NEX METALS EXPLORATIONS LIMITED
ACN 124 706 449
NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 3 PM (WST)

DATE: 24 June 2024

PLACE: Hyatt Regency Perth, 99 Adelaide Terrace East Perth 6000

The business of the Meeting affects your shareholding and your vote is important.

This Notice should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 3 PM (WST) on 22 June 2024.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – SELECTIVE SHARE BUY-BACK FROM METALICITY LIMITED

To consider, and if thought fit, to pass the following resolution as a **special resolution**:

> *"That, for the purposes of Section 257D of the Corporations Act, ASX Listing Rule 10.1 and for all other purposes, approval is given for the Company to selectively buy back and cancel 91,365,685 Shares currently held by Metalicity Limited on the terms and conditions set out in the Explanatory Statement."*

Short Explanation: Under the Corporations Act, a company may make a selective buy back by a special resolution passed at a general meeting. The Company has entered into a deed with Metalicity Limited for the buy-back and cancellation of 91,365,685 Shares held by Metalicity Limited and its wholly owned subsidiary, Kym Mining Pty Ltd. The agreement is conditional on obtaining a special resolution of Shareholders to approve the buy-back. Please refer to the Explanatory Statement for details.

Voting Exclusion: The Company will disregard any votes cast in favour of the resolution by or on behalf of Metalicity Limited and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Independent Expert's Report: Shareholders should carefully consider the report prepared by the Independent Expert for the purposes of the Shareholder approval under ASX Listing Rule 10.1. The Independent Expert's Report comments on the fairness and reasonableness of the transaction the subject of this Resolution to the non-associated Shareholders in the Company. The Independent Expert has determined that the transaction is not fair but reasonable to the non-associated Shareholders in the Company.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the Shareholder appoints two proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

Should you wish to discuss the matters in this Notice please do not hesitate to contact the Company Secretary on +61 8 9221 6813.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolution.

1. BACKGROUND TO RESOLUTION 1 – SELECTIVE BUY BACK

1.1 Background

As announced on 29 September 2023 (ASX: NEX), the Company has entered into a settlement deed (**Settlement Deed**) with Metalicity Limited (**MCT**) regarding the Kookynie and Yundamindra Joint Venture (**Joint Venture**) and the settlement of all disputes between the parties (**Disputes**).

The effect of the Settlement Deed in respect of the Joint Venture is that on completion, MCT will cease to be a Shareholder (subject to Shareholder approval), MCT will increase its hold to 80% interest in the Joint Venture with the Company retaining the remaining 20%, with both parties to contribute to expenditure in accordance with their respective interests, and the Company will acquire certain prospecting licences as to 100% and retain the tailing rights under formal terms.

Under the Settlement Deed, the Company and MCT agreed, among other things, that the Company would buy back all the Shares held by MCT and its wholly owned subsidiary Kym Mining Pty Ltd, being 91,365,685 Shares (**Buy Back Shares**) and to cancel the Buy Back Shares (**Buy Back**).

The Buy Back is being undertaken for nil cash consideration as part of the settlement of the Disputes and is conditional upon Shareholder approval.

The terms of the Settlement Deed are summarised in Section 1.2 below.

Accordingly, Resolution 1 seeks Shareholder approval to selectively buy back and cancel the Buy Back Shares on the terms set out below.

Resolution 1 is a special resolution. For note, a special resolution is a resolution requiring at least 75% of votes cast by shareholders present and eligible to vote at the meeting in favour of the resolution.

Accordingly, at least 75% of votes cast by Shareholders entitled to vote on Resolution 1 must be in favour of Resolution 1 for it to be passed.

1.2 Material Terms of the Settlement Deed

Under the Settlement Deed, in consideration for:

(a) the parties settling all disputes relating to the Joint Venture, the Supreme Court action CIV 1582 of 2022 and all other matters in dispute between the parties;

(b) MCT cancelling 100% of the fully paid ordinary shares that MCT owns in the Company (~91m) and forgiving all outstanding cash calls owed by the Company under the Joint Venture; and

(c) the Company forgiving all legal costs owed to it by MCT under all actions between MCT (its subsidiaries), the Company and other third parties as at the date of completion of the settlement, MCT has agreed to:

(a) acquire and the Company has agreed to transfer to MCT a 29% interest in the Joint Venture; and

(b) sell and transfer to the Company its interest in Prospecting Licences P40/1500, P40/1510, P40/1511 and P40/1499 (to the extent they are not already 100% held by the Company); and in the tailings materials located within the stockpiles at the Kookynie tenements,

(together, the **Consideration**).

The Settlement Deed is conditional on the following matters:

(a) (**Approvals**): each of the Company and MCT having obtained all authorisations of any governmental or administrative agency or commission, which are necessary to implement the transactions contemplated by the Settlement Deed and the Formal Agreement;

(b) (**Formal Agreement**): the Company and MCT entering into a formal agreement to more specifically detail the matters agreed and set out in the Settlement Deed;

(c) (**Share Cancellation**): the Company obtaining Shareholder approval for and MCT cancelling 100% of the fully paid ordinary shares that MCT owns in the Company;

(d) (**Amendment of Joint Venture Agreement**): the parties amending the Joint Venture Agreement, including for, but not limited to, the following matters:

    (i) the Joint Venture Commencement Date being confirmed as 20 May 2021;

    (ii) first rights of refusal to be given to each party for any proposed disposal, forfeit or relinquishment of any Joint Venture interest;

    (iii) the dilution clause being amended to reflect an industry standard dilution clause; and

    (iv) removing the area of influence clause in its entirety; and

(e) (**Tailings Agreement**): the parties entering into a tailings agreement which provides for the Company to have unfettered access to the tailings, including the right to treat and process the tailings and be liable for environmental and rehabilitation obligations in respect of the tailings, for MCT to retain the priority right to explore the area where the tailings are located as reasonably required and upon giving the Company 2 months' notice of its intention to explore or, if appropriate, for the Company at its election to remove the tailings to a new location to be agreed, with all parties acting reasonably.

1.3 ASX Listing Rule 10.1

ASX Listing Rule 10.1 provides that an entity (or any of its subsidiaries) must not acquire a "substantial asset" from, or dispose of a substantial asset to, a substantial holder (if the person and the person's associates have a "relevant interest", or had a relevant interest at any time in the 6 months before the transaction, in at least 10% of the total votes attached to the voting securities).

MCT is a "substantial holder" for the purposes of ASX Listing Rule 10.1 because in the last 6 months it has held a relevant interest in more than 10% (namely 25.92%) of the Company's issued Shares.

An asset is substantial if its value or the value of the consideration for it is, or in ASX's opinion is, 5% or more of the equity interests of the company as set out in the latest accounts given to ASX under the ASX Listing Rules.

The parcel of Buy Back Shares is therefore a substantial asset as its value exceeds 5% of the equity interests of the Company. The Buy-Back therefore requires shareholder approval for the purpose of ASX Listing Rule 10.1.

ASX Listing Rule 10.1 provides that shareholder approval sought for the purpose of ASX Listing Rule 10.1 must include a report on the proposed acquisition from an independent expert.

The Independent Expert's Report prepared by 22 April 2024 sets out a detailed examination of the Buy Back contemplated by Resolution 1 to enable Shareholders to assess its merits. The Independent Expert's Report concludes that the Buy Back is not fair but reasonable to the non-associated Shareholders of the Company.

If Shareholders pass Resolution 1, the Company will buy back all of the Buy Back Shares the subject of the Buy Back by no later than 30 June 2024 and will cancel them on or immediately thereafter.

If Shareholders do not pass Resolution 1, the Settlement Deed may be terminated for the Company's failure to complete a condition of the Settlement Deed (unless waived by MCT), upon which MCT may claim against the Company for such losses. Additionally, MCT will remain a substantial Shareholder in the Company which may agitate the Company's on-going business.

1.4 Section 257D of the Corporations Act

The Corporations Act provides that the rules relating to share buy-backs are designed to protect the interests of shareholders and creditors by:

(a) addressing the risk of the transaction leading to the company's solvency;

(b) seeking to ensure fairness between the shareholders of the company; and

(c) requiring the company to disclose all material information.

In particular, Section 257A of the Corporations Act provides that a company may buy back its own shares if:

(a) the buy-back does not materially prejudice the company's ability to pay its creditors; and

(b) the company follows the procedures laid down in Division 2 of Part 2J.1 of the Corporations Act.

Pursuant to Section 257D(1) of the Corporations Act, a selective share buy-back must be approved by either:

(a) a special resolution passed at a general meeting of the Company, with no votes being cast in favour of the resolution by any person whose shares are to be bought back or by their associates; or

(b) a resolution agreed to, at a general meeting by all ordinary shareholders.

The phrase "no votes being cast" is intended to operate in a similar way to the way in which voting exclusion statements operate in the context of the ASX Listing Rules.

Section 257D(2) of the Corporations Act requires that a Company must include in the notice of meeting a statement setting out all information known to the Company that is material to the decision on how to vote on Resolution 1. However, the Company does not have to disclose information if it would be unreasonable to require the Company to do so because the Company had previously disclosed the information to Shareholders.

Section 257H(3) of the Corporations Act provides that immediately after the registration of the transfer to a company of shares bought back, the shares are cancelled.

ASIC Regulatory Guide 110 sets out what ASIC expects a company to provide when disclosing such information to shareholders with a notice of meeting. This information is set out below.

1.5 Reasons for the Buy Back

The Company and MCT have entered into the Settlement Deed to resolve the Disputes. Pursuant to the Settlement Deed, the Company will buy back and cancel all the Shares held by MCT.

1.6 Impact of Buy Back on the capital structure of the Company

The effect of the proposed Buy Back on the Company will be to reduce the total number of Shares on issue by 91,365,685, amounting to 25.92% of the issued capital of the Company.

The overall effect of the Buy Back on the capital structure of the Company is as follows:

Event	Shares
Shares on issue as at the date of this notice	352,532,527
Less Shares subject to selective buy-back and cancellation (Resolution 1)	91,365,685
Shares on issue at Completion of the Buy Back	261,166,842

1.7 Interests in the Buy Back

The Company confirms that no directors will participate in the Buy Back.

1.8 Effect of the Buy Back on the Company

(a) **Effect on control of the Company**

If the Buy Back is implemented, MCT will not hold any Shares.

The Buy Back is not expected to have an effect on the control of the Company. As at the date of this Notice, those Shareholders holding more than 5% in the Company and their increased interest in the Company as a result of the Buy Back are as set out in the table below:

Shareholder	Shares Held Pre-Buy Back	Percentage of Shares Pre-Buy Back (%)	Shares Held Post-Buy Back	Percentage of Shares on Post-Buy Back (%)
Metalicity Limited and its Associates	91,365,685	25.92%	Nil	N/A
Mr Kenneth M Allen	35,590,151	10.10%	35,590,151	13.63%
B3 Prospecting Pty Ltd	17,000,000	4.82%	17,000,000	6.51%
Allens Business Group Pty Ltd	16,133,469	4.58%	16,133,469	6.18%

(b) **Financial effect on the Company**

As the Company has agreed to purchase the Buy Back Shares from MCT for nil consideration as part of resolving the Disputes, accordingly, no funds will be expended for the Buy Back, and there will be no direct financial effect on the Company.

1.9 Advantages and disadvantages of the Selective Buy-back

The Board believes that the Buy Back will provide the following advantages to Shareholders:

(a) the Buy Back was negotiated as part of an overall agreement to settle the Disputes with MCT on in the Joint Venture. Settlement of the Disputes will allow the Company to focus on its other activities including development of the Joint Venture;

(b) the Buy Back is a condition of the Settlement Deed and following completion, the Company will receive the Consideration;

(c) it provides the Company an opportunity to buy back 25.92% of its Shares for nil consideration; and

(d) there will be a lesser number of Shares on issue, resulting in an increased ownership interest in the Company of each remaining Shareholder.

The Board does not believe that there are any disadvantages of the Buy Back to Shareholders.

1.10 Trading price of Shares

The trading history of the Company's Shares on ASX in the 6 months prior to the date of this Notice is set out below:

	($)	Date
Highest	$0.03	12 December 2023
Lowest	$0.013	28 February 2024
Last	$0.02	15 May 2024

1.11 Recommendation of Directors

Based on the information available, including that contained in this Explanatory Statement, the Directors unanimously recommend that Shareholders vote in favour of Resolution 1 as they consider that the Buy Back to be in the best interests of the Company for the following reasons:

(a) the Buy Back will allow the Company to satisfy part of the process required to complete the Settlement Deed;

(b) in turn, completion of the Settlement Deed will resolve the Disputes and allow the Company to focus on its new strategic direction, as previously announced to the market;

(c) there is no financial effect of the Buy Back; and

(d) the Buy Back will not have an effect on the control of the Company.

The Directors confirm that they intend to vote in favour of Resolution 1 in relation to all votes that they control. No Director has an interest in the Buy Back other than as holders of securities in the Company.

The Chair intends to vote all available proxies in favour of Resolution 1.

1.12 Other material information

There is no other information material to the making of a decision by Shareholders whether or not to vote in favour of Resolution 1, being information that is known to the Directors, which has not previously been disclosed to Shareholders, other than as set out in this Notice.

1.13 Independent Expert's Report

The Independent Expert's Report prepared by 22 April 2024 (a copy of which is attached as Annexure A to this Explanatory Statement) assesses whether the transaction contemplated by Resolution 1 is fair and reasonable to the non-associated Shareholders of the Company. The Independent Expert's Report concludes that the transaction contemplated by Resolution 1 is not fair but reasonable to the non-associated Shareholders of the Company. Shareholders are urged to carefully read the Independent Expert's Report to understand the scope of the report, the methodology of the valuation and the sources of information and assumptions made.

GLOSSARY

$ means Australian dollars.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Buy Back has the meaning given to it at Section 1.1.

Buy Back Shares has the meaning given to it at Section 1.1.

Chair means the chair of the Meeting.

Company means Nex Metals Explorations Limited (ACN 124 706 449).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

Disputes has the meaning given to it at Section 1.1.

Explanatory Statement means the explanatory statement accompanying the Notice.

Listing Rules means the Listing Rules of ASX.

MCT means Metalicity Limited (ACN 086 839 992).

Meeting means the meeting convened by the Notice.

Notice means this notice of meeting including the Explanatory Statement and the Proxy Form.

Proxy Form means the proxy form accompanying the Notice.

Resolution means the resolution set out in the Notice.

Section means a section of the Explanatory Statement.

Settlement Deed has the meaning given to it at Section 1.1.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

WST means Western Standard Time as observed in Perth, Western Australia.

Proxy Voting Form

If you are attending the Meeting in person, please bring this with you for Securityholder registration.

NEX METALS EXPLORATIONS LIMITED | ABN 63 124 706 449

Your proxy voting instruction must be received by **03.00pm (AWST) on Saturday, 22 June 2024**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: **https://investor.automic.com.au/#/home** Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of Key Management Personnel.

STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

Individual: Where the holding is in one name, the Shareholder must sign.
Joint holding: Where the holding is in more than one name, all Shareholders should sign.
Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.
Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.
Email Address: Please provide your email address in the space provided.
By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at https://automic.com.au.

Lodging your Proxy Voting Form:

Online
Use your computer or smartphone to appoint a proxy at
https://investor.automic.com.au/#/loginsah or scan the QR code below using your smartphone
Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.

BY MAIL:
Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:
Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:
meetings@automicgroup.com.au

BY FACSIMILE:
+61 2 8583 3040

All enquiries to Automic:
WEBSITE:
https://automicgroup.com.au/

PHONE:
1300 288 664 (Within Australia)
+61 2 9698 5414 (Overseas)

STEP 1 - How to vote

APPOINT A PROXY:

I/We being a Shareholder entitled to attend and vote at the General Meeting of NEX METALS EXPLORATIONS LIMITED, to be held at **03.00pm (AWST) on Monday, 24 June 2024 at Hyatt Regency Hotel, 99 Adelaide Terrace Perth WA 6000** hereby:

Appoint the Chair of the Meeting (Chair) OR if you are not appointing the Chair of the Meeting as your proxy, please write in the box provided below the name of the person or body corporate you are appointing as your proxy or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit and at any adjournment thereof.

The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.
Unless indicated otherwise by ticking the "for", "against" or "abstain" box you will be authorising the Chair to vote in accordance with the Chair's voting intention.

STEP 2 - Your voting direction

Resolutions		For	Against	Abstain
1	SELECTIVE SHARE BUY-BACK FROM METALICITY LIMITED			

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3 – Signatures and contact details

Individual or Securityholder 1	Securityholder 2	Securityholder 3
Sole Director and Sole Company Secretary	Director	Director / Company Secretary

Contact Name:

Email Address:

Contact Daytime Telephone

Date (DD/MM/YY)

/ /

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible).

NME

Nexia Australia

Nex Metals Exploration Limited

Independent Expert's Report and Financial Services Guide

22 April 2024

In our opinion, the proposed transaction is not fair but reasonable to the non-associated shareholders

Advisory. Tax. Audit.

Nexia Australia

FINANCIAL SERVICES GUIDE

Dated: 22 April 2024

What is a Financial Services Guide ('FSG')?

This FSG is designed to help you decide whether to use any of the general financial product advice provided by Nexia Perth Corporate Finance Pty Ltd ABN 84 009 342 661 ('NPCF'), Australian Financial Services Licence Number 289358 ('AFSL').

This FSG includes information about:

- NPCF and how they can be contacted;
- the services NPCF is authorised to provide;
- how NPCF are paid;
- any relevant associations or relationships of NPCF;
- how complaints are dealt with as well as information about internal and external dispute resolution systems, and how you can access them; and
- the compensation arrangements that NPCF has in place.

Where you have engaged NPCF we act on your behalf when providing financial services. Where you have not engaged NPCF, NPCF acts on behalf of our client when providing these financial services and are required to provide you with a FSG because you receive a report or other financial services from NPCF.

Financial Services that NPCF is authorised to provide

NPCF, which holds an AFSL authorising it to provide, amongst other services, financial product advice for securities and interests in managed investment schemes, including investor directed portfolio services, to retail clients.

We provide financial product advice when engaged to prepare a report in relation to a transaction relating to one of these types of financial products.

NPCF's responsibility to you

NPCF has been engaged by the independent directors of Nex Metals Exploration Limited ('Nex' or the 'Client') to provide general financial product advice in the form of an independent expert's report dated 22 April 2024 ('the Report'), which is to be included in the Notice of General Meeting (the 'Notice of Meeting' or the 'Document') to be sent to Nex shareholders on or around 24 April 2024.

You have not engaged NPCF directly but have received a copy of the Report because you have been provided with a copy of the Document. NPCF or the employees of NPCF are not acting for any person other than the Client.

NPCF is responsible and accountable to you for ensuring that there is a reasonable basis for the conclusions in the Report.

General Advice

As NPCF has been engaged by the Client, the Report only contains general advice as it has been prepared without taking into account your personal objectives, financial situation or needs.

You should consider the appropriateness of the general advice in the Report having regard to your circumstances before you act on the general advice contained in the Report.

You should also consider the other parts of the Document before making any decision in relation to the Notice of Meeting.

Fees NPCF may receive

NPCF charges fees for preparing reports. These fees will usually be agreed with and paid by the Client. Fees are agreed on either a fixed fee or a time cost basis. In this instance, the Client has agreed to pay NPCF $32,000 (excluding GST and out of pocket expenses) for preparing the Report. NPCF and its officers, representatives, related entities and associates will not receive any other fee or benefit in connection with the provision of the Report.

Referrals

NPCF does not pay commissions or provide any other benefits to any person for referring customers to them in connection with the Report.

Associations and Relationships

Through a variety of corporate and trust structures NPCF is controlled by and operates as part of the Nexia Perth Pty Ltd. NPCF's directors and authorised representative may be directors in the Nexia Perth Pty Ltd group entities ('Nexia Perth Group'). Ms Evelyn Tan, and Ms Muranda Janse Van Nieuwenhuizen, both Directors and Representatives of NPCF, have prepared the Report. The financial product advice in the Report is provided by NPCF and not by the Nexia Perth Group.

From time to time, NPCF, the Nexia Perth Group and related entities ('Nexia entities') may provide professional services, including audit, tax and financial advisory services, to companies and issuers of financial products in the ordinary course of their businesses. Previously, Nexia entities have not assisted the Client with other services and have not received any other fees from the client.

No individual involved in the preparation of the Report holds a substantial interest in, or is a substantial creditor of, the Client or has other material financial interests in the proposed transaction described in the Report.

Complaints Resolution

If you have a complaint, please let NPCF know. Formal complaints should be sent in writing to:

Nexia Perth Corporate Finance Pty Ltd
Head of Compliance
GPO Box 2570
Perth WA 6001

If you have difficulty in putting your complaint in writing, please telephone the Complaints Officer, Susan Montanari, on +61 8 9463 2463 and she will assist you in documenting your complaint.

Written complaints are recorded, acknowledged within 5 days and investigated. As soon as practical, and not more than 45 days after receiving the written complaint, the response to your complaint will be advised in writing.

External Complaints Resolution Process

If NPCF cannot resolve your complaint to your satisfaction within 45 days, you can refer the matter to the Australian Financial Complaints Authority ('AFCA'). AFCA is an independent company 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 on its website www.afca.org.au or by contacting it directly via the details set out below.

Australian Financial Complaints Authority
GPO Box 3, Melbourne, Victoria 3001
Telephone: 1800 931 678
Email: info@afca.org.au

The Australian Securities and Investments Commission also has a free call infoline on 1300 300 630 which you may use to obtain information about your rights.

Compensation Arrangements

NPCF has professional indemnity insurance cover as required by the Corporations Act 2001 (Cth).

Contact Details
You may contact NPCF at:

Nexia Perth Corporate Finance Pty Ltd
GPO Box 2570
Perth WA 6001

Nexia Australia

Nexia Perth Corporate Finance Pty Ltd
Level 3, 88 William St
Perth WA 6000
GPO Box 2570
Perth WA 6001
E: info@nexiaperth.com.au
P: +61 8 9463 2463
F: +61 8 9463 2499

nexia.com.au

22 April 2024

The Directors
Nex Metals Exploration Limited
45 Guthrie Street,
OSBORNE PARK WA 6017

Dear Sirs / Madams,

Independent Expert's Report

1. BACKGROUND AND OUTLINE OF THE PROPOSED TRANSACTION

1.1 Background

Nex Metals Exploration Limited ('Nex' or the 'Company') and Metalicity Limited ('Metalicity') are joint venture partners of the Kookynie and Yundamindra Joint Venture ('Joint Venture') where Nex has a 49% interest and Metalicity has a 51% interest. Nex and Metalicity have been involved in various court actions and other matters in dispute since November 2021. Metalicity, together with its wholly owned subsidiary, Kym Mining Pty Ltd ('Kym Mining') (collectively to be referred to as 'Metalicity Group') is a 25.92% shareholder in Nex.

On 29 September 2023, Nex announced that it had entered into a binding term sheet ('Term Sheet') with Metalicity regarding the Joint Venture and the settlement of all disputes between the parties. On 20 December 2023, Nex announced that it had executed formal agreements, completing the first stage of matters set out in the Term Sheet which broadly included the execution of the following agreements (collectively to be referred to as the 'Formal Agreements'):

- Deed of Settlement and Release – being an agreement of specific details of matters agreed and set out in the Term Sheet, including settlement of disputes between the two parties ('Settlement Deed');
- Deed of Variation of the Joint Venture Agreement – being the amendment of matters to the Farm-in and Joint Venture Agreement dated May 2019 ('Deed of Variation'); and
- Mining Rights Agreement – providing Nex with the sole right to the tailings materials located within the stockpiles at the Kookynie tenements, including the right to treat and process the tailings materials and be liable for environmental and rehabilitation obligations in respect of the tailings materials, and for Metalicity to retain the priority right to explore the area where the tailings materials are located as reasonably required ('Mining Rights Agreement').

The effect of the Formal Agreements is that, on completion, the Metalicity Group will cease to be shareholders of Nex and instead increase its shareholding in the Joint Venture from the 51% to 80%, with Nex retaining the remaining 20% of the shareholding. Additionally, Nex will receive from Metalicity a 100% interest in certain prospecting licences and retain its 100% interest in tailings materials located within the stockpiles at the Kookynie tenements. The Settlement Deed also requires, as part of its completion steps, a selective share buy-back by the Company and cancellation of approximately 91 million shares currently held by Metalicity and Kym Mining (collectively to be referred to as the 'Proposed Transaction').

Metalicity Group currently holds 91,365,685 shares in Nex, through Metalicity (87,291,744 shares) and Kym Mining (4,073,941 shares), representing 25.92% of shareholding over the Company, therefore making Metalicity Group a 'substantial holder' for the purposes of ASX Listing Rule 10.1.

As the parcel of shares under the selective share buyback represent more than 5% of the equity interests of the Company, the parcel of shares is considered a substantial asset for the purpose of ASX Listing Rule 10.1. The selective buyback and cancellation of 91,365,685 shares under Resolution 1 in the Notice of Meeting (part of the Proposed Transaction) therefore requires shareholders' approval under ASX Listing Rule 10.1 and an independent expert's report required under ASX Listing Rule 10.5.10.

Nexia Perth Corporate Finance Pty Ltd ('us', 'our', 'we' or 'NPCF') has been requested by Nex to prepare an independent expert's report ('IER' or 'this Report') to express an opinion on whether the Proposed Transaction is fair and reasonable to the non-associated shareholders of Nex ('Shareholders').

This Report is to be included in the Company's Notice of Meeting and Explanatory Memorandum ('Notice of Meeting') which will be distributed to the shareholders of the Company, to assist the non-associated shareholders in their decision whether or not to approve the Proposed Transaction and hence the selective buyback and cancellation of 91,365,685 shares under Resolution 1 in the Notice of Meeting.

We note that Nex announced on 15 April 2024 that the Company had executed a binding term sheet with Iris Metals Limited on 14 April 2024 to acquire various exploration and prospecting Kookynie tenements from Iris Metals Limited. The consideration for the acquisition is made up of 54,054,433 fully paid ordinary shares in Nex, alongside a 2% net smelter return royalty to Iris Metals Limited on any minerals extracted from the tenements. The completion of this transaction is subject to various conditions including the satisfaction or waiver of all required regulatory approvals including approvals under ASX Listing Rules and the Corporations Act, shareholders' approval as well as third-party consents necessary to effect the transfer of the tenements. As the transaction has not completed and there is still uncertainty in satisfying all the conditions precedent, we have not considered the impact of this transaction in our assessment.

Dollar amounts are in Australian dollars ('AUD' or 'A$') or as indicated throughout this Report.

1.2 Outline of the Proposed Transaction

On 29 September 2023, Nex announced that it had entered into the Term Sheet with Metalicity regarding the Joint Venture and the settlement of all disputes between the parties.

Under the Term Sheet, in consideration for:

- the parties settling all disputes relating to the Joint Venture, matters that give rise to various court proceedings, and all other matters in dispute between the parties;
- Metalicity cancelling 100% of the fully paid ordinary shares that the Metalicity Group owns in the Company (approximately 91 million shares) and forgiving all outstanding cash calls owed by the Company under the Joint Venture; and
- the Company forgiving all legal costs owed to it by Metalicity under all actions between Metalicity (and its subsidiaries), the Company and other third parties as at the date of completion of the settlement,

Metalicity has agreed to:

- acquire, and Nex has agreed to transfer to Metalicity, a 29% interest in the Joint Venture;
- sell and transfer to Nex its interest in prospecting licences P40/1500, P40/1510, P40/1511 and P40/1499 (to the extent they are not already 100% held by the Company); and
- Nex retaining 100% interests in tailings materials located within the stockpiles at the Kookynie tenements.

The above is conditional on the following matters:

- both the Company and Metalicity having obtained all authorisations of any governmental or administrative agency or commission;
- both the Company and Metalicity entering into a formal agreement to more specifically detail the matters agreed and set out in the Term Sheet;
- the Company obtaining shareholder approval for the selective share buyback and cancellation;
- both the Company and Metalicity amending the Joint Venture agreement, in particular on confirming the Joint Venture's commencement date being 20 May 2021, amongst others; and
- both the Company and Metalicity entering into a tailings agreement which provides the Company to have unfettered access to the tailings materials, including the right to treat and process the tailings materials and be liable for environmental and rehabilitation obligations in respect of the tailings materials, and for Metalicity to retain the priority right to explore the area where the tailings materials are located as reasonably required.

On 20 December 2023, Nex announced that it had executed Formal Agreements, completing the first stage of matters set out in the Term Sheet.

Following the execution of the Formal Agreements, both parties are now focused on obtaining all authorisations of any governmental or administrative agency or commission necessary to implement the transactions contemplated by the Term Sheet and Formal Agreements as well as obtaining shareholders' approval for the cancellation of 100% of the fully paid ordinary shares that the Metalicity Group owns in Nex.

The effect of the Formal Agreements is that, on completion, the Metalicity Group will cease to be a shareholder of Nex and increase its shareholding in the Joint Venture from 51% to 80%, with Nex retaining the remaining 20% of the shareholding in the Joint Venture. Additionally, Metalicity Group will transfer to the Company its interests in prospecting licences P40/1500, P40/1510, P40/1511 and P40/1499 (collectively 'Prospecting Licences'), with the intention that the Company shall hold 100% interest in these licences.

The Company will also retain 100% interest in the tailings materials located within the stockpiles at the Kookynie tenements, giving the Company full access to the tailings materials, including the right to treat and process the tailings materials, but be liable for environmental and rehabilitation obligations in respect of the tailings materials. The Settlement Deed also requires, as part of its completion steps, a selective share buy-back and cancellation of approximately 91 million shares currently held by the Metalicity Group.

The effect of the Proposed Transaction on the Company will be to reduce the total number of shares on issue by 91,365,685, representing 25.92% of the issued shares of the Company. The overall effect of the Proposed Transaction on the capital structure of the Company is as follows:

	Number of Shares
Shares on issue as at 17 April 2024	352,532,527
Less: Shares held by Metalicity Group subject to the selective buyback and cancellation	(91,365,685)
Shares on issue at completion of the Proposed Transaction	**261,166,842**

Source: Nex's securities register and NPCF analysis

Nex is seeking the approval from non-associated shareholders for the selective buyback and cancellation of 91,365,685 shares under Resolution 1 in the Notice of Meeting. This IER is prepared for this purpose.

2. PURPOSE OF REPORT AND BASIS OF ASSESSMENT

2.1 Purpose of Report

The purpose of this Report is to provide an opinion on whether the Proposed Transaction, and hence the selective buyback and cancellation of 91,365,685 shares under Resolution 1 in the Notice of Meeting ('Buy-Back'), is fair and reasonable to the Shareholders of Nex.

The Buy-Back is subject to shareholders' approval under the Australian Securities Exchange ('ASX') Listing Rule 10.1 of Chapter 10 'Transactions with persons in a position of influence' ('ASX Listing Rule 10.1') as it involves the acquisition and disposal of a substantial asset to a related party and a substantial (10%+) holder.

ASX Listing Rule 10.1 states, among other things, that an entity must ensure that neither it, nor its child entities, acquires or agrees to acquire a substantial asset from, or dispose of or agrees to dispose of a substantial asset to a related party or a substantial holder without obtaining its shareholders' approval, unless any of the exceptions in ASX Listing Rule 10.3 apply. A substantial asset is 5% or more of the equity interests of the Company. An independent expert's report is required as stated by ASX Listing Rule 10.5.

Section 257B(1) and Section 257D(1) of the Corporations Act defines the Buy-Back as a 'selective buyback requiring special or unanimous resolution'. A special resolution requires at least 75% approval of voting shareholders. Once the relevant shareholder approval is obtained, the share capital reduction will be binding on all shareholders, whether or not the shareholders have voted for or voted against the resolution.

s257D(2) of the Corporations Act requires a company to include within the notice of meeting a statement setting out all the information known to the company that is material to the decision on how to vote on the resolution. An independent expert's report is not mandatory, but it is usually included in the notice of meeting documents. Accordingly, the directors of Nex have requested the preparation of this independent expert's report to assist the Company with its disclosure to its Shareholders and to enable it to comply with s257D(2) of the Corporations Act.

This Report is prepared in accordance with the guidance of Australian Securities and Investments Commission's ('ASIC') Regulatory Guide 111 Content of expert report ('RG 111'), Regulatory Guide 112 Independence of experts ('RG 112'), Regulatory Guide 110 Share buy-backs ('RG 110') and Regulatory Guide 76 Related party transactions ('RG 76').

This Report is to be included in the Notice of Meeting, which will be distributed to all shareholders of the Company, and has been prepared to assist shareholders in their decision on whether or not to approve the Proposed Transaction and hence the Buy-Back.

2.2 Basis of assessment

RG 111 provides guidance to experts on how to draft an expert report that satisfies the requirements of the Corporations Act. Whilst RG 111 focuses on reports prepared for transactions under Chapters 2E, 5, 6 and 6A of the Corporations Act, whether they are required by the Corporations Act or are commissioned voluntarily, the principles may also be relevant to independent expert reports commissioned for other purposes, including independent expert reports required under ASX Listing Rules.

Paragraphs RG 111.52 to RG 111.63 of RG 111 provide guidance on related party transactions under Chapter 2E of the Corporations Act or for a transaction with a person in a position of influence that requires member approval under ASX Listing Rule 10.

The regulatory guide states that when analysing related party transactions, an expert needs to focus on the substance of the related party transaction rather than the legal mechanism. In analysing a related party transaction, the expert is required to express an opinion on whether the transaction is 'fair and reasonable' from the perspective of non-associated members. This analysis is specifically required where the report is also intended to accompany meeting materials for member approval of an asset acquisition or disposal under ASX Listing Rule 10.1.

While the RG 111 provides guidance on the content of expert reports, Regulatory Guide 110 Share buy-backs ('RG 110') provides guidance for companies involved in share buybacks. Table 1 of RG 110.4 summarises the requirements for various type of buybacks, including selective buybacks, whereby shareholders' approval is required through special or unanimous resolution. Documents required to be lodged to ASIC include a Notice of Meeting.

Accordingly, Table 2 of RG 110.18 sets out what ASIC expects a company to provide when disclosing information to shareholders with a notice, which includes a consideration to provide an independent expert's report with a valuation of the shares. RG 110.20 also states that for buybacks of a significant portion of a company's shares, it is usually appropriate for shareholders to have the benefit of independent advice on whether to vote for a buyback.

An offer is 'fair' if the value of the offer price or consideration is equal to or greater than the value of the securities, the subject of the offer. This comparison should be made assuming a knowledgeable and willing, but not anxious, buyer and a knowledgeable and willing, but not anxious, seller acting at arm's length.

An offer is 'reasonable' if it is 'fair' but it might also be 'reasonable' if, despite being 'not fair', the expert believes there are sufficient reasons for security holders to approve the proposed transaction.

Under the Formal Agreements, the Buy-Back is part of the Proposed Transaction. To assess whether the Buy-Back is fair and reasonable to Shareholders, we have based our assessment on whether the Proposed Transaction is fair and reasonable to Shareholders.

2.3 Conduct of our assessment

We have assessed the Proposed Transaction as being:

- 'fair' if the value per share of Nex after the Proposed Transaction (on a minority basis) is equal to or greater than the value per share of Nex before the Proposed Transaction (on a minority basis); and
- 'reasonable' if it is fair, or despite not being fair, after considering other significant factors, we believe there are sufficient reasons for non-associated shareholders to approve the Proposed Transaction.

This engagement is conducted in accordance with Accounting Professional & Ethical Standards Board professional standard APES 225 'Valuation Services' ('APES 225').

3. SUMMARY AND OPINION

This section is a summary of our opinion and cannot substitute for a complete reading of this Report. Our opinion should be read in conjunction with this Report in its entirety. Our opinion is based solely on information available as at the date of this Report.

In our opinion, the Proposed Transaction, and hence the Buy-Back, is not fair but reasonable to Shareholders.

3.1 Assessment of Fairness of the Proposed Transaction

In determining whether or not the Proposed Transaction is fair to Shareholders, we have compared the value of one Nex share prior to the Proposed Transaction to the value of one Nex share after the Proposed Transaction. This is summarised as follows.

In A$	Ref	Low	Mid	High
Pre-Transaction value per Nex share (minority basis)	9.1	0.0011	0.0019	0.0026
Post-Transaction value per Nex share (minority basis)	10.1	(0.0019)	(0.0016)	(0.0012)

Source: NPCF analysis

The analysis shows that the value per Nex share after the Proposed Transaction (on a minority basis) is lower than the value per Nex share before the Proposed Transaction (on a minority basis). Therefore, **we have concluded that the Proposed Transaction is not fair to Shareholders.**

3.2 Assessment of Reasonableness of the Proposed Transaction

In accordance with RG 111, a related party transaction is reasonable if:

- the transaction is fair; or
- despite not being fair, but considering other significant factors, there are sufficient reasons for Shareholders to approve the Proposed Transaction, in the absence of any alternative offers.

In forming our opinion, we have considered the following relevant factors (see section 12).

Advantages	Disadvantages
• If the Buy-Back is approved, the Proposed Transaction can proceed to settle all disputes between Nex and Metalicity and both parties will not be further embroiled in legal proceedings, which has been a distraction preventing both parties to properly progress exploration activities in the Joint Venture. • The Buy-Back, which is part of the Proposed Transaction to settle all disputes with Metalicity, is one of the critical events that need to occur for the Company to be able to continue as a going concern. • The Buy-Back will result in the Metalicity Group being removed as a controlling shareholder of Nex and allow the Company to drive its own strategic plan and operations, outside of the Joint Venture, without the complication of the presence of a controlling shareholder whose interests may not always be aligned with the Company. • The resultant shareholding structure of the Buy-Back and Proposed Transaction provides for a clearer demarcation of interests between Nex and Metalicity; which allows Nex to be a more passive party to the Joint Venture, which is expected to reduce management time and cost drain to the Company. • The reduction in Nex's interest in the Joint Venture to 20% will reduce the Company's Joint Venture expenditure obligations and reduce the cash commitment it would otherwise have required. • If the Buy-Back is approved, the Company will receive and/or retain 100% ownership of the Prospecting Licences and tailings materials following completion of the Settlement Deed and the Proposed Transaction, which will provide the Company with mineral assets outside of the Joint Venture that it is able to have full exploitation control over.	• The Proposed Transaction is not fair. • The reduction in the total number of shares may further reduce the liquidity of Nex shares. • There is no guarantee that the Company may be able to continue as a going concern even if the Buy-Back is approved since the Buy-Back, which is part of the Proposed Transaction to settle all disputes with Metalicity, is only one of the critical events that need to occur for the Company to be able to continue as a going concern.

Advantages	Disadvantages
• The Buy-Back gives the Company an opportunity to buy back 25.92% of its shares for no cash consideration and hence no cash outlay. • The Buy-Back is anti-dilutionary as it will result in a reduction in the number of shares on issue, and each non-associated shareholder will increase its shareholding interest in the Company.	

We note that, if the approval sought in the Notice of Meeting relating to the Buy-Back is not obtained, that is, Resolution 1 of the Notice of Meeting is not passed, the Company will not be able to complete the Settlement Deed and will be unable to proceed with the Proposed Transaction. If this is the case, the claims and dispute between Nex and the Metalicity Group will not be settled as proposed, and the Company may not be able to continue as a going concern.

After taking into account other significant factors, and in the absence of a more superior alternative offer, **we have concluded that the Proposed Transaction is reasonable.**

4. LIMITATIONS

4.1 Individual shareholders' circumstances

The ultimate decision whether to approve the Proposed Transaction should be based on each shareholder's own assessment of the Proposed Transaction and own assessment of their circumstances, including their own risk profile, liquidity preference, tax position and expectations as to value and future market conditions. We strongly recommend that shareholders consult their own professional advisers, carefully read all relevant documentation provided, including the Notice of General Meeting, and consider their own specific circumstances before voting in favour of or against the Proposed Transaction. If in doubt about the Proposed Transaction or matters dealt with in this Report, shareholders should seek independent professional advice.

4.2 Limitations on reliance on information

The documents and information relied on for the purposes of this Report are set out in Appendix B. We have considered and relied upon this information and believe that the information provided is reliable, complete and not misleading and we have no reason to believe that documents and material facts have been withheld. The information provided was evaluated through analysis, enquiry and review for the purpose of forming an opinion as to whether the Proposed Transaction is fair and reasonable to the shareholders. However, we do not warrant that our enquiries have identified or verified all of the matters which an audit or extensive examination might disclose. We understand the accounting and other financial information that was provided to us has been prepared in accordance with generally accepted accounting principles.

An important part of the information used in forming an opinion of the kind expressed in this Report is the opinions and judgement of Directors and management. This type of information has also been evaluated through analysis, enquiry and review to the extent practical. However, it must be recognised that such information is not always capable of external verification or validation.

NPCF are not the auditors of Nex. We have analysed and reviewed information provided by the Directors and management of Nex and made further enquiries where appropriate. Preparation of this Report does not imply that we have in any way audited the accounts or records of Nex.

In forming our opinion we have assumed:

- matters such as title, compliance with laws and regulations and contracts in place are in good standing and will remain so and that there are no material legal proceedings, other than as publicly disclosed;
- the information set out in the Notice of General Meeting to be sent to shareholders is complete, accurate and fairly represented in all material respects; and
- the publicly available information relied upon by NPCF in its analysis was accurate and not misleading.

This Report has been prepared after taking into consideration the current economic and market climate. We take no responsibility for events occurring after the date of this Report which may impact upon this Report or which may impact upon the assumptions referred to in this Report.

Yours faithfully

Nexia Perth Corporate Finance Pty Ltd

Evelyn Tan
Director

Muranda Janse Van Nieuwenhuizen
Director

STRUCTURE OF REPORT

This Report is set out under the following headings:

APPENDICES

5. OVERVIEW OF NEX METALS EXPLORATION LIMITED

5.1 Background

Nex Metals Exploration Limited ('Nex' or the 'Company') is an Australian-based exploration company that focuses on the exploration of gold, copper and nickel deposits. The Company holds interests in the Kookynie Gold Project and the Yundamindra Gold Project that are located in the Eastern Goldfields, Western Australia. It also holds interests in the Kookynie Tailings Research Project located in the Cosmopolitan tenement.

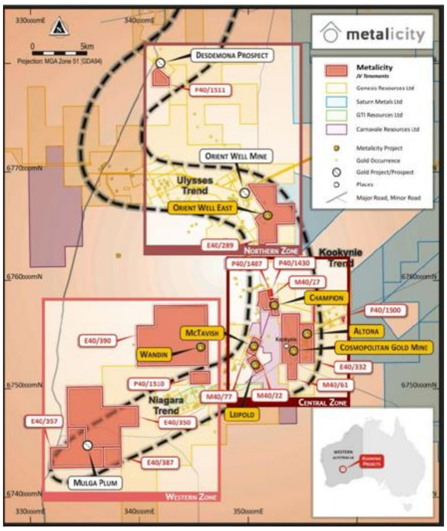
Nex was incorporated in 2007. The Company focuses on unlocking value in the historic Kookynie and Yundamindra area. Being active in creating shareholder value, they have been partnering with Metalicity Limited ('Metalicity') and its wholly owned subsidiary, Kym Mining Pty Ltd ('Kym Mining') (collectively to be referred to as 'Metalicity Group') and formed the Kookynie and Yundamindra Joint Venture ('Joint Venture') in May 2021. The Joint Venture focuses on exploration for gold within the Kookynie and Yundamindra area. Metalicity Group currently holds 51% interest in the Joint Venture, with Nex holding the remaining 49% interest. Metalicity Group is also a major shareholder of the Company, having over 25% interests in the Company's shareholding.

On 20 December 2023, Nex executed formal agreements pursuant to a binding term sheet that the Company had entered into with Metalicity for the settlement of all disputes between the parties that had arisen from the Joint Venture. This includes the dismissal of several court proceedings and release of the Company's cash call obligations to Metalicity. In consideration, the Company would buy back and cancel all its shares held by Metalicity Group, and Metalicity's interest in the Joint Venture will increase to 80% (and the Company will retain the remaining 20% interest in the Joint Venture). The share buyback is being undertaken for nil cash consideration as part of the settlement of the disputes and is conditional upon shareholders' approval.

5.2 Overview of the Joint Venture's Project – the Kookynie Gold Project

The Kookynie Gold Project is located 180 kilometres north of Kalgoorlie and 50 kilometres south of Leonora. Located within the Keith-Kilkeny Tectonic Zone, the Kookynie area is host to a significant number of gold occurrences that have been sporadically mined for over a hundred years. The project hosts the historical mining centres of McTavish, Leipold, Champion, Altona, and Diamantina-Cosmopolitan-Cumberland (DCC) trend. The historic Cosmopolitan Gold mine produced 360,000 ounces of gold from discovery in 1895 to 1922.

Kookynie Gold Project – Prospect locality map with mineralised trend



Source: 'Independent Valuation Report on the Mineral Projects held by Nex Metals Exploration Limited in Western Australia' prepared by Agricola Mining Consultants Pty Ltd dated 22 March 2024

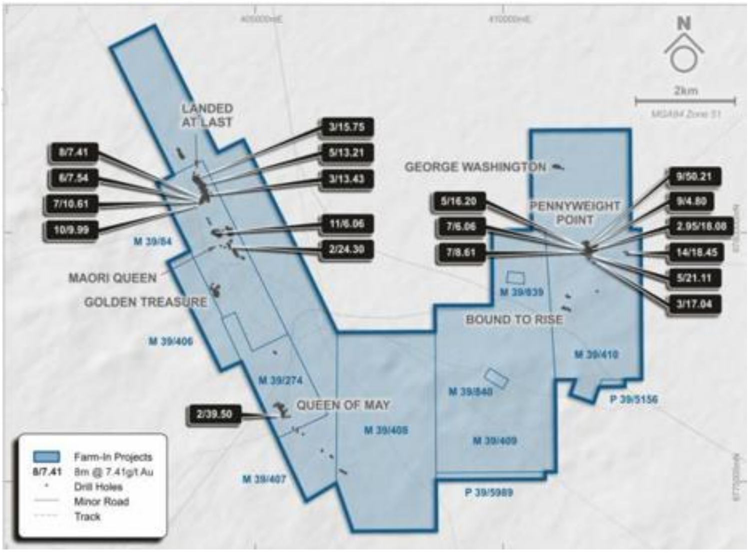
The Kookynie Gold Project consists of a total of 13 tenements, comprising of five tenements under the Company's area of exploration of approximately 14.62 square kilometres and eight Kym Mining's tenements under Kym Mining's area of exploration of approximately 91.81 square kilometres. The total area of the Kookynie exploration ground tenements is 106.43 square kilometres.

5.3 Overview of the Joint Venture's Project – the Yundamindra Gold Project

The Yundamindra Gold Project is located 60 kilometres east of Kookynie on the western side of Lake Carey. The project consists of nine granted mining leases, which the Company will hold the rights to explore. The project hosts significant historical production of 45,000 ounces of gold.

The Yundamindra Gold Project consists of a total of 16 tenements, comprising 14 tenements under the Company's area of exploration of approximately 43.96 square kilometres and two Paddick Investment's tenements under Paddick Investment's area of exploration of approximately 36.00 square kilometres. The total area of the Yundamindra exploration ground tenements is 79.96 square kilometres.

Yundamindra Gold Project – Tenements and Areas of Interest



Source: 'Independent Valuation Report on the Mineral Projects held by Nex Metals Exploration Limited in Western Australia' prepared by Agricola Mining Consultants Pty Ltd dated 22 March 2024

5.4 Directors and Key Management

Below is a table of the Directors and key management personnel of Nex:

Name	Position
Thomas F Percy KC	Non-Executive Chair
Kenneth M Allen	Managing Director, Company Secretary
Hock Hoo Chua	Non-Executive Director
Raja Mohd Azmi bin Raja Razali	Alternative Director (to Hock Hoo Chua)

5.5 Financial Information

Set out in this section are the audited consolidated financial statements of Nex for the financial years ended 30 June 2021 ('FY 2021'), 30 June 2022 ('FY 2022') and 30 June 2023 ('FY 2023') and the reviewed consolidated financial statements for the half year ended 31 December 2023 ('HY 2024').

The auditor's reports for FY 2021, FY 2022 and FY 2023 were unqualified. In its independent auditor's report for FY 2021, the auditor contained a key audit matter with regards to capitalisation of exploration and evaluation expenditure as one of the Company's significant assets, given that there was a risk that the capitalised expenditure no longer met the recognition criteria of the AASB 6 *Exploration for and Evaluation of Mineral Resource,* and that these assets were required to be assessed for impairment. The FY 2022 and FY 2023 independent auditor's reports contained a number of key audit matters with regards to going concern, capitalisation of exploration and evaluation expenditure as an asset, and contingencies that were material in nature.

In addition, the FY 2022 and FY 2023 auditor's reports drew attention in the notes to the financial statements that the Company incurred a loss and experienced net cash outflows from operating activities during the financial year, and net liabilities position as at the end of the financial year. The Company's directors were of the view that there were reasonable grounds to believe that the Company will be able to continue as a going concern after consideration of events that occurred after the balance date, which would significantly reduce the current liabilities and reverse the position to net assets. Other factors that supported the directors' view on the Company's ability to continue as a going concern included a planned capital raising, short-term loan from a director, as well as a settlement of disputed claims with Metalicity. If any of these events did not occur, the Company may not be able to continue as a going concern. These conditions indicated a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

5.5.1 Statement of Profit or Loss and Other Comprehensive Income

Set out below are Nex's audited and reviewed Consolidated Statements of Profit or Loss and Other Comprehensive Income for FY 2021, FY 2022, FY 2023 and HY 2024 respectively.

In A$s	Note	Audited FY2021	Audited FY2022	Audited FY2023	Reviewed HY2024
Other income	a)	64,276	563,384	265,458	-
Occupancy expenses		(69,768)	(61,258)	(58,893)	(30,170)
Administration expenses		(188,641)	(148,899)	(133,207)	(54,454)
Legal expenses	b)	(333,121)	(1,492,842)	(333,784)	-
Business development expenses		(33,000)	-	-	-
Consultants expenses	c)	(151,203)	(158,209)	(292,799)	(88,970)
Depreciation expenses		(12,322)	(15,700)	(12,104)	(4,644)
Employment and contractor expenses	d)	(587,400)	(434,938)	(455,957)	(230,308)
Borrowing and finance costs		(2,958)	(5,242)	(3,512)	(11,268)
Travel expenses		(20,113)	(33,495)	(20,020)	(10,000)
Exploration and evaluation expenses	e)	(113,942)	-	-	-
Loss before income tax		**(1,448,192)**	**(1,787,199)**	**(1,044,818)**	**(429,814)**
Income tax benefit		-	-	-	-
Profit/(loss) for the year after tax		**(1,448,192)**	**(1,787,199)**	**(1,044,818)**	**(429,814)**
Other comprehensive income for the year, net of tax		-	-	-	-
Total comprehensive loss for the year		**(1,448,192)**	**(1,787,199)**	**(1,044,818)**	**(429,814)**
Loss per share:					
Basic & diluted loss (cents per share)		(0.570)	(0.670)	(0.400)	(0.120)

Source: Nex's audited financial statements for the financial years ended 30 June 2021, 30 June 2022 and 30 June 2023 and Nex's reviewed interim financial report for the half year ended 31 December 2023

The table above should be read in conjunction with the following notes:

a) Other income included reimbursement income, interest income, fuel tax, and government subsidies. Other income in FY 2021 only consisted of receipts of government subsidies. The significant increment in FY 2022 was due to a receipt of research and development ('R&D') tax rebate of $554k.

The figure decreased in FY 2023 as the Company only received an R&D tax rebate of $264k.

b) Significant legal expenses in FY 2022 represented the legal costs associated with the ongoing disputes with Metalicity. During 2022, there were four Supreme Court proceedings and one Federal Court proceeding that arose between the parties, resulting in the high legal costs.

c) Significant increases in consultant expenses in FY 2023 were due to increase in accounting consultant expenses by $60k, representing fees to Stantons Accountants of $20k for their assistance in looking at the BDO's independent experts report, fees of $12k for an accountant's assistance in financial statements preparation, and auditor's fees of $28k. Additionally, there was an increase in other consultant expenses by $75k. These increases were due to fees paid to Aaxxa Pty Ltd and Mat Mining Pty Ltd for mining consultancy services.

d) The employment and contractor expenses were higher in FY 2021 compared to other years as there were two additional staff working on site during FY2021.

e) Exploration and evaluation expenses of $113,942 in FY 2021 represented exploration and evaluation expenditure which was expensed instead of being capitalised. The recoupment of cost carried forward in relation to areas of interest in the exploration and evaluation phases was dependent on the successful development and commercial exploration or sale of the respective area.

5.5.2 Statement of Financial Position

Set out below are Nex's audited Consolidated Statements of Financial Position as at 30 June 2021, 30 June 2022, 30 June 2023 and the reviewed Consolidated Statement of Financial Position as at 31 December 2023.

In A$s	Note	As at 30-Jun-21	As at 30-Jun-22	As at 30-Jun-23	As at 31-Dec-23
Current assets					
Cash and cash equivalents	a)	490,926	15,781	270,262	30,156
Receivables	b)	3,204	547,688	-	14,398
Other assets		3,877	7,345	18,483	16,233
Total current assets		**498,007**	**570,814**	**288,745**	**60,787**
Non-current assets					
Plant and equipment		67,852	59,593	47,489	43,345
Capitalised exploration and evaluation expenditure		913,296	1,082,316	1,108,180	1,113,695
Total non-current assets		**981,148**	**1,141,909**	**1,155,669**	**1,157,040**
Total assets		**1,479,155**	**1,712,723**	**1,444,414**	**1,217,827**
Current liabilities					
Payables	c)	2,636,427	4,217,116	1,308,443	1,408,511
Borrowings	d)	343,780	806,673	257,897	346,830
Provisions		264,810	241,995	268,199	282,425
Total current liabilities		**3,245,017**	**5,265,784**	**1,834,539**	**2,037,766**
Total liabilities		**3,245,017**	**5,265,784**	**1,834,539**	**2,037,766**
Net liabilities		**(1,765,862)**	**(3,553,061)**	**(390,125)**	**(819,939)**
Equity					
Issued capital	e)	24,058,753	24,058,753	28,266,507	28,266,507
Option reserve		2,260,245	2,260,245	2,260,245	2,260,245
Accumulated losses		(28,084,860)	(29,872,059)	(30,916,876)	(31,346,691)
Total deficit		**(1,765,862)**	**(3,553,061)**	**(390,125)**	**(819,939)**

Source: Nex's audited financial statements for the financial years ended 30 June 2021, 30 June 2022 and 30 June 2023 and Nex's reviewed interim financial report for the half year ended 31 December 2023

The table above should be read in conjunction with the following notes:

a) Significant cash movement between 30 June 2021 and 30 June 2022 was due to cash inflows from proceeds from borrowings, offset by working capital and operational spending.

b) Receivables of $547,688 as at 30 June 2022 represented R&D tax rebate that the Company applied from the Australian Tax Office ('ATO') for the year ended 30 June 2021. The amount was issued by the ATO and was received in July 2022.

c) Payables as at 30 June 2022 consisted of $1.68 million trade payables and accruals which normally settles within 30 to 60 days, $2.21 million accrued director fees and $328k share application monies to Raja Mohd. Azmi bin Raja Razali. Payables as at 30 June 2023 decreased significantly as the directors had agreed to not seek cash payments for their unpaid director fees balances of until the Company is in a financial position to pay.

d) Borrowings represented interest-free loans with Allens Business Group Pty Ltd, an entity controlled by Mr Ken Allen, the Managing Director of the Company. The loan balance of $806,673 as at 30 June 2022 was converted to equity through the issue of shares during FY 2023.

e) Increase in issued capital between 30 June 2022 and 30 June 2023 was due to the issue of shares for debt consideration (82,270,372 shares to the value of approximately $4.11 million) and rights issue (3,247,387 shares to the value of approximately $94,235).

5.5.3 Statement of Cash Flows

Set out below are Nex's audited Consolidated Statements of Cash Flows for FY 2021, FY 2022, FY 2023 and the reviewed Consolidated Statement of Cash Flows for HY 2024.

In A$s	Audited FY 2021	Audited FY 2022	Audited FY 2023	Reviewed HY 2024
Cash flows from operating activities				
R&D tax rebate	-	-	818,600	-
Interests paid	(415,356)	-	-	-
Receipts from other income	64,276	250	10,242	128
Payments to suppliers and employees	(1,079,767)	(773,264)	(900,769)	(323,652)
Net cash (used in)/provided by operating activities	**(1,430,847)**	**(773,014)**	**(71,927)**	**(323,524)**
Cash flows from investing activities				
Payments for property, plant and equipment	(59,818)	(8,299)	-	-
Payments for exploration expenditure	(765,152)	(156,725)	(25,864)	(5,515)
Net cash (used in)/provided by investing activities	**(824,970)**	**(165,024)**	**(25,864)**	**(5,515)**
Cash flows from financing activities				
Proceeds from the issue of shares	3,986,990	-	94,375	-
Repayment of borrowings	(1,742,640)	(29,026)	-	(5,652)
Proceeds from borrowings	-	491,919	257,897	94,585
Share issue costs	(67,984)	-	-	-
Net cash provided by financing activities	**2,176,366**	**462,893**	**352,272**	**88,933**
Net increase/(decrease) in cash and cash equivalents	(79,451)	(475,145)	254,481	(240,106)
Cash and cash equivalents at the beginning of the financial year	570,377	490,926	15,781	270,262
Cash and cash equivalents at the end of financial year	**490,926**	**15,781**	**270,262**	**30,156**

Source: Nex's audited financial statements for the financial years ended 30 June 2021, 30 June 2022 and 30 June 2023 and Nex's reviewed interim financial report for the half year ended 31 December 2023

5.6 Capital Structure and Ownership

5.6.1 Capital structure

Nex's issued capital comprised as at the following dates is detailed in the table below:

As at	17-Apr-2024
Fully paid ordinary shares	352,532,527
Unlisted options	1,082,477

Source: Nex's securities register as at 17 April 2024

5.6.2 Fully paid ordinary shares

The top 20 shareholders as at 17 April 2024 hold 68.98% of the issued capital of Nex as set out below:

Rank	Name	Units	% Total
1	Metalicity Limited	87,291,744	24.761%
2	Mr Kenneth M Allen	35,590,151	10.096%
3	B3 Prospecting Pty Ltd <B3 A/C>	17,000,000	4.822%
4	Allens Business Group Pty Ltd	16,133,469	4.576%
5	Mr George Papamihail	12,184,815	3.456%
6	Mr Thomas Francis Percy	9,771,580	2.772%
7	HSBC Custody Nominees (Australia) Limited	8,059,416	2.286%
8	Mrs Wendy Anne Arnold	7,649,186	2.170%
9	BNP Paribas Nom Pty Ltd UOB KH PL AC	6,838,455	1.940%
10	Legalwest Pty Ltd	6,500,000	1.844%
11	Goldlaw Pty Ltd	6,091,775	1.728%
12	KYM Mining Pty Ltd	4,073,941	1.156%
13	Jason Madalena	3,620,758	1.027%
14	Ierace Pty Ltd <The Ierace Family A/C>	3,600,000	1.021%
15	Mrs Lee Allen	3,500,000	0.993%
16	Mr Robert Richter + Mrs Anne Lyell Richter <Rober Richter S/F No2 A/C>	3,469,280	0.984%
17	Indian Ocean Capital Pty Ltd	3,346,700	0.949%
18	Ms Lee Kiang Allen	3,174,603	0.901%
19	Mr Alan Whitham <Whitham S/M Super Fund A/C>	2,647,368	0.751%
20	Ms Andrea Kathleen Huang Ling Allen	2,638,500	0.748%
	Top 20 shareholders	**243,181,741**	**68.981%**
	Other shareholders	109,350,786	31.019%
	Total shareholders	**352,532,527**	**100.000%**

Source: Nex's securities register as at 17 April 2024

5.6.3 Shareholders by size of shareholding

The table below summarises Nex's current shareholders by size of shareholding as at 17 April 2024:

Holding ranges	Number of holders	Number of units	% of total issued capital
Above 0 up to and including 1,000	29	3,691	0.001%
Above 1,000 up to and including 5,000	54	179,712	0.051%
Above 5,000 up to and including 10,000	116	962,351	0.273%
Above 10,000 up to and including 100,000	325	12,501,823	3.546%
Above 100,000	182	338,884,950	96.129%
Total	**706**	**352,532,527**	**100.000%**

Source: Nex's securities register as at 17 April 2024

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5.6.4 Unlisted options

Nex’s issued capital as at 17 April 2024 included 1,082,477 unlisted options with an exercise price of $0.10, expiring on 31 October 2025. Top 10 option holders hold 85.72% of the total options as set out below:

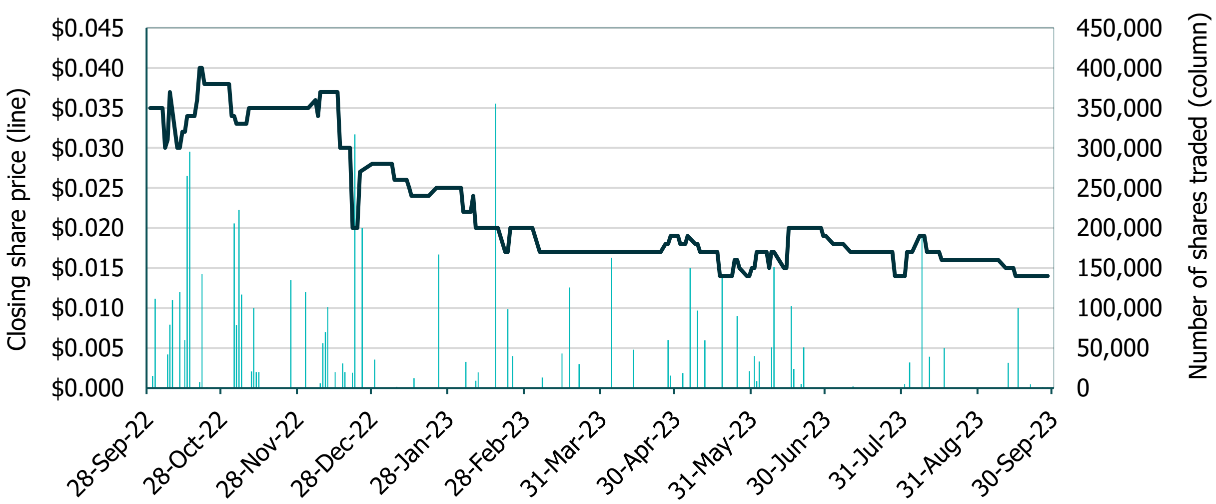
Name	Units	% Total
Mr Robert Richter + Mrs Anne Lyell Richter <Rober Richter S/F No2 A/C>	289,107	26.71%
Superhero Securities Limited <CLIENT A/C>	220,100	20.33%
M & K Korkidas Pty Ltd <M & K Korkidas Pty Ltd A/C>	108,882	10.06%
Mr Geoffrey Ysbrand Coker	90,611	8.37%
Citicorp Nominees Pty Limited	69,192	6.39%
M & K Korkidas Pty Ltd <M & K Korkidas P/L S/Fund A/C>	33,334	3.08%
Mr Brendan James Lynch + Mrs Lisa Jane Lynch <BJ & LJ Lynch S/F A/C>	33,334	3.08%
Mr Brendan Lynch	33,334	3.08%
Mr Anthony Gray Flanders	27,798	2.57%
BNP Paribas Nominees Pty Ltd <IB AU NOMS RETAILCLIENT>	22,222	2.05%
Top 10 option holders	**927,914**	**85.72%**
Other option holders	154,563	14.28%
Total	**1,082,477**	**100.00%**

Source: Nex’s options register as at 17 April 2024

5.7 Share Price and Volume Trading Analysis

The following chart provides a summary of the trading volumes and prices for Nex shares from 28 September 2022 to 28 September 2023 (last full trading day prior to the announcement of the Proposed Transaction):

Nex shares – Closing Price and Daily Volume



Source: Yahoo! Finance and NPCF analysis

The chart above shows that over the 12 months to 28 September 2023, the closing share price of Nex had traded within a range of $0.014 and $0.040, with a closing price of $0.014 on 28 September 2023. Nex’s high and low share prices, volume weighted average prices (or 'VWAPs') and volume of shares traded for the year to 28 September 2023 are summarised in the table below:

Period	Share Price Low	Share Price High	Cumulative Volume Traded	VWAP	Shares Traded As % of Capital	% Traded Per Week
1 days	$0.0140	$0.0140	325	$0.0140	0.0001%	0.0005%
7 days	$0.0140	$0.0140	7,493	$0.0140	0.0021%	0.0015%
30 days	$0.0140	$0.0160	139,315	$0.0142	0.0395%	0.0066%
60 days	$0.0140	$0.0190	456,069	$0.0168	0.1294%	0.0108%
90 days	$0.0140	$0.0200	944,743	$0.0172	0.2680%	0.0149%
180 days	$0.0140	$0.0250	2,732,419	$0.0181	0.7952%	0.0221%
365 days	$0.0140	$0.0400	8,070,046	$0.0273	2.5971%	0.0355%

Source: ASX, Yahoo! Finance and NPCF analysis

From our analysis in the table above, we note that the percentage of the Company's shares traded per week was very minimal – all less than 1% – over the periods assessed. Therefore, we can reasonably conclude that Nex's shares is an illiquid stock.

5.8 Transaction with Iris Metals Limited

Nex announced on 15 April 2024 that the Company had executed a binding term sheet with Iris Metals Limited on 14 April 2024 to acquire various exploration and prospecting Kookynie tenements from Iris Metals Limited. The consideration for the acquisition is made up of 54,054,433 fully paid ordinary shares in Nex, alongside a 2% net smelter return royalty to Iris Metals Limited on any minerals extracted from the tenements. The completion of this transaction is subject to various conditions including the satisfaction or waiver of all required regulatory approvals including approvals under ASX Listing Rules and the Corporations Act, shareholders' approval as well as third-party consents necessary to effect the transfer of the tenements.

As the transaction has not completed and there is still uncertainty in satisfying all the conditions precedent, we have not considered the impact of this transaction in our assessment.

6. OVERVIEW OF METALICITY

Metalicity is the Company's major shareholder with a 24.76% voting power and relevant interest in the Company's issued shares. Together with its subsidiary, Kym Mining, Metalicity Group holds 25.92% shareholding interests in the Company. The principal activity of the Metalicity Group is mineral exploration and development of the Kookynie and Yundamindra Gold Projects in Western Australia through the Joint Venture, and Mount Surprise and Georgetown Projects in Queensland. The Metalicity Group, through its 51% in the Joint Venture and 25.92% shareholding in Nex, has an effective interest in the Joint Venture of approximately 63.7%.

Metalicity announced on 21 December 2023 that it had executed Formal Agreements with Nex regarding the Joint Venture and the settlement of all disputes between the parties. The effect of the Formal Agreements is that, on completion, the Metalicity Group will cease to be shareholders of Nex and instead increase its shareholding in the Joint Venture from the 51% to 80%, with Nex retaining the remaining 20% of the shareholding.

7. INDUSTRY ANALYSIS

Our overview of the gold mining and mineral exploration industry is derived from IBISWorld: Gold Ore Mining in Australia and Mineral Exploration in Australia.

7.1 Overview

Gold mining is a well-established industry in Australia. Gold can be considered a counter-cyclical commodity and safe-haven asset during national and global economic uncertainty. Investors tend to turn to gold in the face of high inflation, raising the demand for gold as well as its price. Gold prices and domestic production volumes are expected to increase in 2023-2024, driving industry revenue growth of 4.4%.

Mineral explorers locate ore bodies that can be mined and provide data so that companies can evaluate the viability of deposits. Global prices for different mineral commodities, the strength of the Australian dollar and sentiment in the mining industry, drive spending on exploration activities. Rising commodity prices and demand for critical minerals have driven an increase in greenfield exploration activity. As there has been a slow-down of gold production growth over the past decade, due to mines approaching the end of their production lives, mining companies have sought to expand production or extend the life of existing mines. It is expected that gold production will return to growth as major players drive project expansion.

7.2 Current performance

Gold has been widely known as a safe investment during economic uncertainty. Over the past few years where there has been a series of events causing economic instability (i.e., COVID-19 pandemic, precarious US-China trade negotiations, and the Russia-Ukraine conflict), the industry saw a push in gold demand and the commodity price. Coupled with the weaker Australian dollar, this has contributed to the increase in Australia's gold mining revenue through to the end of 2023-2024.

Australian gold production volumes have increased over the last decade, and the higher gold prices are encouraging miners to expand their production. This expected increase in production and revenue, however, is followed with labour shortage, supply chain issues and high operational costs.

Mining exploration activity is largely driven by commodity prices. Over the past five years, high commodity prices have driven an increase in exploration activities, and consequently, gold, coal, iron ore, and base metals prices have all risen, attracting additional investment in exploration. Mining companies have conducted brownfield exploration around existing mines, while junior miners with a small market capitalisation rely on equity funding for greenfield exploration. Despite rising operational costs and labour shortages issues, exploration activity is expected to increase over the coming years due to growing demand in materials.

7.3 Competitive Forces

A number of challenges that potential industry entrants into gold mining may face include equipment shortages, labour shortage and increased market share concentration. Barriers to entry to the gold mining industry include laborious legal process to obtain exploration permits and to satisfy environmental regulations to develop a new mine. Additionally, new entrants require significant start-up costs to undertake exploration programmes and to purchase capital equipment. Moreover, the tight labour market mean new market entrants will have to compete with other industry participants to secure skilled labour to operate complicated machinery used in gold exploration and mining.

There has been rising market share concentration within the gold mining industry as major industry players expand their production and consolidate with other major miners. There are a substantial number of small gold mining companies in the industry, however only approximately 13% of them earn more than $2 million in annual revenue. It is expected that gold market share concentration will increase further, fuelled by expansions of existing mining sites.

In the mineral exploration industry, new entrants face challenges in raising capital to fund exploration activity and undertake drilling programmes. Labour requirements can also be high, with tight labour market conditions causing drilling costs to rise.

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7.4 Outlook and challenges

Domestic gold production is expected to rise, following various project expansions carried out by industry players. Elevated gold prices will encourage mining companies to re-assess techniques used to access lower grade ore. Labour constraints will be eased following reopening of international borders, which is expected to return migration level to pre-pandemic level. There will also be improvement in the operational side as global supply chains stabilise, following the easing of COVID-19 pandemic and the Russia-Ukraine conflict. However, the five-year revenue from 2024 to 2029 is still expected to decline by 2.7% annualised. This is particularly due to the projected decline in gold prices and stronger Australian dollar.

Demand for mineral exploration services is set continue rising over the next five years. Mineral exploration expenditure is forecast to grow at an annualised 2.3% over the five years through 2027-28, to $4.8 billion. The total number of metres drilled per year is projected to rise as the anticipated depletion of known deposits drives greater exploration demand. The financial incentive to complete mineral exploration activities generally rises when commodity prices are higher, which aids industry growth.

8. VALUATION METHODOLOGIES

8.1 Definition of market value

Our valuation approach is based upon the guidance of RG 111. In forming our opinion as to whether or not the Proposed Transaction is fair to Shareholders, we have compared the value per share of Nex <u>before</u> the Buy-Back and Proposed Transaction ('Pre-Transaction') and the value per share of Nex <u>after</u> the Buy-Back and Proposed Transaction ('Post-Transaction').

RG 111 defines fair value as the amount *'assuming a knowledgeable and willing, but not anxious, buyer and a knowledgeable and willing, but not anxious, seller acting at arm's length...'.*

8.2 Selection of Methodology

RG 111 provides guidance on the valuation methods that an independent expert should consider. These methods include:

- the discounted cash flow method and the estimated realisable value of any surplus assets (the 'discounted cash flow methodology');
- the application of earnings multiples (appropriate to the business or industry in which the entity operates) to the estimated future maintainable earnings or cash flows of the entity, added to the estimated realisable value of any surplus assets (the 'capitalisation of earnings methodology');
- the amount that would be available for distribution to security holders on an orderly realisation of assets (the 'realisation of asset methodology');
- the quoted price for listed securities, when there is a liquid and active market and allowing for the fact that the quoted price may not reflect their value, should 100% of the securities be available for sale ('quoted market price methodology');
- any recent genuine offers received by the target for the entire business, or any business units or assets as a basis for valuation of those business units or assets; and
- the amount that an alternative bidder might be willing to offer if all the securities in the target were available for purchase.

The above valuation methodologies are covered in more detail in Appendix D to this Report. Each methodology is appropriate in certain circumstances. The decision as to which methodology to apply generally depends on the nature of the asset being valued, the methodology most commonly applied in valuing such an asset and the availability of appropriate information. It is possible for a combination of different methodologies to be used together to determine an overall value.

8.3 Valuation Methodology Applied for Nex

In determining the fair value of the Company, we have applied the sum-of-parts methodology as our primary approach and the quoted market price methodology as our secondary approach. The sum-of-parts methodology is based on the aggregation of the fair market values of the various assets and liabilities of the company, where different valuation methodologies may be adopted for different assets.

The sum-of-parts methodology is relevant because this methodology is fundamentally an asset-based valuation approach which is suitable for exploration companies that predominantly hold interests in tenements that are not yet developed into operating projects.

Nex does not have a historical track record of positive earnings and therefore the capitalisation of earnings methodology is not suitable to be used. Nex does not yet have a project progressing to development stage and therefore the discounted cash flow approach is also not suitable to be used.

To assess the fair value of the key mineral assets of the Joint Venture, the Company engaged the services of independent specialist, Agricola Mining Consultants Pty Ltd ('Agricola'), to undertake an independent mineral asset valuation of the Joint Venture, and in conjunction with this, Agricola prepared the Independent Mineral Asset Valuation Report ('Agricola Valuation Report') for the purpose of this Report.

The sum-of-parts methodology is used to assess the value of Nex on both the Pre-Transaction and Post-Transaction bases.

We note that Nex announced on 15 April 2024 that the Company had executed a binding term sheet with Iris Metals Limited on 14 April 2024 to acquire various exploration and prospecting Kookynie tenements from Iris Metals Limited. The completion of this transaction is subject to various conditions including the satisfaction or waiver of all required regulatory approvals including approvals under ASX Listing Rules and the Corporations Act, shareholders' approval as well as third-party consents necessary to effect the transfer of the tenements. As the transaction has not completed and there is still uncertainty in satisfying all the conditions precedent, we have not considered the impact of this transaction in our assessment.

9. VALUE PER NEX SHARE PRE-TRANSACTION

In determining the value per share of Nex, we have adopted the sum-of-parts methodology as our primary valuation methodology and the quoted market price methodology as our secondary valuation methodology.

9.1 Value per Nex share

The value per Nex share, on a minority basis, based on the sum-of-parts methodology is set out below:

In A$	Ref	Low	Mid	High
Value per Nex share using sum-of-parts methodology	9.2	0.0011	0.0019	0.0026

Source: NPCF analysis

9.2 Sum-of-parts methodology for Nex

We assessed the equity value of Nex using the sum-of-parts approach by aggregating the value of Nex's 49% ownership of the Joint Venture with the fair value of Nex's other assets and liabilities. The Company engaged the services of Agricola to undertake an independent mineral asset valuation of the Kookynie Gold Project and the Yundamindra Gold Project.

The Agricola Valuation Report was prepared in accordance with the Code and Guidelines for Assessment and Valuation of Mineral Assets and Mineral Securities for Independent Expert Reports 2015 Edition ('VALMIN Code') and the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ('JORC Code').

We used the sum-of-parts methodology applied in valuing the Pre-Transaction value per share of Nex. As this is not a control transaction and the sum-of-parts approach assesses value on a controlling basis, we applied a minority discount to arrive at the value of one Nex share on a minority basis, which would reflect the value per share to a minority shareholder.

Minority interest discount is calculated as the inverse of the control premium. Australian studies indicate that the premiums required to obtain control of companies range between 20% and 40%. We also analysed the control premiums paid by acquirers of ASX listed mining companies over the last three years. Our analysis identified 13 transactions (with meaningful data) involving gold companies. Based on our analysis, the average control premium paid by acquirers was approximately 35%.

In assessing a control premium that a potential acquirer is likely to pay for Nex, we considered the relative attractiveness of the Company as a target for a potential acquirer, including the stage at which the Joint Venture's projects are currently at. We assessed that a control premium of between 15% and 25% for Nex shares (lower than the industry average of 35%) would not be unreasonable considering the long-standing dispute with Metalicity on the Joint Venture. The minority interest discount, being the inverse of this control premium, is calculated to be between 13% and 20%.

Our estimated Pre-Transaction value of Nex based on our primary valuation methodology is summarised as follows.

	Ref	Low	Mid	High
Value of the mineral assets Pre-Transaction (49% ownership) ($)	9.2.1	2,132,161	2,400,534	2,668,907
Value of the tailings materials ($)	9.2.2	304,060	320,051	336,041
Value of Nex's other assets and liabilities ($)	9.2.3	(1,933,634)	(1,933,634)	(1,933,634)
Equity value of Nex (control basis) ($)		**502,588**	**786,951**	**1,071,314**
Nex Shares outstanding Pre-Transaction	1.2	352,532,527	352,532,527	352,532,527
Value per Nex share (control basis) ($)		0.0014	0.0022	0.0030
Minority discount		20%	17%	13%
Value per Nex Share (minority basis) ($)		**0.0011**	**0.0019**	**0.0026**

Source: Agricola Valuation Report, NPCF analysis

9.2.1 Value of the mineral assets of the Kookynie Gold Project and Yundamindra Gold Project

The Company engaged Agricola to undertake an independent mineral asset valuation of the mineral assets of the Joint Venture, whose key assets are the Kookynie Gold Project and the Yundamindra Gold Project. Agricola considered the following generally accepted valuation approaches outlined by the VALMIN Code 2015 as follows:

- Income approach;
- Market approach; and
- Cost approach.

Agricola considered the applicability of various valuation approaches depending on the stage of exploration or development of the project. In deciding the appropriate methods to value the Joint Venture's mineral resources and its exploration potential, Agricola considered the stage at which the projects are currently at.

The valuation methods applied to form an opinion of the value of the projects' mineral resources include market-based 'Precedent Transactions Method' and the 'Weighted Average Resource Category Method'. In valuing the exploration ground of the projects, Agricola has used the 'Precedent Transactions Method' and 'Geoscientific (Kilburn) Method'.

The 'Precedent Transactions Method' is based on recent market transactions involving the sale and purchase of similar assets and allows the value estimated for a mineral resource expressed as a unit value to be benchmarked against earlier transaction values reported in the market. The 'Weighted Average Resource Category Method' is typically used as a cross-check method and ascribes value to mineral resource estimates based on the grade characteristics and the JORC category classification. Value is expressed using a range of percentage of spot prices applied to each JORC category in the mineral resource. In valuing the exploration ground, the 'Geoscientific (Kilburn) Method' values the exploration tenements based on the prospectivity of the project's area, multiplied by a 'Base Holding Cost' and the area of the tenement. A multiplier (which is adjusted for market premium or discount and consideration of the exploration results quality) is then factored into these base values (determined through Precedent Transactions, Weighted Average Resource Category or Geoscientific Method) to arrive at the market value of the tenements.

Agricola has placed equal weightage on the values obtained from the above valuation methods to arrive at a low, high and 'most likely' values of a 100% interest in the Kookynie Gold Project and the Yundamindra Gold Project. The 'most likely' value is the midpoint value of the low and high value range.

A summary of the valuation of the Kookynie Gold Project and the Yundamindra Gold Project is shown below.

Valuation	Method	Implied value (A$ million) Low	Most likely	High
Mineral Resource Estimate	Precedent Transaction Method	2.43	2.70	2.97
	Weighted Average Resource Category Method	2.23	2.47	2.71
	Selected valuation	**2.33**	**2.59**	**2.84**
Exploration Ground	Precedent Transaction Method	2.14	2.43	2.71
	Geoscientific Rating (Kilburn) Method	1.90	2.20	2.50
	Selected valuation	**2.02**	**2.31**	**2.61**
Valuation		**Implied value (A$ million)**		
Kookynie and Yundamindra Project Valuation (100% basis)		**4.35**	**4.90**	**5.45**

Source: Agricola Valuation Report and NPCF analysis

A copy of the Agricola Valuation Report is provided in Appendix E of this Report. For the purpose of the Company's valuation, only 49% of the projects' values are considered, representing Nex's percentage of ownership in the Joint Venture. Whilst the Agricola Valuation Report provided values in millions of dollars, we used the actual calculated amounts from Agricola's detailed workings for the purpose of our valuation calculations. The following table summarises the value of tenements and Nex's share of the tenement values.

In A$	Low	Mid	High
Value of tenements on 100% basis	4,351,350	4,899,049	5,446,749
Value of tenements on 49% basis (Nex's share)	2,132,161	2,400,534	2,668,907

Note: The above figures were derived from Agricola's detailed workings

9.2.2 Value of the tailings materials

We understand that Nex owned the tailings materials on their M40/61 tenements, situated within the Cosmopolitan and Cumberland historic mines that are located at the Kookynie Gold Project. The drilling for tailings materials commenced in 2017, before the initial Joint Venture agreement was entered into.

The Company engaged Agricola to undertake an independent mineral assets valuation of the tailings materials. Agricola considered the following generally accepted valuation approaches outlined by the VALMIN Code 2015 as follows:

- Income approach;
- Market approach; and
- Cost approach.

The valuation methods applied to form an opinion of the value of the tailings materials, Agricola has used the 'Precedent Transactions Method' and the 'Weighted Average Resource Category Method'. The 'Precedent Transactions Method' is based on recent market transactions involving the sale and purchase of similar assets, whereas the 'Weighted Average Resource Category Method' is typically used as a cross-check method and ascribes value to mineral resource estimates based on the grade characteristics and the JORC category classification. A multiplier (which is adjusted for market premium or discount and consideration of the exploration results quality) is then factored into these base values to arrive at the market value of the tailings materials.

Agricola has placed equal weightage on the values obtained from the above valuation methods to arrive at a low, high and 'most likely' values of a 100% interest in the tailings materials. The 'most likely' value is the midpoint value of the low and high value range.

A summary of the valuation of the tailings materials is shown below. Values are in millions of Australian Dollars.

		Implied value (A$ million)		
Valuation	**Method**	**Low**	**Most likely**	**High**
Tailings materials	Precedent Transaction Method	0.29	0.31	0.32
	Weighted Average Resource Category Method	0.32	0.33	0.35
	Selected valuation	**0.30**	**0.32**	**0.34**

Source: Agricola Valuation Report and NPCF analysis

For the purposes of our valuation, the full amount shall be used. The following table summarises the value of tailings materials in full amount:

In A$	**Low**	**Most likely**	**High**
Value of tailings materials	304,060	320,051	336,041

Note: The above figures were derived from Agricola's detailed workings

9.2.3 <u>Value of Nex's other assets and liabilities</u>

We made adjustments to the assets and liabilities of Nex to arrive at the value of other assets and liabilities that are to be added to the value of Nex under the sum-of-parts approach.

In A$	Note	As at 31-Dec-23	Adjustments	Adjusted
Assets				
Current assets				
Cash and cash equivalents	a)	30,156	-	30,156
Receivables	a)	14,398	-	14,398
Other assets	a)	16,233	-	16,233
Total current assets		**60,787**	**-**	**60,787**
Non-current assets				
Plant and equipment	a)	42,845	-	42,845
Capitalised exploration and evaluation expenditure	b)	1,113,695	(1,113,695)	-
Total non-current assets		**1,156,540**	**(1,113,695)**	**42,845**
Total assets		**1,217,327**	**(1,113,695)**	**103,632**
Liabilities				
Current liabilities				
Payables	a)	1,408,512	-	1,408,512
Borrowings	a)	346,830	-	346,830
Provisions	a)	281,923	-	281,923
Total current liabilities		**2,037,265**	**-**	**2,037,265**
Total liabilities		**2,037,265**	**-**	**2,037,265**
Net assets		**(819,938)**	**(1,113,695)**	**(1,933,633)**

Source: Nex's interim financial report for the half year ended 31 December 2023 and NPCF analysis

We understand that the outstanding balances and claims that are in dispute with the Metalicity Group have not been recognised in the Company's liabilities as at 31 December 2023. As such, no adjustments were made to the Company's reviewed statement of financial position as at 31 December 2023 in relation to that.

The table above should be read in conjunction with the following notes:

a) No adjustments were made as Management of Nex confirmed that this position has not changed materially since 31 December 2023 that would result in a material impact on our conclusion; and

b) The value of the mineral assets (Kookynie Gold Project and Yundamindra Gold Project) are separately valued by Agricola in the Agricola Valuation Report, and are therefore not included in the value of other assets and liabilities.

9.3 Quoted Market Price Methodology for Nex

Trading history analysis of the quoted market price of a security provides a reliable measure of the fair market value of the securities of a company if, in an efficient and liquid market, it reflects all publicly available information.

As detailed below, to provide a comparison to the valuation of a Nex share in section 9.1, as a secondary approach, we assessed the quoted market price for Nex shares by analysing the VWAP of Nex shares over various periods during the 365 days to 28 September 2023, the last full day of trading prior the announcement of the Proposed Transaction.

Period	Share Price Low	Share Price High	Cumulative Volume Traded	VWAP	Shares Traded As % of Capital	% Traded Per Week
1 days	$0.0140	$0.0140	325	$0.0140	0.0001%	0.0005%
7 days	$0.0140	$0.0140	7,493	$0.0140	0.0021%	0.0015%
30 days	$0.0140	$0.0160	139,315	$0.0142	0.0395%	0.0066%
60 days	$0.0140	$0.0190	456,069	$0.0168	0.1294%	0.0108%
90 days	$0.0140	$0.0200	944,743	$0.0172	0.2680%	0.0149%
180 days	$0.0140	$0.0250	2,732,419	$0.0181	0.7952%	0.0221%
365 days	$0.0140	$0.0400	8,070,046	$0.0273	2.5917%	0.0355%

Source: ASX, Yahoo! Finance and NPCF analysis

From our analysis in the table above, we note that the percentage of the Company's shares traded per week was very minimal – mostly less than 1% – over the periods assessed. Therefore, we can reasonably conclude that Nex's shares is an illiquid stock.

We consider the VWAP of Nex Shares between the 1-day period to 180-day period to be reasonably stable during the 180 days to 28 September 2023 albeit the gradual decline in share price over time. The longer periods VWAP prices may also be affected by significant announcements made by the Company. Therefore, we considered the VWAP up to the 180-day period for the purpose of our quoted market price approach.

As shown below, based on the quoted market price ('QMP') approach, we have assessed the range of values for one Nex share on a using our VWAP analysis to be between $0.0140 and $0.0181 with a midpoint of $0.0161 per share.

In A$	Low	Mid	High
Value per Nex share using QMP methodology	0.0140	0.0161	0.0181

Source: NPCF analysis

9.4 Assessment of the value of Nex

The table below summarises our assessment of the value per Nex share using the sum-of-parts as the primary approach and QMP methodology as a secondary approach:

In A$	Ref	Low	Mid	High
Value per Nex share using sum-of-parts methodology (minority basis)	9.1	0.0011	0.0019	0.0026
Value per Nex share using QMP methodology	9.3	0.0140	0.0161	0.0181

Source: NPCF analysis

We note that the values obtained from the QMP methodology are significantly higher than the values obtained using the sum-of-parts methodology. The difference in values obtained from the two different approaches may be due to the following:

- low liquidity in the trading of Nex shares (that is, an absence of a sufficiently active trading market) may suggest that the share price may not reflect a fair market value of the Company's shares;
- investors' perceived value of the Kookynie Gold Project and the Yundamindra Gold Project may differ from the valuation opinion of Agricola as investors may not necessarily have the same access to both private and public information that the independent specialist had access to; and
- investors' perception of the Kookynie Gold Project and the Yundamindra Gold Project may have incorporated different views of the prospectivity of the tenements, outlook on commodity prices, and the potential returns expected from them.

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Considering all the above, we have relied on the primary approach, being the sum-of-parts valuation method, to conclude on the fair value of one Nex share. We believe that there are sufficient reasons to explain the higher value obtained from the QMP methodology compared to the sum-of-parts valuation method.

Therefore, we consider the value per Nex share Pre-Transaction to be between $0.0011 and $0.0026 with a midpoint of $0.0019.

10. VALUE PER NEX SHARE POST-TRANSACTION

In determining the Post-Transaction value per Nex share, we have adopted the sum-of-parts methodology as our primary valuation methodology and the QMP methodology as our secondary valuation methodology.

10.1 Fair value per Nex share

The fair value per Nex share, on a minority basis, based on the sum-of-parts methodology is set out below:

In A$	Ref	Low	Mid	High
Value per Nex share using sum-of-parts methodology	10.2	(0.0019)	(0.0016)	(0.0012)

Source: NPCF analysis

10.2 Sum-of-parts methodology for Nex

We assessed the equity value of Nex using the sum-of-parts approach by aggregating the value of Nex's 20% ownership of the Joint Venture with the fair value of Nex's other assets and liabilities.

As part of the Settlement Deed, Metalicity Group will transfer to Nex its 100% interests in the Prospecting Licences P40/1500, P40/1510, P40/1511 and P40/1499, which the Company has confirmed are currently under the Joint Venture. Therefore, the Post-Transaction equity value of Nex includes 100% ownership and value of the Prospecting Licences compared to a 49% interest and value of the Prospecting Licences Pre-Transaction.

The valuation of the Prospecting Licences is included in the value of the mineral assets as undertaken by Agricola as described in section 9.2.1 of this Report. To reflect the change in Nex's 49% interest and value of the Prospecting Licences Pre-Transaction, to the Company's 100% interest and value of the Prospecting Licences Post-Transaction, we have shown the value of the Prospecting Licences separately in section 10.2.2 of this Report.

Nex will also retain 100% interest in the tailings materials on the M40/61 tenements, situated within the Cosmopolitan and Cumberland historic mines that are located at the Kookynie Gold Project. The valuation of the tailings materials was undertaken by Agricola as described in section 9.2.2 of this Report.

We used the sum-of-parts methodology applied in valuing the Post-Transaction value per share of Nex. As this is not a control transaction and the sum-of-parts approach assesses value on a controlling basis, we applied a minority discount to arrive at the value of one Nex share on a minority basis, which would reflect the value per share to a minority shareholder.

Minority interest discount is calculated as the inverse of the control premium. Australian studies indicate that the premiums required to obtain control of companies range between 20% and 40%. We also analysed the control premiums paid by acquirers of ASX listed mining companies over the last three years. Our analysis identified 13 transactions (with meaningful data) involving gold companies. Based on our analysis, the average control premium paid by acquirers was approximately 35%.

In assessing a control premium that a potential acquirer is likely to pay for Nex, we considered the relative attractiveness of the Company as a target for a potential acquirer, including the stage at which the Joint

Venture's projects are currently at. We assessed that a control premium of between 25% and 35% for Nex shares would not be unreasonable following the settlement of the dispute between Metalicity and Nex in relation to the Joint Venture. The minority interest discount, being the inverse of this control premium, is calculated to be between 20% and 26%.

We have not considered the dilutionary impact from the Company's options currently on issue (summarised in section 5.7), as the options are substantially 'out-of-the-money'.

Our estimated of the value of Nex shares Post-Transaction based on our primary valuation methodology is summarised as follows.

	Ref	Low	Mid	High
Value of the mineral assets of the Joint Venture (20% interest) excluding Prospecting Licences	10.2.1	851,130	957,310	1,062,970
Value of the Prospecting Licences	10.2.2	95,700	113,800	131,900
Value of the tailings materials	9.2.2	304,060	320,051	336,041
Value of Nex's other assets and liabilities ($)	9.2.3	(1,933,634)	(1,933,634)	(1,933,634)
Equity value of Nex ($)		**(682,744)**	**(542,734)**	**(402,723)**
Nex Shares outstanding Post-Transaction		261,166,842	261,166,842	261,166,842
Value per Nex share (control, undiluted) ($)		**(0.0026)**	**(0.0021)**	**(0.0015)**
Minority discount		26%	23%	20%
Value per Nex Share (minority, undiluted) ($)		**(0.0019)**	**(0.0016)**	**(0.0012)**

Source: Agricola Valuation Report, NPCF analysis

10.2.1 <u>Value of the mineral assets of the Kookynie Gold Project and the Yundamindra Gold Project</u>

Section 9.2.1 presents a table summarising the value of 100% interests in the Kookynie Gold Project and the Yundamindra Gold Project including the Prospecting Licences.

To account for the Prospecting Licences separately, we summarise the value of Nex's 20% share in the Kookynie Gold Project and the Yundamindra Gold Project, Post-Transaction, excluding the value of the Prospecting Licences in the following table. The values are in millions of Australian Dollars.

		Implied value (A$ million)		
Valuation	**Method**	**Low**	**Most likely**	**High**
Mineral Resource Estimate	Precedent Transaction Method	0.49	0.54	0.59
	Weighted Average Resource Category Method	0.45	0.50	0.54
	Selected valuation	**0.47**	**0.52**	**0.57**
Exploration Ground	Precedent Transaction Method	0.41	0.46	0.51
	Geoscientific Rating (Kilburn) Method	0.36	0.42	0.48
	Selected valuation	**0.38**	**0.44**	**0.50**
Valuation		**Implied value (A$ million)**		
Kookynie and Yundamindra Project Valuation (Nex's 20% interest) excluding Prospecting Licences		**0.85**	**0.96**	**1.07**

Source: Agricola Valuation Report, NPCF analysis

Whilst the Agricola Valuation Report provided values in millions of dollars, we used the actual calculated amounts from Agricola's detailed workings for the purpose of our valuation calculations.

The following table summarises the value of the mineral assets of the Kookynie Gold Project and the Yundamindra Gold Project (excluding the Prospecting Licences) on a 20% basis.

In A$	Ref	Low	Mid	High
Value of tenements on 100% basis	9.2.2	4,351,350	4,899,049	5,446,749
Value of the Prospecting Licences included in the tenements value	10.2.2	95,700	113,800	131,900
Value of tenements (excluding Prospecting Licences) 100% basis		4,255,650	4,785,249	5,314,849
Nex's share Post-Transaction				
Value of tenements on 20% basis (excluding Prospecting Licences)		**851,130**	**957,050**	**1,062,970**

Note: The above figures were derived from Agricola's detailed workings

10.2.2 Value of the Prospecting Licences

The Company engaged Agricola to undertake an independent mineral asset valuation of the Prospecting Licences. Agricola considered the following generally accepted valuation approaches outlined by the VALMIN Code 2015 as follows:

- Income approach;
- Market approach; and
- Cost approach.

Agricola considered the applicability of various valuation approaches depending on the stage of exploration or development of the project. In deciding the appropriate methods to value the Prospecting Licences' exploration potential, Agricola considered the stage at which the projects are currently at. The valuation methods applied to form an opinion of the value of the Prospecting Licences' exploration ground, Agricola has used the 'Precedent Transactions Method' and 'Geoscientific (Kilburn) Method'.

The 'Precedent Transactions Method' is based on recent market transactions involving the sale and purchase of similar assets, whereas the 'Geoscientific (Kilburn) Method' values the exploration tenements based on the prospectivity of the Prospecting Licences' area, multiplied by the Base Holding Cost. A multiplier (which is adjusted for market premium or discount and consideration of the exploration results quality) is then factored into these base values to arrive at the market value of the tenements.

Agricola has placed equal weightage on the values obtained from the above valuation methods to arrive at a low, high and 'most likely' values of a 100% interest in the Prospecting Licences. The 'most likely' value is the midpoint value of the low and high value range.

A summary of the valuation of the Prospecting Licences is shown below.

		Implied value (A$ million)		
Valuation	**Method**	**Low**	**Most likely**	**High**
Prospecting Licences - Exploration Potential	Precedent Transaction Method	0.09	0.12	0.14
	Geoscientific Rating (Kilburn) Method	0.10	0.11	0.12
	Selected valuation	**0.10**	**0.11**	**0.13**

Source: Agricola Valuation Report, NPCF analysis

Whilst the Agricola Valuation Report provided values in millions of dollars, we used the actual calculated amounts from Agricola's detailed workings for the purpose of our valuation calculations. The following table summarises the value of the Prospecting Licence on a 100% basis.

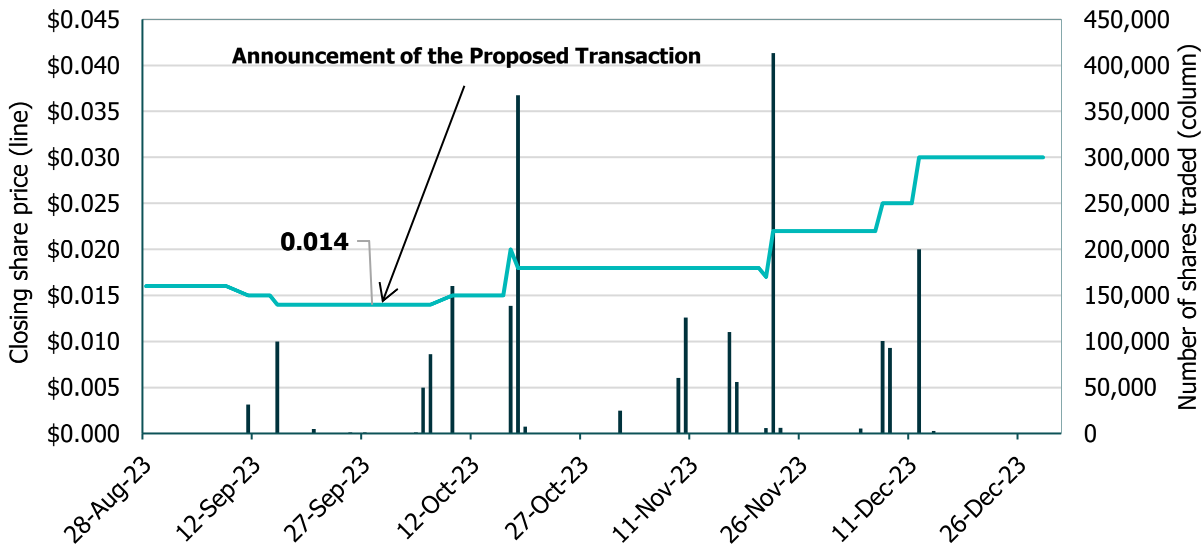
In A$	Low	Most likely	High
Value – Precedent Transaction Method	93,100	116,400	139,700
Value – Geoscientific Rating (Kilburn) Method	98,300	111,200	124,100
Selected valuation	**95,700**	**113,800**	**131,900**

Note: The above figures were derived from Agricola's detailed workings

10.3 Quoted Market Price methodology for Nex

We have analysed movements in Nex's share price since the Proposed Transaction was announced. A graph of the Company's share price and trading volume one month leading up to, and three months following the announcement of the Proposed Transaction is set out below.

Nex shares – Post-Announcement Closing Price and Daily Volume



Source: Yahoo! Finance and NPCF analysis

The Proposed Transaction was announced on 29 September 2023. One day after the announcement, the Company's share price remained unchanged at $0.014 and 116 shares were traded on that day, representing a small fraction of the Company's issued shares. Following the announcement of the Proposed Transaction, the closing share prices of Nex have traded in the range of $0.014 and $0.030.

As detailed below, to provide a comparison to the valuation of a Nex share in section 10.1, as a secondary approach, we assessed the quoted market price for Nex shares by analysing the VWAP of Nex shares over various periods during the periods following the announcement up to 29 December 2023.

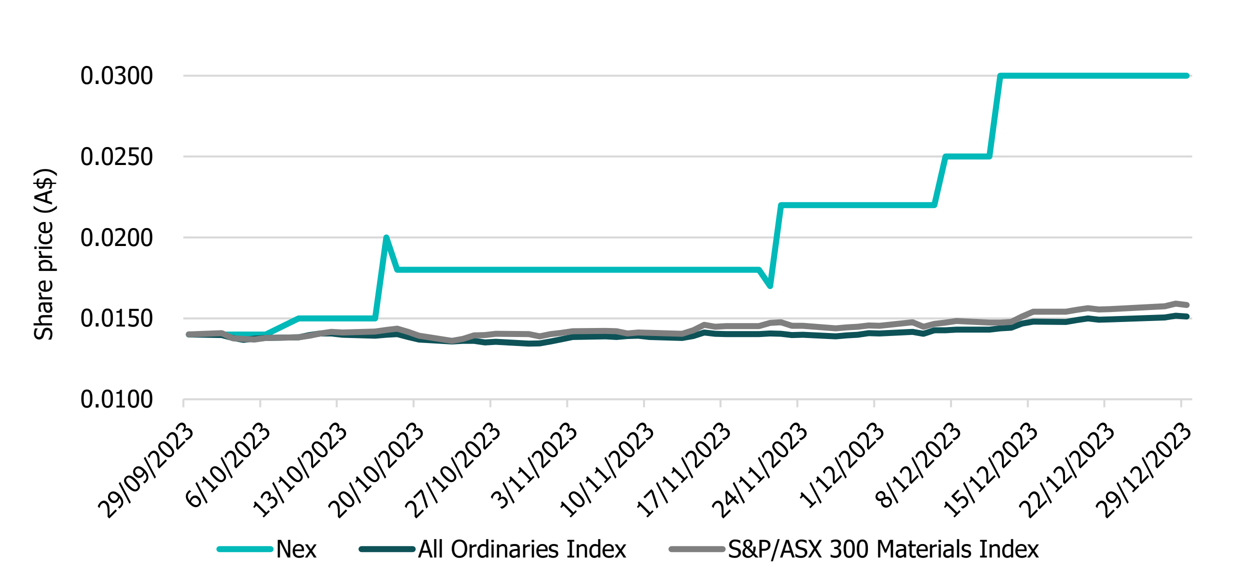
Period	Share Price Low	Share Price High	Cumulative Volume Traded	VWAP	Shares Traded As % of Capital	% Traded Per Week
1 days	$0.0140	$0.0140	-	$0.0140	0.0000%	0.0000%
7 days	$0.0140	$0.0150	297,996	$0.0145	0.0845%	0.0604%
30 days	$0.0140	$0.0200	897,032	$0.0172	0.2545%	0.0424%
60 days	$0.0140	$0.0300	2,015,115	$0.0203	0.5716%	0.0476%

Source: Yahoo! Finance and NPCF analysis

From our analysis in the table above, we note that the percentage of the Company's shares traded per week was very minimal – mostly less than 1% – over the periods assessed. Therefore, we have concluded that Nex's shares is an illiquid stock.

We have also considered if there are other market factors which may influence the Company's share price following the announcement of the Proposed Transaction by comparing the Company's share price movements Post-Transaction with the movement of the All Ordinaries Index, as a proxy for the market, and the S&P/ASX 300 Materials (Sector) Index, as a proxy for the industry, over the same post-announcement period. The graph below shows our analysis, with each index rebased to Nex's share price following the announcement of the Proposed Transaction (i.e., $0.0140) in order to illustrate the relative performance of the indices and Nex.

Post-announcement Pricing of Nex and Indices



Source: S&P CapitalIQ, Yahoo! Finance and NPCF analysis

Based on the above, we note that the Company's share price in the three months following the announcement of the Proposed Transaction, had gradually increased from $0.014 to $0.030 despite the two indices remaining relatively stable. This could imply that Nex's share price post-announcement was not significantly affected by the market conditions outside the operations of the Company, suggesting that the post-announcement share price could reflect the market's sentiment and valuation of the Company Post-Transaction.

As shown below, based on the QMP approach, we have assessed the post-announcement value for one Nex share, using our VWAP analysis, to be between $0.0140 and $0.0203 with a midpoint of $0.0172 per share.

In A$	Low	Mid	High
Value per Nex share using QMP methodology	0.0140	0.0172	0.0203

Source: NPCF analysis

10.4 Assessment of the value of Nex

The table below summarises our assessment of the value per Nex share using the sum-of-parts as the primary approach and QMP methodology as a secondary approach:

In A$	Ref	Low	Mid	High
Value per Nex share using sum-of-parts methodology	10.1	(0.0019)	(0.0016)	(0.0012)
Value per Nex share using QMP methodology	10.3	0.0140	0.0172	0.0203

Source: NPCF analysis

We note that the values obtained from the QMP methodology are significantly higher than the values obtained using the sum-of-parts methodology, and the share price post-announcement appeared to have increased, suggesting that investors may have viewed the Proposed Transaction more positively, despite our valuation of Nex having decreased on a Post-Transaction basis. The difference in values obtained from the two different approaches may be due to the following:

- investors have viewed the announcement of the settlement of the long-standing dispute with Metalicity more positively than our valuation on a Post-Transaction basis showed, suggesting that there may be reasons other than the valuation that have driven this positivity;
- low liquidity in the trading of Nex shares (that is, an absence of a sufficiently active trading market) may suggest that the share price may not reflect a fair market value of the Company's shares;
- investors' perceived value of the Kookynie Gold Project and the Yundamindra Gold Project may differ from the valuation opinion of Agricola as investors may not necessarily have the same access to both private and public information that the independent specialist had access to; and
- investors' perception of the Kookynie Gold Project and the Yundamindra Gold Project may have incorporated different views of the prospectivity of the tenements, outlook on commodity prices, and the potential returns expected from them.

Considering all the above, and having regard to the fairness assessment required to be undertaken under the guidance of RG 111, we have relied on the primary approach, being the sum-of-parts valuation method, to conclude on the fair value of one Nex share. We believe that there are sufficient reasons to explain the higher value obtained from the QMP methodology compared to the sum-of-parts valuation method.

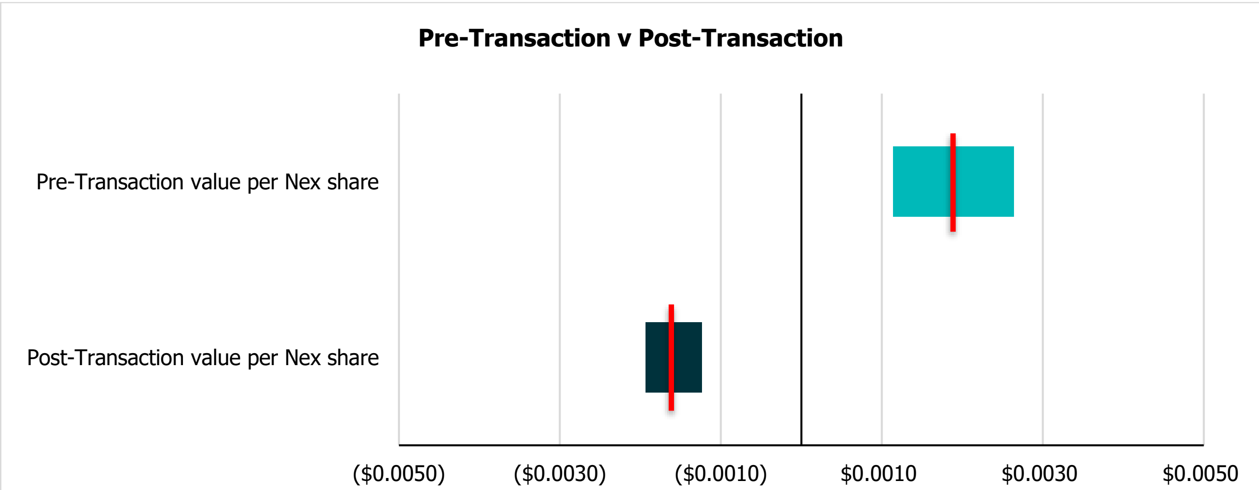
Therefore, we consider the value per Nex share Post-Transaction to be between ($0.0019) and ($0.0012) with a midpoint of ($0.0016).

11. ASSESSMENT OF FAIRNESS OF THE PROPOSED TRANSACTION

In determining whether or not the Proposed Transaction is fair to Shareholders, we have compared the value of one Nex share before the Proposed Transaction to the value of one Nex share after the Proposed Transaction, both on a minority basis. This is summarised as follows.

In A$	Ref	Low	Mid	High
Pre-Transaction value per Nex share (minority basis)	9.1	0.0011	0.0019	0.0026
Post-Transaction value per Nex share (minority basis)	10.1	(0.0019)	(0.0016)	(0.0012)

Source: NPCF analysis



Source: NPCF analysis

The analysis shows that the value per Nex share after the Proposed Transaction is lower than the value per Nex share before the Proposed Transaction. Therefore, **we have concluded that the Proposed Transaction is not fair to Shareholders.**

12. ASSESSMENT OF REASONABLENESS OF THE PROPOSED TRANSACTION

12.1 Approach to assessing Reasonableness

In forming our conclusions in this Report, we have considered the advantages and disadvantages of the Proposed Transaction, as well as the consequences of Shareholders not approving the Proposed Transaction.

12.2 Advantages of the Buy-Back and the Proposed Transaction

We consider the following advantages for Shareholders to approve the Proposed Transaction.

12.2.1 <u>The Buy-Back is part of the Proposed Transaction to settle all disputes with Metalicity</u>

On 29 September 2023, Nex announced that it had entered into the Term Sheet with Metalicity regarding the Joint Venture and the settlement of all disputes between the parties. On 20 December 2023, Nex announced that it had executed the Formal Agreements, completing the first stage of matters set out in the Term Sheet.

The effect of the Formal Agreements is that, on completion, the Metalicity Group will cease to be shareholders of Nex and instead increase its shareholding in the Joint Venture from the 51% to 80%, with Nex retaining the remaining 20% of the shareholding. Additionally, Nex will receive from Metalicity a 100% interest in the Prospecting Licences and retain its 100% interest in tailings materials located within the stockpiles at the Kookynie tenements. The Settlement Deed also requires, as part of its completion steps, a selective share buy-back and cancellation of approximately 91 million shares, currently held by Metalicity and Kym Mining, by the Company. This means that if the Buy-Back is approved, the Proposed Transaction can proceed to settle all disputes between Nex and Metalicity including the forgiveness of all legal costs owed to Nex by Metalicity under all actions between the two parties and other third parties.

Based on discussions with management, we understand that the dispute has been a distraction that has prevented both the Company and Metalicity to properly progress with exploration activities in the Joint Venture. We noted that between May 2019 (when both parties entered into the farm-in agreement) and September 2021, there was a significant number of exploration progress announcements for the Kookynie Gold Project and the Yundamindra Gold Project. This exploration progress was evidenced by the substantial increase in capitalised exploration and evaluation expenditure between 30 June 2020 and 30 June 2021.

However, after Metalicity's takeover attempt (bidder's statement announced) in September 2021 and the commencement of the dispute (where in November 2021, Nex responded to inaccurate claims raised by Metalicity, which were then taken to the Supreme Court in the same month), the number of exploration progress announcements began to decline and became dominated by announcements of corporate activities. This was also evidenced by the slower rate of increase in capitalised exploration and evaluation expenditure between 30 June 2021 and 30 June 2023.

The Proposed Transaction is conditional upon the approval of the Buy-Back. Therefore, if the Buy-Back is approved, the Proposed Transaction can proceed to settle all disputes between Nex and Metalicity and both parties will not be further embroiled in legal proceedings. This will enable both parties to return to focus on exploration activities and development of the Kookynie Gold Project and the Yundamindra Gold Project.

12.2.2 The Buy-Back, which is part of the Proposed Transaction to settle all disputes with Metalicity, is one of the critical events that need to occur for the Company to be able to continue as a going concern

The FY 2022 and FY 2023 auditor's reports drew attention in the notes to the financial statements that the Company incurred a loss and experienced net cash outflows from operating activities during the financial year, and net liabilities position as at the end of the financial year. The Company's directors were of the view that there were reasonable grounds to believe that the Company will be able to continue as a going concern after consideration of events that occurred after the balance date, which would significantly reduce the current liabilities and reverse the position to net assets.

Other factors that supported the directors' view on the Company's ability to continue as a going concern included a planned capital raising, short-term loan from a director, as well as a settlement of disputed claims with Metalicity. If any of these events did not occur, the Company may not be able to continue as a going concern. These conditions indicated a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

Therefore, the Buy-Back, which is part of the Proposed Transaction to settle all disputes with Metalicity, is one of the critical events that need to occur for the Company to be able to continue as a going concern. If it does not occur, the Company may not be able to continue as a going concern.

12.2.3 The Buy-Back will result in the Metalicity Group being removed as a controlling shareholder of Nex

Metalicity Group currently holds 91,365,685 shares in Nex, through Metalicity (87,291,744 shares) and Kym Mining (4,073,941 shares), representing 25.92% of shareholding over the Company, therefore making Metalicity Group a 'substantial holder' with a controlling interest in Nex. Moreover, although the Metalicity Group has a 51% interest in the Joint Venture, its 25.92% shareholding in Nex brings its effective interest in the Joint Venture to approximately 63.7%.

If the Buy-Back is approved, the Proposed Transaction can proceed, which on completion, will result in the Metalicity Group ceasing to be shareholders of Nex and instead increase its shareholding in the Joint Venture from the 51% to 80%, with Nex retaining the remaining 20% of the shareholding. This means that the Metalicity Group will no longer have a controlling interest in Nex, nor have any shares in the Company Post-Transaction. This will allow the Company to drive its own strategic plan and operations, outside of the Joint Venture, without the complication of the presence of a controlling shareholder whose interests may not always be aligned with the Company.

12.2.4 The resultant shareholding structure of the Buy-Back and Proposed Transaction provides for a clearer demarcation of interests between Nex and Metalicity; which allows Nex to be a more passive party to the Joint Venture, which is expected to reduce management time and cost drain to the Company

As outlined in section 1.2, part of the consideration for the Buy-Back would be for Nex to transfer 29% of its interest in the Joint Venture to Metalicity which will result in Metalicity owning an 80% interest in the Joint Venture, with Nex reducing its interest in the Joint Venture to 20%; and the Metalicity Group will no longer have any shares in Nex.

The resultant shareholding structure provides for a clearer demarcation of interests between both parties and allows Nex to be a more passive party to the Joint Venture, yet retaining the opportunity of benefiting from the potential returns from the Joint Venture should it be successful. With such a substantial interest in the Joint Venture, it is expected that Metalicity would drive the operations of the Joint Venture resulting in less management time and cost drain on Nex.

12.2.5 <u>The reduction in Nex's interest in the Joint Venture to 20% will reduce the Company's Joint Venture expenditure obligations and reduce the cash commitment it would otherwise have required</u>

Under the Joint Venture, both parties are required to contribute to costs and expenses in accordance with their respective percentage shareholding in the Joint Venture. The reduction in Nex's interest in the Joint Venture from 49% to 20%, will reduce the Company's future Joint Venture expenditure obligations and reduce the cash commitment it would otherwise be required to commit to. Given the current financial situation of the Company, where cash is a constraint, this can be viewed favourably for Nex's short-term future.

Whilst the potential returns to Nex will also reduce correspondingly, the Company will still be able to retain the opportunity of benefiting from the potential returns from the Joint Venture should it be successful.

12.2.6 <u>If the Buy-Back is approved, the Company will receive and/or retain 100% ownership of the Prospecting Licences and tailings materials following completion of the Settlement Deed and the Proposed Transaction</u>

Under the Proposed Transaction, in consideration for the parties settling all disputes relating to the Joint Venture, forgiving all legal costs and effecting the Buy-Back, Metalicity has agreed to:

- acquire and Nex has agreed to transfer to Metalicity a 29% interest in the Joint Venture;
- sell and transfer to Nex its interest in Prospecting Licences P40/1500, P40/1510, P40/1511 and P40/1499 (to the extent they are not already 100% held by the Company); and
- Nex retaining 100% interests in tailings materials located within the stockpiles at the Kookynie tenements.

We understand that the Prospecting Licences were under the Joint Venture where Metalicity and Nex held interests of 51% and 49% respectively.

100% ownership of the Prospecting Licences and tailings materials provide the Company with mineral assets outside of the Joint Venture that it is able to have full exploitation control over. Additionally, the Company has the option of either selling the tailings materials as is, or securing contract milling/processing to sell the processed gold.

12.2.7 <u>The Buy-Back provides the Company an opportunity to buy back 25.92% of its shares for no cash consideration</u>

The settlement of the Proposed Transaction involves selective buy back and cancellation of 91,365,685 shares held by Metalicity Group, which represents approximately 25.92% of the total issued shares. In return, and along with other conditions, the Company agreed to transfer to Metalicity 29% interest in the Joint Venture.

As there is no cash consideration involved in the Proposed Transaction, there will be no cash outlay for the Company. Accordingly, the Company will be able to conserve its cash, which may be used for their operational purposes or may be directed towards its share of contribution to the Joint Venture for the Kookynie Gold Project and the Yundamindra Gold Project.

12.2.8 <u>The Buy-Back is anti-dilutionary as it will result in a reduction in the number of shares on issue, and each non-associated shareholder will increase its shareholding interest in the Company</u>

The effect of the Buy-Back on the Company will be to reduce the total number of shares on issue by 91,365,685, representing 25.92% of the issued shares of the Company. The overall effect of the Proposed Transaction on the capital structure of the Company is as follows:

	Number of Shares
Shares on issue as at 17 April 2024	352,532,527
Less: Number of shares under the Buy-Back	(91,365,685)
Shares on issue Post-Transaction	**261,166,842**

Source: Nex's securities register and NPCF analysis

The anti-dilutionary effect of the Buy-Back is shown in the table below.

Shareholders	Number of shares	% of issued capital	Number of shares	% of issued capital
Metalicity Group	91,365,685	25.92%	0	0.00%
All other shareholders	261,166,842	74.08%	261,166,842	100.00%
Total	**352,532,527**	**100.00%**	**261,166,842**	**100.00%**

Source: Nex's securities register and NPCF analysis

12.3 Disadvantages of the Buy-Back and the Proposed Transaction

12.3.1 The Proposed Transaction is not fair

As assessed in section 11 above, we have concluded that the Proposed Transaction is not fair as the value of one Nex share Post-Transaction is lower than the value of one Next share Pre-Transaction.

12.3.2 The reduction in the total number of shares may further reduce the liquidity of Nex shares

If the Buy-Back is approved, 91,365,685 shares held by the Metalicity Group will be cancelled, reducing the total number of Nex shares on issue to 261,166,842. Our QMP analyses in section 9 and 10 show that only approximately less than 1% of the Company's shares were being traded per week, suggesting that Nex's shares are an illiquid stock. The reduction in the total number of shares may further reduce the liquidity of Nex's shares.

12.3.3 There is no guarantee that the Company may be able to continue as a going concern even if the Buy-Back is approved

Even if the Buy-Back is approved and the Proposed Transaction can proceed as planned to settle all disputes with Metalicity, there is no guarantee that the Company may be able to continue as a going concern, since the Buy-Back, which is part of the Proposed Transaction to settle all disputes with Metalicity, is only one of the critical events that need to occur for the Company to be able to continue as a going concern. The Company is still dependent on other events to occur, which includes a planned capital raising and a short-term loan from a director, amongst other events.

12.4 Consequences of not approving the Buy-Back and the Proposed Transaction

We note that, if the approval sought in the Notice of Meeting relating to the Buy-Back is not obtained, that is, Resolution 1 of the Notice of Meeting is not passed, the Company will not be able to complete the Settlement Deed and will be unable to proceed with the Proposed Transaction. If this is the case, the claims and dispute between Nex and the Metalicity Group will not be settled as proposed, and the Company may not be able to continue as a going concern.

After taking into account other significant factors, and in the absence of a more superior alternative offer, **we have concluded that the Proposed Transaction is reasonable.**

13. OPINION

In our opinion, the Proposed Transaction is not fair but reasonable to Shareholders.

The ultimate decision on whether to approve the Proposed Transaction should be based on shareholders' own assessment of their circumstances. We strongly recommend that shareholders consult their own professional advisers, carefully read all relevant documentation provided, including the Notice of General Meeting, and consider their own specific circumstances before voting in favour of or against the Proposed Transaction.

APPENDIX A – GLOSSARY

Term	Definition
AFCA	Australian Financial Complaints Authority
AFSL	Australian Financial Services Licence
Agricola	Agricola Mining Consultants Pty Ltd (ABN: 84 274 218 871)
Agricola Valuation Report	Independent Mineral Asset Valuation Report prepared by Agricola Mining Consultants Pty Ltd
APES 225	Accounting Professional & Ethical Standards Board professional standard APES 225 'Valuation Services'
ASIC	Australia Securities and Investment Commission
ASX	Australian Securities Exchange
ASX Lising Rule 10.1	ASX Listing Rule 10.1 of Chapter 10 'Transactions with persons in a position of influence'
ATO	Australian Tax Office
AUD or A$	Australian Dollar
Buy-Back	The selective buy back and cancellation of 91,365,685 shares under Resolution 1 in the Notice of Meeting
Company or Client	Nex Metals Exploration Limited (ACN: 124 706 449)
Corporations Act	Corporations Act 2001 (Cth)
FSG	Financial Services Guide
FY 2021	the financial year ended 30 June 2021
FY 2022	the financial year ended 30 June 2022
FY 2023	the financial year ended 30 June 2023
HY 2024	the half year ended 31 December 2023
IER	Independent Expert's Report
IPO	Initial public offering
Joint Venture	The Kookynie and Yundamindra Joint Venture
JORC Code	Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves
$[ ]k	Thousands of dollars
Kym Mining	Kym Mining Pty Ltd (ACN 632 846 694)
Metalicity	Metalicity Limited (086 839 992)
Metalicity Group	Metalicity and its wholly owned subsidiary Kym Mining
Notice of Meeting or Document	The Notice of General Meeting & Explanatory Statement sent to shareholders on or about the date of this Report in which this Report is included
Nex	Nex Metals Exploration Limited (ACN: 124 706 449)
Nexia entities	Related entities within the Nexia Perth Group
Nexia Perth Group	Nexia Perth Pty Ltd group entities
NPCF	Nexia Perth Corporate Finance Pty Ltd (AFSL 289358)
Pre-Transaction	Value per share of Nex before the selective share buyback and cancellation
Post-Transaction	Value per share of Nex after the selective share buyback and cancellation
Proposed Transaction	The proposed selective share buyback and cancellation of approximately 91 million shares currently held by Metalicity and its wholly owned subsidiary Kym Mining, the increase in Metalicity's shareholding in the Joint Venture from 51% to 80% and Nex receiving 100% interest in certain prospecting licence, including the retention of 100% of the tailings materials located within the stockpiles at the Kookynie tenements, all of which to be effected by the Formal Agreements

Term	Definition
Prospecting Licences	100% interests in Prospecting Licences P40/1500, P40/1510, P40/1511 and P40/1499
QMP	Quoted market price
R&D	Research and development
RG 76	ASIC Regulatory Guide 74: Related party transactions
RG 110	ASIC Regulatory Guide 110: Share buy-backs
RG 111	ASIC Regulatory Guide 111: Content of expert reports
RG 112	ASIC Regulatory Guide 112: Independence of experts
Settlement Deed	Settlement deed executed in September 2023 with Metalicity Limited regarding the Kookynie and Yundamindra Joint Venture
Shareholders	The non-associated shareholders of Nex
the Report or this Report	Independent Expert's Report
us, our or we	Nexia Perth Corporate Finance Pty Ltd (AFSL 289358)
VALMIN Code	Code and Guidelines for Assessment and Valuation of Mineral Assets and Mineral Securities for Independent Expert Reports 2015 Edition
VWAPs	Volume weighted average price of shares

APPENDIX B – SOURCES OF INFORMATION

This Report has been based on the following information:

- Audited financial statements of Nex Metals Exploration Limited for the years ended 30 June 2021, 30 June 2022 and 30 June 2023;
- Reviewed interim financial statements of Nex Metals Exploration Limited for the half year ended 31 December 2023;
- Nex Metals Exploration Limited's top 20 shareholders register, top 20 options register and shareholder range report;
- Draft Notice of General Meeting and Explanatory Memorandum prepared by Nex Metals Exploration Limited;
- Independent Mineral Asset Valuation Report dated 22 March 2024 prepared by Agricola Pty Ltd;
- Subscription based data from S&P Capital IQ;
- Publicly available information; and
- Discussions with directors and/or management of Nex Metals Exploration Limited.

APPENDIX C – STATEMENT OF DECLARATION & QUALIFICATIONS

Confirmation of Independence

Prior to accepting this engagement Nexia Perth Corporate Finance Pty Ltd ('NPCF') determined its independence with respect to Nex Metals Exploration Limited with reference to ASIC Regulatory Guide 112: Independence of experts ('RG 112'). NPCF considers that it meets the requirements of RG 112 and that it is independent of Nex Metals Exploration Limited.

Also, in accordance with s648(2) of the Corporations Act we confirm we are not aware of any business relationship or financial interest of a material nature with Nex Metals Exploration Limited, their related parties or associates that would compromise our impartiality.

Evelyn Tan and Muranda Janse Van Nieuwenhuizen, both Directors and Representatives of NPCF, have prepared this Report. Neither they nor any related entities of NPCF have any interest in the promotion of the Proposed Transaction nor will NPCF receive any benefits, other than normal professional fees, directly or indirectly, for or in connection with the preparation of this Report. Our fee is not contingent upon the success or failure of the Proposed Transaction, and has been calculated with reference to time spent on the engagement at normal professional fee rates for work of this type. Accordingly, NPCF does not have any pecuniary interests that could reasonably be regarded as being capable of affecting our ability to give an unbiased opinion under this engagement.

NPCF provided a draft copy of this Report to the Directors and management of Nex Metals Exploration Limited for their comment as to factual accuracy, as opposed to opinions, which are the responsibility of NPCF alone. Changes made to this Report, as a result of the review by the Directors and management of Nex Metals Exploration Limited, have not changed the methodology or conclusions reached by NPCF.

Qualifications

NPCF carries on business at Level 3, 88 William Street, Perth WA 6000. NPCF holds Australian Financial Services Licence No 289358 authorising it to provide financial product advice on securities to retail clients. NPCF's directors and representatives are therefore qualified to provide this Report.

The persons specifically involved in preparing and reviewing this Report were Evelyn Tan and Muranda Janse Van Nieuwenhuizen, both of whom are Directors of NPCF. Evelyn Tan is a CFA® Charterholder, a member of the CFA Institute and a member of the CFA Society Perth. She is also an affiliate member of Chartered Accountants Australia and New Zealand. Evelyn holds a Master of Applied Finance from the University of Melbourne and has over 20 years of combined professional experience in the fields of corporate finance and banking in Australia and Singapore. Muranda Janse Van Nieuwenhuizen is a member of Chartered Accountants Australia and New Zealand as well as the South African Institute of Chartered Accountants. She is also a Registered Company Auditor.

Consent and Disclaimers

The preparation of this Report has been undertaken at the request of the Directors of Nex Metals Exploration Limited. It also has regard to relevant ASIC Regulatory Guides. It is not intended that this Report should be used for any other purpose than to accompany the Notice of General Meeting to be sent to Nex Metals Exploration Limited shareholders. In particular, it is not intended that this Report should be used for any purpose other than as an expression of NPCF's opinion as to whether or not the Proposed Transaction is fair and reasonable to Nex Metals Exploration Limited shareholders.

NPCF consent to the issue of this Report in the form and context in which it is included in the Notice of General Meeting to be sent to Nex Metals Exploration Limited shareholders.

Shareholders should read all documents issued by Nex Metals Exploration Limited that consider the Proposed Transaction in their entirety, prior to proceeding with a decision. NPCF had no involvement in the preparation of these documents, with the exception of this Report.

This Report has been prepared specifically for the non-associated shareholders of Nex Metals Exploration Limited. Neither NPCF, nor any member or employee thereof undertakes responsibility to any person, other than a shareholder of Nex Metals Exploration Limited, in respect of this Report, including any errors or omissions howsoever caused. This Report is 'General Advice' and does not take into account any person's particular investment objectives, financial situation and particular needs. Before making an investment decision based on this advice, you should consider, with or without the assistance of a securities advisor, whether it is appropriate to your particular investment needs, objectives and financial circumstances.

APES 225

This Report has been prepared in accordance with APES 225 Valuation Services.

APPENDIX D – VALUATION METHODOLOGIES

In preparing this Report we have considered valuation methods commonly used in practice and those recommended by RG 111. These methods include:

- the discounted cash flow method;
- the capitalisation of earnings method;
- asset based methods; and
- analysis of share market trading.

Discounted Cash Flow Method

Description

Of the various methods noted above, the discounted cash flow method has the strongest theoretical standing. It is also widely used in practice by corporate acquirers and company analysts. The discounted cash flow method estimates the value of a business by discounting expected future cash flows to a present value using an appropriate discount rate. A discounted cash flow valuation requires:

- a forecast of expected future cash flows;
- an appropriate discount rate; and
- an estimate of terminal value.

It is necessary to project cash flows over a suitable period of time (generally regarded as being at least five years) to arrive at the net cash flow in each period. For a finite life project or asset this would need to be done for the life of the project. This can be a difficult exercise requiring a significant number of assumptions such as revenue growth, future margins, capital expenditure requirements, working capital movements and taxation.

The discount rate used represents the risk of achieving the projected future cash flows and the time value of money. The projected future cash flows are then valued in current day terms using the discount rate selected.

A terminal value reflects the value of cash flows that will arise beyond the explicit forecast period. This is commonly estimated using either a constant growth assumption or a multiple of earnings (as described under capitalisation of future maintainable earnings below). This terminal value is then discounted to current day terms and added to the net present value of the forecast cash flows.

The discounted cash flow method is often sensitive to a number of key assumptions such as revenue growth, future margins, capital investment, terminal growth and the discount rate. All of these assumptions can be highly subjective sometimes leading to a valuation conclusion presented as a range that is too wide to be useful.

Use of the Discounted Cash Flow Method

A discounted cash flow approach is usually preferred when valuing:

- early-stage companies or projects;
- limited life assets such as a mine or toll concession;
- companies where significant growth is expected in future cash flows; or
- projects with volatile earnings.

It may also be preferred if other methods are not suitable, for example if there is a lack of reliable evidence to support a capitalisation of earnings approach. However, it may not be appropriate if reliable forecasts of cash flow are not available and cannot be determined.

Capitalisation of Earnings Method

Description

The capitalisation of earnings method is a commonly used valuation methodology that involves determining a future maintainable earnings figure for a business and multiplying that figure by an appropriate capitalisation multiple. This methodology is generally considered a short form of a discounted cash flow, where a single representative earnings figure is capitalised, rather than a stream of individual cash flows being discounted. The capitalisation of earnings methodology involves the determination of:

- a level of future maintainable earnings; and
- an appropriate capitalisation rate or multiple.

A multiple can be applied to any of the following measures of earnings:

Revenue – most commonly used for companies that do not make a positive EBITDA or as a cross-check of a valuation conclusion derived using another method.

EBITDA - most appropriate where depreciation distorts earnings, for example in a company that has a significant level of depreciating assets but little ongoing capital expenditure requirement.

EBIT - in most cases EBIT will be more reliable than EBITDA as it takes account of the capital intensity of the business.

NPAT - relevant in valuing businesses where interest is a major part of the overall earnings of the group (e.g. financial services businesses such as banks).

Multiples of EBITDA, EBITA and EBIT value the whole businesses, or its enterprise value irrespective of the gearing structure. NPAT (or P/E) values the equity of a business

The multiple selected to apply to maintainable earnings reflects expectations about future growth, risk and the time value of money all wrapped up in a single number. Multiples can be derived from three main sources.

Using the guideline public company method, market multiples are derived from the trading prices of stocks of companies that are engaged in the same or similar lines of business and that are actively traded on a free and open market, such as the ASX or the NSX. The merger and acquisition method is a method whereby multiples are derived from transactions of significant interests in companies engaged in the same or similar lines of business. In Australia this has been called the comparable transaction methodology.

Use of the Capitalisation of Earnings Method

The capitalisation of earnings method is widely used in practice. It is particularly appropriate for valuing companies with a relatively stable historical earnings pattern which is expected to continue. This method is less appropriate for valuing companies or assets if:

- there are no suitable listed company or transaction benchmarks for comparison;
- the asset has a limited life;
- future earnings or cash flows are expected to be volatile; or
- there are negative earnings or the earnings of a business are insufficient to justify a value exceeding the value of the underlying net assets.

Asset Based Methods

Description

Asset based valuation methods estimate the value of a company based on the realisable value of its net assets, less its liabilities. There are a number of asset-based methods including:

- orderly realisation;
- liquidation value;
- net assets on a going concern basis;
- replacement cost; and
- reproduction cost.

The orderly realisation of assets method estimates Fair Market Value by determining the amount that would be distributed to shareholders, after payment of all liabilities including realisation costs and taxation charges that arise, assuming the company is wound up in an orderly manner. The liquidation method is similar to the orderly realisation of assets method except the liquidation method assumes the assets are sold in a shorter time frame.

Since wind up or liquidation of the company may not be contemplated, these methods in their strictest form may not necessarily be appropriate. The net assets on a going concern basis method estimate the market values of the net assets of a company but do not take account of realisation costs.

The asset / cost approach is generally used when the value of the business's assets exceeds the present value of the cash flows expected to be derived from the ongoing business operations, or the nature of the business is to hold or invest in assets. It is important to note that the asset approach may still be the relevant approach even if an asset is making a profit. If an asset is making less than an economic rate of return and there is no realistic prospect of it making an economic return in the foreseeable future, an asset approach would be the most appropriate method.

Use of Asset Based Methods

An asset-based approach is a suitable valuation method when:

- an enterprise is loss making and is not expected to become profitable in the foreseeable future;
- assets are employed profitably but earn less than the cost of capital;
- a significant portion of the company's assets are composed of liquid assets or other investments (such as marketable securities and real estate investments); or
- it is relatively easy to enter the industry (for example, small machine shops and retail establishments).

Asset based methods are not appropriate if:

- the ownership interest being valued is not a controlling interest, has no ability to cause the sale of the company's assets and the major holders are not planning to sell the company's assets; or
- a business has (or is expected to have) an adequate return on capital, such that the value of its future income stream exceeds the value of its assets.

Analysis of Share Trading

The most recent share trading history provides evidence of the Fair Market Value of the shares in a company where they are publicly traded in an informed and liquid market. There should also be some similarity between the size of the parcel of shares being valued and those being traded. Where a company's shares are publicly traded then an analysis of recent trading prices should be considered, at least as a cross-check to other valuation methods.

Nexia Australia

APPENDIX E – INDEPENDENT MINERAL ASSET VALUATION REPORT PREPARED BY AGRICOLA

AGRICOLA MINING CONSULTANTS PTY LTD - ABN: 84 274 218 871
P.O. Box 473, South Perth, WA 6951 - Mobile: 61 (4) 1234 7511
Email: mcastle@castleconsulting.com.au
Principal Consultant – MALCOLM CASTLE

INDEPENDENT VALUATION REPORT

on the

KOOKYNIE GOLD PROJECT, the YUNDAMINDRA GOLD PROJECT

held by

NEX METALS EXPLORATION LTD - METALICITY LIMITED

JOINT VENTURE

And the KOOKYNIE TAILINGS DEPOSITS

held by

NEX METALS EXPLORATION LTD

Effective Date 22 March 2024

Malcolm Castle

Agricola Mining Consultants Pty Ltd

22 March 2024

Malcolm Castle CONSULTING GEOLOGIST	*Malcolm Castle* B.Sc.(Hons) MAusIMM, GCertAppFin (Sec Inst)

Market Value Summary

Concepts of value are traditionally based on the principle of a transaction between a willing buyer and a willing seller. This was addressed in a landmark Australian High Court case Spencer Vs Commonwealth. The International Valuation Standards Council defines Market Value as:

"The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."

Considering the location, geological factors, and other technical parameters, which could affect the Project economics, in Agricola's opinion, the implied market value for **100% equity** in the Kookynie and Yundamindra Projects at a gold price of **A$ 3,300/oz** is as follows.

- The estimated total value of the **Joint Venture Mineral Assets** considered in this Report is **A$4.35 million to A$5.45 million with a most likely value of A$4.90million**.

- The estimated value of the **Tailings Deposits** considered in this Report is **A$0.30 million to A$0.34 million with a most likely value of A$0.32 million**.

- The Effective Date of the valuation is 25 March 2024.

This valuation addresses the mineral assets with a **bottom-up approach** and focuses on analysing the technical assessment of individual tenements. This is a sum-of-the-parts approach to valuation, in that each tenement group is independently valued based on technical attributes and then added together.

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INTRODUCTION

Nex Metals Exploration Limited ("NME" or the "Company") and Metalicity Limited ("MCT") entered a joint Venture to explore two project areas at Kookynie and Yundamindra in Western Australia.

The joint venture holds mineral assets at the Kookynie Gold Project and the Yundamindra Gold Project in the Eastern Goldfields of Western Australia ("the Projects"). Agricola Mining Consultants Pty Ltd was instructed to prepare a valuation of the mineral assets of Nex Metals Exploration Limited as part of an Independent Expert's Report to be prepared by Nexia Perth Corporate Finance Pty Ltd.

Mineral Asset Valuation

The VALMIN Code (2015) defines mineral assets as *"all property including but not limited to real property, intellectual property, mining, and exploration tenements held or acquired in connection with the exploration of, the development of and the production from those tenements together with all plant, equipment and infrastructure owned or acquired for the development, extraction and processing of minerals in connection with those tenements"*.

This valuation addresses the mineral assets with a **bottom-up approach**. Bottom-up valuation focuses on analysing the technical assessment of individual tenements and de-emphasizes the significance of plant, equipment, infrastructure, goodwill, and corporate factors. This is a sum-of-the-parts approach to valuation, in that each tenement group is independently valued based on technical attributes and then added together.

Relevant codes and guidelines

This Report has been prepared as an Independent Valuation Report under the *Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets* (the "VALMIN Code", 2015), which is binding upon Members of the Australasian Institute of Mining and Metallurgy ("AusIMM") and the Australian Institute of Geoscientists ("AIG"), as well as the rules and guidelines issued by ASIC which pertain to Independent Expert Reports (Regulatory Guides RG111, Content of Expert Reports, October 2020, and RG112, Independence of Experts, March 2011).

Where recent exploration results have been referred to in this report, the information was prepared under the *Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves* ("JORC Code" 2012), prepared by the Joint Ore Reserves Committee of the AusIMM, the AIG and the Minerals Council of Australia. Historic results and those under earlier JORC Codes are identified.

Principal Sources of Information

Agricola has based its review of the Projects on information made available by the Company, along with technical reports prepared by consultants, government agencies previous tenements holders, and other relevant published and unpublished data. This Report has been based upon information available up to and including the effective date.

In respect to the information contained in this Report, Agricola has relied on:

- Information and Reports released to the ASX by NME and MCT.
- Various ASX releases from previous owners and neighbouring companies.
- Publicly available information from the Geological Survey of Western Australia
- Various academic and technical papers in publicly available journals.

The authors of the ASX Releases and publicly available reports have not consented to the use of their statements in this report. These statements are issued under ASIC Regulatory Guide 55, March 2016, and ASIC Corporations Instrument 2016/72 (Consents to Statements) October 2017.

Agricola has not had any dealings with NME or MCT, or their associates. Agricola or its associates do not hold shares in NME of MCT. Agricola has endeavoured, by making all reasonable enquiries, to confirm the authenticity, accuracy, and completeness of the technical data upon which this Report is based. NME was provided with a final draft of this Report and requested to identify any material errors or omissions before its lodgement.

No site visits were undertaken during the preparation of this Report. Agricola is familiar with the area of the Company's Projects based on previous involvement with exploration programs and site visits and has reviewed reports for all previous explorations. Malcolm considers that a site visit would not reveal any additional information that would change the valuation or make a material difference to the contents of this report. All the projects are exploration projects with Mineral Resource estimates compiled at the Kookynie Project.

Tenure Status

The author of this Report is not qualified to provide extensive commentary on the legal aspects of the tenure of the mineral properties or the compliance with the legislative environment and permitting in Western Australia. Concerning the tenement standing, Agricola has relied on the information publicly available information on mineral tenure. On this basis, Agricola has independently verified the tenement details in the publicly available government records and understands that the tenements are in good standing and has confirmed that with the Company.

Mineral Resource Estimates and Exploration Results

- Where exploration results relate to mineralisation but are not classified as an Exploration Target or Mineral Resource, estimates of tonnages and average grade have not been assigned to the mineralisation. Exploration results are not presented in such a way as to suggest the presence of coherent mineralization that may represent an Exploration Target.
- Results of historic drill holes were quoted as down hole widths and true widths of mineralisation are not reported. An appropriate qualification has been included in the Report.
- There has been no selected disclosure of information such as isolated assays, isolated drill holes, assays of panned concentrates or supergene-enriched soils or surface samples, without placing them in perspective.
- Exploration results based on rock chip or grab sampling, the location (represented as a table, diagram, or map), total number and assay results for the sampling have been included where possible for each sample to ensure samples are representative and not selectively reported. if visual results are quoted in the absence of assays, they do not include any reference to the grade or economic potential of the mineralisation.
- Exploration Targets - The potential quantity and grade are conceptual. There has been insufficient exploration to estimate a Mineral Resource under the JORC Code 2012, and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

Qualifications and Experience

Malcolm Castle, the author of this Report, is the Principal Consultant for Agricola Mining Consultants Pty Ltd, an independent geological consultancy.

- He is an appropriately qualified geologist and has the necessary technical and securities qualifications, expertise, competence, and experience appropriate to the subject matter of the report.
- He was awarded a B.Sc. (Hons) by UNSW in 1965, and GCertAppFin (Sec Inst) in 2004.
- He is a member of a relevant recognised professional association (Member of Australasian Institute of Mining and Metallurgy since 1965).
- He is a Competent Person under the VALMIN Code and JORC Code.
- He has worked in the mineral exploration industry for over fifty years and has at least ten years of suitable and recent experience in the technical field in which he is to report. This includes many years in mineral exploration for gold and base metals in Western Australia. He has compiled many Independent Technical Assessment and Valuation Reports in the last 20 years.

- Declaration – VALMIN Code: The information in this report that relates to the Technical Assessment and Valuation of Mineral Assets reflects information compiled and conclusions derived by Malcolm Castle, who is a Member of The Australasian Institute of Mining and Metallurgy. Malcolm Castle is not a permanent employee of the Company. Malcolm Castle has sufficient experience relevant to the Technical Assessment and Valuation of the Mineral Assets under consideration and to the activity 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'. Malcolm Castle consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Independence

Agricola has had regard to guidelines of RG112.31 (disclosure of relationships, March 2011) to comply and the author of this report and Agricola have, or have had previously, no material interest in the Company or the mineral properties in which the Company has an interest since it prepared an Independent Technical Asset Valuation Report in November 2020. Agricola's relationship with the Company is solely one of professional association between client and independent consultant. Fees of $17,500 plus GST are being charged to the Company at a commercial rate for the preparation of this Report, the payment of which is not contingent upon the conclusions of the report.

Reasonableness Statement

Agricola's primary obligation in preparing this Report is to independently describe and value mineral projects applying the guidelines of the JORC and VALMIN Codes. These require that the Report contains all the relevant information at the date of disclosure, which investors and their professional advisors would reasonably require in making a reasoned and balanced judgement regarding the range of project values.

Reasonableness requires that an assessment that is impartial, rational, realistic, and logical in its treatment of the inputs to a Valuation has been used, to the extent that another Practitioner with the same information would make a similar Valuation.

In undertaking this technical and valuation assessment Malcolm Castle has reviewed the technical inputs on the projects as required by the Codes. Agricola believes that the inputs, assumptions, and overall Technical Assessment and Valuation are in line with industry standards and meet the Reasonable Grounds Requirement of the VALMIN Code 2015.

Consent

Agricola consents to the inclusion of this Independent Valuation Report in the form and context as set out in the agreement with NME expressed in the individual sections of this Report will be considered with, and not independently of, the information set out in full. *Agricola Mining Consultants Pty Ltd has not withdrawn this consent before the lodgement of the Report.*

MINERAL ASSETS

Regional Geology

The Kookynie Gold Project lies within the central Norseman-Wiluna belt of the Eastern Goldfields Super Province of the Archaean Yilgarn Craton, Western Australia. The Norseman-Wiluna belt has been subdivided into two broad tectono-stratigraphic associations. The Kalgoorlie Terrane forms part of a western association, which is interpreted, as a marginal basin, bounded to the east by the Keith-Kilkenny Fault. An association containing several andesitic volcanic centres, east of the Keith-Kilkenny Fault, is interpreted as a volcanic arc. The Melita greenstones occur within the marginal basin association near the eastern boundary with the volcanic arc association.

Both the Kookynie and Yundamindra projects lie within Archean greenstones of the Eastern Goldfields, approximately 200 kilometres north and northeast of Kalgoorlie respectively. Yundamindra lies to the east of the Keith Kilkenny lineament and on the western side of the Laverton domain. Kookynie is located to the west of the Keith Kilkenny lineament, occupying a portion of a significant deflection in the regional structure.

The Kookynie Tenements are located northwest and southeast of the former gold mining town of Kookynie. One tenement straddles the regionally important Mount George Shear, which separates the Raeside geological domain from the Niagara and Melita geological domains. The project area covers predominantly Melita metasediments (part of the Melita greenstone suite comprised of a bimodal rhyolite-basalt association and several dolerite sills and dykes), and biotite monzogranite. The interpreted depositional setting for the greenstone association on Melita is the margin of a large rift basin represented by the Kalgoorlie Terrane, and greenstones are assigned to the Gindalbie Terrane.

The Yundamindra Project lies in the central Norseman-Wiluna Greenstone Belt. The geology is very poorly exposed in this area. Interpretation from regional magnetic, gravity and satellite data indicate that the project lies on the northern end of the Danjo Granodiorite, a large Achaean granitoid. Basalts outcrops to the east, especially along the shore of Lake Carey.

Regional geological mapping indicates that the western contact of the Danjo Granodiorite is a thrust. The granodiorite has an unusual magnetic signature, consisting of a series of concave-up zones of high and low magnetic intensity. These appear to suggest an imbricate thrust suite. Evidence from the magnetics suggests that this dip is northerly. A prominent shear, the Guyer Shear is interpreted to trend north-north-westerly through the eastern part of the project area. These structures are key targets for gold exploration.

The workings at the Yundamindra Project are associated with one of these thrusts near the margin of the Danjo Granodiorite. This is a significant set of historic workings known as Yundamindra Goldfield. These have seen historic gold production of approximately 50,000oz from shallow (<50m) workings. The mineralisation is typical quartz vein style with sericite selvedge to the veins. Limited sulphide alteration is also present. This is mainly pyrite in fresh bedrock.

KOOKYNIE GOLD PROJECT

The Kookynie Gold Project lies approximately 180 km north of Kalgoorlie, 50 km south of Leonora and approximately 25 km from the bitumen Goldfields Highway linking Kalgoorlie to Leonora in the Eastern Goldfields of Western Australia.

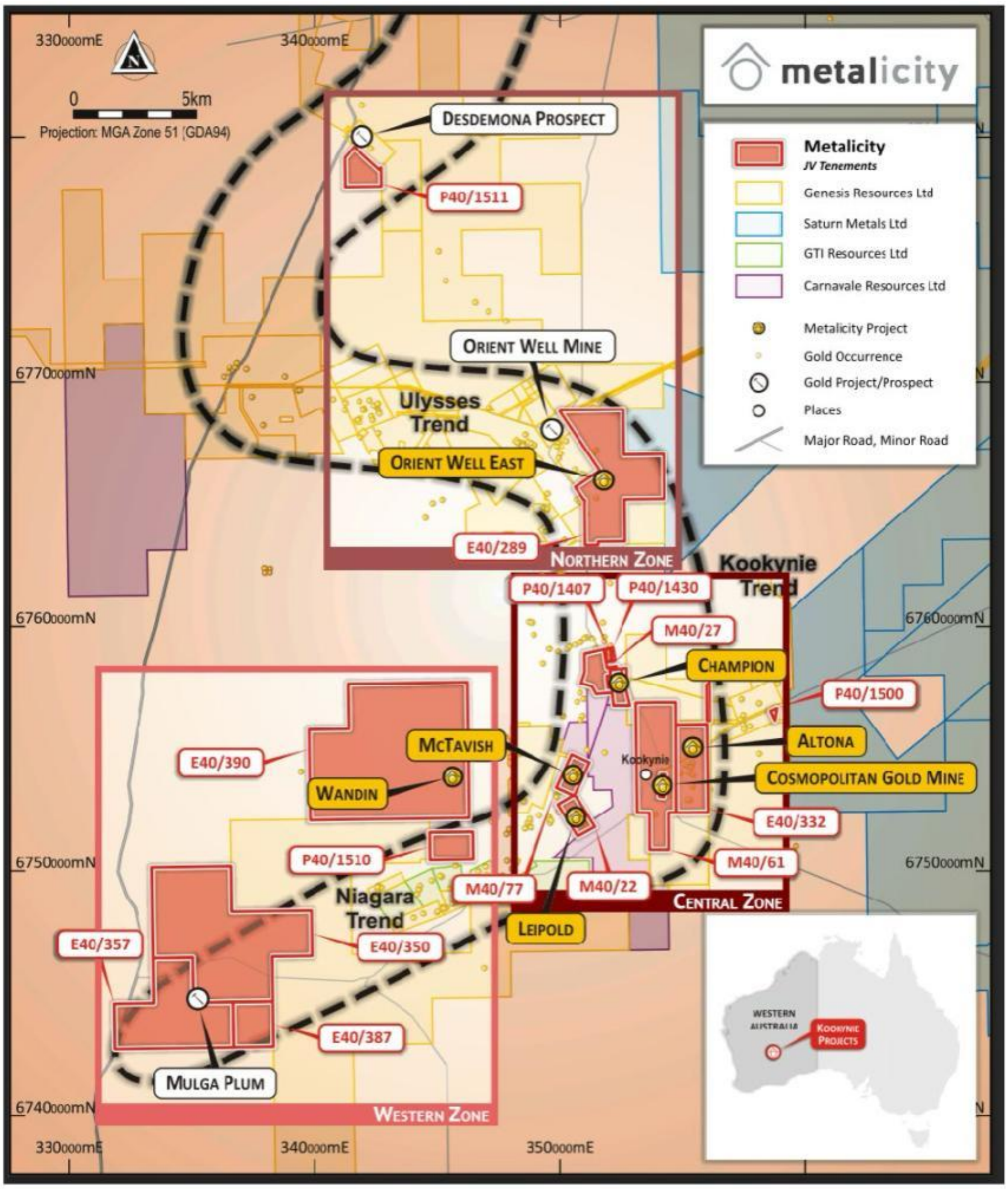
Located within the Keith-Kilkenny Tectonic Zone, the project hosts the historical mining centres of McTavish, Leipold, Champion, Altona, and the prolific Diamantina-Cosmopolitan-Cumberland trend. The historic Cosmopolitan Gold mine produced 360,000 ounces of gold from discovery in 1895 to 1922. During the early part of the last century, the Cosmopolitan ranked as one of the largest and most profitable gold mines in Western Australia.

Tenement Schedule

TENEMENT SCHEDULE - KOOKYNIE GOLD PROJECT							**Deed of Variation**	
Tenement	**Holder**	**Grant**	**Expiry**	**Area, km2**	**Rent**	**Commitment**	**KYM**	**NME**
Mineral Resource Estimates - Kookynie Tenements								
M40/22	Nex	29/8/1986	28/8/2028	1.22	3,172	12,200	51%	49%
M40/27	Nex	25/2/1986	24/2/2029	0.85	2,236	10,000	51%	49%
M40/77	Nex	13/8/1988	12/8/2029	1.19	3,120	12,200	51%	49%
Total				**3.26**	**8,528**	**34,400**		
Exploration Ground - Kookynie Tenements								
E40/332	Nex	15/8/2014	14/8/2024	6.00	1,494	50,000	51%	49%
M40/61	Nex	13/7/1989	12/7/2031	8.33	21,658	83,300	51%	49%
P40/1499	Nex	10/3/2020	9/3/2024	0.82	37	2,000	Not in Schedule1	
P40/1500	Nex	10/3/2020	9/3/2024	0.06	37	2,000	Not in Schedule1	
P40/1501	Nex	10/3/2020	9/3/2024	0.21	88	2,000	Not in Schedule1	
P40/1510	Metalicity	11/3/2021	10/3/2025	1.99	800	8,000	Not in Schedule1	
P40/1511	Metalicity	11/3/2021	10/3/2025	1.79	716	7,160	Not in Schedule1	
G40/3	Nex	19/2/1986	18/2/2029	0.07	192	-	51%	49%
L40/9	Nex	19/5/1995	18/5/2025	0.01	24	-	51%	49%
Total				**19.28**	**25,046**	**154,460**		
Holder: Nex Metals Explorations Limited								
Holder: Metalicity Limited								
Exploration Ground - KYM Mining Tenements				-				
E40/289	Paris	1/7/2011	30/6/2025	18.00	4,482	70,000	Not in Schedule1	
E40/350	Metalicity	1/12/2015	30/11/2025	24.00	5,976	70,000	Not in Schedule1	
E40/357	Metalicity	1/12/2016	30/11/2026	12.00	2,988	50,000	Not in Schedule1	
E40/387	Metalicity	15/4/2021	14/4/2026	3.00	447	10,000	Not in Schedule1	
E40/390	KYM	10/9/2020	9/9/2025	33.00	3,179	30,000	Not in Schedule1	
P40/1331	KYM	9/4/2014	8/4/2025	1.61	648	6,480	Not in Schedule1	
P40/1407	KYM	13/3/2017	12/3/2025	0.10	40	2,000	Not in Schedule1	
P40/1430		20/7/2017	19/7/2025	0.10	40	2,000	Not in Schedule1	
Total				**91.81**	**17,800**	**240,480**		
Holder: Paris Enterprises (WA) Pty Ltd								
Holder: Metalicity Limited								
Holder: KYM Mining Pty Ltd								

Not in Schedule1 = Notation in the Deed of Variation

The status of the Company's Tenements has been verified by Agricola based on a recent independent inquiry of the Western Australian Tenements-on-Line database. The holders indicated in the schedule are recorded in the database. The Kookynie tenements are subject to a joint venture with NME holding 49% and MCT holding 51% as described in the Deed of Variation, clause 4.8.



Kookynie Prospect Locality Map with mineralised trends.

Geological Setting

The Diamantina, Cumberland, and Cosmopolitan deposits are located immediately east of the town of Kookynie, 600 metres from the hotel. These deposits are all located in the same mineralised structure and their separation is a factor of historical lease boundaries and secondary controls on mineralisation. The up-dip surface expressions of the Cosmopolitan and Diamantina are not held by Nex however the potential considered by this report is downdip and lies within tenure held by Nex.

The Leipold and McTavish workings are located approximately 3.2 kilometres west of the Kookynie town site. McTavish is located 1,900 meters north of Leipold on the same structure. Between Leipold and McTavish and south of Leipold are modern-day drainages that have masked the prospecting and geochemical signatures of the strike extensions of both mineralised systems.

The Champion deposit is located approximately 4.3 kilometres north of Kookynie and is situated on a parallel structure 1.8 kilometres east of the Leipold-McTavish line of workings. Again, the presence of recent drainages may have masked the extension of the Champion deposit. To the west of Champion lie the Northern Scot, April Gift and Excelsior deposits which are interpreted to lie on the McTavish structure.

Local Geology

Kookynie is located on the Melita-Niagara Domains of the Keith-Kilkenny Tectonic Zone. The Malcolm Greenstone Belt consists of bimodal rhyolite basalt, intruded by numerous gabbroic to dolerite sills. To the north, the Melita rhyolite is associated with andesite-basalt flows and dolerite, ultramafic and gabbroic sills. To the south, the Jeedamya rhyodacite is associated with metabasalt, magnetic dolerite sills, and the mafic Niagara Gabbro Complex.

The first shearing occurred along the granite-greenstone contact, then the area suffered three main phases of deformation. In many places, gold is associated with D3 structures, of variable orientations, cross-cutting favourable lithologies, and pre-existing structures. Gold-bearing shoots are concentrated at the intersection of these structures.

In the Niagara area, the host east-north-east structure is intersected to a lesser extent by north-east lesser workings. The east-north-east structures trend sub-parallel with De faults in the Mulliberry Granitoid and D1 faults along the granite-greenstone contact, and in the Niagara Complex. Gold is often associated with bismuth. In a radius around Kookynie gold is associated with pyritic quartz veins. East of Kookynie, D3 mineralised structures trend north to north-north-west, sub-parallel and along strike to D2 normal faults. West of Kookynie the structures trend north-east to north-north-west, with gold also controlled by early D2 faulting. To the north around Orient Well and the Butterfly mines, D3 faults trend north-west to west-northwest, either sub-parallel or cut by low-angle earlier structures. In places like the Champion and Britannia mines, gold is associated with galena.

Gold is found in epigenetic vein, and lode style in three types:

- moderate to high grade associated with brittle structures cross-cutting magnetic dolerite intrusives.
- High-grade quartz vein deposits associated with north-south trending fault-related structures within granite.
- large tonnage, low-grade deposits associated with quartz vein stockworks.

Diamantina, Cumberland, and Cosmopolitan deposits

The Diamantina, Cumberland, and Cosmopolitan deposits are hosted by relatively continuous east-dipping and south-plunging quartz lodes within an east-dipping structure. Controls on the mineralisation are related to east-west striking south-dipping secondary structures, some of which are mineralised with well-developed workings following the quartz veining. The primary structure dips at approximately 45 degrees east and the secondary structure dips south at approximately 60 degrees. The intersection of these two structures controls the southerly plunge of the main lode mineralisation and provides the space for the development of significant mineralisation. There appears to be limited wall rock alteration away from the host quartz veins. Based on experience from other narrow vein deposits in the eastern goldfields, in particular, Raleigh in the Kundana camp, there should be multiple small east-west structures parallel to the larger structures. The intersection of these provides additional tones during open pit extraction but limited potential for exploitation in underground operations.

Based on observations in the field and plans of historic workings, all three mineralised areas lie on the same structure and were interconnected by drives historically. The depth of oxidation is generally between 30 and 40 metres.

Leipold McTavish and Champion Deposits

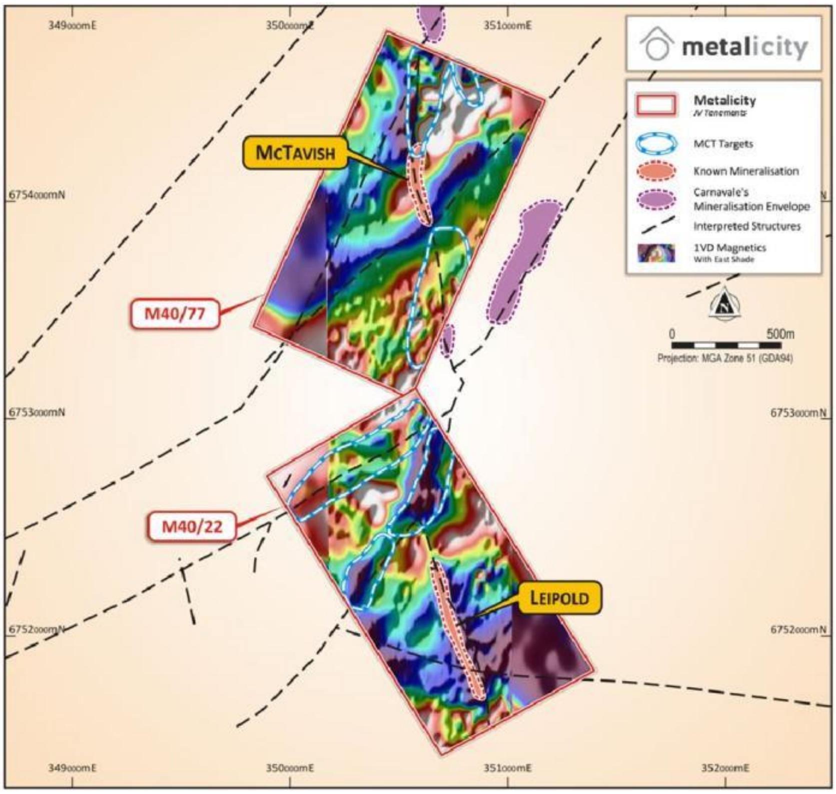
At Leipold, the geology consists of mafics with limited intersections in the drilling of dark grey biotite hornblende granite. Over the mineralisation, there are several paleo channels exposed in the trial pit making the interpretation of mineralisation difficult. There are extensive truck dumps (paddock dumping of individual truck loads) of ore from the trial pit located to the north of the pit, suggesting there was little understanding of the mineralisation. There is very little surface expression of the underlying geology, however cover is less than a metre at the southern end of the trial pit.

The mineralised Leipold lode is continuous over 400 metres drilled with widths of between 10 and 20 metres east dipping and oxidised down to 40 metres based on observation of drill cuttings on-site. It would appear the mineralisation is open below drilling over the majority of the 400 metres and is possibly open along strike both north and south. Mineralisation consists of sheared veined mafics and granite which is weathered to limonite clay above 40 metres. The paleo channel exposed in the trial pit was likely mineralised at its base.

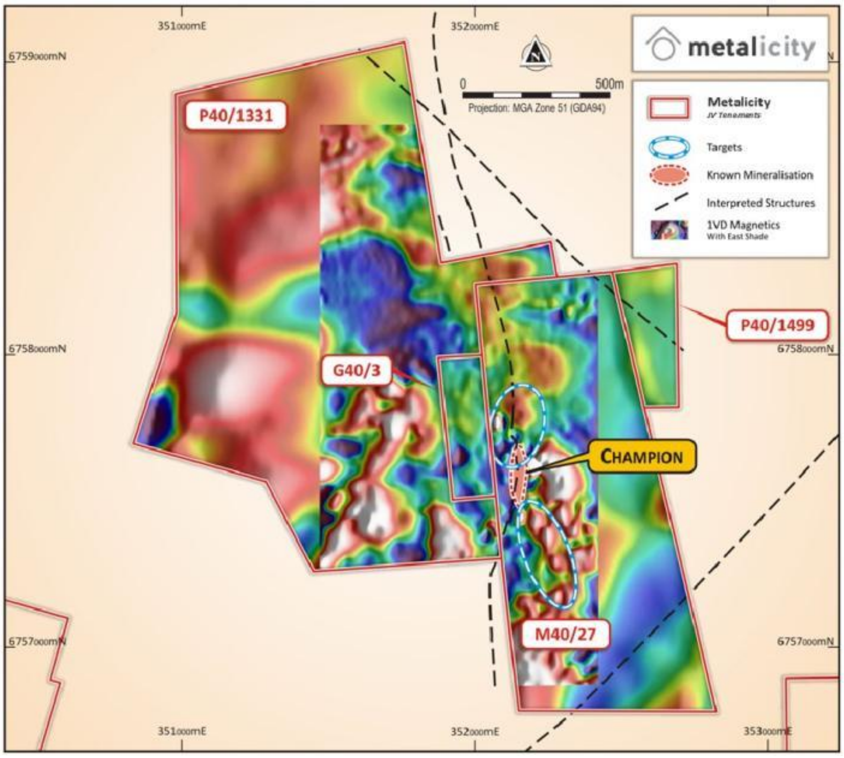
At McTavish, the geology is very similar to Leipold. A deep shaft to the east of the surface expression of the lode has large amounts of silicified and altered granite as waste. This also includes pyrite to about 10 to 15 per cent, suggesting strong mineralisation. These sulphidic granitoids are interpreted from air photos to occur in three other locations to the north of the shaft occurrence and should be sampled for mineralisation.

The surface expression of the McTavish Lode is quartz veins exposed in collapsed stopes. These dip 65 degrees east within limonitic weathered mafic and felsic rocks with carbonate alteration commonly to 18 metres in width. Mineralisation continues to the deeper shaft at McTavish with Nichols reporting samples from this level returning between 6 and 188 grams per tonne Au. This certainly represents an area for further exploration. Immediately north from the deeper shaft, an east-west shear was observed in the field. While not mineralized the author considers it likely this structure and its intersection with the McTavish Lode controls a southerly plunge to the mineralisation and may account for the high grades and deeper mineralisation reported from the shaft area.

The mineralisation appears constrained at depth by the shallow drilling and further drilling is required to confirm depth extensions which could increase the mineralisation considerably particularly concerning the mineralisation identified in the waste from the main shaft.



Aeromagnetics over the McTavish and Leipold deposits



Aeromagnetics over the Champion deposit

Kookynie Mineral Resource Estimate

Metalicity Limited engaged Ashmore Advisory Pty Ltd to complete the Mineral Resource Estimate for the Leipold, McTavish and Champion Prospects. These estimates were in turn audited by CSA Global Pty Ltd to ensure that the estimates presented were robust.

Kookynie Mineral Resource Estimate, 1 April 2021									
	Indicated Resource			Inferred Resource			Total Resource		
Deposit	**Mt**	**Au, g/t**	**Ounces**	**Mt**	**Au, g/t**	**Ounces**	**Mt**	**Au, g/t**	**Ounces**
Leipold	0.45	1.30	18,800	0.63	1.70	34,400	1.08	1.50	53,200
Champion				0.38	1.70	20,800	0.38	1.70	20,800
McTavish				0.12	2.00	7,700	0.12	2.00	7,700
Total	**0.45**	**1.30**	**18,800**	**1.13**	**1.70**	**62,900**	**1.58**	**1.60**	**81,700**
% of total			23%			77%			

Source: ASX RELEASE: 1 April 2021, Kookynie Maiden JORC 2012 Mineral Resource Estimate

Previous Estimates

The Mineral Resource Estimates were compared with historical estimates completed by NME in 2020 and presented as Exploration Targets. The comparison found that earlier drilling data had numerous issues, mainly collar positioning that had the historical drilling offset from recent drilling. Therefore, with the historical drilling unable to be re-surveyed, coupled with the lack of QAQC and downhole survey, historical Exploration Target estimates were replaced by the current estimate for Leipold, Champion and McTavish. The Diamantina Group was not upgraded to a mineral Resource Estimate under the LORC Code.

Exploration Targets were estimated in 2020 for four prospects inclusive of historically stated mineral resource estimates and previously excluded areas of underground development.

- The Exploration Target was released to the ASX. Metalicity Limited, 2020, Kookynie Gold Project – Development Strategy & Exploration Target Update, ASX Release 12 March 2020.
- Diamantina, Cosmopolitan and Cumberland prospects include an estimated Exploration Target of 0.9 to 1.6 million tonnes at 7.3 to 11.9 g/t Au
- Champion prospect includes an estimated Exploration Target of 0.3 to 0.6 million tonnes at 3.2 to 5.4 g/t Au.
- McTavish prospect includes an estimated Exploration Target of 0.4 to 0.7 million tonnes at 1.7 to 5.0 g/t Au.
- Leipold prospect includes an estimated Exploration Target of 0.6 to 1.0 million tonnes at 1.5 to 4.8 g/t Au.
- Exploration Targets - The potential quantity and grade are conceptual. There has been insufficient exploration to estimate a Mineral Resource under the JORC Code 2012, and it is uncertain if further exploration will result in the estimation of a Mineral Resource

These Exploration Targets have been superseded by the current Mineral Resource Estimate.

Kookynie Tailings Deposits

Nex Metals Explorations Ltd announced Shareholder update. Tails aircore drilling results from the Kookynie Project to the ASX on 29th January 2017. The Announcement released the results from the aircore drilling to test the entire depth profile of the remnant tailings stockpiles of the Cosmopolitan and Cumberland historic mines. These two tailings deposits comprise 90% of the total tailings. A total of 104 Aircore holes for 677.5 m was completed over all of the Cosmopolitan and Cumberland tails dumps.

Kookynie Tailings Estimate				
		Total Resource		
Deposit	**Mt**	**Au, g/t**	**Ounces**	**Percentage**
Indicated Equivalent				
Cosmopolitan Tailings	0.320	0.77	7,920	81.0%
200,000 bcm, SG - 1.6	NME Leases from Apex UAV calculation + 10,000 for loose			
Cumberland Tailings	0.037	0.74	870	8.9%
22,900 bcm, SG - 1.6	Calculation from Langate Crest and Toe supplied by Apex 30-9-16			
Altona Tailings	0.015	1.43	680	7.0%
9,200 bcm, SG - 1.6	Apex Langate Calculation 9,175 (Between 2 - 3.8m high)			
Inferred Equivalent				
Champion Tailings	0.022	0.45	310	3.2%
15,600 bcm, SG - 1.6	Google Earth Calculation 7,564 m^2 * 1.8 high			
Total	**0.393**	**0.77**	**9,780**	100.0%
Cosmopolitan, Cumberland and Altona tailings are assessed as 'Indicated Equivalent' (97% of total ounces)				
Champion tailings are assessed as 'Inferred Equivalent' (3% of total ounces)				
Assessment based on accuracy and extent of tailings Aircore drilling program.				
THE TAILING ARE HISTORIC AND ARE NOT JORC 2012 COMPLIANT!				

The estimates of tonnage and grade are historic in nature. There has been insufficient detailed recording of the data to estimate a Mineral Resource in accordance with the JORC Code 2012, and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

- A review of the mining history for the Kookynie Projects demonstrates the reasonable prospects for eventual economic extraction of the mineral resource (JORC clause 20)
- Competent Persons Statement: The information in this report that relates to Mineral Resource Estimates or Exploration Results of the Company is based on, and fairly represents, information and supporting documentation prepared by Metalicity Limited and Nex Metals Explorations Ltd and reviewed by Malcolm Castle. The information in the Report is an accurate representation of the available data and studies for the project and the information.
- Malcolm Castle is a Member of the Australasian Institute of Mining and Metallurgy and has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which he is undertaking to qualify as an Expert and Competent Person as defined under the VALMIN Code, 2015, and the JORC Code, 2012.
- Agricola is satisfied that the Mineral Resource estimates are of high quality and reasonable and carried out to a high professional standard as required by the JORC Code, 2012. Historic volume estimates for tailings deposits are considered to be reasonable.

- Agricola is not aware of any new information or data that materially affects the information included in this Report and that all the material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. The form and context in which the findings are presented have not been materially modified.
- Malcolm Castle consents to the inclusion in this report of the matters based on the information and supporting documentation in the form and context in which they appear.

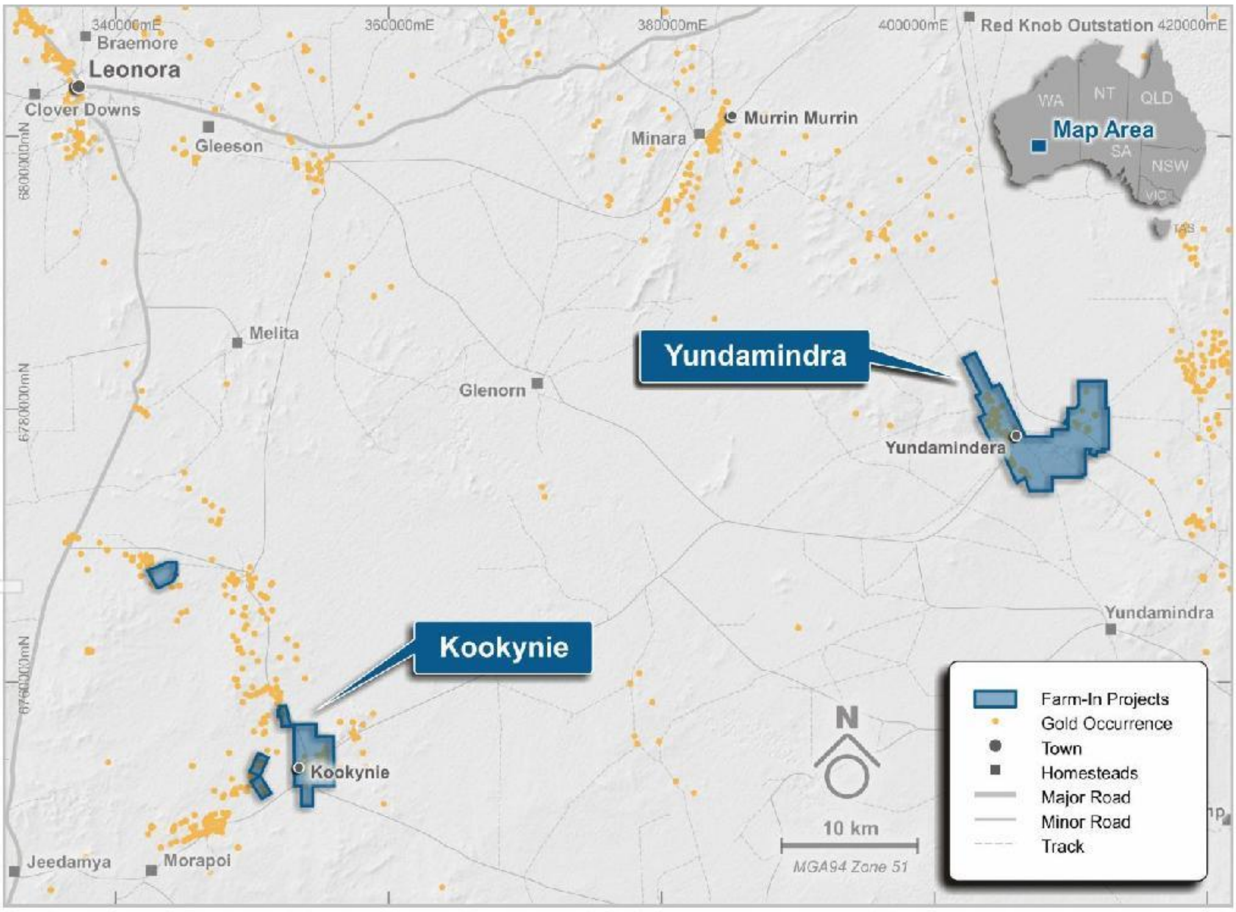
Prospectivity and Exploration Potential

The Kookynie Project area is in the Keith-Kilkenny Tectonic Zone within the north-northwest trending Archean-aged Malcolm greenstone belt. The Keith-Kilkenny Tectonic Zone is a triangular-shaped area hosting a succession of Archean mafic-ultramafic igneous and meta-sedimentary rocks. Regional magnetic data indicates the Kookynie region is bounded to the west by the north-trending Mt George Shear, the Keith-Kilkenny Shear Zone to the east and the Mulliberry Granitoid Complex to the south.

There are several styles of gold mineralisation identified in the Kookynie region. The largest system discovered to date is the high-grade mineralisation mined at the Admiral/Butterfly area, Desdemona area and Kookynie (Niagara) areas. The gold mineralisation is associated with pyritic quartz veins hosted within north-to-northeast dipping structures cross-cutting 'favourable' lithologies which can also extend into shears along geological contacts. Gold mineralisation at Kookynie tends to be preferentially concentrated in magnetite-dominated granitic fractions of the overall granite plutons observed within the Kookynie area.

Extensions to the known mineralised zones included in the Exploration Target compilation have been identified and represent significant areas of interest in the Kookynie Gold Project.

YUNDAMINDRA GOLD PROJECT



Kookynie and Yundamindra Locality Map.

The Yundamindra Gold Project is located 65 km southeast of Leonora and 65 km east of Kookynie. The Yundamindra Project consists of nine granted mining leases, which the Company will hold the rights to explore. Nex is well advanced in dealing with the plaints affecting these tenements and the Company looks forward to commencing exploration on this Project.

The project hosts significant historical production of 74kt @ 19.3 g/t Au for 45,000 ounces. Significant intercepts from the Prospects within the Project include:

- Bound to Rise – 2m @ 7.21 g/t Au from 30 m in HC007,
- Pennyweight Point – 8m @ 56.36 g/t Au from 44 m in PV095,
- Golden Treasure North – 1m @ 48.1 g/t Au from 12 m in TDN18,
- Queen of the May – 2m @ 39.49 g/t Au from 31 m in QMN5,
- Landed at Last – 2m @ 23.29 g/t Au from 30 m in LN11.

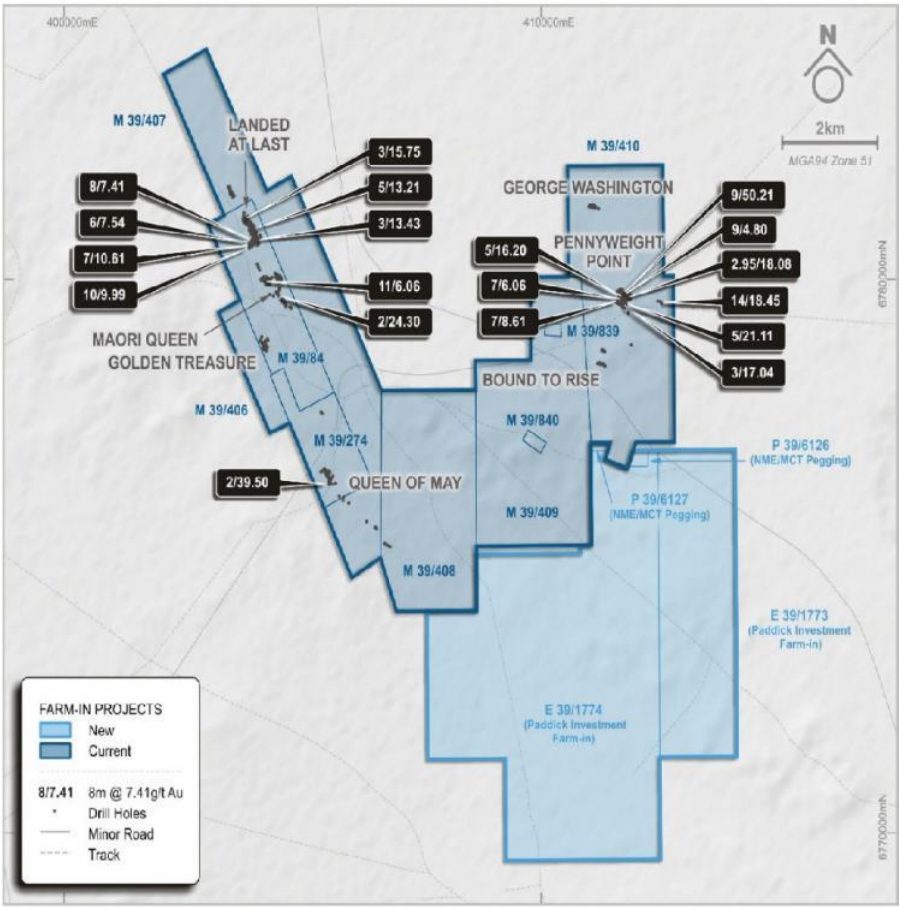
Like the Kookynie Project, the Yundamindra Project has only experienced shallow drilling and offers an opportunity for MCT to confirm and extend the known mineralisation occurrences within this area. The company has identified immediate drill targets at Penny Weight Point, Washington, Polish Queen, and Maori Queen prospects. Fieldwork has identified the presence of inverted paleochannels obscuring mineralised trends at the Yundamindra West line of lode.

Tenement Schedule

TENEMENT SCHEDULE							Deed of Variation	
Tenement	**Holder**	**Grant**	**Expiry**	**Area, km2**	**Rent**	**Commitment**	**KYM**	**NME**
Exploration Ground - Yundamindra Tenements				-				
M39/84	Nex	29/10/1986	28/10/2029	3.78	9,854	37,900	51%	49%
M39/274	Nex	21/5/1992	20/5/2034	2.24	5,850	22,500	51%	49%
M39/410	Nex	6/3/2008	5/3/2029	9.78	25,454	97,900	51%	49%
M39/406	Nex	21/11/2007	20/11/2028	1.25	3,250	12,500	51%	49%
M39/407	Nex	13/11/2007	12/11/2028	8.93	23,218	89,300	51%	49%
M39/408	Nex	13/11/2007	12/11/2028	7.84	20,410	78,500	51%	49%
M39/409	Nex	13/11/2007	12/11/2028	9.75	24,908	95,800	51%	49%
M39/839	Nex	2/7/2008	1/7/2029	0.07	208	10,000	51%	49%
M39/840	Nex	2/7/2008	1/7/2029	0.10	260	10,000	51%	49%
P39/6126	Nex	10/3/2020	9/3/2024	0.10	44	2,000	Not in Schedule1	
P39/6127	Nex	10/3/2020	9/3/2024	0.05	37	2,000	Not in Schedule1	
L39/258	Nex	16/4/2018	15/4/2039	0.03	96	-	51%	49%
L39/34	Nex	15/12/1988	14/12/2028	0.01	24	-	51%	49%
L39/52	Nex	19/12/1988	18/12/2028	0.01	24	-	51%	49%
Total				**43.96**	**113,637**	**458,400**		
Holder: Nex Metals Explorations Limited								
Exploration Ground - Paddick Investments Teneme				-				
E39/1773	Paddick	5/6/2014	4/6/2024	9.00	2,241	50,000	Not in Schedule1	
E39/1774	Paddick	5/6/2014	4/6/2024	27.00	6,723	70,000	Not in Schedule1	
Total				**36.00**	**8,964**	**120,000**		
Holder: Paddick Investments Pty Ltd								

Not in Schedule1 = Notation in the Deed of Variation

The status of the Company's Tenements has been verified by Agricola based on a recent independent inquiry of the Western Australian Tenements-on-Line database. The holders indicated in the schedule are recorded in the database. The Yundamindra tenements are subject to a joint venture with NME holding 49% and MCT holding 51% as described in the Deed of Variation, clause 4.8.



Tenements and Areas of Interest at Yundamindra

Geological Setting

The Yundamindra Project is located north of the Yundamindra mining centre in WA's Eastern Goldfields. The Yundamindra Project tenements cover approximately 44 square kilometres and are located approximately 70 kilometres east-southeast of Leonora, 50 kilometres southwest of Laverton, 20 kilometres north of the Yundamindra Homestead and 30 kilometres southeast of the Murrin Murrin nickel laterite mining operation.

The previous exploration for gold has not been extensive or particularly systematic and the work that has been completed has been reconnaissance in nature or has used poor quality exploration techniques, such as surface soil sampling to guide targeting. However, it highlights the Guyer shear as a potential host to gold mineralisation.

The western line of mineralisation occurs in sheared granites approximately 50 to 100 metres from the contact between amphibolite and granite. The shear dips east at around 40 degrees which is away from the amphibolite granite contact and trends north-northwest striking 315 degrees. There are generally two sets of quartz veining observed between 10 and 20 metres apart in the outcrop. Mineralisation comes to the surface and there is reasonable exposure along the full line of workings which stretch nearly 8 kilometres along the strike. At the Potosi Waste Dump, silicified albite epidote altered granite was observed with minor laminated veining. Further south laminated veining in mullock at the Queen of May workings was observed to have small flecks of gold. The same alteration assemblage was noted in the silicified granite waste.

The deposits are hosted in a coarse-grained, equigranular biotite-rich granitoid with numerous mafic xenoliths; subordinate riebeckite and aegirine syenite have been noted at Great Bonaparte. The ore zones consist of 5-15m wide zones of quartz-sericite schist and some K- feldspar and epidote alteration, with high-grade quartz stockworks and quartz reefs developed within the shear zone. The larger quartz reefs were mined historically and produced grades of 19.3g/t. Within the sheared horizon these quartz veins anastomose and appear to be brittle fractures and Riedel shear sets. The grade tenor of the sheared and altered material is much lower, averaging just over 1g/t. The quartz veins below the weathering front contain minor amounts of pentlandite, pyrrhotite and pyrite. The mineralised shears themselves anastomose along the entire strike length of the project area, and consequently, different strike directions have been defined depending on the location. Queen of Poland, Landed at Last North and Central and Great Bonaparte East form a strong trend striking 330°, whereas Landed at Last West strikes to 025° and splays off the main at Last Trend. Other prospects in the project exhibit strike directions between the two extremes. The dip is overall gentle, averaging 40° to the east.

The reference to riebeckite and aegirine syenite was not confirmed during field examinations. This style of intrusion was common at Carosue Dam and Butcher Well to the south. Based on field observations, the alteration does not match the mineralogy or extent of either of those systems.

Pennyweight Point

Pennyweight Point is located six kilometres to the east of the western line of workings at Yundamindra and is situated between the Yundamindra workings and the Eucalyptus Bore workings. There is little described in the reports from Penny Weight Point and the mineralisation quoted by Nex is based on the Sons of Gwalia 2003 annual report with no details of the estimation method. Field investigation as part of this project confirmed drilling and the presence of historic workings following an east-west direction is sheared and altered mafic rocks. This orientation is like the Washington Prospect located to the north and both prospects appear open along strike to the east and west.

Prospectivity and Exploration Potential

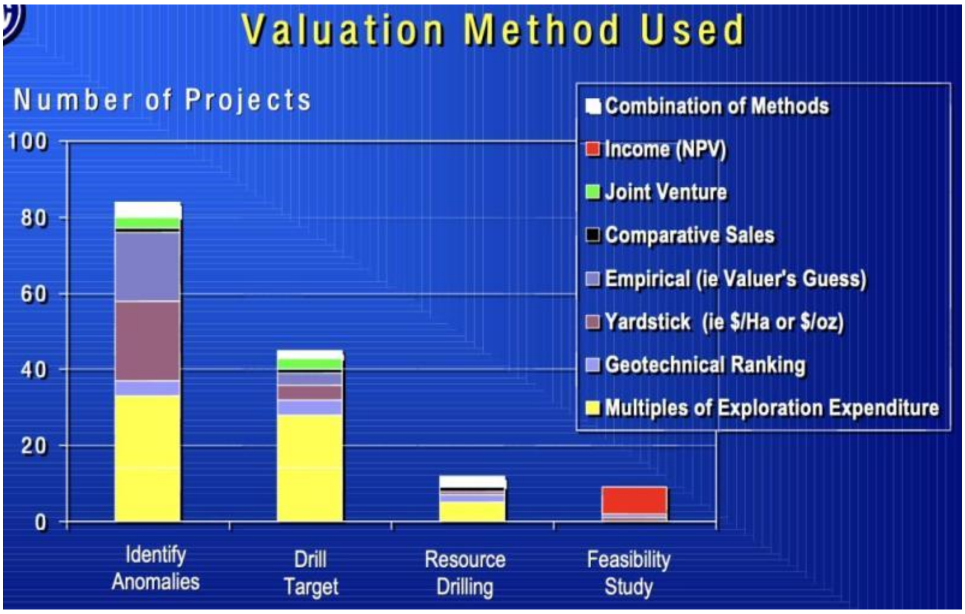
The Yundamindra Project area covers a belt of gold mineralisation occurring along the margin of a regional hornblende granodiorite pluton intrusive to mafic rocks, largely metabasalts of Association 2 in the Murrin-Margaret sector of the Eastern Goldfields. The mineralised contact area between granitoid and mafic rocks is arcuate in shape and is subdivided into geographic locations into the “Western” and “Eastern” lines:

The Western Line consists of an NNW trending zone of generally continuous, east-dipping quartz reefs and quartz-filled shears in granitoid near the contact between a large hornblende granodiorite pluton and a thin, remnant greenstone succession.

VALUATION APPROACHES

Exploration projects are generally considered to fall into several distinct stages.

Stage	1.Reconnaissance	2. Target Definition	3. Prospect Testing	4. Advanced Prospect Testing	5. Resource Definition
Initial status:	Company identifies a target commodity and establishes the exploration rationale.	Company has identified broad geochemical or geophysical anomalies, historic or conceptual targets and/or unvalidated targets identified.	Company has confirmed the mineral potential, warranting prospect scale assessment.	Company has identified a significant mineral deposit, warranting more intensive assessment of its potential as a Mineral Resource.	Company has confirmed the Mineral Resource as an informal global resource or possibly an initial Inferred JORC Resource.
Objective:	- Available data prepared and collated - Areas of Interest identified.	- Validate the presence of mineral potential and refine targets. - Prioritise targets.	- Test prospects to identify presence of significant quantum and tenor of mineral potential. - Prioritise prospects for assessment.	- Assess the quantum, tenor and continuity of mineral potential. - Characterise the mineral potential.	- Define Resource or Reserve - Increase Resource or Reserve confidence. - Characterise ore. - Assess feasibility - Mine planning
Typical activities:	- Project generation - Tectonic assessment - Literature review - Data compilation & validation - Remote sensing data acquisition - Land access negotiation - Regional scale non-targeted empirical geophysical or geochemical surveying - Low impact reconnaissance or regional geological mapping - Regional mineral vectoring studies.	- Land access negotiation - Data/geophysics reprocessing - Target validation - Semi-targeted broad empirical geophysical or geochemical surveying - Localised geological mapping - Local scale mineral vectoring studies - Empirical drill testing - Review exploration priorities.	- Land access negotiation - Detailed targeted geological mapping - Reprocessing prospect scale geophysics - Targeted geophysical or geochemical surveying - Geochemical sampling or trenching - Initial sporadic targeted drill testing - Downhole geophysics - Early characterisation studies.	- Community consultation and land access negotiation - Extensive geochemical sampling or trenching - Systematic targeted drilling (RC or diamond) - Systematic characterisation studies - Developing geological or mineral potential models - Possible bulk sampling.	- Community consultation - Intensive systematic drill testing - Developing or revising resource estimations or geological models. - Metallurgical and geotechnical testing - Ore characterisation - Bulk sampling - Validating models. - Feasibility studies - EIS studies - Environmental monitoring - Marketing studies - Mine planning studies.
Outcome /criteria for progression:	Company has identified broad geochemical or geophysical anomalies, historic or conceptual targets and/or unvalidated targets	Company has confirmed the mineral potential, warranting prospect scale assessment	Company has identified a significant mineral deposit warranting more intensive assessment of Mineral Resource potential	Company has confirmed resource potential as an informal global resource or possibly an initial Inferred JORC Resource or Exploration Target	Company has categorised the informal global resource into a JORC or JORC equivalent Inferred, Indicated and/or Measured Resource



Valuation methods used for exploration ground projects.

Project Valuation Methods

A Valuation Report should make use of at least two appropriate valuation approaches. with comments on how the results compare and on the reasons for selecting the value adopted. (VALMIN Code 2015 edition, clause 8.3). Precedent Transactions (Comparable Transactions) Method for both mineral resource estimates and exploration ground is widely used as it provides a range of values that similar mineral assets were traded.

This method is supported by the Weighted Average Resource Category Method for mineral resource estimate valuation and the Geo-Rating (Kilburn) Method for exploration ground valuation.

Agricola prefers these valuation methods for the following reasons:

The *Precedent Transactions Method* allows the value estimated for a mineral resource expressed as a unit value to be benchmarked against earlier transaction values reported in the market. Precedent transaction methods are a key tool for ensuring value estimates that are consistent with what the market would pay. Precedent transactions represent Market Value and are assumed to be equivalent to technical Value with a market factor of 1.0.

They are useful for valuing exploration ground and for mineral resource estimates that have not had scoping Studies that may allow a Discounted Cash Flow analysis to be compiled. Market values are expressed (or normalized) as ‘per cent of metal price’ as $/ounce or $/metal unit for mineral resources and $/km^2 for exploration ground.

The *Weighted Average Resource Category Method* ascribes value to mineral resource estimates based on the JORC category. This is adjusted by a consideration of the quality of the resource (mainly based on grade range). This method represents Technical Value, and the market influences must be addressed separately to produce the market factor. Technical values are expressed (or normalized) as ‘per cent of metal price’ of the form $/ounce or $/metal unit for mineral resources.

The *Geo-Rating (Kilburn) Method* estimates factors from a set scale relating to nearby deposits, mineralised zones within the tenements, anomalies that have been identified and the geological setting. The combined factors are expressed as a range of the Prospectivity Index and are multiplied by the base holding cost (BHC) and the area. The focus is on exploration results and the potential to define mineral resources.

The chosen methods for each class of asset are averaged to arrive at an estimate of Technical Value. Market conditions are assessed, and market factors are estimated to arrive at the Fair Market Value.

Common pitfalls and challenges of using a Precedent Transaction database.

Data availability - One of the main challenges is finding enough data on Precedent Transactions. The prior market may differ from current conditions, and there may not be many relevant deals to choose from, or the data may be incomplete, outdated, or unreliable. Confidentiality issues may be present, and details of some transactions may not be publicly disclosed or reported.

Selection criteria - Selecting the most appropriate transactions to compare with the target company or asset is important. Clear and consistent criteria for identifying Precedent Transactions need to be defined, such as size, industry, geography, business model, growth rate, profitability, and synergies. However, finding exact matches may be difficult or impossible, as each transaction is unique and influenced by various factors. Subjective qualitative judgment and analysis are required to assess the similarities and differences between the transactions.

Market sentiment - Another pitfall of using the Precedent Transactions database is ignoring or overlooking the impact of market sentiment on transaction prices. Market sentiment refers to the general mood and expectations of the investors and buyers in the market, which can affect the demand and supply of the transactions, and hence their prices. For example, during a boom or a bubble, market sentiment may be overly optimistic and drive up the prices of the transactions, while during a downturn or a crisis, market sentiment may be overly pessimistic and drive down the prices of the transactions.

Mineral Resource Estimates

Precedent Transactions Method for Mineral Resources

Mineral Resources include mineral assets estimated under the JORC Code (2012). Historical estimates and Exploration Targets may also be considered with an appropriate discount. Key technical issues that need to be considered in the Technical Value include:

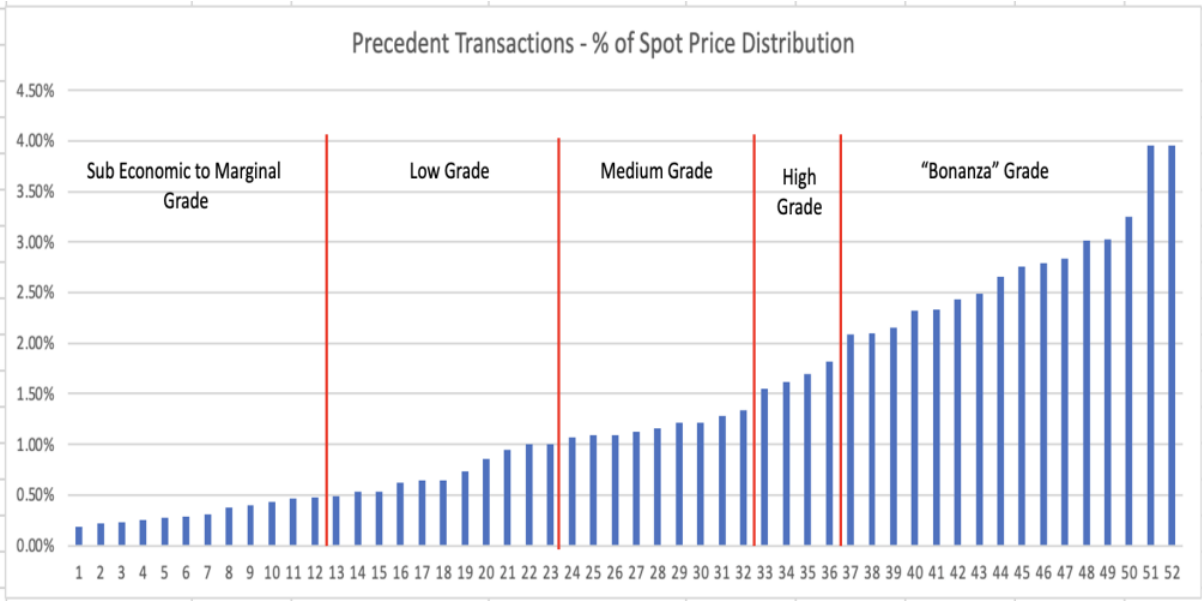
- JORC Category – overall confidence in the Mineral Resource estimate.
- The grade of the resource; by-products and co-products.
- Mining factors – difficulty and cost of extraction; economies of scale.
- Metallurgical factors – processing characteristics; the metallurgical qualities of the resource; anticipated recoveries and waste disposal.
- Environmental factors including chemical safeguards.
- Infrastructure - the proximity to infrastructure such as an existing mill, roads, rail, power, water, skilled workforce, and equipment.

Acquisitions of projects of similar nature, time, and circumstance are compiled and analysed to establish a range of values that the market is likely to pay for a project. The value metric is expressed as ‘% of spot price’ at the transaction date to enable comparisons with the spot price at the effective date.

Mineral Resources Estimates – Precedent Transactions - % of Spot Price	
Assessment	**Characteristics**
Sub Economic	*Very low grade not considered economic in the foreseeable future. Precedent transactions percent of spot gold price per ounce range: 0.10% to 0.25%.*
Marginal	*Low Grade resources considered doubtful for development in the near future. Precedent transactions percent of spot gold price per ounce range: 0.25% to 0.5%.*
Low grade	*Low grade resources with significant tonnage and possibility of economic development at current grade but at low profitability.Possile toll treatment feed at nearby OPFs. May include stranded deposits of community and environmental resistance. Gold Grades less than 1.0g/t. Precedent transactions percent of spot gold price per ounce range: 0.50% to 1.00%.*
Low to Medium Grade	*Gold Grades in the range 1.0g/t to 1.5g/t.Precedent transactions percent of spot gold price per ounce range: 0.90% to 1.1%.*
Medium Grade	*Medium Grade resources considered economic possibly with special strategic features. Commonly mined grades in other deposits with some success. Grades considetent with other well regarded deposits. Possible operations in remote areas with large tonnage. Nearby infratsructore and other operating mines. Gold Grased in the range 1.0g/t to 2.5g/t. Precedent transactions percent of spot gold price per ounce range: 1.00% to 1.50%.*
High grades	*High average grades and good mining and metallurgical characteristics. Possible underground mining feasible. Gold Gades over 2.5g/t. Precedent transactions percent of spot gold price per ounce range: 1.50% to 2.00%.*
Bonanza	*Very high grades in patches that significantle influence profitability. Precedent transactions percent of spot gold price per ounce range: 2.00% to 4.00%.*

Transactions may include provisions for additional factors such as existing infrastructure and development, arrangement of debt financing, marketing rights, contingent payments, and future royalties. Therefore, the price disclosed as paid for a mineral asset may not necessarily equate to the total value of the consideration for the tenement, as it may not include the value of other factors or conditions not readily convertible into cash equivalents. The precedent (comparable) transactions method is widely used throughout the minerals industry.

- *Estimated technical value = [Total Ounces]*[Grant-Factor] *[Equity]*[A$ per ounce]*
- *Technical values are expressed as a range (Low and High) to emphasise the risk and variability of assumptions.*



Weighted Average Resource Category Method

The Weighted Average Resource Category estimate focuses on the grade characteristics and the JORC category classification of the Mineral Resource. Under the Resource Category method of valuation, specified percentages of the spot price are used to assess the likely value. While this may be considered a cross-check method, it adds more detail to the assessment and differentiated JORC categories and helps to identify similar transactions in Agricola's database.

The basic Resource Category factors are modified to reflect the characteristics of the mineral resource estimate on a sliding scale that is reflected in Agricola's database. Commonly used Resource Category factors as applicable to gold deposits are:

Resource Category Method **Basic % of Spot Price ranges** **GOLD**	**Low**	**High**
Measured Resource	2.00%	5.00%
Indicated Resource	1.00%	2.00%
Inferred Resource	0.50%	1.00%
Exploration Targets	0.20%	0.50%
Unclassified	0.10%	0.25%

Comparison of Methods – Mineral Resource Estimates	
Precedent Transactions	**Resource Category**
Mineral Resource Estimates	*Mineral Resource Estimates*
% of spot price range	*JORC Category*
Grade Range Characteristics	*Grade Range Characteristics*
Metal Price	*Metal Price*

Exploration Ground Valuation

Exploration properties are those on which a viable mineral deposit has not been demonstrated to exist. The real value of an exploration property lies in its potential for the existence and discovery of an economically viable mineral deposit. Only a very small number of exploration properties will ultimately become mining properties and until exploration potential is reasonably well tested and proves to be disappointing, they have value.

Determinative factors of the value of an exploration property:

- Prospectivity: potential for the existence and discovery of an economic deposit.
- Areas of interest: mineralization, exploration results and targets, neighbouring properties
- Location of an exploration property: exploration properties in established mining areas often have a premium value because of the higher perceived potential for discovery of a mineral deposit, and because of developed infrastructure.
- Ore bodies located in remote areas will have higher unit costs due to the difficulties of extraction. However, this can normally be compensated by other beneficial factors such as a high ore grade, and valuable by-products.
- Existing permit type, grant status, and time remaining for further exploration.

Precedent Transactions method for Exploration Ground

The Precedent Transaction method uses a market approach and considers the sale price of Precedent properties to establish a value for the subject property. The difficulty of this approach in the mining industry is that there are no true precedents since each property is unique for key factors such as geology, mineralization, costs, stage of exploration, location, and infrastructure. When transactions are completed, they rarely involve strictly cash, leaving the valuer the task of converting blocks of shares, royalties, or option terms into present-day money equivalents.

The precedent market value approach is an adaptation of the common real estate method of valuation. The Precedent Transactions method:

- is intuitive, easily understood and readily applied.
- implies a market premium/discount for the prevailing sovereign risk.
- captures market sentiment for specific commodities or locations.
- accounts for intangible aspects of a transaction such as intellectual property.

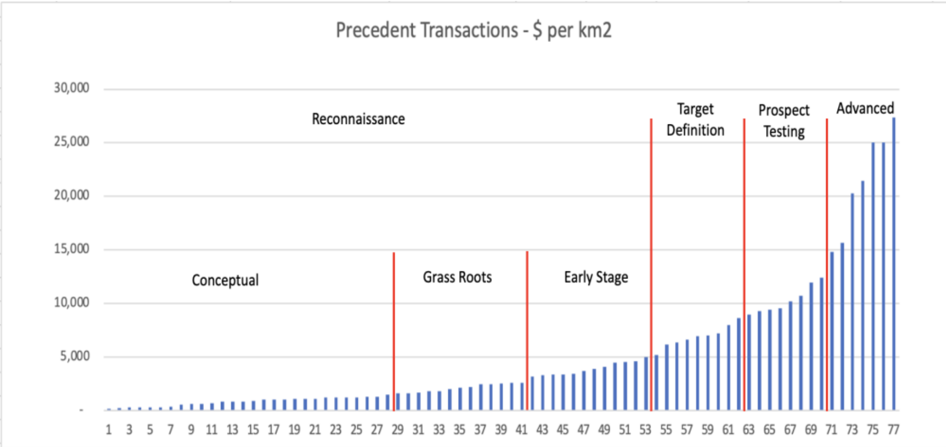
The price disclosed as paid for an asset may not necessarily equate to the total value of the consideration for the tenement as it may not include the value of other factors or conditions not readily convertible into cash equivalents.

Challenges:

- There are a limited number of transactions for mineral properties.
- There are no true precedents in the mining industry. Each property is unique for key factors such as geology, mineralization, costs, and stage of exploration.
- The effective date of valuation is important (the value of a property will vary widely because of the volatility of mineral price, and market sentiment. It is necessary to establish an effective date on which to value the asset.
- Subjective judgment is needed to identify similar properties.

	Exploration Stage	Characteristics
Reconnaissance	Conceptual	*Exploration ground acquired to test a broard geological theory based on remote sensing and prospectivity analysis ($500 - $1500 per square kilometre)*
	Grass Roots	*Grass roots exploration, with limited work or well explored with limited exploration potential and significant surficial deposits. Blind search using geophysics and regional synthesis. ($1,500 - $3,000 per square kilometre)*
	Early Stage	*Greenfields Projects with prospective geology; may include extensive exploration history and some areas of interest. Some targets yet to be explored. Advanced stage exploration with good potential, defined targets ready for resource drilling. ($3,000 - $5,000 per square kilometre)*
Target Definition	Surface Results	*Mineralised regional area along strike (in prospective lithologies and structures) to established mineral deposits. Adjacent to or includes. known small scale resources or old workings ($5,000 - $6,000 per square kilometre)*
	Mineralised Zones	*Mineralised areas of interest within tenements with significant exploration encouragement and drilling results. Advanced stage exploration with good potential, defined targets ready for resource drilling. ($6,000 - $8,000 per square kilometre)*
Prospect Testing	Areas of Interest	*Historical Scout drilling and broad scale reconnaissance has identified several areas that show encouraging results. Further drilling is warranted. ($8,000 - $10,500 per square kilometre)*
	Drilling Encouragement	*Drilling on adjacent sections indicated possible continuity of mineralised zones. Encouraging earlier drilling with good grade profile. ($10,500 - $13,500 per square kilometre)*
Advanced Project Testing	Targets Defined	*Brownfields areas adjacent to significant well regarded deposits and may include Historic Resources. Advanced stage exploration with good potential and/or strategic to the purchaser. ($13,500 - $16,500 per square kilometre)*
	Pre-Resource	*Significant drilling has shown continuity od mineralisation at economic grades that could provide the basis for detailed infill drilling. ($16,500 - $20,000 per square kilometre)*
Resource Definition	Resource Definition	*Detailed drilling sufficiently encouraging to allow a formal Mineral Resource Estimate (JORC Code 2012) but not yet compiled and released. Possibly too small or low grade. ($20,000 - $25,000 per square kilometre)*
	Mining Lease	*Mining Lease awarded as a continuation of Exploration Licence. Mineral Resources may be present with further work. Strong evidence for Exploration Targets. ($25,000 - $50,000 per square kilometre)*
Known mineralised areas, historical production	Advanced Mining Lease	*Mining Lease awarded as a continuation of Exploration Licence. Mineral Resources may be present with further work planned to raise the JORC category. Strong evidence for Exploration Targets. ($30,000 - $50,000 per square kilometre)*
	High Priority	Exceptional tenements that include exploration targets estimated under earlier JORC Codes or mineralised bodies with strong coherent drilling results but lacking all aspects of the JORC Code may command higher values ($50,000 - $100,000 per square kilometre)

- Transactions for mineral assets may not be compiled on a bottom-up model and may include corporate factors.
- Precedent transactions represent Market Value and are assumed to be equivalent to technical Value with a market factor of 1.0.
- Despite these qualifications, transaction prices of similar properties can indicate a range of values for the property in question. Exploration property transactions also indicate how active the market may be at any given time.
- The database has been reviewed and subdivided into groups based on the exploration stage assumed for each transaction.
- No two transactions can be assumed to be identical, and this grouping allows the current tenement to be placed in a similar number of previous transactions.
- Tenement values for exploration ground are independent of spot price and on the commodity.



Market values are expressed (or normalized) as ratios of the form $/km^2.

- ➢ *Estimated value = [Area]*[Grant-Factor] *[Equity]*[A$ per km^2]*
- ➢ *Technical values are expressed as a range (Low and High) to emphasise the risk and variability of assumptions.*

Geoscientific (Kilburn) Method for Exploration Ground

The Geoscientific method is a variant of the cost approach, used for non-producing mineral properties. The method is based on ranked and weighted geological aspects, including proximity to mines and deposits, the significance of the mining camp, the geological setting, identified areas of interest, and the commodities sought.

This method is based on four main characteristics: location to other mineral occurrences in the area, grade and amount of mineralization known to exist on the property, geological, geophysical, and geochemical targets, and geological patterns considered favourable for mineralization. These main categories are divided into subcategories which are then ranked by relative importance and assigned factors. Each mineral tenement in the property is given a base value (Base Holding Cost, BHC) and the various Geoscientific factors are estimated by the valuer. The value of each tenement is determined by multiplying the base value and area by the Geoscientific factors.

One advantage of this method is that it forces a disciplined technical approach on the geologist doing the valuation so that different parts of a property and different properties should be ranked according to their technical merit. Critical elements of the method are the BHC of each tenement and the area of the tenement. These estimates can distort the technical value if the BHC does not reflect the mineral tenure, the exploration stage and government exploration commitment requirements or if large areas of barren ground are included in the tenement.

Large properties would tend to have very high values and very small properties would tend to have very low values, which may not reflect the real exploration potential of the areas of interest within the tenement. An estimate of prospective areas with a tenement versus barren ground helps to arrive at a realistic technical value.

Challenges:

- Arbitrary origins – the weights of the multipliers for each of the descriptive qualities of a project being largely arbitrary in origin.
- Application – 20 years since being introduced, the application of the example weights provided by Kilburn has not significantly changed, despite significant time and circumstance differences.
- Sensitivity – as each of the value drivers is multiplicative, aligning the correct relative values is subjective, and compounding can result in large variances.
- Spatially limited – the methodology does not directly address the different market forces at play for small, medium, and large project areas.
- Logic – with increased maturity and exploration success, the proportion of the prospective tenement may decrease (an inverse relationship!).
- Non-uniform time, size, and cost base – mineral tenements have a finite life during which there may be area reduction requirements as well as escalating annual costs.
- Tenements are also available in several different classifications (applications, exploration, mining leases, etc), each of which has different holding costs and risks associated with them.

The Geoscientific (Kilburn) method systematically assesses and grades four key technical attributes (factors) of a tenement to arrive at a “prospectivity index” and is usually expressed as a range of values to reflect the uncertainty of the assessment. The four key factors are:

- ➢ *Off–Site - Physical indications of favourable evidence for mineralization, such as workings and mining on the nearby properties. Such indications are mineralized outcrops, old workings through to world-class mines.*
- ➢ *On–Site - Local mineralization within the tenements and the application of conceptual models within the tenements. Location and nature of any mineralization, geochemical, geological, or geophysical anomaly within the property.*
- ➢ *Anomalies - Identified anomalies warranting follow-up within the tenements. Geophysical and/or geochemical zones and the number and relative position of anomalies on the property being valued.*
- ➢ *Geology - The proportion of structural and lithological settings within the tenements and difficulty encountered by cover rocks and other factors.*

- *The Prospectivity Index is the multiple of the four Geoscientific Factors. Prospectivity Index = [Off-Site] *[On-site] *[Anomaly]*[Geology]*
- *Estimated value = [Area]*[Grant-Factor] *[Equity]*[BHC]*[Prospectivity Index]*

The rationale behind the Geoscientific method is that the average cost incurred to explore a base unit area (km^2) of a mineral tenement for 12 months, the base holding cost (BHC), represents the minimum value of the unit area of a tenement, else it would be relinquished.

The Prospectivity Index is applied to the area and BHC to replicate the acquiring party's evaluation process by considering location, maturity, success, prospectivity and the market. The theory is that if the correct factors are applied, the resultant figure should amount to the technical value (based on perceived prospectivity) and be close to the Precedent Transaction method (based on transactions for exploration ground at a similar exploration stage). when a market factor is applied The strength of the Geoscientific method is that it is transparent and uses a consistent starting point for the valuation process (the BHC).

Base Holding Cost (BHC)

Direct costs include geological activities, geochemical activities, geophysical activities (surface and subsurface), airborne geophysical activities, remote sensing activities, line clearing, grid tie-in, tenement boundaries, diamond drilling, reverse circulation drilling and costeaning.

A proxy for the Base Holding Cost can estimated from the rent and exploration commitment applied to the various tenements in the group by the Mines Department regulations. This may be modified to a realistic exploration expenditure that depends on the exploration stage and tenure type.

Comparison of Methods – Exploration Ground	
Precedent Transactions	**Geoscientific (Kilburn)**
Project Development Stage	*Base Holding Cost*
Mineral Resource Estimates	*Related mineralisation*
Exploration Targets	*Structure and lithology*
Adjacent mineralisation	*Mineralised Areas*
Mineralised Areas	*Geological Setting*
Previous Exploration	*Previous Exploration*
Exploration Stage	*Exploration Potential*

Focus of the two methods

Prospective Ground

While the valuation methods are robust and transparent, they can generate a very wide range of valuations, especially when the ranking criteria are assigned to a large tenement. The Geoscientific (Kilburn) method was initially developed in Canada, where the mineral claims are generally small, reducing the potential errors associated with spreading both favourable and unfavourable ranking criteria over a large tenement. Therefore, Agricola has chosen to break down the tenements into areas of higher and lower prospectivity.

Much of the ground in the Exploration Ground may be held over barren or unprospective ground. Exploration licences are invariably applied for over all the ground available over and adjacent to prospective areas. This allows for future statutory relinquishments. The barren ground is held for corporate strategic purposes with no mineral asset value. Agricola has decided to value the entire tenement package with no reduction for unprospective ground.

GEOSCIENTIFIC RATING CRITERIA				
Rating+B2:F18	**Address - Off Property**	**Mineralization - On Property**	**Anomalies**	**Geology**
0		No possibility of mineralisation in this environment		
0.5	Very little chance of mineralisation, Concept unsuitable to environment	Very little chance of mineralisation, Concept unsuitable to environment	Extensive previous exploration with poor results - no encouragement	Generally Unfavourable lithology
0.75	No known Mineralization, Concept feasible	No known Mineralization, Concept feasible	Extensive previous exploration with good results - encouraging outlook	Generally Unfavourable lithology with structures
1	Indications of Prospectivity, Concept validated	Indications of Prospectivity, Concept validated	Extensive previous exploration with encouraging results - regional targets	Deep alluvium Covered Generally favourable geology
1.25	Exploratory sampling with encouragement, Concept validated	Prospective ground mapped, Concept validated	Single early stage targets outlined from geochemistry and geophysics	
1.5	RAB Drilling with some scattered results	Exploratory sampling with encouragement, Concept validated	Several early stage targets outlined from geochemistry and geophysics	Shallow alluvium Covered Generally favourable geology (50-60%)
1.75	RAB &/or RC Drilling with encouraging intercepts reported	RAB Drilling with some scattered results	Several broad targets outlined with some drilling	Exposed favourable lithology (50-60%)
2	Significant RC drilling leading to advance project status	RAB &/or RC Drilling with encouraging intercepts reported	Several well defined surface targets with some RAB drilling	Exposed favourable lithology (60-70%)
2.25	Diamond Driing after RC with encouragement	Significant RC drilling leading to advance project status	Several well defined surface targets with some RAB & RC drilling	Exposed favourable lithology (70-80%)
2.5	Grid drilling with encouraging results on adjacent sections	Diamond Driing after RC with encouragement	Several well defined surface targets with encouraging drilling results	Strongly favourable lithology (70-80%)
2.75	Advanced Resource definition drilling - early stage	Grid drilling with encouraging results on adjacent sections	Several well defined surface targets with encouraging drilling results on adjacent sections	Strongly favourable lithology (80-90%)
3	Resource areas identified	Advanced Resource definition drilling - early stage	Several significant subeconomic targets - no indication of volume	Highly prospective geology (90 - 100%)
3.5	Along strike or adjacent to known mineralisation at Pre Feasibility Stage	Resource areas identified	Subeconomic targets of possible significant volume - early stage drilling	
4	Along strike or adjacent to Resources at Definitive Feasibility Stage	Along strike or adjacent to known mineralisation at Pre Feasibility Stage	Marginal economic targets of significant volume - advanced drilling	
4.5	Along strike or adjacent to Development Stage Project	Along strike or adjacent to Resources at Definitive Feasibility Stage	Marginal economic targets of significant volume - well drilled at Inferred Resource srage	
5	Along strike or adjacent to Operating Mine	Along strike or adjacent to Development Stage Project	Several significant ore grade correlatable intersections with estimated resources	

Outline of Geoscience Rating factors

Ranges of values

The various assumptions are quoted as ranges of values to emphasise the risk in choosing a specific single value. The appropriate range might be considered as “most likely value +/- x%” and the final valuation is presented as a range to demonstrate variability in the price a purchaser might consider in negotiations (the Spenser Test). There may be no reason to skew the findings away from the mid-point.

Comparison of Methods

It is anticipated that the two methods will suggest similar technical values and be compared to ensure the assumptions are consistent, reasonable, and transparent. A Valuation Report should make use of at least two appropriate valuation approaches.

Agricola considers that the average of the two methods is appropriate to value the mineral resources and the exploration ground as the two methods are equally valid. Precedent Transactions considers the comparison with other projects with similar results to date. The Weighted Average Resource Category method focuses on the JORC category for mineral resources and the Geo-Rating Method considers the exploration potential of the project. A purchaser would probably be just as interested in what the project had to offer in the future and the results of past work. The average of the two methods covers both aspects.

- *The Most Likely Value estimate is the average of the two valuation estimates*.

The technical valuation, derived from the Weighted Average Resource Category and the Geoscientific methods, is frequently adjusted to reflect geopolitical risks associated with the location of the project, and the current market conditions toward a specific commodity or geological terrain. These adjustments can either increase or decrease the technical value to derive the fair market valuation.

VALUATION ASSESSMENT

Mineral Resource Estimate – Kookynie Gold Project

Kookynie Mineral Resource Estimate, March 2022									
	Indicated Resource			Inferred Resource			Total Resource		
Deposit	**Mt**	**Au, g/t**	**Ounces**	**Mt**	**Au, g/t**	**Ounces**	**Mt**	**Au, g/t**	**Ounces**
Leipold	0.45	1.30	18,800	0.63	1.70	34,400	1.08	1.50	53,200
Champion				0.38	1.70	20,800	0.38	1.70	20,800
McTavish				0.12	2.00	7,700	0.12	2.00	7,700
Total	**0.45**	**1.30**	**18,800**	**1.13**	**1.70**	**62,900**	**1.58**	**1.60**	**81,700**
% of total			23%			77%			

Gold Price Assumption

The valuation of mineral resource estimates is tied to the current gold price at the effective date. Prices are variable and an average value is chosen that reflects the expectation of a prospective purchaser. The valuation may change if the gold price changes significantly. The valuation is expressed as a range of values that may include small price variations.

Gold Price in Australian Dollars –Six months to March 2024

The gold price in March 2024 was approximately $3,300. The gold price is volatile and an average value of **A$3,300** is chosen for the current valuation on the Report date.

Gold Price in Australian Dollars –One Year to March 2024

Precedent Transactions Database Summary

Mineral Resources Estimates – Precedent Transactions - % of Spot Price	
Assessment	**Characteristics**
Low grade	*Low grade resources with significant tonnage and possibility of economic development at current grade but at low profitability .Possible toll treatment feed at nearby OPFs. May include stranded deposits of community and environmental resistance. Gold Grades less than 1.0g/t. Precedent transactions percent of spot gold price per ounce range: 0.50% to 1.00%.*
Low to Medium Grade	*Gold Grades in the range 1.0g/t to 1.5g/t. Precedent transactions percent of spot gold price per ounce range: 0.90% to 1.1%.*
Medium Grade	*Medium Grade resources considered economic possibly with special strategic features. Commonly mined grades in other deposits with some success. Grades consistent with other well-regarded deposits. Possible operations in remote areas with large tonnage. Nearby infrastructure and other operating mines. Gold Grades in the range 1.0g/t to 2.5g/t. Precedent transactions percent of spot gold price per ounce range: 1.00% to 1.50%.*

Grade range and % of Spot Price appropriate to the Kookynie Mineral Resource estimates.

Transactions comparable to the current valuation of Mineral Resources					
Project	**Purchaser**	**Vendor**	**Gold, Moz**	**A$/oz**	**% of Spot**
Supplejack Gold Project NT	ABM Resources NL	Ord River Resources Limited	0.10	7.38	0.53%
Wilthorpe, WA	Resourceful Mining Group	Meteoric Resources NL	0.06	7.31	0.53%
Kathleen Valley, WA	Artemis Resources	Unknown	0.07	57.09	0.62%
Kalgoorlie North	Atom Energy Limited	Kalgoorlie Mining	0.27	7.42	0.64%
Forrestania,WA	Classic Minerals	Fortuna Mining	0.17	10.45	0.64%
Gidgee, WA	Gum Creek Gold	Panoramic Resources	1.25	12.00	0.73%
White Well Project	Private purchaser	Mutiny Gold	0.11	11.50	0.86%
Mt Garnet, QLD	Polymetals Mining Limited	Snowmist Pty Ltd	0.07	13.95	0.95%
Tuckabianna	Westgold	Silverlake	0.52	16.22	1.00%
Windarra tailings, WA	GTI Resources	Poseiden Nickel	0.18	16.31	1.00%
White Dam, SA	Polymetals Mining Ltd	Washington Pattinson	0.19	15.26	1.07%
Bryah Basin, WA	Alchemy Resources	Troy Resources NL	0.13	10.00	1.09%
Mt Ida	ALT Resources	MKG Resources	0.10	17.75	1.09%
Andy Well, Gnaneeda	Doray	Westgold	0.82	18.25	1.12%
Red October,WA	Matsa Resources	Saracen Holdings	0.10	18.79	1.15%
Glanburgh, WA	Gascoyne Resources	Helix Resources	0.20	15.76	1.21%
Bundarra	Saracen	Bligh Resources	0.43	19.72	1.21%
Gunga West,WA	Metals X	Kidman Resources	0.07	20.82	1.28%
Geko Gold Project,	Bullabulling Gold Limited	Gekogold Pty Ltd	0.15	21.02	1.34%
Wiluna plant tailings	Blackham Resources	Intermin Resources	0.06	25.21	1.55%
% of spot estimated at the gold price at transaction date.					

% of Spot Price values have been estimated at the gold price at the time of the transaction. This represents fair price under the existing market conditions at that time. (see comments on Precedent Transactions above)

Precedent Transactions Method – Mineral Resources

The Precedent Transactions (*Market-Based*) Method benchmarks the current project against transaction values established in the market with similar mineral resource characteristics. Technical values are compiled in a transaction database and expressed as ratios of $/ounce. The values are 'normalised' by comparing the commodity price at the time of the precedent transaction with a standard value representing the current price. The Kookynie Gold Project is assessed as *Low to Medium Grade* and is expressed as a range of values to reflect the uncertainty of the valuation.

The Kookynie Mineral Resource Estimate for the total resource is 1.58 million tonnes at 1.60g/t Au for 81,700 ounces. The resource is distributed among three small deposits suggesting a small discount and is assessed by Agricola as low to medium grade category. This category is compared with the transaction database and a range of '% of Spot Price ' values applied to the current valuation.

- % of spot Price based on Precedent Transactions is estimated at 0.90% to 1.10%.

Weighted Average Resource Category Method – Mineral Resources

The Weighted Average Resource Category (*Market Based*) method ascribes a range of '% of spot price' to each JORC category in the mineral resource. The basic range of values (% of Spot Price) commonly used in valuations is shown below. The values are modified by an assessment of grade characteristics within each resource category and are expressed as a range of values to reflect the uncertainty of the assessment.

Resource Category Method Basic % of Spot Price ranges GOLD	**Low**	**High**
Measured Resource	2.00%	5.00%
Indicated Resource	1.00%	2.00%
Inferred Resource	0.50%	1.00%
Exploration Targets	0.20%	0.50%
Unclassified	0.10%	0.25%

Weighted Average (Grade Range) Resource Category Method % of Spot Price ranges GOLD		**Low**	**High**
Indicated Resource		1.00%	2.00%
Low Grade	less than 1.0 g/t	1.00%	1.10%
Low to Medium Grade	1.0 g/t – 1.5 g/t	1.10%	1.30%
Medium Grade	1.0 g/t – 2.5 g/t	1.30%	1.60%
High Grade	over 2.5 g/t	1.60%	2.00%
Inferred Resource		0.50%	1.00%
Low Grade	less than 1.0 g/t	0.50%	0.55%
Low to Medium Grade	1.0 g/t – 1.5 g/t	0.55%	0.65%
Medium Grade	1.5 g/t – 2.5 g/t	0.65%	0.80%
High Grade	over 2.5 g/t	0.80%	1.00%

The weighted average % of Spot Price is calculated by multiplying the values estimated in the table above by the percentage of resources in each JORC category. The values are added together to give the weighted average for the total resource.

Weighted Average (Grade Range) Resource Category Method					
Equivalent Classification	**Modified Range Estimate**		**Resource**	**Weighting Estimate**	
	Low	**High**	**Percent**	**Low**	**High**
Indicated Equivalent	1.10%	1.30%	23%	0.25%	0.30%
Inferred Equivalent	0.65%	0.80%	77%	0.50%	0.62%
Weighted Average				**0.75%**	**0.92%**
*Weighting estimate = Modified Range * Resource percent*					

The following bullet points summarise the valuation parameters.

- Gold Price is assessed as A$3,300 per ounce.
- The tenements are all granted.
- The value is assessed at 100% equity.
- Indicated Resource is 23% of the Total Resource
- Inferred Resource is 77% of the Total Resource
- Grade range is assessed as 'Low to Medium Grade' for Indicated Resource and Medium Grade for Inferred Resource.
- Calculated A$/oz is spot price * Weighting Estimate total.
- Technical value is the $/oz range multiplied by the total contained ounces.

Precedent Transactions Method

- % of spot Price is estimated at 0.90% to 1.10%.
- The Precedent Transactions are reported at market value.

Weighted Average Yardstick Method

- Weighted Average % of spot Price is estimated at 0.75% to 0.92%.
- The Weighted Average method does not include market factors.

Kookynie Mineral Resource Estimates				
Mineral Resource Estimate				
Commodity	***Gold***			
Total Resource, MTonnes	*1.58*			
Average Grade, g/t	*1.60*			
Total Resource, Ounces	*81,700*			
Gold Price A$/oz	*3,300*			
Equity	*100%*			
Assessment	***Low to Medium Grade***			
Precedent Transactions			***Modified Yardstick Method***	
% of Spot Price	**Low**	**High**	**Low**	**High**
Database	0.90%	1.10%	0.75%	0.92%
Calculated A$/t	$29.70	$36.30	$24.87	$30.20
Technical Value, A$M	**2.43**	**2.97**	**2.03**	**2.47**

Valuation of the Kookynie Mineral Resources by the Precedent Transactions and Weighted Average Resource Category Method

Comparison of Methods

Agricola considers that the average of the two methods is appropriate to value the mineral resource estimate as the two methods are equally valid. Precedent Transactions consider the comparison with other projects with similar results to date. Modified Resource Category considers the JORC category and grade range of the project. Precedent Transaction are expressed at fair market value and Weighted Average method does not consider market factors.

Comparison of methods		
A$M	Low	High
Precedent Transactions	2.43	2.97
Weighted Average Resource Category	2.03	2.47
Average	2.23	2.72

Technical Value – Mineral Resource Estimate

TECHNICAL VALUE SUMMARY, A$M			
Kookynie Gold Project	**Technical Value, A$M**		
Mineral Resource Estimate	**Low**	**Most Likely**	**High**
Technical Value	2.23	2.47	2.72

Most Likely Technical Value is the average of Low and High at average market sentiment.

Market Premium or Discount

In boom times the market in Australia may pay a premium over the technical value for high-quality assets and tenements with granted tenements where much of the work required for mineral resource estimates has been completed. On the other hand, in times of bust conditions exploration tenements that have no defined attributes apart from interesting geology or a good address may well trade at a discount to technical value.

Market sentiment refers to the general mood and expectations of the investors and buyers in the market, which can affect the demand and supply of the transactions, and hence their prices. For example, during a boom or a bubble, market sentiment may be overly optimistic and drive up the prices of the transactions, while during a downturn or a crisis, market sentiment may be overly pessimistic and drive down the prices of the transactions.

Market Value Assessment	
Mineral Resource Estimates	
Legal issues	Tenements granted – in good standing
Commercial issues	Normal capital raising conditions
Market conditions	Stable for gold deposits
Price Outlook	Gold price upward trend
Country Risk	Stable jurisdiction in WA
Community Resistance	Strong resistance in some areas
Market factor	
Precedent Transactions	**1.0**
Weighted Average Yardstick	**1.1**

Small-cap resource companies are experiencing resistance to capital-raising proposals from landholders and environmental interests. The Precedent Transactions are based on market value and consider the market expectation and the time of the transaction. Agricola considers that no discount or premium to the technical value is appropriate for the Precedent Transaction Method.

Resource Category methods do not consider varying market conditions and are based on the technical aspects of resource estimation. Agricola considers that a premium to the technical value is appropriate for the Weighted Average Resource Category Method and a **premium of 10%** (Market Factor 1.10) has been applied to the technical value.

The current Independent Valuation Report considers the granted tenements in each project. It follows a 'bottom-up' approach valuing only the mineral asset and does not consider corporate aspects such as control premiums, synergy, and goodwill of the transaction. It applies to the direct sale of existing equity in the Project at the date of this Report.

MARKET VALUE, A$M			
Mineral Resource Estimate	**Factor**	**Low**	**High**
Precedent Transactions	1.00	2.43	2.97
Weighted Average Yardstick	1.10	2.23	2.71
Average		2.33	2.84

MARKET VALUE SUMMARY, A$M			
Kookynie Gold Project	**Technical Value, A$M**		
Mineral Resource Estimate	**Low**	**Most Likely**	**High**
Market Value, A$M	2.33	2.59	2.84
Total Ounces	81,700		
A$/oz	29.00	32.00	35.00

Market Value of the Mineral Resource estimates

MARKET VALUE SUMMARY, A$M				
Tenement	**% Gold Ounces**	**Low**	**Most Likely**	**High**
M40/22	65.1%	1.52	1.68	1.85
M40/27	25.5%	0.59	0.66	0.72
M40/77	9.4%	0.22	0.24	0.27
Total	100.0%	2.33	2.59	2.84

Market Value of each tenement

Tailings Deposits – Kookynie Gold Project

Tailings	Volume	Tonnage	Grade	Ounces
Cosmopolitan Tailings	200,000	320,000	0.77	7,920
Cumberland Tailings	22,900	36,640	0.74	870
Altona Tailings	9,200	14,720	1.43	680
Champion Tailings	13,600	21,760	0.45	310
Total		393,120	0.77	9,780
SG	1.6			

In-House estimate of the Kookynie Tailings Deposits

Gold Price Assumption

The gold price in March 2024 was approximately $3,300. The gold price is volatile and an average value of **A$3,300** is chosen for the current valuation on the Report Date.

Precedent Transactions Method – Tailings Deposits

The Precedent Transactions (*Market-Based*) Method benchmarks the current project against transaction values established in the market with similar mineral resource characteristics. Technical values are compiled in a transaction database and expressed as ratios of $/ounce. The values are 'normalised' by comparing the commodity price at the time of the precedent transaction with a standard value representing the current price. The Kookynie Gold Project is assessed as *Low to Medium Grade* and is expressed as a range of values to reflect the uncertainty of the valuation.

The Kookynie Tailings Deposits for the total resource is 0.393 million tonnes at 0.77 g/t Au for 9,780 ounces. The resource is distributed among four deposits with 90% in the Cosmopolitan and Cumberland deposits. A small premium is based on the relative ease of mining and processing compared to hard rock resources assessed by Agricola as low to medium grade category. This category is compared with the transaction database and a range of '% of Spot Price ' values applied to the current valuation.

- % of spot Price based on Precedent Transactions is estimated at 0.90% to 1.00%.

Weighted Average Resource Category Method – Mineral Resources

The Weighted Average Resource Category (*Market Based*) method ascribes a range of '% of spot price' to each JORC category in the mineral resource. The basic range of values (% of Spot Price) commonly used in valuations is shown below. The values are modified by an assessment of grade characteristics within each resource category and are expressed as a range of values to reflect the uncertainty of the assessment.

Weighted Average (Grade Range) Yardstick Method			
% of Spot Price ranges			
GOLD - Low Grade		**Low**	**High**
Measured Resource	less than 1.0 g/t	2.00%	2.50%
Indicated Resource	less than 1.0 g/t	1.00%	1.10%
Inferred Resource	less than 1.0 g/t	0.50%	0.55%

The weighted average % of Spot Price is calculated by multiplying the values estimated in the table above by the percentage of resources in each JORC category. The values are added together to give the weighted average for the total resource.

Weighted Average (Grade Range) Yardstick Method					**0%**
Asset Classification	**Range**		**Resource**	**Component**	
Low Grade - Tailings	**Low**	**High**	**Percentage**	**Low**	**High**
Indicated Equivalent	1.00%	1.10%	97%	0.97%	1.07%
Inferred Equivalent	0.50%	0.55%	3%	0.02%	0.02%
Weighted Average			100%	**0.98%**	**1.08%**
*Weighted Average = SUM of (Range * Percentage)*					
Resource percentages are estimated from the amount of detailed testing over the tailings sites.					
THE TAILING ARE HISTORIC AND ARE NOT JORC COMPLIANT!					
The spread of values is a subjective assessment to facilitate the weighted average yardstick method,					

Weighted Average % of Gold Price Estimate

The following bullet points summarise the valuation parameters.

- Gold Price is assessed as A$3,300 per ounce.
- Indicated Resource is 97% of the Total Resource
- Inferred Resource is 3% of the Total Resource
- Calculated A$/oz is % of Spot Price * Gold Price
- Technical value is the $/oz range multiplied by the total contained ounces.
- Grade range is assessed as 'Low Grade'.

Precedent Transactions Method

- % of spot Price is estimated at 0.90% to 1.00%.
- The Precedent Transactions are reported at market value.

Weighted Average Yardstick Methos

- Weighted Average % of spot Price is estimated at 0.98% to 1.08%.
- The Weighted Average method includes a small premium to account for market factors.

Kookynie Tailings Deposits			
Tailings Deposits			
Commodity	***GOLD***	Tailings are assessed at the upper part of the range	
Total Resource, MTonnes	*0.39*	to allow for the difference in mining and processing.	
Average Grade, g/t	*0.77*	Notional spread of resource categories are estimated	
Total Resource, Ounces	*9,780*	subjectively based on the amount of detailed testing	
Gold Price A$/oz	*3,300*	at the four sites. They are historic resource estimates	
Equity	*100%*	and do not comply with the JORC Code, 2012.	

Kookynie Tailings - Precedent Transactions			***Kookynie Tailings - Yardstick***	
Assessment	*Low Grade*		*Low Grade*	
	Low	**High**	**Low**	**High**
% of Spot Price	0.90%	1.00%	*0.98%*	*1.08%*
Calculated A$/t	$29.70	$33.00	$32.48	$35.72
Technical Value, A$M	**0.29**	**0.32**	**0.32**	**0.35**

Valuation of the Kookynie Tailings by the Precedent Transactions and Weighted Average Resource Category Methods

Comparison of Methods

Agricola considers that the average of the two methods is appropriate to value the mineral resource estimate as the two methods are equally valid. Precedent Transactions consider the comparison with other projects with similar results to date. Modified Resource Category considers the JORC category and grade range of the project. Precedent Transaction are expressed at fair market value and Weighted Average method does not consider market factors.

Comparison of methods		
A$M	Low	High
Precedent Transactions	0.29	0.32
Weighted Average Resource Category	0.32	0.35
Average	0.30	0.34

Technical Value – Mineral Resource Estimate

TECHNICAL VALUE SUMMARY, A$M			
Kookynie Gold Project	**Technical Value, A$M**		
Tailings Deposits	**Low**	**Most Likely**	**High**
Technical Value	0.30	0.32	0.34

Most Likely Technical Value is the average of Low and High at average market sentiment.

Market Premium or Discount

In boom times the market in Australia may pay a premium over the technical value for high-quality assets and tenements with granted tenements where much of the work required for mineral resource estimates has been completed. On the other hand, in times of bust conditions exploration tenements that have no defined attributes apart from interesting geology or a good address may well trade at a discount to technical value.

Market sentiment refers to the general mood and expectations of the investors and buyers in the market, which can affect the demand and supply of the transactions, and hence their prices. For example, during a boom or a bubble, market sentiment may be overly optimistic and drive up the prices of the transactions, while during a downturn or a crisis, market sentiment may be overly pessimistic and drive down the prices of the transactions.

Market Value Assessment	
Tailings Deposits	
Legal issues	Tenements granted – in good standing
Commercial issues	Normal capital raising conditions
Market conditions	Stable for gold deposits
Price Outlook	Gold price upward trend
Country Risk	Stable jurisdiction in WA
Community Resistance	Strong resistance in some areas
Mining and Processing	Tailings sold for off site processing or by tribute.
Market factor	
Precedent Transactions	**1.0**
Weighted Average Yardstick	**1.0**

Small-cap resource companies are experiencing resistance to capital-raising proposals from landholders and environmental interests. The Precedent Transactions are based on market value and consider the market expectation and the time of the transaction. Agricola considers that no discount or premium to the technical value is appropriate for the Precedent Transaction Method.

Resource Category methods do not consider varying market conditions and are based on the technical aspects of resource estimation. Agricola considers that the method adequately assesses the market conditions and no premium or discount should be applied to the technical value.

The current Independent Valuation Report considers the granted tenements in each project. It follows a 'bottom-up' approach valuing only the mineral asset and does not consider corporate aspects such as control premiums, synergy, and goodwill of the transaction. It applies to the direct sale of existing equity in the Project at the date of this Report.

MARKET VALUE, A$M			
Tailings Deposits	**Factor**	**Low**	**High**
Precedent Transactions	1.00	0.29	0.32
Weighted Average Yardstick	1.00	0.32	0.35
Average		0.30	0.34

MARKET VALUE SUMMARY, A$M			
Kookynie Gold Project	**Technical Value, A$M**		
Mineral Resource Estimate	**Low**	**Most Likely**	**High**
Market Value, A$M	0.30	0.32	0.34
Total Ounces	9,780		
A$/oz	31.00	33.00	34.00
% of Spot Price	0.94%	1.00%	1.03%

Market Value of the Tailings Deposit

Transactions Database and Unit values

Precedent methods allow the value estimated for a mining project to be benchmarked against mining project values established in the market. Precedent methods thus are a key tool for ensuring value estimates reflect what the market would pay. The transaction values recorded in readily available databases are those that were paid rather than the independent valuations of the mineral assets involved.

Exploration property transactions indicate how active the market may be at any given time (market sentiment). The cyclical nature of the mining & exploration industry should be noted. For example, if there are relatively few exploration property transactions, because of the depressed state of exploration and mining industries, market values will be relatively low. To allow market values to be compared among projects, they are generally expressed (or normalized) as ratios of the form A$ per square kilometre.

Challenges

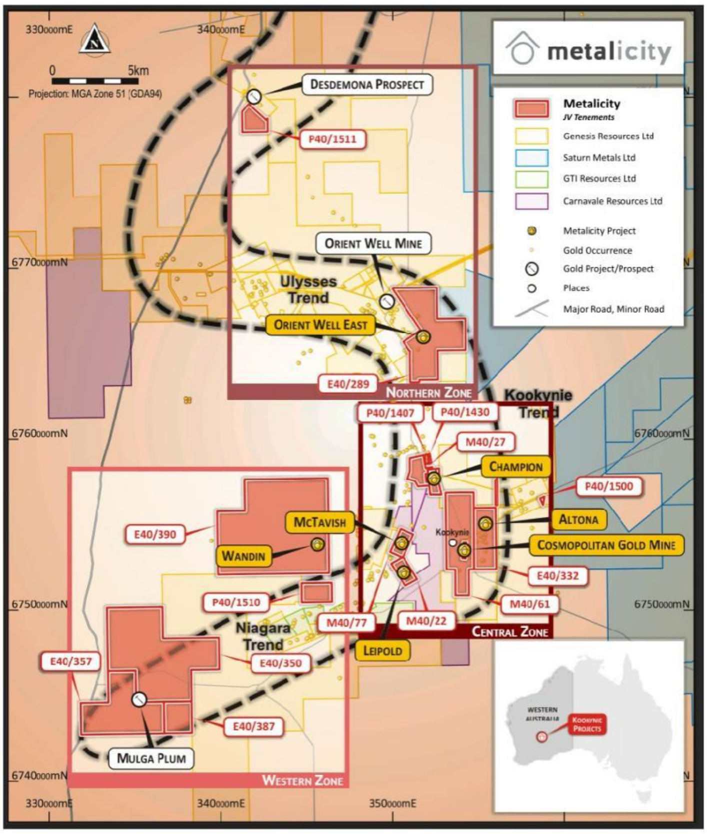
- There are no true Precedents in the mining industry. Each property is unique concerning key factors such as geology, mineralization, costs, and stage of exploration.
- Subjective judgment is needed to identify similar properties.
- Transactions for mineral assets are usually reported on a top-down model and may include goodwill, synergy, and corporate factors.
- Detailed comparisons with existing transactions are difficult to justify when compared to a bottom–up approach.
- Transactions for exploration ground are often independent of the metals sought and depend on the exploration phase.

The Precedent Transaction and Geoscientific rating methods have proven to be the most defensible and widely used economic methods for valuing early-stage mineral projects. Nevertheless, when evaluating exploration properties and undeveloped mineral resources the valuation must be examined from several viewpoints, as the fair market value will be apparent and circumstantial rather than a real value. The valuation should be a range of values, if possible, rather than an absolute, and should be time-and-circumstance specific. The valuation is a subjective estimation and can be challenged.

The fundamental feature in all valuation methods is the worthiness of future exploration. In other words, the cost and extent of an achievable exploration program is a measure of the esteem in which a property is held by others. Properties that are not explored do not increase in value unless mineralization exists in the property and the price of the commodity, or the potential of the area, changes dramatically. Valuations are affected by the country's risk or maturity of jurisdiction for carrying out mining and exploration activities as well as available infrastructure.

The following table describes the main factors that determine of the value an exploration property. Assessment criteria are described in an earlier table (Page 27).

FACTORS	DESCRIPTION
Discovery Potential	Geological setting and the potential for the existence and discovery of a viable mineral deposit.
Geological Attributes	Geological attributes include mineralisation occurrences, exploration results and targets and proximity to producing/prospective assets. Ore grade (high or low) is affected by the number of impurities in the ore. Separation of impurities gives rise to higher cost. A low-grade ore will higher processing cost to produce an ounce or tonne of metal versus a higher-grade ore.
Infrastructure	A fully developed infrastructure will benefit mines through cheaper and more efficient logistics, water supply, power supply etc. Some deposits may be stranded because of the cost of transport to market
Access and Location	Area and location of an exploration property: exploration properties in established mining areas often have a premium value because of the higher perceived potential for discovery of a mineral deposit, Ore deposits located in remote areas will have higher unit costs due to the difficulties for ore extraction. However, this may be compensated by other beneficial factors such as a high ore grade and / or valuable by-products.
jurisdiction	The Fraser Institute Annual Survey of Mining Companies is considered a benchmark for ranking jurisdictions as it rates countries based on their geologic attractiveness for exploration and the extent to which government policies encourage or deter exploration and investment.
Permitting	The availability of permits such as environmental or social license to operate is considered a critical factor when advancing a project in the pipeline.

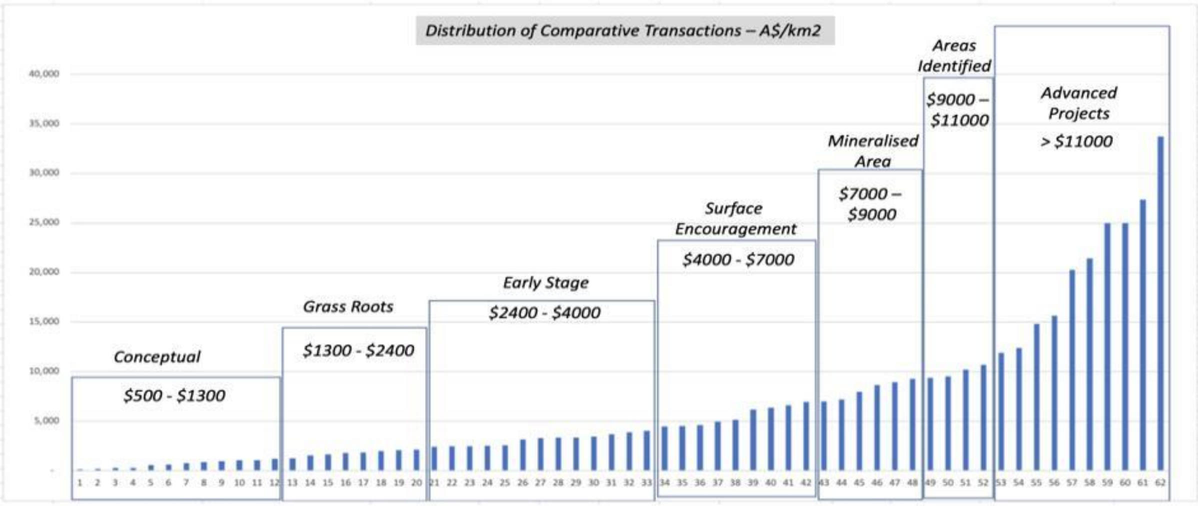


Kookynie Prospect Locality Map with mineralised trends.

Exploration Stage		Characteristics
Target Definition	Surface Results	*Mineralised regional area along strike (in prospective lithologies and structures) to established mineral deposits. Adjacent to or includes known small-scale resources or old workings ($5,000 - $6,000 per square kilometre)*
	Mineralised Zones	*Mineralised areas of interest within tenements with significant exploration encouragement and drilling results. Advanced stage exploration with good potential, defined targets ready for resource drilling. ($6,000 - $8,000 per square kilometre)*
Prospect Testing	Areas of Interest	*Historical Scout drilling and broad scale reconnaissance has identified several areas that show encouraging results. Further drilling is warranted. ($8,000 - $10,500 per square kilometre)*
	Drilling Encouragement	*Drilling on adjacent sections indicated possible continuity of mineralised zones. Encouraging earlier drilling with good grade profile. ($10,500 - $13,500 per square kilometre)*
Advanced Project Testing	Targets Defined	*Brownfields areas adjacent to significant well-regarded deposits and may include Historic Resources. Advanced stage exploration with good potential and/or strategic to the purchaser. ($13,500 - $16,500 per square kilometre)*
	Pre-Resource	*Significant drilling has shown continuity od mineralisation at economic grades that could provide the basis for detailed infill drilling. ($16,500 - $20,000 per square kilometre)*
Resource Definition	Resource Definition	*Detailed drilling sufficiently encouraging to allow a formal Mineral Resource Estimate (JORC Code 2012) but not yet compiled and released. Possibly too small or low grade. ($20,000 - $25,000 per square kilometre)*
	Mining Lease	*Mining Lease awarded as a continuation of Exploration Licence. Mineral Resources may be present with further work. Strong evidence for Exploration Targets. ($25,000 - $50,000 per square kilometre)*
Known mineralised areas, historical production	Advanced Mining Lease	*Mining Lease awarded as a continuation of Exploration Licence. Mineral Resources may be present with further work planned to raise the JORC category. Strong evidence for Exploration Targets. ($30,000 - $50,000 per square kilometre)*
	High Priority	Exceptional tenements that include exploration targets estimated under earlier JORC Codes or mineralised bodies with strong coherent drilling results but lacking all aspects of the JORC Code may command higher values ($50,000 - $100,000 per square kilometre)

The Kookynie and KYM tenements are located on or adjacent to the Ulysses Trend. The Diamantina deposits are on M40/61 where the Exploration Target was not confirmed by the 2024 Mineral Resource Estimate for technical reasons related to the JORC Code.

Similar Transactions to the Company's Projects					
Project	Purchaser	Vendor	Value A$M	Area km2	$/ km2
Joint Venture, SA	Monax Mining Limited	Ero Mining Limited	4.18	439	9,500
Duketon Gold	Regis Resources	Duketon Mining	20.00	1,960	10,200
Joint Venture, SA	Monax Mining Limited	Antofagasta PLC	3.03	283	10,700
Joint Venture, SA	Apollo Minerals Limited	Marmota Energy Ltd	0.57	48	11,900
Corona Minerals	Spargos Reward Gold	Mithril Resources	0.38	31	12,400
Joint Venture, SA	Sandfire Resources NL	Argonaut Resources	7.08	477	14,800
Joint Venture, SA	Mount Isa Mines Limited	Argo Exploration Ltd	6.64	424	15,700
Raven Resources	Sunrise Dam South	Cervantes Corporation	0.94	46	20,300
Solomon	Mt Monger, WA	Integra	0.64	30	21,400
Valley Floor Res.	Valley Floor	Tychean Resources	0.15	6	25,000
Marmota Energy	Aurora Tank	Appollo Minerals	1.20	48	25,000
Tech-Sol Pty	Mt Egarton	3D Resources	0.52	19	27,400



Precedent Transactions Method

The Precedent Transactions (*Market-Based*) Method benchmarks the current project against transaction values established in the market with similar exploration characteristics. Technical values are compiled in a transaction database and expressed as ratios of $/km^2. The values are independent of current or past gold price.

Kookynie project

- The area of the Nex exploration Tenements is 14.62 km^2
- The area of the KYM exploration Tenements is 91.81 km^2
- The total area of the Kookynie exploration ground tenements is 106.43km^2

Yundamindra Project

- The area of the Nex exploration Tenements is 43.96 km^2
- The area of the Paddick exploration Tenements is 36.00 km^2
- The total area of the Yundamindra exploration ground tenements is 79.96km^2

The following bullet points summarise the valuation parameters.

- The tenements are all granted.
- The value is assessed at 100% equity.
- Exploration ground is assessed as *High Priority* for M40/61 that includes previous workings and *Resource Definition* for the other tenements.
- $/km is drawn from the database table.
- Technical value is the area * database range.
- The Precedent Transactions are reported at market value.

Kookynie Project

Tenement	Status	Grant	Area, km2	Low	High	Low	High
Kookynie Project - Nex Tenements							
Assessment		**High Priority**					
M40/61	Granted	100%	8.33	60,000	70,000	499,600	582,900
Assessment		**Resource Definition**					
E40/332	Granted	100%	6.00	20,000	30,000	120,000	180,000
P40/1499	Granted	100%	0.82	20,000	30,000	16,300	24,500
P40/1500	Granted	100%	0.06	20,000	30,000	1,200	1,800
P40/1501	Granted	100%	0.21	20,000	30,000	4,200	6,300
P40/1510	Granted	100%	1.99	20,000	30,000	39,900	59,800
P40/1511	Granted	100%	1.79	20,000	30,000	35,700	53,600
Assessment		**Nominal Value**					
G40/3	Granted	100%	0.07	1,000	1,000	1,000	1,000
L40/9	Granted	100%	0.01	500	500	500	500
Total			**7.09**			**718,400**	**910,400**

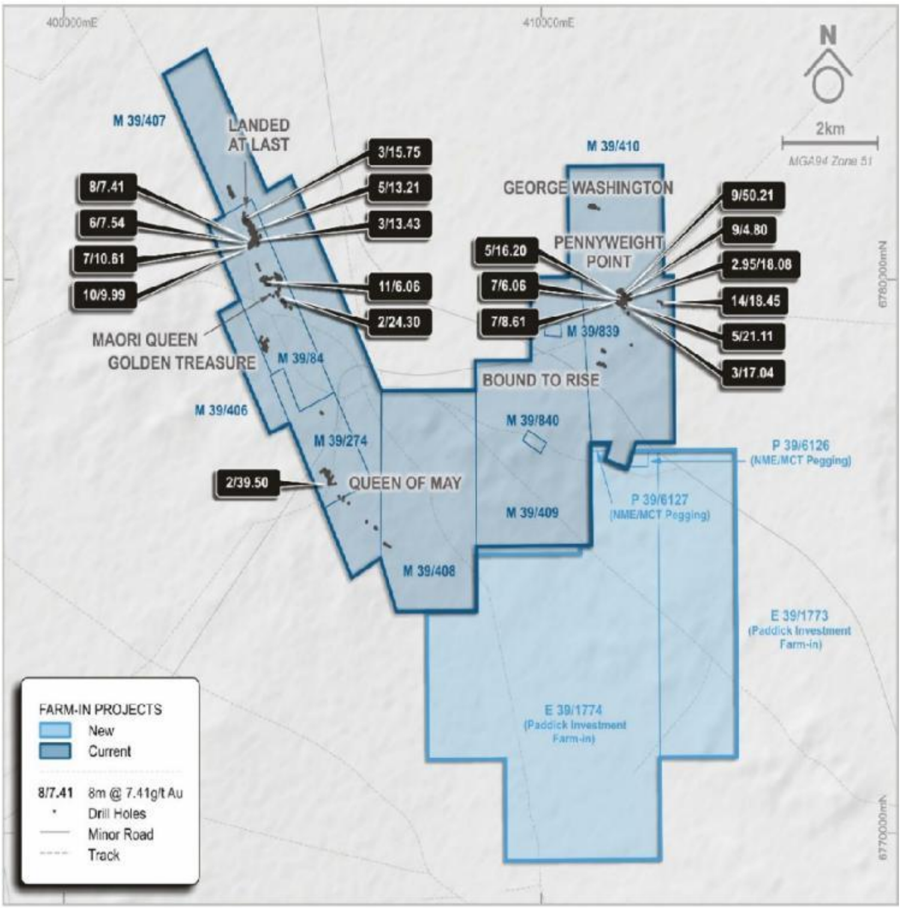
Valuation of the Nex tenements by the Precedent Transactions Method

M40/61 hosts the Diamantina, Cosmopolitan and Cumberland prospects. In 2020 an Exploration target was estimated for the prospects at 0.9 to 1.6 million tonnes at 7.3 to 11.9 g/t Au. A recent review of the data suggests the exploration target was demoted and no mineral resources estimates were proposed for the tenement. Nevertheless, the mineralised zone still exists, and further detailed work may allow a mineral resource estimate to be compiled in the area. Based on this evidence a much higher value range is proposed for M40/61. This is exceptional and higher than the range of values described in the database. No comparable transactions have been found for similar properties. The estimate reflects the Spencer Principal and the Valmin code.

Tenement	Status	Grant	Area, km2	Low	High	Low	High
KYM Mining Tenements							
Assessment		**Surface Results**					
E40/289	Granted	100%	18.00	5,000	6,000	90,000	108,000
E40/350	Granted	100%	24.00	5,000	6,000	120,000	144,000
E40/357	Granted	100%	12.00	5,000	6,000	60,000	72,000
E40/387	Granted	100%	3.00	5,000	6,000	15,000	18,000
E40/390	Granted	100%	33.00	5,000	6,000	165,000	198,000
P40/1331	Granted	100%	1.61	5,000	6,000	8,100	9,700
P40/1407	Granted	100%	0.10	5,000	6,000	500	600
P40/1430	Granted	100%	0.10	5,000	6,000	500	600
Total			**91.81**			**459,100**	**550,900**

Valuation of the KYM tenements by the Precedent Transactions Method

Yundamindra Project



Tenements and Areas of Interest at Yundamindra

The mineralized zones and former small mines are located on all of the Yundamindra tenements. Previous mining suggests the zones are areas of interest for drilling leading to resource estimation. The Paddick tenements are on the southern trend of the two mineralised trends.

Tenement	Status	Grant	Area, km2	Low	High	Low	High
Yundamindra Project							
Assessment		**Resource Definition**					
M39/84	Granted	100%	3.78	20,000	30,000	75,700	113,500
M39/274	Granted	100%	2.24	20,000	30,000	44,800	67,200
M39/410	Granted	100%	9.78	20,000	30,000	195,700	293,500
Assessment		**Pre resource**					
M39/406	Granted	100%	1.25	16,500	20,000	20,600	25,000
M39/407	Granted	100%	8.93	16,500	20,000	147,300	178,500
M39/408	Granted	100%	7.84	16,500	20,000	129,400	156,900
M39/409	Granted	100%	9.75	16,500	20,000	160,900	195,100
M39/839	Granted	100%	0.07	16,500	20,000	1,200	1,500
M39/840	Granted	100%	0.10	16,500	20,000	1,600	1,900
P39/6126	Granted	100%	0.10	16,500	20,000	1,700	2,100
P39/6127	Granted	100%	0.05	16,500	20,000	900	1,100
Assessment		**Nominal Value**					
L39/258	Granted	100%	0.03	5,000	5,000	200	200
L39/34	Granted	100%	0.01	5,000	5,000	100	100
L39/52	Granted	100%	0.01	5,000	5,000	100	100
Total			**40.18**			**780,200**	**1,036,700**

Valuation of the Nex tenements by the Precedent Transactions Method

Tenement	Status	Grant	Area, km2	Low	High	Low	High
Paddick Investments Tenements							
Assessment		**Surface Results**					
E39/1773	Granted	100%	9.00	5,000	6,000	45,000	54,000
E39/1774	Granted	100%	27.00	5,000	6,000	135,000	162,000
Total			**36.00**			**180,000**	**216,000**

Valuation of the Paddick tenements by the Precedent Transactions Method

Geo-Factor (Kilburn) Method

Base Holding Cost

Direct costs include geological activities, geochemical activities, geophysical activities (surface and subsurface), airborne geophysical activities, remote sensing activities, line clearing, grid tie-in, tenement boundaries, diamond drilling, reverse circulation drilling and costeaning.

A sliding scale has been developed by Agricola to recognise the type of tenement (ML, PL, EL) and the assessment of the exploration stage.

	Base Holding Cost		
Assessment	**ML**	**PL**	**EL**
Surface Results	1000	500	500
Mineralised Zones	1000	500	500
Areas of Interest	1000	500	500
Drilling Encouragement	2000	1000	700
Targets Defined	3000	1500	800
Pre-Resource	4000	2000	900
Resource Definition	5000	2500	2500
Advanced Mining Lease	5000	2500	1000

The following bullet points summarise the valuation parameters.

- The tenements are all granted.
- The value is assessed at 100% equity.
- Base Holding Cost is selected from the table above.
- Geofactors are estimated from an assessment of off-site, on-site, anomaly and geology.
- Prospectivity Index is calculated by multiplying the factors together for low and high values.
- Technical value is the Prospectivity Index multiplied by the area and the Base holding Cost.
- The Geo-Factor method does not include market factors.

Geo factor Assessment

Kookynie Project

Tenement	Grant	BHC	Area, km	Off property		On Property		Anomaly		Geology		Index		Technical Value, A$	
Kookynie Project				Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
Assessment		**High Priority**													
M40/61	100%	5000	8.33	2.5	2.6	1.5	1.6	1.5	1.6	2.0	2.1	11.3	14.0	468,400	582,000
Assessment		**Resource Definition**													
E40/332	100%	2500	6.00	2.5	2.6	1.5	1.6	1.5	1.6	1.5	1.6	8.4	10.6	126,600	159,700
P40/1499	100%	2500	0.82	2.5	2.6	1.5	1.6	1.5	1.6	1.5	1.6	8.4	10.6	17,200	21,800
P40/1500	100%	2500	0.06	2.5	2.6	1.5	1.6	1.5	1.6	1.5	1.6	8.4	10.6	1,300	1,600
P40/1501	100%	2500	0.21	2.5	2.6	1.5	1.6	1.5	1.6	1.5	1.6	8.4	10.6	4,400	5,600
P40/1510	100%	2500	1.99	2.5	2.6	1.5	1.6	1.5	1.6	1.5	1.6	8.4	10.6	42,100	53,100
P40/1511	100%	2500	1.79	2.5	2.6	1.5	1.6	1.5	1.6	1.5	1.6	8.4	10.6	37,700	47,600
Assessment		**Nominal Value**													
G40/3	100%		0.07											1,000	1,000
L40/9	100%		0.01											500	500
Total			**6.44**											**699,200**	**872,900**

Tenement	Grant	BHC	Area, km	Off property		On Property		Anomaly		Geology		Index		Technical Value, A$	
KYM Mining Tenements				Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
Assessment		**Surface Results**													
E40/289	100%	500	18.00	2.5	2.6	1.5	1.7	1.5	1.7	1.5	1.6	8.4	12.0	75,900	108,200
E40/350	100%	500	24.00	2.5	2.6	1.5	1.7	1.5	1.7	1.5	1.6	8.4	12.0	101,300	144,300
E40/357	100%	500	12.00	2.5	2.6	1.5	1.7	1.5	1.7	1.5	1.6	8.4	12.0	50,600	72,100
E40/387	100%	500	3.00	2.5	2.6	1.5	1.7	1.5	1.7	1.5	1.6	8.4	12.0	12,700	18,000
E40/390	100%	500	33.00	2.5	2.6	1.5	1.7	1.5	1.7	1.5	1.6	8.4	12.0	139,200	198,400
P40/1331	100%	500	1.61	2.5	2.6	1.5	1.7	1.5	1.7	1.5	1.6	8.4	12.0	6,800	9,700
P40/1407	100%	500	0.10	2.5	2.6	1.5	1.7	1.5	1.7	1.5	1.6	8.4	12.0	400	600
P40/1430	100%	500	0.10	2.5	2.6	1.5	1.7	1.5	1.7	1.5	1.6	8.4	12.0	400	600
Total			**91.81**											**387,300**	**551,900**

Yundamindra Project

Tenement	Grant	BHC	Area, kn	Off property		On Property		Anomaly		Geology		Index		Technical Value, A$	
Yundamindra Project				Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
Assessment		Resource Definition													
M39/84	100%	4000	3.78	2.0	2.1	1.2	1.3	1.1	1.2	1.5	1.6	4.0	5.2	59,900	79,300
M39/274	100%	4000	2.24	2.0	2.1	1.2	1.3	1.1	1.2	1.5	1.6	4.0	5.2	35,500	47,000
M39/410	100%	4000	9.78	2.0	2.1	1.2	1.3	1.1	1.2	1.5	1.6	4.0	5.2	155,000	205,100
Assessment		Pre resource													
M39/406	100%	4000	1.25	2.0	2.1	1.2	1.3	1.1	1.2	1.5	1.6	4.0	5.2	19,800	26,200
M39/407	100%	4000	8.93	2.0	2.1	1.2	1.3	1.1	1.2	1.5	1.6	4.0	5.2	141,400	187,200
M39/408	100%	4000	7.84	2.0	2.1	1.2	1.3	1.1	1.2	1.5	1.6	4.0	5.2	124,200	164,400
M39/409	100%	4000	9.75	2.0	2.1	1.2	1.3	1.1	1.2	1.5	1.6	4.0	5.2	154,500	204,500
M39/839	100%	4000	0.07	2.0	2.1	1.2	1.3	1.1	1.2	1.5	1.6	4.0	5.2	1,200	1,500
M39/840	100%	4000	0.10	2.0	2.1	1.2	1.3	1.1	1.2	1.5	1.6	4.0	5.2	1,500	2,000
P39/6126	100%	2000	0.10	2.0	2.1	1.2	1.3	1.1	1.2	1.5	1.6	4.0	5.2	800	1,100
P39/6127	100%	2000	0.05	2.0	2.1	1.2	1.3	1.1	1.2	1.5	1.6	4.0	5.2	400	600
Assessment		Nominal Value										-	-		
L39/258	100%		0.03											500	500
L39/34	100%		0.01											500	500
L39/52	100%		0.01											500	500
Total			**43.89**										**Total**	**695,700**	**920,400**

Tenement	Grant	BHC	Area, kn	Off property		On Property		Anomaly		Geology		Index		Technical Value, A$	
Paddick Investments Tenements				Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
Assessment		Surface Results													
E39/1773	100%	500	9.00	2.0	2.1	1.5	1.6	1.5	1.6	1.5	1.6	6.8	8.6	30,400	38,700
E39/1774	100%	500	27.00	2.0	2.1	1.5	1.6	1.5	1.6	1.5	1.6	6.8	8.6	91,100	116,100
Total			**36.00**											**121,500**	**154,800**

Comparison of methods - Exploration Ground		
	Low	High
Kookynie Project		
Precedent Transactions	1.18	1.46
Geo Factor	1.09	1.42
Average	**1.13**	**1.44**

Comparison of methods - Exploration Ground		
	Low	High
Yundamindra Project		
Precedent Transactions	0.96	1.25
Geo Factor	0.82	1.08
Average	**0.89**	**1.16**

Technical Value – Exploration Ground

Technical Value Summary, A$M			
Exploration Ground	**Low**	**Most Likely**	**High**
Kookynie Project	1.13	1.29	1.44
Yundamindra Project	0.89	1.03	1.16
Total	**2.02**	**2.31**	**2.61**

Market Premium or Discount

Market Value Assessment	
Exploration Ground	
Legal issues	Tenements granted – in good standing
Commercial issues	Normal capital raising conditions
Market conditions	Stable for gold deposits
Price Outlook	Gold price upward trend
Country Risk	Stable jurisdiction in WA
Community Resistance	Strong resistance in some areas
Market factor	
Kookynie Project	**1.0**
KYM Mining Tenements	**1.0**
Yundamindra Project	**1.0**
Paddick Tenements	**1.0**

Agricola considers that market conditions are normal and no discount or premium to the technical value is appropriate. (**Market Factor 1.0**)

The current Independent Valuation Report considers the granted tenements in each project. It follows a 'bottom-up' approach valuing only the mineral asset and does not consider corporate aspects such as control premiums, synergy, and goodwill of the transaction. It applies to the direct sale of the existing equity in the Project at the date of this Report.

The Market value is estimated by multiplying the technical Value by the market Factor.

Nex Metals Exploration Ltd	Factor	Market Value, A$M Low	High
Exploration Ground			
Kookynie Gold Project	1.0	1.13	1.44
Yundamindra Gold Project	1.0	0.89	1.16
Total		**2.02**	**2.61**

MARKET VALUE SUMMARY

	Market Value, A$M Low	Most Likely	High
Metalicity-Nex Joint Venture			
Kookynie Gold Project			
Mineral Resource Estimate	2.33	2.59	2.84
Exploration Ground	1.13	1.29	1.44
Subtotal	3.46	3.87	4.28
Yundamindra Gold Project	0.89	1.03	1.16
Joint Venture total	**4.35**	**4.90**	**5.45**
Kookynie Tailings Deposits	**0.30**	**0.32**	**0.34**

Considering the location, geological factors, and other technical parameters, which could affect the Project economics, in Agricola's opinion, the implied market value for 100% equity in the Kookynie and Yundamindra Projects based on a gold price of A$ 3.300/oz is as follows.

- The estimated total value of the **Kookynie Gold Project** considered in this Report is **A$3.46 million to A$4.28 million with a most likely value of A$3.87million**.
- The estimated total value of the **Yundamindra Gold Project** considered in this Report is **A$0.89million to A$1.16 million with a most likely value of A$1.03million**.
- The estimated total value of the **Joint Venture Mineral Assets** considered in this Report is **A$4.35 million to A$5.45 million with a most likely value of A$4.90million**.
- The estimated value of the **Tailings Deposits** considered in this Report is **A$0.30 million to A$0.34 million with a most likely value of A$0.32 million**.
- The Effective Date of the valuation is 25 March 2024.

Sensitivity to Gold Price

Sensitivity	Gold Price	Low	Most Likely	High
MCT-NME Joint Venture	3000	4.14	4.66	5.19
	3100	4.21	4.74	5.27
	3200	4.28	4.82	5.36
	3300	4.35	4.90	5.45
Kookynie Tailings Deposits	3000	0.28	0.29	0.31
	3100	0.29	0.30	0.32
	3200	0.29	0.31	0.33
	3300	0.30	0.32	0.34

Market Value for each tenement

Kookynie Project

Tenement	Equity	Market Valuation, A$			Deed of Variation	
Kookynie Project		Low	High	Most Likely	KYM	NME
Kookynie Mineral Resource Estimates						
M40/22	100%	1,517,600	1,849,100	1,683,350	51%	49%
M40/27	100%	593,400	723,000	658,200	51%	49%
M40/77	100%	219,700	267,600	243,650	51%	49%
Total		**2,330,700**	**2,839,700**	**2,585,200**		

Tenement	Equity	Market Valuation, A$			Deed of Variation	
Kookynie Project		Low	High	Most Likely	KYM	NME
NEX Tenements						
M40/61	100%	484,000	582,500	533,250	51%	49%
E40/332	100%	123,300	169,900	146,600	51%	49%
P40/1499	100%	16,800	23,200	20,000	Not in Schedule 1	
P40/1500	100%	1,300	1,700	1,500	Not in Schedule 1	
P40/1501	100%	4,300	6,000	5,150	Not in Schedule 1	
P40/1510	100%	41,000	56,500	48,750	Not in Schedule 1	
P40/1511	100%	36,700	50,600	43,650	Not in Schedule 1	
G40/3	100%	1,000	1,000	1,000	51%	49%
L40/9	100%	500	500	500	51%	49%
Total		**224,900**	**309,400**	**267,150**		

Tenement	Equity	Market Valuation, A$			Deed of Variation	
Kookynie Project		Low	High	Most Likely	KYM	NME
KYM Mining Tenements						
E40/289	100%	83,000	108,100	95,550	Not in Schedule 1	
E40/350	100%	110,700	144,200	127,450	Not in Schedule 1	
E40/357	100%	55,300	72,100	63,700	Not in Schedule 1	
E40/387	100%	13,900	18,000	15,950	Not in Schedule 1	
E40/390	100%	152,100	198,200	175,150	Not in Schedule 1	
P40/1331	100%	7,500	9,700	8,600	Not in Schedule 1	
P40/1407	100%	500	600	550	Not in Schedule 1	
P40/1430	100%	500	600	550	Not in Schedule 1	
Total		**423,500**	**551,500**	**487,500**		

'Not in Schedule 1' refers to the notation in Schedule 1 of the Joint Venture Deed of Variation, dated 29 December 2023

The Kookynie Tailings Deposits at Cosmopolitan/Cumberland/Altona/Champion are the property rights of Nex (100%) under the JV clause 4.2 and have not been ascribed to a particular tenement

Yundamindra Project

Tenement	Equity	Market Valuation, A$			Deed of Variation	
Yundamindra Project		**Low**	**High**	**Most Likely**	**KYM**	**NME**
NEX Tenements						
M39/84	100%	67,800	96,400	82,100	51%	49%
M39/274	100%	40,200	57,100	48,650	51%	49%
M39/410	100%	175,400	249,300	212,350	51%	49%
M39/406	100%	20,200	25,600	22,900	51%	49%
M39/407	100%	144,400	182,900	163,650	51%	49%
M39/408	100%	126,800	160,700	143,750	51%	49%
M39/409	100%	157,700	199,800	178,750	51%	49%
M39/839	100%	1,200	1,500	1,350	51%	49%
M39/840	100%	1,600	2,000	1,800	51%	49%
P39/6126	100%	1,300	1,600	1,450	Not in Schedule 1	
P39/6127	100%	700	900	800	Not in Schedule 1	
L39/258	100%	400	400	400	51%	49%
L39/34	100%	300	300	300	51%	49%
L39/52	100%	300	300	300	51%	49%
Total		**738,400**	**978,900**	**858,650**		

Tenement	Equity	Market Valuation, A$			Deed of Variation	
Kookynie Project		**Low**	**High**	**Most Likely**	**KYM**	**NME**
Paddick Investments Tenements						
E39/1773	100%	37,700	46,400	42,050	Not in Schedule1	
E39/1774	100%	113,100	139,100	126,100	Not in Schedule1	
Total		**175,100**	**216,400**	**195,750**		

'Not in Schedule 1' refers to the notation in Schedule 1 of the Joint Venture Deed of Variation, dated 29 December 2023

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RISKS

Agricola has identified a range of risk elements or risk factors that may affect the outcomes of the Project. There are specific risks associated with the activities of the Operator and general risks that are largely beyond the control of the Operator The risks identified below, or other risk factors, may have a material impact on the future exploration performance. The risks outlined below are not exhaustive.

The past 12 months have witnessed huge upheaval and change. War in Ukraine, climatic events, new governments in key mining regions and shifting relationships in others are all impacting the world's mining and metals companies. These external factors will continue to drive a shifting of the sector's risks and opportunities as stakeholder and capital market pressure hold miners accountable on multiple fronts.

Climate Change Risk

The mining sector in Australia and globally is vulnerable to extreme weather events such as cyclones, flooding events and changes to water availability through drought. Such extreme weather events can negatively impact mining companies' cash flows. The latest climate science shows how, over the last century, the average intensity (and in some cases frequency) of these extreme weather events has increased due to climate change and, if current greenhouse gas emission trends continue, will continue to increase over the coming decades.

Investors must understand the scale and speed of these likely changes to factor them into their investment decisions. The impact of such changes on exploration activities is unlikely to be a major problem, however, with probable impacts being limited to short (measured in weeks) delays in completing geophysical and geochemical surveys and drilling programs.

Security of Tenure

The status of the tenements has been verified based on a recent independent inquiry by Agricola, under section 7.2 of the VALMIN Code, 2015. The tenements are believed to be in good standing based on this inquiry and held with 100% equity by Rimbal.

- The grant or refusal of tenements is subject to ministerial discretion and there is no certainty that the exploration licence applications will be granted.
- Risks are associated with obtaining the renewal of tenements upon expiry of their current term, including the grant of subsequent titles applied for over the same ground.

Exploration Risk

Mineral exploration and development are high-risk undertakings due to the high level of uncertainty. There can be no assurance that exploration of the tenements will result in the discovery of economic mineralisation. Even if economic mineralisation is discovered there is no guarantee that it can be commercially exploited.

Cultural Heritage and Native Title

The Company must comply with various cultural heritage and native title legislation requirements which can include the need to negotiate access agreements with traditional custodians. It is possible that some areas within the tenements may not be available for exploration due to cultural heritage and native title legislation or failure to conclude access agreements. Consent to an access agreement may be delayed or may be given on conditions that are not satisfactory to the Company.

Environmental Risk

The operations and proposed activities of the Company are subject to Greenland's laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. Future legislation and regulations governing exploration, development and possible production may impose significant environmental obligations on the Company.

The cost and complexity of complying with the applicable environmental laws and regulations may prevent the Company from being able to develop potential economically viable mineral deposits. The Company may require approval from the relevant authorities before it can undertake activities that are likely to impact the environment. Failure to obtain such approvals or to obtain them on terms acceptable to the Company may prevent the Company from undertaking its desired activities.

Economic

General economic conditions, the introduction of tax reform, new legislation, the general level of activity within the resources industry, movements in interest and inflation rates and currency exchange rates may hurt the Company's exploration, development, and possible production activities, as well as on its ability to fund those activities.

Sovereign and Political

The Company's Project is within Western Australia. The Company's interests are subject to the risks associated with operating in that state. Economic activity continued to benefit from strong post-pandemic recovery and favourable terms of trade amid high global commodity prices. Strengths include geographic proximity to dynamic Asian economies, members of RCEP and being richly endowed with mineral resources. Weaknesses include exposure to commodity price volatility (specifically iron ore, coal, and LNG), an economy that remains dependent on Chinese demand, shortage of infrastructure due to the country's vast territory, vulnerability to climate change (bushfires and droughts), and disparity between states.

GLOSSARY of TECHNICAL and VALUATION TERMS

Technical Glossary

Exploration Results - As defined in the JORC Code, Exploration Results include data and information generated by mineral exploration programs that might be of use to investors, but which do not form part of a declaration of a Mineral Resource or Ore Reserve.

Exploration Target - As defined in the JORC Code, an Exploration Target is a statement or conceptual estimate of the exploration potential of a mineral deposit in a defined geological setting where the statement or estimate, quoted as a range of tonnes and a range of grade (or quality) relates to mineralisation for which there has been insufficient exploration to estimate a Mineral Resource.

Feasibility study - The term includes 'scoping', 'pre-feasibility' and 'feasibility' studies, as defined in the JORC Code:

> Pre-feasibility study: 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 options for a preferred mining method are reviewed, and an effective method of mineral processing is proposed.
>
> Feasibility study: a comprehensive technical and economic study of the selected development option for a mineral project. Forms the basis for a decision to mine.

JORC (Code) - The JORC Australasian Code for Public Reporting of Exploration Results, Mineral Resources and Ore Reserves. The JORC Code provides a mandatory system for the classification of mineral Exploration Results, Mineral Resources and Ore Reserves according to the levels of confidence in geological knowledge and economic considerations in reports prepared for informing investors or potential investors and their advisors.

Mineral assets - All property including but not limited to real property, intellectual property, mining, and exploration tenements held or acquired in connection with the exploration of, the development of and the production from those tenements together with all plant, equipment and infrastructure owned or acquired for the development, extraction, and processing of minerals in connection with those tenements.

Mineral Resource - Consistent with the definition in the JORC Code, a Mineral Resource is a concentration or occurrence of solid material of economic interest in or on the Earth's crust in such form, grade (or quality), and quantity that there are reasonable prospects for eventual economic extraction.

> *Inferred Resource* - As defined in the JORC Code, the part of a Mineral Resource for which quantity and grade (or quality) are estimated based on limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological grade (or quality) continuity.
>
> *Indicated Resource* - As defined in the JORC Code, the part of a Mineral Resource for which the quantity, grade (or quality), densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of Modifying Factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit. An Indicated Resource has a higher level of confidence than an Inferred Resource.

Measured Resource - As defined in the JORC Code, the part of a Mineral Resource for which quantity, grade (or quality), densities, and physical characteristics are estimated with sufficient confidence to allow the application of Modifying Factors to support detailed mine planning and final evaluation of the economic viability of the deposit. A Measured Resource has a higher level of confidence than either an Indicated or Inferred Resource.

Ore Reserve - As defined in the JORC Code, the economically mineable part of a Measured and/or Indicated Mineral Resource.

Prospect testing - The identification of significant mineral potential within identified exploration areas of interest, usually via methods such as RC (percussion) drilling, to establish a JORC Mineral Resource. Advanced prospect testing is the confirmation of an informal resource or possibly an initial JORC Inferred Resource, usually via means such as systematic targeted (RC or diamond) drilling.

Reconnaissance - The identification of broad geochemical or geophysical anomalies, historic or conceptual and/or unvalidated exploration targets, usually via low-impact means (e.g., literature reviews, data analysis, broad surface surveys, and airborne geophysics).

Target - An area of interest for exploration with known or perceived potential to identify mineralisation that may be associated with a mineral deposit. A target in this context may include an Exploration Target (as defined in the JORC Code) which is conceptually based on early Exploration Results. Target definition is the prioritisation of Exploration Targets for more intensive assessment, usually via low to medium-impact means (e.g., broad empirical geophysical or geochemical surveying, localised geological mapping).

Valuation Glossary

Commissioning Entity - The organisation, Company, or person that commissions a Valuation and Valuation Report.

Competence or Competent - Applies to a suitably qualified and experienced person who is a member of a Professional Organisation with an enforceable code of ethics and rules of conduct. The Valuer also requires appropriate technical skills, experience, and knowledge of the subject of the valuation, the market in which the Mineral Property trades and the purpose of the valuation.

Cost Approach - Provides an indication of value using the economic principle that a buyer will pay no more for an asset than the cost to obtain an asset of equal utility, whether by purchase or by construction and includes methods based on expenditures.

Geoscience rating (Kilburn) method - The Kilburn geoscience rating method is based on the base acquisition cost (BAC) which is the average cost incurred to acquire a base unit area of tenement and to meet all statutory expenditure commitments for 12 months. The method systematically assesses and grades four key technical attributes of a tenement (off-property, on-property, anomaly, and geology) to arrive at a series of multiplier factors. The multipliers are then applied to the BAC of each tenement with the values being multiplied together to establish the overall technical value of each mineral property. The fifth factor, the market factor is then multiplied by the technical value.

Income Approach - The Income Approach indicates value by converting future cash flows to a single current capital value.

Independence or Independent - The Valuer and/or Expert must have no pecuniary or beneficial interest, either present or contingent, in the Commissioning Entity, the Mineral Property being valued, other parties involved in a transaction on the Mineral Property, or the outcome of the Valuation, other than professional fees and disbursements related to the Valuation assignment.

Market Approach - The market approach indicates value by comparing the asset with identical or comparable (that is similar) assets for which price information is available. The Market Approach is also known as the Sales Comparison Approach.

Market Value - Market Value is the estimated amount for which an asset or liability should be exchanged on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.

Materiality or Material - All relevant information that investors and their professional advisers would reasonably require and reasonably expect to find in a Valuation Report to make a reasoned and balanced judgement regarding the Valuation.

Mineral Property - Any contractual or permanent right to explore for, mine or otherwise extract minerals from the earth, and any interest in such a right, and any land Companyship that includes or inherently provides that right. Mineral Property generally means Real Property interests, including rights to explore for and extract Mineral Resources and Reserves, mining claims and other forms of mineral tenements, mineral rights, petroleum rights, royalty interests, and intellectual property such as geological data forming part of or all the rights.

Multiple of exploration expenditure method - based on past exploration expenditure and the interpreted extent of exploration success. The cost of previous relevant and effective exploration which has enhanced the discovery potential of the property is upgraded by a Prospectivity Enhancement multiplier to arrive at the technical value.

Precedent (Comparable) transaction method - The price paid for similar companies in the past is considered an indicator of a Company's value. Precedent transaction analysis creates an estimate of what a share of stock would be worth in the case of an acquisition.

Professional Organisation - A self-regulating organisation, such as one of engineers, geoscientists, or minerals Valuers, that (a) is accepted and recognised as reputable by the professional community, or has been given authority or recognition by statute; (b) admits members based on their academic qualifications and professional experience; (c) requires compliance with professional standards of expertise and behaviour according to a code of ethics established by the association; (d) requires compliance with specified continuing education requirements; and (e) has enforceable disciplinary powers, including that of suspension or expulsion of a member.

R*easonableness* – Means that other qualified and experienced Valuers with access to the same information for the same Valuation Date and Basis of Value would consider the Valuer's estimate of Value to be within a reasonable range.

Special Value - An amount that reflects attributes of an asset that are only of value to a Special Purchaser.

Synergistic Value - Synergistic Value is the result of a combination of two or more assets or interests where the combined value is more than the sum of the separate values.

Transparency - A clear and unambiguous presentation of the Valuation and the Valuation process in the Valuation Report, which includes all Material information on which the Valuation is based, such that the reader can understand the Valuation Report and how the valuation was derived and not be misled.

Valuer - A person who (a) is a professional with demonstrated experience and Competence in the Valuation of Mineral Properties, (b) has experience relevant to the subject of Mineral Property or has relied on an Expert with experience relevant to the subject of Mineral Property, and (c) is regulated by or is a member in good standing of a Professional Organisation.