtaining any offer, proposal or expression of interest from any person in relation to a Competing Transaction.

## **10.3 No-talk**

Subject to clause 10.6, during the Exclusivity Period, BRV must ensure that neither it nor any of its Representatives:

- (a) negotiates or enters into negotiations or discussions regarding; or
- (b) participates in negotiations or discussions with any other person regarding,

a Competing Transaction or any agreement, understanding or arrangement that could be reasonably expected to lead to a Competing Transaction, even if that person's Competing Transaction was not directly or indirectly solicited, invited, encouraged or initiated by BRV or any of its Representatives or the person has publicly announced the Competing Transaction.

## **10.4 Due diligence information**

Subject to clause 10.6, during the Exclusivity Period, BRV must ensure that neither it nor any of its Representatives in relation to a Competing Transaction:

- (a) enables any other person other than Aura or its Representatives to undertake due diligence investigations on any member of the BRV Group or their businesses or solicit, invite, initiate, encourage, facilitate or permit any other person other than Aura or its Representatives to undertake due diligence investigations on any member of the BRV Group or any of their respective businesses or operations, in connection with the person formulating, developing or finalising, or assisting in the formulation, development or finalisation of, a Competing Transaction; or
- (b) makes available to any other person, or permits any other person to receive, other than Aura or its Representatives (in the course of due diligence investigations or otherwise) any non-public information relating to any member of the BRV Group or their businesses or operations in connection with the person formulating, developing or finalising, or assisting in the formulation, development or finalisation of, a Competing Transaction.

## **10.5 Notice of unsolicited approach**

- (a) During the Exclusivity Period, BRV must promptly (and in any event within 3 Business Days) inform Aura if it or, to its knowledge, any of its Representatives:
  - (i) receives any approach with respect to any Competing Transaction;

- (ii) receives any request for information relating to any member of the BRV Group or any of their businesses or operations or any request for access to any non-public information of any member of the BRV Group in connection with a current or future Competing Transaction; or
  - (iii) provides any information relating to any member of the BRV Group or any of their businesses or operations to any person in connection with or for the purposes of a current or future Competing Transaction.
- (b) A notice given under clause 10.5(a) must be accompanied by all material details of the relevant event, including (as the case may be):
  - (i) the identity of the person who made the relevant approach, inquiry or proposal to initiate discussions or negotiations referred to in clause 10.5(a)(i), who made the relevant request for information referred to in clause 10.5(a)(ii), or to whom any information referred to in clause 10.5(a)(iii) was provided;
  - (ii) the material terms and conditions (including price, conditions precedent, timetable and break or reimbursement fee (if any), or any other similar material terms) of any Competing Transaction or any proposed Competing Transaction (to the extent known); and
  - (iii) the nature of the information requested and/or provided.
- (c) During the Exclusivity Period, BRV must promptly provide Aura with:
  - (i) in the case of written materials, a copy of; or
  - (ii) in any other case, a written statement of,

any non-public information relating to BRV, its Related Bodies Corporate or any of their respective businesses and operations made available to or received by any person from BRV or any of its Representatives in connection with the person formulating, developing or finalising, or assisting in the formulation, development or finalisation of, a Competing Transaction and which differs from, or is more extensive than, the information which has been provided to Aura.
- (d) Without limiting BRV's other obligations under this clause 10.5, BRV shall keep Aura reasonably informed on a prompt and timely basis of the status and material terms and of any material developments, discussions or negotiations regarding any Competing Transaction or proposed Competing Transaction and the material terms and conditions thereof (including any change in price or form of consideration or other material amendment thereto), within 36 hours after the receipt or delivery thereof, keep Aura reasonably informed on a prompt and timely basis as to the nature of any non-public information requested of BRV with respect thereto, and provide information regarding any Competing Transaction or proposed Competing Transaction reasonably requested by Aura.

## 10.6 Fiduciary exception

Clauses 10.3 and 10.4 do not apply to the extent that they restrict BRV or the IBC from taking or refusing to take any action with respect to a genuine Competing Transaction that did not result, directly or indirectly, from a breach of clause 10.2, provided that the IBC has determined, in good faith after receiving advice from its financial advisers and external legal advisers:

- (a) that the Competing Transaction is a Superior Proposal or the steps which the IBC proposes to take may reasonably be expected to lead to that Competing Transaction becoming a Superior Proposal; and
- (b) that failing to respond to the Competing Transaction would constitute, or is reasonably likely to constitute, a breach of the IBC's fiduciary or statutory duties,

provided that, if in reliance on this clause 10.6, BRV makes available to any such offeror any non-public information relating to any member of the BRV Group or their businesses or operations, BRV may only do so pursuant to a confidentiality agreement with obligations on the recipient of that information which are no less onerous in any material respect than the obligations of Aura and BRV under the Confidentiality Agreement and terms no less favourable in the aggregate to BRV than those contained in the Confidentiality Agreement (provided that no such confidentiality agreement shall be required to contain any standstill or similar provisions).

## 10.7 Further exceptions

Nothing in this document prevents BRV from:

- (a) continuing to make normal presentations to, and to respond to enquiries from, brokers, portfolio investors and analysts in the ordinary course in relation to its business generally; or
- (b) taking any action in good faith to comply with its continuous disclosure obligations.

## 10.8 Matching right

Without limiting clauses 10.2 and 10.3, during the Exclusivity Period, BRV:

- (a) must not enter into any agreement, arrangement or understanding (whether or not in writing) pursuant to which a third party or BRV proposes (or both a third party and BRV propose) to undertake or give effect to an actual, proposed or potential Competing Transaction; and
- (b) must procure that the BRV Board and the IBC does not change its recommendation in favour of the Scheme to publicly recommend an actual, proposed or potential Competing Transaction,

unless:

- (c) the IBC acting in good faith after taking advice from its outside legal adviser and financial adviser, determines that the Competing Transaction constitutes a Superior Proposal;
- (d) the IBC, after receiving such legal advice from its external legal advisers, determines that the failure to take such actions specified in clause 10.8(a) and/or 10.8(b) would constitute or is reasonably likely to constitute a breach of what the IBC considers to be its fiduciary or statutory duties;
- (e) BRV has provided Aura with the material terms and conditions of the Competing Transaction to the extent required by clause 10.5(b) and a written explanation as to why it considers that the Competing Transaction constitutes a Superior Proposal;
- (f) for at least 5 Business Days, BRV and its Representatives have negotiated in good faith with Aura and its Representatives, to the extent

Aura wishes to negotiate and make itself reasonably available to negotiate, to enable Aura to propose revisions to the terms of this document; and

- (g) upon the expiry of such negotiation period, the IBC has considered in good faith any binding proposed revisions to the terms of this document proposed by Aura, and has determined in good faith, after taking advice from its outside legal adviser and financial adviser, that such Competing Transaction would nevertheless continue to constitute a Superior Proposal if such revisions proposed by Aura were to be given effect and that the failure to take the actions specified in clause 10.8(a) and/or 10.8(b) would continue to constitute or be reasonably likely to constitute a breach of the IBC's fiduciary or statutory duties.

BRV agrees that each successive material modification to the terms of any Competing Transaction will constitute a new Competing Transaction for the purposes of clause 10.8 and accordingly BRV must comply with this clause 10.8 in respect of any new Competing Transaction.

## 10.9 Legal advice

Each of BRV and Aura acknowledges that it has received legal advice on this document and the operation of this clause.

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# 11 Break Fee

## 11.1 Background

This clause 11 has been agreed in circumstances where:

- (a) Aura and BRV believe that the Scheme will provide significant benefits to BRV, Aura, and their respective shareholders, and Aura and BRV acknowledge that, if they enter into this document and the Scheme is subsequently not implemented, Aura and BRV will incur significant costs, including those set out in clause 11.6;
- (b) each of Aura and BRV requested that provision be made for the Break Fee, without which they would not have entered into this document;
- (c) both the board of directors of Aura and the IBC believe that it is appropriate for both parties to agree to the payment referred to in this clause to secure Aura's and BRV's participation in the Scheme; and
- (d) both parties have received legal advice on this document and the operation of this clause.

## 11.2 Payment by BRV to Aura

- (a) BRV agrees to pay the Break Fee to Aura without withholding or set off if:
  - (i) **(Competing Transaction succeeds)** a Competing Transaction is publicly announced or made before the End Date and, within 12 months from the date of that announcement, subject to clause 11.2(c), the Competing Transaction is implemented or completed substantially on the terms described in the public announcement;
  - (ii) **(change of recommendation)** Aura validly terminates this document in accordance with clause 13.2(a), except where the

relevant change, withdrawal or modification of the IBC's recommendation is made:

- (A) after the Independent Expert concludes that in the opinion of the Independent Expert the Scheme is not in the best interests of BRV Shareholders (other than where the reason for such opinion is a Competing Transaction); or
  - (B) in circumstances arising as a result of Aura's material breach of a term of this document;
- (iii) **(Superior Proposal)** BRV validly terminates this document in accordance with clause 13.3(a);
  - (iv) **(breach)** Aura validly terminates this document in accordance with clause 13.1(b) or, subject to clause 11.2(b), clause 13.2(b); or
  - (v) **(failure of Condition Precedent)** this document is validly terminated in accordance with clause 13.1(d) as a result of a failure of the Condition Precedent in clause 3.1(j), other than where that Condition Precedent has not been satisfied due to an expenditure by the BRV Group in an emergency situation.
- (b) If Aura terminates this document in accordance with clause 13.2(b), BRV will only be liable to pay the Break Fee to Aura if the relevant breach of a BRV Representation and Warranty that ultimately gave rise to the termination was in respect of a Fundamental Representation and Warranty.
  - (c) BRV is not liable to pay Aura the Break Fee under clause 11.2(a)(i) if:
    - (i) an event of the kind described in paragraph (a)(i) of the definition of Competing Transaction has occurred; and
    - (ii) that Competing Transaction does not result in an event of the kind described in paragraphs (a)(ii) to (a)(iii) inclusive of the definition of Competing Transaction occurring,provided that BRV has in no way solicited or facilitated the Competing Transaction (whether in contravention of clause 10 or otherwise).

### 11.3 Payment by Aura to BRV

Aura agrees to pay the Break Fee to BRV without withholding or set off if:

- (a) BRV validly terminates this document in accordance with clause 13.1(b) or clause 13.3(b); or
- (b) the Scheme becomes Effective but Aura and/or JVCo does not provide the Scheme Consideration in accordance with their respective obligations under this document and the Deed Poll,

**(Reverse Break Fee).**

### 11.4 No amount payable if Scheme becomes Effective

Notwithstanding the occurrence of any event in clause 11.2 or clause 11.3, if the Scheme becomes Effective and is implemented in accordance with its terms:

- (a) no amount is payable by BRV under clause 11.2 and no amount is payable by Aura under clause 11.3; and
- (b) if any amount has already been paid under clause 11.2 it must be refunded by Aura or if any amount has already been paid under clause 11.3 it must be refunded by BRV.

### **11.5 Timing of payment**

- (a) A demand for payment of the Break Fee under clause 11.2 or clause 11.3, must:
  - (i) be in writing;
  - (ii) be made after the occurrence of the event in that clause giving rise to the right to payment;
  - (iii) state the circumstances which give rise to the demand; and
  - (iv) nominate an account in the name of the relevant party into which the relevant party must pay the Break Fee.
- (b) BRV must pay the Break Fee to Aura under clause 11.2, or Aura must pay the Break Fee to BRV under clause 11.3, without withholding or set off, within 5 Business Days of receipt by BRV or Aura (as the case may be) of a valid demand for payment under clause 11.5(a).

### **11.6 Nature of payment**

The Break Fee is an amount to compensate Aura or BRV (as the case may be), for:

- (a) advisory costs;
- (b) costs of management and directors' time;
- (c) out-of-pocket expenses;
- (d) the distraction of management from conducting business as usual, caused by pursuing the Scheme;
- (e) reasonable opportunity costs incurred in pursuing the Scheme or in not pursuing alternative acquisitions or strategic initiatives which the relevant party could have developed to further its business and objectives; and
- (f) damage to the party's reputation associated with a failed transaction and the implications of that damage to that party's business.

The parties agree that the costs incurred are of a nature that they cannot be accurately quantified and that a genuine pre-estimate of the costs would equal or exceed the Break Fee. For the avoidance of doubt, a party is only liable to pay the Break Fee once.

### **11.7 Limitation of liability**

- (a) Subject to clauses 11.7(b), 11.7(c) and 11.7(d), but otherwise despite anything else in this document, the maximum aggregate amount which a party is required to pay in relation to a breach of this document by it will be the amount of the Break Fee.



- (b) The limit in clause 11.7(a) will not prevent Aura from recovering the actual costs it incurs in connection with this document and the Scheme (to the extent such costs exceed the Break Fee) if BRV has breached its obligations to register all transfers of all the BRV Shares to Aura BidCo in accordance with clause 6.2(s).
- (c) The limit in clause 11.7(a) will not apply for the benefit of a party that wilfully breaches its obligations under this document by refusing to implement the Scheme or by failing to take steps to implement the Scheme.
- (d) Nothing in clause 11.7(a) or otherwise in this document will limit Aura's liability under or in connection with a breach of clause 4.3 of this deed or the Deed Poll.

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## **12 Representations and warranties**

### **12.1 BRV Representations and Warranties**

BRV represents and warrants to Aura (on its own behalf and separately as trustee or nominee for each of the Aura directors) that, subject to the Disclosure Letter and the terms of this document, each of the statements set out in Schedule 3 is true and correct as at the date of this document and as at 5.00pm on the Business Day immediately prior to the Second Court Date, and acknowledges and agrees that Aura is relying upon such representations and warranties in connection with its entry into this document.

### **12.2 BRV's indemnity**

BRV agrees with Aura (on Aura's own behalf and separately as trustee for each of the Aura Indemnified Parties) to indemnify and keep the Aura Indemnified Parties indemnified from and against all Losses incurred directly or indirectly as a result of any of the BRV Representations and Warranties not being true and correct.

### **12.3 Notifications**

BRV must promptly advise Aura in writing if BRV becomes aware of any fact, matter or circumstance which constitutes or may constitute a breach of any of the BRV Representations and Warranties.

### **12.4 Qualifications on BRV Representations and Warranties and indemnities**

The BRV Representations and Warranties and the indemnity in clause 12.2 are each subject to matters which:

- (a) are expressly provided for in this document;
- (b) have been Fairly Disclosed; or
- (c) are within the actual knowledge of the Aura Group as at the date of this document or otherwise known to the Aura Group through their business and commercial dealings with the BRV Group.

### **12.5 Aura's representations and warranties**

Aura represents and warrants to BRV (on its own behalf and separately as trustee or nominee for each of the BRV directors) that each of the following

statements is true and correct as at the date of this document and as at 5.00pm on the Business Day immediately prior to the Second Court Date (unless a specific representation or warranty has a different temporal application, in which case that different temporal application prevails):

- (a) **(status)** it and each other member of the Aura Group has been incorporated or formed in accordance with the laws of its place of incorporation;
- (b) **(power)** it has power to enter into this document, to comply with its obligations under it and exercise its rights under it;
- (c) **(consents and approvals)** except for:
  - (i) the receipt of the Regulatory Approvals;
  - (ii) approval of the Scheme by the Court,

no consents or approvals of or filings or registrations with any Governmental Authority are necessary in connection with:

  - (iii) the execution and delivery by it of this document; or
  - (iv) the implementation of the Scheme and the other transactions contemplated by this document;
- (d) **(no contravention)** the entry by it into, and its compliance with its obligations and the exercise of its rights under, this document does not and will not conflict with or breach:
  - (i) its constituent documents or cause a limitation on its powers or the powers of its directors to be exceeded; or
  - (ii) any applicable law binding on to it or its assets;
- (e) **(authorisations)** it has in full force and effect each authorisation necessary for it to enter into this document, to comply with its obligations and exercise its rights under it, and to allow them to be enforced;
- (f) **(validity of obligations)** its obligations under this document are valid and binding and are enforceable against it in accordance with its terms;
- (g) **(reliance)** the Aura Information provided to BRV for inclusion in the Scheme Booklet will be provided in good faith and on the understanding that BRV and its directors will rely on that information for the purposes of preparing the Scheme Booklet and proposing and implementing the Scheme in accordance with the Corporations Act;
- (h) **(provision of information to Independent Expert)** all information provided by or on behalf of the Aura Group to the Independent Expert to enable the Independent Expert's Report to be prepared and completed will be provided in good faith and on the understanding that the Independent Expert will use that information for the purpose of preparing the Independent Expert's Report;
- (i) **(Aura Information)** the Aura Information provided in accordance with this document and included in, or incorporated by reference into, the Scheme Booklet, as at the date of the Scheme Booklet, will not contain any material statement which is misleading or deceptive nor contain any material omission having regard to applicable disclosure requirements and will comply in all material respects with the requirements of the

Corporations Act, the ASX Listing Rules and all relevant regulatory guides and other guidelines and requirements of ASIC;

- (j) **(compliance)** the Aura Group has, in the specific context of the Scheme, complied in all material respects with all laws and regulations applicable to it and orders of Governmental Authority having jurisdiction over it;
- (k) **(no dealing with BRV Shareholders)** other than disclosed arrangements with the Relevant Shareholder, neither it nor any of its Associates has any agreement, arrangement or understanding with any BRV Shareholder under which that BRV Shareholder (or an Associate of that BRV Shareholder) would be entitled to receive consideration for their BRV Shares different from the Scheme Consideration;
- (l) **(Scheme Consideration)** it has a reasonable basis to expect that it will, by the Implementation Date, have available to it sufficient cash amounts to satisfy Aura's obligations to pay or procure the payment of the Scheme Consideration in accordance with its obligations under this document, the Scheme and the Deed Poll; and
- (m) **(unconditional cash reserves on the Second Court Date and the Implementation Date)** by 8.00am on the Second Court Date and on the Implementation Date, the Bidder will have available to it on an unconditional basis (other than, on the Second Court Date, conditions relating to the approval of the Court and other conditions within the sole control of the Bidder) sufficient cash reserves to satisfy the Bidder's obligations to pay the Scheme Consideration in accordance with its obligations under this document, the Scheme and the Deed Poll;
- (n) **(Insolvency event)** other than the circumstances of Z79 Resources Inc. and Gold Road Mining Corp which have been disclosed to BRV in writing by Aura prior to the date of this document, no member of the Aura Group is Insolvent; and
- (o) **(FIRB)** no member of the Aura Group is required to notify or obtain approval from the Treasurer under the FIRB Act for the purposes of the transactions contemplated by the Transaction Documents.

## 12.6 Aura's indemnity

Aura agrees with BRV (on BRV's own behalf and separately as trustee for each of the BRV Indemnified Parties) to indemnify and keep indemnified the BRV Indemnified Parties from and against all Losses incurred directly or indirectly as a result of any of the representations and warranties in clause 12.5 not being true and correct.

## 12.7 Notifications

Aura must promptly advise BRV in writing if Aura becomes aware of any fact, matter or circumstance which constitutes or may constitute a breach of any of the representations or warranties given by Aura under clause 12.5.

## 12.8 Survival of representations

Each BRV Representation and Warranty and each representation and warranty in clause 12.5:

- (a) is severable;
- (b) will survive the termination of this document; and

- (c) is given with the intent that liability thereunder will not be confined to breaches which are discovered prior to the date of termination of this document.

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## 13 Termination

### 13.1 Termination events - mutual

This document may be terminated by either party in any of the following circumstances:

- (a) **(End Date)** if the Scheme has not become Effective on or before the End Date, unless the failure of the Scheme to become Effective on or before the End Date is due to the failure of the party seeking to terminate this document to perform or observe its obligations, covenants and agreements under this document;
- (b) **(material unremedied breach)** at any time prior to 8.00am on the Second Court Date, if the other is in material breach of a term of this document (excluding any representation and warranty not being true and correct, as to which termination rights under clause 13.2(b) or 13.3(b) may apply), provided that Aura or BRV (as the case may be) has given notice to the other setting out the relevant circumstances of such breach and the relevant circumstances continue to exist 10 Business Days (or any shorter period ending at 8.00am on the Second Court Date) after the time the notice is given;
- (c) **(Governmental restraint)** at any time prior to 8.00am on the Second Court Date if any Governmental Authority who must grant a Regulatory Approval that constitutes a Condition Precedent has denied such Regulatory Approval and such denial has become final and non-appealable or any Governmental Authority of competent jurisdiction shall have issued a final and non-appealable order, injunction, decree or other legal restraint or prohibition permanently enjoining or otherwise prohibiting or making illegal the consummation of the Scheme, unless the failure to obtain the Regulatory Approval or the issuance of any such order, injunction, decree or other legal restraint or prohibition is due to the failure of the party seeking to terminate this document to perform or observe its obligations, covenants and agreements under this document;
- (d) **(consultation or appeal failure)** in accordance with and pursuant to clause 3.7(a), 3.7(b) or 6.8; or
- (e) **(agreement)** if agreed to in writing by Aura and BRV.

### 13.2 Termination events - Aura

This document may be terminated by Aura in any of the following circumstances:

- (a) **(IBC adverse recommendation change)** at any time prior to 8.00am on the Second Court Date if the IBC or BRV Board (or any member of either of those groups) changes, withdraws or adversely modifies or qualifies the Recommendation or the Voting Intention or otherwise makes a public statement indicating that it no longer supports the Scheme; or
- (b) **(material unremedied breach of BRV Representations and Warranties)** if at any time prior to 8.00am on the Second Court Date:
  - (i) a BRV Representation and Warranty is not true or correct in all material respects (subject to any materiality qualifiers); or

- (ii) any BRV Representation and Warranty in items (k), (w), (y), (z) and (aa) of Schedule 3 is not true or correct in any respect in relation to any of the Key Mineral Rights,

provided that Aura has given notice to BRV setting out in detail the relevant circumstances causing the relevant BRV Representation and Warranty to be not true and correct, and the relevant circumstances continue to exist 10 Business Days (or any shorter period ending at 8.00am on the Second Court Date) after the time the notice is given.

### 13.3 Termination events - BRV

This document may be terminated by BRV in any of the following circumstances:

- (a) **(Superior Proposal)** at any time prior to 8.00am on the Second Court Date if the IBC determines, in accordance with clause 10.6 and after completion of the processes specified in clause 10.5 and clause 10.8, that a Competing Transaction is a Superior Proposal provided that there has not been a material breach by BRV of its obligations under clauses 10.2, 10.5 or 10.8; or
- (b) **(material unremedied breach of Aura Representations and Warranties)** by BRV, if at any time prior to 8.00am on the Second Court Date, a representation or warranty given by Aura pursuant to clause 12.5 is not true or correct in all material respects (subject to any materiality qualifiers) provided that BRV has given notice to Aura setting out in detail the relevant circumstances causing the relevant representation or warranty to be not true and correct, and the relevant circumstances continue to exist 10 Business Days (or any shorter period ending at 8.00am on the Second Court Date) after the time the notice is given.

### 13.4 Termination

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

### 13.5 Effect of Termination

If this document is terminated by either party, or if this document otherwise terminates in accordance with its terms, then in either case all further obligations of the parties under this document, other than the obligations set out in this clause 13.5 and in clauses 6.8, 11 and 15 to 20 (inclusive) will immediately cease to be of further force and effect without further liability of any party to the other, provided that nothing in this clause releases any party from liability in the case of fraud or wilful material breach of this document by such party.

### 13.6 Damages

Subject to clause 11.7, in addition to the right of termination under clauses 13.1, 13.2 and 13.3 where there is no appropriate remedy for the breach in this document (other than termination), the non-defaulting party is entitled to damages for Losses suffered by it and expenses incurred by it as a result of the breach of the terms of this document.

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## 14 Public announcements

### 14.1 Public announcement of Scheme

Immediately after signing this document, each of BRV and Aura must issue a public announcement of the proposed Scheme in the agreed forms of their respective announcements.

### 14.2 Required disclosure

Where a party is required by any applicable law or the rules of ASX or TSX to make any announcement or make any disclosure in connection with the Scheme, it must use all reasonable endeavours, to the extent possible, to consult with the other parties prior to making the relevant disclosure, provided that if such required disclosure relates to any BRV Confidential Information, the terms of the Confidentiality Agreement shall govern.

### 14.3 Other announcements

- (a) Subject to clauses 14.1, 14.2 and 14.3(b), no party may make any public announcement or disclosure (**Announcement**) in connection with the Scheme (including disclosure to a Governmental Authority) other than in a form approved by each party (acting reasonably). Each party will use all reasonable endeavours to provide that approval as soon as practicable. If either Aura or BRV breaches this clause 14.3, then this clause 14.3 shall not apply to any announcement by the other party in response to such Announcement in breach of this clause 14.3.
- (b) The parties agree that, for the purposes of clause 14.3(a), if a party approves the form of an Announcement, that approval will also extend to any other public announcement or disclosure made in connection with the Scheme that is consistent in tone and substance with all or part of that Announcement.
- (c) Notwithstanding the foregoing, clause 14.2 and clause 14.3(a) shall not apply to an Announcement made in connection with:
  - (i) a Competing Transaction or the IBC withdrawing or changing its recommendation in accordance with clause 7.1;
  - (ii) in connection with any dispute between the parties regarding this document, the Scheme or the other transactions contemplated by this document; or
  - (iii) the actual or expected financial impact (including earnings guidance) of the Scheme on a party.

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## 15 Confidential information

Aura and BRV each acknowledge and agree that it continues to be bound by the Confidentiality Agreement in respect of all information received by it from the other party on, before or after the date of this document.

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## 16 Notices and other communications

### 16.1 Form

- (a) Unless this document expressly states otherwise, all notices, demands, certificates, consents, approvals, waivers and other communications in connection with this document must be in writing and signed by the sender (if an individual) or an Authorised Officer of the sender.
- (b) All communications (other than email communications) must also be marked for the attention of the person referred to in the Details (or, if the recipient has notified otherwise, then marked for attention in the way last notified) and:

- (i) if to Aura or Aura BidCo, with a copy to (which shall not constitute notice):

King & Wood Mallesons  
Level 30, QV.1 Building  
250 St Georges Terrace  
Perth WA 6000  
Attention: Heath Lewis  
  
Email: heath.lewis@au.kwm.com

- (ii) if to BRV, with a copy to (which shall not constitute notice):

MinterEllison  
77 St Georges Terrace  
Perth WA 6000  
Attention: Shaun McRobert  
  
Email: shaun.mcrobot@minterellison.com

- (c) Email communications must state the first and last name of the sender and are taken to be signed by the named sender.

### 16.2 Delivery

Communications must be sent by email to the address referred to in the Details.

If the intended recipient has notified changed contact details, then communications must be sent to the changed contact details.

### 16.3 When effective

Communications take effect from the time they are received or taken to be received under clause 16.4 (whichever happens first) unless a later time is specified in the communication.

### 16.4 When taken to be received

Communications sent by email in accordance with clause 16.2 are taken to be received:

- (a) when the sender receives an automated message confirming delivery; or

- (b) 4 hours after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that delivery failed,

whichever happens first.

## **16.5 Receipt outside business hours**

Despite anything else in this clause 16, if communications are received or taken to be received under clause 16.4 after 5.00pm on a Business Day or on a non-Business Day for the receiving party, they are taken to be received at 9.00am on the next Business Day of the receiving party.

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# **17 GST**

## **17.1 Definitions and interpretation**

For the purposes of this clause:

- (a) **GST Act** means the *A New Tax System (Goods and Services Tax) Act 1999* (Cth);
- (b) a term which has a defined meaning in the GST Act has the same meaning when used in this clause, unless the contrary intention appears; and
- (c) each periodic or progressive component of a supply to which section 156-5(1) of the GST Act applies will be treated as if it were a separate supply.

## **17.2 GST exclusive**

Unless this document expressly states otherwise, all consideration to be provided under this document is exclusive of GST.

## **17.3 Payment of GST**

- (a) If GST is payable, or notionally payable, on a supply in connection with this document, the party providing the consideration for the supply agrees to pay to the supplier an additional amount equal to the amount of GST payable on that supply (**GST Amount**).
- (b) Subject to the prior receipt of a tax invoice, the GST Amount is payable at the same time as the GST-exclusive consideration for the supply, or the first part of the GST-exclusive consideration for the supply (as the case may be), is payable or is to be provided.
- (c) This clause does not apply to the extent that the consideration for the supply is expressly stated to include GST or the supply is subject to a reverse-charge.

## **17.4 Adjustment events**

If an adjustment event arises for a supply made in connection with this document, the GST Amount must be recalculated to reflect that adjustment. The supplier or the recipient (as the case may be) agrees to make any payments necessary to reflect the adjustment and the supplier agrees to issue an adjustment note.



## **17.5 Reimbursements**

Any payment, indemnity, reimbursement or similar obligation that is required to be made in connection with this document which is calculated by reference to an amount paid by another party must be reduced by the amount of any input tax credits which the other party (or the representative member of any GST group of which the other party is a member) is entitled. If the reduced payment is consideration for a taxable supply, clause 17.3 will apply to the reduced payment.

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## **18 Costs**

### **18.1 Costs**

The parties agree to pay their own Costs in connection with the preparation, negotiation, execution and completion of this document and all other Transaction Documents, except for amounts covered by clause 18.2.

### **18.2 Stamp duty and registration fees**

Aura:

- (a) agrees to pay or reimburse all stamp duty, registration fees and similar taxes payable or assessed as being payable in connection with this document or any other transaction contemplated by this document (including any fees, fines, penalties and interest in connection with any of those amounts); and
- (b) indemnifies BRV against, and agrees to reimburse and compensate it for, any liability in respect of stamp duty under clause 18.2(a).

However, Aura need not pay, reimburse or indemnify against any fees, fines, penalties or interest to the extent they have been imposed because of delay caused by BRV or a BRV Indemnified Party.

### **18.3 Withholding tax**

- (a) BRV agrees Aura may approach the ATO to obtain clarification as to the application of Subdivision 14-D of Schedule 1 of the TAA (**Subdivision 14-D**) to the Scheme and will provide all information and assistance Aura reasonably requires in making any such approach.
- (b) The parties agree to consult in good faith as to the application of Subdivision 14-D, including taking into account any clarification provided by the ATO following any process described in clause 18.3(a). The parties agree to take all actions that they agree (each acting reasonably) are necessary or desirable following that consultation which may include, without limitation, making amendments to this document, the Scheme and the Deed Poll to ensure that relevant representations are obtained from Scheme Participants.

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## **19 General**

### **19.1 Variation and waiver**

A provision of this document, or right, power or remedy created under it, may not be varied or waived except in writing signed by the party to be bound.

## **19.2 Consents, approvals or waivers**

By giving any approval, consent or waiver, a party does not give any representation or warranty as to any circumstance in connection with the subject matter of the consent, approval or waiver.

## **19.3 Discretion in exercising rights**

Unless this document expressly states otherwise, a party may exercise a right, power or remedy or give or refuse its consent, approval or a waiver in connection with this document in its absolute discretion (including by imposing conditions).

## **19.4 Partial exercising of rights**

Unless this document expressly states otherwise, if a party does not exercise a right, power or remedy in connection with this document fully or at a given time, they may still exercise it later.

## **19.5 Conflict of interest**

Each party may exercise their rights, powers and remedies in connection with this document even if this involves a conflict of duty or they have a personal interest in their exercise.

## **19.6 Remedies cumulative**

The rights, powers and remedies in connection with this document are in addition to other rights, powers and remedies given by law independently of this document.

## **19.7 Indemnities and reimbursement obligations**

Any indemnity, reimbursement or similar obligation in this document:

- (a) is a continuing obligation despite the satisfaction of any payment or other obligation in connection with this document, any settlement or any other thing;
- (b) is independent of any other obligations under this document; and
- (c) continues after this document, or any obligation arising under it, ends.

It is not necessary for a party to incur expense or make payment before enforcing a right of indemnity in connection with this document.

## **19.8 Inconsistent law**

To the extent the law permits, this document prevails to the extent it is inconsistent with any law.

## **19.9 Supervening law**

Any present or future law which operates to vary the obligations of a party in connection with this document with the result that another party's rights, powers or remedies are adversely affected (including, by way of delay or postponement) is excluded except to the extent that its exclusion is prohibited or rendered ineffective by law.

### **19.10 Counterparts**

This document may consist of a number of copies, each signed by one or more parties to it. If so, the signed copies are treated as making up a single document and the date on which the last counterpart is executed is the date of the document.

### **19.11 Electronic exchange of documents**

In relation to the electronic exchange of documents:

- (a) parties may exchange executed counterparts of this document, or any other document required to be executed under this document, by delivery from one party to the other party by emailing a pdf (portable document format) copy of the executed counterpart to that other party (**Electronic Delivery**); and
- (b) Electronic Delivery of an executed counterpart will be deemed effective delivery of the original executed counterpart, from the date and time of receipt by the other party.

### **19.12 Entire agreement**

This document (together with the Transaction Documents) constitutes the entire agreement of the parties about its subject matter and supersedes all previous agreements, understandings and negotiations on that subject matter.

### **19.13 Further steps**

Each party agrees to execute all documents and do all things necessary to perform its obligations under this document and each other Transaction Document.

### **19.14 No liability for loss**

Unless this document expressly states otherwise, a party is not liable for any loss, liability or costs arising in connection with the exercise or attempted exercise of, failure to exercise, or delay in exercising, a right, power or remedy in connection with this document.

### **19.15 Severability**

If the whole or any part of a provision of this document is void, unenforceable or illegal in a jurisdiction it is severed for that jurisdiction. The remainder of this document has full force and effect and the validity or enforceability of that provision in any other jurisdiction is not affected. This clause has no effect if the severance alters the basic nature of this document or is contrary to public policy.

### **19.16 Rules of construction**

No rule of construction applies to the disadvantage of a party because that party was responsible for the preparation of, or seeks to rely on, this document or any part of it.

### **19.17 Assignment**

A party may not assign or otherwise deal with its rights under this document or allow any interest in them to arise or be varied without the consent of the other parties.

## **19.18 Specific performance**

The parties acknowledge and agree that irreparable harm would occur and that the parties would not have any adequate remedy at law (a) for any material breach of this document or (b) in the event that any of the material provisions of this document were not performed in accordance with their specific terms. It is accordingly agreed that the parties shall be entitled to an injunction or injunctions to prevent material breaches or threatened material breaches of this document and to specifically enforce the material terms and provisions of this document (this being in addition to any other remedy to which they are entitled under this document or under applicable law). The parties agree not to assert that a remedy of specific enforcement is unenforceable, invalid, contrary to applicable law or inequitable for any reason, and not to assert that a remedy of monetary damages would provide an adequate remedy or that the parties otherwise have an adequate remedy at law.

## **19.19 Enforceability**

For the purpose of this document:

- (a) BRV is taken to be acting as agent and trustee on behalf of and for the benefit of all BRV Indemnified Parties; and
- (b) Aura is taken to be acting as agent and trustee on behalf of and for the benefit of all Aura Indemnified Parties,

and all of those persons are to this extent taken to be parties to this document.

## **19.20 No representation or reliance**

Each party acknowledges that:

- (a) no party (nor any person acting on its behalf) has made any representation or other inducement to it to enter into this document, except for representations or inducements expressly set out in this document;
- (b) it does not enter into this document in reliance on any representation or other inducement by or on behalf of any other party, except for any representation or inducement expressly set out in this document; and
- (c) clauses 19.20(a) and 19.20(b) above do not prejudice any rights a party may have in relation to information which had been filed by another party with ASIC, ASX or TSX.

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# **20 Governing law**

## **20.1 Governing law and jurisdiction**

The law in force in the place specified in the Details governs this document. The parties submit to the non-exclusive jurisdiction of the courts of that place.

## **20.2 Serving documents**

Without preventing any other method of service, any document in an action in connection with this document may be served on a party by being delivered or left at that party's address for service of notices under clause 16.2 or with its process agent.

### 20.3 Appointment of process agent

Without preventing any method of service allowed under any relevant law, Aura:

- (a) irrevocably appoints Dabserv Corporate Services Pty Ltd (ACN 001 824 111) (**Process Agent**) as its process agent to receive any document in an action in connection with this document or any other Transaction Document; and
- (b) agrees that failure by a process agent to notify Aura of any document in an action in connection with this document or any other Transaction Document does not invalidate the action concerned.

If for any reason the Process Agent ceases to be able to act as process agent, Aura agrees to appoint another person as its process agent in the place referred to in clause 20.3 and ensure that the replacement process agent accepts its appointment and confirms its appointment to Aura.

Aura agrees that service of documents on the Process Agent at the following address is sufficient service on it.

Dabserv Corporate Services Pty Ltd  
Attention: Heath Lewis  
Level 61  
Governor Phillip Tower  
1 Farrer Place  
Sydney NSW 2000  
AUSTRALIA

**EXECUTED** as a deed

# Scheme Implementation Deed

## Schedule 1 Timetable (clause 6.1)

Event	Indicative dates
Lodge Scheme Booklet with ASIC	19 May 2022
Application in respect of the Court hearing to be held on the First Court Date, filed with the Court, served on ASIC	19 May 2022
First Court Date	3 June 2022
Printing and despatch of Scheme Booklet	8 June 2022
Scheme Meeting held	8 July 2022
Second Court Date	14 July 2022
Lodge Court order with ASIC (Effective Date)	15 July 2022
Record Date	19 July 2022
Implementation Date	26 July 2022

# Scheme Implementation Deed

## Schedule 2 Mineral Rights

### Part A: Key Mineral Rights

Tenement no.	Holder	Municipality	Metal	Status
805.049/1977	Cascar Brasil Mineração Ltda.	CURRAIS NOVOS/RN	Gold	Mining Concession
840.149/1980	Cascar Brasil Mineração Ltda.	CURRAIS NOVOS/RN	Gold	Mining Concession
840.152/1980	Cascar Brasil Mineração Ltda.	CURRAIS NOVOS/RN	Gold	Mining Concession
948.262/2014	Cascar Brasil Mineração Ltda.	CURRAIS NOVOS/RN	Gold	Mining Group Application

### Part B: Other Mineral Rights

Tenement no.	Holder	Municipality	Metal	Status
805.049/1977	Cascar Brasil Mineração Ltda.	CURRAIS NOVOS/RN	Gold	Mining Concession
840.149/1980	Cascar Brasil Mineração Ltda.	CURRAIS NOVOS/RN	Gold	Mining Concession
840.152/1980	Cascar Brasil Mineração Ltda.	CURRAIS NOVOS/RN	Gold	Mining Concession
948.262/2014	Cascar Brasil Mineração Ltda.	CURRAIS NOVOS/RN	Gold	Mining Group Application
860.957/2012	Cascar Brasil Mineração Ltda.	ALTO HORIZONTE/GO, MARA ROSA/GO	Gold	Exploration Permit
860.958/2012	Cascar Brasil Mineração Ltda.	MARA ROSA/GO	Gold	Exploration Permit
860.959/2012	Cascar Brasil Mineração Ltda.	ALTO HORIZONTE/GO	Gold	Exploration Permit
846.502/2011	Cascar Brasil Mineração Ltda.	FREI MARTINHO/PB	Gold	Exploration Permit
846.503/2011	Cascar Brasil Mineração Ltda.	FREI MARTINHO/PB, PICUÍ/PB	Gold	Exploration Permit
846.504/2011	Cascar Brasil Mineração Ltda.	PICUÍ/PB	Gold	Exploration Permit
846.505/2011	Cascar Brasil Mineração Ltda.	FREI MARTINHO/PB, PICUÍ/PB	Gold	Exploration Permit
846.131/2012	Cascar Brasil Mineração Ltda.	PICUÍ/PB	Gold	Exploration Permit
846.313/2012	Cascar Brasil Mineração Ltda.	CARNAÚBA DOS DANTAS/RN, FREI MARTINHO/PB	Gold	Exploration Permit
846.506/2011	Cascar Brasil Mineração Ltda.	CARNAÚBA DOS DANTAS, NOVA PALMEIRA/PB	Gold	Exploration Permit
846.604/2011	Cascar Brasil Mineração Ltda.	FREI MARTINHO/PB, PICUÍ/PB	Gold	Exploration Permit
846.635/2011	Cascar Brasil Mineração Ltda.	PARELHAS/RN, PEDRA LAVARADA/PB	Gold	Exploration Permit

Tenement no.	Holder	Municipality	Metal	Staus
846.637/2011	Cascar Brasil Mineração Ltda.	PEDRA LAVRADA/PB	Gold	Exploration Permit
846.638/2011	Cascar Brasil Mineração Ltda.	NOVA PALMEIRA/PB, PEDRA LAVRADA/PB	Gold	Exploration Permit
846.639/2011	Cascar Brasil Mineração Ltda.	NOVA PALMEIRA/PB, PEDRA LAVRADA/PB	Gold	Exploration Permit
846.640/2011	Cascar Brasil Mineração Ltda.	CURRAIS NOVOS/RN, PICUÍ/PB	Gold	Exploration Permit
846.643/2011	Cascar Brasil Mineração Ltda.	PICUÍ/PB	Gold	Exploration Permit
846.644/2011	Cascar Brasil Mineração Ltda.	PEDRA LAVRADA/PB, São Vicente do Seridó/PB	Gold	Exploration Permit
846.651/2011	Cascar Brasil Mineração Ltda.	PICUÍ/PB	Gold	Exploration Permit
846.654/2011	Cascar Brasil Mineração Ltda.	São Vicente do Seridó/PB	Gold	Exploration Permit
848.007/2015	Crusader do Nordeste Mineração Ltda.	CURRAIS NOVOS/RN, SÃO TOMÉ/RN	Gold	Exploration Permit
846.124/2018	Crusader do Nordeste Mineração Ltda.	FREI MARTINHO/PB	Gold	Exploration Permit
848.029/2019	Crusader do Nordeste Mineração Ltda.	CAMPO REDONDO/RN, CURRAIS NOVOS/RN, PICUÍ/PB	Gold	Exploration Permit
848.055/2015	Cascar Brasil Mineração Ltda.	CRUZETA/RN, FLORÂNIA/RN	Iron Ore	Exploration Permit
848.281/2014	Cascar Brasil Mineração Ltda.	CAICÓ/RN, CRUZETA/RN	Iron Ore	Exploration Permit
846.130/2012	Cascar Brasil Mineração Ltda.	PICUÍ/PB	Gold	Exploration Permit
846.158/2011	Cascar Brasil Mineração Ltda.	CURRAIS NOVOS/RN, FREI MARTINHO/PB, PICUÍ/PB	Gold	Exploration Permit
846.227/2011	Cascar Brasil Mineração Ltda.	FREI MARTINHO/PB, PICUÍ/PB	Gold	Exploration Permit
846.316/2012	Cascar Brasil Mineração Ltda.	CARNAÚBA DOS DANTAS, NOVA PALMEIRA/PB	Gold	Exploration Permit
848.052/2021	Cascar Brasil Mineração Ltda.	CURRAIS NOVOS/RN	Gold	Exploration Permit
848.053/2021	Cascar Brasil Mineração Ltda.	CAMPO REDONDO/RN, CURRAIS NOVOS/RN	Gold	Exploration Permit
848.208/2016	Crusader do Nordeste Mineração Ltda.	CURRAIS NOVOS/RN	Gold	Exploration Permit
848.011/2015	Crusader do Nordeste Mineração Ltda.	CAMPO REDONDO/RN, CURRAIS NOVOS/RN	Gold	Exploration Permit
848.093/2013	Crusader do Nordeste Mineração Ltda.	CURRAIS NOVOS/RN	Gold	Exploration Permit



# Scheme Implementation Deed

## Schedule 3 BRV Representations and Warranties

- (a) **(status):**
  - (i) BRV and each other member of the BRV Group has been incorporated or formed in accordance with the laws of its place of incorporation and remains in good standing thereunder, and has all requisite power and authority and is duly registered or licensed as required to own, lease and operate its assets and properties and conduct its business as now owned and conducted.
  - (ii) There are no restrictions on the ability of any BRV Subsidiary to pay dividends or distributions except for restrictions imposed by applicable law.
- (b) **(power):** BRV has power and authority to enter into this document, to comply with its obligations under it and exercise its rights under it and has in full force and effect each authorisation necessary for it to enter into this document, to comply with its obligations and exercise its rights under it.
- (c) **(no contravention)** The entry by BRV into, and its compliance with its obligations and the exercise of its rights under, this document and the implementation of the Scheme, does not and will not (or would not with the giving of notice, the lapse of time or both):
  - (i) conflict with or breach:
    - (A) its constituent documents or cause a limitation on its powers or the powers of its directors to be exceeded;
    - (B) any applicable law binding on it or its assets; or
    - (C) any other document or agreement that is binding on any member of the BRV Group; or
  - (ii) constitute a default under, or cause or permit the termination, cancellation, acceleration or other change of any right or obligation or the loss of any benefit to which any member of the BRV Group is entitled under any material authorization of any member of the BRV Group; or
  - (iii) result in the creation or imposition of any Encumbrance upon any of the properties or assets of any member of the BRV Group.
- (d) **(consents and approvals)** Except for:
  - (i) the receipt of the Regulatory Approvals;
  - (ii) the filing of any required applications, filings and notices, as applicable, with ASX or ASIC; and

(iii) approval of the Scheme by the Court,

no consents or approvals of or filings or registrations with any Governmental Authority are necessary in connection with the execution and delivery by it of this document, or the implementation of the Scheme and the other transactions contemplated by this document.

- (e) **(validity of obligations)** This document has been duly executed and delivered by BRV, and its obligations under this document are valid and binding and are enforceable against it in accordance with its terms.
- (f) **(reliance)** The BRV Information contained in the Scheme Booklet will be included in good faith and on the understanding that Aura and its directors will rely on that information for the purposes of considering and approving the Aura Information in the Scheme Booklet before it is despatched, approving the entry into the Deed Poll and implementing the Scheme.
- (g) **(BRV Information)** The BRV Information provided in accordance with this document and included in, or incorporated by reference into, the Scheme Booklet, as at the date of the Scheme Booklet, will not contain any material statement which is misleading or deceptive nor contain any material omission having regard to applicable disclosure requirements and will comply in all material respects with the requirements of the Corporations Act, the ASX Listing Rules, all relevant regulatory guides and other guidelines and requirements of ASIC, as applicable.
- (h) **(continuous disclosure)** BRV has complied in all material respects with its continuous disclosure obligations under the ASX Listing Rules and, except in relation to this document, is not relying on the carve-out in ASX Listing Rule 3.1A to withhold any information from disclosure (other than the transaction contemplated by this document).
- (i) **(Disclosure Materials)** The Disclosure Materials have been prepared and provided in good faith and BRV is not aware of any information contained in the Disclosure Materials that was false or misleading in any material respect (including by omission) as at the date of collation or preparation.
- (j) **(compliance):**
  - (i) Except as provided for in the Disclosure Letter, each member of the BRV Group (A) complies, and has complied for the past 6 years, in all material respects with all laws, regulations and authorisations applicable to it, including trade control laws, anti-corruption laws and tax laws, (B) complies, and has complied for the past 6 years, in all material respects with all written agreements, consent agreements, memoranda of understanding or similar undertakings with any Governmental Authority, and (C) maintains, and has maintained for the past 6 years, all licences, permits and authorisations necessary for it to own, lease and operate its properties and assets and to conduct its business as presently being conducted, and, to the knowledge of BRV, no suspension or cancellation of any such licences, permits and authorisations is pending or threatened.
  - (ii) There is no material injunction, order, judgment, decree, or regulatory restriction imposed upon any member of the BRV Group or any of the assets thereof.

- (k) **\*(ore reserves and mineral resources)** The estimated mineral resources and ore reserves publicly disclosed by BRV have been prepared and disclosed in all material respects in accordance with all applicable laws including, without limitation, the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (2012 Edition), to its knowledge there has been no material reduction in the aggregate amount of estimated mineral resources or ore reserves at the Mineral Rights taken as a whole, from the amounts disclosed publicly by BRV.
- (l) **(provision of information to Independent Expert)** All information provided by or on behalf of BRV to the Independent Expert to enable the Independent Expert's Report to be prepared and completed will be provided in good faith and on the understanding that the Independent Expert will rely upon that information for the purpose of preparing the Independent Expert's Report.
- (m) **(no default)** No member of the BRV Group is, or has received any notice stating that it is, in default under any document, agreement, instrument, permit or authorisation binding on it or its assets nor has anything occurred which is or would with the giving of notice or lapse of time constitute an event of default, prepayment event or similar event, or give another party a termination right or right to accelerate any right or obligation, under the document or agreement with that effect.
- (n) **\*(securities):**
- (i) As at the date of this document, BRV's issued securities comprise only of 220,365,515 BRV Shares, 21,732,335 BRV Listed Options, 3,060,000 BRV Unlisted Options and 12,607,500 BRV Performance Rights, and BRV has not issued or agreed to issue any other securities or instruments which are still outstanding and which may convert into BRV Shares or securities of any BRV Subsidiary.
  - (ii) BRV owns, directly or indirectly, all of the issued and outstanding shares or other equity ownership interests of each Subsidiary of BRV, free and clear of any Encumbrance (other than transfer restrictions under applicable securities laws), and all of such shares or equity ownership interests are duly authorised and validly issued and are fully paid and free of pre-emptive rights, and any shares issued upon the exercise of the BRV Listed Options, the BRV Unlisted Options and the BRV Performance Rights shall be validly issued as fully paid.
  - (iii) BRV has not issued or granted any shares or equity securities in violation of any law on the part of BRV, any pre-emptive rights, rights of first refusal or similar rights or any agreement binding upon any member of the BRV Group.
  - (iv) Other than the shares or other equity ownership interests described in paragraph (o)(i) of this Schedule 3 above, there are no outstanding subscriptions, options, warrants, stock appreciation rights, phantom units, scrip, rights to subscribe to, pre-emptive rights, anti-dilutive rights, rights of first refusal or similar rights, puts, calls, commitments or agreements of any character relating to, or securities or rights convertible into or exchangeable or exercisable for, shares of capital stock or other voting or equity securities of or ownership interests in any Subsidiary of BRV, or contracts, commitments, understandings or arrangements by which any Subsidiary of BRV may become

bound to issue additional shares of its capital stock or other equity or voting securities or ownership interests in such Subsidiary, or otherwise obligating any Subsidiary of BRV to issue, transfer, sell, purchase, redeem or otherwise acquire any of the foregoing.

- (v) There are no issued, outstanding or authorised notes, bonds, debentures or other evidences of Indebtedness or any other agreements, arrangements, instruments or commitments of any kind that give any person, directly or indirectly, the right to vote with holders of shares in BRV on any matter except as required by law.

(o) **(Subsidiaries):**

- (i) The following information with respect to each Subsidiary of BRV is accurately set out in Schedule 1 of the Disclosure Letter: (A) its name; (B) its issued capital; (C) the percentage of equity owned directly or indirectly by BRV; (D) the name of and the percentage owned by registered holders of shares or other equity interests; and (E) its jurisdiction of incorporation, organisation, formation, or governance.
- (ii) Except as disclosed in the Disclosure Letter for the equity interests owned by any member of the BRV Group, directly or indirectly, in any other member of the BRV Group, no member of the BRV Group is the registered or beneficial owner of any equity interest of any kind in, voting debt of, or any interest convertible into or exchangeable or exercisable for any equity interest in, any other person.

- (p) **(shareholders' and similar agreements)** No member of the BRV Group is subject to, or affected by, any shareholders agreement and is not a party to any shareholder, pooling, voting, or other similar arrangement or agreement relating to the ownership, registration, transfer or voting of any of the securities of BRV (or of any other member of the BRV Group) or pursuant to which any person other than any member of the BRV Group may have any right or claim in connection with any equity interest in any member of the BRV Group.

(q) **(financial statements):**

- (i) \*The audited consolidated financial statements of BRV (including any of the notes or schedules thereto and the auditors' report thereon) for the year ended 31 December 2021 (the **Recent Financial Statements**):
  - (A) have been prepared in accordance with the requirements of the Corporations Act, Accounting Standards, IFRS and any other applicable laws; and
  - (B) fairly present, in all material respects, the assets, liabilities (whether accrued, absolute, contingent or otherwise), the consolidated financial position, results of operations or financial performance and cash flows of the BRV Group, results of operations or financial performance and cash flows of the BRV Group, as at the dates of, and for the respective periods covered by, such financial statements (except as otherwise expressly indicated thereof).

- (ii) There has been no material change in BRV's accounting policies since 31 December 2021. There are no, nor are there any commitments to become a party to, any off-balance sheet transactions of the BRV Group with unconsolidated entities or other persons.
- (iii) Since 1 January 2022, the financial books, records and accounts of the BRV Group: (a) are stated in reasonable detail; (b) accurately and fairly reflect all the material transactions, acquisitions and dispositions of the BRV Group; and (c) accurately and fairly reflect the basis of BRV's financial statements for periods beginning on or after such date, and have, and are being, maintained in all material respects in accordance with the Accounting Standards to the extent such books and records are required to be maintained in accordance with the Accounting Standards, the Corporations Act and other applicable laws.
- (iv) \*Since 1 January 2022, no member of the BRV Group has incurred or accrued any liability of any nature whatsoever (whether absolute, accrued, contingent or otherwise) other than those liabilities (A) that are Fairly Disclosed, or (B) incurred in connection with this document and the transactions contemplated by this document.
- (v) As at the date of this document, all required material reports, schedules, prospectuses, forms, statements, notices and other documents required to be filed with ASIC and the ASX (including under the ASX Listing Rules) (all of those documents being the **BRV Reporting Documents**) complied in all material respects with the requirements of the Corporations Act and the ASX Listing Rules and all rules, regulations and policy statements under the Corporations Act and the ASX Listing Rules.
- (vi) The BRV Reporting Documents as of the date of their lodgement with ASX (or, if amended or superseded by an announcement prior to the date of this document, on the date of such amended or superseding announcement) were accurate and not misleading.
- (r) **(asset control)** Except as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, all the material tangible assets listed in the BRV Reporting Documents are (i) fully paid for, (ii) either the absolute property of a member of the BRV Group free and clear of Encumbrances or used by a member of the BRV Group under a contract under which it is entitled to use the assets on the terms and conditions of such contract, (iii) not the subject of any lease or purchase agreement or agreement for purchase on deferred terms, other than in the ordinary course of business, (iv) in the possession of a member of the BRV Group, their agents or nominees, or (v) not the subject of any agreements or arrangements to dispose or not to dispose or that otherwise restrict their use or disposal, except as provided for, or taken into account in the preparation of, the BRV Reporting Documents.
- (s) **(absence of certain changes or events)** Since 31 December 2021, other than the transactions contemplated in this document or as Fairly Disclosed:
  - (i) the business of BRV and each other member of the BRV Group has been conducted in the ordinary course of business; and

- (ii) there has not occurred any change, event, occurrence, effect or circumstance that, individually or in the aggregate, has had or could reasonably be expected to have a Material Adverse Effect.
- (t) **(long-term and derivative transactions)** No member of the BRV Group has any vested or contingent derivative transactions, foreign exchange transactions, cap transactions, currency swap transactions, cross-currency rate swap transactions or currency options (including any option with respect to any of such transactions) or any combination of such transactions.
- (u) **\*(Material Contracts):**
  - (i) True and complete copies of all Material Contracts have been provided in the Disclosure Materials and no such Material Contract has been rescinded, terminated or materially modified outside of the ordinary course of business and no member of the BRV Group has received any notice (whether written or oral), that any party to a Material Contract intends to cancel, rescind, terminate or otherwise adversely modify or not renew its relationship with BRV.
  - (ii) Each Material Contract is in full force and effect and is valid and binding on the applicable member of the BRV Group.
  - (iii) Each member of the BRV Group has performed, in all material respects, all their respective obligations required to be performed by it to date under the Material Contracts and no member of the BRV Group is in material breach and BRV is not aware of any condition that with the passage of time or the giving of notice or both would result in such a breach or default by any member of the BRV Group.
- (v) **Insolvency event)** No member of the BRV Group is Insolvent.
- (w) **\* (Mineral Rights)** Schedule 2 of this document sets forth an accurate description of all of the mineral interests and rights (including any mineral claims, mining claims, concessions, exploration licences, exploitation licences, prospecting permits, mining leases and mineral rights, in each case, either existing under contract, by operation of laws or otherwise) (collectively, "Mineral Rights") of the BRV Group. Except as disclosed in Schedule 1 of the Disclosure Letter:
  - (i) the BRV Group holds all of the beneficial and legal interest in the Mineral Rights and no other person has any rights of any nature whatsoever in or in respect of the Mineral Rights;
  - (ii) the Mineral Rights are not liable to cancellation or forfeiture for any reason and there is no proceeding, claim (including indigenous claims and heritage impediments to the development of any of BRV's assets or Mineral Rights) or dispute of any nature, affecting, or likely to affect, the Mineral Rights or title to or ownership of the Mineral Rights;
  - (iii) BRV has complied and continues to comply with all provisions of applicable laws, rules and regulations in so far as they relate (or related) to the Mineral Rights, including, without limitation, laws relating to exploration, mining, land use, environmental, and indigenous matters;

- (iv) the Mineral Rights are valid and currently in good standing, including (but not limited to) all taxes and fees (if any), rents, work commitments, expenditures and other outgoings having been paid and all returns (if any) having been submitted;
  - (v) the Mineral Rights are free from all Encumbrances, validly subsisting, and in full force and effect pursuant to and in accordance with relevant laws;
  - (vi) there are no unsatisfied writs of execution relating to the Mineral Rights;
  - (vii) there are no existing environmental liabilities relating to or affecting the Mineral Rights nor are there any circumstances relating to the Mineral Rights which may reasonably be expected to give rise to future environmental liabilities and no environmental bonds are required to be lodged in relation to the Mineral Rights;
  - (viii) no person has any agreement, option or right capable of becoming an agreement, option or right for the acquisition of some or all of the Mineral Rights or any interest in the Mineral Rights (including, without limitation, by way of royalty, metal streaming right or other payment of any nature on or in respect of any minerals, metals or concentrates or any other products removed or produced or to be removed or produced from the Mineral Rights);
  - (ix) the Scheme does not of itself result in the Mineral Rights becoming subject to forfeiture, suspension or cancellation or other adverse action, conditions or Encumbrances being imposed on the Mineral Rights;
  - (x) other than the Mineral Rights, no member of the BRV Group owns or has any interest in any other mineral interests;
  - (xi) no member of the BRV Group conducts exploration or mining activities in any properties, other than on the areas covered by the Mineral Rights;
  - (xii) the relevant member of the BRV Group has the right to transfer, assign, sell, Encumber or otherwise dispose of or deal with the Mineral Rights; and
  - (xiii) the BRV Group has all surface rights, easements, access rights, rights of way and permits or licences operations from landowners or Governmental Authorities permitting the use of land by the BRV Group, and other rights that are required to exploit the Mineral Rights based on current operations and, to the knowledge of BRV, no third party or group holds any such rights that would be required by BRV to develop any of the Mineral Rights.
- (x) **(real property):** Schedule 1 of the Disclosure Letter sets forth an accurate description of all of real properties owned or occupied by any member of the BRV Group (collectively, the **BRV Property**). Except as disclosed in Schedule 1 of the Disclosure Letter:
- (i) no member of the BRV Group owns or has any interest in any real property, other than the BRV Property;

- (ii) the BRV Group members are the sole legal registered and recorded owner and beneficial owner, or the licensee or lessee, of all right, title and interest in and to BRV Property, free and clear of any Encumbrances, with good and marketable title thereto and no property rights are necessary for the conduct of the BRV Group's business as it is currently being conducted;
  - (iii) there are no back-in rights, purchase options, rights to first refusal or similar provisions or rights which would affect the interest of any member of the BRV Group in and to the BRV Property;
  - (iv) no person has any agreement or option or any right or privilege capable of becoming an agreement or option for the purchase of any of the BRV Property; and
  - (v) no BRV Property is subject to any expropriation proceeding by any Governmental Authority nor has any notice or proceeding in respect thereof been given or commenced nor, to the knowledge of BRV, is there any intent or proposal to give any such notice or to commence any such proceeding.
- (y) \* **(environmental matters)** Except as set forth in Schedule 1 of the Disclosure Letter:
- (i) each member of the BRV Group is, and since 1 January 2020 has been, in compliance, in all material respects, with all applicable environmental laws;
  - (ii) except in relation to any issue which could not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, no member of the BRV Group has released, and, to the knowledge of BRV, no other person has released, any hazardous substances in violation of any applicable environmental laws on, at, in, under or from any BRV Property currently owned or leased by any member of the BRV Group or, to the knowledge of BRV, real property previously owned or leased by any member of the BRV Group or in respect of areas covered by the Mineral Rights;
  - (iii) there are no pending claims or, to the knowledge of BRV, threatened claims, against any member of the BRV Group, arising out of any applicable environmental laws;
  - (iv) BRV is not aware of, nor has it received: (i) any order or directive from a Governmental Authority which relates to environmental matters that could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect; or (ii) any written regulatory demand or notice with respect to the material breach of any applicable environmental laws;
  - (v) each member of the BRV Group is in possession of, and in compliance with, as applicable, all material authorisations required by applicable environmental laws; and
  - (vi) copies of all material environmental reports relating to the currently and formerly owned and leased real property that are within the possession or control of any member of the BRV Group have been made available in the Disclosure Materials.



- (z) \* **(work programs)** BRV has not entered into any joint venture, work program or made any other commitment or undertaking of any nature for which BRV will be required to pay greater than \$5 million in the aggregate over the three months following the date of this document.
- (aa) \* **(operational matters)** Other than as could not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, to the knowledge of BRV, any and all operations by third parties, on or in respect of the Mineral Rights, have been conducted in compliance with reasonable and prudent international mining industry practices and applicable laws.
- (bb) **(exploration information)** BRV has provided Aura with access to full and complete copies of all exploration information and data relating to the Mineral Rights (to the extent such information and data is material), and which is owned by, or within the possession or control of, BRV or any of its Subsidiaries, including, without limitation and in each case to the extent material, all geological, geophysical and geochemical information and data (including all drill, sample and assay results and all maps) and all technical reports, feasibility studies and other similar reports and studies concerning the Mineral Rights which are owned by, or within the possession or control of, BRV, or any of its Subsidiaries and, to the knowledge of BRV and BRV has the sole right, title, ownership and right to use all such information, data reports and studies.
- (cc) **(litigation)** There are no:
  - (i) outstanding, pending, or to the knowledge of BRV, threatened, claims, actions, applications, suits, arbitrations, inquiries, governmental or regulatory investigations or administrative or other proceedings of any nature against a member of the BRV Group or its directors or officers (in their capacity as such), or, affecting any of their respective properties or assets that if determined adverse to the interests of a member of the BRV Group, could reasonably be expected to have, individually or on the aggregate, a Material Adverse Effect or would be reasonably expected to prevent or delay the implementation of the Scheme or the transactions contemplated under the Transaction Documents;
  - (ii) events or circumstances which would reasonably be expected to give rise to any such proceedings outlined in paragraph (cc)(i) of this Schedule 3 above;
  - (iii) outstanding or pending, or to the knowledge of BRV, threatened, bankruptcy, liquidation, winding-up or other similar proceedings against any member of the BRV Group; or
  - (iv) outstanding judgments, orders, writs, injunctions or decrees in respect of a member of the BRV Group nor any of their respective properties or assets that could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect or that could be reasonably expected to prevent or delay the implementation of the Scheme or the transactions contemplated under the Transaction Documents.
- (dd) **(advisory fees):**
  - (i) With the exception of the engagement of Next Level Corporate Pty Ltd, no member of the BRV Group, nor any of their respective officers or directors has employed any broker, finder

or financial adviser or incurred any liability for any advisory fees, commissions or finder's fees in connection with the Scheme or the transactions contemplated by this document.

- (ii) Full details of all engagements with Next Level Corporate Pty Ltd have been made available to Aura prior to the date of this document, and arrangements with Next Level Corporate Pty Ltd have not been modified.

(ee) **(employees):**

- (i) All written employment agreements of senior management, bargaining agreements and union agreements have been made available in the Disclosure Materials.
- (ii) All amounts due or accrued for all salary, wages, bonuses, commissions and benefits under Employee Plans, taxes, deductions and remittances and/or other similar accruals have either been paid or properly accrued and are accurately reflected in the books and/or records of BRV or its Subsidiary (as applicable).
- (iii) Except as disclosed in Schedule 1 of the Disclosure Letter, neither the execution and delivery of this document, nor the consummation of the transactions contemplated by this document could, either alone or in combination with another event, (A) entitle any employee, director, officer or independent contractor of any member of the BRV Group to severance pay or any material increase in severance pay, (B) accelerate the time of payment or vesting, or materially increase the amount of compensation due to any such employee, director, officer or independent contractor, (C) directly or indirectly cause any member of the BRV Group to transfer or set aside any assets to fund any material benefits under any Employee Plan, (D) otherwise give rise to any material liability under any Employee Plan, (E) limit or restrict the right to merge, materially amend, terminate or transfer the assets of any Employee Plan on or following the Effective Date.
- (iv) Each member of the BRV Group is properly registered with the applicable workplace safety and insurance board or workers' compensation board, as applicable. To the knowledge of BRV, there are no material outstanding assessments, penalties, fines, liens, charges, surcharges, or other amounts due or owing pursuant to any workplace safety and insurance legislation or plan.

(ff) **(employee plans):**

- (i) BRV has disclosed in the Disclosure Materials true, correct and complete copies of all Employee Plans of the BRV Group as amended, together with all related material documentation in respect of each Employee Plan.
- (ii) Each Employee Plan of the BRV Group has been established, maintained, funded, and administered in all respects in accordance with the terms of the applicable controlling documents and in compliance with applicable laws. The BRV Group does not sponsor or maintain or have any liability with respect to any defined benefit pension plans or arrangements.

- (iii) Except as required by law, no Employee Plan of the BRV Group provides for retiree or post-employment medical, disability, life insurance or other welfare benefits to any person, and no member of the BRV Group has any obligation to provide such benefits.
- (iv) Except as disclosed in the Disclosure Letter, neither the execution of this document nor the implementation of the Scheme will (alone or in combination with one or more events or circumstances, including any termination of employment or service): (A) result in any compensation or benefit (including severance, golden parachute, bonus or otherwise) becoming due to any BRV Group employee or service provider (except as provided by applicable law); (B) increase or otherwise enhance any compensation or benefit otherwise payable to any such individual; (C) result in the acceleration of the time of payment, funding or vesting of any compensation or benefit under any Employee Plan; (D) result in the acceleration or forgiveness (in whole or in part) of any outstanding loan to any BRV Group employee or service provider; or (E) require any contributions or payments to fund any obligations under any Employee Plan.
- (gg) **(insurance)**: Each member of the BRV Group is, and has been continuously since 1 July 2020, insured by reputable third party insurers with reasonable and prudent policies appropriate for the size and nature of the business of that member of the BRV Group and their respective assets.
- (hh) **(Tax matters)**
  - (i) To the knowledge of BRV, the BRV Group has complied with all material tax obligations in the different jurisdictions in which it operates, including international tax laws.
  - (ii) All Tax returns required to be lodged by a member of the BRV Group have been lodged on a timely basis with the relevant Governmental Authority and, to the knowledge of BRV, are or will be true, complete and correct in all material respects.
  - (iii) All Taxes for which a member of the BRV Group is liable that are or have been due and payable, including any penalty or interest, have been paid or appropriately reserved for in the financial statements of the BRV Group, all tax and tax interpretive risks that ought to have been reasonably known have been provided for or disclosed in financial statements and any obligation on a member of the BRV Group under any Tax law to withhold amounts at source on account of Tax has been complied with.
  - (iv) No member of the BRV Group has a permanent establishment (within the meaning of an applicable Tax treaty) in, or otherwise conducts a trade or business in, any jurisdiction outside of the relevant member of the BRV Group's place of incorporation.
  - (v) No member of the BRV Group is or is expected to become liable to pay, reimburse or indemnify any person in respect of any Tax because of the failure of any other person to discharge that Tax.
  - (vi) No member of the BRV Group is a party to or bound by (A) any agreement with a taxing authority or (B) any obligation under

any Tax sharing, Tax allocation, Tax indemnity or similar agreement or arrangement (other than a customary commercial agreement not primarily related to Taxes), or (C) any agreement (other than a customary commercial agreement not primarily related to Taxes) under which a member of the BRV Group could be (1) liable for any material Taxes or other claims of any party or (2) required to make payments with respect to any Tax benefits (whether actual Tax benefits or deemed Tax benefits) or Tax assets, including transaction tax benefits arising from a prior transaction.

- (ii) **(related party transactions requiring approval)** No member of the BRV Group has entered into, or agreed to enter into, a transaction which requires, or would require, the approval of the holders of BRV Shareholders under Chapter 10 of the ASX Listing Rules or the Corporations Act and has otherwise Fairly Disclosed any transactions with a related party (including relating to remuneration, bonuses or performance).
- (jj) **(data privacy and cybersecurity)** Except as provided for in the Disclosure Letter, the BRV Group has established and implemented policies, programs, and procedures that are commercially reasonable to protect the confidentiality, integrity, and/or availability of the trade secrets and other information in their possession, custody, or control, and of their software, information technology assets, products and services. Upon implementation of the Scheme, and to the knowledge of BRV, the BRV Group will continue to have the right to use personal information on the same basis that the BRV Group was entitled to use such information immediately prior to the implementation of the Scheme. Except in relation to any issue which could not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, to the knowledge of BRV, (i) there has been no loss, damage, or unauthorised access, disclosure, transfer or use of any personal information, trade secret, or otherwise protected business information in the possession, custody, or control of a member of the BRV Group, or maintained or processed on any of their behalf and (ii) there have been no material outages or breaches of, and to their knowledge there are no bugs, defects, backdoors, or malicious code in, any software, information technology assets, product, or service owned, sold, licensed or used by a member of the BRV Group.
- (kk) **(anti-bribery and corruption)**: No member of the BRV Group, nor to the knowledge of any of their respective directors or, officers nor, to the knowledge of BRV, any of their respective agents or representatives, have directly or indirectly, taken or promised to take, any action which is or would be otherwise inconsistent with or prohibited by any anti-corruption law binding on or applicable to a member of the BRV Group. Each member of the BRV Group has instituted and maintains policies and procedures designed to ensure compliance with such legislation, including those for the detection, prevention and reporting of violations.

# Scheme Implementation Deed

## Signing page

**DATED:** 19 April 2022

**SIGNED** by a duly authorised  
representative for **AURA MINERALS  
INC.** in the presence of:

.....  
Signed  
Signature of witness

.....  
RODRIGO VELAZQUEZ

.....  
Signed  
By executing this document, the  
signatory warrants that the signatory is  
duly authorised to execute this  
document on behalf of AURA  
MINERALS INC.

.....  
RODRIGO BARBOSA  
PRESIDENT & CEO

**EXECUTED** by **BIG RIVER GOLD LTD** )  
in accordance with section 127(1) of )  
the *Corporations Act 2001* (Cth) by )  
authority of its directors: )

.....  
Signed  
Signature of director

.....  
ANDREW RICHARDS  
Name of director (block letters)

.....  
Signed  
Signature of ~~director~~/company  
secretary\*  
\*delete whichever is not applicable  
.....  
ANDREW BEIGEL  
Name of ~~director~~/company secretary\*  
(block letters)  
\*delete whichever is not applicable

## Appendix 6 – Deed Poll

# Deed Poll

Dated June 16, 2022

Given by Aura Minerals Inc. (**Aura**) and Borborema Inc. (**JVCo**)

In favour of each Scheme Participant

**King & Wood Mallesons**  
Level 30  
QV1 Building  
250 St Georges Terrace  
Perth WA 6000  
Australia  
**T** +61 8 9269 7000  
**F** +61 8 9269 7999  
DX 210 Perth  
[www.kwm.com](http://www.kwm.com)  
Ref:HFL:AZ:ABV 608-0067868

# Deed Poll

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# Deed Poll

## Details

Party	Aura	
Aura	Name	<b>Aura Minerals Inc.</b>
	Formed in	British Virgin Islands
	Address (for notice purposes)	Craigmuir Chambers, Road Town, Tortola, VG1110, British Virgin Islands
	Email	
	Attention	Rodrigo Barbosa
JVCo	Name	<b>Borborema Inc.</b>
	Formed in	British Virgin Islands
	Address (for notice purposes)	Craigmuir Chambers, Road Town, Tortola, VG1110, British Virgin Islands
	Email	
	Attention	Joao Kleber Cardoso
In favour of	Each Scheme Participant	
Governing law	Western Australia	
Recitals	A	The directors of BRV have resolved that BRV should propose the Scheme.
	B	The effect of the Scheme will be that all BRV Shares will be transferred to Aura BidCo.
	C	BRV and Aura have entered into the Scheme Implementation Deed.
	D	In the Scheme Implementation Deed, Aura agreed (amongst other things) to provide or to procure the provision of the Scheme Consideration to the Scheme Participants, subject to the satisfaction of certain conditions.
	E	Aura and JVCo are entering into this deed poll for the purpose of covenanting in favour of Scheme Participants to perform the obligations attributed to them respectively under the Scheme.

# Deed Poll

## General terms

---

### 1 Definitions and interpretation

#### 1.1 Definitions

Unless the contrary intention appears, these meanings apply:

**Details** means the section of this document headed “Details”.

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

**Scheme** means the proposed scheme of arrangement between BRV and Scheme Participants under which all BRV Shares will be transferred to Aura BidCo under Part 5.1 of the Corporations Act, substantially in the form of Annexure A to this document, or as otherwise agreed by Aura and BRV, subject to any amendments or conditions made or required by the Court pursuant to section 411(6) of the Corporations Act to the extent they are approved in writing by BRV and Aura in accordance with clause 11.1 of the Scheme.

**Scheme Implementation Deed** means the scheme implementation deed dated 19 April 2022 between BRV and Aura under which, amongst other things, BRV has agreed to propose the Scheme to BRV Shareholders, and each of Aura and BRV has agreed to take certain steps to give effect to the Scheme.

**Trust Account** means an Australian dollar denominated trust account operated by or on behalf of BRV to hold the Scheme Cash Consideration on trust for the purpose of paying the Scheme Cash Consideration to the Scheme Participants.

All other words and phrases used in this document have the same meaning as given to them in the Scheme.

#### 1.2 General interpretation

Clause 1.2 of the Scheme applies to this document.

#### 1.3 Nature of deed poll

Each of Aura and JVCo acknowledges that:

- (a) this document may be relied on and enforced by any Scheme Participant in accordance with its terms even though the Scheme Participants are not a party to it; and
- (b) under the Scheme, each Scheme Participant irrevocably appoints BRV as its agent and attorney to enforce this deed poll against Aura or JVCo (as applicable).

---

## **2 Condition precedent and termination**

### **2.1 Condition precedent**

The obligations of Aura and JVCo under this document are subject to the Scheme becoming Effective.

### **2.2 Termination**

The obligations of Aura and JVCo under this document will automatically terminate and this document will be of no further force or effect:

- (a) if the Scheme has not become Effective on or before the End Date or any later date as the Court, with the consent of Aura and BRV, may order; and
- (b) if the Scheme Implementation Deed is terminated in accordance with its terms.

### **2.3 Consequences of termination**

If this document is terminated under clause 2.2, then, in addition and without prejudice to any other rights, powers or remedies available to Scheme Participants:

- (a) Aura and JVCo are released from their obligations to further perform this document insofar as it relates to the Scheme, except those obligations contained in clause 7; and
- (b) each Scheme Participant retains the rights, powers or remedies they have against Aura and JVCo in respect of any breach of this document which occurs before it is terminated.

---

## **3 Performance of obligations generally**

- (a) Aura and JVCo covenant in favour of Scheme Participants to comply with the obligations attributed to them respectively under the Scheme Implementation Deed and do all acts necessary or desirable on its part to give full effect to the Scheme.
- (b) Subject to the satisfaction of the condition precedent in clause 2.1, Aura and JVCo covenant in favour of each Scheme Participant to perform the actions attributed to them respectively under the Scheme as if Aura and JVCo were a party to the Scheme.

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## **4 Consideration**

### **4.1 Scheme Cash Consideration**

Subject to clause 2, Aura undertakes in favour of each Scheme Participant to pay or procure the payment of the Scheme Cash Consideration to each Scheme Participant in accordance with the Scheme.

### **4.2 Manner of payment**

The obligations of Aura under clause 4.1 will be satisfied if, in respect of the Scheme Cash Consideration, Aura deposits or procures the deposit, no later than 5.00pm on the day that is two Business Days before the Implementation

Date in Immediately Available Funds the aggregate amount of the Scheme Cash Consideration payable to the Scheme Participants (less any amount withheld in accordance with clause 6.10 of the Scheme) into the Trust Account (except that the amount of any interest on the amount deposited will be to Aura's account).

#### 4.3 Scheme Scrip Consideration

Subject to clause 2, JVCo undertakes in favour of the Relevant Shareholder, where the Relevant Shareholder has not made any Election before the Election Time, to provide or procure the provision of the Scheme Scrip Consideration to the Relevant Shareholder in accordance with the Scheme.

#### 4.4 Manner of provision

The obligations of JVCo under clause 4.3 will be satisfied if, in respect of the Scheme Scrip Consideration:

- (a) on the Implementation Date, JVCo:
  - (i) procures the issue of such number of JVCo Shares to which the Relevant Shareholder is entitled as Scheme Scrip Consideration pursuant to the Scheme to the Relevant Shareholder; and
  - (ii) procures the entry in JVCo's share register of the name and address of the Relevant Shareholder in respect of the JVCo Shares issued to the Relevant Shareholder and provides BRV with confirmation that JVCo has done so; and
- (b) as soon as practicable following the Implementation Date, JVCo sends or procures the sending of a certificate to the Relevant Shareholder reflecting the issue of such JVCo Shares.

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## 5 Representations and warranties

Each of Aura and JVCo represents and warrants that:

- (a) **(status)** it has been incorporated or formed in accordance with the laws of its place of incorporation, remains in good standing thereunder and has power and authority to own its assets and carry on its business as it is now being conducted;
- (b) **(power)** it has full legal capacity and power to enter into this document, to comply with its obligations under it, and exercise its rights under it and otherwise carry out the transactions contemplated by the Scheme;
- (c) **(no contravention)** the entry by it into, its compliance with its obligations and the exercise of its rights under, this document do not and will not breach:
  - (i) its constituent documents or cause a limitation on its powers or the powers of its directors to be exceeded;
  - (ii) any law binding or applicable to it or its assets; or
  - (iii) any Encumbrance or document binding on or applicable to it;
- (d) **(authorisations)** other than the approvals contemplated by clause 3.1 of the Scheme Implementation Deed, it has in full force and effect each authorisation necessary for it to enter into this document, to comply with its obligations and exercise its rights under it, and to allow them to be enforced;

- (e) **(validity of obligations)** its obligations under this document are valid and binding and are enforceable against it in accordance with its terms; and
- (f) **(solvency)** it is not Insolvent (as that term is defined in the Scheme Implementation Deed).

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## 6 Continuing obligations

This document is irrevocable and, subject to clause 2, remains in full force and effect until:

- (a) Aura and JVCo have fully performed their obligations under this document; or
- (b) the earlier termination of this document under clause 2.2 of this document.

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## 7 Costs

### 7.1 Costs

Aura agrees to pay all costs in respect of the Scheme (including in connection with the transfer of BRV Shares to Aura BidCo in accordance with the terms of the Scheme).

### 7.2 Stamp duty and registration fees

Aura:

- (a) agrees to pay or reimburse all stamp duty, registration fees and similar taxes payable or assessed as being payable in connection with this document or any other transaction contemplated by this document (including any fees, fines, penalties and interest in connection with any of these amounts); and
- (b) indemnifies each Scheme Participant against, and agrees to reimburse and compensate it for, any liability in respect of stamp duty under clause 7.2(a) of this document.

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## 8 Notices

Notices and other communications in connection with this document must be in writing. They must be sent to the address or email address referred to in the Details and (except in the case of email) marked for the attention of the person referred to in the Details. If the intended recipient has notified of changed contact details, then communications must be sent to the changed contact details.

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## 9 General

### 9.1 Variation

A provision of this document or any right created under it may not be varied, altered or otherwise amended unless:

- (a) the variation is agreed to by BRV, Aura and JVCo in writing; and
- (b) if the variation occurs after the First Court Date (as that term is defined in the Scheme Implementation Deed), the Court indicates (either at the hearing on the First Court Date, an interlocutory hearing or the hearing on the Second Court Date) that the variation, alteration or amendment would not itself preclude approval of the Scheme,

in which event Aura and JVCo must enter into a further deed poll in favour of the Scheme Participants giving effect to the variation, alteration or amendment.

## **9.2 Partial exercising of rights**

Unless this document expressly states otherwise, if Aura or JVCo does not exercise a right, power or remedy in connection with this document fully or at a given time, they may still exercise it later.

## **9.3 Remedies cumulative**

The rights, powers and remedies in connection with this document are in addition to other rights, powers and remedies given by law independently of this document.

## **9.4 Assignment or other dealings**

Aura, JVCo and each Scheme Participant may not assign or otherwise deal with its rights under this document or allow any interest in them to arise or be varied without the consent of Aura and BRV.

## **9.5 Further steps**

Aura and JVCo agree to do anything including executing all documents and do all things (on its own behalf or on behalf of each Scheme Participant) necessary to give full effect to this document and the transactions contemplated by it.

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# **10 Governing law and jurisdiction**

## **10.1 Governing law and jurisdiction**

The law in force in the place specified in the Details governs this document. Aura and JVCo submits to the non-exclusive jurisdiction of the courts of that place.

## **10.2 Serving documents**

Without preventing any other method of service, any document in an action in connection with this document may be served on Aura and JVCo by being delivered or left at the corresponding address set out in the Details.

## **10.3 Appointment of process agent**

Without preventing any method of service allowed under any relevant law, Aura and JVCo:

- (a) irrevocably appoint Dabserv Corporate Services Pty Ltd (ACN 001 824 111) (**Process Agent**) as their process agent to receive any document in an action in connection with this deed poll; and

- (b) agree that failure by a process agent to notify Aura or JVCo of any document in an action in connection with this deed poll does not invalidate the action concerned.

If for any reason the Process Agent ceases to be able to act as process agent, Aura and JVCo agree to appoint another person as their process agent in the place referred to in clause 10.1 and ensure that the replacement process agent accepts its appointment and confirms its appointment to Aura and JVCo.

The Process Agent has accepted its appointment as the process agent.

Aura and JVCo agree that service of documents on the Process Agent at the following address is sufficient service on it:

Dabserv Corporate Services Pty Ltd  
Attention: Heath Lewis  
Level 61  
Governor Phillip Tower  
1 Farrer Place  
Sydney NSW 2000  
AUSTRALIA

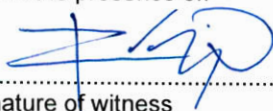
**EXECUTED** as a deed poll

# Deed Poll

## Signing page

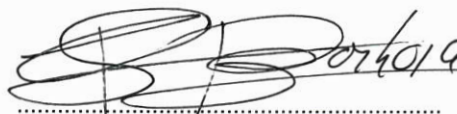
DATED: June 16, 2022

SIGNED by a duly authorised  
representative for **AURA MINERALS**  
INC. in the presence of:



Signature of witness

RODRIGO VELAZQUEZ




By executing this document, the  
signatory warrants that the signatory is  
duly authorised to execute this  
document on behalf of AURA  
MINERALS INC.

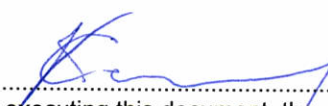
RODRIGO BARBOSA  
PRESIDENT & CEO



**SIGNED** by a duly authorised  
representative for **BORBOREMA INC.**  
in the presence of:

  
.....  
Signature of witness

.....  
RODRIGO VELAZQUEZ

  
.....  
By executing this document, the  
signatory warrants that the signatory is  
duly authorised to execute this  
document on behalf of BORBOREMA  
INC.

.....  
JOAO KLEBER DOS SANTOS  
CARDOSO  
DIRECTOR

# Corporate Directory

## Big River Gold Ltd

ACN 120 178 949

Ground Floor, 25 Richardson Street

West Perth WA 6005

Telephone: +61 (0)8 6400 6000

Website: [www.bigrivergold.com.au](http://www.bigrivergold.com.au)

## Directors

Andrew Richards, Executive Chairman

Beau Nicholls, Technical Director

John Cathcart, Non-executive Director

Adrian Goldstone, Non-executive Director

## Company Secretary

Andrew Beigel

## Appointed Auditor

Deloitte Touche Tohmatsu

Tower 2, Brookfield Place

123 St Georges Terrace

Perth WA 6000

## Share Registry

### Automic Group

Level 5, 126 Phillip Street

Sydney NSW 2000

Telephone:

Australia: 1300 288 664

International: +61 (0)2 9698 5414

Website: <https://www.automicgroup.com.au/>

## Legal Adviser

### MinterEllison

Allendale Square, 77 St Georges Terrace

Perth WA 6000

Telephone: +61 (0)8 6189 7800

Facsimile: +61 (0)8 6189 7999

Website: [www.minterellison.com](http://www.minterellison.com)

## Corporate Adviser

### NextLevelCorporate Advisory

Level 2 East, The Wentworth

300 Murray Street

Perth WA 6000

Telephone: +61 (0)418 928 157

Website: [www.nextlevelcorporate.com.au](http://www.nextlevelcorporate.com.au)

## Independent Expert

### RSM Corporate Australia Pty Ltd

Level 32, Exchange Tower

2 The Esplanade

Perth WA 6000

Telephone: +61 (0)8 9261 9100

Facsimile: +61 (0)8 9261 9102

Website: [www.rsm.com.au](http://www.rsm.com.au)

## Independent Technical Specialist

### CSA Global Pty Ltd

Level 2, 3 Ord Street

West Perth WA 6005

Telephone: +61 (0)8 9355 1677

Facsimile: +61 (0)8 9355 1977

Website: <https://www.csaglobal.com/>

Signed for the purposes of section 351 of the *Corporations Act 2001 (Cth)* by:



Andrew Richards

Signature

Name(print)

Executive Chairman of Big River Gold Ltd

