

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or the action you should take, you are recommended to seek your own financial advice immediately from an appropriately authorised stockbroker, bank manager, solicitor, accountant or other independent financial adviser who, if you are taking advice in the United Kingdom ("UK"), is duly authorised under the Financial Services and Markets Act 2000 ("FSMA").

If you have sold or otherwise transferred all of your registered holding of ordinary shares of nominal value 1 pence each (each, an "**Ordinary Share**") in the capital of Cobra Resources plc (the "**Company**" or "**Cobra**"), please forward this document at once to the purchaser or transferee or to the bank, stockbroker or other agent through whom or by whom the sale or transfer was made, for delivery to the purchaser or transferee. However, this document and any accompanying documents should not be sent or transmitted in, or into, any jurisdiction where to do so might constitute a violation of local securities law or regulations. If you have sold only part of your holding of Ordinary Shares, please contact the bank, stockbroker or other agent through whom or by whom the sale or transfer was made immediately.

This document comprises a prospectus relating to the Company prepared in accordance with the prospectus regulation rules of the Financial Conduct Authority (the "**FCA**") made under section 73A of FSMA (the "**Prospectus Regulation Rules**") and approved by the FCA as competent authority under Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") under section 87A of FSMA. This document has been filed with the FCA and made available to the public in accordance with Rule 3.2 of the Prospectus Regulation Rules. The FCA only approves this prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval shall not be considered an endorsement of the issuer and of the quality of the Securities that are the subject of this prospectus.

The Company's entire issued share capital comprising the Ordinary Shares (the "**Existing Issued Share Capital**") as at the date of this document is admitted to listing on the standard segment of the Official List ("**Standard Listing**") maintained by the FCA (the "**Official List**"), in its capacity as competent authority under FSMA (under Chapter 14 of the listing rules published by the FCA under section 73A of FSMA (the "**Listing Rules**")) and to trading on the main market for listed securities (the "**Main Market**") of London Stock Exchange plc (the "**London Stock Exchange**").

As the Company's acquisition (the "**Lady Alice Acquisition**") of (i) 100 per cent. of the units in the Lady Alice Trust (the "**Lady Alice Trust**") from the unitholders of the Lady Alice Trust (the "**Former Unitholders**") and (ii) the entire issued share capital of Lady Alice Mines Pty Ltd, as trustee of the Lady Alice Trust ("**Lady Alice Mines Ltd**" and, together with the Lady Alice Trust, "**Lady Alice Mines**") from the shareholders of Lady Alice Mines Ltd (the "**Lady Alice Shareholders**" and, together with the Former Unitholders, the "**Vendors**") constituted a "reverse takeover" under the Listing Rules (a "**Reverse Takeover**"), upon announcement of the Lady Alice Acquisition on 7 March 2019, the Standard Listing of the Existing Issued Share Capital was suspended by the FCA. It is anticipated that, in accordance with the Listing Rules, upon publication of this document the FCA will cancel the Company's existing Standard Listing.

Applications will be made for the Company's entire issued share capital comprising in aggregate 153,749,138 Ordinary Shares, which includes 67,233,532 existing Ordinary Shares (the "**Existing Ordinary Shares**"), 10,058,224 Ordinary Shares to be issued as initial consideration to the Former Unitholders in connection with the Lady Alice Acquisition (the "**Initial Consideration Shares**"), 6,066,632 Ordinary Shares to be issued to the Former Unitholders pursuant to a reimbursement provision contained in the acquisition agreement in connection with the Lady Alice Acquisition (the "**First Reimbursement Shares**"), 5,818,750 Ordinary Shares issued as fees to directors in lieu of fees (the "**Fee Shares**") and 61,330,000 Ordinary Shares to be issued in connection with a placing to institutional shareholders (the "**Placing**") at the issue price of 1p per share (the "**Placing Price**") (the "**Placing Shares**", and together with the Existing Ordinary Shares, the Initial Consideration Shares, the First Reimbursement Shares and the Fee Shares, the "**Enlarged Issued Share Capital**") to be admitted to a Standard Listing on the Official List and to trading on the Main Market of the London Stock Exchange (together, "**Admission**"). It is expected that Admission will become effective, and that unconditional dealings in the Ordinary Shares will commence, at 8.00 a.m. on 16 January 2020.

The whole of the text of this document should be read by prospective investors. Your attention is specifically drawn to the discussion of certain risks and other factors that should be considered in connection with an investment in the Ordinary Shares, as set out in *Part 2 – Risk Factors* of this document. Investors should make their own assessment as to the suitability of investing in the Ordinary Shares.

The Company and the directors, whose names appear on page 29 of this document (the "**Directors**"), accept responsibility for the information contained in this document. To the best of the knowledge of the Directors and the Company, the information contained in this document is in accordance with the facts and contains no omission likely to affect its import.



Cobra Resources plc

(Incorporated in England and Wales with registered number 11170056)

**Placing of 61,330,000 Placing Shares (with warrants attached on a one-for-two basis)
at a Placing Price of 1 pence per share**

**Admission of the Enlarged Issued Share Capital to the Official List
(by way of a Standard Listing under Chapter 14 of the Listing Rules)
and to trading on the main market for listed securities of the London Stock Exchange**

Sole Broker and Co-ordinator

SI CAPITAL

SI Capital Limited

SI Capital Limited ("**SI Capital**"), which is authorised and regulated by the FCA, is acting solely for the Company and no-one else in connection with the Placing and will not regard any other person (whether or not a recipient of this document) as a client in relation to the Placing and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing advice in relation to the Placing or any other matter referred to herein. SI Capital has not authorised the contents of, or any part of, this document and no liability whatsoever is accepted by SI Capital nor does it make any representation or warranty, express or implied, for the accuracy or completeness of any information or opinion contained in this document or for the omission of any information. Nothing in this

document shall be relied upon as a promise or representation in this respect, whether as to the past or the future (without limiting the statutory rights of any person to whom this document is issued). SI Capital expressly disclaims all and any responsibility or liability, whether arising in tort, contract or otherwise which it might otherwise have in respect of this document.

A copy of this document is available, subject to certain restrictions relating to persons resident in any Restricted Jurisdiction (as defined below), at the Company's website www.cobraresources.co.uk. Neither the content of the Company's website nor any website accessible by hyperlinks to the Company's website is incorporated in, or forms part of, this document.

The Ordinary Shares comprising the Enlarged Issued Share Capital will rank *pari passu* in all respects with all Ordinary Shares in issue on Admission, including the right to receive dividends and other distributions declared following Admission.

This document does not constitute an offer to sell or an invitation to purchase or subscribe for, or the solicitation of an offer or invitation to purchase or subscribe for, Ordinary Shares in any jurisdiction where such an offer or solicitation is unlawful or would impose any unfulfilled registration, publication or approval requirements on the Company.

The distribution of this document in or into jurisdictions other than the UK may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

None of the Ordinary Shares have been approved or disapproved by the United States Securities and Exchange Commission (the "**SEC**"), any state securities commission in the United States or any other regulatory authority in the United States, nor have any of the Ordinary Shares or the accuracy or the adequacy of this document. Any representation to the contrary is a criminal offence in the United States.

Information to Distributors: Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Ordinary Shares have been subject to a product approval process, which has determined that such Ordinary Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, distributors should note that: the price of the Ordinary Shares may decline and investors could lose all or part of their investment; the Ordinary Shares offer no guaranteed income and no capital protection; and an investment in the Ordinary Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Placing. Furthermore, it is noted that, notwithstanding the Target Market Assessment, SI Capital will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Ordinary Shares.

SI Capital is responsible for undertaking its own target market assessment in respect of the Ordinary Shares and determining appropriate distribution channels.

Notice to overseas shareholders

The Ordinary Shares have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"). The Ordinary Shares may not be offered or sold in the United States, except to qualified institutional buyers ("**QIBs**"), as defined in, and in reliance on, the exemption from the registration requirements of the U.S. Securities Act provided in Rule 144A under the U.S. Securities Act ("**Rule 144A**") or another exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. Outside of the United States, the Placing is being made in offshore transactions as defined in Regulation S of the U.S. Securities Act. No actions have been taken to allow a public offering of the Ordinary Shares under the applicable securities laws of any jurisdiction, including Australia, Canada, Japan or South Africa. Subject to certain exceptions, the Ordinary Shares may not be, offered, sold, resold, transferred or distributed, directly or indirectly, within, into or in the United States or to or for the account or benefit of persons in the United States, Australia, Canada, Japan, South Africa or any other jurisdiction where such offer or sale would violate the relevant securities laws of such jurisdiction (a "**Restricted Jurisdiction**"). This document does not constitute an offer of, or the solicitation of an offer to subscribe for or purchase any of the Ordinary Shares to any person in any Restricted Jurisdiction. The Ordinary Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this document. Any representation to the contrary is a criminal offence in the United States.

Other than in the UK, no action has been taken or will be taken to permit the possession or distribution of this document (or any other offering or publicity materials relating to the Ordinary Shares) in any Restricted Jurisdiction. Accordingly, neither this document, nor any advertisement, nor any other offering material may be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this document comes should inform themselves about and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of the securities laws of any such jurisdiction. In particular, no actions have been or will be taken to permit a public offering of the Ordinary Shares under the applicable securities laws of any Restricted Jurisdiction. For a description of these and certain further restrictions on the offer, subscription, sale and transfer of the Ordinary Shares and distribution of this document, please see *Part III — Important Information* of this document.

Available information for investors in the United States

For so long as any of the Ordinary Shares are in issue and are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act, the Company will, during any period in which it is not subject to section 13 or 15(d) under the U.S. Securities Exchange Act of 1934, as amended (the "**U.S. Exchange Act**"), nor exempt from reporting under the U.S. Exchange Act pursuant to Rule 12g3-2(b) thereunder, make available to any holder or beneficial owner of a Ordinary Share, or to any prospective purchaser of an Ordinary Share designated by such holder or beneficial owner, the information specified in, and meeting the requirements of, Rule 144A(d)(4) under the U.S. Securities Act.

A Standard Listing will afford investors in the Company a lower level of regulatory protection than that afforded to investors in companies with listings on the premium segment of the Official List ("**Premium Listing**") which are subject to additional obligations under the Listing Rules.

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PART I

SUMMARY

This summary is made up of four sections, and contains all the sections required to be included in a summary for this type of securities and issuer.

Even though a sub-section may be required to be inserted in the summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the sub-section. In this case, a short description of the sub-section is included in the summary with the mention of “not applicable”.

INTRODUCTION AND WARNINGS	
Name and ISIN of the securities	The securities are the Ordinary Shares, which have the ISIN GB00BGJWS255.
Identity and contact details of the issuer	The issuer is Cobra Resources plc, and its registered address is at Suite A, 6 Honduras Street, London EC1Y 0TH, United Kingdom and telephone number is 020 7129 1471. The Company's LEI is 213800XTW5PLLK72TQ57.
Identity and contact details of the offeror	The Company is the offeror and the person asking for admission to trading of the Ordinary Shares on the Main Market, which is a regulated market.
Date of approval of the prospectus	The prospectus was approved on 13 January 2020.
Identity and contact details of the competent authority approving the prospectus	The competent authority approving the prospectus is the FCA. The FCA's registered address is at 12 Endeavour Square, London E20 1JN, United Kingdom and telephone number is +44 (0)20 7066 1000.
Warnings	This summary should be read as an introduction to the prospectus. Any decision to invest in the Ordinary Shares should be based on consideration of the prospectus as a whole by the investor. The investor could lose all or part of the invested capital. Where a claim relating to the information contained in the prospectus is brought before a court, the plaintiff investor might, under national law, have to bear the costs of translating the prospectus before legal proceedings are initiated. Civil liability attaches only to those persons who have tabled this summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the prospectus, or where it does not provide, when read together with the other parts of the prospectus, key information in order to aid investors when considering whether to invest in such securities.

KEY INFORMATION ON THE ISSUER	
Who is the issuer of the securities?	
Domicile and legal form	The Company was incorporated in England and Wales on 25 January 2018 as a private company with limited liability under the Companies Act 2006 (the “ Companies Act ”) with an indefinite life, and re-registered as a public limited company on 17 July 2018.
Principal activities	<p>The Company has been formed to explore, develop and mine precious and base metal projects. This strategy focuses the Company on advanced resource exploration projects that have the potential, through the application of disciplined and structured exploration and analysis, to be progressed towards the development of a mining operation. As a secondary focus the Company will also review investment opportunities for exploration projects and near-production assets.</p> <p>The Company does not intend to limit its asset reviews to particular geographic regions; however, the initial focus will be on projects located in Australia. If geologically and economically attractive project opportunities are identified in other countries, investments will only be considered in jurisdictions with established mining operations and regulation, and with acceptable levels of sovereign risk.</p> <p>On 12 November 2018, the Company raised £523,500 and was admitted to a Standard Listing as an acquisition company focused on the making of acquisitions and investments in projects in the natural resources sector. On 7 March 2019, the Standard Listing of the Existing Issued Share Capital was suspended on the announcement of the Lady Alice Acquisition.</p>

	<p>On 6 March 2019, the Company signed an acquisition agreement (the “Lady Alice Acquisition Agreement”) to acquire 100 per cent. of the units in the Lady Alice Trust and the entire issued share capital of Lady Alice Mines Pty Ltd, as trustee of the Lady Alice Trust (the “Lady Alice Acquisition”).</p> <p>As a result of the Lady Alice Acquisition, the Company has one wholly-owned subsidiary; Lady Alice Mines Pty Ltd, a private company duly incorporated and registered in Australia. The Company also holds all of the units in the Lady Alice Trust, of which Lady Alice Mines Ltd is trustee. The Lady Alice Trust is the sole owner of (i) 100 per cent. of right title and interest in South Australian Exploration Licence Number 6016 (the “Prince Alfred Licence”) over a formerly producing copper mine (the “Prince Alfred Mine”) and (ii) an entitlement to earn a 75 per cent. equity interest over five tenements near Wudinna in South Australia (the “Wudinna Project”) for gold exploration under the terms of an agreement dated 30 October 2017 with Andromeda Metals Limited (“Andromeda”), a company listed on the Australian Securities Exchange (the “Wudinna Agreement”).</p>																																																																											
Major shareholders	<p>Each of the following persons, directly or indirectly, has an interest in the Company's capital or voting rights which is notifiable under English Law:</p> <table><tr><th><i>Name</i></th><th><i>Number of Existing Ordinary Shares held as at the date of this document</i></th><th><i>Percentage of the Existing Issued Share Capital held as at the date of this document</i></th><th><i>Number of Ordinary Shares held immediately following Admission</i></th><th><i>Percentage of the Enlarged Issued Share Capital held immediately following Admission</i></th></tr><tr><td>Former Unitholders</td><td>—</td><td>—</td><td>36,124,856</td><td>23.50%</td></tr><tr><td>Share Nominees Limited</td><td>36,411,153</td><td>54.16%</td><td>36,411,153</td><td>23.68%</td></tr><tr><td>Jim Nominees Limited</td><td>13,198,921</td><td>19.63%</td><td>13,198,921</td><td>8.58%</td></tr><tr><td>Christopher Shrubbs¹</td><td>4,833,333</td><td>7.19%</td><td>4,833,333</td><td>3.14%</td></tr><tr><td>Adrian Crucefix¹</td><td>4,791,666</td><td>7.13%</td><td>4,791,666</td><td>3.12%</td></tr><tr><td>MetalNRG plc</td><td>4,166,666</td><td>6.20%</td><td>6,666,666</td><td>4.34%</td></tr><tr><td>Daniel Fox²</td><td>3,676,803</td><td>5.47%</td><td>3,676,803</td><td>2.39%</td></tr><tr><td>Sheldon Collins¹</td><td>3,333,334</td><td>4.96%</td><td>3,333,334</td><td>2.17%</td></tr><tr><td>Pearman Investments LLP¹</td><td>3,333,334</td><td>4.96%</td><td>3,333,334</td><td>2.17%</td></tr><tr><td>Laurence Grant¹</td><td>3,333,334</td><td>4.96%</td><td>3,333,334</td><td>2.17%</td></tr><tr><td>Richard Edwards¹</td><td>3,333,332</td><td>4.96%</td><td>3,333,332</td><td>2.17%</td></tr><tr><td>Hargreaves Lansdown (Nominees) Limited</td><td>3,085,700</td><td>4.59%</td><td>3,085,700</td><td>2.01%</td></tr><tr><td>Redstone Metals Pty Limited</td><td>2,666,666</td><td>3.97%</td><td>2,666,666</td><td>1.73%</td></tr><tr><td>Bank of New York (Nominees) Limited</td><td>2,575,000</td><td>3.83%</td><td>2,575,000</td><td>1.67%</td></tr></table> <p>¹ Shares are held via Share Nominees Limited and also included in this aggregate holding of Share Nominees Limited.</p> <p>² Shares are held via Jim Nominees Limited and also included in the aggregate holding of Jim Nominees Limited.</p>	<i>Name</i>	<i>Number of Existing Ordinary Shares held as at the date of this document</i>	<i>Percentage of the Existing Issued Share Capital held as at the date of this document</i>	<i>Number of Ordinary Shares held immediately following Admission</i>	<i>Percentage of the Enlarged Issued Share Capital held immediately following Admission</i>	Former Unitholders	—	—	36,124,856	23.50%	Share Nominees Limited	36,411,153	54.16%	36,411,153	23.68%	Jim Nominees Limited	13,198,921	19.63%	13,198,921	8.58%	Christopher Shrubbs ¹	4,833,333	7.19%	4,833,333	3.14%	Adrian Crucefix ¹	4,791,666	7.13%	4,791,666	3.12%	MetalNRG plc	4,166,666	6.20%	6,666,666	4.34%	Daniel Fox ²	3,676,803	5.47%	3,676,803	2.39%	Sheldon Collins ¹	3,333,334	4.96%	3,333,334	2.17%	Pearman Investments LLP ¹	3,333,334	4.96%	3,333,334	2.17%	Laurence Grant ¹	3,333,334	4.96%	3,333,334	2.17%	Richard Edwards ¹	3,333,332	4.96%	3,333,332	2.17%	Hargreaves Lansdown (Nominees) Limited	3,085,700	4.59%	3,085,700	2.01%	Redstone Metals Pty Limited	2,666,666	3.97%	2,666,666	1.73%	Bank of New York (Nominees) Limited	2,575,000	3.83%	2,575,000	1.67%
<i>Name</i>	<i>Number of Existing Ordinary Shares held as at the date of this document</i>	<i>Percentage of the Existing Issued Share Capital held as at the date of this document</i>	<i>Number of Ordinary Shares held immediately following Admission</i>	<i>Percentage of the Enlarged Issued Share Capital held immediately following Admission</i>																																																																								
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Key managing directors	Craig Moulton, Managing Director.																																																																											
Statutory auditors	PKF Littlejohn LLP																																																																											

What is the key financial information regarding the issuer?	
Selection of historical key financial information	<p>Set out below are details of the significant changes in the financial position and financial performance of the Company during, and subsequent to, the period ended 30 June 2019.</p> <ul style="list-style-type: none"> On 12 November 2018, the Company raised £523,500 and was admitted to a Standard Listing and to trading on the Main Market of the London Stock Exchange; on 6 March 2019, the Company entered into the Lady Alice Acquisition Agreement in connection with the Lady Alice Acquisition; and on 28 March 2019, the Company completed the Lady Alice Acquisition.

AUDITED STATEMENT OF COMPREHENSIVE INCOME			
	<i>Six months ended 30 June 2019 (Unaudited) £</i>	<i>Six months ended 30 June 2018 (Unaudited) £</i>	<i>Year ended 31 December 2018 (Audited) £</i>
Revenue	–	–	–
Administrative expenses	(299,284)	(65,044)	(376,860)
IPO expenses	(62,000)	–	(196,472)
Operating loss	(361,284)	(65,044)	(573,332)
Finance costs	–	–	–
Loss on ordinary activities before taxation	(361,284)	(65,044)	(573,332)
Tax on loss on ordinary activities	–	–	–
Loss for the financial period attributable to equity holders	(361,284)	(65,044)	(573,332)
Earnings per share			
Basic and diluted	£(0.0054)	£–	£(0.0195)
AUDITED STATEMENT OF FINANCIAL POSITION			
	<i>Six months ended 30 June 2019 (Unaudited) £</i>	<i>Six months ended 30 June 2018 (Unaudited) £</i>	<i>Year ended 31 December 2018 (Audited) £</i>
Assets			
Current assets			
Intangible assets	68,505	–	–
Cash and cash equivalents	3,081	189,784	328,135
Trade and other receivables	2,503	1,185	28,147
Total assets	74,089	190,969	356,282
Liabilities			
Current liabilities			
Trade and other payables	(106,340)	(6,012)	(27,248)
Total liabilities	(106,340)	(6,012)	(27,248)
Net assets	(32,251)	184,957	329,034
Equity			
Share capital	672,335	250,001	672,335
Share premium	160,992	–	160,992
Share based payment reserve	69,038	–	69,038
Retained losses	(934,616)	(65,044)	(573,332)
Total equity	(32,251)	184,957	329,034
The tables below set out the summary audited financial information of Lady Alice Mines for the years ended 30 June 2019, 30 June 2018 and 30 June 2017:			
STATEMENTS OF COMPREHENSIVE INCOME			
	<i>2019 30 June AUD (audited)</i>	<i>2018 30 June AUD (audited)</i>	<i>2017 30 June AUD (audited)</i>
Revenue	–	–	–
Administration costs	(45,964)	(4,599)	(6,290)
Impairment of intangible assets	(19,971)	–	–
Operating loss	(65,935)	(4,599)	(6,290)
Financial income	141	37	–
Loss before tax	(65,794)	(4,562)	(6,290)
Taxation	–	–	–
Loss for the year after tax	(65,794)	(4,562)	(6,290)
Other comprehensive income			
Foreign exchange gain (loss)	–	–	–
Total comprehensive income for the year	(65,794)	(4,562)	(6,290)
Loss per share (Australian Dollars)	(2,193.13)	(162.93)	(314.50)

	<table><tr><th colspan="4">STATEMENT OF FINANCIAL POSITION</th></tr><tr><th></th><th>2019 30 June AUD (audited)</th><th>2018 30 June AUD (audited)</th><th>2017 30 June AUD (audited)</th></tr><tr><td>Non-current assets</td><td></td><td></td><td></td></tr><tr><td>Intangible assets</td><td>622,920</td><td>164,515</td><td>23,696</td></tr><tr><td>Other non-current assets</td><td>–</td><td>10,000</td><td>10,000</td></tr><tr><td>Total non-current assets</td><td>622,920</td><td>174,515</td><td>33,696</td></tr><tr><td>Current assets</td><td></td><td></td><td></td></tr><tr><td>Cash and cash equivalents</td><td>5,802</td><td>9,466</td><td>20</td></tr><tr><td>Trade receivables</td><td>6,657</td><td>–</td><td>–</td></tr><tr><td>Total current assets</td><td>12,459</td><td>9,466</td><td>20</td></tr><tr><td>Total assets</td><td>635,379</td><td>183,981</td><td>33,716</td></tr><tr><td>Current liabilities</td><td></td><td></td><td></td></tr><tr><td>Trade and other payables</td><td>541,231</td><td>8,644</td><td>1,200</td></tr><tr><td>Current borrowings</td><td>190,808</td><td>206,203</td><td>58,830</td></tr><tr><td>Total liabilities</td><td>732,039</td><td>214,847</td><td>60,030</td></tr><tr><td>Net (liabilities)/assets</td><td>(96,660)</td><td>(30,866)</td><td>(26,314)</td></tr><tr><td>Equity and reserves</td><td></td><td></td><td></td></tr><tr><td>Equity</td><td>30</td><td>30</td><td>20</td></tr><tr><td>Retained deficit</td><td>(94,690)</td><td>(30,896)</td><td>(26,334)</td></tr><tr><td>Equity and reserves</td><td>(96,660)</td><td>(30,866)</td><td>(26,314)</td></tr></table> <p>Set out below are details of the significant changes in the financial position and financial performance of Lady Alice Mines during, and subsequent to, the years ended 30 June 2017, 30 June 2018, 30 June 2019.</p> <ul style="list-style-type: none">On 27 September 2017, Lady Alice Mines was granted competitive tenure over the Prince Alfred Mine. This meant that from this date, the Prince Alfred Mine became a wholly owned asset of Lady Alice Mines;On 30 October 2017, Lady Alice Mines entered into the Wudinna Agreement with Andromeda, which granted Lady Alice Mines the right to earn a 75 per cent. equity interest in the Wudinna Project; and <p>On 6 March 2019, Lady Alice Mines entered into the Lady Alice Acquisition Agreement with the Company in connection with the Lady Alice Acquisition.</p>	STATEMENT OF FINANCIAL POSITION					2019 30 June AUD (audited)	2018 30 June AUD (audited)	2017 30 June AUD (audited)	Non-current assets				Intangible assets	622,920	164,515	23,696	Other non-current assets	–	10,000	10,000	Total non-current assets	622,920	174,515	33,696	Current assets				Cash and cash equivalents	5,802	9,466	20	Trade receivables	6,657	–	–	Total current assets	12,459	9,466	20	Total assets	635,379	183,981	33,716	Current liabilities				Trade and other payables	541,231	8,644	1,200	Current borrowings	190,808	206,203	58,830	Total liabilities	732,039	214,847	60,030	Net (liabilities)/assets	(96,660)	(30,866)	(26,314)	Equity and reserves				Equity	30	30	20	Retained deficit	(94,690)	(30,896)	(26,334)	Equity and reserves	(96,660)	(30,866)	(26,314)
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Selected key <i>pro forma</i> financial information	<p>Set out below is an unaudited <i>pro forma</i> statement of net assets and an unaudited <i>pro forma</i> Income Statement (the “Pro-Forma Financial Information”) of the Company and Lady Alice Mines (together the “Enlarged Group”) for the period ended 30 June 2019.</p> <p>The Pro-Forma Financial Information has been prepared on the basis set out in the notes below and in accordance with the requirements of item 18.4 of Annex 1 and in accordance with Annex 20 to the Prospectus Regulation Rules to illustrate the impact of the Placing and Lady Alice Acquisition as if they had taken place on 1 January 2019.</p> <p>The Pro-Forma Financial Information has been prepared for illustrative purposes only and, by its nature, addresses a hypothetical situation and does not, therefore, represent the Enlarged Group’s actual financial position or results. Such information may not, therefore, give a true picture of the Enlarged Group’s financial position or results nor is it indicative of the results that may or may not be expected to be achieved in the future. The Pro-Forma Financial Information is based on the unaudited net assets of the Enlarged Group as at 30 June 2019. No adjustments have been made to take account of trading, expenditure or other movements subsequent to 30 June 2019, being the date of the last published balance sheet of the Company.</p> <p>The unaudited <i>pro forma</i> loss before tax for the period ended 30 June 2019 is £384,239.</p> <p>The unaudited <i>pro forma</i> total liabilities (total assets less total liabilities) as at 30 June 2019 is £72,181.</p>																																																																																
Brief description of any qualifications in the audit report	Not applicable. There are no qualifications in the accountant’s report relating to the historical financial information.																																																																																

What are the key risks that are specific to the issuer?	
Brief description of the most material risk factors specific to the issuer contained in the prospectus	<ul style="list-style-type: none">The Company’s sole acquisition is the Lady Alice Acquisition which will increase the risk of loss associated with any underperformance of Lady Alice Mines.The Group holds the Prince Alfred Licence in respect of the Prince Alfred Mine and six exploration licenses in respect of the Wudinna Project. If the Group fails to fulfil the specific terms of these licences, government regulators may impose

	<p>finances or suspend or terminate the licenses which may have a material adverse effect on the Group's results of operations cash flows and financial condition.</p> <ul style="list-style-type: none"> The Prince Alfred Mine and the Wudinna Project are located in remote areas. The Group may choose to develop the two assets which would require significant investment in additional infrastructure. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could materially adversely affect the Group's operations, financial conditions and results of operations.
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KEY INFORMATION ON THE SECURITIES	
What are the main features of the securities?	
Type, class and ISIN	The Placing Shares are Ordinary Shares with a nominal value of 1 pence each in the capital of the Company. Applications will be made for the Enlarged Issued Share Capital to be admitted to the Official List with a Standard Listing and to trading on the main market for listed securities of the London Stock Exchange. The Ordinary Shares are registered with ISIN GB00BGJWS255, SEDOL code BGJW525 and TIDM COBR.
Currency, denomination, par value, and the term of the securities	UK Pounds Sterling with nominal value of 1 pence each. 67,233,532 Ordinary Shares have been issued at the date of this prospectus (the " Existing Ordinary Shares "), all of which have been fully paid up. The term of the securities is perpetual.
Rights attached to the securities	Shareholders have the right to receive notice of and to attend and vote at any meetings of Shareholders. Each Shareholder entitled to attend and being present in person or by proxy at a meeting will, upon a show of hands, have one vote and upon a poll each such Shareholder present in person or by proxy will have one vote for each Ordinary Share held by such Shareholder. If two or more persons hold an Ordinary Share jointly, the vote of the senior who tenders a vote whether in person or by proxy, shall be accepted to the exclusion of the other joint holders. Pre-emption rights have been disapplied pursuant to the special resolutions passed at the annual general meeting of the Company held on 30 May 2019 (the " 2019 AGM "). Subject to the Companies Act, on a winding-up of the Company the assets available for distribution shall be distributed, provided there are sufficient assets available, first to the holders of Ordinary Shares in an amount up to 1 pence per share in respect of each fully paid up Ordinary Share. If, following these distributions to holders of Ordinary Shares there are any assets of the Company still available, they shall be distributed to the holders of Ordinary Shares pro rata to the number of such fully paid up Ordinary Shares held (by each holder as the case may be) relative to the total number of issued and fully paid up Ordinary Shares.
Relative seniority of the securities in the issuer's capital structure in the event of insolvency	Not applicable. The Company does not have any other securities in issue or liens over its assets and so the Ordinary Shares are not subordinated in the Company's capital structure as at the date of this prospectus, and will not be immediately following Admission.
Restrictions on the free transferability of the securities	Not applicable. The Ordinary Shares are freely transferable and tradable and there are no restrictions on transfer. Each Shareholder may transfer all or any of their Ordinary Shares which are in certificated form by means of an instrument of transfer in any usual form or in any other form which the Directors may approve. Each Shareholder may transfer all or any of their Ordinary Shares which are in uncertificated form by means of a 'relevant system' (i.e., the CREST System) in such manner provided for, and subject as provided in, the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755) (the " Regulations ").
Dividend or pay-out policy	The Company's current intention is to retain any earnings for use in its business operations, and the Company does not anticipate declaring any dividends until the Company is generating significant revenue.

Where will the securities be traded?	
Application for admission to trading	As the Lady Alice Acquisition constituted as a Reverse Takeover, upon publication of this document the Standard Listing of the Existing Issued Share Capital will be cancelled, and applications will be made for the admission of the Enlarged Issued Share Capital to a Standard Listing on the Official List and to trading on the Main Market of the London Stock Exchange. It is expected that Admission will become effective and that unconditional dealings will commence on the Main Market of the London Stock Exchange at 8.00 a.m. on 16 January 2020. The Ordinary Shares will not be listed on any other regulated market.
Identity of other markets where the securities are or are to be traded	Not applicable. There is currently no market for the Ordinary Shares and the Company does not intend to seek admission to trading of the Ordinary Shares on any market other than the Main Market.

What are the key risks specific to the securities?	
Brief description of the most material risk factors specific to the securities contained in the prospectus	<ul style="list-style-type: none"> Although the Company will receive the Net Placing Proceeds, the Directors anticipate that the Company may issue a substantial number of additional Ordinary Shares, or incur substantial indebtedness to complete one or more acquisitions. For example, the Company will issue Ordinary Shares to the Former Unitholders as consideration for the units in the Lady Alice Trust, and will issue further Ordinary Shares to the Former Unitholders under the Options. The Company has outstanding warrants and options. These convertible instruments will have a material dilutive effect on Shareholders when and if they are exercised. The Placing will involve the issue of 61,330,000 Placing Shares, representing in aggregate 39.89% of the Enlarged Issued Share Capital. If all outstanding warrants and options were exercised, the 100,866,299 Ordinary Shares to be issued would represent 65.61% of the total Enlarged Issued Share Capital of the Company.
KEY INFORMATION ON THE OFFER OF SECURITIES TO THE PUBLIC AND/OR THE ADMISSION TO TRADING ON THE LONDON STOCK EXCHANGE	
Under which conditions and timetable can I invest in this security?	
General terms and conditions	<p>The Placing will consist of the Broker Placing and the Platform Placing. The Company, the Directors, and SI Capital have entered into the Placing Agreement relating to the Broker Placing pursuant to which, subject to certain conditions, SI Capital agreed to use their reasonable endeavours to procure subscribers for up to 60,730,000 Broker Placing Shares. The 60,730,000 Broker Placing Shares subscribed for in the Broker Placing at the Placing Price will represent approximately 39.49% of the Enlarged Issued Share Capital. The Company will issue 60,730,000 Broker Placing Shares through the Broker Placing at the Placing Price of 1 pence per share.</p> <p>The Platform Placing is being facilitated by MINEXIA Limited ("MINEXIA"), as operators of the NR Private Market. The NR Private Market is an online funding platform that enables Qualified Investors to gain access to placings and fundraisings of listed and private companies in mining, project development and minerals exploration. MINEXIA is an appointed representative of Resolution Compliance Limited which is authorized and regulated by the FCA. Under the terms of the mandate agreement between MINEXIA and the Company (the "MINEXIA Mandate Agreement"), MINEXIA shall assist the Company in raising up to £300,000 through the Platform Placing.</p> <p>The Company will issue 600,000 Platform Placing Shares through the Platform Placing at the Placing Price of 1 pence per share. The Platform Placing Shares subscribed for in the Platform Placing at the Placing Price will represent approximately 0.39% of the Enlarged Issued Share Capital.</p> <p>The Placing Shares will be issued with warrants attached on the basis of one warrant for every two Placing Shares, each warrant entitling the holder to subscribe for one new Ordinary Share at a price of 2 pence at any time in the 24 months following Admission and provided that if the volume weighted average price of the Ordinary Shares is equal to or exceeds 3 pence in any period of five trading days the warrants must be exercised within 20 Business Days of the Company making an announcement of such target being met.</p> <p>The Placing Shares (comprising the Broker Placing Shares and the Platform Placing Shares) will represent approximately 39.89% of the Enlarged Issued Share Capital of the Company.</p> <p>The Placing is not being underwritten. SI Capital and MINEXIA, as the Company's agents, have procured irrevocable commitments to subscribe for the full amount of Placing Shares from Subscribers in the Placing, and there are no conditions attached to such irrevocable commitments other than Admission.</p> <p>The Net Placing Proceeds, after deduction of expenses, will be £449,600 on the basis that the Gross Placing Proceeds will be £613,300,000. The Placing is conditional upon:</p> <ol style="list-style-type: none"> the Placing Agreement and the MINEXIA Mandate Agreement becoming wholly unconditional (save as to Admission) and neither having been terminated in accordance with its terms prior to Admission; and Admission occurring by 8:00 a.m. on 16 January 2019 (or such later date as the Company and SI Capital may agree, not being later than 8.00 a.m. on 31 January 2020). <p>The Placing Shares will, upon issue, rank <i>pari passu</i> with the Ordinary Shares. If Admission does not proceed, the Placing will not proceed and all monies paid will be refunded to subscribers. Admission is conditional upon the Placing and should the Placing Agreement or the MINEXIA Mandate Agreement be terminated prior to Admission, Admission will not take place.</p>

Expected timetable of the offer	<p>Publication of this prospectus 13 January 2020</p> <p>Latest time and date for placing commitments under the Placing 11:00 a.m. on 13 January 2020</p> <p>Admission and commencement of dealings in Ordinary Shares 8:00 a.m. on 16 January 2020</p> <p>CREST members' accounts credited in respect of Placing Shares 16 January 2020</p> <p>Share certificates despatched in respect of Placing Shares by 17 January 2020</p>
Details of admission to trading on a regulated market	Application will be made for the Ordinary Shares to be admitted to a Standard Listing on the Official List and to trading on the Main Market of the London Stock Exchange. It is expected that Admission will become effective and that dealings in Ordinary Shares will commence at 8:00 a.m. on 16 January 2020.
Plan for distribution	The Placing Shares which are the subject of this document will be offered by SI Capital and MINEXIA exclusively to Qualified Investors and/or Relevant Persons. There will be no offer to the public of the Ordinary Shares and no intermediaries offer.
Amount and percentage of immediate dilution resulting from the offer	Shareholdings immediately prior to Admission will be diluted by approximately 39.89% as a result of Placing Shares issued pursuant to the Placing.
Estimate of total expenses of the issue and/or offer	The expenses of the Placing will be borne by the Company in full and no expenses will be charged to the investor by the Company. These expenses (including commission and expenses payable under the Placing Agreement and the Minexia Mandate Agreement, registration, listing and admission fees, printing, advertising and distribution costs and professional advisory fees, including legal fees, and any other applicable expenses) are not expected to exceed £163,700 representing approximately 26.69% of the aggregate of the £613,300 in gross proceeds of the Placing. The total Net Placing Proceeds on this basis are approximately £449,600.

Why is this prospectus being produced?

Reasons for the offer or for the admission to trading on a regulated market	The Company retained SI Capital and MINEXIA to conduct a Placing to raise £613,300, the Net Placing Proceeds of which will be used by the Company to explore and develop the Prince Alfred Mine and Wudinna Project and to finance general corporate and administrative functions, including Directors fees and remuneration, office costs, rental costs and travel.
Use and estimated net amount of the proceeds	<p>The Company has raised gross proceeds of £613,300 pursuant to the Placing. The costs and expenses of the Placing will be borne by the Company in full. These expenses (listing and Admission fees, printing, advertising and distribution costs and professional advisory fees, including legal fees, and any other applicable expenses) are not expected to exceed £163,700, representing approximately 26.69% of the gross proceeds of the Placing. The total net placing proceeds on this basis will be £449,600 (the "Net Placing Proceeds"). The Company will use the Net Placing Proceeds as follows. Approximately:</p> <ul style="list-style-type: none"> • £17,333 will be paid to Former Unitholders as reimbursement cash consideration; • £111,000 will be spent on exploration and development at the Wudinna Project, including tenement rents, sampling and geochemical analysis. The portion of the Net Placing Proceeds spent on the Wudinna Project will contribute towards Stage One of the Wudinna Agreement, whereby Lady Alice Mines commits to spending \$2,100,000 on exploration and development within three years. As at the date of this document, Lady Alice Mines has spent approximately A\$520,000 towards the Stage One Amount. In 2020/21, using a portion of the Net Placing Proceeds (as described above), Lady Alice Mines will spend a further A\$212,012 (approximately £111,000 using an exchange rate of A\$1:£0.52) towards Stage One of the Wudinna Agreement; • £170,000 will be used to pay existing creditors and commitments; and • £151,267 will be spent on general corporate purposes, including Director fees and remuneration, office costs, rental costs and travel.
Indication of whether the offer is subject to an underwriting agreement	The Placing is not being underwritten. SI Capital and MINEXIA, as the Company's agents, have procured irrevocable commitments to subscribe for the full amount of Placing Shares from subscribers in the Placing, and there are no conditions attached to such irrevocable commitments other than Admission.
Indication of the most material conflicts of interests relating to the offer or admission to trading	Not applicable.

PART II

RISK FACTORS

Investment in the Company and the Ordinary Shares carries a significant degree of risk, including risks in relation to the Company's business strategy, risks relating to taxation and risks relating to the Ordinary Shares.

Prospective investors should note that the risks relating to the Company, its industry and the Ordinary Shares summarised in *Part I – Summary* of this document are the risks that the Directors believe to be the most essential to an assessment by a prospective investor of whether to consider an investment in the Ordinary Shares. However, as the risks which the Company faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in *Part I – Summary* of this document but also, *inter alia*, the risks and uncertainties described below.

The risks referred to below are those risks the Company and the Directors consider to be the material risks relating to the Company. However, there may be additional risks that the Company and the Directors do not currently consider to be material or of which the Company and the Directors are not currently aware that may adversely affect the Company's business, financial condition, results of operations or prospects. Investors should review this document carefully and in its entirety and consult with their professional advisers before acquiring any Ordinary Shares. If any of the risks referred to in this document were to occur, the results of operations, financial condition and prospects of the Company could be materially adversely affected. If that were to be the case, the trading price of the Ordinary Shares and/or the level of dividends or distributions (if any) received from the Ordinary Shares could decline significantly. Further, investors could lose all or part of their investment.

PART A: RISK FACTORS SPECIFIC AND MATERIAL TO THE COMPANY

RISK FACTORS RELATING TO THE GROUP AND ITS ACTIVITIES

The Company's sole acquisition is the Lady Alice Acquisition which will increase the risk of loss associated with any underperformance of Lady Alice Mines

Following the Lady Alice Acquisition, the Company's business risk is concentrated in Lady Alice Mines. A consequence of this is that returns for Shareholders may be adversely affected if growth in the value of Lady Alice Mines is not achieved or if the value of Lady Alice Mines or any of its material assets, including the Prince Alfred Mine and the Wudinna Project are subsequently written down. Accordingly, investors should be aware that the risk of investing in the Company could be greater than investing in an entity which owns or operates a range of businesses and businesses in a range of sectors. The Company's future performance and ability to achieve positive returns for Shareholders will therefore be solely dependent on the subsequent performance of Lady Alice Mines.

Mining and land usage licences

Exploration, mining and processing activities are dependent upon the grant, renewal, continuance or maintenance of appropriate permits, licences, concessions, leases and regulatory consents, in particular the Group's mining licences, which may be valid only for a defined time period and subject to limitations or other conditions related to operational activities. The Group holds the Prince Alfred Licence, the conditions relating to which are currently being complied with by Lady Alice Mines. The Directors are confident that the Company will continue to fulfil the necessary conditions to maintain the good standing of the Prince Alfred Licence (for example maintaining the minimum expenditure commitment of A\$86,000 (approximately £47,300) over two years), in order to continue to be able to execute the business strategy of the Group. If the Group fails to fulfil the specific terms of the Prince Alfred Licence, or any additional mining licences it may obtain in the future or if it operates its business in a manner that violates applicable law, government regulators may impose fines or suspend or terminate the right, concession, licence, permit or other authorisation, any of which could have a material adverse effect on the Group's results of operations, cash flows and financial condition.

Infrastructure

The continued commercialisation of the Prince Alfred Mine and the Wudinna Project will depend to a significant degree on adequate infrastructure. The Prince Alfred Mine and the Wudinna Project, the two key assets of the Group, are located in remote areas. Accordingly, should the Board decide to proceed with plans for operational change and future development plans and other process upgrades, significant additional funding may be required to develop any associated infrastructure. Such infrastructure may include additional plant and machinery, minehead equipment and apparatus and extensions to existing site roads and mine site buildings. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure or any failure or unavailability in such infrastructure could materially adversely affect the Group's operations, financial condition and results of operations.

Development and operating risks

The Group's profitability will depend, in part, on the actual economic returns and the actual costs of operating and developing the Prince Alfred Mine and the Wudinna Project, which may differ significantly from the Group's current estimates. The development of the Prince Alfred Mine and the Wudinna Project may be subject to unexpected problems and delays. The Group's decision to develop a mineral property is typically based, in the case of an extension or, in the case of a new development, on the results of a feasibility study. Feasibility studies derive estimates of expected or anticipated project economic returns. These estimates are based on assumptions about future commodity prices, anticipated tonnage, grades and metallurgical characteristics of ore to be mined and processed, anticipated recovery rates of the mineral from the ore, anticipated capital expenditure and cash operating costs and the anticipated return on investment.

Actual cash operating costs, production and economic returns may differ significantly from those anticipated by such studies and estimates. There are a number of uncertainties inherent in the development and construction of any new mine and the further commercialisation of the Prince Alfred Mine and the Wudinna Project. These uncertainties include: the timing and cost, which can be considerable, of the construction of mining and processing facilities; the availability and cost of skilled labour, power, water, consumables and transportation facilities, the availability and cost of appropriate smelting and refining arrangements, the need to obtain necessary environmental and other governmental permits and the timing of those permits, and the availability of funds to finance construction and development activities, as referred to elsewhere in this *Part II – Risk Factors of this document*.

Government regulation and political risk

The Company's operating activities are subject to extensive laws and regulations governing waste disposal, protection of the environment, mine development, land and water use, prospecting, mineral production and the protection of Aboriginal heritage sites. For example, the South Australian Department of Energy and Mining ("**DEM**") regulates mineral exploration pursuant to the Mining Act 1971 (the "**Mining Act**") and Mining Regulations 2011 (the "**Mining Regulations**"). All on-ground exploration activity requires the submission and approval of a Programme for Environmental Protection and Rehabilitation (a "**PEPR**"). The PEPR outlines the scope of exploration activities and identifies key environmental risks with the aim of establishing agreed and acceptable outcomes for environmental protection and rehabilitation. If exploration activities could potentially impact areas of environmental conservation, such as protection areas, national parks or conservation parks, or areas with heritage significance, then further consultation or approval may be required, which, in turn, may delay the license approval process. Specifically in relation to the operations of the Company, the Pinkawillinie Conservation Park, partly located within the Wudinna Project, is a jointly proclaimed Conservation Park under the National Parks and Wildlife Act 1972, which allows for access for exploration and mining subject to certain conditions. Conditions typically include (i) approval by the Department of Environment, Water and Natural Resources ("**DEWNR**") (and that any activities must comply with the direction given by the DEWNR), (ii) approval by the Department of Premier and Cabinet ("**DPC**"), and (iii) the operator must comply with the provisions of the reserve management plan.

While the Company believes that its potential investments will comply with all material current laws and regulations affecting its activities, future changes in applicable laws, regulations, agreements or changes in their enforcement or regulatory interpretation could result in changes in legal requirements or in the terms of existing permits and agreements applicable to the Company or its investments, which

could have a material adverse impact on the Company's current operations or planned development projects. Where required, obtaining necessary permits and licences can be a complex, time consuming process and the Company cannot assure that any necessary permits will be obtainable on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could stop or materially delay or restrict the Company from proceeding with any future exploration or development of its investments.

The Company may be subject to foreign investment and exchange risks

The Company's functional and presentational currency is UK Pounds Sterling. As a result, the Company's consolidated financial statements will carry the Company's assets in UK Pounds Sterling. However, the financial statements for Lady Alice Mines are presented in Australian dollars. When consolidating a business that has functional currencies other than UK Pounds Sterling, the Company will be required to translate, *inter alia*, the balance sheet and operational results of such business into UK Pounds Sterling. Due to the foregoing, changes in exchange rates between UK Pounds Sterling and other currencies could lead to significant changes in the Company's reported financial results from period to period. Among the factors that may affect currency values are trade balances, levels of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation and political or regulatory developments. Although the Company may seek to manage its foreign exchange exposure, including by active use of hedging and derivative instruments, there is no assurance that such arrangements will be entered into or available at all times when the Company wishes to use them or that they will be sufficient to cover the risk.

RISK FACTORS RELATING TO THE MINING SECTOR

A material decline in commodity prices globally may adversely affect the Company's business, prospects, financial condition and results of operations

It is the Company's strategy to derive its revenue from the production of commodities. In particular, the future profitability of the Prince Alfred Mine is reliant on the price of copper, and the future profitability of the Wudinna Project is reliant on the price of gold. Accordingly, the Company's revenues, profitability and future rate of growth will depend substantially on the prevailing price of these commodities, which can be volatile and subject to fluctuation. In any project, changes in base and precious metal prices will directly affect the Company's revenues and net income.

The price for commodities is, including base and precious metals, subject to fluctuation and volatility in response to a variety of factors beyond the Company's control, including, but not limited to:

- changes in the global and regional supply and demand for commodities and expectations regarding future supply and demand for commodities;
- changes in global and regional economic conditions and exchange rate fluctuations;
- political, economic and military developments in commodity producing regions;
- prevailing weather conditions;
- geopolitical uncertainty;
- the extent of government regulation and actions, in particular export restrictions and taxes;
- the ability of suppliers, transporters and purchasers to perform on a timely basis, or at all, under their agreements (including risks associated with physical delivery); and
- potential influence on commodity prices due to the large volume of derivative transactions on commodity exchanges and over-the-counter markets.

It is impossible to accurately predict future commodity price movements. The Company can give no assurance that existing prices will be maintained in the future. At any mine that is acquired, a material decline in the price of cobalt will result in a reduction of its net production revenue and a decrease in the valuation of its exploration, appraisal, development and production properties. The economics of producing from some mines may change as a result of lower prices, which could result in a reduction in the production quantities. Any of these factors could potentially result in a material decrease in the Company's net production revenue and the financial resources available to it to make planned capital

expenditures, resulting in a material adverse effect on its future financial condition, business, prospects and results of operations.

Activities in the mining sector can be dangerous and may be subject to interruption

The Prince Alfred Mine and the Wudinna Project are both functioning mine sites in exploration phase. As such, the Company's operations are subject to the significant hazards and risks inherent in the mining sector. These hazards and risks include:

- explosions and fires;
- disruption to production operations;
- natural disasters;
- adverse weather conditions;
- equipment break-downs and other mechanical or system failures;
- improper installation or operation of equipment;
- transportation accidents or disruption of deliveries of fuel, equipment and other supplies; and
- community opposition activities.

If any of these events were to occur, they could result in environmental damage, injury to persons and loss of life and a failure to produce commodities in commercial quantities. They could also result in significant delays to mining programmes, a partial or total shutdown of operations, significant damage to the Company's equipment and equipment owned by third parties and personal injury or wrongful death claims being brought against the Company. These events could also put at risk some or all of the Company's licences which enable it to explore and develop (including the Prince Alfred License and the six exploration licenses in connection with the Wudinna Project), and could result in the Company incurring significant civil liability claims, significant fines or penalties, as well as criminal and potentially being enforced against the Company and/or its officers and Directors.

Estimates of mineral reserves and resources

The estimating of mineral reserves and mineral resources is a subjective process and the estimates of mineral reserves and resources for projects are, to a large extent, based on the interpretation of geological data obtained from drill holes and other sampling techniques and feasibility studies which derive estimates of costs based upon anticipated tonnage and grades of ores to be mined and processed, the configuration of the ore body, expected recovery rates from the ore, estimated operating costs, anticipated climatic conditions and other factors.

There is significant uncertainty in any reserve or resource estimate and the actual deposits encountered and the economic viability of mining a deposit may differ materially from the Company's estimates. The exploration of mineral rights is speculative in nature and is frequently unsuccessful. The Company's investments may be unable successfully to discover and exploit new reserves to replace those they are mining to ensure the on-going viability of its projects.

Estimated mineral reserves or mineral resources may have to be recalculated based on changes in forecast metals prices, further exploration or development activity or actual production experience. This could have a material adverse effect on estimates of the volume or grade of mineralisation, estimated recovery rates or other important factors that influence reserve or resource estimates. Market price fluctuations for base metals, increased production costs or reduced recovery rates, or other factors may render any mineral reserves of the Company uneconomical or unprofitable to develop at a particular site or sites.

Andromeda currently has a Resource (calculated under JORC 2012 guidelines) relating to the Wudinna Project. It should be recognised that any published resource is an estimate only and is based upon expressions of judgment relating to knowledge, experience and industry practice. Estimates that were valid when made may change significantly when new information becomes available.

In addition, resource estimates are necessarily imprecise and depend to some extent on interpretations, which may prove to be inaccurate. Should the Company encounter mineralisation or formations

different from those predicted by past drilling, sampling and similar examinations, resource estimates may have to be adjusted and mining plans may have to be altered in a way which could adversely affect the Company's operations.

The Group's future growth potential could be adversely affected if it fails to manage relationships with local communities, First Nations groups, government and non-government organisations

The public is increasingly concerned about the perceived negative effects of globalisation. Consequently, businesses often face increasing public scrutiny of their operations. Communities may perceive the Group's operations as disadvantageous to their environmental, economic or social circumstances. Negative community reaction to such operations could have a materially adverse impact on the cost, profitability, ability to finance or even the viability of an operation. Such events could also lead to disputes with national or local governments or with local communities and give rise to material reputational damage. Moreover, the Group may choose to operate in regions where ownership of rights with respect to land and resources is uncertain and where disputes in relation to ownership or other community matters may arise. The inherent unpredictability in these disputes may cause disruption to projects or operations. Natural resources operations can also have an impact on local communities, including the need, from time to time, to relocate communities or infrastructure networks such as railways and utility services. Specifically, if exploration is proposed on land where native title has been determined to exist then, under the provisions of the Mining Act, consultation with native title groups must occur to establish an Indigenous Land Use Agreement ("ILUA"), or an alternative access agreement. Regardless of the determination, on-ground exploration activity must manage the risk of impacting Aboriginal heritage sites. In relation to the Wudinna Project, Andromeda has a Heritage Clearance Agreement in effect with the representatives of the Barngarla People, as their land covers the majority of the Wudinna Project area.

Failure to manage relationships with local communities, access agreements (for example the Heritage Clearance Agreement), ILUAs, and government and non-government organisations may adversely affect the Group's reputation, as well as its ability to produce from its projects, which could in turn affect the Group's revenues, results of operations and cash flows.

Operating risks

The activities of the Company are subject to all of the hazards and risks normally incidental to exploring and developing natural resource projects. Specifically in relation to both the Prince Alfred Mine and the Wudinna Project, these risks and uncertainties include, but are not limited to, environmental hazards, industrial accidents, labour disputes, encountering unusual or unexpected geological formations or other geological or grade problems, unanticipated changes in metallurgical characteristics and mineral recovery, encountering unanticipated ground or water conditions, cave-ins, pit wall failures, flooding, rock bursts, periodic interruptions due to inclement or hazardous weather conditions and other acts of God or unfavourable operating conditions and losses. Should any of these risks and hazards affect the Company's exploration, development or mining activities at the Prince Alfred Mine or the Wudinna Project, it may cause the cost of production to increase to a point where it would no longer be economic to produce mineral resources from the Company's investments, require the Company to write-down the carrying value of one or more investments, cause delays or a stoppage of mining and processing, result in the destruction of mineral properties or processing facilities, cause death or personal injury and related legal liability; any and all of which may have a material adverse effect on the Company.

It is not always possible to fully insure against such risks as a result of high premiums or other reasons (including those in respect of past mining activities for which the Company was not responsible). Should such liabilities arise, they could reduce or eliminate any future profitability, result in increasing costs or the loss of its assets and a decline in the value of the Ordinary Shares.

Profitability and capital requirements

Natural resource project appraisal and exploration activities are capital intensive and inherently uncertain in their outcome. The Company's future natural resource appraisals and exploration projects may involve unprofitable efforts, either from areas of exploration which ultimately prove not to contain natural resources, or from areas in which a natural resource discovery is made but is not economically recoverable at current or near future market prices when including the costs of development, operation and other costs. In addition, environmental damage could greatly increase the cost of operations, and

various operating conditions may adversely and materially affect the levels of production. These conditions include delays in obtaining governmental approvals or consents, delays due to extreme weather conditions, insufficient storage or transportation capacity or adverse geological conditions.

While diligent supervision and effective maintenance operations can contribute to maximizing production rates over time, production delays and declines from normal operations cannot be eliminated and may adversely and materially affect the Company's revenues, cashflow, business, results of operations and financial resources and condition.

Exploration, development and production risks

Mineral exploration and development can be highly speculative in nature and involve a high degree of risk. The economics of developing mineral properties are affected by many factors including the cost of operations, variations of the grade of ore mined, fluctuations in the price of the minerals being mined, fluctuations in exchange rates, costs of development, infrastructure and processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. In addition, the grade of mineralisation ultimately mined may differ from that indicated by drilling results and such differences could be material. As a result of these uncertainties, there can be no guarantee that mineral exploration and development of any of the company's investments will result in profitable commercial operations. The tenements covered by both the Prince Alfred Licence and the Wudinna Project are at various stages of exploration, and potential investors should understand that mineral exploration is a high risk undertaking. There can be no assurance that exploration of the Prince Alfred Mine or the Wudinna Project, or any other permits that the Company may acquire an interest in, will result in the discovery of an economic mineral reserve. Even if an apparently viable reserve is identified, there is no guarantee that it can be commercially exploited. Even if the Company recovers potentially commercial minerals, there is no guarantee that the Company will be able to successfully transport the minerals to commercially viable markets or sell the minerals to customers to achieve a commercial return.

PART B: RISK FACTORS RELATING TO TAXATION

Taxation of returns from assets located outside of the UK may reduce any net return to investors

To the extent that the assets, companies or businesses which the Company has acquired or may acquire is or are established outside the UK, it is possible that any return the Company receives from them may be reduced by irrecoverable foreign withholding or other local taxes and this may reduce any net return derived by investors from a shareholding in the Company.

Changes in tax law and practice may reduce any net returns for investors

The tax treatment of Shareholders of the Company, any special purpose vehicle that the Company may establish and any company which the Company may acquire are all subject to changes in tax laws or practices in England and Wales or any other relevant jurisdiction. Any change may reduce any net return derived by investors from a shareholding in the Company.

Investors should not rely on the general guide to taxation set out in this document and should seek their own specialist advice. The tax rates referred to in this document are those currently applicable and they are subject to change.

There can be no assurance that the Company will be able to make returns for Shareholders in a tax-efficient manner

It is intended that the Company will structure the group, including any company or business acquired in an acquisition, to maximise returns for Shareholders in as fiscally efficient a manner as is practicable. The Company has made certain assumptions regarding taxation. However, if these assumptions are not correct, taxes may be imposed with respect to the Company's assets, or the Company may be subject to tax on its income, profits, gains or distributions (either on a liquidation and dissolution or otherwise) in a particular jurisdiction or jurisdictions in excess of taxes that were anticipated. This could alter the post-tax returns for Shareholders (or Shareholders in certain jurisdictions). The level of return for Shareholders may also be adversely affected. Any change in laws or tax authority practices could also adversely affect any post-tax returns of capital to Shareholders or payments of dividends (if any,

which the Company does not envisage the payment of, at least in the short to medium term). In addition, the Company may incur costs in taking steps to mitigate any such adverse effect on the post-tax returns for Shareholders. It is possible that any acquisition structure determined necessary by the Company to complete an acquisition may have adverse tax, regulatory or other consequences for Shareholders which may differ for individual Shareholders depending on their individual status and residence.

PART C: RISK FACTORS RELATING TO THE ORDINARY SHARES

The Company has a number of outstanding warrants and options which, if exercised and/or converted could have a material dilutive effect on existing Shareholders. The Placing will also have a material dilutive effect on existing Shareholders

The Company has issued 63,351,916 warrants in connection with previous fundraisings to acquire Ordinary Shares, of which 25,000,000 warrants are exercisable at a price of 1p per share and 38,351,916 warrants are exercisable at a price of 2p per share. In connection with the Placing the Company will issue up to an additional 35,254,975 warrants to placees and advisers. The Company also has outstanding 2,017,008 options, each entitling the holder to acquire 1 Ordinary Share at a price of 2 pence. The combined dilutive effect of all of the options and warrants would have a material dilutive effect upon existing Shareholders and may impact both the future Ordinary Share price and the ability to attract new investors or sources of equity to invest in the Company. If all outstanding warrants were exercised, the resultant 100,623,899 Ordinary Shares would represent 65.60% of the Enlarged Issued Share Capital.

The Placing will involve the issuance of 61,330,000 Placing Shares (consisting of the Broker Placing Shares and the Platform Placing Shares) representing 39.89% of the Enlarged Issued Share Capital.

No pre-emption rights and indebtedness related liquidity

Although the Company will receive the Net Placing Proceeds, the Directors anticipate that the Company may issue a substantial number of additional Ordinary Shares, or incur substantial indebtedness to complete one or more acquisitions. For example, the Company will issue Ordinary Shares to the Former Unitholders as consideration for the units in the Lady Alice Trust, and will issue further Ordinary Shares to the Former Unitholders under the Options.

Shareholders do not initially have the benefit of pre-emption rights in respect of the issues of future shares, which may be issued to facilitate any acquisitions and for other purposes. In addition, the Company may issue shares or convertible debt securities or incur substantial indebtedness in order to raise capital, which may dilute the interests of Shareholders.

Any issue of Ordinary Shares, preferred shares or convertible debt securities may:

- significantly dilute the value of the Ordinary Shares held by existing Shareholders;
- cause a change of control ("**Change of Control**") if a substantial number of Ordinary Shares are issued, which may;
- *inter alia*, result in the resignation or removal of one or more of the Directors;
- in certain circumstances, have the effect of delaying or preventing a Change of Control;
- subordinate the rights of holders of Ordinary Shares if preferred shares are issued with rights senior to those of Ordinary Shares; or
- adversely affect the market prices of the Company's Ordinary Shares.

If Ordinary Shares, preferred shares or convertible debt securities are issued as consideration for an acquisition or to raise further capital, existing Shareholders will have no pre-emptive rights with regard to the securities that are issued. The issue of such Ordinary Shares, preferred shares or convertible debt securities is likely to materially dilute the value of the Ordinary Shares held by existing

Shareholders. If the Company were to incur substantial indebtedness in relation to an acquisition or as a method of raising additional capital, this could result in:

- default and foreclosure on the Company's assets, if its cash flow from operations were insufficient to pay its debt obligations as they become due;
- acceleration of its obligation to repay indebtedness, even if it has made all payments when due, if it breaches, without a waiver, covenants that require the maintenance of financial ratios or reserves or impose operating restrictions;
- a demand for immediate payment of all principal and accrued interest, if any, if the indebtedness is payable on demand; or
- an inability to obtain additional financing, if any indebtedness incurred contains covenants restricting its ability to incur additional indebtedness.

The occurrence of any or a combination of these factors could decrease an investor's ownership interests in the Company or have a material adverse effect on its financial condition and results of operations.

Investors may not be able to realise returns on their investment in Ordinary Shares within a period that they would consider to be reasonable

Investments in the Ordinary Shares may be relatively illiquid. There may be a limited number of Shareholders and this factor, together with the number of Ordinary Shares to be issued pursuant to the Placing, may contribute both to infrequent trading in the Ordinary Shares on the London Stock Exchange and to volatile Ordinary Share price movements. Investors should not expect that they will necessarily be able to realise their investment in Ordinary Shares within a period that they would regard as reasonable. Accordingly, the Ordinary Shares may not be suitable for short-term investment. Admission should not be taken as implying that there will be an active trading market for the Ordinary Shares. Even if an active trading market develops, the market price for the Ordinary Shares may fall below the Placing Price.

The proposed Standard Listing of the Ordinary Shares will afford investors a lower level of regulatory protection than a Premium Listing

Application will be made for the Ordinary Shares to be readmitted to a Standard Listing on the Official List. A Standard Listing will afford investors in the Company a lower level of regulatory protection than that afforded to investors in a company with a Premium Listing, which is subject to additional obligations under the Listing Rules.

While the Company has a Standard Listing, it is not required to comply with the provisions of, *inter alia*:

- Chapter 8 of the Listing Rules regarding the appointment of a sponsor to guide the Company in understanding and meeting its responsibilities under the Listing Rules in connection with certain matters. The Company has not and does not intend to appoint such a sponsor in connection with the Placing and Admission;
- Chapter 9 of the Listing Rules relating to the ongoing obligations for companies admitted to the Premium List and therefore does not apply to the Company;
- Chapter 10 of the Listing Rules relating to significant transactions. It should be noted therefore that an acquisition (for example, the Lady Alice Acquisition) will not require Shareholder consent, even if Ordinary Shares are being issued as consideration for such acquisition;
- Chapter 11 of the Listing Rules regarding related party transactions. Nevertheless, the Company will not enter into any transaction which would constitute a 'related party transaction' as defined in Chapter 11 of the Listing Rules without the specific prior approval of the Directors;
- Chapter 12 of the Listing Rules regarding purchases by the Company of its Ordinary Shares. In particular, the Company has not adopted a policy consistent with the provisions of Listing Rules 12.4.1 and 12.4.2; and

- Chapter 13 of the Listing Rules regarding the form and content of circulars to be sent to Shareholders.

It should be noted that the FCA will not have the authority to (and will not) monitor the Company's compliance with any of the Listing Rules which the Company has indicated herein that it intends to comply with on a voluntary basis, nor to impose sanctions in respect of any failure by the Company so to comply.

Dividend payments on the Ordinary Shares are not guaranteed and the Company does not intend to pay dividends until it is generating significant revenue from its operating subsidiaries

To the extent the Company intends to pay dividends on the Ordinary Shares, it will pay such dividends at such times (if any) and in such amounts (if any) as the Board determines appropriate and in accordance with applicable law, but expects to be principally reliant upon dividends received on shares held by it in any operating subsidiaries in order to do so. Payments of such dividends will be dependent on the availability of any dividends or other distributions from such subsidiaries. The Company can therefore give no assurance that it will be able to pay dividends going forward or as to the amount of such dividends, if any.

PART III

IMPORTANT INFORMATION

The distribution of this document and the Placing may be restricted by law in certain jurisdictions and therefore persons into whose possession this document comes should inform themselves about and observe any restrictions, including those set out below. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

General

No action has been or will be taken in any other jurisdiction that would permit a public offering of the Ordinary Shares, or possession or distribution of this prospectus or any other offering material in any other country or jurisdiction where action for that purpose is required. Accordingly, the Ordinary Shares may not be offered or sold, directly or indirectly, and neither this prospectus nor any other offering material or advertisement in connection with the Ordinary Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any and all applicable rules and regulations of any such country or jurisdiction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. This prospectus does not constitute an offer to subscribe for any of the Ordinary Shares offered hereby to any person in any jurisdiction to whom it is unlawful to make such offer or solicitation in such jurisdiction.

This prospectus has been approved by the FCA as a prospectus which may be used to offer securities to the public for the purposes of section 85 of FSMA, and of the Prospectus Regulation. No arrangement has however been made with the competent authority in any other member states of the EEA ("**EEA Member States**") (or any other jurisdiction) for the use of this prospectus as an approved prospectus in such jurisdiction and accordingly no public offer is to be made in such jurisdiction. Issue or circulation of this prospectus may be prohibited in Restricted Jurisdictions and in countries other than those in relation to which notices are given below.

Withdrawal rights

In the event that the Company is required to publish any supplementary prospectus, applicants who have applied to subscribe for or purchase Placing Shares in the Placing will have at least two business days (i.e., any day (other than a Saturday or Sunday) or an English bank or public holiday (each, a "**Business Day**")) following the publication of the supplementary prospectus within which to withdraw their offer to acquire Placing Shares in the Placing in its entirety. If the application is not withdrawn within the stipulated period, any offer to apply for Placing Shares in the Placing will remain valid and binding.

Details of how to withdraw an application will be made available if a supplementary prospectus is published. Any supplementary prospectus will be published in accordance with the Prospectus Regulation Rules (and notification thereof will be made to a Regulatory Information Service) but will not be distributed to investors individually. Any such supplementary prospectus will be published in printed form and available free of charge at the Company's registered office at Suite A, 6 Honduras Street, London EC1Y 0TH, United Kingdom and (subject to certain restrictions) on the Company's website at www.cobrareresourcesplc.com until 14 days after Admission.

For the attention of all investors

In deciding whether or not to invest in Ordinary Shares, prospective placees should rely only on the information contained in this prospectus. No person has been authorised to give any information or make any representations other than as contained in this prospectus and, if given or made, such information or representations must not be relied on as having been authorised by the Company, the Directors, SI Capital or MINEXIA. Without prejudice to the Company's obligations under the FSMA, the Prospectus Regulation Rules, the Listing Rules and the Disclosure Guidance and Transparency Rules, neither the delivery of this prospectus, nor any subscription made under this prospectus shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this prospectus or that the information in this prospectus is correct as at any time after its date.

In making an investment decision, prospective investors must rely on their own examination of the Company, this prospectus and the terms of the Placing, including the merits and risks involved. The contents of this prospectus are not to be construed as advice relating to legal, financial, taxation, accounting, regulatory, investment or any other matter.

Prospective investors must rely upon their own representatives, including their own legal and financial advisers and accountants, as to legal, tax, financial, investment or any other related matters concerning the Company and an investment therein.

An investment in the Company should be regarded as a long-term investment. There can be no assurance that the Company's objectives and acquisition, financing and business strategies will be achieved.

It should be remembered that the price of the Ordinary Shares and any income from such Ordinary Shares can go down as well as up.

This prospectus should be read in its entirety before making any investment in the Ordinary Shares. All Shareholders are entitled to the benefit of, are bound by, and are deemed to have notice of, the provisions of the Company's articles of association, which prospective investors should review.

European Economic Area

Pursuant to the Prospectus Regulation, an offer to the public of the Ordinary Shares may only be made once the prospectus has been passported in an EEA Member State of in accordance with the Prospectus Regulation. For any other EEA Member State an offer to the public in that EEA Member State of any Ordinary Shares may only be made at any time under the following exemptions under the Prospectus Regulation, if they have been implemented in that EEA Member State:

- (a) to any legal entity which is a Qualified Investor, within the meaning of Article 2(e) of the Prospectus Regulation;
- (b) to fewer than 150 natural or legal persons (other than Qualified Investors, within the meaning of Article 2(e) of the Prospectus Regulation) in such EEA Member State subject to obtaining prior consent of the Company for any such offer; or
- (c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Ordinary Shares shall result in a requirement for the publication by the Company of a prospectus pursuant to Article 3 of the Prospectus Regulation and each person who initially acquires Ordinary Shares or to whom any offer is made will be deemed to have represented, warranted and agreed with SI Capital, MINEXIA and the Company that it is a **"Qualified Investor"** within the meaning of Article 2(e) of the Prospectus Regulation.

For the purposes of this provision, the expression an 'offer to the public' in relation to any offer of Ordinary Shares in any EEA Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any Ordinary Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Ordinary Shares and the expression **"Prospectus Regulation"** means Regulation (EU) 2017/1129.

This prospectus may not be used for, or in connection with, and does not constitute, any offer of Ordinary Shares or an invitation to purchase or subscribe for any Ordinary Shares in any EEA Member State in which such offer or invitation would be unlawful.

The distribution of this prospectus in other jurisdictions may be restricted by law and therefore persons into whose possession this prospectus comes should inform themselves about and observe any such restrictions.

United Kingdom

This document comprises a prospectus relating to the Company prepared in accordance with the Prospectus Regulation Rules and approved by the FCA under section 87A of FSMA. This document has been filed with the FCA and made available to the public in accordance with Rule 3.2 of the Prospectus Regulation Rules.

This document is being distributed only to and is directed at persons who (if they are in the EEA) will fall within one of the categories of persons set out above in the 'Notices to Investors'. In addition, this document is being distributed only to and is directed at persons in the UK who are: (i) persons having professional experience in matters relating to investments falling within the definition of 'investment professionals' in Article 19(5) of the Financial Promotions Order; or (ii) persons who are high net worth bodies corporate, unincorporated associations and partnerships and the trustees of high value trusts, as described in Article 49(2)(a)-(d) of the Financial Promotions Order; or (iii) persons to whom it may otherwise be lawful to distribute.

United States

The Ordinary Shares have not been and will not be registered under the US Securities Act, or the securities laws of any state or other jurisdiction of the United States. Subject to certain exceptions, the Ordinary Shares may not be, offered, sold, resold, transferred or distributed, directly or indirectly, within, into or in the United States or to or for the account or benefit of persons in the United States.

The Ordinary Shares may not be taken up, offered, sold, resold, transferred or distributed, directly or indirectly within, into or in the United States except pursuant to an exemption from, or in a transaction that is not subject to, the registration requirements of the US Securities Act. There will be no public offer in the United States.

The Company has not been and will not be registered under the US Investment Company Act pursuant to the exemption provided by Section 3(c)(7) thereof, and Investors will not be entitled to the benefits of the US Investment Company Act.

The Ordinary Shares have not been approved or disapproved by the US Securities and Exchange Commission, any State securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed comment upon or endorsed the merits of the Placing or adequacy of this prospectus. Any representations to the contrary is a criminal offence in the United States.

Canada

The Ordinary Shares may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act of 1990 (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Ordinary Shares must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this document (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 Underwriting Conflicts (NI 33-105), SI Capital is not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with the Placing.

Australia

This document does not constitute a prospectus or other disclosure document under the Corporations Act 2001 (Cth) ("**Australian Corporations Act**") and does not purport to include the information required of a disclosure document under the Australian Corporations Act. This document has not been, and will not be, lodged with the Australian Securities and Investments Commission (whether as a disclosure document under the Australian Corporations Act or otherwise). Any offer in Australia of the Ordinary Shares under this document or otherwise may only be made to persons who are "sophisticated investors" (within the meaning of section 708(8) of the Australian Corporations Act), to "professional investors" (within the meaning of section 708(11) of the Australian Corporations Act) or otherwise pursuant to one or more exemptions under section 708 of the Australian Corporations Act so that it is lawful to offer the Ordinary Shares in Australia without disclosure to investors under Part 6D.2 of the Australian Corporations Act.

Any offer for on-sale of the Ordinary Shares that is received in Australia within 12 months after their issue by the Company is likely to need prospectus disclosure to investors under Part 6D.2 of the Australian Corporations Act, unless such offer for on-sale in Australia is conducted in reliance on a prospectus disclosure exemption under section 708 of the Australian Corporations Act or otherwise. Any persons acquiring Ordinary Shares should observe such Australian on-sale restrictions.

The Company is not licensed in Australia to provide financial product advice in relation to the Ordinary Shares. Any advice contained in this document is general advice only. This document has been prepared without taking account of any investor's objectives, financial situation or needs, and before making an investment decision on the basis of this document, investors should consider the appropriateness of the information in this document, having regard to their own objectives, financial situation and needs. No cooling off period applies to an acquisition of the Ordinary Shares.

Japan

The Ordinary Shares have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended (the "**FIEA**")). Neither the Ordinary Shares nor any interest therein may be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or entity organised under the laws of Japan), or to others for reoffering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

South Africa

This document will not be registered as a prospectus in terms of the Companies Act 1973 in South Africa and as such, any offer of Ordinary Shares in South Africa may only be made if it shall not be capable of being construed as an offer to the public as envisaged by section 144 of such Act. Furthermore, any offer or sale of the Ordinary Shares shall be subject to compliance with South African exchange control regulations.

General

No action has been or will be taken in any jurisdiction that would permit a public offering of the Ordinary Shares, or possession or distribution of this document or any other offering material, in any country or jurisdiction where action for that purpose is required. Accordingly, the Ordinary Shares may not be offered or sold, directly or indirectly, and neither this document nor any other offering material or advertisement in connection with the Ordinary Shares may be distributed or published in or from any Restricted Jurisdiction.

Persons into whose possession this document comes should inform themselves about and observe any restrictions on the distribution of this document and the offer of Ordinary Shares, including those in the paragraphs above. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. This document does not constitute an offer to subscribe for or purchase any of the Ordinary Shares offered hereby to any person in any Restricted Jurisdiction.

Information to distributors

Solely for the purposes of the product governance requirements contained within: (a) MiFID II; (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Ordinary Shares have been subject to a product approval process, which has determined that such Ordinary Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, distributors should note that: the price of the Ordinary Shares may decline and investors could lose all or part of their investment; the Ordinary Shares offer no guaranteed income and no capital protection; and an investment in the

Ordinary Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Placing. Furthermore, it is noted that, notwithstanding the Target Market Assessment, SI Capital and MINEXIA will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Ordinary Shares.

SI Capital and MINEXIA are responsible for undertaking its own target market assessment in respect of the Ordinary Shares and determining appropriate distribution channels.

Presentation of reserves and resources

Unless otherwise stated, statements in this document relating to the Group's mineral reserves have been estimated in conformity with JORC 2012. Mineral Resources are not Mineral Reserves and do not have demonstrated economic liability. All references to "reserves" are to proved and probable.

The accuracy of reserves estimates and associated economic analysis is, in part, a function of the quality and quantity of available data and of engineering and geological interpretation and judgment. This document should be accepted with the understanding that reserves, resources and financial performance subsequent to the date of the estimates may necessitate revision. These revisions may be material. Unless otherwise stated, all information about mineral reserves and resources, forward-looking production estimates and other geological information has been extracted without material adjustment from the Competent Person's Report in *Part XXI – Competent Persons' Reports* of this document.

Rounding

Percentages in tables have been rounded and accordingly may not add up to 100 per cent. Certain financial data have also been rounded. As a result of this rounding, the totals of data presented in this document may vary slightly from the actual arithmetic totals of such data.

Data protection

The Company may delegate certain administrative functions to third parties and will require such third parties to comply with data protection and regulatory requirements of any jurisdiction in which data processing occurs. Such information will be held and processed by the Company (or any third party, functionary or agent appointed by the Company) for the following purposes:

- (a) verifying the identity of the prospective investor to comply with statutory and regulatory requirements in relation to anti-money laundering procedures;
- (b) carrying out the business of the Company and the administering of interests in the Company;
- (c) meeting the legal, regulatory, reporting and/or financial obligations of the Company in the UK or elsewhere; and
- (d) disclosing personal data to other functionaries of, or advisers to, the Company to operate and/or administer the Company.

Where appropriate it may be necessary for the Company (or any third party, functionary or agent appointed by the Company) to:

- (a) disclose personal data to third party service providers, agents or functionaries appointed by the Company to provide services to prospective investors; and
- (b) transfer personal data outside of the EEA to countries or territories which do not offer the same level of protection for the rights and freedoms of prospective investors as the UK.

If the Company (or any third party, functionary or agent appointed by the Company) discloses personal data to such a third party, agent or functionary and/or makes such a transfer of personal data it will use

reasonable endeavours to ensure that any third party, agent or functionary to whom the relevant personal data is disclosed or transferred is contractually bound to provide an adequate level of protection in respect of such personal data.

In providing such personal data, investors will be deemed to have agreed to the processing of such personal data in the manner described above. Prospective investors are responsible for informing any third party individual to whom the personal data relates of the disclosure and use of such data in accordance with these provisions.

Presentation of financial information

Prospective investors should consult their own professional advisers to gain an understanding of the financial information contained in this document. An overview of the basis for presentation of financial information in this document is set out below. *Part X – Selected Historical Financial Information on the Company* of this document presents selected financial information extracted without material adjustment from (i) the unaudited interim historical financial information of the Company for the six months ended 30 June 2019, and (ii) the audited historical financial information of the Company for the 12 month period ended 31 December 2018, both of which are incorporated by reference in *Part XVIII – Documents Incorporated by Reference* of this document. *Part XIX – Historical Financial Information on Lady Alice Mines* of this document presents the audited historical financial information for Lady Alice Mines for the 12 month periods ended 30 June 2019, 30 June 2018 and 30 June 2017.

The financial and volume information in this document, including in a number of tables, has been rounded to the nearest whole number or the nearest decimal place. The sum of the numbers in a column in a table may not conform exactly to the total figure given for that column. In addition, certain percentages presented in the tables in this document reflect calculations based on the underlying information prior to rounding, and, accordingly, may not conform exactly to the percentages that would be derived if the relevant calculations were based upon the rounded numbers.

Pro forma wording

In this document, any reference to “pro forma” financial information is to information which has been extracted without material adjustment from the unaudited pro forma financial information contained in *Part XII – Unaudited Pro Forma Financial Information on the Enlarged Group* of this document. The unaudited pro forma statement of net assets and the unaudited pro forma income statement of the Enlarged Group have been prepared for illustrative purposes only in accordance with Annex 20 of the Prospectus Regulation Rules and should be read in conjunction with the notes set out in *Part XI – Unaudited Pro Forma Financial Information on the Enlarged Group* of this document. The unaudited pro forma financial information has been prepared to illustrate the effect of the Lady Alice Acquisition as if it had taken place on 1 January 2019. By its nature, the pro forma financial information addresses a hypothetical situation and, therefore, does not represent the Enlarged Group’s actual financial position nor is it indicative of the results that may or may not be expected to be achieved in the future.

Market data

Where information contained in this document has been sourced from a third party, the Company and the Directors confirm that such information has been accurately reproduced and, so far as they are aware and have been able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

CREST

CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by written instrument. The Articles permit the holding of Ordinary Shares under the CREST system. The Ordinary Shares are admitted to CREST and accordingly, settlement of transactions in the Ordinary Shares following Admission may take place within the CREST system if any investor so wishes.

CREST is a voluntary system and Shareholders who wish to receive and retain certificates for their Ordinary Shares will be able to do so. Shareholders may elect to receive Ordinary Shares in uncertificated form if such Shareholder is a system-member (as defined in the CREST Regulations) in relation to CREST.

Transferability

The Ordinary Shares are freely transferable and tradable and there are no restrictions on transfer.

International Financial Reporting Standards

As required by the Companies Act and Article 4 of the European Union (“EU”) International Accounting Standards Regulation, the financial statements of the Company are prepared in accordance with International Financial Reporting Standards as adopted by the EU (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and interpretations issued by the International Financial Reporting Interpretations Committee of the IASB as adopted by the EU.

Incorporation of information by reference

The contents of the Company’s website (www.cobraresources.co.uk), unless specifically incorporated by reference, any website mentioned in this document or any website directly or indirectly linked to these websites have not been verified and do not form part of this document, and prospective investors should not rely on them.

Forward-looking statements

This document includes statements that are, or may be deemed to be, ‘forward-looking statements’. In some cases, these forward-looking statements can be identified by the use of forward-looking terminology, including the terms ‘targets’, ‘believes’, ‘estimates’, ‘anticipates’, ‘expects’, ‘intends’, ‘may’, ‘will’, ‘should’ or, in each case, their negative or other variations or comparable terminology. They appear in a number of places throughout the document and include statements regarding the intentions, beliefs or current expectations of the Company and the Board concerning, *inter alia*: (i) the Company’s objective, acquisition and financing strategies, results of operations, financial condition, capital resources, prospects, capital appreciation of the Ordinary Shares and dividends; and (ii) future deal flow and implementation of active management strategies, including with regard to acquisitions. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. The Company’s actual performance, results of operations, financial condition, distributions to Shareholders and the development of its financing strategies may differ materially from the forward- looking statements contained in this document. In addition, even if the Company’s actual performance, results of operations, financial condition, distributions to Shareholders and the development of its financing strategies are consistent with the forward-looking statements contained in this document, those results or developments may not be indicative of results or developments in subsequent periods.

Prospective investors should carefully review *Part II – Risk Factors* of this document for a discussion of additional factors that could cause the Company’s actual results to differ materially, before making an investment decision. For the avoidance of doubt, nothing appearing under the heading “Forward-looking statements” constitutes a qualification of the working capital statement set out in paragraph 7 of *Part XVI – Additional Information* of this document.

Forward looking statements contained in this document apply only as at the date of this document. Subject to any obligations under the Listing Rules, the Market Abuse Regulation (EU 596/2014) (the “**Market Abuse Regulation**”), the Disclosure Guidance and Transparency Rules and the Prospectus Regulation Rules, the Company undertakes no obligation publicly to update or review any forward-looking statement, whether as a result of new information, future developments or otherwise.

Currency

Unless otherwise indicated, all references in this document to:

- “UK Pounds Sterling”, “Pounds Sterling”, “pound”, “pence”, “GBP”, “£” or “p” is to the lawful currency of the United Kingdom;
- “AUD Dollars” or “A\$” is to the lawful currency of Australia; and
- “US Dollars”, “US\$” or “cents” is to the lawful currency of the United States.

PART IV

EXPECTED TIMETABLE

Publication of this document	13 January 2020
Latest time and date for placing commitments under the Placing	11.00 a.m. on 13 January 2020
Admission and commencement of dealings in Ordinary Shares	8.00 a.m. on 16 January 2020
CREST members' accounts credited in respect of New Ordinary Shares	16 January 2020
Share certificates despatched in respect of New Ordinary Shares	17 January 2020

All references to time in this document are to London time, unless otherwise stated. Any changes to the expected timetable will be notified by the Company through an RIS.

ADMISSION STATISTICS

Number of Existing Ordinary Shares in issue prior to the Placing	67,233,532
Total number of New Ordinary Shares in the Placing ⁽¹⁾	61,330,000
Number of Initial Consideration Shares	10,058,224
Number of First Reimbursement Shares	6,066,632
Number of Fee Shares	5,818,750
Number of warrants issued in connection with the Placing and the Fee Shares	35,254,975
Enlarged Issued Share Capital following the Placing and Admission ⁽²⁾	153,747,138
Placing Price per New Ordinary Share	£0.01
Number of warrants in issue prior to the Placing	63,351,916
Number of options in issue prior to the Placing	2,017,008
Total number of options and warrants in issue following the Placing	100,623,899
Estimated Net Placing Proceeds receivable by the Company	£449,600
Market capitalisation at the Placing Price ⁽³⁾	£1,537,471
New Ordinary Shares as a percentage of Enlarged Issued Share Capital	56.27%

(1) The total number of New Ordinary Shares issued pursuant to the Placing comprises (i) 60,730,000 Broker Placing Shares issued pursuant to the Broker Placing and (ii) 600,000 Platform Placing Shares issued pursuant to the Platform Placing.

(2) The Enlarged Issued Share Capital also includes (i) 10,058,224 Consideration Shares issued to the Former Unitholders as initial consideration for the Lady Alice Acquisition, (ii) 6,066,632 Ordinary Shares issued to the Former Unitholders representing the First Reimbursement Shares in accordance with the Lady Alice Acquisition Agreement and 5,818,750 Ordinary Shares issued as Fee Shares to certain parties. The Fee Shares comprise 5,818,750 Ordinary Shares issued to the Directors in lieu of fees under their service agreements.

(3) The market capitalisation of the Company at any given time will depend on the market price of the Ordinary Shares at that time.

There can be no assurance that the market price of an Ordinary Share will equal or exceed the Placing Price.

DEALING CODES

The dealing codes for the Ordinary Shares will be as follows:

ISIN	GB00BGJWS255
SEDOL code	BGJW525
TIDM	COBR
LEI	213800XTW5PLLK72TQ57

PART V

DIRECTORS, AGENTS AND ADVISERS

Directors	Craig Moulton (<i>Managing Director</i>) Rolf Gerritsen (<i>Non-Executive Director</i>) Greg Hancock (<i>Non-Executive Director</i>)
Company Secretary	London Registrars Limited Suite A 6 Honduras Street London EC1Y 0TH
Registered Office	London Registrars Limited Suite A 6 Honduras Street London EC1Y 0TH
Sole Broker and Co-ordinator	SI Capital Limited 46 Bridge Street Godalming Surrey GU7 1HL
Auditors and Reporting Accountants	<i>For the Company:</i> PKF Littlejohn LLP 2nd Floor 1 Westferry Circus Canary Wharf London E14 4HD
Solicitors to the Company	Orrick Herrington & Sutcliffe (UK) LLP 107 Cheapside London EC2V 6DN
Registrar	Link Market Services The Registry 34 Beckenham Road Beckenham Kent BR3 4TU
Competent Person	In relation to the Prince Alfred Mine and the Wudinna Project: Alex Aitken SRK Consulting (Australasia) Pty Ltd Level 1, 10 Richardson Street West Perth, Western Australia 6005, Australia

PART VI

THE COMPANY'S STRATEGY

Introduction

The Company was incorporated on 25 January 2018 as a private company with limited liability under the Companies Act 2006 (the “**Companies Act**”) and re-registered as a public limited company on 17 July 2018.

On 12 November 2018, the Existing Issued Share Capital of the Company was admitted to listing on the Official List and to trading on the Main Market (the “**IPO**”).

The Company was initiated by the board of directors of MetalNRG plc (“**MetalNRG**”), a natural resources company listed on the Nex Exchange Growth Market. MetalNRG advised the Company in connection with the IPO as part of its own indirect investment strategy.

1. Company strategy

Objectives

The Company has been formed to explore, develop and mine precious and base metal projects.

This strategy focuses the Company on advanced resource exploration projects that have the potential, through the application of disciplined and structured exploration and analysis, to progress towards the development of a mining operation.

As a secondary focus, the Company will also review investment opportunities for exploration projects and near-production assets. For clarity:

- newly defined resource exploration projects are projects that are at an advanced stage of resource definition, with a majority of the necessary permitting and tenure in place;
- exploration projects are projects with the potential for significant discovery but have yet to have detailed geological work completed; and
- near-production assets have gone through the typical mining stages of development and require funds in order to progress from development to first production.

The Company will only invest in projects where it can add value by either applying alternative geological models based on experience with similar mineralised systems, advancing the project through structured and disciplined exploration analysis or by leveraging alternative geochemical or geophysical technologies.

In line with its objectives and investment strategy, the Company announced that it had entered into the Lady Alice Acquisition Agreement in connection with the Lady Alice Acquisition on 7 March 2019. See *Part VIII – The Lady Alice Acquisition* for more information on the Lady Alice Acquisition. The Lady Alice Acquisition completed on 28 March 2019.

Following the Lady Alice Acquisition, the Company has a project portfolio from which it aims to unlock embedded value and deliver value to shareholders through capital growth. It is the aim of the Company to explore and analyse the assets within this portfolio in order to optimise the risk-reward value equation for its shareholders. This may include monetising or divesting assets at any stage up to and including the building of economically sustainable operations.

The Company does not intend to limit its asset reviews to particular geographic regions; however, the initial focus will be on projects located in Australia. If geologically and economically attractive project opportunities are identified in other countries, investments will only be considered in jurisdictions with established mining operations and regulation, and with acceptable levels of sovereign risk.

As a result of the Lady Alice Acquisition being deemed a Reverse Takeover, the Company is seeking re-admission of the Enlarged Issued Share Capital to listing on the Official List and trading on the Main Market.

Strategy and rationale

With a positive global outlook for both base and precious metals, the Directors believe that the current asset portfolio provides a base from which the Company will seek to add significant value through the application of structured and disciplined exploration.

Further investments may be considered where assets in strategic commodities are either: (i) geologically prospective but undervalued; (ii) where technical knowledge and experience could be applied to add or unlock upside potential; (iii) where the assets may be synergistic to the current portfolio; or (iv) where project diversification will add strategic growth opportunities within an appropriate time frame.

As described below, the Company's short-term objectives will focus on the delivery and development of the Prince Alfred Mine and the Wudinna Project. While new project acquisitions may be considered on an opportunistic basis following adequate due diligence, they are not expected to be a primary focus in the short to medium term.

Short-term objectives

In line with Company's strategic direction, the Company has identified the following objectives as its primary focus for the next 12 to 18 months:

Prince Alfred Mine

- Completion of the exploration programme to test the presence of mineralisation below the historic operations. It is expected that this mapping programme will occur during Q1 or Q2 2020.

Wudinna Project

- The exploration programme will comprise of geochemical sampling staged into three phases, with each phase improving the ability to discover new basement gold mineralisation
 - The first phase will calibrate the geochemical sampling with existing mineralisation, at the Barns and Baggy Green Prospects using a number of new elements and more sensitive analytical techniques.
 - The second phase will apply what is learnt from phase one to identify extensions to existing mineralisation and nearby (brownfields) deposits.
 - The final stage will apply learnings from both previous stages to more regional exploration and identify new deposits within this system.
- The Company will also identify potential IOCG (Olympic Dam Style) targets using the new geochemistry in conjunction with high-resolution magnetics and gravity.

Please see *Part VIII – The Lady Alice Acquisition – Proposed Exploration Programme* for more detail on the proposed exploration programmes for the Prince Alfred Mine and the Wudinna Project, respectively.

Within the medium to long-term, the Company intends to evaluate the prospect of developing economically viable mining operations at both the Prince Alfred Mine and the Wudinna Project. For this to occur, further detailed analyses are required. These requirements include:

- further infill resource drilling during the planned exploration programme to define further JORC compliant mineral resources;
- the consideration of socioeconomic inputs such as local community, native title, workforce safety, and environmental impacts, as well as possible geotechnical, metallurgical, market and mining operational constraints;
- the estimation of JORC compliant Mineral Reserves; and
- the progressive completion of pre-feasibility and feasibility studies, including detailed engineering design and cost estimation, as well as the negotiation of appropriate financing arrangements, before the board is able to make a decision on the project viability.

2. Market background

The gold market

Introduction

Gold is a precious metal, which has been a desirable and valuable commodity for centuries. Gold's ability to conduct heat, electricity and its resistance to tarnish mean that it is suitable for use in many industrial applications. It is also highly sought after as a precious metal for jewellery, coins and artwork. Gold is a naturally occurring element that is found widely throughout the geological world. Its value is recognised globally and it has served as a symbol of wealth and a store of value throughout history. Even in today's developed and sophisticated financial markets gold remains a sought after commodity and is seen as a "safe haven" in times of economic uncertainty.

Gold can be hardened by alloying it with other metals such as silver or copper. The term carat is used to indicate the percentage of gold remaining in the alloy, with 24 carats indicating pure gold and fractions thereof indicating proportionately less. Gold is measured in troy ounces and 1 troy ounce equates to 31.1 grams.

Application and demand

The demand for gold can be separated into a number of different markets. The main markets for gold demand are jewellery, technology and investment. The table below shows the end uses of the gold produced in 2015-2017 and the average gold price for the last three years:

Gold demand (Tonnes)

	2016	2017	2018
Jewellery	2,067.9	2,200.9	2,200.0
Technology	323.0	332.6	334.6
Electronics	255.6	265.6	268.3
Other Industrial	49.8	50.7	51.0
Dentistry	17.6	16.3	15.4
Investment	1,646.2	1,251.6	1,159.1
Total bar and coin demand	1,071.3	1,045.2	1,090.2
Physical Bar demand	797.0	781.9	781.6
Official Coin	207.3	187.9	236.4
Medals/Imitation Coin	67.0	75.4	72.1
ETFs & similar products	574.9	206.4	68.9
Central banks & other inst.	389.8	374.8	651.5
Gold demand	4,426.8	4,159.9	4,345.1
LBMA Gold Price, US\$/oz	1,250.8	1,257.2	1,268.5

(Source: World Gold Council, Gold Demand Trends Full year and Q4 2018 – GDT FY 2018 statistics, available at <https://www.gold.org/goldhub/research/gold-demand-trends/gold-demand-trends-full-year-2018>)

Net identifiable gold demand rose to 4,345.1t in 2018 from 4,159.9t in 2017, representing a 4.4 per cent. increase. In terms of investment demand, there were significant flows of gold from western vaults to eastern markets, via refiners in North America, Switzerland, and Dubai. This was as a function of large-scale selling of Exchange Traded Fund ("ETF") positions among western investors as macro sentiment in the US improved. This physical metal supply was to some extent met by demand from consumers in India, China and numerous Asian and Middle Eastern markets.

Gold as an investment

Gold, as a tangible or real asset, is widely used to increase the diversification of an investment portfolio. In times of economic uncertainty, a higher level of diversification is recognised to provide protection to the total value of an investment portfolio against fluctuations in the value of any one asset type. Therefore, when the investment outlook is unpredictable, the demand for gold as an investment is expected to increase.

The main feature of gold investment throughout 2018 was the contrast between ETFs, investment in which decreased by 66.6 per cent. in 2018, as sizable institutional positions were sold, and demand for

official coins, which increased by 25.8 per cent. to 236.4t in 2018. Notwithstanding the surge in official coin purchases, annual investment demand was down 7.4 per cent. in 2018.

Technology

The volume of gold used in technology continued to stabilise in 2018 at 334.6t versus 332.6t in 2017 as the sector benefitted from a better global economic outlook and gold prices fell.

The two main contributing factors were in the electronics segment. On one hand, improved consumer sentiment (due to economic growth and stability) stimulated the supply chain, generating a healthy rise in sales of finished goods. On the other hand, further declines in the production of gold bonding wire offset these gains.

Demand for gold in other industrial uses grew slightly in 2018.

Gold supply

Gold supply comes from mined gold, through recycling of gold already in circulation and from sales of existing gold stocks by governments and other such entities. In 2018, world gold supply was 4,490.2 of which 3,346.9t was from mined gold production.

An increase in recycling activity fed through to an increase in the overall supply of gold during 2018. Insignificant levels of producer de-hedging had a limited impact on the numbers.

	2016	2017	2018
Supply			
Mine production	3,285.2	3,318.9	3,346.9
Net producer hedging	33.1	-27.9	-29.4
Recycled gold	1,281.4	1,156.1	1,172.6
Total supply	4,599.7	4,447.2	4,490.2

(Source: World Gold Council, Gold Demand Trends Full year and Q4 2018 – GDT FY 2018 statistics, available at <https://www.gold.org/goldhub/research/gold-demand-trends/gold-demand-trends-full-year-2018>)

Mined gold

Annual gold mine production increased by 28t (0.84 per cent.) in 2018, the bulk of which came through in the second half of the year. The fourth quarter saw a clear continuation of the trend that was in place throughout much of the year, new mines either coming on stream or building up to full capacity and growth in production of existing operations.

Net producer hedging activity, the second component of total mine supply, again had a minimal impact on supply in 2018. De-hedging of existing positions amounted to just 29.4t, with little or no evidence to suggest that the lower price environment will encourage producers to embark on any notable hedging programmes. The fact that the outstanding global hedge book stands at below 100t, the lowest for over a decade, provides a further indication that hedging will contribute little to gold's supply profile going forward.

Recycled gold

Gold is usually recoverable from most of its uses and is easily recyclable. Most recycled gold originates from jewellery, with smaller amounts coming from recycled bars and coins and also electrical components. The annual supply of recycled gold de from 1,156.1t in 2017 to 1,172.6 in 2018.

Gold price

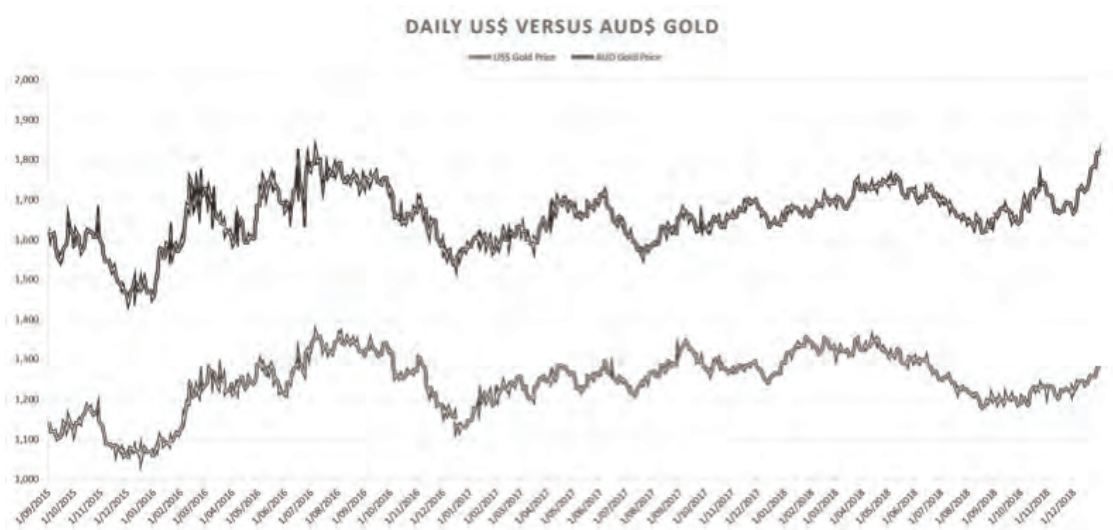
Gold has been used throughout history as a proxy for money and has been a relative standard for currency equivalents specific to economic regions or countries, until recent times. Many European countries implemented gold standards in the latter part of the 19th century until these were temporarily suspended in the financial crises involving World War I. After World War II, the Bretton Woods system pegged the US dollar to gold at a rate of US\$35 per troy ounce. The system existed until the 1971 Nixon shock, when the US unilaterally suspended the direct convertibility of the US dollar to gold and made the transition to a flat currency system.

Since 1919 the most common benchmark for the price of gold has been the London gold fixing, a twice-daily telephone meeting of representatives from five bullion-trading firms of the London bullion market. Furthermore, gold is traded continuously throughout the world based on the intra-day spot price, derived from over-the-counter gold-trading markets around the world.

Today, the price of gold is driven by supply and demand including demand for speculation. However, unlike most other commodities, saving and disposal plays a larger role in affecting its price than its consumption. Most of the gold ever mined still exists in accessible form, such as bullion and mass-produced jewellery, with little value over its fine weight — and is thus potentially able to come back onto the gold market for the right price.

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The chart below highlights the change in the market value of gold over the last 10 years:



(Source: World Gold Council, Gold Prices comparison available at <https://www.gold.org/goldhub/data/gold-prices>)

The price of gold is dependent on a number of different factors including movements in foreign exchange rates, inflation, interest rates and political instability. The influence of these macroeconomic factors on the price of gold can be very complex making it difficult to quantify and predict their effect on the gold market.

Overview of the copper market

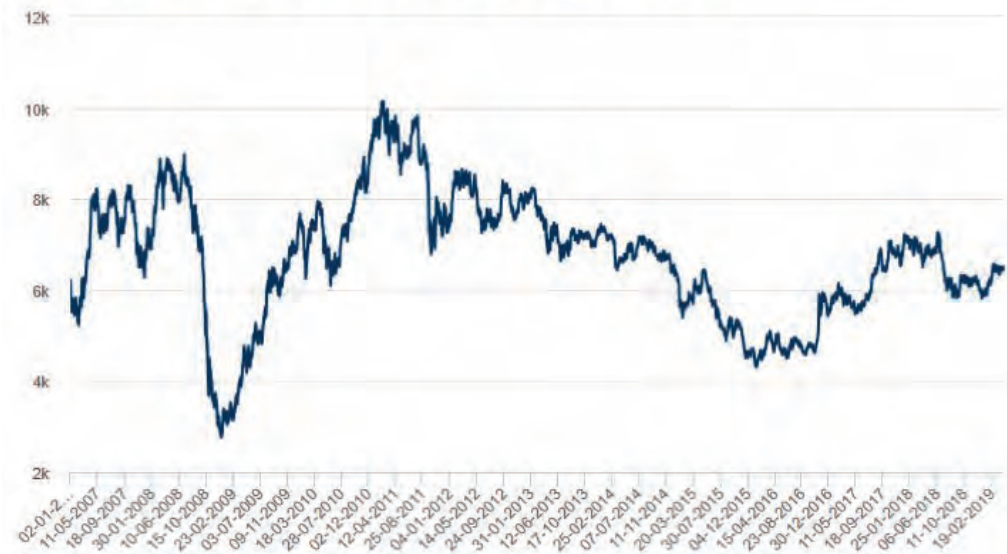
Overview

Due to its significant use in both residential and social infrastructure, automobiles and electricity generation and transmission, the demand and supply of copper is strongly tied to global economic growth.

As shown in the chart below, by the end of 2008, during the height of the global financial crisis, copper had hit a low of US\$2901 per metric tonne.

Major economies such as China responded to the global financial crisis with fiscal measures, including investment in large infrastructure programmes to encourage domestic consumption. The impact of these programmes saw an unprecedented return to demand for copper with prices on the London Metals Exchange reaching a peak of US\$10,106 per metric tonne in February 2011, with an average price that year of US\$8,871 per metric tonne.

LME COPPER HISTORICAL PRICE GRAPH

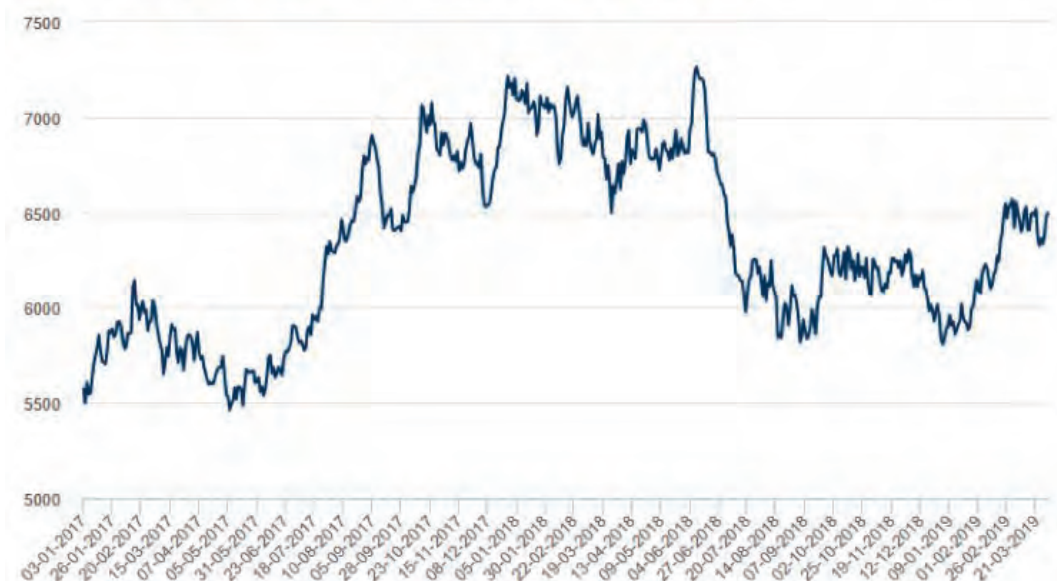


(Source: London Metal Exchange LME Copper Historical Price Graph" available at <https://www.lme.com/Metals/Non-ferrous/Copper#tabIndex=2>)

From 2011, global economic turmoil including concerns over global debt levels, saw the price of copper decline, hitting a low point of US\$4,346 per metric tonne in January 2016 (the average copper price for the year 2016 was US\$4,863 per metric tonne).

As shown in the chart below, global economic sentiment stabilised during 2017, with copper prices recovering as a result of a relatively weak US dollar and stronger than anticipated demand from China, all within the context of a copper market that was reaching supply constraints due to underinvestment. To compound this, China began implementing environmental controls on the importation of Category 7 (low grade) copper scrap, forcing smelters to import more copper in the form of mining concentrates. The annual average spot price of copper on the London Metal Exchange in 2017 was US\$6,166 per metric tonne, peaking at US\$7,261 per metric tonne in June 2018.

LME COPPER HISTORICAL PRICE GRAPH

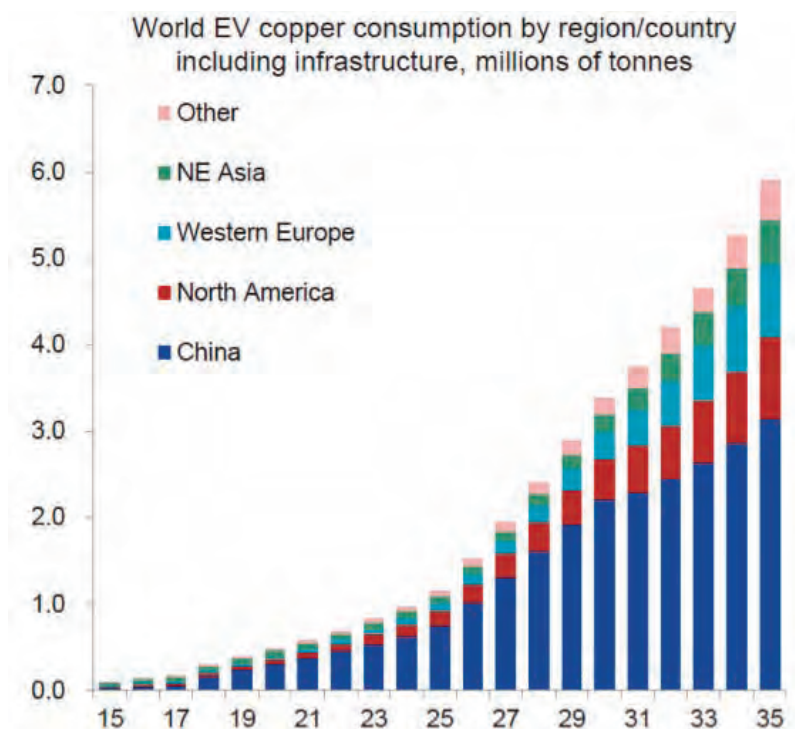


(Source: London Metal Exchange LME Copper Historical Price Graph" available at <https://www.lme.com/Metals/Non-ferrous/Copper#tabIndex=2>)

During the second half of 2018, equity markets were impacted by proposed US sanctions on imports, particularly focused on the trade imbalance with China, causing concerns of a trade war between these

two major economies. The potential impact on economic growth led to a decline in the copper price back to around the US\$6,000 per metric tonne. Since early 2019 however, fears of an all-out trade war between the US and China have generally subsided, pushing copper back up to approximately US\$6,500 per metric tonne.

According to CRU, while global demand growth for copper is expected to slow between 2017 and 2022, CRU still forecast a growth in global copper consumption in absolute terms of 2.6 million metric tonnes over that time frame. Copper demand from the advent of electric vehicles is forecast to be a significant driver of future growth in copper consumption, which CRU forecast to be in the order of 6 million tonnes per annum by 2035 as shown by the following table.



(Source: Copper Market Outlook Presentation, V. Davidson)

3. Capital and returns management

The Company has raised Gross Placing Proceeds of £613,300, with approximately £449,600 representing the Net Placing Proceeds. The Directors do not expect that, following the Lady Alice Acquisition, further equity capital raisings will be required by the Company for the next 12-18 months regarding the development of the Prince Alfred Mine and the Wudinna Project. In order to fully discharge the Stage One Amount (targeted for the fourth quarter, 2020) under the Wudinna Agreement, the Company may use existing cash incrementally, or raise further equity capital in approximately 18 months time. See *Part VIII – The Lady Alice Acquisition – The Wudinna Agreement* for more information.

The Company expects that any returns for Shareholders would derive primarily from capital appreciation of the Ordinary Shares and any dividends paid pursuant to the Company's dividend policy set out below.

In the event that the Company is wound up, any capital available for distribution will be returned to Shareholders in accordance with the Articles. A resolution of Shareholders, requiring not less than three quarters of the votes cast ("**Special Resolution**"), will be required to voluntarily wind-up the Company.

4. Dividend policy

The Company intends to pay dividends on the Ordinary Shares at such times (if any) and in such amounts (if any) as the Board determines appropriate in its absolute discretion. The Company's current intention is to retain any earnings for use in its business operations, and the Company does not

anticipate declaring any dividends until the Company is generating significant revenue. The Company will only pay dividends to the extent that to do so is in accordance with all applicable laws.

5. Corporate governance

In order to implement its business strategy, the Company has adopted a corporate governance structure more fully outlined in *Part VII – The Board of Directors* of this document. The key features of its structure are:

- A three member board, with one independent non-executive director (Greg Hancock, who will also act as Chair) together with Rolf Gerritsen, a non-executive director charged with implementation of the Lady Alice Acquisition and Admission, and Craig Moulton, managing director of the Company. Mr Gerritsen and Mr Moulton have agreed to spend such hours engaged in the Company's affairs as may be necessary for the proper performance of their duties. The Board is knowledgeable and experienced and has extensive experience of making acquisitions in the natural resources sector;
- Consistent with the rules applicable to companies with a Standard Listing, unless required by law or other regulatory process, Shareholder approval is not required in order for the Company to complete an acquisition. The Company will, however, be required to obtain the approval of the Board of at least 75 per cent. of the Directors present at a quorate meeting of the Board before it may complete any acquisition. On 5 March 2019, the Board, by way of written resolution, formally approved the terms of the Lady Alice Acquisition Agreement and the Lady Alice Acquisition; and
- the Board intends to comply, so far as it is practicable for a 'special purpose acquisition vehicle', with certain main principles of the UK Corporate Governance Code (as set out in more detail in *Part VII – The Board of Directors* of this document). Compliance with the provisions of the UK Corporate Governance Code is being undertaken on a voluntary basis, and the FCA will not have the authority to monitor the Company's voluntary compliance with the UK Corporate Governance Code or to impose sanctions in respect of any breaches.

PART VII

THE BOARD OF DIRECTORS

The Directors

The Board, collectively, has significant experience in the natural resources sector. Since 2011, the Directors have consummated at least six significant acquisitions and planned and executed three major UK onshore farm-out transactions with energy majors as counterparties.

The Board has in aggregate more than 80 years of experience in sub-surface engineering and geology and has been responsible for running complex and challenging fields and drilling operations, both onshore and offshore.

In addition, the Board has significant expertise and experience of dealing with the political and social issues facing the industry at both the local and national governmental levels, having been actively involved in the governmental consultation programmes on numerous mining and mining-related issues and in the challenges of local planning issues in connection with exploration activity and asset development.

Details of the Directors are listed below.

Craig Moulton (*age 49*)

Craig Moulton is a geologist and mineral economist with over 25 years' experience in the mining industry, including positions at Rio Tinto, Cliffs Natural Resources, and Wood Mackenzie. Mr Moulton has broad commodity experience, with a diverse portfolio including projects in Australia, Mongolia, USA and Indonesia. Mr Moulton has a strong commercial and technical background drawn from a career in exploration, production, and resource development, including strategic mine option analysis, scenario planning, and structured due diligence of greenfield and brownfield projects. Mr Moulton's country of residence is Australia.

Rolf Gerritsen (*age 56*)

Rolf Gerritsen (aged 55) is an entrepreneurial executive with over 30 years' experience with a specific focus on the Natural Resources sector. Mr Gerritsen is currently a director of MetalNRG, ECRG Consulting Limited, RCA Associates Limited, and Pearman Investments LLP. Mr Gerritsen has been working with the Boards of these companies developing, designing and implementing growth strategies. Mr Gerritsen has also acted as a consultant, with a focus on investor relations, for RockFire Resources plc (then Papua Mining plc), Pembridge Resources plc (then China Africa Resources plc), and Metal Tiger plc. Mr Gerritsen also spent three years in Paris working as a consultant with BBSP, France. Mr Gerritsen's country of residence is the UK.

Greg Hancock (*age 68*)

Greg Hancock has had over 25 years' experience in the capital markets of Australia and the UK. He maintains close links with the stockbroking and investment banking community and has a corporate finance practice which specialises in the resources sector. On the Australian Securities Exchange he is currently non-executive chair of Ausquest Limited, BMG Resources Limited and a non-executive director of Zeta Petroleum Plc, Strata X Energy Limited, Golden State Mining Limited and King Island Scheelite Limited. Typically, Mr Hancock is involved in the sourcing, negotiation, and financing of strategic resources for companies and then providing appropriate stewardship at board level. Mr Hancock has a limited number of private company interests including Franchise Investments International Ltd, Hancock Corporate Investments Pty Limited and has in the past been a non-executive director of Norsve Resources plc and foundation shareholder and executive chair of Cooper Energy Limited, an Australian Oil and Gas production company. Mr Hancock's country of residence is Australia.

Director remuneration

Following the announcement of the Lady Alice Acquisition, Mr Gerritsen has assumed a non-executive role and that the Company has appointed Craig Moulton to manage the Company, and specifically the business acquired as part of the Lady Alice Acquisition.

Only Craig Moulton is paid a salary by the Company. Mr Moulton is paid a salary of £125,000 per annum but will initially work on a part-time basis equal to 60% of a calendar year and he has agreed to take a pro rata salary plus 9.5% in superannuation contributions.

Following the resignation of Ken Watson as a Non-Executive Director on 5 April 2019, the Company entered into a settlement agreement with Mr Watson in order to agree certain terms of his resignation (the “**Settlement Agreement**”). Under the Settlement Agreement, the Company paid Mr Watson the sum of A\$25,000 in cash as a termination payment.

No amounts have been set aside by the Company to provide for pension, retirement or similar benefits.

Director Options

On 12 February 2019, the Company announced the grant (the “**Grant**”) of share options (the “**Options**”) to the directors of the Company which are exercisable over a total of 2,017,008 Ordinary Shares (or the number of shares (of the same class or another class) as the Grant may be adjusted to relate to on a variation of the Company’s share capital, such that the number of shares subject to the Grant shall be not less, in the aggregate, than 3 per cent. of the then-issued share capital of the Company).

<i>Name</i>	<i>Title</i>	<i>No. of Share Options Granted</i>	<i>Option Exercise Price</i>
Rolf Gerritsen	Director	672,336	1.5 pence
Greg Hancock	Non-Executive Director	672,336	1.5 pence
Kenneth Watson	Former Director	672,336	1.5 pence

Further details of the terms of the Options are set out in paragraph 7 of *Part XVI – Additional Information* of this document.

Strategic decisions

Members and responsibility

The Directors are responsible for carrying out the Company’s objectives, implementing its business strategy in relation to the development of the Prince Alfred Mine and the Wudinna Project, and conducting its overall supervision. Decisions regarding the Prince Alfred Mine, the Wudinna Project, and other strategic matters will all be considered and determined by the Board. Mr Moulton will be the Director charged with day-to-day responsibility for the implementation of the Company’s strategy.

The Board will provide leadership within a framework of prudent and effective controls. The Board will establish the corporate governance values of the Company and will have overall responsibility for setting the Company’s strategic aims, defining the business plan and strategy and managing the financial and operational resources of the Company.

Frequency of meetings

The Board will schedule quarterly meetings and will hold additional meetings as and when required. The expectation is that this will not result in more than four meetings of the Board each year.

Corporate governance

The Company will observe the requirements of the UK Corporate Governance Code (so far as it is practicable for a ‘special purpose acquisition vehicle’). As at the date of this document, the Company is, and at the date of Admission will be, in compliance with the UK Corporate Governance Code, save as set out below:

- given the composition of the Board, certain provisions of the UK Corporate Governance Code (in particular the provisions relating to the division of responsibilities between the Chair and chief executive and executive compensation), are considered by the Board to be inapplicable to the

Company. In addition, the Company does not comply with the requirements of the UK Corporate Governance Code in relation to the requirement to have a senior independent director;

- the Company does not currently have an audit, remuneration, nomination or risk committee. The Board as a whole will review audit, remuneration, nomination and risk matters, on the basis of adopted terms of reference governing the matters to be reviewed and the frequency with which such matters are considered. The Board as a whole will also take responsibility for the appointment of auditors and payment of their audit fee, monitor and review the integrity of the Company's financial statements and take responsibility for any formal announcements on the Company's financial performance.

The Company has adopted and will operate a share dealing code governing the share dealings of the Directors of the Company and applicable employees with a view to ensuring compliance with the Market Abuse Regulation.

The Company has adopted, with effect from the IPO, a share dealing policy regulating trading and confidentiality of inside information for the Directors and other persons discharging managerial responsibilities (and their persons closely associated) which contains provisions appropriate for a company whose shares are admitted to trading on the Official List (particularly relating to dealing during closed periods which will be in line with the Market Abuse Regulation). The Company will take all reasonable steps to ensure compliance by the Directors and any relevant employees with the terms of that share dealing policy.

PART VIII

THE LADY ALICE ACQUISITION

Overview of the Lady Alice Acquisition

Introduction

On 7 March 2019, the Company announced that it had signed the Lady Alice Acquisition Agreement, pursuant to which it would acquire (i) 100 per cent. of the units in the Lady Alice Trust from the Former Unitholders and (ii) the entire issued share capital of Lady Alice Mines Ltd, as trustee of the Lady Alice Trust from the Lady Alice Shareholders. The Company completed the Lady Alice Acquisition on 28 March 2019.

In consideration for the sale of the shares in Lady Alice Mines, the Company has paid to the Lady Alice Shareholders A\$1,000. In consideration for the assignment of the units in the Lady Alice Trust, the Company will issue to the Unitholders at Admission, the Initial Consideration Shares. The Initial Consideration Shares represent 7 per cent of the Enlarged Issued Share Capital of the Company as at Admission. The Lady Alice Shareholders have also agreed to subscribe for a total of 20,000,000 Placing Shares in the Placing.

The Lady Alice Trust is the sole owner of (i) 100 per cent. of right title and interest in the Prince Alfred License over the Prince Alfred Mine, and (ii) an entitlement to earn a 75 per cent. equity interest over five tenements in the Wudinna Project under the terms of the Wudinna Agreement with Andromeda.

As the Lady Alice Acquisition constituted as a Reverse Takeover, upon publication of this document the Standard Listing of the Existing Issued Share Capital will be cancelled, and applications will be made for the admission of the Enlarged Issued Share Capital to a Standard Listing on the Official List and to trading on the Main Market of the London Stock Exchange.

It is expected that Admission will become effective and that unconditional dealings will commence on the Main Market of the London Stock Exchange at 8.00 a.m. on 16 January 2020. The Ordinary Shares will not be listed on any other regulated market.

The Reimbursement

Under the terms of the agreement entered into between the Company and the Vendors in connection with the Lady Alice Acquisition (the “**Lady Alice Acquisition Agreement**”), the Company also acquired the total outstanding loan balance of the Former Unitholders in the Lady Alice Trust (the “**Reimbursement**”).

The total outstanding value of the loan balance was, on the date of the Lady Alice Acquisition Agreement, approximately A\$650,000 (approximately £330,000 using an exchange rate of A\$1:£0.55) and represents a sum due from the Lady Alice Trust to its unitholders.

The consideration for the Reimbursement payable by the Company to the Former Unitholders is A\$250,000 (approximately £137,000 using an exchange rate of A\$1:£0.55) (the “**Reimbursement Consideration**”).

The Reimbursement Consideration is to be paid as follows:

- A\$33,000 (approximately £18,500 using an exchange rate of A\$1:£0.55) payable in cash on the date of Admission;
- A\$117,000 (approximately £64,350 using an exchange rate of A\$1:£0.55) payable in the form of Ordinary Shares at the Placing Price on the date of Admission (the “**First Reimbursement Shares**”); and
- A\$100,000 (approximately £54,700 using an exchange rate of A\$1:£0.55) payable in Ordinary Shares at the 5-day volume weighted average price of the Ordinary Shares (calculated with reference to the five business days immediately preceding the date of Admission) (the “**Second Reimbursement Shares**” and together with the First Reimbursement Shares, the “**Reimbursement Shares**”) or in cash, at the Company’s election, within 12 months after the date of Admission.

The Company has, in effect, acquired an asset worth approximately A\$650,000 for A\$250,000. As the current unitholder of the Lady Alice Trust, the Company can choose to repay the outstanding loan balance to itself using future income from the Lady Alice Trust or expunge the loan as it sees fit. The Company's intention is to expunge the loan balance as soon as practicable.

The Lady Alice Acquisition Agreement specifies that the Reimbursement Consideration is in full and final satisfaction of any claim which the Former Unitholders may have in respect of any loans made by the Former Unitholders to the Lady Alice Trust, and subject only to payment and/or issue of the Reimbursement Consideration, no claim may be made by the Former Unitholders in respect of any such loan or loan accounts.

The Options

Under the Lady Alice Acquisition Agreement, the Company granted certain options over Ordinary Shares in favour of the Former Unitholders.

The first option (the “**First Option**”) is exercisable for the payment by the Former Unitholders, in the aggregate, of A\$1,500 and shall vest on the occurrence of the First Qualifying Event (as defined below):

- The First Qualifying Event occurs on the Lady Alice Trust having earned a 50% equity interest in the Wudinna Project under the Wudinna Agreement (the “**First Qualifying Event**”);
- Subject to the First Qualifying Event having occurred, on exercise of the First Option, the Company shall issue to the Former Unitholders, that number of Ordinary Shares as brings the total number of Non-Reimbursement Shares (as defined below) issued in total to all Former Unitholders to 14% of the total issued capital of the Company as calculated after the issue of the Non-Reimbursement Shares.

The Second Option is exercisable for the payment by the Former Unitholders, in the aggregate, of A\$1,500 and shall vest on the occurrence of the Second Qualifying Event (as defined below):

- The Second Qualifying Event occurs on the Lady Alice Trust having earned a 65% equity interest in the Wudinna Project under the Wudinna Agreement (the “**Second Qualifying Event**”);
- Subject to the Second Qualifying Event having occurred, on exercise of the Second Option the Company shall issue to the Former Unitholders, that number of Ordinary Shares as brings the total number of Non-Reimbursement Shares issued in total to all Former Unitholders to 21% of the total issued capital of the Company, as calculated after issue of the said further Non-Reimbursement Shares.

The Third Option is exercisable for the payment by the Former Unitholders, in the aggregate, of A\$1,500 and shall vest on the occurrence of the Third Qualifying Event (as defined below):

- The Third Qualifying Event occurs on the announcement of a JORC-compliant Indicated Mineral Resource for the Wudinna Project of not less than 750,000 ounces of gold (the “**Third Qualifying Event**”);
- Subject to the Third Qualifying Event having occurred, on exercise of the Third Option, the Company shall issue to the Former Unitholders a further 30,000,000 Ordinary Shares.

For the avoidance of doubt, “**Non-Reimbursement Shares**” means any Ordinary Shares issued to the Former Unitholders that are not Reimbursement Shares.

On Admission, the Former Unitholders will hold 36,124,856 Ordinary Shares, consisting of 20,000,000 Placing Shares; 10,058,244 Initial Consideration Shares and 6,066,632 First Reimbursement Shares, and in aggregate representing 23.50 per cent. of the Enlarged Issued Share Capital.

The total equity interest in the Company which would be held by the Former Unitholders following any exercise in the future of the Third Option would depend on the then existing issued share capital of the Company. Nevertheless, the Company does not expect the equity interest in the Company held by the Former Unitholders to, at any time, exceed approximately 29.9 per cent.

The Prince Alfred Mine

Introduction

The Prince Alfred Mine is located approximately 100km north-east of the town of Port Augusta in South Australia and thought to be a strata-bound sediment hosted copper orebody. The mineralisation is located within the Yednalue Anticline and is situated in the lower part of the Tapley Hill Formation. The original mine operated during the late 19th and early 20th centuries, recovering approximately 40,000 tonnes of ore at approximately 5 per cent. copper to a depth of 170 feet. No production records are known to have survived from its period of operation.

History

The Prince Alfred Mine was discovered in 1866 and is located 100km north-east of Port Augusta in South Australia. Copper ore with a sprinkling of gold was discovered in a fairly wild and remote area of the Flinders Ranges, and the following year the Prince Alfred Gold Mining Company Ltd was formed in Adelaide. The mine and the company were named after Prince Alfred, Duke of Edinburgh, the first member of the royal family to visit the Australian colonies.

Mining seems to have occurred in three separate episodes between 1869 and 1909, with a gap from 1874 to 1889. Most of the production is likely to have occurred in the 1870s, and the masonry engine and crusher houses were built during that first period of mining. It appears that three separate companies operated the Prince Alfred Mine in those episodes, at least one of them based in Melbourne. It is not unusual for mines in remote areas with high costs to have sporadic periods of production, separated by long silences. It indicates that the mine was only viable at times of high copper prices, and always extremely sensitive to metal price fluctuations.

In 1868 the first company (Prince Alfred Gold Mining Company Ltd) was re-formed as the Prince Alfred Copper Mining and Smelting Company. By early 1869, ore was being extracted from an open-cut. Three shafts were put down on the site by July 1869. At first, the ore was taken by dray to Port Augusta, and shipped to the English and Australian Copper Company's smelter at Port Adelaide. By the end of the year, £3,000 worth of copper metal had been produced.

By 1870, the Prince Alfred Mine was concentrating ore with three small jigs, two of them obtained from Burra, where operations were winding down. At the end of the year, the directors decided the time had come to equip the Prince Alfred Mine with more efficient machinery and a smelter. This was a period of development, with the shafts being sunk to 270 feet (82 metres), 150 feet (45 metres) and 100 feet (30 metres), and the value of copper produced in 1870 trebled to £9,000. In 1871 a reverberatory furnace, fuelled by firewood, was built to smelt copper on site. It had its first firing in June 1871, by which time the engine houses were also under construction.

Construction of the second furnace began in August 1871, and the engine and crusher were at work by 22 November 1871. Evidence on site shows that the machinery was powered by a horizontal steam engine, and crushing and concentrating were done by Cornish rolls and a jig. There is no remaining evidence of how the Prince Alfred Mine was pumped. The following month the second smelter was firing, and work had started on a third. The second smelter was to be a calciner or roaster to drive off sulphur before smelting proper. The third smelter was a backup, to take over when one or both of the others were down for maintenance. By March 1872 the engine was also pumping water from the nearest mineshaft, called the Engine Shaft. The third furnace was fired in April 1872, and the Prince Alfred Mine's infrastructure was completed in almost exactly twelve months from commencement.

The company was now £5,000 in debt and the bank wanted immediate repayment. The directors wanted to call up all unpaid capital of £4,000 from shareholders and borrow £2,000 with a mortgage on the mine. The only alternative was to wind up the company. The Prince Alfred Mine closed in 1874 and the Prince Alfred Copper Mining and Smelting Company was wound up by July 1874.

The copper price was not the reason for closure, as it was buoyant in 1874, although it would crash three years later. No-one made any suggestion of fraud. There are hints that as the mine went deeper, the copper grade was falling, and sulphide ore, more difficult to treat, was beginning to dominate the orebody.

In 1889 a syndicate began to work on the Prince Alfred Min, pumping out one of the shafts, employing fourteen men, and sending eighteen tons of ore to Port Augusta. In April 1890 the New Prince Alfred Copper Mining Company No Liability was formed to take over and work the Prince Alfred Mine. They pumped out the Prince Alfred Mine and worked it on a small scale, installing jigs to concentrate the ore. The concentrate was sent away to Wallaroo for smelting.

The following year another company called the Prince Alfred Copper Mining Company No Liability was formed in Melbourne, equipping the Prince Alfred Mine with its third lot of machinery and new or rebuilt smelters. In 1900 (a bad drought year) a dam was built to supply the mill with water. Previously, the mill's water supply had come from the mine shafts. The Prince Alfred Mine worked on a small scale through the early years of the twentieth century, producing about 12,000 tonnes of ore. However, another worldwide fall in the copper price closed it in 1907, and the Prince Alfred Copper Mining Company No Liability was wound up in 1909.

Geological setting

The Central Flinders Zone, as shown in the figure below, is dominated by open dome and basin interference folds and the Nackara Arc (that is host to the Prince Alfred Mine) an arcuate belt of linear, upright, concentric folds to the north and south. The figure below shows the generalised tectonic setting of the Adelaide Fold Belt. The Prince Alfred Mine is located on the eastern side of the Nackara Arc.

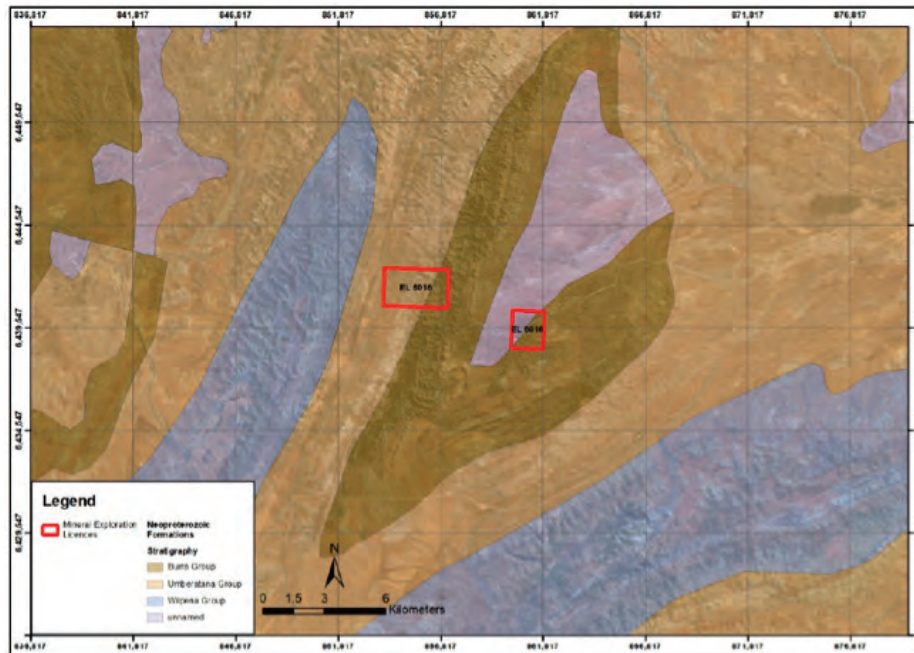
(Source: Competent Persons' Report on the Prince Alfred Project, South Australia, May 2019)

Project Geology and Mineralisation

Geology

The Yednalue Anticline is the main structure in the project area with the Prince Alfred Mine located above the unconformable boundary between the Burra and Umberatana groups. The main lode of the Prince Alfred Mine workings is parallel to bedding and is situated in the lower part of the Tapley Hill Formation of the Burra Group.

These consist of blue-grey well-laminated siltstones. Thin bands of coarse sandstone are inter-bedded with the siltstones. Finely laminated black shales occur immediately east of the Prince Alfred Mine and are underlain by a tillite.



(Source: Competent Persons' Report on the Prince Alfred Project, South Australia, May 2019)

Mineralisation

The mineralisation within the Tapley Hill Formation is currently considered to be a stratiform deposit. It is associated with primary sulphide mineralisation in gravel units that are in close proximity to a sideritic band within the lower section of the Tapley Hill Formation. Zones of mineralisation have possibly formed from secondary enrichment of lower grade sulphides within the sediments of the lower Tapley Hill Formation.

Sedimentary hosted copper-cobalt mineralisation associated with syn-sedimentary pyrite is potentially analogous to deposits such as those in the Central African copper belt or in South Australia such as Mt Gunson or Khamsin.

There are three main workings at the Prince Alfred Mine; (i) the engine shaft workings, (ii) the open cut, and (iii) the main shaft workings. The lode near the surface is in siliceous sandstone (previously described and named as "grit"). The mineralisation is lenticular in form with a maximum width of seven metres in the open cut, tapering either way therefrom and is a tabular-like body, constrained to the strike and dip of the slates.

Mineralisation at the Prince Alfred Mine has been introduced along the broken zone of a transcurrent fault. The footwall contact is sharply defined, relatively undisturbed and is mineralised. The hanging wall is broken and crushed, more in some places than in others. This has permitted a certain amount of irregular permeation and injection of the broken zones by veins of copper minerals and calcite. The mineralisation comprises an accumulation of broken slate extensively injected and filled with sideritic copper mineralisation. Calcite and minor quartz may also be present. The sandstone beds generally lie immediately below the mineralisation except in a few places where it becomes part of the mineralisation.

The primary copper sulphide, chalcopyrite, is predominant and abundant. Except for a few locally concentrated masses the secondary carbonate mineral, malachite, is relatively undeveloped.

Chalcopyrite is commonly rimmed by a secondary sulphide probably chalcocite. In the open stope of the underlying shaft, east of the engine shaft, mineralisation width is approximately two metres. Present appearances of the hanging wall suggest that the reason for this apparent over-stoping was the presence of narrow veins of ore disseminated into the crushed slate. Throughout the workings the mineralisation is patchy in grade, depending on varying amounts of calcite and siderite gangue and of fragments of un-mineralised slate. The majority of the mineralisation is of sulphide type. Lack of oxidation and supergene enrichment is evidently due to a high percentage of calcite and very little pyrite in the lode. Some malachite and oxides occur and mainly form as a coating on dense copper sulphide.

Reserves and Resources

The Prince Alfred Mine has no JORC compliant reserves or resources. No historic data from its period of operation was preserved.

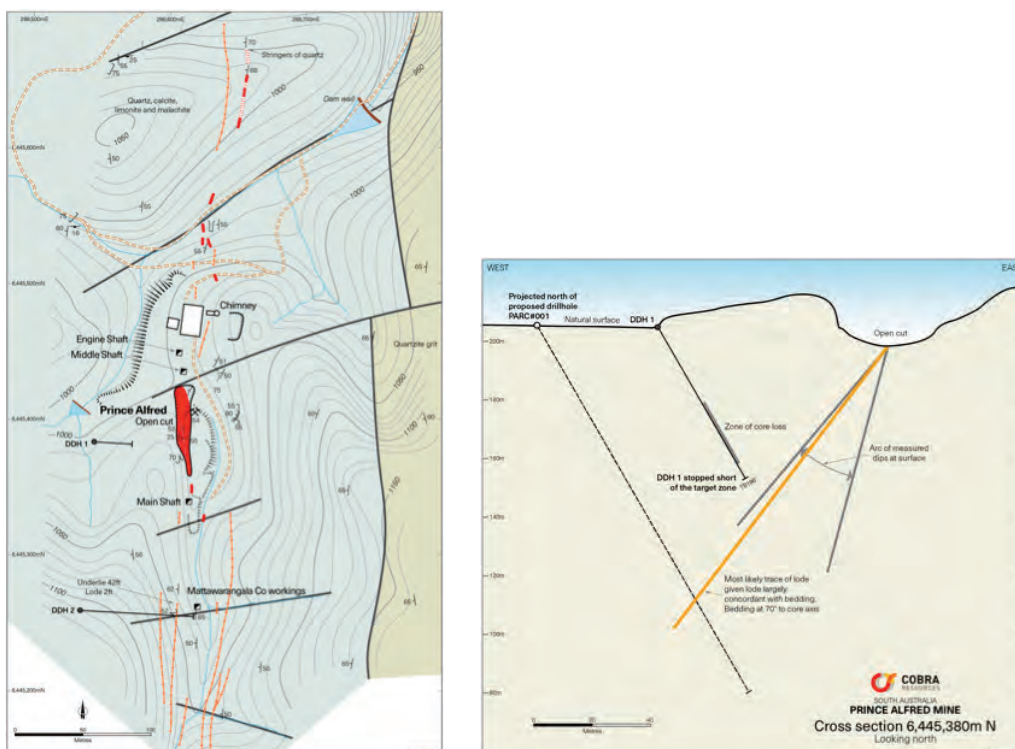
Potential Future Development

The target at the Prince Alfred Mine is to test the depth and extent of mineralisation. Whilst a South Australian Department of Mines geologist attempted this by drilling three holes in 1960, the Company believes that none of these holes were drilled successfully. On this basis, an exploration programme has been designed to establish the continuity of mineralisation below the historic workings. This programme is described in more detail below.

Proposed Exploration Programme

In preparation for a future drilling programme, the Company intends to conduct detailed surface mapping of the Prince Alfred Mine site and surrounding areas, to identify structures containing mineralisation.

The figure below shows an updated version of the initial survey conducted by the South Australian Department of Mines geologists M.L. Wade and C.F. Wagner, as well as the two holes (DDH1 and DDH2) drilled by L. G. B Nixon.



(Sources: Left: Plan updated from M. Wade and C. Wegener, 1954; Right: Cobra Resources plc, 2019)

The exploration programme will commence with initial field reconnaissance programme to conduct detailed geological and structural mapping of this area surveyed by Wade and Wagner. This will provide further detailed information on the likely orientation of the mineralisation, ensuring the optimal sighting of the proposed drill-holes.

The mapping programme at the Prince Alfred Mine is currently scheduled the first or second quarter of 2020.

If this programme identifies significant, high-grade copper mineralisation, future drilling programmes will be required to provide confidence in the continuity of mineralisation leading to the definition of a JORC compliant mineral resource. Following board approval, this would be planned for completion during 2021.

Exploration Licenses and Permits

The Prince Alfred Mine is located on Exploration License EL 6016 (the “**Prince Alfred License**”), which authorises the holder to explore for minerals and/or opal other than extractive minerals. It also grants the right for the holder to apply for mining tenure. The Prince Alfred License is wholly owned by Lady Alice Mines Pty Ltd as trustee of the Lady Alice Trust. The Prince Alfred License is active, in good standing and free of all encumbrances under the Mining Act.

The current expenditure commitment on the Prince Alfred License for Lady Alice Mines Pty Ltd is A\$86,000 (approximately £47,300 using an exchange rate of A\$1:£0.55) over the licenced period of two years. The Company plans to meet this expenditure commitment by virtue of the budget for the initial mapping programme, the funds required for which will be taken from the Net Placing Proceeds. As such, the Company does not consider the potential expiration of the Prince Alfred License to be a material risk.

The South Australian DEM regulates mineral exploration pursuant to the Mining Act and Mining Regulations (see *Part IX – Regulatory and Operating Environment* for more details). All on-ground exploration activity requires the submission and approval of a PEPR. The PEPR outlines the scope of exploration activities and identifies key environmental risks with the aim of establishing agreed and acceptable outcomes for environmental protection and rehabilitation.

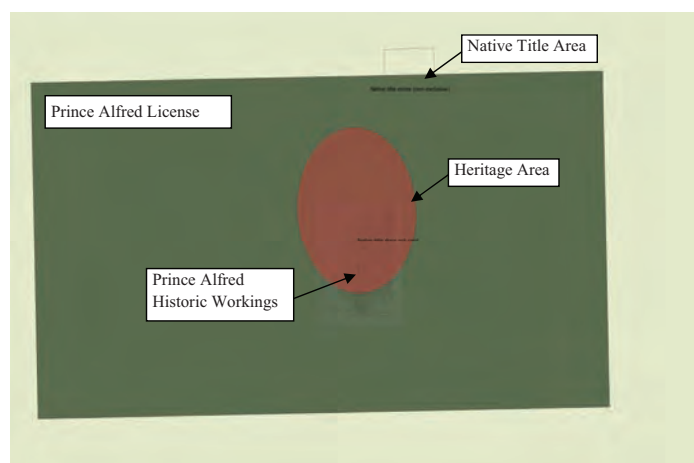
If exploration activities could potentially impact areas of environmental conservation, such as protection areas, national parks or conservation parks, or areas with heritage significance, then further consultation or approval may be required.

Access to land requires a “Notice of Entry on Land” to be served on the landowner at least 21 days prior to access. The DEM also require that landowners are kept informed of all aspects of the proposed activities that are relevant to their interests.

If exploration is proposed on land where native title has been determined to exist then, under the provisions of the Mining Act, consultation with native title groups must occur to establish an ILUA, or an alternative access agreement. Regardless of the determination, on-ground exploration activity must manage the risk of impacting Aboriginal heritage sites.

The specific permitting requirements for the Company to conduct the proposed exploration programme at the Prince Alfred Mine include:

- submission of a PEPR outlining the scope of the proposed drilling programme, including environmental and heritage impacts and the agreed rehabilitation outcomes. As shown in the figure below a heritage site has been declared relating to the historic buildings at the Prince Alfred Mine. The DEM is required to consult with the State Heritage Branch in relation to the proposed operations to ensure the site is protected, however, no specific ministerial approval is required;
- a Notice of Entry on Land is required 21 days prior to the drilling programme. There are two registered owners, one is a private landholder, and the other is the Minister for Sustainability, Environment and Conservation; and
- there has been a determination of native title as a joint claim between the Adnyamathanha, Ngadjuri and Wilyakali people. The determination was that native title was extinguished for most of the area covered by the Prince Alfred License, with the exception of a small area to the north west of the tenement labelled in the figure below. Whilst drilling activities will not impact this area, consultation with the joint native title group will be required to ensure any potential Aboriginal heritage sites are avoided, however no ILUAs or alternative access agreements will be required.



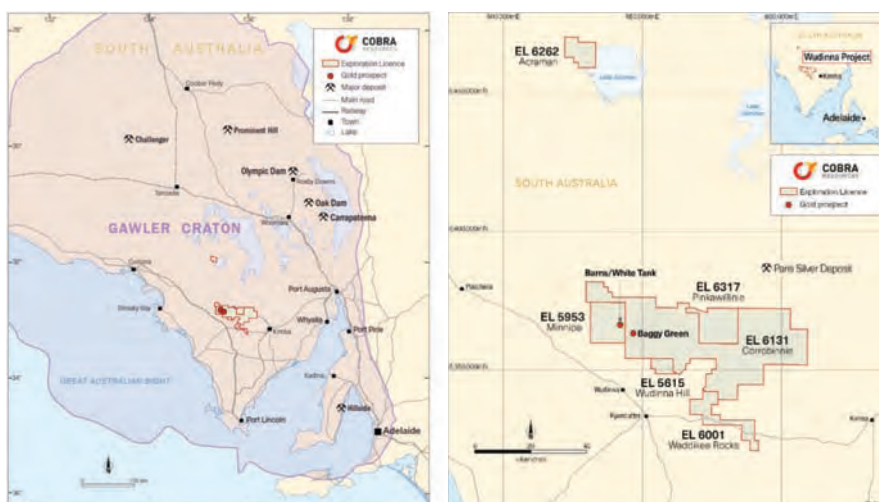
(Source: SARIG (<https://map.sarig.sa.gov.au/>))

Following discussions with the DEM, the Company does not believe that any of the consultations required for access or other approvals required for the programme represent a significant risk to either the timing, cost or scope of the proposed exploration programme.

The Wudinna Project

Introduction

The Wudinna Project lies on the Eyre Peninsula of South Australia and comprises six tenements that total 1928km² in the Central Gawler Craton Gold Province of South Australia. The project includes a cluster of deposits and earlier stage prospects including the Barns Deposit ("**Barns**"), the Baggy Green Deposit ("**Baggy Green**") and the White Tank Deposit ("**White Tank**"). These deposits have mineral resources totalling 4.43 million tonnes at 1.5g/t gold for 211,000 ounces using a 0.5g/t gold cut-off grade, comprised of 0.41 million tonnes at 1.40g/t gold for 18,000 ounces of indicated resources and 4.02 million tonnes at 1.5g/t gold for 193,000 ounces of inferred resources.



(Source: Competent Persons' Report on the Wudinna Project, South Australia, May 2019)

Metallurgical testing has been conducted on composited samples representing both primary and oxide/supergene mineralised material from Barns and Baggy Green. At Barns, gravity and cyanide leaching of the gravity concentrate and tailings recovered 98.8% of the gold in a supergene sample, and an average of 97.5% of the gold in primary samples. At Baggy Green, recovery in a supergene sample was 94.3% while recoveries for primary samples averaged 98.7%.

History

In 1997, Newcrest Mining Ltd ("**Newcrest**") completed a reconnaissance-scale calcrete sampling survey on the tenement on which Barns is now located, with initial samples spaced at one kilometre. A number of adjacent reconnaissance samples returned anomalous gold values over the Barns area. Infill sampling completed by Newcrest in 1998 defined a large gold anomaly with a peak value of 31 ppb.

In early 1999, Newcrest, which was experiencing considerable exploration success in the Cadia district in New South Wales, determined to dispose of its exploration license. Check sampling completed by Andromeda (then Adelaide Resources Ltd) validated the existing anomalous gold-in-calcrete results and Andromeda acquired a 100% interest in the exploration license in late 1999.

In 2000, Andromeda completed further calcrete sampling over Barns at 400, 200 and 100 metre centres. The resulting geochemical feature was a large coherent anomaly with a peak value of 49 ppb gold and included significant areas above 10 ppb. Calcrete samples were collected by hand auger and assayed at Amdel Laboratories using a low-level BLEG technique, giving a lower gold detection limit of 0.05 ppb.

The Barns, Baggy Green and White Tank gold deposits of the Wudinna Project were discovered by drill testing gold of calcrete geochemical anomalies.

The Barns gold deposit was discovered in 2000, with significant intersections including 12 metres at 3.38g/t gold from 67 metres in RCBN-123, and 35.49 metres at 1.80g/t gold from 115 metres in PDBN-134.

Intersections from White Tank, discovered in 2003, include 7 metres at 10.03g/t gold from 63 metres in RHBN-234, and 17 metres at 3.47g/t gold from 60 metres in RHBN-248.

Baggy Green was found in 2004 with notable intersections including 8 metres at 4.79g/t gold from 34 metres in WUD6-770, and 5 metres at 9.01g/t gold from 66 metres in BGRC-865.

Geological setting and mineralisation

Geological Setting

As shown in the figure below, the Central Gawler craton gold province forms an arcuate belt wrapping around the south-western margin of the Gawler Range Volcanics and in part following the boundary between the Mesoproterozoic (c.1595 – 1570 Ma) and Paleoproterozoic (c. 163 – 1608) rocks.

The Gawler Range Volcanics are composed of pinkish medium-grained granite with xenoliths of gneiss and foliated grey granodiorite. The Gawler Range Volcanics were emplaced between 1595 and 1575 Ma and are coeval with the Hiltaba Suite. The Gawler Range Volcanics are flat lying and relatively undeformed.



(Source: Competent Persons' Report on the Wudinna Project, South Australia, May 2019)

Mineralisation

Within the Wudinna Project, the area is dominated by the Archaean Sleaford Complex (in the east) and the Tunkilla Group (in the west). The Sleaford Complex is foliated migmatitic quartz–feldspar–biotite (garnet) gneiss and augen gneiss. The Tunkilla Group rocks are moderately deformed granodioritic gneiss. The regolith profiles are siliceous and variably calcareous sandy sediments forming old dune ridges.

The host lithologies for Barns, White Tank and Baggy Green is granodiorite made up of plagioclase, K-feldspar, quartz and biotite with minor apatite, allanite, magnetite and zircon all within a weak, subvertical foliation. Also present is quartzite and gneiss occurring as blocks within the granodiorite and minor pegmatites and mafic dykes.

Identified at Barns is a zoned alteration system with an outer chlorite-epidote-sericite-rutile-hematite and inner zone of sericite-pyrite-gold. The outer zone of alteration is identified with chlorite replacing biotite, plagioclase altered to albite and K-feldspar containing abundant microcrystalline hematite inclusions. The inner alteration zone is of pervasive sericite replacing plagioclase with disseminated pyrite and the k-feldspar generally intact.

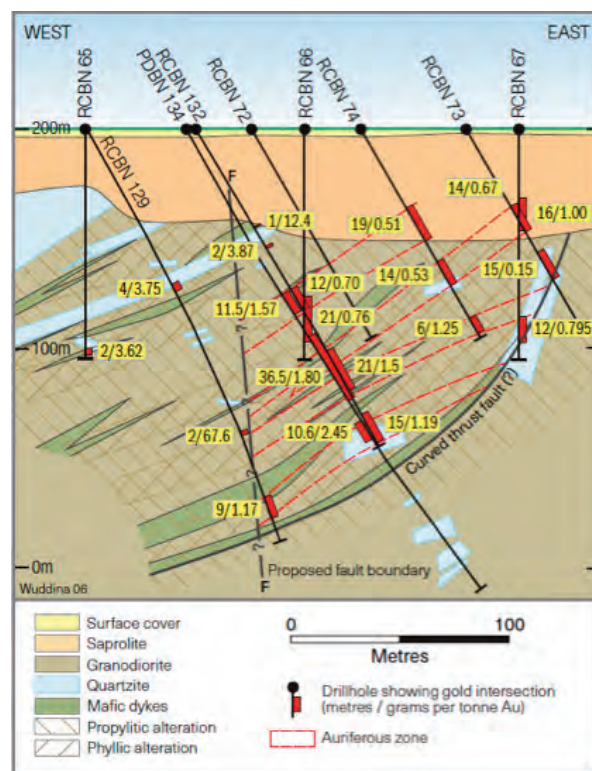
Gold mineralisation at Barns, White Tank and Baggy Green is located in west and northwest dipping shear or fault zones. The mineralisation is sulphidic with pyrite dominant at Barns and White Tank, and chalcopryrite at Baggy Green. Gold mineralisation is hosted in one to ten millimetre-wide quartz pyrite veins within the inner alteration zone, with gold occurring as free particles generally less than approximately 100µm in diameter.

Gold mineralisation at Barns may be controlled by NW trending structures and the proximal association of the Hiltaba Suite intrusives, granite and granodiorite. Reverse shearing was noted in drill core with west dipping structures displaying gentle to moderate dips of shears and veins.

Lady Alice Mines undertook a structural review of the Wudinna Project in 2018 with the following conclusions:

- The veins at Barns dip shallowly to the west and their strike is coincident with the main trends in the bedrock geochemistry.
- The Barns mineralisation is west-dipping auriferous zones are either truncated by faulting or simply die out down-dip to the southeast.
- Mineralisation weakens to the north and is constrained in depth above a curved flat-lying shear-zone.
- At Baggy Green, the veins dip north at about 30 degrees, in contrast to the geochemistry that strikes to the north. The trend of the calcrete anomalies represent north-northeasterly trending shear-zones, within which auriferous structures dip as arrays or single units to the north.

The geological interpretation (shown below) indicated a flat dip of mineralised zones generally following lithological contacts with the interpretation validated by the structural review carried out by Lady Alice Mines.



(Source: Andromeda Metals Limited, Amalgamated Expenditure Agreement Technical Report, April 2019)

Reserves and resources

Summary

The total Wudinna Project Mineral Resource is 4.43 million tonnes at 1.5g/t gold for 211,000 ounces using a 0.5g/t gold cut-off grade, comprised of 0.41 million tonnes at 1.40g/t gold for 18,000 ounces of Indicated Resource and 4.02 million tonnes at 1.5g/t gold for 193,000 ounces of Inferred Resources. This includes:

- The Barns Mineral Resource Estimate totals 2.21 million tonnes at 1.5g/t gold for 104,000 ounces at a 0.5g/t gold cut-off grade. The Resource includes 0.41 million tonnes at 1.4 g/t for 18,000 ounces classified as Indicated and 1.71 million tonnes at 1.5g/t classified as Inferred.
- The Baggy Green Mineral Resource Estimate totals 2.03 million tonnes at 1.4g/t gold for 94,400 ounces at a 0.5g/t gold cut-off grade. The Resource is classified as Inferred.
- The White Tank Mineral Resource Estimate totals 0.28 million tonnes at 1.4g/t gold for 13,000 ounces at a 0.5g/t gold cut-off grade. The Resource is classified as Inferred.

Barns, Baggy Green and White Tank fall within 6km of each other and are shallow and potentially open-pitiable. Each of the deposits remain open and step-out drilling can potentially add further resources.

Resource Estimation

Optiro Pty Ltd ("**Optiro**") has prepared updated Mineral Resource estimates for Barns, White Tank and Baggy Green. Mineral Resources were estimated by Mining Plus Pty Ltd for in 2016 for Barns and in 2017 for White Tank and Baggy Green.

In 2018, Lady Alice Mines requested Optiro to investigate an alternative orientation to the interpreted mineralisation at Barns, White Tank and Baggy Green aligned with the strong regional northwest/southeast orientation observed in (i) calcrete gold geochemical data (ii) regional gravity and magnetic data and (iii) structural interpretation of drill core data.

Variography indicated that the maximum continuity for the mineralisation at Barns is orientated along 305°, which is consistent with the regional orientation observed by Lady Alice Mines. Lady Alice Mines requested Optiro to re-model the mineralisation at Barns, White Tank and Baggy Green using this as the dominant orientation for the mineralisation and to develop alternative conceptual resource models.

A nominal cut-off grade of 0.3 g/t gold was used for interpretation of the mineralisation at Barns, White Tank and Baggy Green. Optiro provided preliminary resource estimates for Barns, Baggy Green and White Tank which were based on the interpretation of a series of stacked lodes with an overall strike consistent with the regional northwest orientation and a shallow dip to the southwest. Subsequently, Optiro obtained the weathering surfaces and density data used by Mining Plus Pty Ltd and has updated the preliminary resource models with these data. In addition, two horizons of supergene mineralisation have been interpreted within the saprolite material at Barns that replaced three of the previously interpreted dipping lodes.

Interpreted mineralisation at Barns extends over an area of 400 mN by 250 mE and is up to 200 metres deep. Two lodes of flat-lying supergene mineralisation and 12 lodes of shallow dipping, fresh mineralisation have been interpreted. At White Tank, the interpreted mineralisation extends for 250 mN by 150 mE and is up to 120 metres deep. One lode of flat-lying mineralisation and two shallow dipping lodes of mineralisation within fresh material have been interpreted. The Baggy Green resource has two areas of mineralisation. Within the south, the interpreted mineralisation extends over an area of 200 mN by 400 mE and in the north it extends over an area of 150 mN by 300 mE. One lode of flat-lying supergene mineralisation and 13 shallow dipping lodes of mineralisation have been interpreted within the fresh material to a depth of 200 metres.

The resource models for Barns and White Tank were constructed using a parent block size of 10 mE by 10 mN on 4 metre benches; the parent blocks were allowed to sub-cell down to 2 mE by 2 mN by 0.5 mRL to more accurately represent the geometry and volumes of the weathering horizons and mineralisation domains. For Baggy Green, a parent block size of 20 mE by 20 mN by 5 m was used and the parent blocks were allowed to sub-cell down to 4 mE by 4 mE by 1 m RL. Gold block grades were estimated using ordinary kriging techniques, with search ellipses oriented within the plane of the mineralisation. Hard boundary conditions were applied for grade estimation into each of the mineralised domains.

A total of 255 bulk density determinations have been undertaken at Barns on either historical or recent diamond drillholes and 185 bulk density determinations have been undertaken at Baggy Green on recent diamond drillholes. Average values were calculated from the complete dataset by Mining Plus using a combination of weathering and mineralisation. Density values assigned to the mineralised domains in the resource models range from 2.29 t/m³ to 2.73 t/m³.

The mineralisation at Barns, White Tank and Baggy Green has been classified as Indicated and Inferred in accordance with the guidelines of the Australasian Code for Reporting of Identified Mineral Resources and Ore Reserves, 2012. The Mineral Resources have been classified on the basis of confidence in geological and grade continuity and taking into account data quality (including sampling methods), data density and confidence in the block grade estimation, using the modelled grade continuity and conditional bias measures (slope of the regression) as criteria.

Indicated Mineral Resources have been defined at Barns within the supergene mineralisation in areas where drill spacing is generally 20 mE by 50 m or less. An Indicated classification was applied to four of the fresh lodes where the drill spacing is generally 20 mE by 50 m or less and the resources are above 40 mRL. Inferred Mineral Resources have been defined in areas where an extension of mineralisation is supported by the drilling. The total Mineral Resources at White Tank and Baggy Green have been classified as Inferred.

The likelihood of eventual economic extraction was considered in terms of possible open pit mining and results from metallurgical testwork. Metallurgical testwork from material at Barns and Baggy Green indicated gold recoveries ranging from 94.3% to 99.3% and averaging 97.7% across all samples from a combination of conventional gravity and cyanide leaching.

The Mineral Resource estimate, as at 31 March 2019, for Barns, White Tank and Baggy Green is reported in the table below. This has been classified and reported in accordance with the guidelines of the Australasian Code for Reporting of Identified Mineral Resources and Ore Reserves, 2012. The

Mineral Resources have been reported above a 0.5 g/t gold cut-off grade to reflect current commodity prices and extraction by open pit mining.

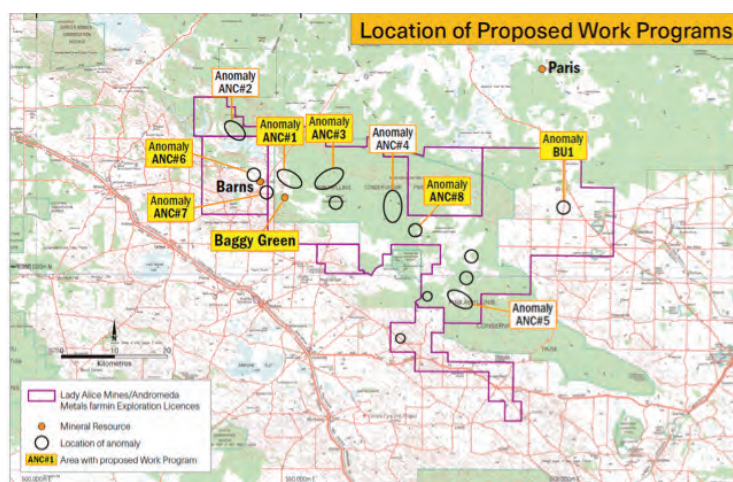
<i>Deposit</i>	<i>Classification</i>	<i>Tonnes (x1,000)</i>	<i>Grade (g/t Au)</i>	<i>Gold ounces</i>
Barns	Indicated	410	1.4	18,000
	Inferred	1,710	1.5	86,000
	Total	2,210	1.5	104,000
White Tank	Inferred	280	1.4	13,000
Baggy Green	Inferred	2,030	1.4	94,000
Total		4,430	1.5	211,000

(Source: Competent Persons' Report on the Wudinna Project, South Australia, May 2019)

Potential Future Development

Gold mineralisation was originally detected from geochemical sampling which targeted calcrete layers in shallow transported cover. Further work by Lady Alice Mines in 2018 established that a zone of calcrete depletion aligned with the regional zone of deformation, in a north-westerly orientation. These analyses also demonstrated that testing of raw gold in soil/calcrete anomalies was suboptimal and that calcium normalised gold, which accounts for the degree of concentration in calcrete better reflects the presence of underlying gold mineralisation.

Secondly, the presence of anomalous arsenic geochemistry in soil/calcrete samples is a common pathfinder used in hydrothermal gold exploration. The existing mineralisation showed a strong correlation with arsenic anomalism, and when coincident with calcium-adjusted-gold, proved to a better indicator of the existing mineralisation at Barns and Baggy Green. The presence of silver, which does not concentrate in calcrete to the same degree, was a tertiary indicator. By applying this new understanding of the geochemical relationships to the larger tenement holding, 14 target areas were identified and shown in the figure below. Each of these areas has anomalous and coincident calcium adjusted gold and arsenic anomalism in soli/calcrete samples.



(Source: Andromeda Metals Limited, Amalgamated Expenditure Agreement Technical Report, April 2019)

Proposed Exploration Programme

Using approximately £111,000 from the Net Placing Proceeds, the Company plans to conduct a three stage geochemical sampling programme to fingerprint the chemical signature of the mineralisation and refine priority drill targets.

Phase 1 – Calibration programme

This initial programme will calibrate new geochem sampling with existing mineralisation to establish baseline relationships across a broader suite of 49 elements. This follows on from the recent desktop work where, the Company has been investigating the use of additional chemical pathfinder elements to increase the definition of basement gold mineralisation, in conjunction with the use of high-res magnetics and gravity data.

With direct control over the sample quality, and significantly improved analytical methods, as well as order of magnitude better detection limits, the Company can directly test the value of other chemical pathfinders such as copper, zinc, nickel and magnesium.

Phase 2 – Brownfields Targets/Extensions

The second phase of Geochem sampling will define/refine targets that are proximal (or extensions) to mineralisation at Barns/Baggy Green and White Tank. With a refined toolset calibrated from Phase 1 the Company will be able to optimise both the sampling grid, where to sample, and differentiate between higher priority targets. As well as identifying new anomalies, these results will increase the resolution of existing targets, and better define the geometry and orientation of mineralisation. As with Phase 1, this programme will build a more detailed understanding of the mineralisation's geochemical signature and pathfinder elements which can then be applied to the more regional targets in Phase 3.

Phase 3 – Greenfields Targets

Phase 3 will begin with a review of all regional (i.e. outside of the existing JORC resource) targets, incorporating the learnings from the previous programmes, followed by infill multi-element sampling at the highest priority targets.

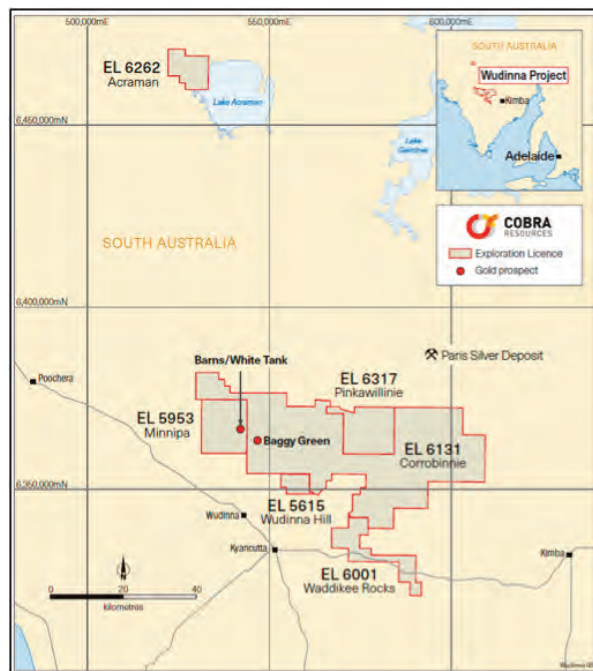
In parallel the Company also aim to assess the IOCG (e.g. Olympic Dam Cu-Au style) potential within the region by incorporation the results of the new geochemistry with existing high-res magnetics and gravity data.

Exploration Licenses and Permits

The Wudinna Project is located on six Exploration Licenses:

1. EL 6317 – Pinkawillinie (expires 15/12/2020)
2. EL 5615 – Wudinna Hill (expires 24/03/2020)
3. EL 5953 – Minnipa (expires 18/04/2022)
4. EL 6001 – Waddikee Rocks (expires 13/02/2022)
5. EL 6131 – Corrobinnie (expires 11/07/2022)
6. EL 6262 – Acraman (expires 30/09/2020)

The location of these exploration licenses is shown in the figure below:



(Source: Andromeda Metals Limited, Amalgamated Expenditure Agreement Technical Report, April 2019)

These exploration licenses authorise the holder to explore for minerals and/or opal other than extractive minerals. They also grant the right to apply for mining tenure. All six exploration licenses are wholly owned by Peninsula Resources Limited ("**Peninsula**"), a wholly owned subsidiary of Andromeda. The Company has the right to earn a 75 per cent. economic interest in the Wudinna Project pursuant to the Wudinna Agreement.

The DEM regulates mineral exploration according to the Mining Act and the Mining Regulations. All on-ground exploration activity requires the submission and approval of a PEPR. The PEPR outlines the scope of exploration activities and identifies key environmental risks with the aim of establishing agreed and acceptable outcomes for environmental protection and rehabilitation.

The Pinkawillinie Conservation Park, partly located within the Wudinna Project, is a jointly proclaimed Conservation Park under the National Parks and Wildlife Act 1972, which allows for access for exploration and mining subject to certain conditions. Conditions typically include (i) approval by the DEWNR (and that any activities must comply with the direction given by the DEWNR), (ii) approval by the DPC, and (iii) the operator must comply with the provisions of the reserve management plan. Approvals by the DEWNR and DPC have been obtained as part of the PEPR process described below.

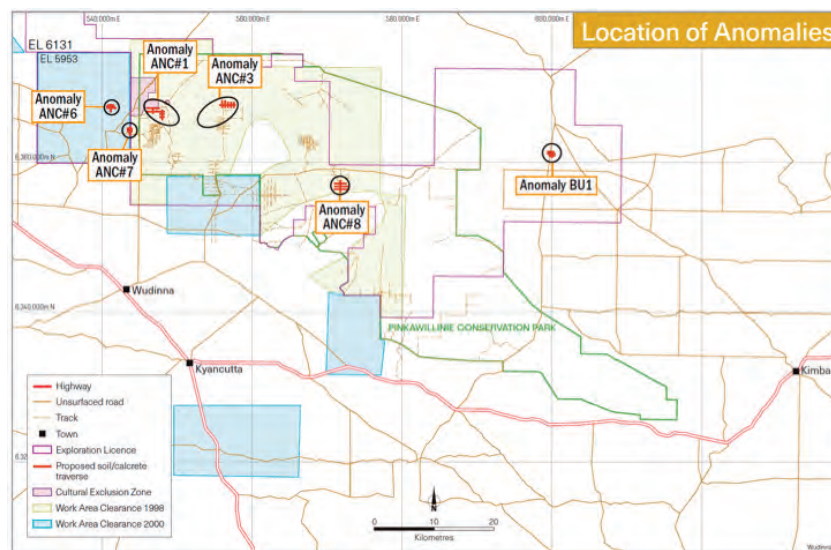
Access to land also requires a "Notice of Entry on Land" to be served on the landowner at least 21 days prior to access. The DEM also require that landowners are kept informed of all aspects of the proposed activities that are relevant to their interests.

If exploration is proposed on land where native title has been determined to exist then, under the provisions of the Mining Act, consultation with native title groups must occur to establish an ILUA, or an alternative access agreement. Regardless of the determination, on-ground exploration activity must manage the risk of impacting Aboriginal heritage sites.

The specific permitting requirements for the Company to conduct the proposed exploration programme at the Wudinna Project include:

- Submission of a PEPR outlining the scope of the proposed sampling programme, including environmental and heritage impacts and the agreed rehabilitation outcomes. For the Wudinna Project, three PEPRs have been submitted:
 1. Baggy Green – PEPR 2016_0038 Extension – Approved 7 November 2018
 2. ANC# 6, ANC#7 and BU1 – PEPR 2018-068 – Approved 22 January 2019
 3. ANC# 1, ANC#3 and ANC#8 – PEPR 2019-002 – Approved 16 May 2019
- As the ANC# 1, ANC#3 and ANC#8 are located in the Pinkawillinie Conservation Park, this PEPR required approval from the DEWNR and DPR, both of which have been granted.
- For the streams on freehold farming land a "Notice of Entry on Land" is required 21 days prior to the sampling programme for on-ground activities. As Andromeda has previously conducted exploration activity at Baggy Green, existing relationships exists with these landowners, and the Company is not aware of access being denied for either sampling or drilling activities. Some of the other prospects are located on farmland that has previously not been explored, relationships with the landowners will need to be established in due course.
- Entry to the Pinkawillinie Conservation Park: work stream three (ANC#1, ANC#3 and ANC#8) also requires the Company to submit a "Park Access" form to the DEM and the DEWNR at least two weeks prior to entry. The DEWNR District Ranger must also be kept informed of the progress of the approved program.
- The native title claimants with the project area include the Barngarla and Gawler Ranges People, and native title exists where it is not extinguished by other title such as freehold farmland.
- Andromeda has a Heritage Clearance Agreement in effect with the representatives of the Barngarla People, as their land covers the majority of the Wudinna Project area. The Company understands that Andromeda has had a positive and constructive working relationship with the Barngala People, which is demonstrated (as shown in the figure below) by the significant

proportion of the tenement holding that has been cleared. A cultural exclusion zone, shown in purple, exists adjacent to the north-west corner of ANC#1.



(Source: Andromeda Metals Limited, Amalgamated Expenditure Agreement Technical Report, April 2019)

- The Company does not currently perceive any significant risks to the current exploration programme due to access issues related to the Pinkawillie Conservation Park or native title issues.

The Wudinna Agreement

On 31 October 2017, Andromeda announced that it had entered into the Wudinna Agreement with Lady Alice Mines Ltd. The Wudinna Agreement grants Lady Alice Mines an entitlement to earn a 75 per cent. equity interest over the Wudinna Project.

Under the terms of the Wudinna Agreement, Lady Alice Mines Ltd will fund up to A\$5,000,000 through a staged earn-in over a (maximum) six-year period in order to earn up to 75 per cent. equity in a joint venture vehicle over the Wudinna Project (the “**Wudinna JV Co**”) as follows:

- Stage One: Lady Alice Mines Ltd will sole fund A\$2,100,000 (the “**Stage One Amount**”) within three years of the execution date of the Wudinna Agreement. As at the date of this document, Lady Alice Mines has spent approximately A\$520,000 towards the Stage One Amount. In 2020/21, using a portion of the Net Placing Proceeds, Lady Alice Mines will spend a further A\$212,012 (approximately £111,000 using an exchange rate of A\$1:£0.52) towards the Stage One Amount, leaving a balance of approximately A\$698,500. In order to fully discharge the Stage One Amount (targeted for the fourth quarter, 2020), the Company may use existing cash incrementally, or raise further equity capital in approximately 18 months time.
- Stage Two: At the completion of Stage One, either (i) the Wudinna JV Co can be formed, in which Lady Alice Mines will be entitled to hold 50 per cent. of the share capital, or (ii) Lady Alice Mines can spend a further A\$1,650,000 within two years after the completion of Stage One to earn a 65 per cent. equity interest in the Wudinna Project.
- Stage Three: At the completion of Stage Two, either (i) the Wudinna JV Co can be formed, in which Lady Alice Mines will be entitled to hold 65 per cent. of the share capital, or (ii) Lady Alice Mines can spend a further A\$1,250,000 within one year of the completion of Stage Two to earn 75 per cent. of the equity in the Wudinna Project. The Wudinna JV Co would be formed, in which Lady Alice Mines would hold 75 per cent. of the share capital.

Once the Wudinna JV Co is formed, Lady Alice Mines and Andromeda will contribute to further expenditure in accordance with their respective equity positions. Lady Alice Mines will act as operator of the Wudinna Project.

The Newcrest Royalty Deed

In 2017, a royalty deed (the “**Newcrest Royalty Deed**”) was entered into between Peninsula, Lady Alice Mines and Newcrest. Under the Newcrest Royalty Deed, Peninsula assigned to Lady Alice Mines its obligations under an original royalty deed dated 13 February 2002 between Newcrest and Andromeda Metals (previously Adelaide Exploration Limited and Adelaide Resources Limited). The Newcrest Royalty Deed provides for Lady Alice Mines and Peninsula to pay a 1.5% net smelter return royalty to Newcrest in respect of all gold and minerals sold at the Wudinna Project from tenements covered by Exploration Licences EL 6317, EL 5615, EL 5953 EL 6131 and EL 6001. The Newcrest Royalty Deed does not apply to the tenement covered by Exploration License EL 6262. Under the Newcrest Royalty Deed, Lady Alice Mines and Peninsula agree to pay the royalty in proportion to their participating interests in the Wudinna Project as contemplated under the Wudinna Agreement.

PART IX

REGULATORY AND OPERATING ENVIRONMENT

Regulation, administration and technical procedures relating to mineral exploration are dealt with by the Department of State Development (the “**Department**”) pursuant to the Mining Act and the Mining Regulations.

Purpose and application of an exploration license

As minerals are the property of the Crown in South Australia, access to land for exploration is gained through provisions in the Mining Act and Mining Regulations. An exploration license is the principal title issued for exploration in the state of South Australia. This authorises the licensee to explore for all minerals and/or opal other than extractive minerals, though this is subject to the Act, Regulations and the conditions of the license.

To apply for an EL, the applicant must have a registered office in Australia prior to submitting an application. An applicant is required to submit the application accompanied by a map delineating the area sought, pay the application fee for each license and nominate the principal mineral(s) being sought alongside the details of the proposed exploration model.

This application must be followed by the submission of a proposed programme of exploration with phased and costed expenditure which will effectively target the mineral(s) and exploration model(s) being sought. The proposed programme must meet the minimum expenditure requirement for an exploration license (A\$30,000 plus A\$97/km² per year, rounded to the nearest A\$5,000) unless otherwise agreed by the Department.

The applicant must also provide:

- a) a statement of the financial resources available to the applicant supported by acceptable evidence which clearly demonstrates the existence of the financial resource and its availability to the applicant. This evidence must be no more than six months old. Financial resources can be any combination of debt, equity or cash.
- b) evidence of available and appropriately experienced technical personnel capable of carrying out the proposed exploration.

Whilst the Department will, if necessary, elaborate on the above list of requirements and explain further what documentation will meet each criteria, it is ultimately the applicant's responsibility to support its application. If an applicant is unable to do so within a reasonable time after submitting the application, their application will be refused.

Variation of conditions

Following the grant of an exploration license and at any time during the term of an exploration license, the licensee may apply in writing for a variation of the exploration license conditions. Any such application must include full supporting detail and be accompanied by a fee.

Reporting requirements

Under the Mining Act, a licensee is required to submit reports and data pursuant to the *Mineral Exploration Reporting Guidelines*.

A digital copy of the annual technical report is required within 60 days following each anniversary of the granting of the exploration license. Where an exploration project is being conducted across adjacent exploration licenses, the licensee may apply for joint technical reporting status for those exploration licenses.

A six-monthly summary report must be provided within 30 days following the end of each six-monthly period from the granting of the exploration license. The submission of sub-standard reports, inclusion of false information or failure to lodge a report in the prescribed time may be considered as breaches of exploration license conditions.

Renewal of term

Where the licensee seeks a renewal of term (to a maximum of five years), an application for renewal must be lodged one month prior to expiry of the exploration license, otherwise ministerial exemption for late lodgement is required. Failure to make an application prior to the expiry date will result in the exploration license being expired. The application must be in writing and include a summary of exploration and expenditure during the current term, together with a proposed exploration programme and expenditure for the proposed extended term.

The licensee's performance in respect of the current programme as well as regulatory requirements and statutory reporting will be taken into consideration when assessing an application for renewal. An exploration license holder not satisfying expenditure commitments will be required to show why all or part of the exploration license should not be revoked. Renewal of term is normally granted in increments of one or two years. A two-year renewal term (up to a maximum of five years) will generally be supported where the license is in good standing and expenditure commitments have been met. At renewal, the Department may vary the exploration license conditions.

If an application for renewal is not determined before the date of expiry of the previous term, the exploration license is deemed to continue in force until the application is determined.

Dealing

Any acquisition of an interest in an exploration license by other parties, or agreements in relation to a future acquisition of an interest (joint ventures, transfers etc.), require the consent of the Department after disclosure of all considerations involved. An application for consent must be lodged with the Department and accompanied by the prescribed fee. While each case is examined on its merits, certain general rules guide the policy normally adopted by the Department, as follows:

1. As an exploration license is issued only to an applicant who has satisfied the Department that the technical and financial resources to carry out an agreed exploration programme are available. Approval will generally not be given to transfers of interest until at least one year of exploration over the area by a licensee has elapsed and the obligations for that year have been adequately met. All applications for transfer must be supported by evidence of the transferee's financial and technical/operational capability to carry out the ongoing exploration work programme.
2. An interest may be earned by another party through the performance of work of a value agreed to by the licensee, provided that no cash or share transfer consideration is involved exceeding the value of work actually performed on an area by the licensee.
3. Where a licensee wishes to promote a public company to take over an exploration license as the whole or part of its objectives, the total consideration to the licensee, either in cash or shares, shall not exceed the cost of the work performed, including the cost of the investigation of any tenements granted pursuant to the exploration license.

In considering consent to a dealing, the Department needs to be assured that the dealing shall not be inconsistent to any provision of the Mining Act. A joint venture is a contractual arrangement between parties. The Department is not a party to such an agreement and will therefore not enforce the internal arrangements of the joint venture. All transfers and agreements must be assessed for stamp duty prior to registration in the Mining Register.

Expenditure requirements

An itemised statement of expenditure incurred in exploration must be submitted for each six-monthly period as part of the six-monthly summary report. The following categories of exploration expenditure are allowable in meeting the obligations specified as a condition of an exploration license:

- Geological and geophysical costs: all field costs incurred in the conduct of geological mapping and geophysical surveys, procurement of samples, laboratory analysis and data processing; all office costs incurred in laboratory analysis, data processing, reproduction, interpretation, assessment and presentation of results.
- Drilling costs: includes site preparation (construction and maintenance of access roads, drill sites, camp sites and water supply) and rehabilitation; drilling and completion costs (rigging-up,

drilling, coring, fishing, casing, logging and other surveys, core analyses, rigging-down, consumable goods, hire of plant and equipment, repair and maintenance).

- Depreciation of all owned equipment used in the exploration.
- Office administrative costs (up to 10% of allowable expenditure incurred by a licensee, provided that the amount claimed in each case does not exceed the actual office costs applicable to the exploration license).
- Costs relating to gaining access to ground for exploration including native title and Aboriginal heritage requirements.
- Tenement rentals.
- Other costs not provided for above and deemed applicable to be listed with reasons for inclusion, for consideration by the delegated authority.

Registration of exploration licenses

The regulatory regime requires that all applications, grants, agreements (confidential), renewals, change of name and addresses, transfers, surrenders and caveats are endorsed on the Mining Register. Any person may inspect the Mining Register or request a search of the Mining Register during business hours after payment of a prescribed fee.

Aboriginal heritage

The Aboriginal Heritage Act 1988 provides protection for all Aboriginal heritage sites in South Australia. It is recommended that exploration companies liaise with Aboriginal groups and individuals to avoid damage to sites. It is up to the licensee to determine how this responsibility will be managed. Guidelines in relation to Aboriginal heritage are available from the Department of State Development. See *Part VIII – The Lady Alice Acquisition – The Prince Alfred Mine – Exploration Licenses and Permits* and *Part VIII – The Lady Alice Acquisition – The Wudinna Project – Exploration Licenses and Permits* for a discussion of the Company's procedures in relation to Aboriginal heritage sites and native title claims at the Prince Alfred Mine and the Wudinna Project, respectively.

PART X

SELECTED FINANCIAL INFORMATION ON THE COMPANY

The selected financial information set out below has been extracted without material adjustment from the unaudited historical information of the Company for the six month period ended 30 June 2019 and the audited historical financial information of the Company for the 12 month period ended 31 December 2018, which is incorporated by reference in *Part XVIII – Documents Incorporated by Reference* of this document.

Selected Financial Information of the Company:

Statement of Comprehensive Income

	<i>Six months ended 30 June 2019 (Unaudited) £</i>	<i>Six months ended 30 June 2018 (Unaudited) £</i>	<i>Year ended 31 December 2018 (Audited) £</i>
Revenue	–	–	–
Administrative expenses	(299,284)	(65,044)	(376,860)
IPO expenses	(62,000)	–	(196,472)
Operating loss	(361,284)	(65,044)	(573,332)
Finance costs	–	–	–
Loss on ordinary activities before taxation	(361,284)	(65,044)	(573,332)
Tax on loss on ordinary activities	–	–	–
Loss for the financial period attributable to equity holders	(361,284)	(65,044)	(573,332)
Earnings per share			
Basic and diluted	£(0.0054)	£–	£(0.0195)

Statement of Financial Position

	<i>Six months ended 30 June 2019 (Unaudited) £</i>	<i>Six months ended 30 June 2018 (Unaudited) £</i>	<i>Year ended 31 December 2018 (Audited) £</i>
Assets			
Current assets			
Intangible assets	68,505	–	–
Cash and cash equivalents	3,081	189,784	328,135
Trade and other receivables	2,503	1,185	28,147
Total assets	74,089	190,969	356,282
Liabilities			
Current liabilities			
Trade and other payables	(106,340)	(6,012)	(27,248)
Total liabilities	(106,340)	(6,012)	(27,248)
Net assets	(32,251)	184,957	329,034
Equity			
Share capital	672,335	250,001	672,335
Share premium	160,992	–	160,992
Share based payment reserve	69,038	–	69,038
Retained losses	(934,616)	(65,044)	(573,332)
Total equity	(32,251)	184,957	329,034

Statement of Cash Flows

	6 months ended 30 June 2019 (Unaudited) £	6 months ended 30 June 2018 (Unaudited) £	Period ended 31 December 2018 (Audited) £
Cash flow from operating activities			
Operating loss	(361,284)	(65,044)	(573,332)
Shares issued in lieu of fees	–	–	110,002
Decrease/(increase) in receivables	25,644	(1,185)	(28,147)
Increase in payables	79,092	6,012	27,248
Share warrant charge	–	–	69,038
Net cash outflow from operations	(256,548)	(60,217)	(395,191)
Cash flows from investing activities			
Payments for intangible assets	(68,506)	–	–
Net cash flows from investing activities	(68,506)	–	–
Cash flows from financing activities			
Proceeds from issue of shares	–	250,001	773,501
Transaction costs of issue of shares	–	–	(50,175)
Net cash flows from financing activities	–	250,001	723,326
Net increase in cash and cash equivalents	(325,054)	189,784	328,135
Cash and cash equivalents at the beginning of period	328,135	–	–
Cash and cash equivalents at end of period	3,081	189,784	328,135

During the period covered by the historical financial information set out above, the significant change to the Company's financial position and financial performance was the receipt of net proceeds from the issue of Ordinary Shares in conjunction with the IPO.

Set out below are details of the significant changes in the financial position and financial performance of the Company during, and subsequent to, the period ended 30 June 2019 and up to the date of this prospectus.

- On 12 November 2018, the Company raised £523,500 and was admitted to a Standard Listing and to trading on the Main Market of the London Stock Exchange;
- on 6 March 2019, the Company entered into the Lady Alice Acquisition Agreement in connection with the Lady Alice Acquisition; and
- on 28 March 2019, the Company completed the Lady Alice Acquisition.

PART XI

UNAUDITED PRO FORMA FINANCIAL INFORMATION ON THE ENLARGED GROUP

SECTION A: ACCOUNTANT'S REPORT ON THE UNAUDITED PRO FORMA FINANCIAL INFORMATION ON THE ENLARGED GROUP

PKF Littlejohn LLP



Accountants &
business advisers

The Directors
Cobra Resources plc
London Registrars Limited
Suite A
6 Honduras Street
London
EC1Y 0TH

13 January 2020

Dear Sirs,

Proposed placing of 61,330,000 ordinary shares of nominal value 1 pence each in the capital of Cobra Resources plc (the “Company”) and re-admission of the entire issued share capital of the Company to listing on the standard segment of the Official List of the Financial Conduct Authority and to trading on the Main Market for listed securities of London Stock Exchange plc (“the Proposed Transaction”)

Introduction

We report on the unaudited pro forma statement of net assets and income statement (the “**Pro-Forma Financial Information**”) set out in Part XI Section B of the prospectus (the “**Prospectus**”) published by the Company in connection with the Proposed Transaction dated 13 January 2020, which has been prepared on the basis described in notes 1 to 6, for illustrative purposes only, to provide information about how the acquisition of 100% of the units in the Lady Alice Trust and the entire issued share capital of Lady Alice Mines Pty Ltd, as trustee for the Lady Alice Trust, might have affected the net assets presented on the basis of the accounting policies adopted by the Company in preparing the financial statements for the period ended 30 June 2019. This report is required by Annex 1, Section 18, item 18.4.1 of Commission Delegated Regulation (EU) 2019/980 to the prospectus regulation rules of the FCA made in accordance with section 73A of FSMA (the “**Prospectus Regulation Rules**”) and is given for the purpose of complying with that requirement and for no other purpose.

Responsibilities

It is the responsibility of the directors (the “**Directors**”) of the Company to prepare the Pro-Forma Financial Information in accordance with Annex 1, Section 18, item 18.4.1 of Commission Delegated Regulation (EU) 2019/980.

It is our responsibility to form an opinion in accordance with Annex 1, Section 18, item 18.4.1 of Commission Delegated Regulation (EU) 2019/980 as to the proper compilation of the Pro-Forma Financial Information and to report that opinion to you.

Save for any responsibility which we may have to those persons to whom this report is expressly addressed and which we may have to shareholders of the Company as a result of the inclusion of this report in the Prospectus, to the fullest extent permitted by law we do not assume any responsibility and

will not accept any liability to any person for any loss suffered by any such other person as a result of, arising out of, or in accordance with this report or our statements, required by and given solely for the purposes of complying with Annex 1, Section 1, item 1.3 of Commission Delegated Regulation (EU) 2019/980, consenting to its inclusion in the Prospectus.

In providing this opinion we are not updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the Pro-Forma Financial Information, nor do we accept responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.

Basis of Opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the Pro-Forma Financial Information with the Directors of the Company.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Pro-Forma Financial Information has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of the Company.

Opinion

In our opinion:

- (a) the Pro-Forma Financial Information has been properly compiled on the basis stated; and
- (b) such basis is consistent with the accounting policies of the Company.

Declaration

For the purposes of Prospectus Regulation Rule 5.5.3R(2)(f) we are responsible for this report as part of the Prospectus and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Prospectus in compliance with Annex 1, Section 1, item 1.2 of Commission Delegated Regulation (EU) 2019/980.

Yours faithfully

PKF Littlejohn LLP
Reporting accountant

SECTION B: UNAUDITED PROFORMA CONSOLIDATED NET ASSET STATEMENT FOR ENLARGED GROUP

In accordance with item 18.4 of Annex I of the Prospectus Regulation Rules, the unaudited pro forma statement of net assets has been prepared to illustrate the impact of Placing and acquisition on the net assets of the Company. Set out below is an unaudited pro forma statement of net assets of The Company and Lady Alice (together “the Enlarged Group”) as at 30 June 2019.

The unaudited pro forma income statement of the Company for the period ending 31 December 2018 has been prepared on the basis set out in the notes below and in accordance with the requirements of item 18.4 of Annex I and items 1.1, 2.1, 2.2 and 2.3 of Annex 20 of the Prospectus Regulation Rules to illustrate the impact of the Placing as if it had taken place on 1 January 2019.

The Pro-Forma Financial Information are compiled on the basis set out in the notes below and in accordance with the Company’s accounting policies. Because the nature of the Pro-Forma Financial Information addresses a hypothetical situation and does not, therefore, represent the Enlarged Group’s actual financial position or results nor is it indicative of the results that may or may not be expected to be achieved in the future. The Pro-Forma Financial Information has been prepared in accordance with Annex II of the Prospectus Directive Regulations. No adjustments have been made to take account of trading, expenditure or other movements subsequent to 30 June 2019, being the date of the last published balance sheet of the Group.

The Pro-Forma Financial Information does not constitute financial statements within the meaning of section 434 of the Companies Act. Investors should read the whole of this Prospectus and not rely solely on the summarised financial information contained in this Part.

Unaudited pro forma statement of net assets at 30 June 2019

	<i>The Company</i> Net assets as at 30 June 2019 (Note 1) £	<i>Lady Alice Mines Pty Ltd</i> Net assets as at 30 June 2019 (Note 2) £	<i>Issue of Placing Shares net of costs</i> (Note 3) £	<i>Unaudited pro forma adjusted net assets of the Enlarged Group on Admission</i> £
Assets				
Non-current assets				
Intangible assets		343,472		343,472
Other non-current assets	—	—	—	—
	<u>—</u>	<u>343,472</u>	<u>—</u>	<u>343,472</u>
Current assets				
Trade and other receivables	2,503	3,671	—	6,174
Cash and cash equivalents	3,081	3,199	277,101	283,381
Intangible assets	68,505	—	—	68,505
Current assets	<u>74,089</u>	<u>6,870</u>	<u>—</u>	<u>358,060</u>
Total assets	<u>74,089</u>	<u>350,341</u>	<u>—</u>	<u>701,532</u>
Liabilities				
Current liabilities				
Trade and other payables	106,340	298,429	—	404,769
Unit holder loans	—	105,210	—	105,210
Total liabilities	<u>106,340</u>	<u>403,639</u>	<u>—</u>	<u>509,979</u>
Total assets less total liabilities	<u>(32,251)</u>	<u>(53,297)</u>	<u>277,101</u>	<u>191,553</u>

Notes

The pro forma statement of net assets has been prepared on the following basis:

1. The unaudited net assets of the Company as at 30 June 2019 have been extracted without adjustment from the unaudited interim Financial Statements to which is set out in *Part XIX – Historical Financial Information of the Company* of this document.
2. The net assets of Lady Alice Mines Pty Ltd as at 30 June 2019 have been extracted without adjustment from the Historic Financial Information in *Part XX Section B – Historical Financial Information of Lady Alice Mines* of this document and converted to Great British Pounds at the closing rate on 30 June 2019 of AUS\$1.8136 to £1.
3. An adjustment has been made to reflect the proceed of the Placing net of an adjustment to reflect the payment in cash costs in connection with the placing estimated at approximately £336,199 inclusive of any non-recoverable sales taxes.
4. No adjustments have been made to reflect the trading or other transactions, other than described above of:
 - i. the Company since 30 June 2019;
 - ii. Lady Alice Mines Pty Ltd since 30 June 2019.
5. None of the adjustments are expected to have a continuing impact on the issuer.
6. As at 10 January 2020 (the latest practical date prior to the publication of this prospectus) the exchange rate between the AUS\$ and £ was 0.52.
7. The pro forma statement of net assets does not constitute financial statements.

Unaudited pro forma income statement for the unaudited period ended 30 June 2019

	<i>The Company</i>	<i>Lady Alice</i>	<i>Unaudited</i>
	<i>Income</i>	<i>Mines Pty Ltd</i>	<i>pro forma</i>
	<i>statement to</i>	<i>Income</i>	<i>income</i>
	<i>30 June</i>	<i>statement to</i>	<i>statement</i>
	<i>2019</i>	<i>30 June</i>	<i>of the</i>
	<i>(Note 1)</i>	<i>2019</i>	<i>Enlarged</i>
	<i>(Note 2)</i>	<i>Group on</i>	<i>admission</i>
	<i>£</i>	<i>£</i>	<i>£</i>
Revenue	—	—	—
Administration expenses	361,284	25,393	386,677
Impairment of intangible assets	—	11,033	11,033
Operating loss	(361,284)	(36,426)	(397,710)
Interest expense	—	—	—
Other income	—	78	78
Loss before tax	(361,284)	(36,348)	(397,632)
Tax	—	—	—
Loss from continuing operations	(361,284)	(36,348)	(397,632)
Other comprehensive income			
Items that may be subsequently reclassified to profit or loss	—	—	—
Total comprehensive loss for the period	(361,284)	(36,348)	(397,632)

Notes

The pro forma statement of net assets has been prepared on the following basis:

1. The unaudited income statement of the Company as at 30 June 2019 have been extracted without adjustment from the unaudited interim Financial Statements to which is set out in *Part XIX – Historical Financial Information of the Company* of this document.
2. The unaudited income statement of Lady Alice Mines Pty Ltd as at 30 June 2019 have been extracted without adjustment from the Historic Financial Information to which is set out in *Part XX Section B – Historical Financial Information of Lady Alice Mines* of this document and converted to Pounds Sterling at the average rate for the 12 months to 30 June 2019 of AUS\$1.8101 to £1.
3. No adjustment has been made to reflect trading results or other transactions of the Enlarged Group since 30 June 2019.

PART XII

SHARE CAPITAL, LIQUIDITY AND CAPITAL RESOURCES

Share capital

The Company was incorporated on 25 January 2018 as a private company with limited liability under the Companies Act, and re-registered as a public company on 17 July 2018. On 12 November 2018, the Company's Existing Issued Share Capital was admitted to listing on the Official List of the FCA and admitted to trading on the Main Market of the London Stock Exchange.

Details of the Existing Issued Share Capital of the Company are set out in paragraph 3 of *Part XVI – Additional Information* of this document. As at Admission, there is expected to be £1,589,659.22 in nominal value of Ordinary Shares, divided into 158,965,922 issued Ordinary Shares of nominal value 1 pence each, all of which will be fully paid up.

All of the issued Ordinary Shares will be in registered form, and capable of being held in certificated or uncertificated form. The Registrar will be responsible for maintaining the share register. Temporary documents of title will not be issued. The ISIN of the Ordinary Shares is GB00BGJW5255. The SEDOL code of the Ordinary Shares is BGJW525.

Fully diluted Existing Issued Share Capital

The following table sets out the fully diluted Existing Issued Share Capital as at the date of this document and as at Admission:

	<i>As at the date of this document</i>	<i>As at the date of Admission</i>	<i>As a percentage of the Company's Enlarged Issued Share Capital at Admission</i>
Existing Issued Share Capital	67,233,532	67,233,532	43.73%
Existing Warrants	63,368,924	63,351,916	41.21%
Existing Options	2,017,008	2,017,008	1.31%
New Warrants	–	35,497,375	23.09%
New Ordinary Shares	–	86,513,606	56.27%
Ordinary Shares Issued as Fees	–	9,058,750	5.89%

Accordingly, at Admission the Enlarged Issued Share Capital will be 153,747,138 Ordinary Shares with a total of 100,866,299 warrants and options outstanding. If all the warrants were to be exercised the Company would receive approximately £1,757,241 in cash and the options and warrants would represent 65.61 per cent. of the fully diluted Enlarged Issued Share Capital.

Existing Warrants

The Company has 63,351,916 existing warrants outstanding, each entitling the holder to subscribe for one Ordinary Share at a price of 2 pence. The existing warrants are comprised of the following:

- Prior to the IPO, the Board issued 25,000,000 warrants to investors who had participated in a pre-IPO capital raise (the “**Pre-IPO Warrants**”);
- In connection with the IPO, the Board issued 34,900,000 warrants to investors who participated in the placing which took place in conjunction with the IPO (the “**Investor Warrants**”);
- In connection with the IPO, the Board issued 3,451,916 warrants to various advisers in part compensation for their services (the “**Advisor Warrants**” and, together with the Pre-IPO Warrants and the Investor Warrants, the “**Existing Warrants**”).

The Existing Warrants are exercisable until 15 November 2020, at which time they will lapse.

Details of the Existing Warrants are set out in the table below and a summary of the terms and conditions are set out in paragraph 9 of *Part XVI – Additional Information* of this document.

	<i>Warrants held at the date of this document</i>	<i>As a percentage of the Company's Existing Issued Share Capital</i>	<i>If fully exercised as a percentage of the Company's New Enlarged Issued Share Capital</i>
Pre-IPO Warrants	25,000,000	37.18%	15.93%
Adviser Warrants	3,451,916	5.13%	2.20%
Investor Warrants	34,900,000	51.91%	22.24%

New Warrants

In connection with the Placing the Company will issue new warrants to placees on the basis of one warrant for every two Placing Shares. These warrants, known as the 2020 Placing Warrants, each entitle the holder to subscribe for one new Ordinary Share at a price of 2 pence per share at any time until the third anniversary of Admission. If at any time the price of the Ordinary Shares on the London Stock Exchange exceeds 3 pence on a volume weighted average basis for 5 or more consecutive trading days the Company will issue an announcement and the 2020 Placing Warrants must be exercised within the following 20 Business Days.

Also in connection with the Placing the Company will issue 35,497,375 warrants on similar terms to the 2019 Placing Warrants to SI Capital and other advisers (the “**2020 Adviser Warrants**”).

Details of the New Warrants are set out below and a summary of the terms and conditions are set out in paragraph 9 of *Part XVI – Additional Information* of this document:

	<i>As at the date of this document</i>	<i>As at the date of Admission</i>	<i>As a percentage of the Company's Enlarged Share Capital at Admission</i>
2020 Placing Warrants	–	35,194,375	22.89%
2020 Adviser Warrants	–	60,600	0.04%

Financial position

The Company had not yet commenced operations as at 31 December 2018. The financial information in respect of the Company upon which PKF Littlejohn LLP has provided the accountant's report as at 31 December 2018, is set out in *Part XIV – Historical Financial Information on the Company*.

Liquidity and capital resources

Sources of cash and liquidity

The Company currently has a cash balance of £618,200. The cash balance is the sum of the cash balance of £3,081 as at 30 June 2019 plus the net proceeds of the Placing. It will use such cash to fund the expenses of the Placing, including legal and professional fees, ongoing costs and expenses (including the FCA application, listing and vetting fee of £50,000, the London Stock Exchange listing fee of £10,000, the Registrar's basic fees of £2,500 per year and the London Stock Exchange's fee of £7,500 per year), the Broker's fee of £15,000 and an estimated annual audit fee of £15,000, all exclusive of VAT.

The Company may raise additional capital in order to fund its operations. Such capital may be raised through share issues (such as rights issues, open offers or private placings) or borrowings. Although the Company envisages that any capital raised will be from new equity, the Company may also choose to raise capital with debt financing. Any debt financing used by the Company is expected to take the form of bank financing, although no financing arrangements will be in place at Admission.

If debt financing is utilised, there will be additional servicing costs. Furthermore, while the terms of any such financing cannot be predicted, such terms may subject the Company to financial and operating covenants or other restrictions, including restrictions that might limit the Company's ability to make distributions to Shareholders.

Substantially all of the cash raised (including cash from any subsequent share offers) is expected to be used for working capital. The Company's future liquidity will depend in the medium to longer term primarily on: (i) the future profitability of Prince Alfred Mine and the Wudinna Project; (ii) the Company's management of available cash; (iii) cash distributions on sale of existing assets; (iv) the use of borrowings, if any, to fund short-term liquidity needs; and (v) dividends or distributions from subsidiary companies.

Cash uses

The Company's principal use of cash will be as working capital, including development costs in relation to the Prince Alfred Mine and the Wudinna Project. The Company's current intention is to retain earnings for use in its business operations and it does not anticipate declaring any dividends until it is generating revenue. However, the Company will incur day-to-day expenses that will need to be funded. Initially, the Company expects these expenses will be funded through existing cash and the Net Placing Proceeds (and income earned on such funds). Such expenses include:

- all costs relating to the Placing, including fees and expenses incurred in connection with the Placing such as those incurred in the establishment of the Company, the Placing and Admission fees, legal, accounting, registration, printing, advertising and distribution costs and any other applicable expenses;
- transaction costs and expenses – the Company will bear all due diligence costs and legal and accounting costs;
- development costs at the Prince Alfred Mine and the Wudinna Project; and
- Directors' fees and salaries.

Interest rate risks

The Company has not incurred any indebtedness to finance the Lady Alice Acquisition. However, the Company may incur indebtedness to finance and leverage any future acquisition and to fund its liquidity needs following any such acquisition. Such indebtedness may expose the Company to risks associated with movements in prevailing interest rates. Changes in the level of interest rates can affect, *inter alia*: (i) the cost and availability of debt financing and hence the Company's ability to achieve attractive rates of return on its assets; (ii) the Company's ability to make an acquisition when competing with other potential buyers who may be able to bid for an asset at a higher price due to a lower overall cost of capital; (iii) the debt financing capability of the companies and businesses in which the Company is invested; and (iv) the rate of return on the Company's uninvested cash balances. This exposure may be reduced by introducing a combination of a fixed and floating interest rates or through the use of hedging transactions (such as derivative transactions, including swaps or caps). Interest rate hedging transactions will only be undertaken for the purpose of efficient portfolio management, and will not be carried out for speculative purposes.

Hedging arrangements and risk management

The Company may use forward contracts, options, swaps, caps, collars and floors or other strategies or forms of derivative instruments to limit its exposure to changes in the relative values of investments that may result from market developments, including changes in prevailing interest rates and currency exchange rates, as previously described. It is expected that the extent of risk management activities by the Company will vary based on the level of exposure and consideration of risk across the business.

The success of any hedging or other derivative transaction generally will depend on the Company's ability to correctly predict market changes. As a result, while the Company may enter into such a transaction to reduce exposure to market risks, unanticipated market changes may result in poorer overall investment performance than if the transaction had not been executed. In addition, the degree of correlation between price movements of the instruments used in connection with hedging activities and price movements in a position being hedged may vary. Moreover, for a variety of reasons, the Company may not seek, or be successful in establishing, an exact correlation between the instruments used in a hedging or other derivative transactions and the position being hedged and could create new risks of loss. In addition, it may not be possible to fully or perfectly limit the Company's exposure against all changes in the values of its assets, because the values of its assets are likely to fluctuate as a result of a number of factors, some of which will be beyond the Company's control.

PART XIII

THE PLACING

Details of the Placing

The Broker Placing

The Company, the Directors and SI Capital have entered into the Placing Agreement in connection with the Broker Placing pursuant to which, subject to certain conditions, SI Capital agreed to use its reasonable endeavours to procure subscribers for the Broker Placing Shares to be issued by the Company.

The Platform Placing

The Company and MINEXIA have entered into the MINEXIA Mandate Agreement in connection with the Platform Placing pursuant to which MINEXIA will use its reasonable endeavours to procure subscribers via its NR Private Market platform for the Platform Placing Shares to be issued by the Company. Under the MINEXIA Mandate Agreement, MINEXIA will procure subscriptions which total, in the aggregate, no more than £300,000 of the gross proceeds of the Placing.

General

The Company will issue the Placing Shares (consisting of the Broker Placing Shares and the Platform Placing Shares) through the Placing at the Placing Price, representing approximately 39.89 per cent. of the Enlarged Issued Share Capital.

The Placing is not being underwritten. SI Capital and MINEXIA, as the Company's agents, have procured irrevocable commitments to subscribe for the full amount of Placing Shares from subscribers in the Placing, and there are no conditions attached to such irrevocable commitments other than Admission.

Shareholdings immediately prior to Admission will be diluted by approximately 95.15 per cent. as a result of the Placing Shares being issued pursuant to the Placing.

The Placing Shares will, upon issue, rank *pari passu* with the existing Ordinary Shares. The Net Placing Proceeds after deduction of expenses, will be approximately £449,600 on the basis that the Company has raised Gross Placing Proceeds of £613,300.

The Placing is conditional upon:

- (A) the Placing Agreement and the MINEXIA Mandate Agreement becoming wholly unconditional (save as to Admission) and not having been terminated in accordance with its terms prior to Admission; and
- (B) Admission occurring by 8.00am on 16 January 2020 (or such later date as the Company and SI Capital may agree).

If Admission does not proceed, the Placing will not proceed and all monies paid will be refunded to the applicants in the Placing.

Under the Lady Alice Acquisition Agreement, the Company has agreed to raise not less than £600,000 as gross proceeds of the Placing. If the Company fails to raise such amount, or if the Placing does not proceed, the Former Unitholders may choose to terminate the Lady Alice Acquisition Agreement, and the parties may arrange for the transfer of the units in the Lady Alice Trust and the shares of the Lady Alice Mines Ltd back to the Vendors. If the Placing does not proceed, and Lady Alice Mines are transferred back to the Vendors, Admission will not occur, and instead the Company will seek to restore its Ordinary Shares from suspension in accordance with Listing Rule 5.4.3.

In accordance with Listing Rule 14.2.2, at Admission at least 25 per cent. of the Ordinary Shares of this listed class of Ordinary Shares will be in public hands (as defined in the Listing Rules).

Each applicant in the Placing has provided to the Company an irrevocable commitment letter in respect of the proceeds due to the Company in respect of the Placing. There are no conditions attached to the commitment letters other than Admission.

Admission, dealings and CREST

Completion of the Placing is subject to the satisfaction of conditions contained in the Placing Agreement, including Admission occurring on or before 16 January 2020 or such later date as may be agreed by SI Capital and the Company.

Admission is expected to take place and dealings in the Ordinary Shares are expected to commence on the main market for listed securities of the London Stock Exchange at 8.00 a.m. on 16 January 2020.

Where applicable, definitive share certificates in respect of the Placing Shares to be issued pursuant to the Placing are expected to be despatched, by post at the risk of the recipients, to the relevant holders, within ten business days of Admission. The Placing Shares are in registered form and can also be held in uncertificated form. Prior to the despatch of definitive share certificates in respect of any Placing Shares which are held in certificated form, transfers of those Placing Shares will be certified against the register of members of the Company. No temporary documents of title will be issued.

CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by written instrument. The Articles permit the holding of Ordinary Shares under the CREST system. The Company has applied for the Ordinary Shares to be admitted to CREST with effect from Admission and it is expected that the Ordinary Shares will be admitted with effect from that time. Accordingly, settlement of transactions in the Ordinary Shares following Admission may take place within the CREST system if any investor so wishes.

CREST is a voluntary system and Shareholders who wish to receive and retain certificates for their Ordinary Shares will be able to do so. Shareholders may elect to receive Ordinary Shares in uncertificated form if such Shareholder is a system-member (as defined in the CREST Regulations) in relation to CREST.

Selling restrictions

The Ordinary Shares will not be registered under the Securities Act or the securities laws of any state or other jurisdiction of the US and may not be taken up, offered, sold, resold, transferred, delivered or distributed, directly or indirectly, within, into or in the US.

Certain restrictions that apply to the distribution of this document and the Placing Shares being issued pursuant to the Placing in certain jurisdictions are described in the section headed 'Notices to Investors' in *Part III – Important Information* of this document.

Transferability

The Ordinary Shares are freely transferable and tradable and there are no restrictions on transfer.

Use of proceeds

The Company will use the Net Placing Proceeds as follows. Approximately:

- £17,333 will be paid to the Former Unitholders as Reimbursement Cash Consideration;
- £111,000 will be spent on exploration and development at the Wudinna Project, including tenement rents, sampling and geochemical analysis. The portion of the Net Placing Proceeds spent on the Wudinna Project will contribute towards Stage One of the Wudinna Agreement, whereby Lady Alice Mines commits to spending \$2,100,000 on exploration and development within three years. As at the date of this document, Lady Alice Mines has spent approximately A\$520,000 towards the Stage One Amount. In 2020/21, using a portion of the Net Placing Proceeds (as described above), Lady Alice Mines will spend a further A\$212,010 (approximately £111,000 using an exchange rate of A\$1:£0.52) towards Stage One of the Wudinna Agreement;
- £170,000 will be spent paying existing creditors and commitments; and

- £151,267 will be spent on general corporate purposes, including Director fees and remuneration, office costs, rental costs and travel.

The total expenses incurred (or to be incurred) by the Company in connection with Admission and the Placing are approximately £163,700 which will be paid out of the Gross Placing Proceeds (such that the Net Placing Proceeds will be not less than £449,600).

About MINEXIA

MINEXIA is facilitating the Platform Placing via its NR Private Market platform, through which potential investors may subscribe for Platform Placing Shares. For further information on MINEXIA, the NR Private Market platform or the procedure for application under the Platform Placing, potential investors may visit www.minexia.com or www.nrprivatemarket.com; or call MINEXIA on +44 (0)20 3893 2781.

The NR Private Market platform is an online funding platform that enables Qualified Investors and Relevant Persons who successfully register on www.nrprivatemarket.com to gain access to placings and fundraisings of listed companies.

MINEXIA Limited is an appointed representative of Resolution Compliance Limited which is authorised and regulated by the FCA.

PART XIV

TAXATION

UK Taxation

The following summary is intended only as a general guide and relates solely to UK tax. It is based on current UK law and published practice of H.M. Revenue & Customs as at the date of this document, each of which may be subject to change, possibly with retrospective effect.

The following paragraphs are not intended to be exhaustive and relate only to certain limited aspects of the UK taxation consequences of acquiring, holding and disposing of the Ordinary Shares and do not constitute legal or tax advice. Except to the extent expressly stated, they apply only to holders of Ordinary Shares who are resident, and in the case of individuals, domiciled, solely in the United Kingdom for UK tax purposes, and who are the absolute beneficial owners of their Ordinary Shares and who do not hold their Ordinary Shares through an individual savings account or a self-invested personal pension ("**UK Holders**"). The information may not apply to certain classes of UK Holders such as tax exempt entities, collective investment schemes, pension schemes, insurance companies, financial institutions, dealers, professional investors, persons who hold Ordinary Shares in connection with a trade, profession or vocation, persons connected with the company and persons who have acquired (or been deemed to have acquired) their Ordinary Shares by reason of their (or another person's) office or employment, to whom special rules may apply.

IT IS RECOMMENDED THAT ALL PROSPECTIVE HOLDERS OF ORDINARY SHARES OBTAIN ADVICE AS TO THE CONSEQUENCES OF THE ACQUISITION, OWNERSHIP AND DISPOSAL OF THE ORDINARY SHARES IN THEIR OWN SPECIFIC CIRCUMSTANCES FROM THEIR OWN TAX ADVISORS. IN PARTICULAR, PROSPECTIVE SHAREHOLDERS WHO MAY BE SUBJECT TO TAX IN A JURISDICTION OTHER THAN THE UNITED KINGDOM ARE ADVISED TO CONSIDER THE POTENTIAL IMPACT OF ANY RELEVANT DOUBLE TAXATION AGREEMENTS.

Dividends

Withholding Tax

Dividends paid by the company will not be subject to any withholding or deduction for or on account of UK tax, irrespective of the residence or particular circumstances of the holders of Ordinary Shares.

Income Tax

An individual UK Holder may, depending on his or her particular circumstances, be subject to UK tax on dividends received from the company.

All dividends received by an individual UK Holder from the company (or from other sources, except to the extent within an individual savings account, self-invested pension plan or other regime which exempts dividends from tax) will form part of that UK Holder's total income for income tax purposes and will constitute the top slice of that income. A nil rate of income tax will apply to the first £2,000 of taxable dividend income received by the individual UK Holder in a tax year. Income within this nil-rate band will be taken into account in determining whether income in excess of the £2,000 nil-rate band falls within the basic rate, higher rate or additional rate tax bands. Dividend income in excess of the nil-rate band will (subject to the availability of any income tax personal allowance) be taxed at 7.5% to the extent that the excess amount falls within the basic rate tax band, 32.5% to the extent that the excess amount falls within the higher rate tax band and 38.1% to the extent that the excess amount falls within the additional rate tax band.

An individual holder of Ordinary Shares who is not resident for tax purposes in the United Kingdom should not be chargeable to UK income tax on dividends received from the company unless he or she carries on (whether solely or in partnership) a trade, profession or vocation in the United Kingdom through a branch or agency to which the Ordinary Shares are attributable. There are certain exceptions for trading in the United Kingdom through independent agents, such as some brokers and investment managers.

Corporation Tax

Corporate UK Holders should not be subject to UK corporation tax on any dividend received from the company so long as the dividends qualify for exemption, which should generally be the case, provided certain conditions (including under anti-avoidance rules) are met. If the conditions for the exemption are not satisfied, or such UK Holder elects for an otherwise exempt dividend to be taxable, UK corporation tax will be chargeable on the amount of any dividends (currently at the rate of 19%, reducing to 17% from 1 April 2020).

A corporate holder of Ordinary Shares who is not resident for tax purposes in the United Kingdom should not be within the scope of UK corporation tax in respect of dividends received from the company unless it carries on (whether solely or in partnership) a trade in the United Kingdom through a permanent establishment to which the Ordinary Shares are attributable.

Chargeable Gains

If a UK Holder disposes (or is treated as disposing) of some or all of its Ordinary Shares, a liability to tax on chargeable gains may arise, depending on the UK Holder's circumstances and any exemptions or reliefs which may be available.

Individual UK Holders

For an individual UK Holder, a disposal (or deemed disposal) of Ordinary Shares may give rise to a chargeable gain or allowable loss for the purposes of UK capital gains tax. For an individual UK Holder who is subject to UK income tax at either the higher or the additional rate, the current applicable rate of capital gains tax is 20%. For an individual UK Holder who is subject to UK income tax at the basic rate, the current applicable rate would be 10%, save to the extent that any capital gains when aggregated with the UK Holder's other taxable income and gains in the relevant tax year exceed the unused basic rate tax band. In that case, the rate currently applicable to the excess would be 20%. An individual UK Holder is entitled to realise an annual exempt amount of gains (£11,700 for the year to 5 April 2019 and increasing to £12,000 for gains accruing on or after 6 April 2019) without being liable to UK capital gains tax.

Corporate UK Holders

For a UK Holder within the charge to UK corporation tax, a disposal (or deemed disposal) of Ordinary Shares may give rise to a chargeable gain or to an allowable loss for the purposes of UK corporation tax. The current rate of UK corporation tax is 19%, and will reduce to 17% from 1 April 2020. Indexation allowance is not available in respect of disposals of Ordinary Shares acquired on or after 1 January 2018 (and only covers the movement in the retail prices index up until 31 December 2017, in respect of assets acquired prior to that date).

Shareholders who are not UK Resident

A holder of Ordinary Shares who is not resident for tax purposes in the United Kingdom should not normally be liable to UK capital gains tax or corporation tax on chargeable gains on a disposal (or deemed disposal) of Ordinary Shares unless (i) the person is carrying on (whether solely or in partnership) a trade, profession or vocation in the United Kingdom through a branch or agency (or, in the case of a corporate holder of Ordinary Shares, through a permanent establishment) to which the Ordinary Shares are attributable or (ii) in respect of disposals made on or after 6 April 2019, the company directly or indirectly derives 75% or more of its qualifying asset value from UK land, in which case a holder may, depending on its circumstances, be liable for non-resident capital gains tax. However, an individual holder of Ordinary Shares who has ceased to be resident for tax purposes in the United Kingdom (including where an individual is treated as resident outside the United Kingdom for the purposes of a double tax treaty) for a period of five years or less and who disposes of Ordinary Shares during that period may be liable on his or her return to the United Kingdom to UK tax on any capital gain realised (subject to any available exemption or relief).

Stamp Duty and Stamp Duty Reserve Tax

The discussion below relates to holders of Ordinary Shares, wherever resident. However, special rules may apply where Ordinary Shares are issued or transferred to, or to a nominee or agent for, a

depository receipt issuer or clearance service provider, which are briefly summarised below, or persons such as market makers, brokers, dealers or intermediaries.

Issue of Shares

No UK stamp duty or stamp duty reserve tax (“**SDRT**”) should ordinarily be payable on an issue of Ordinary Shares.

Transfers of certificated Ordinary Shares

Stamp duty at the rate of 0.5% (rounded up to the next multiple of £5) of the amount or value of the consideration given is generally payable on an instrument transferring Ordinary Shares. An exemption from stamp duty is available on an instrument transferring Ordinary Shares where the amount or value of the consideration is £1,000 or less, and it is certificated on the instrument that the transaction effected by the instrument does not form part of a larger transaction or series of transactions for which the aggregate consideration exceeds £1,000. A charge to SDRT will also arise on an unconditional agreement to transfer Ordinary Shares (at the rate of 0.5% of the amount or value of the consideration payable). However, if within six years of the date of the agreement becoming unconditional an instrument of transfer is executed pursuant to the agreement, and stamp duty is paid on that instrument, or the instrument is otherwise exempt, any SDRT already paid will be refunded (generally, but not necessarily, with interest) provided that a claim for repayment is made, and any outstanding liability to SDRT will be cancelled. The purchaser or transferee of Ordinary Shares will generally be accountable for the SDRT. In the absence of contractual agreement no party is legally responsible for the payment of stamp duty as it is not an assessable tax, however, in practice the purchaser or transferee will usually pay stamp duty to ensure that the company’s register of members can be updated by the registrar to show the new ownership.

Ordinary Shares transferred through paperless means including CREST

Paperless transfers of Ordinary Shares, such as those occurring within CREST, are generally liable to SDRT rather than stamp duty, at the rate of 0.5% of the amount or value of the consideration. CREST is obliged to collect SDRT on relevant transactions settled within the system and to pay this to HMRC. The SDRT charge is generally borne by the purchaser. Under the CREST System, no stamp duty or SDRT will arise on a transfer of Ordinary Shares into the CREST System unless such a transfer is made for consideration in money or money’s worth, in which case a liability to SDRT (usually at a rate of 0.5%) will arise.

Ordinary Shares held through Clearance Systems or Depository Receipt Arrangements

Special rules apply where Ordinary Shares are issued or transferred to, or to a nominee or agent for, either a person whose business is or includes issuing depository receipts within Section 67 or Section 93 of the Finance Act 1986 or a person providing a clearance service within Section 70 or Section 96 of the Finance Act 1986, under which SDRT or stamp duty may be charged at a rate of 1.5%. Following litigation, HMRC confirmed that they will no longer seek to apply the 1.5% SDRT charge on an issue of shares into a clearance service or depository receipt arrangement on the basis that the charge is not compatible with EU law. It was announced on 22 November 2017 that the government will not seek to reintroduce this charge following the departure of the UK from the European Union.

Based on current published HMRC practice and recent case law, no SDRT is generally payable where the transfer of shares to a clearance service or depository receipt system is an integral part of an issue of share capital. Any liability for stamp duty or SDRT in respect of such a transfer that is not integral to an issue of share capital will generally be accountable by the clearance service or depository receipt system operator or their nominee, as the case may be, but will, in practice, be payable by the participants in the clearance service or depository receipt system.

Transfers of Ordinary Shares within a depository receipt system or a clearance service that has not made and maintained an election under section 97A of the Finance Act 1986 (a “**section 97A election**”) will be exempt from SDRT and, provided no instrument of transfer is entered into, will not be subject to stamp duty.

Where a clearance service has made and maintained a section 97A election the 1.5% charge will not apply. Rather, stamp duty or SDRT will be charged at the normal rate of 0.5% on the transfer of existing shares into and within the clearance service.

Accordingly, specific professional advice should be sought before incurring a 1.5% stamp duty or stamp duty reserve tax charge in any circumstances.

Inheritance tax

The Ordinary Shares will be assets situated in the UK for the purposes of UK inheritance tax. A gift of such assets by, or the death of, an individual holder of such assets may (subject to certain exemptions and reliefs) give rise to a liability to UK inheritance tax even if the holder is neither domiciled in the UK nor deemed to be domiciled there under certain rules relating to long residence or previous domicile. For inheritance tax purposes, a transfer of assets at less than full market value may be treated as a gift and particular rules apply to gifts where the donor reserves or retains some benefit.

Special rules also apply to close companies and to trustees of settlements who hold Ordinary Shares, bringing them within the charge to inheritance tax. Shareholders should consult an appropriate tax adviser if they make a gift or transfer at less than market value or intend to hold any Ordinary Shares through trust arrangements. They should also seek professional advice in a situation where there is potential for a double charge to UK inheritance tax and an equivalent tax in another country or if they are in any doubt about their UK inheritance tax position.

PART XV

CONSEQUENCES OF A STANDARD LISTING

As the Lady Alice Acquisition constituted a Reverse Takeover, upon completion of the Lady Alice Acquisition, the Standard Listing of the Existing Issued Share Capital will be cancelled and an application will be required to be made for the immediate admission of the Enlarged Issued Share Capital to a Standard Listing (pursuant to Chapter 14 of the Listing Rules) and to trading on the Main Market of the London Stock Exchange. The Company intends to comply with the Listing Principles set out in Chapter 7 of the Listing Rules at Listing Rule 7.2.1 which apply to all companies with their securities admitted to the Official List. Premium Listing Principles 1 to 6 as set out in Listing Rule 7.2.1AR of the Listing Rules do not apply to the Company.

However, while the Company has a Standard Listing, it is not required to comply with the provisions of, *inter alia*:

- Chapter 8 of the Listing Rules regarding the appointment of a sponsor to guide the Company in understanding and meeting its responsibilities under the Listing Rules in connection with certain matters. The Company has not and does not intend to appoint such a sponsor in connection with the Placing and Admission;
- Chapter 9 of the Listing Rules relating to the ongoing obligations for companies admitted to the Premium List and therefore does not apply to the Company.
- Chapter 10 of the Listing Rules relating to significant transactions. It should be noted therefore that an acquisition (for example, the Lady Alice Acquisition) will not require Shareholder consent, even if Ordinary Shares are being issued as consideration for such acquisition;
- Chapter 11 of the Listing Rules regarding related party transactions. Nevertheless, the Company will not enter into any transaction which would constitute a 'related party transaction' as defined in Chapter 11 of the Listing Rules without the specific prior approval of the Directors;
- Chapter 12 of the Listing Rules regarding purchases by the Company of its Ordinary Shares. In particular, the Company has not adopted a policy consistent with the provisions of Listing Rules 12.4.1 and 12.4.2; and
- Chapter 13 of the Listing Rules regarding the form and content of circulars to be sent to Shareholders.

It should be noted that the FCA will not have the authority to (and will not) monitor the Company's compliance with any of the Listing Rules which the Company has indicated herein that it intends to comply with on a voluntary basis, nor to impose sanctions in respect of any failure by the Company so to comply. However, the FCA would be able to impose sanctions for non-compliance where the statements regarding compliance in this document are themselves misleading, false or deceptive.

PART XVI

ADDITIONAL INFORMATION

1. RESPONSIBILITY

The Directors, whose names appear on page 29, and the Company accept responsibility for the information contained in this document. To the best of the knowledge of the Directors and the Company, the information contained in this document is in accordance with the facts and contains no omission likely to affect its import.

2. THE COMPANY

- 2.1 The Company was incorporated on 25 January 2018 as a private company with limited liability under the Companies Act. The Company re-registered as a public company on 17 July 2018. On 12 November 2018, the Company's Existing Issued Share Capital was admitted to listing on the Official List of the FCA and admitted to trading on the Main Market of the London Stock Exchange.
- 2.2 The Company is not regulated by the FCA or any financial services or other regulator. The Company is subject to the Listing Rules and the Disclosure Guidance and Transparency Rules (and the resulting jurisdiction of the FCA), to the extent such rules apply to companies with a Standard Listing pursuant to Chapter 14 of the Listing Rules.
- 2.3 As at the date of this document, the Company currently has one wholly-owned subsidiary: Lady Alice Mines Ltd, a private company duly incorporated and registered in Australia. The Company also holds all of the units in the Lady Alice Trust, of which Lady Alice Mines Ltd is trustee.
- 2.4 The principal legislation under which the Company operates, and pursuant to which the Ordinary Shares have been created, is the Companies Act and the regulations made thereunder. The Company operates in conformity with its constitution.
- 2.5 The Company's registered office is at London Registrars, Suite A, 6 Honduras Street, London EC1Y 0TH. The Company's telephone number is 0207 129 1471.
- 2.6 On incorporation of the Company, Geoffrey Cowley subscribed for 1 Ordinary Share of nominal value £1.00 in the capital of the Company at a price of £1.00 pence.
- 2.7 On 24 March 2018, a special resolution was passed to sub-divide every existing Ordinary Share of £1 into 100 shares of £0.01.
- 2.8 On 14 February 2018, the Company allotted a total of 25,000,000 Ordinary Shares of £0.01 for a total amount of £250,000.

3. SHARE CAPITAL

The following table shows the issued and fully paid shares of the Company at the date of this document:

<i>Class</i>	<i>Number</i>	<i>Amount paid</i>
Ordinary Share	67,233,532	£883,502

- 3.1 On completion of the Placing, raising £613,300 and including the Initial Consideration Shares, the First Reimbursement Shares and the Fee Shares, the issued and fully paid shares of the Company immediately following Admission is expected to be as shown in the following table:

<i>Class</i>	<i>Number</i>	<i>Amount paid</i>
Ordinary Shares	153,747,138	£1,537,471.38

3.2 Pursuant to an ordinary resolution of the Shareholders passed at the 2019 AGM of the Company held on 30 May 2019 the Directors, in accordance with section 551 of the Companies Act, were generally and unconditionally authorised to allot shares in the Company, or to grant rights to subscribe for or to convert any security into shares in the Company ("Rights"):

- (i) up to an aggregate nominal amount of £1,000,000; and
- (ii) comprising equity securities (as defined in section 560 of the Act) up to an aggregate nominal amount of £1,000,000 (such amount to be reduced by the aggregate nominal amount of any allotments or grants made under paragraph (i) of this resolution) in connection with an offer by way of rights issue:
 - A) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
 - B) to holders of other equity securities as required by the rights of those securities or, subject to such rights, as the Directors otherwise consider necessary,

and so that the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of any territory or any other matter, such authorities to expire at the conclusion of the Company's next AGM after this resolution is passed or, if earlier, 15 months after the passing of this Resolution, but, in each case, so that the Company may make offers or agreements before the authority expires which would or might require shares to be allotted or Rights to be granted after the authority expires, and so that the Directors may allot shares or grant Rights in pursuance of any such offer or agreement notwithstanding that the authority conferred by this resolution has expired.

3.3 Pursuant to a special resolution of the Shareholders passed at the 2019 AGM of the Company held on 30 May 2019:

- (a) the Directors, in accordance with sections 570 and 573 of the Companies Act, were generally empowered to allot equity securities (as defined in section 560 of the Companies Act) for cash pursuant to the authorities granted by the resolution in paragraph 3.2 above, and/or sell ordinary shares held by the Company as if section 561 of the Companies Act did not apply to any such allotment or sale provided that this power shall be limited:
 - (i) to the allotment of equity securities in connection with an offer of equity securities (but in the case of an allotment pursuant to the authority granted under paragraph (ii) of the resolution in paragraph 3.2 above, such power shall be limited to the allotment of equity securities in connection with an offer by way of rights issue only):
 - A) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
 - B) to holders of other equity securities, as required by the rights of those securities or, subject to such rights, as the Directors otherwise consider necessary,

and so that the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of any territory or any other matter; and

- (ii) to the allotment (otherwise than in the circumstances set out in paragraph (i) of this resolution) of equity securities or sale of treasury shares pursuant to the authority granted by paragraph (i) of the resolution in paragraph 3.2 above, up to an aggregate nominal amount of £1,000,000,

such power to expire at the conclusion of the Company's next AGM after this resolution is passed or, if earlier, 15 months after the passing of this resolution, but so that the Company may make offers or agreements before the power expires which would or might require equity securities to be allotted (and/or treasury shares to be sold) after the power expires and so that the Directors may allot equity securities (and/or sell treasury shares) in pursuance of any such offer or agreement notwithstanding that the power conferred by this authority has expired.

- (b) the Directors, in accordance with sections 570 and 573 of the Companies Act, were generally empowered to allot equity securities (as defined in section 560 of the Companies Act) for cash pursuant to the authorities granted by the resolution in paragraph 3.2 above, and/or sell ordinary shares held by the Company as if section 561 of the Companies Act did not apply to any such allotment or sale provided that this power shall be:
 - (i) limited to the allotment of equity securities or sale of treasury shares pursuant to the authority granted by paragraph (i) of Resolution 9 up to an aggregate nominal amount of £1,000,000; and
 - (ii) used only for purposes of financing (or refinancing, if the authority is to be used within 6 months after the original transaction) a transaction which the Directors determine to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the PreEmption Group prior to the date of this notice, including in connection with the Lady Alice Acquisition,

such power to expire at the conclusion of the Company's next AGM after this resolution is passed or, if earlier, 15 months after the passing of this Resolution, but so that the Company may make offers or agreements before the power expires which would or might require equity securities (and/or treasury shares to be sold) to be allotted after the power expires and so that the Directors may allot equity securities (and/or sell treasury shares) in pursuance of any such offer or agreement notwithstanding that the power conferred by this authority has expired.

3.4 Save as disclosed in this document:

- (a) no Ordinary Share or loan capital of the Company has been issued or is proposed to be issued;
- (b) no person has any preferential subscription rights for any Ordinary Shares in the Company;
- (c) no Ordinary Share or loan capital of the Company is unconditionally to be put under option;
- (d) no commissions, discounts, brokerages or other special terms have been granted by the Company since its incorporation in connection with the issue or sale of any share or loan capital of the Company;

3.5 Save as set out below the Company does not have any convertible securities, exchangeable securities or securities with warrants currently in issue.

- (a) On 12 November 2018, a total of 25,000,000 warrants to acquire Ordinary Shares were issued to investors in a private placing. The warrants are exercisable at a price of 1 pence per share and are exercisable at any time up to 15 November 2020.
- (b) On 12 November 2018, 34,900,000 warrants to acquire Ordinary Shares were issued to investors in connection with a placing. The warrants are exercisable at a price of 2 pence per share and are exercisable at any time up to 15 November 2020.
- (c) On 12 November 2018, 3,451,916 warrants to acquire Ordinary Shares were issued to advisers in connection with a placing. The warrants are exercisable at a price of 2 pence per share and are exercisable at any time up to 15 November 2020.
- (d) A total of 2,017,008 share options are outstanding under the Share Option Plan all are exercisable at the current time at an exercise price of 2 pence per share.

- (e) A total of 303,000 2020 Adviser Warrants will be issued to SI Capital and other advisers, conditional on Admission, exercisable at a price of 2 pence per Ordinary Share (being the placing price plus a 100% premium) in connection with the Placing. The Bookrunner Warrants are exercisable at any time from Admission until 15 January 2023.
 - (f) A total of 35,194,375 2020 Placing Warrants will be issued to participants in the Placing on a one-for-two basis. The Placing Warrants are exercisable at a price of 2 pence per Ordinary Share at any time from the Admission until 15 January 2023.
- 3.6 All Ordinary Shares in the capital of the Company are in registered form.
- 3.7 The Ordinary Shares will be readmitted to a Standard Listing on the Official List and traded on the Main Market for listed securities of the London Stock Exchange. The Ordinary Shares are not listed or traded on, and no application has been or is being made for the admission of the Ordinary Shares to listing or trading on, any other stock exchange or securities market.
- 3.8 The Company has only Ordinary Shares in issue and no shares which do not represent capital.
- 3.9 No Ordinary Shares are held by or on behalf of the Company or by any subsidiary of the Company.

4. ARTICLES OF ASSOCIATION OF THE COMPANY

- 4.1 The Articles of the Company were adopted by a special resolution of the Shareholders passed by written resolution on 17 July 2018. A summary of the terms of the Articles is set out below. The summary below is not a complete copy of the terms of the Articles.
- 4.2 The Articles contain no specific restrictions on the Company's objects and therefore, by virtue of section 31(1) of the Companies Act, the Company's objects are unrestricted.
- 4.3 The Articles contain, *inter alia*, provisions to the following effect:

(a) ***Share capital***

The Company's Existing Issued Share Capital currently consists of Ordinary Shares. The Company may issue shares with such rights or restrictions as may be determined by ordinary resolution, including shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder of such shares.

(b) ***Voting***

The Shareholders have the right to receive notice of, and to vote at, general meetings of the Company. Each Shareholder who is present in person (or, being a corporation, by representative) at a general meeting on a show of hands has one vote and, on a poll, every such holder who is present in person (or, being a corporation, by representative) or by proxy has one vote in respect of every share held by him.

(c) ***Variation of rights***

Whenever the share capital of the Company is divided into different classes of shares, the special rights attached to any class may be varied or abrogated either with the consent in writing of the holders of three-fourths in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a general meeting of the holders of the shares of that class and may be so varied and abrogated whilst the Company is a going concern or during or in contemplation of a winding up.

(d) ***Dividends***

The Company may, subject to the provisions of the Companies Act and the Articles, by ordinary resolution from time to time declare dividends to be paid to members not exceeding the amount recommended by the Directors. Subject to the provisions of the Companies Act in so far as, in the Directors' opinions, the Company's profits justify such payments, the Directors may pay interim dividends on any class of shares.

Any dividend unclaimed after a period of 12 years from the date such dividend was declared or became payable shall, if the Directors resolve, be forfeited and shall revert to the Company. No dividend or other moneys payable on or in respect of a share shall bear interest as against the Company.

(e) ***Transfer of Ordinary Shares***

Each member may transfer all or any of his shares which are in certificated form by means of an instrument of transfer in any usual form or in any other form which the Directors may approve. Each member may transfer all or any of his shares which are in uncertificated form by means of a 'relevant system' (i.e. the CREST System) in such manner provided for, and subject as provided in, the CREST Regulations.

The Board may, in its absolute discretion, refuse to register a transfer of certificated shares unless:

- (i) it is for a share which is fully paid up;
- (ii) it is for a share upon which the Company has no lien;
- (iii) it is only for one class of share;
- (iv) it is in favour of a single transferee or no more than four joint transferees;
- (v) it is duly stamped or is duly certificated or otherwise shown to the satisfaction of the Board to be exempt from stamp duty; and
- (vi) it is delivered for registration to the registered office of the Company (or such other place as the Board may determine), accompanied (except in the case of a transfer by a person to whom the Company is not required by law to issue a certificate and to whom a certificate has not been issued or in the case of a renunciation) by the certificate for the shares to which it relates and such other evidence as the Board may reasonably require to prove the title of the transferor (or person renouncing) and the due execution of the transfer or renunciation by him or, if the transfer or renunciation is executed by some other person on his behalf, the authority of that person to do so.

The Directors may refuse to register a transfer of uncertificated shares in any circumstances that are allowed or required by the CREST Regulations and the CREST System.

(f) ***Allotment of shares and pre-emption rights***

Subject to the Companies Act and to any rights attached to existing shares, any share may be issued with or have attached to it such rights and restrictions as the Company may by ordinary resolution determine, or if no ordinary resolution has been passed or so far as the resolution does not make specific provision, as the Directors may determine (including shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder of such shares).

In accordance with section 551 of the Companies Act, the Directors may be generally and unconditionally authorised to exercise all the powers of the Company to allot shares up to an aggregate nominal amount equal to the amount stated in the relevant ordinary resolution authorising such allotment. The authorities referred to in paragraph 3.2(a) and 3.2(b) above were included in the special resolution passed at the 2019 AGM and remain in force at the date of this document.

The provisions of section 561 of the Companies Act (which confer on Shareholders rights of pre-emption in respect of the allotment of equity securities which are paid up in cash) apply to the Company except to the extent disapplied by special resolution of the Company. Such pre-emption rights have been disapplied to the extent referred to in paragraph 3.2(b) above pursuant to the special resolution passed at the 2019 AGM.

(g) ***Alteration of share capital***

The Company may by ordinary resolution consolidate or divide all of its share capital into shares of larger nominal value than its existing shares, or cancel any shares which, at the date of the ordinary resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the nominal amount of shares so cancelled or sub-divide its shares, or any of them, into shares of smaller nominal value.

The Company may, in accordance with the Companies Act, reduce or cancel its share capital or any capital redemption reserve or share premium account in any manner and with and subject to any conditions, authorities and consents required by law.

(h) ***Directors***

Unless otherwise determined by the Company by ordinary resolution, the number of Directors (other than any alternate Directors) shall not be less than two, but there shall be no maximum number of Directors.

Subject to the Articles and the Companies Act, the Company may by ordinary resolution appoint a person who is willing to act as a Director and the Board shall have power at any time to appoint any person who is willing to act as a Director, in both cases either to fill a vacancy or as an addition to the existing Board.

At the 2019 AGM, being the first AGM following the Lady Alice Acquisition, all of the Directors retired from office and were reappointed by the Shareholders by ordinary resolution.

At every subsequent AGM any Director who:

- (i) has been appointed by the Directors since the last AGM; or
- (ii) was not appointed or re-appointed at one of the preceding two AGMs;

must retire from office and may offer themselves for reappointment by the Shareholders by ordinary resolution.

Subject to the provisions of the Articles, the Board may regulate their proceedings as they think fit. A Director may, and the secretary at the request of a Director shall, call a meeting of the Directors.

The quorum for a Directors' meeting shall be fixed from time to time by a decision of the Directors, but it must never be less than two and unless otherwise fixed, it is two.

Questions and matters requiring resolution arising at a meeting shall be decided by a majority of votes of the participating Directors, with each director having one vote. In the case of an equality of votes, the Chair will only have a casting vote or second vote when an acquisition has been completed. The entering into any acquisition requires the consent of at least 75 per cent. of the Directors present and entitled to vote.

The Directors shall be entitled to receive such remuneration as the Directors shall determine for their services to the Company as directors and for any other service which they undertake for the Company provided that the aggregate fees payable to the Directors must not exceed £300,000 per annum. The Directors shall also be entitled to be paid all reasonable expenses properly incurred by them in connection with their attendance at meetings of Shareholders or class meetings, board or committee meetings or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

The Board may, in accordance with the requirements in the Articles, authorise any matter proposed to them by any Director which would, if not authorised, involve a Director breaching his duty under the Companies Act to avoid conflicts of interests.

A Director seeking authorisation in respect of such conflict shall declare to the Board the nature and extent of their interest in a conflict as soon as is reasonably practicable.

The Director shall provide the Board with such details of the matter as are necessary for the Board to decide how to address the Conflict together with such additional information as may be requested by the Board.

Any authorisation by the Board will be effective only if:

- (i) to the extent permitted by the Companies Act, the matter in question shall have been proposed by any Director for consideration in the same way that any other matter may be proposed to the Directors under the provisions of the Articles;
- (ii) any requirement as to the quorum for consideration of the relevant matter is met without counting the conflicted Director and any other conflicted Director; and
- (iii) the matter is agreed to without the conflicted Director voting or would be agreed to if the conflicted Director's and any other interested Director's vote is not counted.

Subject to the provisions of the Companies Act, every Director, secretary or other officer of the Company (other than an auditor) is entitled to be indemnified against all costs, charges, losses, damages and liabilities incurred by him in the actual purported exercise or discharge of his duties or exercise of his powers or otherwise in relation to them.

(i) ***General meetings***

The Company must convene and hold AGMs in accordance with the Companies Act.

No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business, but the absence of a quorum shall not preclude the choice or appointment of a Chair of the meeting which shall not be treated as part of the business of the meeting. Save as otherwise provided by the articles, two Shareholders present in person or by proxy and entitled to vote shall be a quorum for all purposes.

(j) ***Borrowing powers***

Subject to the Articles and the Companies Act, the Board may exercise all of the powers of the Company to:

- (i) borrow money;
- (ii) indemnify and guarantee;
- (iii) mortgage or charge;
- (iv) create and issue debentures and other securities; and
- (v) give security either outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

(k) ***Capitalisation of profits***

The Directors may, if they are so authorised by an ordinary resolution of the Shareholders, decide to capitalise any undivided profits of the Company (whether or not they are available for distribution), or any sum standing to the credit of the Company's share premium account or capital redemption reserve. The Directors may also, subject to the aforementioned ordinary resolution, appropriate any sum which they so decide to capitalise to the persons who would have been entitled to it if it were distributed by way of dividend and in the same proportions.

(l) ***Uncertificated shares***

Subject to the Companies Act, the Directors may permit title to shares of any class to be issued or held otherwise than by a certificate and to be transferred by means of a 'relevant system' (i.e. the CREST System) without a certificate.

The Directors may take such steps as it sees fit in relation to the evidencing of and transfer of title to uncertificated shares, any records relating to the holding of uncertificated shares and the conversion of uncertificated shares to certificated shares, or vice-versa.

The Company may by notice to the holder of an uncertificated share, require that share to be converted into certificated form.

The Board may take such other action that the Board considers appropriate to achieve the sale, transfer, disposal, forfeiture, re-allotment or surrender of an uncertificated share or otherwise to enforce a lien in respect of it.

5. OTHER RELEVANT LAWS AND REGULATIONS

5.1 *Mandatory bid*

(a) The City Code on Takeovers and Mergers (the “**Takeover Code**”) applies to the Company. Under the Takeover Code, where:

- (i) any person acquires, whether by a series of transactions over a period of time or not, an interest in shares which (taken together with shares in which he is already interested, and in which persons acting in concert with him are interested) carry 30 per cent. or more of the voting rights of a company; or
- (ii) any person who, together with persons acting in concert with him, is interested in shares which in the aggregate carry not less than 30 per cent. of the voting rights of a company but does not hold shares carrying more than 50 per cent. of such voting rights and such person, or any person acting in concert with him, acquires an interest in any other shares which increases the percentage of shares carrying voting rights in which he is interested;

such person shall, except in limited circumstances, be obliged to extend offers, on the basis set out in Rules 9.3, 9.4 and 9.5 of the Takeover Code, to the holders of any class of equity share capital whether voting or non-voting and also to the holders of any other class of transferable securities carrying voting rights. Offers for different classes of equity share capital must be comparable; the Takeover Panel should be consulted in advance in such cases.

- (b) An offer under Rule 9 of the Takeover Code must be in cash and at the highest price paid for any interest in the shares by the person required to make an offer or any person acting in concert with him during the 12 months prior to the announcement of the offer.
- (c) Under the Takeover Code, a ‘concert party’ arises where persons acting together pursuant to an agreement or understanding (whether formal or informal and whether or not in writing) actively co-operate, through the acquisition by them of an interest in shares in a company, to obtain or consolidate control of the company. ‘Control’ means holding, or aggregate holdings, of an interest in shares carrying 30 per cent. or more of the voting rights of the company, irrespective of whether the holding or holdings give *de facto* control.

5.2 *Squeeze-out*

- (a) Under sections 979 to 982 of the Companies Act, if an offeror were to acquire 90 per cent. of the Ordinary Shares it could then compulsorily acquire the remaining 10 per cent. It would do so by sending a notice to outstanding Shareholders telling them that it will compulsorily acquire their shares, provided that no such notice may be served after the end of: (a) the period of three months beginning with the day after the last day on which the offer can be accepted; or (b) if earlier, and the offer is not one to which section 943(1) of the Companies Act applies, the period of six months beginning with the date of the offer.
- (b) Six weeks following service of the notice, the offeror must send a copy of it to the Company together with the consideration for the Ordinary Shares to which the notice relates, and an instrument of transfer executed on behalf of the outstanding Shareholder(s) by a person appointed by the offeror.
- (c) The Company will hold the consideration on trust for the outstanding Shareholders.

5.3 **Sell-out**

- (a) Sections 983 to 985 of the Companies Act also give minority Shareholders in the Company a right to be bought out in certain circumstances by an offeror who has made a takeover offer. If a takeover offer relating to all the Ordinary Shares is made at any time before the end of the period within which the offer could be accepted and the offeror held or had agreed to acquire not less than 90 per cent. of the Ordinary Shares, any holder of shares to which the offer related who had not accepted the offer could by a written communication to the offeror require it to acquire those shares. The offeror is required to give any Shareholder notice of his right to be bought out within one month of that right arising. The offeror may impose a time limit on the rights of minority Shareholders to be bought out, but that period cannot end less than three months after the end of the acceptance period, or, if longer a period of three months from the date of the notice.
- (b) If a Shareholder exercises his/her rights, the offeror is bound to acquire those shares on the terms of the offer or on such other terms as may be agreed.

5.4 **Shareholder notification and disclosure requirements**

- (a) Shareholders are obliged to comply with the shareholding notification and disclosure requirements set out in Chapter 5 of the DTRs. A Shareholder is required pursuant to Rule 5 of the DTRs to notify the Company if, as a result of an acquisition or disposal of shares or financial instruments, the Shareholder's percentage of voting rights of the Company reaches, exceeds or falls below, 3 per cent. of the nominal value of the Company's share capital or any 1 per cent. threshold above that.
- (b) The DTRs can be accessed and downloaded from the FCA's website at <http://fshandbook.info/FS/html/FCA/DTR>. Shareholders are urged to consider their notification and disclosure obligations carefully as a failure to make a required disclosure to the Company may result in disenfranchisement.

6. **DIRECTORS' AND OTHER INTERESTS**

- 6.1 Immediately following Admission the Directors will have the following interests in the shares of the Company:

<i>Name</i>	<i>No. of Ordinary Shares</i>
Rolf Gerritsen ⁽¹⁾	3,200,000
Craig Moulton	6,688,750

(1) held via Pearman Investments LLP

- 6.2 The Directors have not held any directorships of any company (other than the Company and its subsidiaries) or partnerships within the last five years, except as set forth below:

Craig Moulton

Current

Cobra Resources plc
Moulton Metals Ltd
Moulton Super Pty Ltd

Past

Cliffs Magnetite Holdings Pty Ltd
Rockbridge Partners Pty Ltd
Cliffs Natural Resources Exploration Mongolia
Currawong Coal Pty Ltd
AusQuest Ltd
John Wollaston Anglican Community School

Rolf Gerritsen

Current

Strategic Global Minerals Limited
Cobra Resources plc
MetalNRG plc
Pearman Investments LLP
RCA Associates Limited

Past

ECRG Limited*

* ECRG Limited is in a voluntary arrangement for a period of 36 months and is making payments to HMRC which commenced in May 2017. The voluntary arrangement was approved at a creditors' meeting. HMRC was the sole creditor, being owed approximately £66,000.

Greg Hancock*Current*

Hancock Corporate Investments Pty Limited
 Zeta Petroleum plc
 Ausquest Limited
 Strata-X Energy Limited BMG Resources Limited
 Franchise Investments International Limited
 Golden State Mining Limited
 King Island Scheelite Limited

Past

Norsve Resources plc

6.3 Save as disclosed at the date of this document none of the Directors:

- (a) has any convictions in relation to fraudulent offences for at least the previous five years;
- (b) as been associated with any bankruptcy, receivership or liquidation while acting in the capacity of a member of the administrative, management or supervisory body or of senior manager of any company for at least the previous five years; or
- (c) has been subject to any official public incrimination and/or sanction of him by any statutory or regulatory authority (including any designated professional bodies) or has ever been disqualified by a court from acting as a director of a company or from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer for at least the previous five years.

6.4 None of the Directors has any potential conflicts of interest between their duties to the Company and their private interests or other duties they may also have.

6.5 Save as set out below, the Directors are not aware of any person who, directly or indirectly, had an interest in 3 per cent. or more of the voting rights of the Company as at the date of publication of this document and immediately following completion of the Placing and Admission (on the basis that 86,513,606 New Ordinary Shares will be issued in connection with Admission):

<i>Shareholder</i>	<i>No. of Ordinary Shares prior to Placing and Admission</i>	<i>Percentage of Existing Issued Share Capital</i>	<i>No. of Ordinary Shares on Admission</i>	<i>Percentage of Enlarged Issued Share Capital</i>
Former Unitholders	—	—	36,124,856	23.50%
Share Nominees Limited	36,411,153	54.16%	36,411,153	23.68%
Jim Nominees Limited	13,198,921	19.63%	13,198,921	8.58%
Christopher Shrubbs ¹	4,833,333	7.19%	4,833,333	3.14%
Adrian Crucefix ¹	4,791,666	7.13%	4,791,666	3.12%
MetalNRG plc	4,166,666	6.20%	6,666,666	4.34%
Daniel Fox ²	3,676,803	5.47%	3,676,803	2.39%
Sheldon Collins ¹	3,333,334	4.96%	3,333,334	2.17%
Pearman Investments LLP ¹	3,333,334	4.96%	3,333,334	2.17%
Laurence Grant ¹	3,333,334	4.96%	3,333,334	2.17%
Richard Edwards ¹	3,333,332	4.96%	3,333,332	2.17%
Hargreaves Lansdown (Nominees) Limited	3,085,700	4.59%	3,085,700	2.01%
Redstone Metals Pty Limited	2,666,666	3.97%	2,666,666	1.73%
Bank of New York (Nominees) Limited	2,579,000	3.83%	2,579,000	1.67%

¹ Shares are held via Share Nominees Limited and also included in this aggregate holding of Share Nominees Limited.

² Shares are held via Jim Nominees Limited and also included in the aggregate holding of Jim Nominees Limited.

6.6 As at 10 January 2020 (being the latest practicable date prior to the publication of this document), the Company was not aware of any person or persons who, directly or indirectly, jointly or severally, exercise or could exercise control over the Company nor is it aware of any arrangements, the operation of which may at a subsequent date result in a change in control of the Company.

- 6.7 Those interested, directly or indirectly, in 3 per cent. or more of the issued Ordinary Shares of the Company (as set out in paragraph 6.5 above) do not now, and, following the Placing and Admission, will not, have different voting rights from other holders of Ordinary Shares.

7. SHARE OPTION PLAN

The Cobra Resources plc Share Option Plan (the “**Share Option Plan**”), which was adopted 11 February 2019 allows for the grant of the Options. The material terms of the Share Option Plan are summarized below.

Grant of Option and Exercise Price

The Company may grant an Option to any director or employee it chooses during (i) the period of 42 days immediately following a closed period (as defined in the Market Abuse Regulation) or (ii) any period which the Board deems to be exceptional circumstances. An Option must be granted using an option certificate (an “**Option Certificate**”) executed as a deed in a form approved by the Board.

The Exercise Price of an Option shall be specified in each Option Certificate, although may not be less than the nominal value of an Ordinary Share.

Overall Limits on Grants

No Option shall be granted if that grant would result in the total number of Ordinary Shares issued as Options exceeding 15% of the issued share capital of the Company.

Lapse of Options

Options (and any rights arising under them) may not be transferred or assigned, or have any charge or other security interest created over them. An Option shall lapse if the relevant Option holder attempts to do any of those things. However, the transfer of an Option to an Option holder’s personal representatives on the death of the Option holder will not cause an Option to lapse.

Takeovers

If any person (the “**Offeror**”) (i) makes an offer to acquire the whole of the issued share capital of the Company which is made on a condition such that, if it is satisfied, the Offeror will have control of the Company; or (ii) makes an offer to acquire all the Ordinary Shares in the Company; or (iii) negotiates a share sale and purchase agreement with the shareholders of the Company which contemplates that the Offeror will obtain control of the Company upon completion, then any Option may be exercised within a reasonable period to be specified by the Board for that purpose and ending immediately before the Offeror obtains control of the Company as a result of the offer or the share sale and purchase agreement. If any person obtains control of the Company (the “**Controller**”), then any Option may be exercised within six weeks after the time when the Controller has obtained control of the Company.

Variation of Share Capital

If there is any variation of the share capital of the Company (whether that variation is a capitalization issue (other than a scrip dividend), rights issue, consolidation, subdivision or reduction of capital or otherwise), which affects (or may affect) the value of Options to Option holders, the Board may adjust the number and description of Ordinary Shares subject to each Option and/or the Exercise Price of each Option in a manner which the Board, in its reasonable opinion, considers to be fair and appropriate.

8. TERMS AND CONDITIONS OF THE WARRANTS

8.1 The Pre-IPO Warrants

The Company entered into a warrant instrument dated 14 February 2018 executed as a deed poll pursuant to which the Company created and issued a total of 25,000,000 warrants each entitling the holder to acquire one Ordinary Share at a price of 1 pence at any time until 15 November 2020.

8.2 ***The Adviser Warrants***

The Adviser Warrants are constituted by, and issued subject to and with the benefit of, a Warrant instrument which is dated 12 November 2018 and is executed as a deed poll by the Company. The exercise price of the Adviser Warrants is 2 pence per Ordinary Share and the Placing Warrants may be exercised at any time from Admission up to and including 15 November 2020.

Holders of Adviser Warrants are and will be bound by all the terms and conditions set out in the warrant instrument. The terms and conditions attached to the Adviser Warrants are common to the other classes of warrants and are summarised in paragraph 8.7 below.

8.3 ***The Investor Warrants***

The Investor Warrants are constituted by, and issued subject to and with the benefit of, a warrant instrument which is dated 12 November 2018 and is executed as a deed poll by the Company. The exercise price of the Investor Warrants is 2 pence per Ordinary Share and the Bookrunner Warrants may be exercised at any time from Admission up to and including 15 November 2020.

Holders of the Investor Warrants are and will be bound by all the terms and conditions set out in the warrant instrument. The terms and conditions attached to the Investor Warrants are common to the other classes of warrants and are summarised in paragraph 8.7 below.

8.4 ***The 2020 Adviser Warrants***

The 2020 Adviser Warrants are constituted by, and issued subject to and with the benefit of, a warrant instrument which is dated 13 January 2020 and is executed as a deed poll by the Company. The exercise price of the 2020 Adviser Warrants is 2 pence per Ordinary Share and the 2020 Adviser Warrants may be exercised at any time from Admission up to and including the third anniversary of Admission.

Holders of the 2020 Adviser Warrants are and will be bound by all the terms and conditions set out in the warrant instrument. The terms and conditions attached to the 2020 Adviser Warrants are common to the other classes of warrants and are summarised in paragraph 8.7 below.

8.5 ***The 2020 Placing Warrants***

The 2020 Placing Warrants are constituted by, and issued subject to and with the benefit of, a warrant instrument which is dated 13 January 2020 and is executed as a deed poll by the Company. The exercise price of the 2019 Placing Warrants is 2 pence per Ordinary Share and the 2020 Placing Warrants may be exercised at any time from Admission up to and including the third anniversary of Admission.

8.6 Holders of the 2020 Placing Warrants are and will be bound by all the terms and conditions set out in the warrant instrument. The terms and conditions attached to the 2020 Placing Warrants are common to the other classes of warrants and are summarised in paragraph 8.7 below.

8.7 ***Summary of the terms of all classes of the warrants***

The following summary is common to the terms of each of the Pre-IPO Warrants, the Investor Warrants, the Adviser Warrants, the 2020 Placing Warrants and the 2020 Adviser Warrants unless the context requires otherwise, each of the following expressions has the following meanings:

“Certificate”	in relation to a Warrant, a certificate evidencing a Warrantholder’s entitlement to Warrants.
“Exercise Date”	(i) in relation to a Warrant which is in certificated form, the date of delivery to the registered office of the Company of the items specified in the Warrant Instrument (and the date of such delivery shall be the date on which such items are received at the Company’s registered office) or if not a Business Day then the immediately following Business Day; and (ii) in relation to a Warrant which is in uncertificated form, the date of receipt of the properly authenticated dematerialised instruction and/or other instruction or notification.

“Final Subscription Date”	the date falling 24 months from the date of Admission in the case of the Pre-IPO Warrants, the Investor Warrants and the Adviser Warrants, and the date falling on the third anniversary of Admission in the case of the 2020 Placing Warrants and the 2020 Adviser Warrants.
“Notice of Exercise”	in relation to a Warrant, the duly completed notice of exercise in the form, or substantially in the form, contained in the certificate for such Investor.
“Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001 No.3755) (as amended from time to time).
“stock account”	an account within a member account in CREST to which a holding of a particular share or other security in CREST is credited.
“Subscription Price”	subject to the provisions of the relevant Warrant instrument, 1 pence in the case of the Pre-IPO Warrants, and 2 pence the case of each of the Investor Warrants and the Adviser Warrants, the 2020 Placing Warrants and the 2020 Adviser Warrants. (as may be adjusted from time to time).
“Subscription Rights”	the rights of the Warrantholders to subscribe for Ordinary Shares pursuant to the Warrants on the terms and subject to the conditions of the Warrant instrument.
“Warrantholder(s)”	the person(s) in whose name(s) a Warrant is registered in the Register from time to time.

(a) *Subscription Rights*

Warrantholders are entitled in respect of every one Warrant held to subscribe for one Ordinary Share in the Company at a price per share equal to the Issue Price. The Warrants registered in a Warrantholder’s name will be evidenced by a Certificate issued by the Company.

Each Warrant may be exercised by Warrantholders at any time after the date on which the Warrants are issued and before the Final Subscription Date.

In order to exercise the whole or any part of its holding of Warrants held in certificated form, a Warrantholder must deliver to the Company before the Final Subscription Date a Notice of Exercise together with the relevant Certificate and the remittance in cleared funds of an amount equal to the Subscription Price multiplied by the number of Ordinary Shares to be allotted and issued to the Warrantholder as a result of the exercise of the Warrants which are being exercised.

In order to exercise the whole or any part of its holding of Warrants in uncertificated form, a Warrantholder must deliver to the Company before the Final Subscription Date a properly authenticated dematerialised instruction and/or other instruction or notification together with the payment transfer for the aggregate amount equal to the Subscription Price multiplied by the number of Ordinary Shares to be allotted and issued to the Warrantholder as a result of the exercise of the Subscription Rights.

Once delivered to the Company a Notice of Exercise shall (save with the consent of the Company) be irrevocable.

To the extent that Ordinary Shares to be allotted and issued on the exercise of Warrants held in certificated form, the Company shall deliver a share certificate for the Ordinary Shares so allotted to the relevant Warrantholder by no later than 28 days after such Notice of Exercise was delivered to the Company.

To the extent that Ordinary Shares to be allotted and issued on the exercise of Warrants held in uncertificated form through CREST, the Company shall procure that Euroclear is instructed to credit to the stock account of the relevant Warrantholder entitlements to such Ordinary Shares.

Ordinary Shares allotted pursuant to the exercise of Warrants shall be allotted and issued credited as fully paid, shall have the rights set out in the Articles, shall be entitled in full to all dividends and distributions declared or paid on any date, or by reference to any date, on or after the date on which the relevant Notice of Exercise was delivered to the Company and shall otherwise rank *pari passu* in all respects from the date of allotment with the Ordinary Shares of the Company then in issue.

Warrants shall be deemed to be exercised on the Exercise Date.

(b) *Adjustment of Subscription Rights*

Upon the occurrence of a reorganisation or reclassification of the share capital of the Company, or an issue of new shares, capitalisation issue or offer by way of rights by the Company, or a sub-division, reduction or consolidation of the capital of the Company, or a merger or consolidation of the Company with or into another company or demerger, or the modification of rights attaching to the Ordinary Shares or a dividend in kind declared and/or made by the Company (each, an “**Adjustment Event**”) after the date on which any Warrants are granted, the number of Ordinary Shares which are the subject of the Warrants and the Subscription Price payable on the exercise of Warrants shall be adjusted either in such manner as the Company agree in writing is appropriate or, failing agreement, in such manner as the auditors of the Company shall certify is appropriate.

The Company shall not implement an Adjustment Event if it would otherwise result in the Subscription Price payable per Ordinary Share on the exercise of the Warrants being less than the nominal value of an Ordinary Share.

No exercise of Warrants shall result in the issue of a fraction of an Ordinary Share. Any fractional entitlements to Ordinary Shares arising as a result of an adjustment shall be rounded down to the nearest whole Ordinary Share.

(c) *Winding-up of the Company*

If, at any time when any Subscription Rights are exercisable, an order is made or an effective resolution is passed for the winding-up or dissolution of the Company or if any other dissolution of the Company by operation of law is to be effected then:

- (A) if such winding-up or dissolution is for the purpose of a reconstruction or amalgamation pursuant to a scheme of arrangement to which any Warrantholder has consented in writing, the terms of such scheme of arrangement will be binding on such Warrantholder; or
- (B) in any other case, the Company shall forthwith notify the Warrantholder stating that such an order has been made or resolution has been passed or other dissolution is to be effected and the Warrantholder shall be entitled to receive out of the assets which would otherwise be available in the liquidation to the holders of Ordinary Shares, such a sum, if any, as it would have received had it been the holder of and paid for the Ordinary Shares to which it would have become entitled by virtue of such exercise, after deducting from such sum an amount equal to the amount which would have been payable by it in respect of such Ordinary Shares if it had exercised all its Warrants, but nothing contained in this paragraph shall have the effect of requiring the Warrantholder to make any actual payment to the Company.

The Warrants lapse on a dissolution or winding-up of the Company.

(d) *Undertakings*

Unless otherwise authorised in writing by the Warrantheolder(s) holding the majority of the outstanding Warrants from time to time:

- (A) the Company shall maintain all necessary authorisations pursuant to the Act to enable it to lawfully and fully perform its obligations under the Warrant instrument to allot and issue Ordinary Shares upon the exercise of all Warrants remaining exercisable from time to time;
- (B) if at any time an offer is made to all holders of Ordinary Shares (or all such holders other than the offeror and/or any company controlled by the offeror and/or persons acting in concert with the offeror) to acquire the whole or any part of the share capital of the Company, the Company will as soon as possible give notice of such offer to the Warrantheolders and use its best endeavours to procure that a full and adequate opportunity is given to the Warrantheolders to exercise the Warrants and that a like offer, being one *pari passu* with the best terms offered to holders of Ordinary Shares, is extended in respect of any Ordinary Shares issued upon exercise of the Warrants. The publication of a scheme of arrangement providing for the acquisition by any person of the whole or any part of the share capital of the Company shall be deemed to be the making of an offer and references herein to such an offer shall be read and construed accordingly;
- (C) if at any time an offer or invitation is made by the Company to the holders of Ordinary Shares for the purchase by the Company of any of the Ordinary Shares, the Company shall simultaneously give notice thereof to the Warrantheolders who shall be entitled, at any time while such offer or invitation is open for acceptance, to exercise their Warrants on the terms (subject to any adjustments) on which the same could have been exercised and as if the same had been exercised on the day immediately preceding the record date for such offer or invitation;
- (D) the Company shall supply to the Warrantheolders copies of all notices of meetings, annual reports and accounts and all documents required by law to be annexed thereto and all statements, circulars and other communications to its Shareholders at the same time as they are despatched to its Shareholders.

(e) *Modification of Rights*

All or any of the rights for the time being attached to the Warrants may from time to time (whether or not the Company is being wound up) be altered, amended or abrogated only with the prior sanction of a Special Resolution of the Warrantheolders and the agreement of the Company and shall be effected by an instrument by way of deed executed by the Company and expressed to be supplemental to the Warrant instrument.

All the provisions of the Articles for the time being of the Company relating to general meetings shall apply *mutatis mutandis* as though the Warrants were a class of shares forming part of the share capital of the Company except that:

- (A) the necessary quorum shall be Warrantheolders present (in person or by proxy) entitled to subscribe for 10 per cent. in nominal amount of the Ordinary Shares attributable to the outstanding Warrants;
- (B) every Warrantheolder present in person at any such meeting shall be entitled on a show of hands to one vote and every Warrantheolder present in person or by proxy shall be entitled on a poll to one vote for every Ordinary Share for which he is entitled to subscribe pursuant to the Warrants held by him; and
- (C) any Warrantheolder present (in person or by proxy) may demand or join in demanding a poll.

(f) *Transfer*

The Warrants shall be in registered form and shall be transferable by instrument in writing in the usual common form (or in such other form as the Directors may reasonably approve). A Warrantheolder's holding of Warrants may be transferred in whole or in part, but no transfer of a right to subscribe for a fraction of an Ordinary Share shall be affected.

(g) *Purchase*

The Company and its subsidiaries shall have the right to purchase Warrants in the market, by tender or by private treaty or otherwise.

All Warrants purchased or surrendered shall forthwith be cancelled and shall not be available for reissue or resale.

(h) *Tradability*

The Warrants shall not be listed or traded on a recognised stock exchange.

(i) *Governing Law and Jurisdiction*

The provisions of the Warrant instrument and the Warrants shall be subject to and governed by English law and each of the parties irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Warrant instrument.

9. WORKING CAPITAL

In the opinion of the Company, taking into account the Net Placing Proceeds receivable by the Company, the working capital available to the Enlarged Group is sufficient for the Enlarged Group's present requirements, that is, for a least 12 months from the date of this document.

10. CAPITALISATION AND INDEBTEDNESS

As at the date of this document, the Company has no guaranteed, secured, unguaranteed or unsecured debt and no indirect or contingent indebtedness and the Company's Existing Issued Share Capital consists of 67,233,532 Ordinary Shares with no legal reserve or other reserves.

11. SIGNIFICANT CHANGE

Set out below are details of the significant changes in the financial position and financial performance of the Company during, and subsequent to the period ended 30 June 2019 up to the date of this prospectus.

- On 12 November 2018, the Company raised £523,500 and was admitted to a Standard Listing and to trading on the Main Market of the London Stock Exchange;
- on 6 March 2019, the Company entered into the Lady Alice Acquisition Agreement in connection with the Lady Alice Acquisition; and
- on 28 March 2019, the Company completed the Lady Alice Acquisition.

Set out below are details of the significant changes in the financial position and financial performance of Lady Alice Mines during, and subsequent to, the years ended 30 June 2017, 30 June 2018 and 30 June 2019.

- On 27 September 2017, Lady Alice Mines was granted competitive tenure over the Prince Alfred Mine. This meant that from this date, the Prince Alfred Mine became a wholly owned asset of Lady Alice Mines;
- On 30 October 2017, Lady Alice Mines entered into the Wudinna Agreement with Andromeda, which granted Lady Alice Mines the right to earn a 75 per cent. equity interest in the Wudinna Project; and
- On 6 March 2019, Lady Alice Mines entered into the Lady Alice Acquisition Agreement with the Company in connection with the Lady Alice Acquisition.

12. CURRENT INVESTMENTS

The Company currently has an investment in Lady Alice Mines, as acquired in accordance with the Lady Alice Acquisition.

13. INVESTMENTS IN PROGRESS

The Company has no investments in progress.

14. LITIGATION

There are currently no proceedings against the Company or its wholly-owned subsidiary Lady Alice Mines Pty Ltd, and there have been no governmental, legal or arbitration proceedings and neither the Company nor Lady Alice Mines Pty Ltd is aware of any governmental legal or arbitration proceedings pending or threatened, nor of any such proceedings having been pending or threatened at any time since the Company's incorporation or the incorporation of Lady Alice Mines Pty Ltd, which may have, or have had in the recent past, a significant effect on the financial position or profitability of the Company or Lady Alice Mines Pty Ltd.

15. NET PLACING PROCEEDS

The total costs and expenses relating to the Placing which are payable by the Company are estimated to amount to £163,700 (excluding any applicable VAT) and accordingly the Net Placing Proceeds which the Company is expected to raise by the Placing are approximately £449,600.

16. MATERIAL CONTRACTS

The following are all of the contracts (not being contracts entered into in the ordinary course of business) that have been entered into by the Company (including its wholly-owned subsidiary Lady Alice Mines Pty Ltd) since the Company's incorporation which: (i) are, or may be, material to the Company (or its wholly-owned subsidiary Lady Alice Mines Pty Ltd); or (ii) contain obligations or entitlements which are, or may be, material to the Company (or its wholly-owned subsidiary Lady Alice Mines Pty Ltd) as at the date of this document.

16.1 *Broker agreement*

A broker agreement dated 30 January 2018 between the Company and SI Capital, pursuant to which the Company appointed SI Capital as the Company's broker as from Admission and for an initial period of 12 months and continuing thereafter until terminated by either party giving the other three months' notice. Pursuant to the broker agreement, the Company has agreed to pay to SI Capital an annual retainer fee of £15,000 (together with any applicable VAT) payable quarterly in advance, the first payment being due on the day of Admission.

16.2 *Placing Agreement*

A Placing Agreement dated 13 January 2020 between the Company, SI Capital and the Directors pursuant to the terms of which SI Capital has agreed to use its reasonable endeavours to procure placees for the Placing Shares at the Placing Price, as the Company's agents in the Placing.

The Placing Agreement contains certain warranties and indemnities from the Company in favour of SI Capital and is conditional, *inter alia*, on:

- (a) the allotment of the New Ordinary Shares;
- (b) there being no breach of warranty under the Placing Agreement; and
- (c) Admission occurring by not later than 8.00 a.m. on 16 January 2020 (or such other time and/or date as SI Capital and the Company may agree), being not later than 20 January 2020.

SI Capital may terminate the agreement in certain circumstances prior to Admission including, *inter alia*, if there shall have been a material adverse change.

The Placing Agreement provides for SI Capital to receive, conditional upon Admission:

- (i) a base fee of £15,000 which shall be treated as a liquidated sum; and
- (ii) a commission fee equal to seven per cent. of the Gross Placing Proceeds (excluding, for the avoidance of doubt any Placing Shares taken by SI Capital or the Directors).

16.3 **Warrant Instruments**

In connection with the IPO, on 9 November 2018, the Company entered into the Investor Warrant Instrument, and the Adviser Warrant Instrument. On 14 February 2018 the Company entered into the IPO Warrant Instrument. Each of the warrant instruments entitles the holder to subscribe for one Ordinary Share per warrant at a price of 2 pence per Ordinary Share, exercisable within two years after the date of the IPO. The terms of all of the warrant instruments are summarised in paragraph 9 above.

16.4 **Lock-in and orderly market agreement**

Each Director entered into a lock-in agreement dated 9 November 2018 with the Company pursuant to which he has agreed that, during the period commencing at on the date of the IPO and ending on the second anniversary of the IPO, he will not sell, pledge or otherwise dispose of any Ordinary Shares except through SI Capital and in such orderly manner as SI Capital may determine so as to ensure an orderly market for the issued share capital of the Company.

The restrictions on the ability of each Director to transfer his Ordinary Shares, are subject to certain usual and customary exceptions for: transfers pursuant to the acceptance of, or provision of, an irrevocable undertaking to accept, a general offer made to all Shareholders on equal terms, transfers pursuant to an offer by or an agreement with the Company to purchase Ordinary Shares made on identical terms to all Shareholders or transfers as required by an order made by a court with competent jurisdiction.

16.5 **Lady Alice Acquisition Agreement**

On 6 March 2019, the Company and the Vendors entered into the Lady Alice Acquisition Agreement, pursuant to which the Company agreed to purchase, and the Vendors agreed to sell, 100 per cent. of the units in the Lady Alice Trust and the entire issued share capital of Lady Alice Mines Pty Ltd., as trustee for the Lady Alice Trust.

The Consideration

In consideration for the sale of the shares in Lady Alice Mines, the Company has paid to the Lady Alice Shareholders A\$1,000.

In consideration for the assignment of the units in the Lady Alice Trust, the Company will issue to the Former Unitholders at Admission, the Initial Consideration Shares. The Initial Consideration Shares represent 7 per cent of the Enlarged Issued Share Capital of the Company as at Admission.

The Reimbursement

Under the terms of the Lady Alice Acquisition Agreement, the Company also agreed to pay to the Former Unitholders the Reimbursement Consideration.

The Reimbursement Consideration shall be paid as follows:

- A\$33,000 (approximately £17,333 using an exchange rate of A\$1:£0.52) payable in cash on the date of Admission;
- A\$117,000 (approximately £60,840 using an exchange rate of A\$1:£0.52) payable in the form of the First Reimbursement Shares; and
- A\$100,000 (approximately £52,000 using an exchange rate of A\$1:£0.52) payable in the form of the Second Reimbursement Shares, or in cash, at the Company's election, within 12 months after the date of Admission.

The Company has, in effect, acquired an asset worth approximately A\$650,000 for A\$250,000. As the current unitholder of the Lady Alice Trust, the Company can choose to repay the outstanding loan balance to itself using future income from the Lady Alice Trust or expunge the loan as it sees fit. The Company's intention is to expunge the loan balance as soon as practicable.

The Lady Alice Acquisition Agreement specifies that the Reimbursement Consideration is in full and final satisfaction of any claim which the Former Unitholders may have in respect of any loans made by the Former Unitholders to the Lady Alice Trust, and subject only to payment and/or issue of the Reimbursement Consideration, no claim may be made by the Former Unitholders in respect of any such loan or loan accounts.

The Options

Under the Lady Alice Acquisition Agreement, the Company granted certain options over Ordinary Shares in favour of the Former Unitholders.

The First Option is exercisable for the payment by the Former Unitholders, in the aggregate, of A\$1,500 and shall vest on the occurrence of the First Qualifying Event.

Subject to the First Qualifying Event having occurred, on exercise of the First Option, the Company shall issue to the Former Unitholders, that number of Ordinary Shares as brings the total number of Non-Reimbursement Shares issued in total to all Former Unitholders to 14% of the total issued capital of the Company as calculated after the issue of the Non-Reimbursement Shares.

The Second Option is exercisable for the payment by the Former Unitholders, in the aggregate, of A\$1,500 and shall vest on the occurrence of the Second Qualifying Event.

Subject to the Second Qualifying Event having occurred, on exercise of the Second Option the Company shall issue to the Former Unitholders, that number of Ordinary Shares as brings the total number of Non-Reimbursement Shares issued in total to all Former Unitholders to 21% of the total issued capital of the Company, as calculated after issue of the said further Non-Reimbursement Shares.

The Third Option is exercisable for the payment by the Former Unitholders, in the aggregate, of A\$1,500 and shall vest on the occurrence of the Third Qualifying Event.

Subject to the Third Qualifying Event having occurred, on exercise of the Third Option, the Company shall issue to the Former Unitholders a further 30,000,000 Ordinary Shares.

For the avoidance of doubt, “Non-Reimbursement Shares” means any Ordinary Shares issued to the Former Unitholders that are not Reimbursement Shares.

On Admission, the Former Unitholders will hold 36,124,856 Ordinary Shares, consisting of 20,000,000 Placing Shares; 10,058,224 Initial Consideration Shares and 6,066,632 First Reimbursement Shares, representing 23.50 per cent. of the Enlarged Issued Share Capital.

The total equity interest in the Company which would be held by the Former Unitholders following any exercise in the future of the Third Option would depend on the then existing issued share capital of the Company. Nevertheless, the Company does not expect the equity interest in the Company held by the Former Unitholders to, at any time, exceed approximately 29.9 per cent.

16.6 **Wudinna Agreement**

On 30 October 2017, Lady Alice Mines Ltd and Andromeda entered into the Wudinna Agreement.

Under the terms of the Wudinna Agreement, Lady Alice Mines Ltd will fund up to A\$5,000,000 through a staged earn-in over a (maximum) six year period in order to earn up to 75 per cent. equity in the (to be formed) Wudinna JV Co as follows:

Stage One: Lady Alice Mines Ltd will sole fund A\$2,100,000 (the “**Stage One Amount**”) within three years of the execution date of the Wudinna Agreement. As at the date of this document, Lady Alice Mines has spent approximately A\$520,000 towards the Stage One Amount. In 2019, using a portion of the Net Placing Proceeds, Lady Alice Mines will spend a further A\$881,500 (approximately £483,000 using an exchange rate of A\$1:£0.55) towards the Stage One Amount, leaving a balance of approximately A\$698,500. In order to fully discharge the Stage One Amount (targeted for the fourth quarter, 2020), the Company may use existing cash incrementally, or raise further equity capital in approximately 18 months time.

Stage Two: At the completion of Stage One, either (i) the Wudinna JV Co can be formed, in which Lady Alice Mines will be entitled to hold 50 per cent. of the share capital, or (ii) Lady Alice Mines can spend a further A\$1,650,000 within two years after the completion of Stage One to earn a 65 per cent. equity interest in the Wudinna Project.

Stage Three: At the completion of Stage Two, either (i) the Wudinna JV Co can be formed, in which Lady Alice Mines will be entitled to hold 65 per cent. of the share capital, or (ii) Lady Alice Mines can spend a further A\$1,250,000 within one year of the completion of Stage Two to earn 75 per cent. of the equity in the Wudinna Project. The Wudinna JV Co would be formed, in which Lady Alice Mines would hold 75 per cent. of the share capital.

Once the Wudinna JV Co is formed, Lady Alice Mines and Andromeda will contribute to further expenditure in accordance with their respective equity positions. Lady Alice Mines will act as operator of the Wudinna Project.

16.7 *Newcrest Royalty Deed*

In 2017, the Newcrest Royalty Deed was entered into between Peninsula, Lady Alice Mines and Newcrest. Under the Newcrest Royalty Deed, Peninsula assigned to Lady Alice Mines its obligations under an original royalty deed dated 13 February 2002 between Newcrest and Andromeda Metals (previously Adelaide Exploration Limited and Adelaide Resources Limited). The Newcrest Royalty Deed provides for Lady Alice Mines and Peninsula to pay a 1.5% net smelter return royalty to Newcrest in respect of all gold and minerals sold at the Wudinna Project from tenements covered by Exploration Licences EL 6317, EL 5615, EL 5953 EL 6131 and EL 6001. The Newcrest Royalty Deed does not apply to the tenement covered by Exploration License EL 6262. Under the Newcrest Royalty Deed, Lady Alice Mines and Peninsula agree to pay the royalty in proportion to their participating interests in the Wudinna Project as contemplated under the Wudinna Agreement.

16.8 *MINEXIA Mandate Agreement*

On 26 September 2019, the Company entered into the MINEXIA Mandate Agreement. MINEXIA is registered with the FCA as an appointed representative of Resolution Compliance Limited. Pursuant to the MINEXIA Mandate Agreement, MINEXIA shall act as a non-exclusive manager and assist with the Company's intention to raise capital of up to £300,000 of the Gross Placing Proceeds. MINEXIA will locate and onboard Qualified Investors and Relevant Persons onto the NR Private Market platform. The Company will pay the greater of (i) 5% of the portion of the Gross Placing Proceeds raised via the NR Private Market platform or (ii) £4,000, provided that the NR Private Market platform raises a minimum of £50,000 of the Gross Placing Proceeds. The MINEXIA Mandate Agreement shall expire on the earlier of (i) five business days after Admission or (ii) 26 March 2020. The Company will indemnify MINEXIA in respect of this agreement. The MINEXIA Mandate Agreement is governed by the laws of England and Wales.

17. RELATED PARTY TRANSACTIONS

17.1 *Non-executive Director Letter of Appointment*

Greg Hancock entered into a non-executive Director's letter of appointment dated 12 November 2018 with the Company in respect of his appointment as a Director.

Under the terms of the appointment letter, Mr Hancock is entitled to a fee of £20,000 per annum upon completion of the Lady Alice Acquisition, being the first acquisition made by the Company. Fees will accrue on a daily basis and will be payable in equal monthly instalments in arrears on the last Business Day of each month (or as otherwise agreed).

Mr Hancock is also entitled to a bonus of £10,000 upon Admission.

17.2 *Director Letter of Appointment*

Following the announcement of the Lady Alice Acquisition, Rolf Gerritsen has assumed a non-executive role. Rolf Gerritsen entered into a letter of appointment with the Company in August 2018.

Under the terms of the appointment letter, Mr Gerritsen was paid a fee of £25,000 upon completion of the Lady Alice Acquisition, being the first acquisition made by the Company. Mr Gerritsen's letter of appointment is initially capable of termination by either party giving one month's notice in writing, which period automatically extended to 12 months on completion of the Lady Alice Acquisition.

17.3 **Managing Director Service Agreement**

Craig Moulton was appointed by the Company as a Director on 27 March 2019. Subsequently, Mr Moulton was appointed as Managing Director, pursuant to a service agreement dated 2 May 2019 (the "**Managing Director Service Agreement**"). Pursuant to the terms of the Managing Director Service Agreement, Mr Moulton shall be employed on a full-time basis by the Company and paid a base salary of £125,000 per annum. Mr Moulton shall be issued 1,000,000 Ordinary Shares at Admission pursuant to the terms of the Managing Director Service Agreement, as well as a further 2,000,000 Ordinary Shares upon completion of Stage One under the Wudinna Agreement. Mr Moulton shall be based in Western Australia.

17.4 **Other related party transactions**

Save as set out in paragraphs 16.1 to 16.3 above, from 25 January 2018 (being the Company's date of incorporation) up to and including the date of this document, the Company has not entered into any related party transactions.

18. **ACCOUNTS**

The Company's annual report and accounts will be made up to 31 December in each year, with the first annual report and accounts covering the period from incorporation to 31 December 2018. It is expected that the Company will make public its annual report and accounts within four months of each financial year end (or earlier if possible) and that copies of the annual report and accounts will be sent to Shareholders within six months of each financial year end (or earlier if possible).

The Company has also prepared and published its unaudited historical information for the six months ended 30 June 2019.

19. **GENERAL**

- 19.1 In March 2018, PKF Littlejohn LLP whose address is 1 Westferry Circus, London E14 4HD, were appointed as the first auditor of the Company. PKF Littlejohn LLP is registered to carry out audit work by the Institute of Chartered Accountants in England and Wales and the Financial Reporting Council.
- 19.2 PKF Littlejohn LLP has given and has not withdrawn its consent to the inclusion in this document of its accountant's report in Section A of *Part XX – Historical Financial Information on Lady Alice Mines* and Section A of *Part XI – Unaudited Pro Forma Financial Information on the Enlarged Group* of this document in the form and context in which it is included and has authorised the contents of each report. Accordingly, PKF Littlejohn LLP accepts responsibility for such reports for the purposes of Rule 5.3.2R(2)(f) of the Prospectus Regulation Rules.
- 19.3 SRK Consulting (Australasia) Pty Ltd has given and not withdrawn its written consent to the inclusion of its reports in *Part XXI – Competent Persons' Reports* of this document and/or extracts therefrom and references thereto and to the inclusion of its name and references in the form and context in which they are included and has authorised the contents of those parts of this document which comprise its reports. Accordingly, SRK Consulting (Australasia) Pty Ltd accepts responsibility for its reports for the purposes of Rule 5.3.2R(2)(f) of the Prospectus Regulation Rules. To the best of the knowledge of SRK Consulting (Australasia) Pty Ltd, the information in the report, estimates of mineral reserves and resources contained therein, as well as references to them, and statements and statements and information attributed to them or extracted from their report are in accordance with the facts and make no omission likely to affect the import of such information.

- 19.4 Norton Rose Fulbright Australia has given and not withdrawn its written consent to the inclusion of its independent solicitors report provided for SRK Consulting Pty (Australasia) Ltd in connection with the Competent Persons' Reports in *Part XXI – Competent Persons' Reports* of this document and/or extracts therefrom and references thereto and to the inclusion of its name and references in the form and context in which they are included and has authorised the contents of those parts of this document which comprise its reports. Accordingly, Norton Rose Fulbright Australia accepts responsibility for its reports for the purposes of Rule 5.3.2R(2)(f) of the Prospectus Regulation Rules. To the best of the knowledge of Norton Rose Fulbright Australia, the information in the report, and statements and statements and information attributed to their report or extracted from their report are in accordance with the facts and make no omission likely to affect the import of such information.
- 19.5 SI Capital has given and not withdrawn its written consent to the issue of this document with the inclusion of the references herein to its name in the form and context in which they appear.
- 19.6 The Company has not had any employees since its incorporation and does not own any premises.
- 19.7 The total expenses incurred (or to be incurred) by the Company in connection with Admission and the Placing are approximately £163,700. The estimated Net Placing Proceeds (given that £613,300 has been raised by way of the Placing), after deducting fees and expenses in connection with Admission and the Placing, are approximately £449,600.
- 19.8 The Company is not dependent on patents, industrial, commercial or financial contracts or new manufacturing processes which are material to the Company's business or profitability.
- 19.9 In accordance with the Prospectus Regulation Rules, the Company will file with the FCA, and make available for inspection by the public, details of the number of Ordinary Shares issued under this document. The Company will also announce the issue of the Ordinary Shares through an RIS.

20. THIRD PARTY SOURCES

The Company confirms that information sourced from third parties has been accurately reproduced and, as far as the Company is aware and is able to ascertain from information published by those third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. Estimates extrapolated from these data involve risks and uncertainties and are subject to change based on various factors, including those discussed in *Part II – Risk Factors* of this document. There is only a limited amount of independent data available about certain aspects of the industry in which the Company operates and the position of the Company relative to its competitors. As a result, certain data and information about its market contained in this document are based on good faith estimates reflecting the Company's reasonable review of internal data and information obtained from customers and other third party sources, such as trade and business organisations and associations and other contacts within the mining industry. The Company believes these internal surveys and management estimates are reliable; however, no independent sources have verified such surveys and estimates.

21. NO INCORPORATION OF INFORMATION BY REFERENCE

The contents of the Company's website (www.cobraresources.co.uk), unless specifically incorporated by reference, any website mentioned in this document or any website directly linked to these websites have not been verified and do not form part of this document, and prospective investors should not rely upon them.

22. AVAILABILITY OF DOCUMENTS

- 22.1 Copies of the following documents may be inspected at the registered office of the Company at Suite A, 6 Honduras Street, London EC1Y 0TH during usual business hours on any day (except Saturdays, Sundays and public holidays) from the date of this document until Admission and completion of the Placing:
- (a) the Articles; and
 - (b) this document.

22.2 In addition, this document will be published in electronic form and be available on the Company's website at www.cobraresources.co.uk subject to certain access restrictions applicable to persons located or resident outside the UK.

Date: 13 January 2020

PART XVII

DEFINITIONS

The following definitions apply throughout this document (unless the context requires otherwise):

"2020 Adviser Warrants"	the warrants to be issued to SI Capital and other advisers in connection with the Placing, the terms and conditions of which are summarised in paragraph 9 of <i>Part XVI</i> of this document;
"2020 Placing Warrants"	the warrants to be issued to placees on the basis of one warrant for each two Placing Shares, the terms and conditions of which are summarised in paragraph 9 of <i>Part XVI</i> of this document;
"ABI"	the Association of British Insurers;
"Admission"	admission of the Ordinary Shares to the standard listing segment of the Official List and to trading on the main market for listed securities of the London Stock Exchange;
"Adviser Warrants"	the adviser warrants, as defined in <i>Part XVI</i> of this document;
"Affiliate" or "Affiliates"	an affiliate of, or person affiliated with, a person; a person that, directly or indirectly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the person specified;
"AGM"	an Annual General Meeting of the Company;
"Articles" or "Articles of Association"	the memorandum and articles of association of the Company in force from time to time;
"Broker Placing"	the conditional placing of 60,730,000 Broker Placing Shares by SI Capital at the Placing Price and on the terms and subject to the conditions of the Placing Agreement;
"Broker Placing Shares"	up to 60,730,000 Ordinary Shares issued to investors via the Broker Placing;
"Business Day"	any day (other than a Saturday or Sunday) or an English bank or public holiday;
"certificated" or "in certificated form"	in relation to a share, warrant or other security, a share, warrant or other security, title to which is recorded in the relevant register of the share, warrant or other security concerned as being held in certificated form (that is, not in CREST);
"Change of Control"	following any acquisition, the acquisition of Control of the Company by any person or party (or by any group of persons or parties who are acting in concert);
"Companies Act"	the Companies Act 2006;
"Company" or "Cobra"	Cobra Resources plc, a company incorporated in England and Wales with registered number 11170056;
"Control"	(i) the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to: (a) cast, or control the casting of, more than 50 per cent. of the maximum number of votes that might be cast at a general meeting of the Company; or (b) appoint or remove all, or the majority, of the Directors or other equivalent officers of the Company; or (c) give directions with respect to the operating and financial policies of the Company

	with which the Directors or other equivalent officers of the Company are obliged to comply; and/or (ii) the holding beneficially of more than 50 per cent. of the issued shares of the Company (excluding any issued shares that carry no right to participate beyond a distribution of either profits or capital), but excluding in the case of each of (i) and (ii) above any such power or holding that arises as a result of the issue of Ordinary Shares by the Company in connection with the acquisition;
“CREST” or “CREST System”	the paperless settlement system operated by Euroclear enabling securities to be evidenced otherwise than by certificates and transferred otherwise than by written instruments;
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (<i>SI 2001 No. 3755</i>);
“Directors”, “Board” or “Board of Directors”	the directors of the Company, whose names appear in <i>Part VII – The Board of Directors</i> of this document, or the board of directors from time to time of the Company, as the context requires, and “Director” is to be construed accordingly;
“Disclosure Guidance and Transparency Rules” or “DTRs”	the disclosure guidance and transparency rules of the FCA made in accordance with section 73A of FSMA as amended from time to time;
“DP Act”	the Data Protection Act 1998;
“EEA”	the European Economic Area;
“Enlarged Issued Share Capital”	the issued share capital of the Company following the Placing and Admission;
“Existing Issued Share Capital”	the issued share capital of the Company as at the time of this document;
“EU”	the European Union;
“Euroclear”	Euroclear UK & Ireland Limited;
“Existing Ordinary Shares”	67,233,532 Ordinary Shares of nominal value 1 pence each in the capital of the Company in issue as at the date of this document;
“FCA”	UK Financial Conduct Authority;
“FSMA”	the Financial Services and Markets Act 2000 of the UK, as amended;
“general meeting”	a meeting of the Shareholders of the Company or a class of Shareholders of the Company (as the context requires);
“Gross Placing Proceeds”	the total funds received on closing of the Placing, being £613,300;
“IFRS”	International Financial Reporting Standards, as adopted by the EU;
“Investor Warrants”	the investor warrants, as defined in <i>Part XVI</i> of this document;
“Listing Rules”	the listing rules made by the FCA under section 73A of FSMA as amended from time to time;
“London Stock Exchange”	London Stock Exchange plc;
“Market Abuse Regulation”	Market Abuse Regulation (EU) No. 596/2014;

“Member States”	the member states of the European Union and the EEA;
“Memorandum”	the memorandum of association of the Company in force from time to time;
“MINEXIA”	MINEXIA Limited, an appointed representative of Resolution Compliance Limited which is authorised and regulated by the FCA;
“Net Placing Proceeds”	the Gross Placing Proceeds less any expenses paid or payable in connection with Admission and the Placing, being £309,501;
“Official List”	the official list maintained by the FCA;
“Ordinary Shares”	the ordinary shares of nominal value 1 pence each in the capital of the Company;
“Placees”	those persons who have signed placing letters;
“Placing”	the Broker Placing and the Platform Placing;
“Placing Agreement”	the agreement dated 13 January 2020 between the Company, the Directors and SI Capital relating to the Broker Placing;
“Placing Price”	1 pence per Placing Share;
“Placing Shares”	the Broker Placing Shares and the Platform Placing Shares;
“Platform Placing”	the conditional placing of 600,000 Platform Placing Shares by MINEXIA through the NR Private Market platform at the Placing Price and on the terms and subject to the conditions of the MINEXIA Mandate Agreement;
“Platform Placing Shares”	the 600,000 Ordinary Shares issued to investors via the Platform Placing;
“Pre-IPO Warrants”	the pre-IPO warrants, as defined in <i>Part XVI</i> of this document;
“Premium Listing”	a premium listing under Chapter 6 of the Listing Rules;
“Prospectus Regulation”	Regulation (EU) 2017/1129;
“Prospectus Regulation Rules”	the prospectus regulation rules of the FCA made in accordance with section 73A of FSMA, as amended from time to time;
“Register”	the register of holders of Ordinary Shares to be maintained by the Registrar;
“Registrar”	Link Market Services or any other registrar appointed by the Company from time to time;
“Regulation S”	Regulation S promulgated under the US Securities Act;
“Relevant Member State”	a Member State which has implemented the Prospectus Regulation;
“Restricted Jurisdiction”	the United States, Canada, Japan, Australia and the Republic of South Africa;
“Reverse Takeover”	a reverse takeover as defined in the Listing Rules;
“RIS”	a Regulatory Information Service;
“Securities Act”	US Securities Act of 1933, as amended;
“Share Dealing Code”	the Company’s policy on director dealings in securities which is consistent with the Market Abuse Regulation;

“Shareholder”	a holder of Ordinary Shares;
“SI Capital”	SI Capital Limited;
“Special Resolution”	a resolution of Shareholders requiring a majority of not less than 75 per cent.;
“Standard Listing”	a standard listing under Chapter 14 of the Listing Rules;
“Takeover Code”	the City Code on Takeovers and Mergers;
“Takeover Panel”	the UK Panel on Takeovers and Mergers;
“UK Corporate Governance Code”	the UK Corporate Governance Code issued by the Financial Reporting Council in the UK from time to time;
“uncertificated” or “uncertificated form”	in relation to a share or other security, a share or other security, title to which is recorded in the relevant register of the share or other security concerned as being held in uncertificated form (that is, in CREST) and title to which may be transferred by using CREST;
“United Kingdom” or “UK”	the United Kingdom of Great Britain and Northern Ireland;
“United States” or “US”	the United States of America;
“US Person”	any person who is a US person within the meaning of Regulation S adopted under the US Securities Act;
“VAT”	(i) within the EU, any tax imposed by any Member State in conformity with the Directive of the Council of the European Union on the common system of value added tax (2006/112/EC), and (ii) outside the EU, any tax corresponding to, or substantially similar to, the common system of value added tax referred to in paragraph (i) of this definition; and
“VWAP”	volume weighted average price;
“2019 AGM”	the AGM of the Company which occurred on 30 May 2019.

References to a **“company”** in this document shall be construed so as to include any company, corporation or other body corporate, wherever and however incorporated or established.

PART XVIII

DOCUMENTS INCORPORATED BY REFERENCE

The Company's annual report and accounts for the period ended 31 December 2018 contain information which is relevant to Admission. This document available on the Company's website at <https://www.cobraresourcesplc.com/investors/financial-reports>.

The table below sets out the various sections of the documents which are incorporated by reference into this document so as to provide the information required under the Prospectus Regulation Rules and to ensure that shareholders and others are aware of all information which, according to the particular nature of Company and of the Ordinary Shares, is necessary to enable shareholders and others to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Company.

Any non-incorporated parts of the documents are either not relevant for the purposes of Admission or the relevant information is included elsewhere in this document. Any documents themselves incorporated by reference or referred or cross-referred to in the documents referred to below shall not form part of this document.

<i>Document</i>	<i>Section</i>	<i>Page numbers</i>	<i>Section in this document</i>
Annual Report for the period ended 31 December 2018	Company Information	3	<i>Part XX – Historical Financial Information of the Company</i>
	Investment Policy Statement	4-5	
	Board of Directors	6	
	Strategic Report	7-8	
	Directors' Report	9-11	
	Statement of Directors' Responsibilities	12	
	Corporate Governance Statement	13-15	
	Remuneration Report	16-19	
	Independent Auditors' Report	20-24	
	Income statement and statement of comprehensive income	25	
	Statement of financial position	26	
	Statement of changes in equity	27	
	Statement of cash flows	28	
	Notes to the financial statements	29-37	
Interim historical financial information for the six months ended 30 June 2019	Statement of comprehensive income	N/A	<i>Part XX – Historical Financial Information of the Company</i>
	Statement of financial position	N/A	
	Statement of cash flows	N/A	

PART XIX

HISTORICAL FINANCIAL INFORMATION ON THE COMPANY

The audited financial statements relating to the Company for the financial year ended 31 December 2018 are incorporated by reference into this document as described in *Part XVIII – Documents incorporated by reference* of this document.

The unaudited interim financial statements relating to the Company for the six months ended 30 June 2019 are incorporated by reference into this document as described in *Part XIX – Documents incorporated by reference* of this document.

PART XX

HISTORICAL FINANCIAL INFORMATION ON LADY ALICE MINES

Section A: Accountant's Report on the Audited Historical Financial Information on Lady Alice Mines

PKF Littlejohn LLP



Accountants &
business advisers

The Directors
Cobra Resources plc
London Registrars Limited
Suite A
6 Honduras Street
London
EC1Y 0TH

13 January 2020

Dear Sirs

Proposed placing of 61,300,000 ordinary shares of nominal value 1 pence each in the capital of Cobra Resources plc (the “Company”) and re-admission of the entire issued share capital of the Company to listing on the standard segment of the Official List of the Financial Conduct Authority and to trading on the Main Market for listed securities of London Stock Exchange plc (“the Proposed Transaction”)

Introduction

We report on the historical financial information set out in Section B of *Part XX – Historical Financial Information on Lady Alice Mines* of the prospectus (the “**Prospectus**”) relating to Lady Alice Mines Pty Ltd (“**LAM**”) (the “**LAM Historical Financial Information**”). This information has been prepared for inclusion in the Prospectus dated 13 January 2020 prepared in connection with the Proposed Transaction and on the basis of the accounting policies set out in note 2. This report is required by Annex 1, section 18, item 18.1 of Commission Delegated Regulation (EU) 2019/980 and is given for the purpose of complying with that requirement and for no other purpose.

Responsibility

The directors of the Company (the “**Directors**”) are responsible for preparing the LAM Historical Financial Information on the basis of preparation set out in the notes to the LAM Historical Financial Information and in accordance with International Financial Reporting Standards (“**IFRS**”) as adopted by the European Union.

It is our responsibility to form an opinion on the LAM Historical Financial Information, and to report our opinion to you. Save for any responsibility we may have to those persons to whom this report is expressly addressed as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Annex 1, section 18, item 18.1 of Commission Delegated Regulation (EU) 2019/980, consenting to its inclusion in the Prospectus.

Basis of opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. Our work included an assessment of evidence relevant to the amounts and disclosures in the LAM Historical Financial Information. It also included an assessment of significant estimates and judgements made by those responsible for the preparation of the LAM Historical Financial Information and whether the accounting policies are appropriate to the Cobra Resources plc and consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the LAM Historical Financial Information is free from material misstatement whether caused by fraud or other irregularity or error.

Opinion

In our opinion, the LAM Historical Financial Information gives, for the purpose of the Prospectus dated 13 January 2020, a true and fair view of the state of affairs of Lady Alice Mines Pty Ltd as at 30 June 2019, 30 June 2018 and 30 June 2017 and of its results, cash flows and changes in equity for the period then ended in accordance with the applicable financial reporting framework and has been prepared in a form that is consistent with the accounting policies adopted by the Company.

Declaration

For the purposes of Prospectus Regulation Rule 5.3.2R(2)(f) we are responsible for this report as part of the Document and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Document in compliance with Annex 1, Section 1, Item 1.2 of Commission Delegated Regulation (EU) 2019/980.

Yours faithfully

PKF Littlejohn LLP
Reporting Accountants

Section B: Historical Financial Information on Lady Alice Mines

Statement of Financial Position as at 30 June 2019, 2018 and 2017

All amounts stated in Australian Dollars

	Note	2019 30 June AUD	2018 30 June AUD	2017 30 June AUD
Non-current assets				
Intangible assets	9	622,920	164,515	23,696
Other non-current assets	10	–	10,000	10,000
Total non-current assets		<u>622,920</u>	<u>174,515</u>	<u>33,696</u>
Current assets				
Cash and cash equivalents	11	5,802	9,466	20
Trade receivables		<u>6,657</u>	<u>–</u>	<u>–</u>
Total current assets		<u>12,459</u>	<u>9,466</u>	<u>20</u>
Total assets		<u>635,379</u>	<u>183,981</u>	<u>33,716</u>
Current liabilities				
Trade and other payables	12	541,231	8,644	1,200
Current borrowings	12	<u>190,808</u>	<u>206,203</u>	<u>58,830</u>
Total liabilities		<u>732,034</u>	<u>214,847</u>	<u>60,030</u>
Net (liabilities)/assets		<u>(96,660)</u>	<u>(30,866)</u>	<u>(26,314)</u>
Equity and reserves				
Equity	13	30	30	20
Retained deficit		<u>(96,690)</u>	<u>(30,896)</u>	<u>(26,334)</u>
Equity and reserves		<u>(96,660)</u>	<u>(30,866)</u>	<u>(26,314)</u>

The accompanying notes form an integral part of the LAM Historical Financial Information.

Statement of Comprehensive Income
For the years ended 30 June 2019, 2018 and 2017

All amounts stated in Australian Dollars

		2019 30 June AUD	2018 30 June AUD	2017 30 June AUD
	<i>Note</i>			
Revenue		—	—	—
Administration costs	6	(45,964)	(4,599)	(6,290)
Impairment of intangible assets	9	(19,971)	—	—
Operating loss		<u>(65,935)</u>	<u>(4,599)</u>	<u>(6,290)</u>
Financial income		141	37	—
Loss before tax		<u>(65,794)</u>	<u>(4,562)</u>	<u>(6,290)</u>
Taxation	7	—	—	—
Loss for the year after tax		<u>(65,794)</u>	<u>(4,562)</u>	<u>(6,290)</u>
Other comprehensive income				
Foreign exchange gain (loss)		—	—	—
Total comprehensive income for the year		<u>(65,794)</u>	<u>(4,562)</u>	<u>(6,290)</u>
Loss per share (Australian Dollars)	8	<u>(2,193.13)</u>	<u>(162.93)</u>	<u>(314.50)</u>

The accompanying notes form an integral part of the LAM Historical Financial Information.

**Statement of Changes in Equity
for the years ended 30 June 2019, 2018 and 2017**

All amounts stated in Australian Dollars

	<i>Share capital AUD</i>	<i>Retained losses AUD</i>	<i>Total equity AUD</i>
As at 1 July 2017	<u>20</u>	<u>(26,334)</u>	<u>(26,314)</u>
Loss for the year	–	(4,562)	(4,562)
Other comprehensive income for the year			
Total transactions with owners, recognised directly in equity			
Issue of equity	<u>10</u>	<u>–</u>	<u>10</u>
As at 30 June 2018	<u>30</u>	<u>(30,896)</u>	<u>(30,866)</u>
As at 1 July 2018	<u>30</u>	<u>(30,896)</u>	<u>(30,866)</u>
Loss for the year		(65,794)	(65,794)
Other comprehensive income for the year			
As at 30 June 2019	<u>30</u>	<u>(96,690)</u>	<u>(96,660)</u>

The accompanying notes form an integral part of the LAM Historical Financial Information.

Statement of Cash Flows
for the years ended 30 June 2019, 2018 and 2017

All amounts stated in Australian Dollars

		2019 30 June AUD	2018 30 June AUD	2017 30 June AUD
	<i>Note</i>			
Cash flows from operating activities				
Loss for the period/year		(65,794)	(4,562)	(6,290)
Adjustments for:				
Interest received		(141)	(37)	–
Impairment of intangible assets	9	19,971	–	–
Increase in trade and other receivables		6,657	–	–
(Decrease)/Increase in trade and other payables		571,192	7,444	1,199
Net cash flows from operating activities		<u>464,571</u>	<u>2,845</u>	<u>(5,091)</u>
Investing activities				
Finance income		141	37	–
Additions to intangible assets	9	(478,375)	(140,819)	(23,696)
Payments to bondholders	10	–	–	(10,000)
Net cash used in investing activities		<u>(444,235)</u>	<u>(140,782)</u>	<u>(33,696)</u>
Financing activities				
Proceeds from share issues	13	–	10	–
Contribution from shareholders	12	–	147,373	38,787
Net cash used in financing activities		<u>–</u>	<u>147,383</u>	<u>38,787</u>
Net change in cash and cash equivalents		<u>(3,664)</u>	<u>9,446</u>	<u>–</u>
Cash and cash equivalents at beginning of period/year	11	<u>9,466</u>	<u>20</u>	<u>20</u>
Cash and cash equivalents at end of period/year	11	<u>5,802</u>	<u>9,466</u>	<u>20</u>

The accompanying notes form an integral part of the LAM Historical Financial Information.

Notes to the Accounts

1. General information

The principal activity of Lady Alice Mines Pty Limited ('LAM') is the exploration and development of mineral projects, with a primary focus in Australia. LAM is incorporated and domiciled in Australia. The address of its registered office is Level 2, 1-5 Walker Avenue, West Perth WA 6005, Australia.

2. Accounting policies

The principal accounting policies applied in the preparation of this LAM Historical Financial Information are set out below ('Accounting Policies' or 'Policies'). These Policies have been consistently applied to all the periods presented, unless otherwise stated.

2.1. Basis of preparation of financial information

The LAM Historical Financial Information has been prepared in accordance with International Financial Reporting Standards ('IFRS') and IFRIC Interpretations Committee ('IFRS IC') as adopted by the European Union. The Financial Information has also been prepared under the historical cost convention.

The LAM Historical Financial Information is presented in the Australian Dollar.

The preparation of LAM Historical Financial Information in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Accounting Policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the LAM Historical Financial Information are disclosed in Note 4.

(a) *New and amended standards mandatory for the first time for the financial period beginning 1 July 2018*

A number of new standards and amendments to standards and interpretations are effective for the financial period beginning on or after 1 July 2018 and have been applied in preparing the LAM Historical Financial Information.

IFRS 9 (2014) "Financial Instruments" supersedes IFRS 9 (2009), IFRS 9 (2010) and IFRS 9 (2013). The finalised version of IFRS 9 contains accounting requirements for financial instruments, replacing IAS 39 "Financial Instruments: Recognition and Measurement". The content of IFRS 9 (2014) includes:

- Classification and measurement – financial assets are classified by reference to the business model within which they are held and their contractual cash flow characteristics. The standard introduces a fair value through other comprehensive income category for certain debt instruments. Financial liabilities are classified in a similar manner to that under IAS 39 however there are differences in the requirements applying to the measurement of an entity's own risk.
- Impairment – The standard introduces an expected credit loss model for the measurement of the impairment of financial assets. so it is no longer necessary for a credit event to have occurred before a credit loss is recognised.
- Hedge accounting – The standard introduces a new hedge accounting model that is designed to be more closely aligned with how entities undertake risk management activities when hedging financial and non-financial risk exposures.
- Derecognition – the requirements for the derecognition of financial assets and liabilities are carried forward from IAS 39.

IFRS 15 "Revenue from Contracts with Customers" provides a single, principles based five-step model to be applied to all contracts with customers. The standard includes guidance on the point in which revenue is recognised, accounting for variable consideration, costs of fulfilling and obtaining a contract and various related matters. IFRS 15 also introduces new disclosures about revenue.

Clarifications to IFRS 15: Revenue from Contracts with Customers: The amendments included in the clarifications to IFRS 15 address three areas within the standard relating to identifying performance obligations, principal versus agent considerations and licensing. The amendments also provide additional transitional relief for modified contracts and completed contracts.

Annual Improvements 2014 – 2016 Cycle sets out amendments to the following IFRSs:

- IFRS 1 – Deletes the short-term exemptions in respect of financial instruments, employee benefits, and investment entities.
- IAS 28 – Clarifies that the election to measure at fair value through profit or loss an investment in an associate or a joint venture that is held by an entity that is a venture capital organisation, or other qualifying entity, is available for each investment in an associate or joint venture on an investment-by-investment basis, upon initial recognition

(b) *New standards, amendments and interpretations in issue but not yet effective or not yet endorsed and not early adopted*

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the LAM Historical Financial Information are listed below. LAM intends to adopt these standards, if applicable, when they become effective.

<i>Standard</i>	<i>Impact on initial application</i>	<i>Effective date</i>
IFRS 16	Leases	*1 January 2019
IFRS 17	Insurance Contracts	*1 January 2021
Annual Improvements	2015-2017 Cycle	*1 January 2019
IFRIC 23	Uncertainty over Income tax treatments	*1 January 2019
IFRS 9 (Amendments)	Prepayment features with negative compensation	*1 January 2019
IAS 19 (Amendments)	Plan amendment, curtailment or settlements	*1 January 2019
IAS 28 (Amendments)	Long term interests in associates and joint ventures	*1 January 2019
IFRS 3	Business combinations	*1 January 2019
IAS 1 & IAS 8	Definition of material	*1 January 2020

* Subject to EU endorsement

^ Effective date deferred indefinitely

LAM is evaluating the impact of the new and amended standards above. The Directors believe that these new and amended standards are not expected to have a material impact on LAM's results or shareholders' funds.

2.2. **Going concern**

The LAM Historical Financial Information has been prepared on a going concern basis. The Directors have a reasonable expectation that LAM will have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the LAM Historical Financial Information.

2.3. **Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

2.4. **Foreign currencies**

(i) *Functional and presentation currency*

Items included in the LAM Historical Financial Information of LAM's entities are measured using the currency of the primary economic environment in which the entity operates (the

‘functional currency’). The functional currency of LAM is Australian Dollars. The LAM Historical Financial Information is presented in Australian Dollars, which is LAM’s functional currency.

(ii) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where such items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement. Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of comprehensive income within ‘Foreign exchange gain (loss)’. All other foreign exchange gains and losses are presented in the Income Statement within ‘Foreign exchange gain (loss)’.

2.5. ***Intangible assets***

LAM has adopted the provisions of IFRS 6 Exploration for and Evaluation of Mineral Resources.

LAM capitalises expenditure as project costs, categorised as intangible assets, when it determines that those costs will be successful in finding specific mineral resources. Expenditure included in the initial measurement of project costs and which are classified as intangible assets relate to the acquisition of rights to explore, topographical, geological, geochemical and geophysical studies, exploratory drilling, trenching, sampling and activities to evaluate the technical feasibility and commercial viability of extracting a mineral resource. Capitalisation of pre-production expenditure ceases when the mining property is capable of commercial production. Project costs are recorded and held at cost. An annual review is undertaken of each area of interest to determine the appropriateness of continuing to capitalise and carry forward project costs in relation to that area of interest. Accumulated capitalised project costs in relation to (i) an expired permit, (ii) an abandoned area of interest and / or (iii) a joint venture over an area of interest which is now ceased, will be written off in full as an impairment to the statement of income in the year in which (i) the permit expired, (ii) the area of interest was abandoned and/or (iii) the joint venture ceased.

2.6. ***Financial assets***

Classification

LAM’s financial assets consist of loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(i) *Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are also categorised as held for trading unless they are designated as hedges.

Assets in this category are classified as current assets if expected to be settled within 12 months; otherwise, they are classified as non-current.

(ii) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. LAM’s loans and receivables comprise other current assets and cash and cash equivalents at the year-end.

Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade date – the date on which LAM commits to purchasing or selling the asset. Financial assets carried at fair value through profit or loss is initially recognised at fair value, and transaction costs are expensed in the Income Statement. Financial assets are de-recognised when the rights to receive cash flows from the assets have expired or have been transferred, and LAM has transferred substantially all of the risks and rewards of ownership.

Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of financial assets at fair value through profit or loss are presented in the Income Statement within “Other (losses) gains” in the period in which they arise.

Impairment of financial assets

LAM assesses at the end of each reporting period whether there is objective evidence that a financial asset, or a Company of financial assets, is impaired. A financial asset, or a Company of financial assets, is impaired and impairment losses are incurred, only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the assets (a “loss event”), and that loss event (or events) has an impact on the estimated future cash flows of the financial asset, or Company of financial assets, that can be reliably estimated.

The criteria that LAM uses to determine that there is objective evidence of an impairment loss include:

- significant financial difficulty of the issuer or obligor;
- a breach of contract, such as a default or delinquency in interest or principal repayments;
- LAM, for economic or legal reasons relating to the borrower’s financial difficulty, granting to the borrower a concession that the lender would not otherwise consider;
- it becomes probable that the borrower will enter bankruptcy or other financial reorganisation.

LAM first assesses whether objective evidence of impairment exists.

The amount of the loss is measured as the difference between the asset’s carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred), discounted at the financial asset’s original effective interest rate. The asset’s carrying amount is reduced and the loss is recognised in the Income Statement.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor’s credit rating), the reversal of the previously recognised impairment loss is recognised in the Income Statement.

2.7. Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, and are subject to an insignificant risk of changes in value.

2.8. Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.9. Reserves

Retained deficit – the retained deficit reserve includes all current and prior periods retained profit and losses.

2.10. **Trade payables**

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value, and subsequently measured at amortised cost using the effective interest method.

2.11. **Provisions**

LAM provides for the costs of restoring a site where a legal or constructive obligation exists. The estimated future costs for known restoration requirements are determined on a site-by-site basis and are calculated based on the present value of estimated future costs. All provisions are discounted to their present value.

2.12. **Taxation**

Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.13. **Revenue recognition**

LAM had no sales or revenue during the years ended 30 June 2019, 2018 and 2017.

2.14. **Finance income**

Interest income is recognised using the effective interest method.

3. **Financial risk management**

3.1. **Financial risk factors**

LAM's activities expose it to a variety of financial risks: market risk and credit risk. LAM's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on LAM's financial performance.

Risk management is carried out by the management team under policies approved by the Board of Directors.

(i) *Market risk*

LAM is exposed to market risk, primarily relating to interest rate, foreign exchange and commodity prices. LAM does not hedge against market risks as the exposure is not deemed sufficient to enter into forward contracts. LAM has not sensitised the figures for fluctuations in interest rates, foreign exchange or commodity prices as the Directors are of the opinion that these fluctuations would not have a significant impact on the Financial Information of LAM at the present time. The Directors will continue to assess the effect of movements in market risks on LAM's financial operations and initiate suitable risk management measures where necessary.

(ii) *Credit risk*

Credit risk arises from cash and cash equivalents as well as outstanding receivables. To manage this risk, LAM periodically assesses the financial reliability of customers and counterparties.

The amount of exposure to any individual counterparty is subject to a limit, which is assessed by the Board of Directors.

LAM considers the credit ratings of banks in which it holds funds in order to reduce exposure to credit risk.

3.2. **Capital risk management**

LAM's objectives when managing capital are to safeguard LAM's ability to continue as a going concern, in order to enable LAM to continue its construction material activities, and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, LAM may adjust the issue of shares or sell assets to reduce debts.

LAM defines capital based on the total equity of LAM. LAM monitors its level of cash resources available against future planned operational activities and may issue new shares in order to raise further funds from time to time.

4. **Use and revision of accounting estimates and judgements**

The preparation of the LAM Historical Financial Information in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the LAM Historical Financial Information and the reported amount of expenses during the year. Actual results may vary from the estimates used to produce the LAM Historical Financial Information.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant items subject to such estimates and assumptions include, but are not limited to:

(i) **Intangible assets**

An annual review is undertaken of each area of interest to determine the appropriateness of continuing to capitalise and carry forward project costs in relation to that area of interest. Accumulated capitalised project costs in relation to (i) an expired permit, (ii) an abandoned area of interest and / or (iii) a joint venture over an area of interest which is now ceased, will be written off in full as an impairment to the statement of income in the year in which (i) the permit expired, (ii) the area of interest was abandoned and / or (iii) the joint venture ceased.

5. **Segmental analysis**

LAM operates only in Australia in one segment and hence no segmental analysis is required.

6. **Expenditures by nature**

	2019 June AUD	2018 June AUD	2017 June AUD
Travel	–	1,345	1,605
Legal and professional	44,933	3,254	4,685
Impairment of intangible assets	19,971	–	–
Rent	1,031	–	–
Overhead costs	<u>65,935</u>	<u>4,599</u>	<u>6,290</u>

LAM paid no remuneration or salaries during any of the periods.

7. Taxation

The standard rate of corporation tax in Australia applied to LAM is 27.5% (2017: 27.5%, 2016: 27.5%). No provision for Australian profits tax has been made as LAM did not generate any assessable profits. Deferred tax has not been recognised as there is insufficient evidence that LAM would have future profit to utilise the tax loss.

	2019 June AUD	2018 June AUD	2017 June AUD
Results for the period/year at the effective rate	(18,132)	(1,255)	(1,730)
Adjustment for:			
Losses not recognised	18,132	1,255	1,730
Taxation for the period/year	—	—	—

8. Loss per share

The calculation of the basic and fully diluted loss per share attributable to the equity shareholders is based on the following data:

	2019 June AUD	2018 June AUD	2017 June AUD
Net loss attributable to equity shareholders	65,794	4,562	6,290
Average number of shares for the purpose of basic loss per share	30	28	20
Loss per share:			
Basic and fully diluted loss per share (Australian Dollars)	(2,163.13)	(162.93)	(314.50)

As at 31 December 2018, LAM's issued and outstanding capital structure comprised 30 no par value shares and there were no other securities on issue and outstanding. As such basic and fully diluted loss per share is the same.

9. Intangible assets

Intangible assets relate to project costs capitalised as at 30 June 2019, 2018, 2017 and 2016, and accumulated impairment during the years ended 30 June 2019, 2018, 2017 and 2016.

	2019 June AUD	2018 June AUD	2017 June AUD
As at 1 July	164,515	23,696	—
Additions (see below)	496,600	140,819	23,696
Impairment (see below)	(3,500)	—	—
As at 30 June	657,615	164,515	23,696

Additions were all in respect of licences held within the agreement with Andromeda Metals regarding exploration tenement South Australia 6016 on 30 October 2017. The Directors are of the view that the above cost incurred in this regard will be recoverable.

10. Other financial assets

Other financial assets relate to a bond held with NSW Planning & Environment Authority as at 30 June 2019, 2018 and 2017.

	<i>2019</i> <i>June</i> <i>AUD</i>	<i>2018</i> <i>June</i> <i>AUD</i>	<i>2017</i> <i>June</i> <i>AUD</i>
Bonds receivable	—	10,000	10,000

The amounts due is in respect of security bond for the Glendella NSW tenement.

11. Cash and cash equivalents

Cash and cash equivalents held as at 30 June 2019, 2018 and 2017 were in the following currencies:

	<i>2019</i> <i>June</i> <i>AUD</i>	<i>2018</i> <i>June</i> <i>AUD</i>	<i>2017</i> <i>June</i> <i>AUD</i>
Australian Dollars (currency symbol: AUD)	5,772	9,436	—
Cash in hand	30	30	20
	<u>5,802</u>	<u>9,466</u>	<u>20</u>

12. Current liabilities

Current borrowings relate to amounts loaned from unitholders as at 30 June 2019, 2018 and 2017.

	<i>2019</i> <i>June</i> <i>AUD</i>	<i>2018</i> <i>June</i> <i>AUD</i>	<i>2017</i> <i>June</i> <i>AUD</i>
Trade payables	541,232	8,643	1,200
Due to Unitholders	190,808	206,203	58,830
	<u>732,040</u>	<u>214,846</u>	<u>60,030</u>

Amounts due to unitholders are interest free and repayable on demand. Trade payables represent unpaid operational expenses incurred in the respective years.

13. Share capital

As at 30 June 2019, LAM's issued and outstanding capital structure comprised 30 no par value shares and there were no other securities on issue and outstanding.

Movements in capital structure during the years ended 30 June 2019, 2018 and 2017 were as follows:

	<i>Number of shares</i>	<i>Proceeds</i> <i>AUD</i>
As at 30 June 2017	20	20
Issued in the period	10	10
As at 30 June 2018	30	30
As at 30 June 2019	<u>30</u>	<u>30</u>

14. Ultimate controlling party

As at 30 June 2019, Cobra Resources plc was deemed to be the ultimate controlling party.

15. Events after the balance sheet date

The Grendella NSW Tenement was surrendered in September 2018 and the cash incurred in regard to the tenement were expensed.

PART XXII

COMPETENT PERSONS' REPORTS

Competent Persons' Report on the Prince Alfred Project, South Australia

Report Prepared for

Cobra Resources plc



Report Prepared by



SRK Consulting (Australasia) Pty Ltd

CBR001

December 2019

Competent Persons' Report on the Prince Alfred Project, South Australia

Cobra Resources plc

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SRK Project Number CBR001

December 2019

Compiled by

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Associate Principal Consultant

Authors:

Alex Aitken; Bert De Waele

21 December 2019

The Directors
Cobra Resources plc
Suite A, 6 Honduras Street
London, EC1Y 0TH, UK

Orrick Herrington & Sutcliffe (UK) LLP
107 Cheaside
London EC2V 6DN, UK

Dear Sirs

Cobra Resources plc – Competent Persons’ Report - Prince Alfred Project

At your request, SRK Consulting (Australasia) Pty Ltd (SRK) has prepared a Competent Persons’ Report (CPR or Report) for Cobra Resources plc (Cobra or the Company) in support of the Company’s proposed acquisition of 100% of the units in the Lady Alice Trust and the entire issued share capital of Lady Alice Mines Pty Ltd in a reverse takeover (RTO or Proposed Transaction).

Cobra intends to submit a prospectus as part of the RTO on the London Stock Exchange’s Main Market (Prospectus).

The Lady Alice Trust has a 100% equity interest in South Australian Exploration Licence (EL) 6016 (the Prince Alfred Project or Project).

Under the terms of an agreement with Andromeda Metals Limited (Andromeda), a company listed on the Australian Securities Exchange, and Peninsula Resources Limited, the Lady Alice Trust has the right to earn a 75% equity interest in six exploration licences near Wudinna in South Australia (the Wudinna Project).

This CPR discusses the mineral assets, geology, previous exploration and proposed exploration programs for the Prince Alfred Project. A separate CPR discusses the Wudinna Project.

This CPR was compiled by Mr Alex Aitken, BSc (Hons), MAIG, Senior Consultant (Geology), and Dr Bert De Waele, PhD, FAIG, FAusIMM, Principal Consultant, both of SRK’s Perth office. The authors are full-time employees of SRK and have sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration, and to the activity to which each is undertaking, to qualify as a Competent Person as defined in the JORC Code (2012) and a Specialist Practitioner as defined in the VALMIN Code (2015).

Mr Aitken and Dr De Waele consent to the inclusion of this CPR in the RTO documentation for Cobra in the form and context in which it appears.

Standard of the Report

This CPR has been prepared in accordance with the European Securities and Markets Authority (ESMA) guidelines as presented in ‘The consistent implementation of Commission Regulation (EC) No 809/2004 implementing the Prospectus Directive’ (ESMA 2013/319) dated 20 March 2013 (ESMA Recommendations).

This CPR has been prepared to the standard of, and is considered by SRK to be, a Technical Assessment Report under the guidelines of the JORC Code (2012) and VALMIN Code (2015). Both the JORC Code (2012) and VALMIN Code (2015) are binding upon all members of the Australasian Institute of Mining and Metallurgy (AusIMM) and members of the Australian Institute of Geoscientists (AIG).

This CPR is not a Valuation Report and does not express an opinion regarding the value of the mineral assets or tenements involved, nor to the 'fairness and reasonableness' of any transaction between the Company and any other parties.

Statement of SRK independence

Neither SRK, nor any of the authors of this Report, have any material present or contingent interest in the outcome of this CPR, nor do they have any pecuniary or other interest that could be reasonably regarded as being capable of affecting their independence or that of SRK.

SRK has no prior association with the Company concerning the mineral assets that are the subject of this CPR. SRK has no beneficial interest in the outcome of the technical assessment being capable of affecting its independence. SRK's fee for completing this CPR is based on its normal professional daily rates plus reimbursement of incidental expenses. The payment of that professional fee is not contingent upon the outcome of this CPR.

SRK is not a sole trader and is qualified under the ESMA Recommendations to provide such reports for the purposes of inclusion in public company prospectuses and admission documents. The effective date of this CPR is 21 December 2019.

Information basis of this CPR

For the preparation of this CPR, Cobra has made available all relevant information held by the Company. SRK has supplemented this information, where necessary, with information from its own geological databases, and information available within the public domain. The principal sources of information are included in a reference list in Section 6 of this CPR. This CPR includes information available up to the date of this CPR. Cobra has stated that all the information it provided to SRK may be presented in this CPR and that none of the information is regarded as being commercial in confidence.

No site visit has been undertaken by SRK as the Prince Alfred Project is considered to be at the early-stage exploration stage where, in SRK's opinion, a site visit was not likely to reveal information which is material to this Report.

Legal matters

SRK has not been engaged to comment on any legal matters. SRK notes that it is not qualified to make legal representations regarding the ownership and legal standing of the tenement licenses that are the subject of this CPR. SRK has not attempted to confirm the legal status of the tenure associated with the Project with respect to acquisition or joint venture agreements, permits, local heritage or potential environmental or land access restrictions. SRK has instead relied on information provided by Cobra. SRK has prepared this CPR on the understanding that all the tenements of Cobra are currently in good standing.

SRK understands that the current ownership status and legal standing of the tenure associated with the Project are dealt with in a separately titled report provided by lawyers to the Company as disclosed in the Independent Solicitors' Report included as Appendix A to this Report.

Warranties and indemnities

Cobra has warranted, in writing to SRK, that full disclosure has been made of all material information and that, to the best of its knowledge and understanding, such information is complete, accurate and true. As recommended by the VALMIN Code, Cobra has provided SRK with an indemnity under which SRK is to be compensated for any liability and/or any additional work or expenditure resulting from any additional work required:

- which results from SRK's reliance on information provided by Cobra or from Cobra not providing material information; or
- which relates to any consequential extension workload through queries, questions or public hearings arising from this CPR.

Consulting fees

SRK's estimated fee for completing this CPR is based on its normal professional daily rates plus reimbursement of incidental expenses. The fees are agreed based on the complexity of the assignment, SRK's knowledge of the assets and availability of data. The fee payable to SRK for this engagement, including the CPR for the Wudinna Project, is estimated at approximately A\$30,000. The payment of this professional fee is not contingent upon the outcome of the proposed RTO or the information presented in this CPR.

Consent

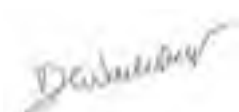
SRK has given and has not withdrawn its written consent for this CPR to be used for the purposes of Cobra's RTO, including publication on Cobra's website. This consent also covers the inclusion of statements made by SRK and references of its name in other documents pertaining to Cobra's RTO. SRK provides this consent on the basis that the technical assessments expressed in the Summary and in the individual sections of this CPR be considered with, and not independently of, the information set out in the complete CPR and the Cover Letter.

SRK confirms that to the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case), the information contained in this CPR is in accordance with the facts and does not omit anything likely to affect the import of such information.

SRK confirms that nothing has come to its attention to indicate any material change to what is reported in this CPR. SRK also confirms that it has reviewed the information contained elsewhere within the documentation of the RTO relating to the information contained within this CPR and confirms that the information presented is accurate, balanced, complete and not inconsistent with this CPR.

Yours faithfully

SRK Consulting (Australasia) Pty Ltd



Dr Bert De Waele, FAusIMM, FAIG
Principal Consultant (Geology)

21 December 2019

Executive Summary

Cobra Resources plc (Cobra or the Company) has entered into an agreement in which it proposes the acquisition of 100% of the units in the Lady Alice Trust and the entire issued share capital of Lady Alice Mines Pty Ltd in a reverse takeover (RTO or Proposed Transaction).

SRK Consulting (Australasia) Pty Ltd (SRK) was commissioned by Cobra to prepare a Competent Persons' Report (CPR) on the Prince Alfred Project in accordance with the European Securities and Markets Authority (ESMA) Recommendations. This CPR has been addressed to Cobra and upon notification will be readdressed to the Company's nominated advisor under the ESMA Recommendations. Mineral Resources and Ore Reserves are reported in accordance to the JORC Code 2012 (and the VALMIN Code 2015, as appropriate), as the relevant Standard, as defined by the ESMA Recommendations.

Mineral Assets

This CPR relates to the Prince Alfred Project in South Australia, which is covered by Exploration Licence (EL) 6016 (Table ES-1).

Table ES-1: Summary table of assets

Asset	Holder	Interest (%)	Status	Expiry date	Area (km ²)
EL 6016	Lady Alice Mines Pty Ltd	100	Exploration	27/09/2021	9

Geology and Mineralisation

The Prince Alfred Project is located in the Nackara Arc of the Neoproterozoic Adelaide Fold Belt in South Australia. Rocks in the Project area comprise evaporitic, fluvial and marine sediments, diapiric breccias and minor volcanic units of the Warrina Supergroup unconformably overlain by a tillite and marine sediments of the Heyson Supergroup. Mineralisation is located in the western limb of an asymmetric south-plunging anticline, the Yedalue Anticline. Mineralisation is parallel to bedding and located in siltstones and sandstones of the lower part of the Heyson Supergroup (specifically the Tapley Hill Formation of the Umberatana Group). Based on its stratabound character and sandstone host, the mineralisation is considered to be a sediment-hosted stratabound copper (SSC) deposit, with some historical reports indicating some of the mineralisation to be shear-hosted.

Mineralisation at the surface has been traced over a length of 500 m with the mined-out section less than 200 m in length. The deepest shaft of the historical mine reached a depth of approximately 52 m (170 feet). Underground developments shown on plans and sections include shafts to 82 m, 45 m and 30 m.

Mineralisation is comprised of chalcopyrite and subordinate bornite and chalcocite, with very little oxidation, although small amounts of azurite and malachite were reported. Gangue minerals include siderite, calcite and minor quartz.

Development Strategy

Cobra proposes a mapping program to assess the structural and lithological controls on mineralisation prior to developing a drilling plan to test mineralisation at depth and along strike. The indicative budget for proposed exploration program A\$40,000. SRK considers Cobra's strategy is a reasonable approach to help define a suitable drilling program to test mineralisation beneath and along strike the old workings.

SRK recommends that Cobra compiles and reviews all historical information over the Prince Alfred mine area to develop a better understanding of the known mineralisation and mining voids before drilling. SRK recommends the use of a multi-element analytical program to assay for a full base metal suite, including Cu, Co, Pb, Zn as a minimum, as well as precious metals, Ag and Au.

Responsible persons

SRK personnel responsible for the preparation and review of this CPR are Mr Alex Aitken (Senior Consultant – Geology), Dr Bert De Waele (Principal Consultant – Geology), and Ms Karen Lloyd (Associate Principal Consultant – Project Evaluation). Mr Aitken and Dr Bert De Waele are the principal authors of this CPR, which has been reviewed by Ms Lloyd.

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Appendix A: Independent Solicitor's Report
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Disclaimer

The opinions expressed in this Report have been based on the information supplied to SRK Consulting (Australasia) Pty Ltd (SRK) by Cobra Resources plc (Cobra or the Company). The opinions in this Report are provided in response to a specific request from Cobra to do so. SRK has exercised all due care in reviewing the supplied information. While SRK has compared key supplied data with expected values, the accuracy of the results and conclusions from the review are entirely reliant on the accuracy and completeness of the supplied data. SRK does not accept responsibility for any errors or omissions in the supplied information and does not accept any consequential liability arising from commercial decisions or actions resulting from them. Opinions presented in this Report apply to the site conditions and features as they existed at the time of SRK's investigations, and those reasonably foreseeable. These opinions do not necessarily apply to conditions and features that may arise after the date of this Report, about which SRK had no prior knowledge nor had the opportunity to evaluate.

List of Abbreviations

Term	Meaning
A\$	Australian dollar
AIG	Australian Institute of Geoscientists
AusIMM	Australasian Institute of Mining and Metallurgy
CPR	Competent Persons' Report
DEW	Department for Environment and Water
DHEM	Downhole electromagnetics
DPA	Data Protection Act
EL	Exploration Licence
ESMA	European Securities and Markets Authority
Fault	A fracture in earth materials, along which the opposite sides has been displaced parallel to the plane of the movement
Geophysics	The study of the Earth using quantitative physical methods to measure its geophysical response
IP	Induced polarisation
JORC Code	Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves
LSE	London Stock Exchange
Ma	Millions of years ago
Mineral Resource	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 is reasonable prospect for eventual economic extraction. The location, quantity, grade (or quality), continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge including sampling. Mineral Resources are sub-divided in order of increasing geological confidence into Inferred, Indicated and Measured categories.
Mineralisation	Geological occurrence of mineral of potential economic interest
PEPR	Program for environment protection and rehabilitation
Proterozoic	The Proterozoic is a geological eon representing the time before proliferation of complex life on Earth. The Proterozoic Eon extended from 2,500 Ma to 541 Ma and is the most recent part of the Precambrian Supereon. It is subdivided into three geologic eras: the Paleoproterozoic, Mesoproterozoic, and Neoproterozoic.
Quartz	A silica-rich mineral SiO ₂
SEC	Securities and Exchange Commission
Siltstone	A fine-grained granular sedimentary rock
SARIG	South Australian Resources Information Gateway
SRK	SRK Consulting (Australasia) Pty Ltd
SSC	Sediment-hosted stratabound copper
Syn	Synchronous
VALMIN Code	Australasian Code for Public Reporting of technical assessments and valuations of mineral assets
Volcanic	Formed by or associated with a volcano
VMS	Volcanogenic massive sulphide
Volcaniclastic	Debris or rock formed from volcanic eruptions

1 Introduction

1.1 Background

This Competent Persons' Report (CPR) is addressed to Cobra Resources plc (Cobra or the Company) and its legal advisor as to the laws of England and Wales, Orrick, Herrington & Sutcliffe (UK) LLP ("Orrick (UK) LLP"). SRK understands that this CPR will be published by Cobra on its company website in connection with the proposed reverse takeover (RTO or Proposed Transaction). SRK declares that it has taken all reasonable care to ensure that the information contained in this CPR is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import. SRK consents to the publication of this CPR on Cobra's company website and to the inclusion of statements made by SRK and to the references of its name in other documents pertaining to Cobra's Prospectus for the London Stock Exchange (LSE).

This CPR is intended to properly inform readers about the status and exploration potential of the Prince Alfred Project in South Australia, provide an overview of the Prince Alfred Project and the liabilities associated with it (including the physical, operating, regulatory and fiscal environment in which it is located), and to provide commentary on the Company's proposed future exploration and development programs.

All units of measurements, abbreviations and technical terms are defined in the glossary of this CPR. Unless otherwise explicitly stated, all quantitative data as reported in this CPR are reported on a 100% basis.

1.2 Reporting Compliance, Reporting Standard and Reliance

1.2.1 Reporting Compliance

SRK has been informed by the Company that the submission of the Prospectus is being undertaken in accordance with the following, which collectively comprise the "Requirements":

- The 'The consistent implementation of Commission Regulation (EC) No 809/2004 implementing the Prospectus Directive, ESMA2013/319' recommendation including, and without limitation, this CPR will comply with the content requirements of Appendix 2.
- SRK accepts responsibility for this CPR in accordance with Section 1b of the ESMA Recommendations and paragraph 131, 132 and 133 and Appendix 2.

Notwithstanding the above, the Company has voluntarily mandated SRK to prepare this CPR which is published in accordance with the appropriate Reporting Standard (defined below) and, given the permitted time, focuses on key items, being the physical, operating, regulatory and fiscal environment in which Prince Alfred is located, and the key technical risks and opportunities relating to the Prince Alfred Project.

1.2.2 Reporting Standard

This CPR has been prepared to the standard of, and is considered by SRK to be, a Technical Assessment Report under the guidelines of the *2015 edition of the Australasian Code for the Public Reporting of Technical Assessments and Valuations of Mineral Assets* (the "VALMIN Code").

The VALMIN Code incorporates the *"2012 Edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves"* as published by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia (the "JORC Code").

1.2.3 Reliance on SRK

This CPR is addressed to and may be relied upon by the Directors of the Company and Orrick (UK) LLP in support of the submission of the Prospectus, specifically in respect of compliance with the Requirements, the Reporting Standard and as appropriate the ESMA Recommendations, and other regulatory requirements.

SRK is responsible for this CPR and for all technical information that has been directly extracted from this CPR and reported in any documents associated with the proposed RTO to be released by the Company in connection with the RTO and to be dated around the same date as this CPR.

SRK declares that it has taken all reasonable care to ensure that the information contained in this CPR is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

In accordance with the ESMA Recommendations, SRK confirms that the presentation of information contained elsewhere in published documents associated with the proposed RTO, which relates to information in this CPR, is accurate, balanced and not inconsistent with this CPR.

SRK cautions that its opinion must be considered as a whole and that selecting portions of the analysis or factors considered by it, without considering all factors and analyses together, could create a misleading view of the process underlying the opinions presented in this CPR. The preparation of a CPR is a complex process and does not lend itself to partial analysis or summary.

SRK has no obligation or undertaking to advise any person of any development in relation to the Project which comes to its attention after the date of this CPR, or to review, revise or update this CPR or opinion in respect of any such development occurring after the date of this CPR and its 'no material change' statement.

1.3 Base Technical Information, Effective Date and Publication Date

This CPR presents the following base Technical Information for the Prince Alfred Project as at the effective date of 21 December 2019 (the Effective Date):

- Overview of the geological setting
- Project geology
- Outline of the historical exploration work
- SRK's opinion on the mineralisation styles and regional prospectivity
- SRK's opinion on the appropriateness of Cobra's budgeted work program.

1.4 Verification and Validation

This CPR is dependent upon technical, financial and legal input. In respect of the Technical Information as provided by the Company and taken in good faith by SRK, and other than where expressly stated, any figures presented have not been independently verified by means of recalculation.

SRK has, however, conducted a review and assessment of all material technical issues likely to influence the Technical Information included in this CPR, which included the following:

- An assessment of the historical data made available by the Company in respect of the Prince Alfred Project
- An assessment of the key technical risks and opportunities as they relate to the Technical Information reported herein.

SRK has also assessed the reasonableness of the commodity price assumptions as currently assumed in the projections for inclusion in the Technical Information reported herein.

Accordingly, Cobra has provided Technical Information (geological information, assay information, exploration programs) to SRK for the purpose of this review and inclusion in this CPR. SRK confirms that it has performed all necessary validation and verification procedures deemed necessary and/or appropriate by SRK in order to place an appropriate level of reliance on such Technical Information.

1.4.1 Previous work by SRK at the Prince Alfred Project

SRK has not, to the best of its knowledge undertaken work in relation to the Prince Alfred Project.

1.5 Limitations, Reliance on Information, Declaration, Consent and Cautionary Statements

1.5.1 Limitations

The Technical Information relies on assumptions regarding certain forward-looking statements. These forward-looking statements are estimates and involve a number of risks and uncertainties that could cause actual results to differ materially. The projections as presented and discussed herein have been proposed by Cobra's management and cannot be assured; they are necessarily based on economic assumptions, many of which are beyond the control of the Company. Future cashflows and profits derived from such forecasts are inherently uncertain and actual results may be significantly more or less favourable. Unless otherwise expressly stated, all the opinions and conclusions expressed in this CPR are those of SRK.

1.5.2 Reliance on Information

SRK has relied upon the accuracy and completeness of technical, financial and legal information and data furnished by or through Cobra.

Cobra has confirmed to SRK that, to its knowledge, the information provided by it (when provided) was complete and not incorrect or misleading in any material respect. SRK has no reason to believe that any material facts have been withheld. While SRK has exercised all due care in reviewing the supplied information, SRK does not accept responsibility for finding any errors or omissions contained therein and disclaims liability for any consequences of such errors or omissions.

SRK has not undertaken any accounting, financial or legal due diligence of the Mineral Assets or the associated company structures and the comments and opinions contained in this report are restricted to technical and economic aspects associated with the Project. Where aspects of legal issues, marketing, commercial and financing matters, insurance, land titles and usage agreements, and any other agreements and/ or contracts Cobra may have entered into are covered in this CPR, SRK has relied on information provided by the Company.

This CPR includes technical information, which requires subsequent calculations to derive subtotals, totals and weighted averages. Such calculations may involve a degree of rounding and consequently introduce an error. Where such errors occur, SRK does not consider them to be material.

Technical reliance

SRK places reliance on the Company and its technical representatives that the Technical Information provided to SRK as at the Effective Date (defined above) is accurate.

Financial reliance

In considering the financial aspects relating to the Prince Alfred Project, SRK has placed reliance on the Company that the following information is appropriate as at the Effective Date (defined in Section 1.3):

- Proposed operating expenditures as included in the Company's development strategy and exploration programs
- Proposed capital expenditures as included in the Company's development strategy and exploration programs
- All statutory and regulatory payments and those due to other third parties as may be necessary to execute the Company's development strategy and exploration programs.

The financial information referred to above has been prepared under the direction of Mr Craig Moulton on behalf of the Board of Directors of the Company.

Legal Reliance

In consideration of the legal aspects relating to the Project, SRK has placed reliance on the representations of the Company that the following are correct as of the Effective Date (defined in Section 1.3) and remain correct until the Publication Date (defined in Section 1.3):

- The Board of Directors of the Company are not aware of any legal proceedings that may have any influence on the rights to explore, develop and mine the minerals present within and associated with the Prince Alfred Project.
- The legal owners of all mineral and surface rights of the Prince Alfred Project have been verified.
- No significant legal issue exists which would affect the likely viability of the exploration and production licences as reported herein.

The United Kingdom legal representative of the Company is Orrick (UK) LLP.

1.5.3 Declaration

SRK will receive a fee of approximately A\$30,000 for the preparation of this Report and a separate CPR prepared for the Wudinna Project, in accordance with normal professional consulting practices. This fee is not dependent on the findings of this CPR or the success of the proposed RTO and SRK will receive no other benefit for the preparation of this CPR. Neither SRK nor any of the authors have any pecuniary or other interests that could reasonably be regarded as capable of affecting its ability to provide an unbiased opinion in relation to the Mineral Assets opined upon by SRK and reported herein.

Neither SRK nor the Competent Persons (as identified under Section 1.7) who are responsible for authoring this CPR, nor any Directors of SRK have, at the date of this CPR, had within the previous two years, any shareholding in the Company, the Project, Orrick (UK) LLP, or any other economic or beneficial interest (present or contingent) in the Project. SRK is not a group, holding or associated company of the Company or, Orrick (UK) LLP. None of SRK's partners or officers are officers or proposed officers of any group, holding or associated company of the Company.

Further, no Competent Person involved in the preparation of this CPR is an officer, employee or proposed officer of the Company or any group, holding or associated company of the Company or, Orrick (UK) LLP. Consequently, SRK, the Competent Persons and the Directors of SRK consider themselves to be independent of the Company, its directors, senior management and Orrick (UK) LLP.

In this CPR, SRK provides assurances to the Board of Directors of the Company and, Orrick (UK) LLP, in compliance with the Reporting Standard that the Mineral Resources and exploration potential of the Mineral Assets as provided to SRK by Cobra and reviewed and, where appropriate, modified by SRK, are reasonable, given the information currently available.

1.5.4 Consent

In compliance with the ESMA Recommendations, SRK will give its written consent to the publication of this CPR on Cobra's company website and all information to be contained in any published documentation associated with the RTO, which has been extracted directly from this CPR.

1.5.5 Disclaimers and Cautionary Statements

This CPR uses the terms "*Mineral Resource*", "*Measured Mineral Resource*", "*Indicated Mineral Resource*" and "*Inferred Mineral Resource*". U.S. investors and shareholders in the Company are advised that, while such terms are recognised and permitted under JORC Code (2012), the U.S. Securities and Exchange Commission (SEC) does not recognise them and strictly prohibits companies from including such terms in SEC filings. Accordingly, U.S. investors and shareholders in the Company are cautioned not to assume that any unmodified part of the Mineral Resource estimates in these categories will ever be converted into Ore Reserve estimates as such term is used in this CPR.

1.6 Indemnities Provided by the Company

Cobra has warranted, in writing to SRK, that full disclosure has been made of all material information and that, to the best of its knowledge and understanding, such information is complete, accurate and true. As recommended by the VALMIN Code, Cobra has provided SRK with an indemnity under which SRK is to be compensated for any liability and/ or any additional work or expenditure resulting from any additional work required:

- which results from SRK's reliance on information provided by Cobra or from Cobra not providing material information; or
- which relates to any consequential extension workload through queries, questions or public hearings arising from this CPR.

Additionally, the Company has agreed to comply strictly with the provisions of the *Data Protection Act 1998* of the United Kingdom (DPA 1998) and all regulations and statutory instruments arising from the DPA 1998, and the Company will indemnify and keep indemnified SRK in respect of all and any claims and costs caused by breaches of the DPA 1998.

1.7 Qualifications of Consultants and Competent Persons

This CPR has been prepared based on a technical and economic review by a team of consultants sourced from SRK's offices in Australia. These consultants have extensive experience in the mining and metals sector and are members in good standing of appropriate professional institutions. The consultants comprise specialists in the fields of geology and resource estimation (hereinafter the Technical Disciplines).

The Competent Persons who have overall responsibility for this CPR are Mr Alex Aitken, BSc (Hons), MAIG, Senior Consultant, and Dr De Waele, PhD, FAIG, FAusIMM, Principal Consultant, both full-time employees at SRK in Perth, Australia. Mr Aitken has 15 years' experience in the mining and metals industry, and Dr De Waele has 27 years' experience. Both authors have been involved in the preparation of Competent Persons' Reports comprising technical evaluations of various mineral assets internationally – Mr Aitken during the past 5 years and Dr De Waele during the past 11 years – relevant

to the activity which they are undertaking to qualify as a Competent Persons as defined in the JORC Code (2012) and a Specialist Practitioner as defined in the VALMIN Code (2015).

The Competent Person who has overall responsibility for the peer review of this CPR is Ms Karen Lloyd, BSc (Hons), MBA, FAusIMM, who is an Associate Principal Consultant at SRK. Ms Lloyd has 22 years' experience in the mining and metals industry and has been involved in the preparation of Competent Person's Reports comprising technical evaluations of various mineral assets internationally during the past 10 years. She has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the JORC Code (2012) and a Specialist Practitioner as defined in the VALMIN Code (2015). Ms Lloyd consents to the inclusion in this Report of the matters based on her information in the form and context in which it appears.

Table 1-1 provides a summary of the designated Competent Persons and other key contributors for completion of this CPR.

Table 1-1: Responsibility table summarising the Competent Persons and key contributors

Competent Person	Position/ Company	Responsibility	Independent of Cobra	Date of last site visit	Professional designation
Alex Aitken	Senior Consultant (Geology)/ SRK Consulting (Australasia) Pty Ltd	Overall CPR	Yes	None	BSc (Hons), MAIG
Bert De Waele	Principal Consultant (Geology)/ SRK Consulting (Australasia) Pty Ltd	Overall CPR	Yes	None	PhD, FAIG, RPGGeo, FAusIMM
Karen Lloyd	Associate Principal Consultant (Project Evaluation)/ SRK Consulting (Australasia) Pty Ltd	Peer Review	Yes	None	BSc (Hons), MBA, FAusIMM

2 Overview of Region, Location and Assets

2.1 Location

The Prince Alfred Project is located approximately 75 km north of Orroroo along the eastern side of the Flinders Ranges in South Australia. The Project comprises one granted Exploration Licence (EL 6016, Table 2-1). The nearest towns are Carrieton, approximately 40 km to the southwest and Orroroo, approximately 70 km to the south (Figure 2-1).

The topographic relief is hilly with scrubby vegetation and numerous aeolian sand dunes. The tenement is divided into two sub-blocks for a total of 9 km².

The Project is accessed from Port Augusta, approximately 140 km to the west, via sealed and unsealed roads or from Adelaide via the Princes Highway and Carrieton, approximately 400 km to the south.

Table 2-1: Summary table of mineral assets¹

Asset	Holder	Interest (%)	Status	Grant date	Licence expiry date	Licence area (km ²)
EL 6016 ²	Lady Alice Mines Pty Ltd	100	Exploration	28/09/2017	27/09/2021	9

Notes:

¹ SRK understands that the current ownership status and legal standing of the tenure associated with the Project are dealt with in a separate title report provided by lawyers to the Company as disclosed in the Independent Solicitor's Report attached as an appendix to this report. Form 27 (Notice initiating negotiations with Native Title parties) lodged 18/12/2017 – NT 18/2017 ERD N19/2017 and NT 19/2017 ERD N20/2017; Form 27 is used to notify native title parties of an intention to seek a native title mining agreement under Part 9B of the *Mining Act*.

² Minimum Expenditure during two-year term of the licence A\$86,000.



Figure 2-1: Prince Alfred Project location

Source: Cobra Resources plc.

2.2 Land tenure

2.2.1 Introduction

Mineral exploration in South Australia is managed by the South Australia state government under the *Mining Act 1971* and *Mining Regulations 2011* by the Department of State Development. An exploration licence (EL) is the principal title issued for exploration within the state. An exploration licence authorises the licensee, subject to the Act, Regulations and conditions of the licence, to explore for all minerals and/ or opal other than extractive minerals (i.e. sand, gravel, stone, shell or clay when used generally for construction purposes).

Exploration licences are initially granted for a maximum of 5 years. After the initial term, an application for renewal can be submitted.

Information on the mineral rights applicable to the Project has been provided to SRK by Cobra on behalf of its solicitor, Norton Rose Fulbright, in the form of the Independent Solicitor's Report. The Independent Solicitor's Report is provided in Appendix A of this Report.

2.2.2 Tenure relating to this CPR

The Prince Alfred Project comprises a single granted tenement, EL 6016, which is partially located within the Flinders Range Council and the Pastoral Unincorporated Area of South Australia. EL 6016 is located on Crown land comprising the parcels listed in Figure 2-2 and Table 2-2. These present Property boundary details are referenced from the South Australian government website, Property Location Browser, <http://maps.sa.gov.au/plb/>, and from the South Australian Resources Information Gateway (SARIG), <https://map.sarig.sa.gov.au/>.

The current expenditure commitment on EL 6016 for Lady Alice Mines Pty Ltd is A\$86,000 over the licenced period of two years.

Full details of the tenement status and any encumbrances associated with the Prince Alfred Project are included in the Independent Solicitor's Report attached as Appendix A to this Report.

Table 2-2: Crown land details

Parcel ID	Plan	Title Type
H835300 B310	835300	Crown Lease
H835300 S1011	835300	Crown Reserve
D32969 A1	32969	Crown Lease
H340700 S113	340700	Crown Lease



Figure 2-2: Crown land parcels intersected by EL 6016

2.3 Native Title

Native Title is governed by the *Native Title Act 1993* (Commonwealth) and its associated regulations in Australia. In South Australia, the *Aboriginal Heritage Act 1988* provides protection of all Aboriginal heritage sites. An exploration licence does not permit any operations on land that may be 'native title land' as defined by the *Native Title (South Australia) Act 1994*. An exploration company may negotiate access to the land under Part 9B of the *Mining Act*.

Overlapping the tenement, EL 6016, there is a 'Determination of Native Title' from the Adnyamathanha, Ngadjuri and Wilyakali groups as determined by the Federal Court of Australia on 12 December 2018. The registered claim is listed as Adnyamathanha, Ngadjuri and Wilyakali Overlap Claim (SCD2018/002); its location is shown in Figure 2-3.

Further information is contained in Appendix A of this Report.

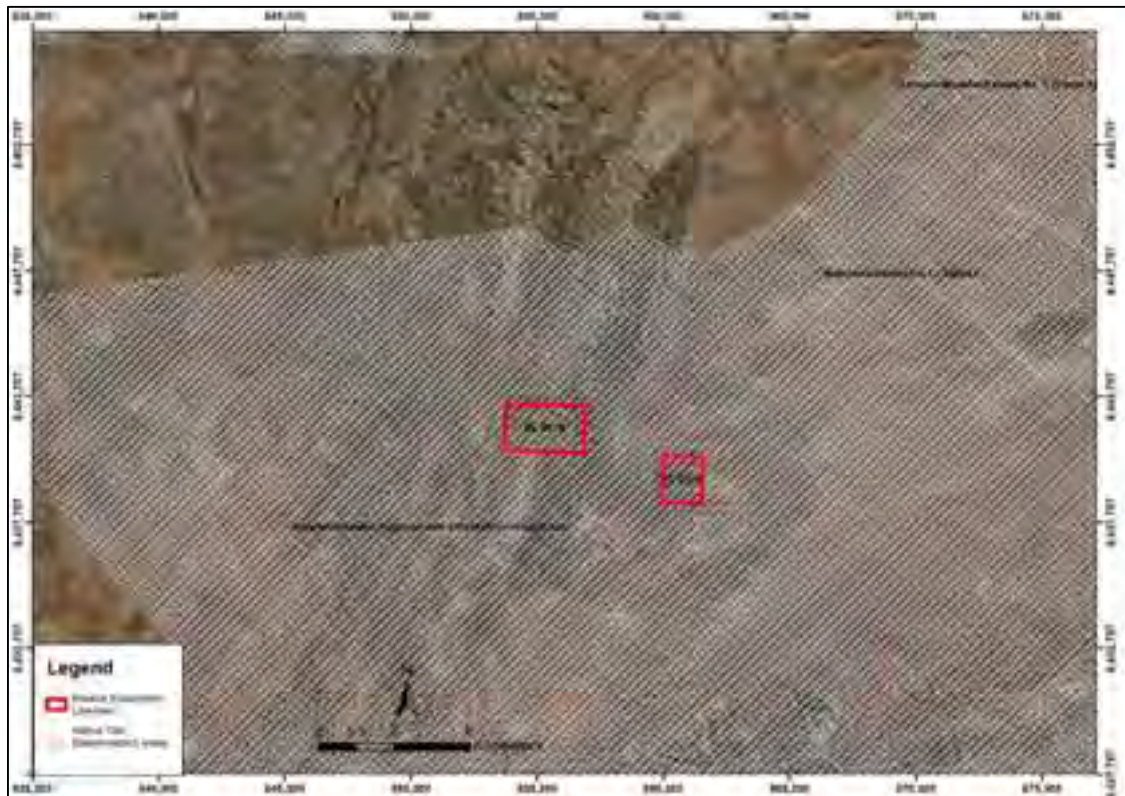


Figure 2-3: Prince Alfred tenement with overlying Native Title claim

SRK understands there is currently no current land access agreement for EL 6016 with any of the Adnyamathanha, Ngadjuri and Wilyakali groups. Further details are contained in the Independent Solicitor's Report.

2.4 Environmental and Heritage Values

The Prince Alfred Copper Mine Precinct (Place Number 26450) was entered into the South Australian Heritage Register in accordance with the *Heritage Places Act 1993* designated as a Place of Archaeological Significance. A summary of the Register entry is as follows:

"The Prince Alfred Copper Mine Precinct, including mine, smelter and township complex, is of State heritage significance because it demonstrates many aspects of 19th Century immigration, technology transfer and mining practice in South Australia, in particular mining practices imported from Cornwall, and the adaptation of a Cornish immigrant community to life in an isolated rural location.

The site is remarkable for its completeness, intactness and integrity and features a relatively rare engine and crusher house combination. The site has a high degree of archaeological potential that is likely to provide information on the demolished elements of industrial infrastructure and the miners' domestic material culture not available from other sources. The masonry engine and crusher houses demonstrate the century-long tradition of Cornish mining engineering and are built to a high standard with a pleasing aesthetic."

Where changes within the Prince Alfred Copper Mine Precinct involve actions that constitute 'development', a statutory approval against the planning and building rules is required. "Development" 'as defined by the *Development Act* includes:

- Land division
- Change of use

- New construction
- Demolition, removal, conversion, alterations, additions and painting
- Signage
- Any other work that could materially affect the heritage value of the State Heritage Area.

All development applications in the Prince Alfred Copper Mine Precinct that are lodged with Council need to be referred to Heritage South Australia in the Department for Environment and Water (DEW) for heritage assessment.



Figure 2-4: Photographs of the site from the Heritage Register nomination, 2014

Tenement holders in South Australia are required to obtain approval of a Program for Environment Protection and Rehabilitation (PEPR) before conducting any mining and exploration activities.

A PEPR should identify all relevant environmental outcomes that are expected to occur as a result of the mining/ exploration activities, including after taking into account any rehabilitation proposed by the tenement holder and any other steps to manage, limit or remedy any adverse environmental impacts. The PEPR should also set out the criteria to be adopted to measure the environmental outcomes and incorporate information about the ability of the tenement holder to achieve the reported environmental outcomes.

SRK understands that at this stage, Cobra does not have a PEPR in place for EL 6016.

Further information is contained in Appendix A of this Report.

3 Regional Geological Framework

The Prince Alfred Project is located within the Nackara Arc of the Adelaide Fold Belt (Geosyncline) in South Australia. The Nackara Arc is bordered by the Murray Basin Province to the east, and the Torrens Hinge Zone and Gawler Craton to the west (Figure 3-1).

The Adelaide Fold Belt comprises several sedimentary units that have developed during Neoproterozoic rifting, with the distribution of the units controlled by the Delamerian Orogeny (~500 Ma, Priess, 2000).

The Adelaide Fold Belt divisions are shown in Figure 3-1 and include (north to south):

- Torrens Hinge Zone – a meridional belt of gentle folding
- Central Flinders Zone – a central structural zone of broad dome and basin geometry
- North Flinders Zone – an arcuate belt of open to tight linear folds
- Nackara Arc – an arcuate belt of long, continuous, relatively upright folds
- Fleurieu Arc – a belt of thrusting and tight folding.

Figure 3-1 shows the generalised tectonic setting of the Adelaide Fold Belt with the Prince Alfred Project located on the eastern side of the Nackara Arc, possibly within the G2 structure corridor indicated in Figure 3-1. The Adelaide Fold Belt is overlain by sediments of Cambrian through to Cenozoic age.



Figure 3-1: Tectonic subdivision of the Adelaide Fold Belt

Source: Priess, 2000.

Note: Location of the Prince Alfred Project is shown by a red circle.

3.1 Regional Geology

The Prince Alfred Project is located in the Nackara Arc of the Adelaide Fold Belt. The Nackara Arc is an arcuate belt of linear, upright, concentric folds and consists of long linear synclines, separated by anticlines or strike faults. The regional folds traces trend N to NNW in the southern part, and ENE in the northern parts, lending an arcuate shape to the Nackara Arc (Priess, 2000). Metamorphism during folding reached greenschist and lower amphibolite facies conditions (Griessmann, 2011).

The Warrina and Heyson supergroups make up the main units in the Prince Alfred Project (Figure 3-2). The Warrina Supergroup is comprised of the Callanna and Burra groups and consists of evaporitic, fluvial and marine sediments, diapiric breccias and minor volcanic units. The Heyson Supergroup is comprised of Umberatana and Wilpena groups that largely consist of marine sediments, including glacial sediments at the base of the stratigraphic sequence within the Prince Alfred Project area (Miller, 1999 and Department of State Development, 2010).

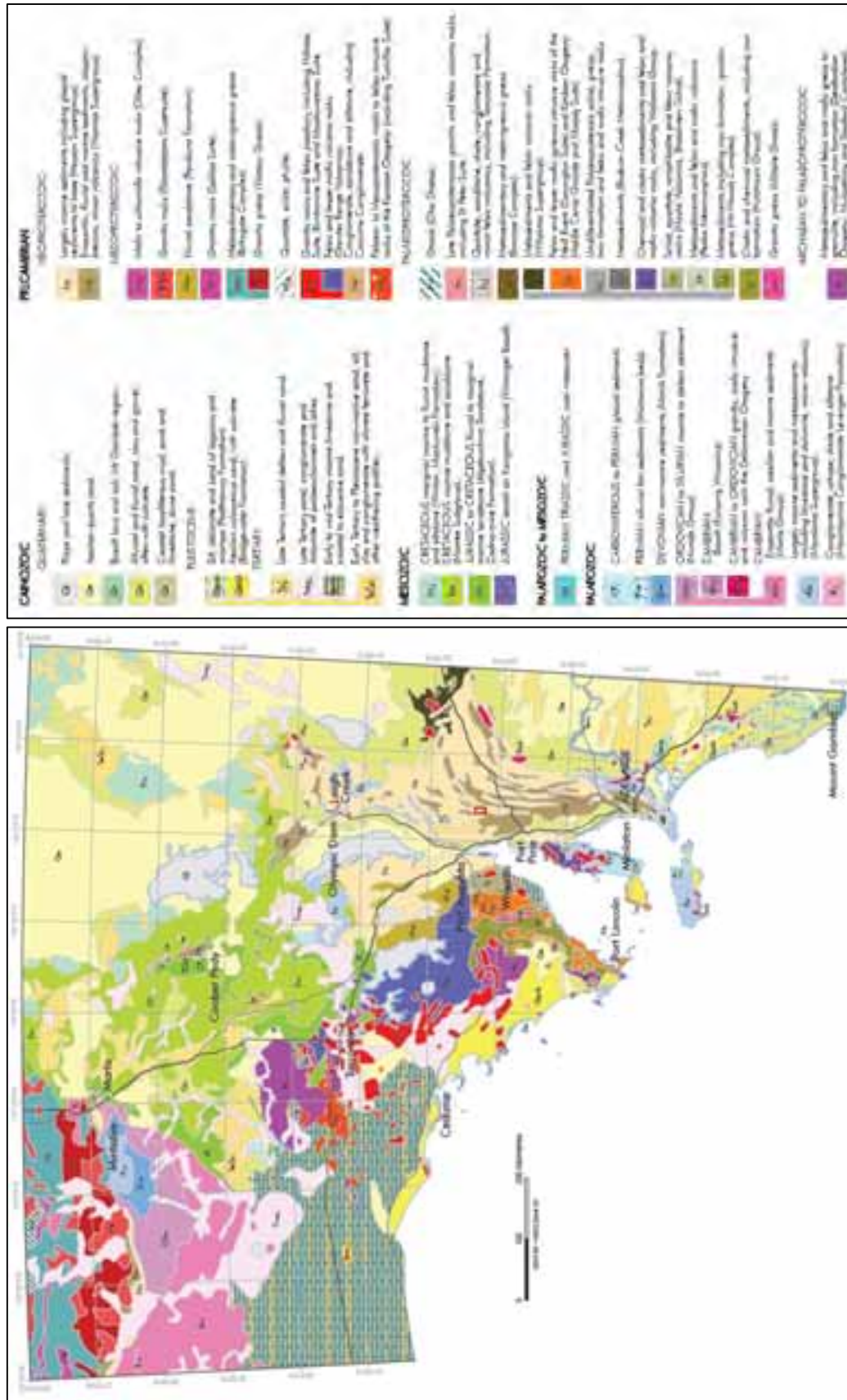


Figure 3-2: Summary of the geology of South Australia (2010)

Note: Red rectangle denotes approximate location of the Prince Alfred Project; Heyson Supergroup is light brown and Warina Supergroup is dark brown.

3.2 Project Geology

The historical Prince Alfred Copper Mine Precinct is located on the west limb of an asymmetric south-plunging regional anticline, known as the Yednalue Anticline (Figure 3-3).

The 1:100,000 mapping data extracted from SARIG indicate the stratigraphy in the western part of EL6016 to comprise the Tapley Hill Formation in unconformable contact with dolomite of the Skillogalee Formation and (carbonaceous) mudstone/ siltstone of the Saddleworth Formation (Figure 3-4). The eastern segment of EL 6016 is largely covered by colluvium and alluvium with dolomite, sandstone and siltstone of the River Wakefield Formation in the southeast corner.

The main lode of the historical Prince Alfred workings is parallel to bedding and is situated in the lower part of the Tapley Hill Formation of the Umeratana Group, consisting of blue-grey well-laminated siltstones, interbedded with thin bands of coarse sandstone (Wade and Wegener, 1952; Binks, 1971; Miller, 1999, 2001, 2012). Mineralisation at the surface has been traced over a length of 500 m, while the strike length of the mined section is less than 200 m. Miller (2004) reports discontinuous calcite-quartz-copper vein occurrences continuing several kilometres north of the historical Prince Alfred Copper Mine Precinct.

According to the historical reports (Wade and Wegener, 1952), the mineralised sandstone units accessed by the various shafts may represent different stratigraphic levels, with not all sandstone units within the succession being mineralised. The footwall contact of the mineralisation is sharp, while the hanging wall is broken and crushed, containing fragments of slate, and irregular veins of siderite, calcite and copper minerals. Mineralisation is predominantly in form of sulphides, mainly chalcopyrite, chalcocite and bornite. Except for a few locally concentrated masses, secondary oxide mineralisation in form of azurite and malachite is relatively undeveloped.

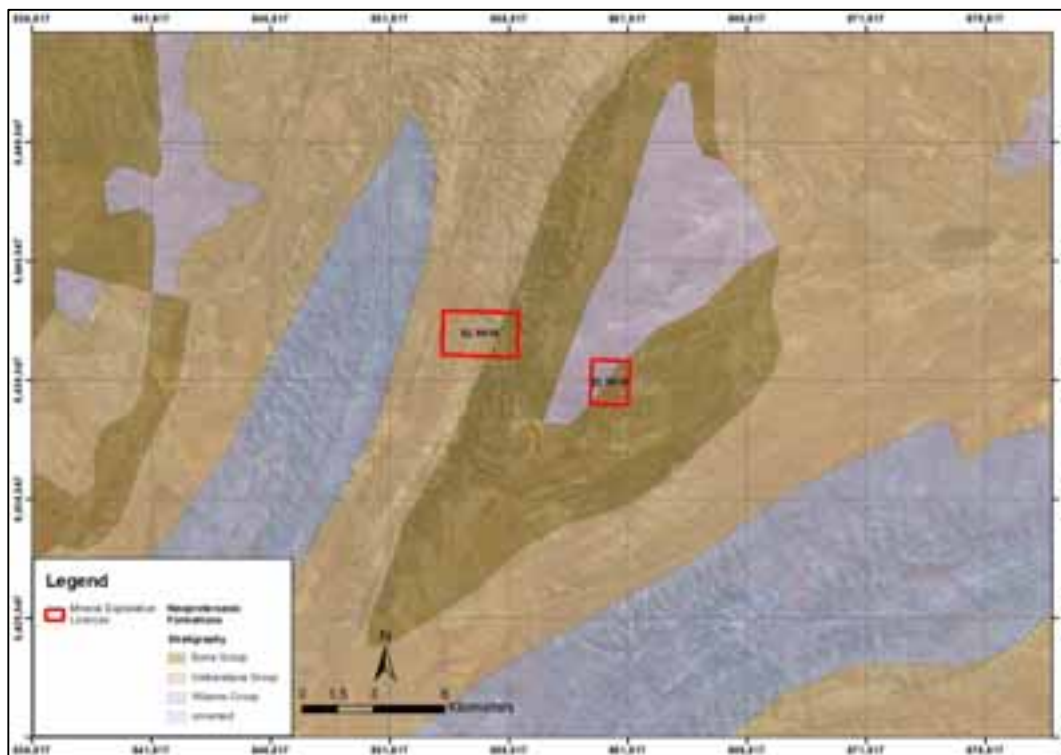


Figure 3-3: Solid geology based on SARIG interpretation

Source: Department for Energy and Mining, the Government of South Australia, Geoscientific Data, sourced on 12 March 2019, <https://map.sarig.sa.gov.au/>

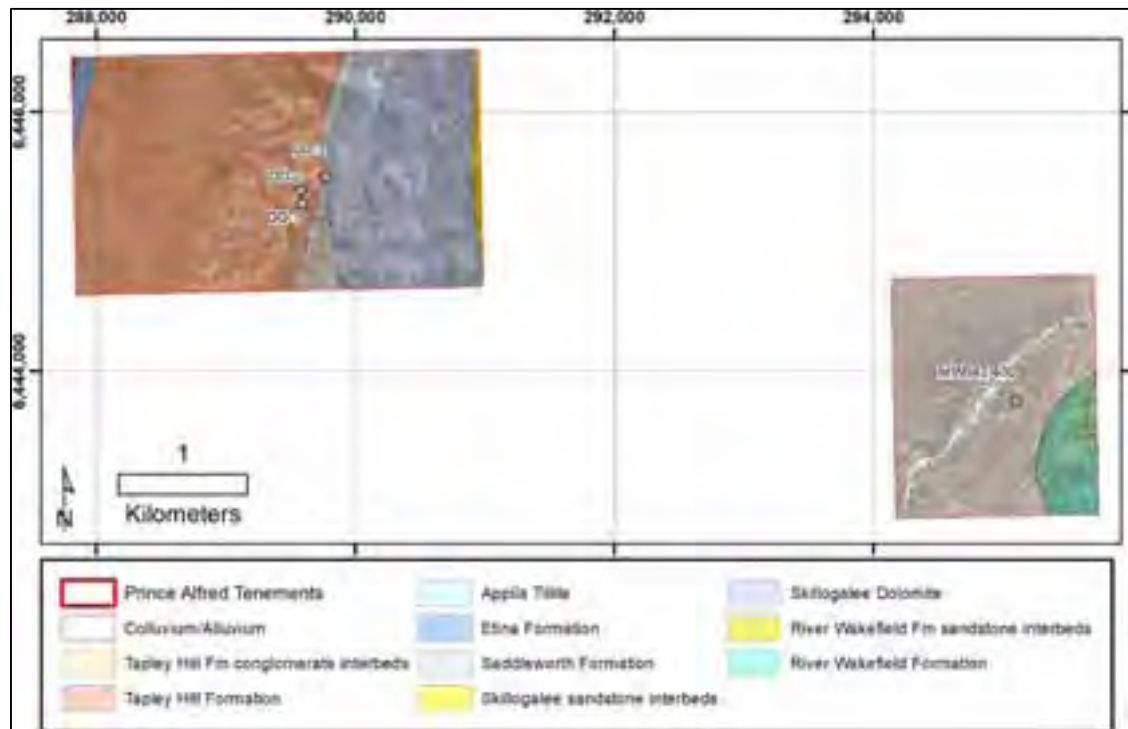


Figure 3-4: Geology of the Prince Alfred Project, showing the location of the drill holes reported in SARIG

Source: SARIG

3.3 Previous work and exploration

3.3.1 Introduction

Mineralisation at Prince Alfred was discovered in 1866 and mining commenced in 1868 by the Prince Alfred Copper Mining and Smelting Co. Ltd. Mining continued sporadically by several companies until 1909. As of 1901, three shafts had been sunk, with the deepest, Main Shaft, to a depth of 170 ft (~51 m) (Figure 3-5 and Figure 3-6 show a long section and plan of historical mine workings). The historical Prince Alfred Mine is reported to have produced approximately 40,000 tonnes of ore at a ~5% copper to a depth of 170 feet (~51 m) (Wade and Wegner, 1952).

During the period 1967-1970, the Metals Reclamation and Mining Pty Ltd company operated a copper acid leaching plant by re-treating the tailings on site. During this time, four water bores were drilled vertically within the Tapley Hill slate.

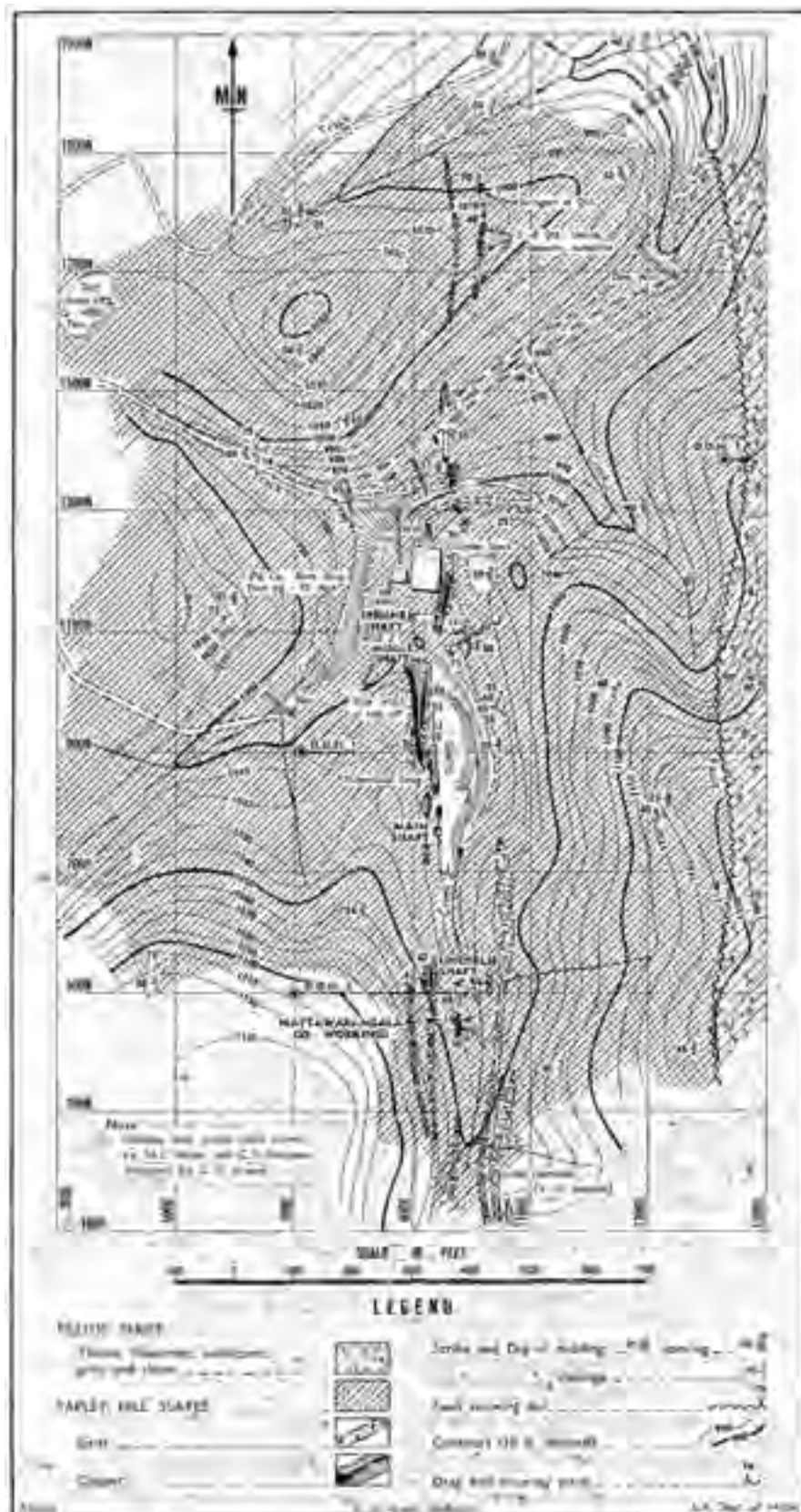


Figure 3-5: Plan of Prince Alfred workings

Source: Wade and Wegener, 1952.

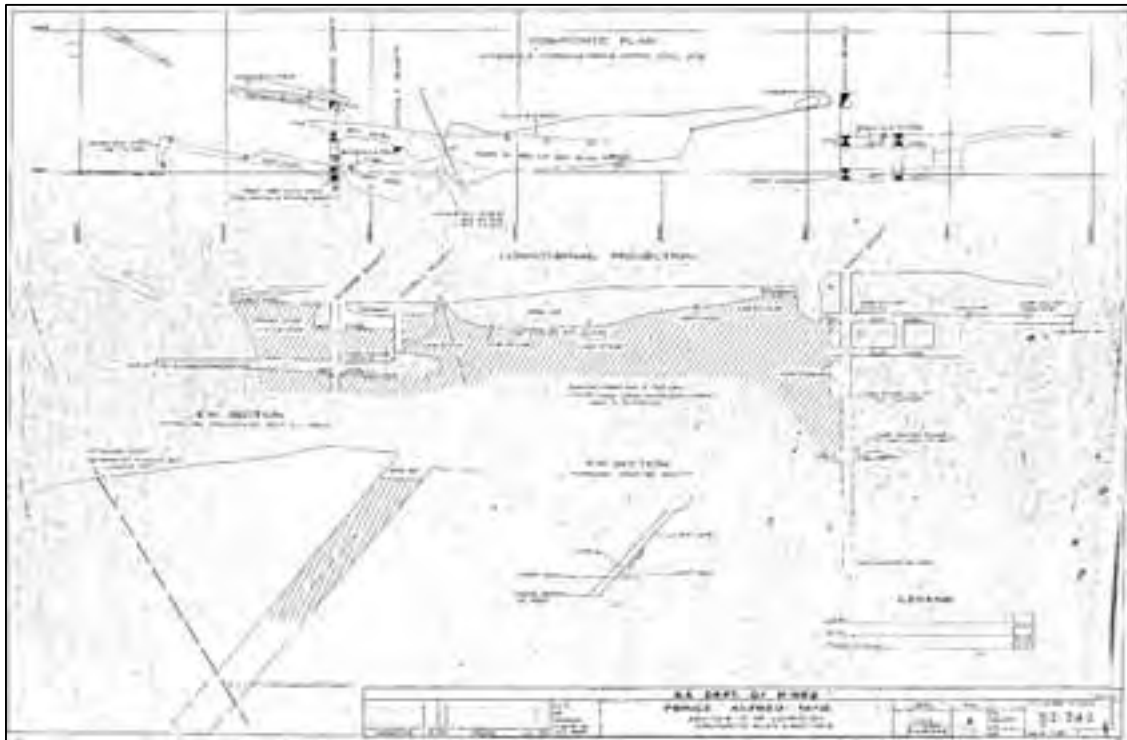


Figure 3-6: Prince Alfred mine

Source: Wade and Wegener, 1952.

3.3.2 Geological mapping

In 1973, Utah Development Co Ltd completed detailed mapping over the area around the Prince Alfred Copper Mine Precinct with the production of an interpreted geology map of the western limb of the Yednall Anticline (Figure 3-7). This shows west-dipping stratigraphy with from bottom to top dolomite, slaty siltstone with interbedded sandstone, sandstone, and dolomite with minor black chert. According to this mapping, the western limb is cross-cut by numerous faults resulting in minor displacement of between 20 m and 100 m.



Figure 3-7: Interpreted geology map from Utah development Co Ltd

Source: Kitch, 1973.

3.3.3 Geochemical sampling

A review of the historical geochemical data in the annual technical reports to the Department of Mines indicates that there have been several phases of sampling completed in the area around the Prince Alfred Copper Mine Precinct. However, no digital data have been provided to SRK, and there are only a few samples reported on the SARIG database, with no assay data reported (Figure 3-8).

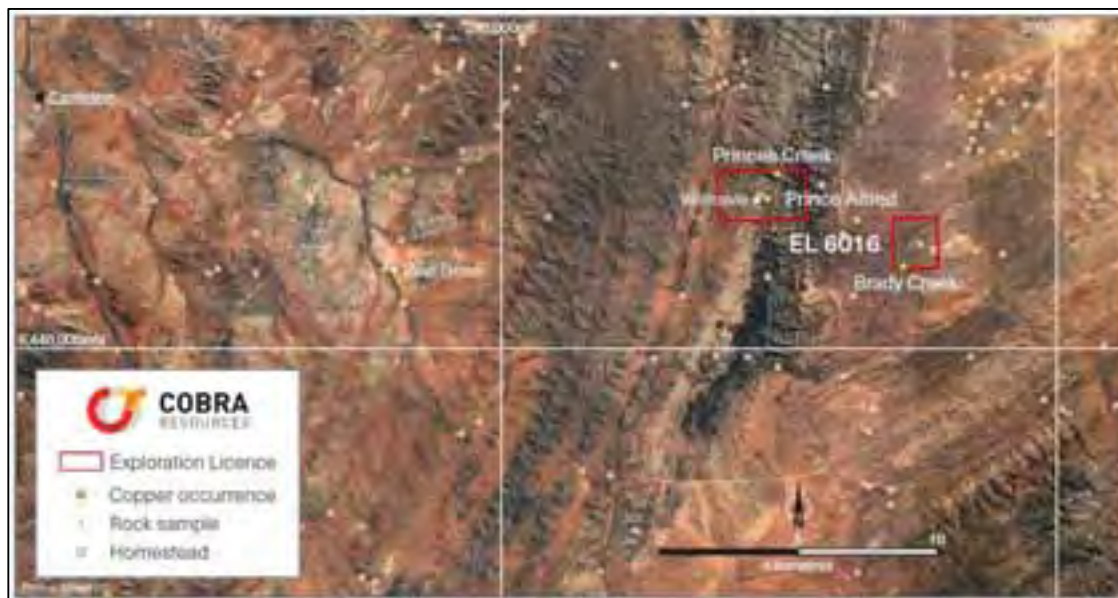


Figure 3-8: Geochemical sample locations in the Prince Alfred area from SARIG

3.3.4 Drilling

Very little drill hole data are available, with several of the drill holes listed in annual technical reports but not shown in the SARIG databases.

Table 3-1: Summary of drill holes within Prince Alfred Project

Year	Company	No.	Hole type	Comments
1960	Department of Mines South Australia	3	DD	Drilling below old working of Prince Alfred mine, DD-2 and DD-3 drill core is held at the Geological Survey of SA

Note: DD – diamond.

Results from the diamond drilling were reported by Nixon (1960), and holes DD-2 and DD-3 are held at the Geological Survey of South Australia core library. Another hole, MW042400, drilled by Utah Development Co Ltd in 1972, is also held by the Geological Survey of South Australia, but there is no information provided in historical reports or in the SARIG databases. Drill hole details are provided in Table 3-2 and the locations are shown on Figure 3-9.

Diamond hole DD-1 was drilled about 60 m west of outcropping mineralisation to the east at -60° to test the down-dip continuation of mineralisation below the water table (Figure 3-10). It reached a depth along the hole of 60 m and intercepted some copper sulphide between 54 m and 56 m (Nixon, 1960). Hole DD-2 was drilled about 90 m west of the southern shaft and drilled to the east at -50° to a depth of 137 m and intersected sandstone beds with disseminated copper mineralisation at 50.5–51.5 m, 58.5–60.0 m, 69.5–70.0 m and 71.0–74.0 m. The third diamond hole DD-3 was drilled about 150 m east of the mine, also towards the east and at an angle of -50° . It was a shallow hole, reaching a

depth of 15 m, and was placed to test beneath a small outcropping gossan. It did not intersect copper mineralisation.

Based on this limited drilling, Nixon (1960) concluded that, although sulphide mineralisation occurs in the sandstone beds, no significant lodes as previously mined at Prince Alfred Mine persist at depth.

Table 3-2: Drill hole details within EL 6016, data from SARIG datasets

Drill hole name	Operator	Easting	Northing	Maximum depth (m)	Dip (°)	Azimuth (°)	Completion date	Drill type
DD-1	South Australia. Department of Mines	289581	6445402	59	-60	090	22-Mar-60	DD
DD-2	South Australia. Department of Mines	289592	6445295	137	-50	090	16-Jun-60	DD
DD-3	South Australia. Department of Mines	289771	6445503	15	-50	090	4-Jul-60	DD
MW042 400	Utah Development Co.	295102	6443778	22	-90	-	31-Dec-72	RC

Notes: Details of the drill holes shown in Table 3-2 have been taken from the SARIG database and supplemented from Nixon (1960); DD-2 and DD-3 are held at the Core Library of the Geological Survey of South Australia; no information is available on MW042400; coordinates are referenced as UTM MGA Zone 54.



Figure 3-9: Drill hole location plan for EL 6016 based on SARIG datasets



Figure 3-10: Schematic section of drill holes DD-1 and DD-2 at Prince Alfred Mine

Source: Nixon, 1960.

3.3.5 Geophysical surveys

The SARIG database indicates there have been two government airborne magnetic surveys in 1965 and 1999 and one company airborne magnetic survey completed in 1981. An induced polarisation (IP) survey completed in the Prince Alfred Project by Cam's Leases Pty Ltd is referred to in the annual technical reports.

Table 3-3: Summary of geophysical surveys

Year	Company	Survey type	Area	Comment
1965	PIRSA/ Geoscience Australia	Magnetic	22,800 line km, 1,600 m line spacing, flight E-W lines, height 80 m	Orroroo Parachilna survey
1968-69	Cam's Leases Pty Ltd/ McPhar Geophysics	Induced polarisation	5 lines	Over Prince Alfred workings with coincident soil sampling program at 100 ft centres
1981	Swan Resources	Magnetic	5,669 line km, 300 m line spacing, 70 m height, N-S lines	Quorn survey
1999	AGSO (Geoscience Australia)	Magnetic and spectrometric	1,200 km ² , line spacing 400 m, flight, E-W lines, height 60 m	Flinders Ranges Survey P695

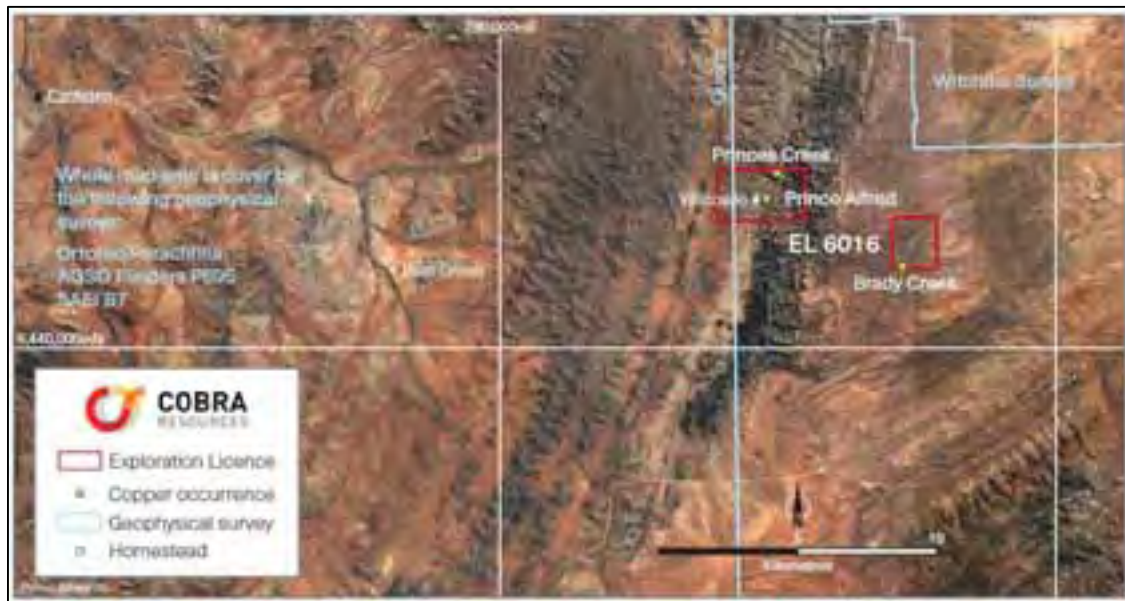


Figure 3-11: Geophysical surveys extents in the Prince Alfred area based on information from SARIG

The magnetic data provided several geophysical anomalies, all related to the Hollowilena Ironstone unit in the Burra Group (Taylor, 1988, reported in Miller, 2002). The IP survey (McPhar, 1968) provided several anomalies, most of which related to the Burra-Umberatana unconformity and with strata within the Burra Group (Miller, 2002). Some smaller anomalies were correlated with mineralised horizons of the historical Prince Alfred Mine, and with a zone of elevated copper-in-soil south of the Prince Alfred Copper Mine Precinct, but overall, the correlation between IP anomalism and mineralisation appeared relatively weak.

3.4 Mineralisation style

The mineralisation at the Prince Alfred Project is considered to be of the sediment-hosted stratabound copper (SSC) style (Figure 3-12).

In this style of mineralisation, sulphur and copper typically precipitate from warm (75°C–220°C), oxidised (hematite-stable), metals-transporting, sedimentary brines in reduced host lithologies. Other metals are often associated with stratabound copper deposits and can include silver and/ or cobalt. Deposits with silver generally do not contain cobalt, and vice versa.

The host lithologies of SSC can be shale and carbonaceous dolomitic siltstone, petroleum- or sour gas-bearing sandstone or red-beds containing carbonaceous material. These often occur within a thick sequence of terrestrial sediments. The presence of evaporites within the succession is common, and results in saline brines that form effective fluids for metal transport.

The SSC style of mineralisation is characterised by strong zoning of the ore minerals from pyrite, to chalcocite, to bornite, to chalcocite, and to hematite laterally along and across the bedding. The ore zones are typically chalcocite and bornite zones (Hayes et al., 2015; Hitzman et al., 2010).

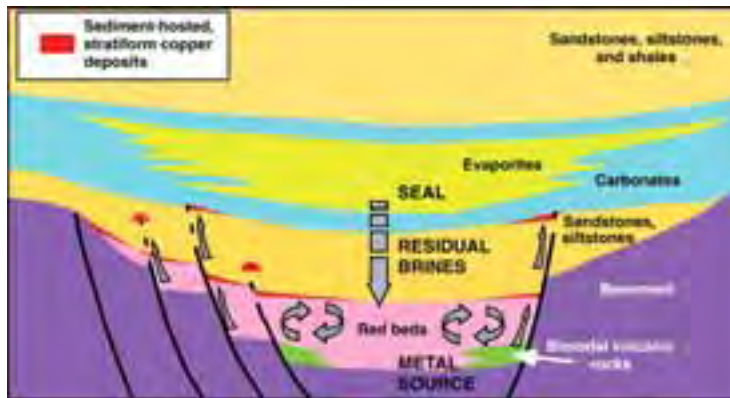


Figure 3-12: Genetic model for stratabound copper deposits

Source: Hitzman et al., 2010.

3.5 Regional prospectivity

Within the Adelaide Fold Belt and the Stuart Shelf (Figure 3-13), there are several copper occurrences that can be correlated stratigraphically and are of a similar mineralisation style to the mineralisation identified at the Prince Alfred Project.

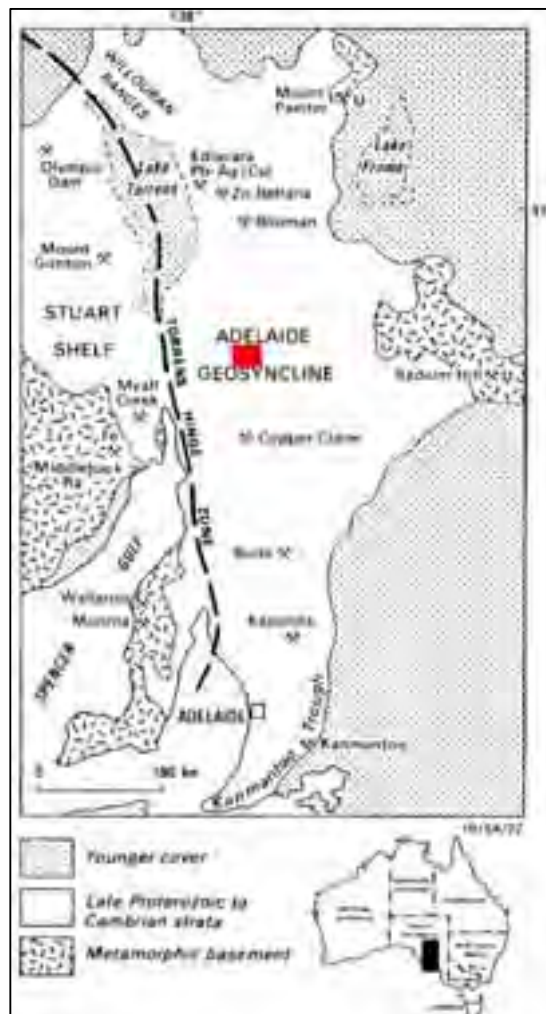


Figure 3-13: Copper occurrences within the Stuart Shelf and Adelaide Fold Belt

Source: Lambert et al., 1987; approximate location of Prince Alfred Project is shown as a red rectangle.

Figure 3-14 shows the stratigraphic locations of copper deposits identified in the Stuart Shelf and Adelaide Fold Belt: 1 = Moonta and Wallaroo (early and middle Proterozoic host rocks), 2 = Olympic Dam, 3 = Mt Gunson altered volcano-sedimentary sequence, 4 = Mt Gunson, Cattle Grid (middle and late Proterozoic host rocks), 5 = Mt Gunson, Tapley Hill Formation deposits, 6 = Myall Creek, 7 = Mount Painter (early to middle Proterozoic and early Palaeozoic host rocks), 8 = Blinman, 9 = Copper Claim, 10 = Burra, 11 = Kapunda and Prince Alfred, 12 = Kanmantoo.

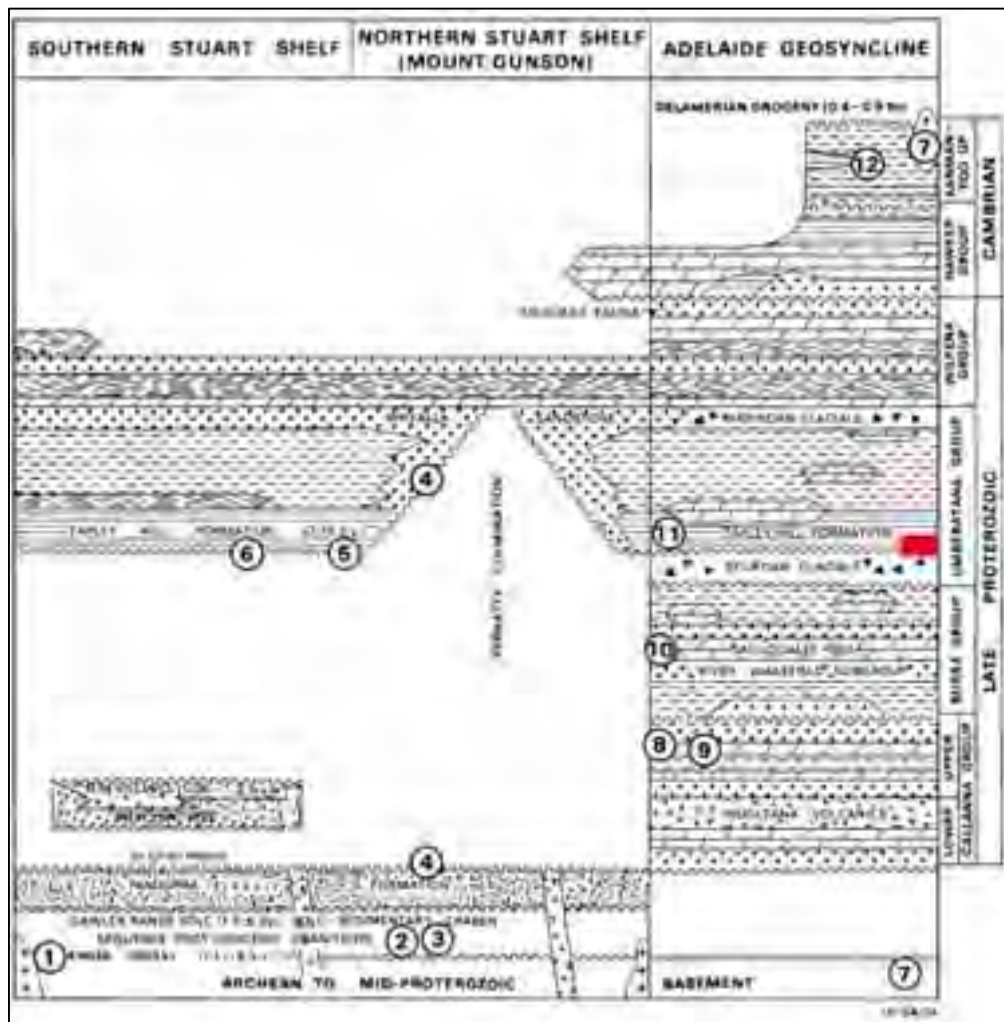


Figure 3-14: Copper mineral occurrences and stratigraphic correlation across the Stuart Shelf and Adelaide Fold Belt

Source: Lambert et al., 1987; position of the Prince Alfred Project shown by red rectangle.

Sediment-hosted stratabound (sandstone) type copper-silver-cobalt deposits are found at the unconformable contact between the Pandurra Formation and the Whyalla Sandstone and are hosted primarily in brecciated Pandurra sandstones, such as the Mt Gunson and Myall Creek deposits.

Sediment-hosted stratabound (shale) type copper-cobalt-silver deposits are hosted in the dolomitic shales of the Tapley Hill Formation, primarily in the top and bottom several metres immediately adjacent to the upper and lower contacts with overlying Whyalla Sandstone and underlying Pandurra Formation, such as the Burra, Kapunda and Prince Alfred deposits.

Historical production from South Australian SSC deposits is comparatively minor, with four deposits producing more than 10,000 tonnes of copper metal, and most just a few hundred tonnes or less (Table 3-4).

Table 3-4: Copper metal production from sediment-hosted copper deposits in the Adelaide Fold Belt

Deposit	Production of copper metal (tonnes)
Mount Gunson area (Stuart Shelf)	128,849
Burra	74,675
Kapunda	13,700
Blinman	10,000
Prince Alfred	2,000
Sliding Rock	1,000
Yudnamutana	370
Lorna Doone	350

Source: Dentith and Stuart, 2003.

Although known mineralisation across the Adelaide Fold Belt and in the Stuart Shelf appear limited in size, the geological conditions across the region are strikingly similar to those of the Central African Copperbelt. The sedimentary units are of the same age and contain the two regional tillites correlated with the Sturtian and Marinoan global glaciation events. Towards the base, some volcanic units occur that mark the earlier rifting phase. Higher up, the succession contains graphitic units and carbonates and there is evidence of (vanished) evaporitic units (hyaloclastites). In the Adelaide Fold Belt, the succession is deformed and folded and metamorphosed to greenschist facies. Fluid inclusion study work on gold-copper deposits in the Adelaide Fold Belt shows that fluids had moderate to high salinities and that this mineralisation formed at 350°–400°C and 1.5–5.0 kbar and is probably post-Delamerian in age (Griessmann, 2011). SRK is not aware of any equivalent studies on any of the copper occurrences in the Adelaide Fold Belt.

Given the above similarities, SRK regards the Adelaide Fold Belt prospective for SSC deposits.

4 Proposed Exploration Program and Expenditure

Cobra is planning to spend A\$40,000 to conduct a mapping programme to assess the structural and lithological controls on mineralisation. This mapping will provide the basis of the development of a drilling program to test for mineralisation beneath the old workings and along strike of known mineralisation.

4.1 SRK's opinion on plan and budget

SRK agrees that the compilation of the available historical data and a program of structural mapping prior to the drill testing of the known mineralisation is a reasonable approach.

As an SSC style of mineralisation can include a wider range of base metal mineralisation and gold, SRK recommends the use of a multi-element analytical program to assay for a full base metal suite, including Cu, Co, Pb, Zn as a minimum, as well as precious metals (Au and Ag).

5 Conclusions and Recommendations

Cobra's Prince Alfred Project is located in South Australia in the Adelaide Fold Belt and includes the historical Prince Alfred Mine. The project area covers 9 km² within EL 6016 and is underlain by the Burra Group and Umberatana Group sedimentary units, which are considered prospective for stratabound copper mineralisation.

SRK has reviewed the available Technical Information on the Project and did not identify any significant risks that would impact the geological interpretation.

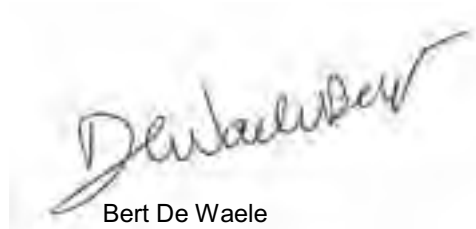
The Project has sufficient merit to support the expenditure to the extent being proposed by Cobra in order to assess the potential of further mineralisation at the historical Prince Alfred Mine.

Compiled by



Alex Aitken

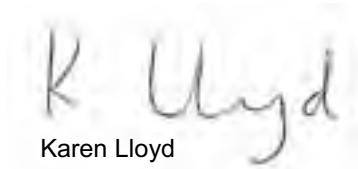
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Appendices

Appendix A: Independent Solicitor's Report

16 April 2019

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Solicitor's Report on Tenements

This report has been prepared by Norton Rose Fulbright Australia (**NRFA**) at the request of Cobra Resources plc (**Company**) in respect of the Wudinna Copper Project and the Prince Alfred Copper Project in South Australia (together the **Projects**). We have been asked to report on the mining tenements in respect of the Projects in which the Company has, or will have, an interest, being the mining tenements listed in Schedule 1 (**Tenements**).

This report is divided into the following parts

- (1) the body of this report sets out general information regarding the key features of the Tenements, native title and Aboriginal heritage;
- (2) Schedule 1 contains a summary of the Tenements;
- (3) Schedule 2 contains a summary of the native title and heritage arrangements in respect of the Tenements, and
- (4) Schedule 3 contains a summary of the material contracts which are relevant to the Tenements (**Material Contracts**).

The body of this report also lists the searches we have performed and the assumptions and qualifications that apply to this report.

This report should be read in its entirety, including the assumptions and qualification set out paragraph 6.

1 Tenements

1.1 Background

- (1) We:
 - (a) note that the Company entered into a Unit Trust and Share Purchase Agreement (**SPA**) with various parties on or around 6 March 2019 to acquire all of the units in the Lady Alice Trust (**LAT**) and all of the shares in Lady Alice Mines Pty Ltd (ACN 605 297 363) (**LAM**).

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- (b) are instructed by the Company that completion under the SPA is expected to occur during May/June 2019; and
- (c) are instructed by the Company that, following completion under the SPA, the Company will be beneficially entitled (through LAM as the trustee of the LAT) to the following interests in the Tenements:
 - (i) 100% interest in EL 6016 (**Prince Alfred Tenement**); and
 - (ii) the right to earn up to a 75% interest in EL 5615, EL 5953, EL 6001, EL 6131, EL 6262 and EL 6317 (**Wudinna Tenements**).
- (2) We have prepared this report on the basis that all interests held by LAM, and all agreements entered into by LAM, in respect of the Projects have been done by LAM as trustee of the LAT. All references to LAM in this report should therefore be read accordingly.

1.2 Ownership and status

- (1) The Tenements comprise exploration licences granted under the *Mining Act 1971* (South Australia) (**Mining Act**).
- (2) All Tenements are 'active', in good standing and free of all encumbrances (being mortgages and caveats under the Mining Act).
- (3) The Prince Alfred Tenement is held 100% by LAM, and operated by LAM.
- (4) The Wudinna Tenements are held 100% by Peninsula Resources Limited (**Peninsula**), and all of the Wudinna Tenements are operated by Andromeda Metals Limited (**ADN**) (which is the parent company of Peninsula), other than EL 6131, which is operated by Peninsula. We are instructed by the Company that the South Australian Department of Energy and Mines (**DEM**) has been advised that ADN is the operator of EL 6131 (ie the reference to Peninsula as the operator of EL 6131 on the Tenement Searches is an error).
- (5) The Wudinna Tenements are subject to the Heads of Agreement – Wudinna Gold Project – Farm-In and Joint Venture between ADN, Peninsula and LAM dated 30 October 2017 (**HOA**). Further details of the HOA are set out at paragraph 4. Broadly, however, LAM has a right to earn up to a 75% interest in the Wudinna Tenements pursuant to the HOA.
- (6) A number of other agreements and documents have been registered in respect of the Tenements, which are considered at paragraph 1.2(7) and the Schedules in further detail.
- (7) All Tenements are subject to determined native title claims, which are considered at paragraph 2 in further detail.
- (8) Aboriginal heritage sites also exist over some or all of the areas of the Tenements, which are considered at paragraph 3 in further detail.

1.3 Registrations against Tenements

- (1) DEM maintains a register under the Mining Act which records all applications, grants, agreements, renewals, change of name and addresses, transfers, surrenders, caveats and mortgages in respect of tenements.
- (2) The Tenement Searches show that:
 - (a) there are no mortgages or caveats registered against the Tenements.
 - (b) there is a \$10,000 cash bond registered against EL 6131, and

- (c) there are a number of agreements and documents registered against the Tenements, some of which we have considered in further detail as part of our review of the material contracts listed in Schedule 3 (**Material Contracts**)

1.4 General

- (1) All tenements granted under the Mining Act are subject to general conditions and prescribed conditions which regulate the activities that may be carried out by their holders. For example, requiring the holder to adequately rehabilitate the land after mining and carry out mining activities in a safe manner. These general conditions are not detailed in Schedule 1
- (2) A brief description of the key terms of exploration licences and mining leases under the Mining Act is set out below.
- (3) Exploration licences
 - (a) An exploration licence
 - (i) is issued for the purpose of exploring for minerals (other than extractive minerals and precious stones (such as opals)); and
 - (ii) can be granted for a maximum period of 5 years. At the conclusion of the 5 year term, the holder may lodge an application for a "subsequent exploration licence". The application for a subsequent exploration licence must be lodged at least three months prior to the expiry of the existing licence.
 - (b) The area of land in respect of which an exploration licence is granted must not exceed 1,000 km² unless special circumstances justify the granting of a larger area. The holder of an exploration licence may apply to surrender all or a portion of the licence at any time during its term.
 - (c) Exploration licences are granted subject to various general conditions, including conditions relating to expenditure and observance of environmental protection and reporting requirements
 - (d) The Minister under the Mining Act (Minister) may in certain circumstances require the holder of an exploration licence to provide a bond of an amount that will cover any civil or statutory liability likely to be incurred in the course of carrying out exploration, and any obligations in relation to rehabilitation of land disturbed during exploration.
 - (e) Any acquisition of an interest in an exploration licence by other parties, or agreements in relation to a future acquisition of an interest (eg joint ventures and transfers), requires the written consent of the Minister.
- (4) Mining leases
 - (a) A mining lease:
 - (i) may be granted to the holder of a:
 - (A) registered mineral claim (eg a claim that is established when exploration has been carried out on an exploration licence and a mineral resource has been identified) in respect of the whole or part of the land comprised in the claim; or
 - (B) retention lease in respect of the whole or part of the land comprised in the lease, and

- (ii) can be granted for a maximum term of 21 years and may be renewed for successive periods of 21 years.
- (b) The holder of a mining lease has exclusive rights to the land to conduct mining operations.
- (c) A mining lease authorises the holder of the lease to sell, or dispose of, minerals recovered in the course of mining operations, or to utilise any such materials for any commercial or industrial purpose.
- (d) Mining leases are granted subject to various standard conditions as the Minister thinks fit and specifies in the lease, including conditions relating to the observance of environmental protection, payment of rent and royalties and reporting requirements.
- (e) An application for a mining lease must be accompanied by a mining proposal including the mining operations that the applicant proposes to carry out in pursuance of the lease. The proposal must also set out an assessment of the environmental impacts of the proposed mining operations and the measures that the applicant proposes to take to manage the impacts.

1.5 Access and compensation arrangements

- (1) Under the Mining Act, a tenement holder must give a landowner at least 21 days notice prior to entry onto the land subject to the tenement. Alternatively, a licensee may negotiate and enter into an access agreement with the landowner.
- (2) Compensation agreements typically provide for the tenement holder to make periodic payments to the landowner and conduct its activities according to agreed standards.
- (3) We have not carried out any searches of the land underlying the Tenements and this report does not comment on whether any compensation agreements are required in respect of the Tenements and if so if compensation agreements have been entered into, the terms of any such agreements, whether any compensation payments are outstanding or whether there have been any breaches of any such agreements.

1.6 Royalties

- (1) Under the Mining Act, a tenement holder must pay royalties to the State of South Australia on all minerals recovered and either:
 - (a) sold or intended for sale, or
 - (b) utilised, or to be utilised, for any commercial or industrial purpose.
- (2) Tenement holders are required to submit a royalty return to DEM every six months setting out the basis for calculating royalties paid.
- (3) We have not confirmed whether any royalties or royalty returns are outstanding in respect of the Tenements, although we expect that no royalties or royalty returns are required given that the Tenements are all exploration licences.
- (4) Tenements may also be subject to royalties payable to non-government third parties under particular agreements. Please see our comments at paragraph 4 in respect of the Royalty Deed between Newcrest Mining Limited (**Newcrest**), Adelaide Exploration Limited and Adelaide Resources Limited dated 13 February 2002 (**Royalty Deed**) in respect of the Wudinna Tenements, which has been assigned to and assumed by LAM.

1.7 Environment protection and rehabilitation

- (1) Tenement holders are required to obtain approval of a program for environment protection and rehabilitation (**PEPR**) before conducting any mining operations.
- (2) A PEPR should identify all relevant environmental outcomes that are expected to occur as a result of the mining operations, including after taking into account any rehabilitation proposed by the tenement holder and any other steps to manage, limit or remedy any adverse environmental impacts. The PEPR should also set out the criteria to be adopted to measure the environmental outcomes, and incorporate information about the ability of the tenement holder to achieve the reported environmental outcomes.

2 Native title

2.1 General

- (1) Native title is governed by the *Native Title Act 1993* (Commonwealth) and its associated regulations (**NTA**) and, in relation to certain past dealings, the common law.
- (2) The **NTA** provides for, amongst other things:
 - (a) recognition and protection of native title;
 - (b) mechanisms for determining claims for native title;
 - (c) the validation of certain acts which would otherwise be invalid because of their effect on native title, such as any land tenures granted or renewed before 1 January 1994 and any freehold and certain leasehold (including pastoral leases) granted or renewed before 23 December 1996 (see Section 2.2);
 - (d) the extinguishing effect on certain acts;
 - (e) requirements that must be complied with for a future dealing (an act carried out after 23 December 1996) that may affect native title rights (**Future Act**) to be valid under the **NTA** (**Future Act Provisions**); and
 - (f) compensation for impairment of native title rights and interests.
- (3) The **NTA** applies to land in respect of which native title rights and interests have not been extinguished by previous "extinguishing acts". Where acts are to be carried out over land and waters where native title has not been extinguished after 23 December 1996, the **Future Act Provisions** must be complied with.

2.2 Future Act Provisions

- (1) The **Future Act Provisions** apply to all **Future Acts** in areas where native title has not previously been wholly extinguished. If the relevant **Future Act Provisions** are not followed, the act may be invalid to the extent of its effect on native title.
- (2) The **Future Act Provisions** most commonly applicable to the grant of new mining and exploration licences are the "right to negotiate" indigenous land use agreements (**ILUA**) and the "expedited procedure". These are summarised below.

(a) Right to negotiate

- (i) The right to negotiate involves a structured process under which the tenement applicant, the relevant State government and any registered native title claimant or holders of native title rights must negotiate in good faith for six months, with a view to agreeing the terms on which the tenement can be granted.
- (ii) The tenement can be validly granted once agreement is reached (referred to as a section 31 agreement) or if the National Native Title Tribunal (NNTT) determines that the tenement may be granted. The section 31 agreement will often require the applicant for the tenement to be liable for any compensation that the parties agree to pay to the registered native title claimants and holders of native title. The parties may also agree on conditions that will apply to activities carried out on the tenement.

(b) Expedited procedure

- (i) If the government considers that the Future Act will have minimal impact on native title, the government may have the matter fast tracked by giving the necessary notifications to use the expedited procedure. If the expedited procedure is used, the Future Act can be done without negotiating with the native title parties.
- (ii) A tenement can be granted under expedited procedure if the grant:
 - (A) will not, and is not likely to, interfere directly with areas or sites of particular significance in accordance with their traditions to the holders of the native title in relation to the land, or
 - (B) is not likely to involve major disturbance to any land or waters concerned or create rights whose exercise is likely to involve major disturbance to any land.

If these requirements are satisfied, tenements may be granted without going through the right to negotiate procedure.

- (iii) The government may validly grant the tenement provided no objection to the grant of the tenement under the expedited procedure is made by the native title party.

(c) ILUA

- (i) An ILUA is a voluntary contractual arrangement between the relevant registered native title parties, government party and sometimes other parties (such as mining companies) about the use and management of land and waters.
- (ii) An ILUA must set out the terms on which a tenement can be granted. An ILUA must also specify the conditions on which activities may be carried out within the tenement.
- (iii) A mining tenement can be validly granted without compliance with other Future Act Provisions if an appropriate ILUA is registered which provides for consent to the grant and states that the right to negotiate does not apply.
- (iv) The Native Title Searches and the Tenement Searches show that a number of ILUAs exist in respect of some or all of the areas of each of the Tenements, and that a number of agreements have been entered into regarding native title in respect of the Tenements. Further details are set

out in Schedule 2. We have not received a copy of these ILUAs or these agreements and so cannot comment on the impact these arrangements would have on any future grant of a mining lease over any part of the area of the Tenements.

2.3 Native title claims

- (1) Persons claiming to hold native title may lodge an application for determination of native title with the Federal Court of Australia. The Court may then refer the application to the Native Title Registrar to determine if the application can be registered.
- (2) If the Native Title Registrar is satisfied that the application meets the registration requirements set out in the NTA (**Registration Test**), it will be entered on the Register of Native Title Claims maintained by the NNTT. Persons who are claimants in a registered claim have certain procedural rights under the Future Act Provisions.
- (3) Claims which fail to meet the Registration Test may be entered on the Register at a later date if additional information is provided to satisfy the Registration Test. If a claim fails to meet the Registration Test the claimants are not "native title parties" under the Future Act Provisions. This does not mean that the claim has been dismissed or discontinued.

2.4 Native title determinations

- (1) A native title determination is a declaration of the Federal Court of Australia as to whether native title exists in relation to a particular area which holds that particular native title, the rights and interests comprising the native title and the relationship between the native title rights and interests and other non-native title rights and interests (such as the interests of the tenement holder) in the area.
- (2) If native title is found to exist, the determined native title holders have procedural rights as "native title parties" under the Future Act Provisions.
- (3) The Native Title Searches show that native title has been determined to exist over some or all of the areas of each of the Tenements. Further details are set out in Schedule 2.

2.5 South Australia Native title regime

- (1) An exploration licence does not permit any operations on land that may be 'native title land' (as defined in the *Native Title (South Australia) Act 1994*) unless:
 - (a) the mining operations do not affect native title (ie they are not wholly or partly inconsistent with the continued existence, enjoyment or exercise of rights deriving from native title); or
 - (b) a declaration is made under the law of the state or the Commonwealth to the effect that the land is not subject to native title.
- (2) Alternatively, the licence holder may seek to obtain an 'agreement' or a 'determination' authorising exploration on the land.

3 Aboriginal heritage

- 3.1 The *Aboriginal and Torres Strait Islander Heritage Protection Act 1984* (Commonwealth) applies to the conduct of activities on the Tenements. This Act protects areas or objects declared to be of particular significance to Aboriginal persons or Torres Strait Islanders.
- 3.2 The *Aboriginal Heritage Act 1988* (South Australia) provides protection for all Aboriginal heritage sites in South Australia. A tenement holder must make practical and reasonable endeavours to find out if any Aboriginal heritage sites exist in the relevant area and ensure their activities do not harm any sites or objects.

- 3.3 The Aboriginal Heritage Searches show that Aboriginal heritage sites exist over some or all of the areas of the Tenements. Further details are set out in Schedule 2

4 Material Contracts

- 4.1 We have reviewed the Material Contracts, which comprise the HOA and the Royalty Deed, including the associated Deed of Assignment and Assumption – Royalty Interest – Newcrest Mining Limited between Newcrest, Peninsula and LAM (undated).

- 4.2 A summary of the Material Contracts is set out in Schedule 3

- 4.3 Our key comments are:

(1) HOA

- (a) the HOA gives LAM the right to earn up to a 75% interest in the Wudinna Tenements,
- (b) while the HOA is a legally binding agreement, it provides for the parties to negotiate and enter into formal binding agreements in respect of the farm-in and joint venture arrangements contemplated in the HOA. There is always a risk that the parties will not reach agreement, although the HOA sets out the key commercial terms for these proposed arrangements and provides for the AMPLA model agreements to be adopted by the parties in the event that they cannot reach agreement by an agreed target date;

(2) Royalty Deed

- (a) the Royalty Deed provides for LAM and Peninsula to pay a 1.5% net smelter return royalty to Newcrest in respect of all gold and minerals sold from some of the Wudinna Tenements. We are instructed by the Company that this royalty relates only to five of the six Wudinna Tenements (ie it does not relate to EL 6262 as this tenement was applied for after this deed was entered into). LAM and Peninsula agree to pay this royalty in proportion to their participating interests under the joint venture arrangements contemplated in the HOA, and
- (b) while the Royalty Deed and associated Deed of Assumption and Assignment provide for Newcrest to register mortgages and caveats over the Wudinna Tenements, the Tenement Searches do not show any mortgages or caveats.

5 Searches

- 5.1 We have conducted the following searches in respect of the Tenements

- (1) search of the Tenements on the registers maintained by DEM under the Mining Act on 27 March 2019, and a further search of EL 5953 and EL 6001 on the registers maintained by DEM under the Mining Act on 16 April 2019 (**Tenement Searches**);
- (2) obtained extracts of registered native title claims and native title determinations that apply to the Tenements, as determined by the NNTT on 28 March 2019 (**Native Title Searches**); and
- (3) search of the registered Aboriginal sites and other heritage places that overlap the Tenements on the online Aboriginal heritage inquiry system maintained by the South Australian Department of Premier and Cabinet on 3 April 2019 (**Aboriginal Heritage Searches**).

(together the **Searches**)

6 Assumptions and qualifications

6.1 This report is subject to the following assumptions:

- (1) the accuracy and completeness of all Searches, register extracts and other information or responses which were obtained from the relevant department or authority, including the NNTT;
- (2) that the registered holder of a Tenement has valid legal title to the Tenement;
- (3) the accuracy and completeness of any instructions or information which we have received from the Company or any of its officers, agents and representatives;
- (4) due and proper execution of, and proper authority to execute, all documents;
- (5) authenticity of all signatures, seals, duty stamps and other markings on documents made available to us;
- (6) the accuracy, completeness and conformity to originals of all documents made available to us;
- (7) unless apparent from our Searches or the information provided to us, we have assumed compliance with the requirements necessary to maintain a Tenement in good standing;
- (8) this report does not cover any third party interests, including encumbrances, in relation to the Tenements that are not apparent from our Searches and the information provided to us;
- (9) all facts stated in documents, and responses to requests for further information, and other material on which we have relied in this report are and continue to be correct, and no relevant matter has been misstated or withheld from us (whether deliberately or inadvertently); and
- (10) that there are no other documents or materials other than those which were disclosed to us and which we were instructed to review, which related to the matters examined.

6.2 Although nothing has come to our attention to lead us to believe that such assumptions are incorrect, we have not made any independent investigations in respect to the matters the subject of our assumptions.

6.3 This report is subject to the following qualifications:

- (1) the holding of the Tenements is subject to compliance with the terms and conditions and the provisions of the Mining Act;
- (2) in relation to each native title claim mentioned in this report, we do not express an opinion on the merits of such native title claim or an opinion as to the validity of any Tenement;
- (3) there may be native title or cultural heritage agreements of which we are not aware;
- (4) we have not sighted all executed counterparts of all native title or cultural heritage agreements noted in the Schedules, and have assumed each has been fully and properly executed;
- (5) the information in the Schedules is accurate as at the date of the relevant Searches. We do not comment on whether any changes have occurred in respect of the Tenements between the date of the Searches and the date of this report;
- (6) this report is based only upon the information and materials which are described in this report. There may be additional information and materials (of which we are unaware) which contradict or qualify that which we have described;

16 April 2019

 **NORTON ROSE FULBRIGHT**

- (7) a recording in the mining tenement register of a person's holding in a mining tenement is not absolute proof of that person's entitlement to the tenement. The mining tenement system is not based on a system of indefeasibility by registration.
 - (8) a registered mining tenement holder's entitlement to a tenement can be defective if there were procedural defects in the original grant of a tenement or if there are any subsequent dealings with a tenement. We are unable to confirm whether there are any such defects in the Tenements disclosed in this report without a detailed review of the register for each Tenement and other matters.
 - (9) this report relates only to the laws of South Australia and the Commonwealth of Australia in force at the date of this report and we do not express or imply any opinion as to the laws at any other time or of any other jurisdiction;
 - (10) in the performance of our enquiries for this report, we have acted on the Company's written and oral instructions as to the manner and extent of enquiries to be conducted; and
 - (11) this report is strictly limited to the matters it deals with and does not extend by implication or otherwise to any other matter
- 6.4 In preparing this report, we have not reviewed the conditions applicable to each Tenement. Please let us know if you would like us to do this.

Yours faithfully



Liz Allnutt
Partner
Norton Rose Fulbright Australia
Contact: Sarah Lilly

Schedule 1 – Tenements summary

Tenement	Type	Registered holder	Grant date	Term	Expiry date/initial term	Mortgaged/ caveated/ bundle	Comments
Wudinna Tenements							
EL 5615	Exploration Licence	Peninsula Resources Limited	25/03/2015	5 years	24/03/2020	-	1 Expenditure conditions: \$210,000.00 during the period 25 March 2017 to 24 March 2020.
							2 Subject to Heads of Agreement - Wudinna Gold Project – Farm-In and Joint Venture between Andromeda Metals Limited, Peninsula Resources Limited and Lady Alice Mines Pty Ltd
EL 5953	Exploration Licence	Peninsula Resources Limited	19/04/2017	5 years	18/04/2022	-	1 Expenditure conditions: \$1,200,000.00 during the period 19 April 2019 to 18 April 2022.
							2 Subject to Heads of Agreement - Wudinna Gold Project – Farm-In and Joint Venture between Andromeda Metals Limited, Peninsula Resources Limited and Lady Alice Mines Pty Ltd
EL 6001	Exploration Licence	Peninsula Resources Limited	14/02/2017	5 years	13/02/2022	-	1 Expenditure conditions: \$1,080,000.00 during the period 14 February 2019 to 13 February 2022.
							2 Subject to Heads of Agreement - Wudinna Gold Project – Farm-In and Joint Venture between Andromeda Metals Limited, Peninsula Resources Limited and Lady Alice Mines Pty Ltd

Tenement	Type	Registered holder	Grant date	Term	Expiry date/renewal	Monies/ cavals/ bonals	Comments
EL 6131	Exploration Licence	Peninsula Resources Limited	12/07/2017	2 years	11/07/2019 Renewal application will need to be lodged at least one month prior to the expiry of the exploration licence ie by 11 June 2019. Note partial surrender of tenement area effective 1 April 2019 (1,372 km ² to 1,289 km ²).	Bond 1074 - \$10,000	<p>Alice Mines Pty Ltd</p> <p>1 Expenditure conditions: \$1,320,000.00 during the term of the licence</p> <p>2 Subject to Heads of Agreement - Wudinna Gold Project - Fami-In and Joint Venture between Andromeda Metals Limited, Peninsula Resources Limited and Lady Alice Mines Pty Ltd.</p> <p>3 Subject to Deed of Novation between Peninsula Resources Limited, Quasar Resources Pty Ltd and Elliot McNamara and Barry Croft (formerly Lorraine Dare & Howard Richards) on behalf of the claimants</p> <p>4 Subject to Work Area Clearance Agreement between Quasar Resources Pty Ltd and Lorraine Dare & Howard Richards on behalf of the Barragalla Native Title Claimants.</p> <p>5 Subject to Deed of Variation between Peninsula Resources Limited and Elliot McNamara and Barry Croft (Barragalla).</p> <p>6 Subject to Deed of Assumption - Quasar Resources Pty Ltd and Peninsula Resources Limited - Gawler Ranges Mineral Exploration LUA.</p> <p>7 Acceptance Document to the Gawler Ranges ILUA (undated) signed by Quasar Resources as Joint Venture Operator and/or holder of the exploration licences, received on 6 September 2007.</p>

Tenement	Type	Registered holder	Grant date	Term	Expiry date/renewal	Mineral rights/ caveats/ bonits	Comments
EL 6252	Exploration Licence	Peninsula Resources Limited	01/10/2018	2 years	30/09/2020		1 Expenditure conditions: \$640,000.00 during the term of the licence
							2 Subject to Heads of Agreement - Wudinna Gold Project - Farmin and Joint Venture between Andromeda Metals Limited, Peninsula Resources Limited and Lady Alice Mines Pty Ltd.
EL 6317	Exploration Licence	Peninsula Resources Limited	16/12/2018	2 years	15/12/2020 Note partial surrender of tenement area effective 1 April 2019 (186 km ² to 157 km ²).		1 Expenditure conditions: \$800,000.00 during the term of the licence
							2 Subject to Heads of Agreement - Wudinna Gold Project - Farmin and Joint Venture between Andromeda Metals Limited, Peninsula Resources Limited and Lady Alice Mines Pty Ltd.
							3 Acceptance Document to the Gawler Ranges ILUA (undated) signed by Quasar Resources as Joint Venture Operator and/or holder of the exploration licences, received on 6 September 2007.
Prince Alfred Tenement							
EL 6016	Exploration Licence	Lady Alice Mines Pty Ltd	28/09/2017	2 years	27/09/2019 Renewal application will	- ;	1 Expenditure conditions: \$130,000.00 during the terms of the licence.

Tenement	Type	Registered holder	Grant date	Term	Expiry date/renewal	Mineral rights/ caveats/ bonds	Comments
					need to be lodged at least one month prior to the expiry of the exploration licence ie by 27 August 2019.		2 Form 27 (Notice initiating negotiations with Native Title parties) ¹ lodged 18/12/2017 - NT 18/2017 ERD N19/2017.
							3 Form 27 (Notice initiating negotiations with Native Title parties) lodged 18/12/2017 - NT 19/2017 ERD N20/2017.

¹ Form 27 (Notice initiating negotiations with Native Title parties) is used to notify native title parties of an intention to seek a native title mining agreement under Part 9B of the Mining Act.

Schedule 2– Native Title and Aboriginal Heritage summary

Tenement	ILUAs	Native Title Agreement	Native Title Determinations	Aboriginal Heritage Notes
EL 5615	-	-	Subject to Barnagala Native Title Claim (NNTT file number SCD2016/001).	-
EL 5953	-	-	Subject to Barnagala Native Title Claim (NNTT file number SCD2016/001)	Subject to reported Archaeological / Burial / Historic / Cultural / Scattered Tree Site (Aboriginal Affairs and Reconciliation (AAR) site number 5932-4203).
			-	Subject to two reported Cultural Sites (AAR site numbers 5932-5032 and 5932-5046).
		-	-	Subject to one registered Quamy Site (AAR site number 5932-2337).
EL 6001	-	-	Subject to Barnagala Native Title Claim (NNTT file number SCD2016/001)	Subject to one reported Archaeological / Historic Site (AAR site number 6031-3930).
EL 6131	Subject to Gawler Ranges Mineral Exploration ILUA (NNTT file number SI2012/001)	Subject to Deed of Novation between Peninsula Resources Limited, Quasar Resources Pty Ltd and Elliot McNamara and Barry Croft (formerly Lorraine Dare & Howard Richards) on behalf of the claimants	Subject to claim by Gawler Ranges People (NNTT file number SCD2016/005).	Subject to one registered Cultural Site (AAR site number 6132-2609).
	Subject to Gawler Ranges National Park ILUA (NNTT file number SI2012/001).	Subject to Work Area Clearance Agreement between Quasar Resources Pty Ltd and Lorraine Dare & Howard Richards on behalf of the Barnagala Native Title Claimants	Subject to Barnagala Native Title Claim (NNTT file number SCD2016/001)	-

Segment	ILUAs	Native Title Agreements	Native Title Determinations	Aboriginal Heritage Sites
EL 6262	Gawler Ranges Native Title Claim Settlement ILUA (NNTT file number SI2012/004)	Subject to Deed of Variation between Peninsula Resources Limited and Eliot McNamara and Barry Croft (Barragula).	-	-
	-	Subject to Deed of Assumption - Quasar Resources Pty Ltd and Peninsula Resources Limited - Gawler Ranges Mineral Exploration ILUA	-	-
	-	Acceptance Document to the Gawler Ranges ILUA (undated) signed by Quasar Resources as Joint Venture Operator and/or holder of the exploration licences, received on 6 September 2007	-	-
	Subject to Gawler Ranges Mineral Exploration ILUA (NNTT file number SI2004/004)	-	Subject to Gawler Ranges People claim (NNTT file number SCD2011/005).	Subject to one registered Cultural Site (AAR site number 0034-8742).
	Subject to Yarna Pastoral ILUA (NNTT file number SI2008/008)	-	-	-
	Subject to Laka Everard Pastoral ILUA (NNTT file number SI2008/013).	-	-	-
	Subject to Gawler Ranges - Moonaree Pastoral ILUA (NNTT file number SI2009/003).	-	-	-
	Subject to Gawler Ranges Native Title Claim Settlement ILUA (NNTT file number SI2012/004).	-	-	-

License	IL As	Native Title Agreements	Native Title Determinations	Aboriginal Heritage Sites
EL 6317	Subject to Gawler Ranges Mineral Exploration ILUA (NNTT file number S12004/004).	Acceptance Document to the Gawler Ranges ILUA (undated) signed by Quasar Resources as Joint Venture Operator and/or holder of the exploration licences, received on 6 September 2007	Subject to Gawler Ranges People claim (NNTT file number SCD2011/005)	.
	Subject to Gawler Ranges Native Title Claim Settlement ILUA (NNTT file number S12012/004)	-	Subject to Barngarla Native Title Claim (SCD2016/001).	.
EL 6016	-	Form 27 (Notice initiating negotiations with Native Title parties) ² lodged 18/12/2017 - NT 18/2017 ERD N20/2017.	Subject to Adnyamathanha, Ngadju and Wilyakali Overlap Claim (NNTT file number SCD2018/002).	.
	-	Form 27 (Notice initiating negotiations with Native Title parties) lodged 18/12/2017 - NT 19/2017 ERD N20/2017	.	.

² Form 27 (Notice initiating negotiations with Native Title parties) is used to notify native title parties of an intention to seek a native title mining agreement under Part 9B of the Mining Act.

Schedule 3 – Material Contracts summary

Document	Comments
<p>Heads of Agreement – Wudinna Gold Project – Earn-In and Joint Venture between Andromeda Metals Limited (ADM), Peninsula Resources Limited (Peninsula) and Lady Alice Mines Pty Ltd (LAM) dated 30 October 2017 (HQA)</p>	<p>Provides for LAM to earn up to a 75% interest in the "Wudinna Gold Camp Project" and the Wudinna Tenement areas by undertaking certain work and expenditure in three stages.</p> <p>Parties intend to enter into formal legal binding agreements to effect the earn-in and joint venture arrangements and development of the "Wudinna Gold Camp Project" within a 3 month period once the minimum expenditure obligation of \$100,000 is met</p> <p>The key commercial terms to be included in these formal agreements include:</p> <p>Once LAM has satisfied the earn-in obligation, Peninsula is to transfer a participating interest in the project to LAM and an unincorporated joint venture shall be formed with the satisfaction of the first earn-in obligation</p> <p>Stage 1 requires sole fund expenditure of \$2,100,000 over a three year period for LAM to earn a 50% participating interest in the project.</p> <p>Stage 2 requires sole fund expenditure to \$3,750,000 over a 5 year period for LAM to increase to 65% its participating interest in the project (additional 15%).</p> <p>Stage 3 requires sole fund expenditure to \$5,000,000 over a 6 year period for LAM to increase to 75% its participating interest in the project (additional 10%).</p> <p>Compulsory acquisition will occur where a party's participating interest in the project falls below 5%</p> <p>Subject to the cap of the earn-in obligations, LAM must undertake at its cost and in consultation with Peninsula all work necessary to progress the project and determine the work program for the earn-in period, including obtaining all necessary permits, approvals, access agreements, conducting feasibility studies, conducting exploration and drilling required for the studies and preparing cost estimates.</p>

	<p>LAM is responsible for managing all work during the earn-in period. LAM requires Peninsula's prior written consent before contacting landowners, native title parties, aboriginal communities and other regional stakeholders. LAM also requires Peninsula's prior written consent before making an application for approvals, permits, leases or licences with the Department of Premier and Cabinet.</p> <p>LAM may withdraw from the transaction without penalty or interest after it has spent a minimum expenditure of \$100,000, subject to completion of rehabilitation, reporting and payment of landowner compensation.</p> <p>A management committee will be established upon forming the joint venture, comprising 2 nominees from each party. The nominees will have voting power equivalent to their appointing party's participating interest in the joint venture. Some management committee decisions require a special majority of 65% and others require unanimous consent. LAM will be the manager of the management committee during the earn-in period and while it has not less than a 50% participating interest in the project.</p> <p>LAM must indemnify ADN and Peninsula for all third party claims brought against either party in respect of any of LAM's activities on or in respect of the project and tenement area during the earn-in period.</p> <p>LAM is liable for all environmental or rehabilitation obligations in respect of the project and tenement area arising from the farm-in work program. LAM is responsible for providing 50% of the existing bonds and all of any additional bonds that may be required in order to carry out works in the tenement area.</p> <p>ADN must indemnify LAM for all liabilities, losses, damages, outgoings, costs and expenses incurred by LAM arising from any of ADN's activities on or in respect of the project and tenement area during the earn-in period as contracted operator. However ADN will not be liable for action undertaken at the direction of LAM if undertaken in a proper manner or for rehabilitation obligations where LAM provides insufficient funds to ADN.</p> <p>The HOA may be terminated at any time by either party if the other party is in material breach of a material term of the HOA and notice is given, or by notice if a court or other government</p>
--	---

Document	<p data-bbox="188 1153 212 1283">Lodged</p> <p data-bbox="225 338 248 1283">agency has issued an order which permanently resins or prohibits the transaction.</p> <p data-bbox="268 226 352 1283">Adelaide Exploration agreed to grant the royalty to Newcrest and agreed to grant Newcrest the mortgages over the tenements as security for payment of the royalty. Newcrest may also lodge caveats against the tenements.</p> <p data-bbox="400 226 456 1283">Adelaide Exploration shall pay the royalty to Newcrest as and from the royalty commencement date being the date on which gold and or minerals are first produced from the tenements.</p> <p data-bbox="504 226 592 1283">Adelaide Exploration is to provide to Newcrest its calculation and payment of the royalty on a quarterly basis within 20 business days of the end of each quarter. The royalty payable is exclusive of GST and is 1.5% of the net smelter return in relation to gold and minerals.</p> <p data-bbox="635 226 810 1283">This deed applies to tenements: EL 2305 (now expired), 2342 (now EL6317, 2486 (now expired), 2669 (now EL 5615), 2752 (now expired), 2806 (now expired), 2044 (now expired), 2845 (now EL5953), 2869 (now EL 6131) and 2846 (now EL 6001) (except a portion that comprises an area called 'Warramboe Area'). We are instructed by the Company that this royalty relates only to five of the six Wudinna Tenements (ie it does not relate to EL 6262 as this tenement was applied for after this deed was entered into).</p> <p data-bbox="858 226 943 1283">Adelaide Exploration may terminate the deed by giving 20 business days' written notice, provided that it has maintained the tenements in good standing on a pro rata basis at the time of notice.</p> <p data-bbox="991 226 1106 1283">Adelaide Exploration may assign its interests or obligations under the deed or tenements with the written consent of Newcrest, provided that the proposed assignee enters into a deed agreeing to be bound by the provisions of the deed to the extent of the assignment, and Adelaide Exploration delivers to Newcrest an executed and stamped replacement mortgage.</p> <p data-bbox="1153 226 1209 1283">Newcrest may assign the whole or part of its rights, benefits and obligations in respect of the royalty to any third person.</p> <p data-bbox="1257 226 1313 1283">As tenements the subject to the deed are replaced and converted into other tenements, a mortgage is to be executed over the new tenements.</p> <p data-bbox="1329 226 1385 1283">Peninsula absolutely assigned to LAM all legal and beneficial rights to and benefits in the Royalty Deed.</p>
<p data-bbox="268 1346 384 1984">Royalty Deed between Newcrest Mining Limited (Newcrest), Adelaide Exploration Limited (Adelaide Exploration) and Adelaide Resources Limited (Adelaide Resources) dated 13 February 2002 (Royalty Deed)</p> <p data-bbox="1329 1346 1385 1984">Deed of Assignment and Assumption between Peninsula Resources Limited (Peninsula), Lady Afko Mines Pty Ltd</p>	

Document	Commitment
(LAM) and Newcrest Mining Limited (Newcrest) (undated)	<p>LAM agrees to be bound by, and observe and perform the terms of the Royalty Deed to the extent of the assigned interest.</p> <p>Newcrest and LAM released and discharged Peninsula from Peninsula's obligations and all claims arising on or after the interest change date under the HQA</p> <p>The parties acknowledge and agree that the royalty (described above) is payable by LAM.</p> <p>Note that we have not received a copy of the deed dated 25 July 2007 between Newcrest, Adelaide Exploration and Peninsula pursuant to which Peninsula assumed Adelaide Exploration's obligations under the Royalty Deed.</p>

SRK Report Client Distribution Record

Project Number: CBR001

Report Title: Competent Persons' Report on the Prince Alfred Project, South Australia

Date Issued: 21 December 2019

Name/Title	Company
Craig Moulton, Managing Director	Cobra Resources plc

Rev No.	Date	Revised By	Revision Details
0	02/05/2019	B De Waele	Report
1	23/05/2019	Michael Cunningham	Final Report
2	30/05/2019	Michael Cunningham	Updated Final Report
3	08/07/2019	Alex Aitken	Updated Final Report
4	14/10/2019	Bert De Waele	Updated Final Report
5	21/12/2019	Bert De Waele	Updated Final Report

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Competent Persons' Report on the Wudinna Project, South Australia

Report Prepared for

Cobra Resources plc



Report Prepared by



SRK Consulting (Australasia) Pty Ltd

CBR001

December 2019

Competent Persons' Report on the Wudinna Project, South Australia

Cobra Resources plc

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SRK Project Number CBR001

December 2019

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Authors:

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21 December 2019

The Directors
Cobra Resources plc
Suite A, 6 Honduras Street
London, EC1Y 0TH, UK

The Directors
Orrick, Herrington & Sutcliffe (UK) LLP
107 Cheapside
London, EC2V 6DN, UK

Dear Sirs

Cobra Resources plc – Competent Persons’ Report - Wudinna Project

At your request, SRK Consulting (Australasia) Pty Ltd (SRK) has prepared a Competent Persons’ Report (CPR) for Cobra Resources plc (Cobra or the Company) in support of the Company’s proposed acquisition of 100% of the units in the Lady Alice Trust and the entire issued share capital of Lady Alice Mines Pty Ltd in a reverse takeover (RTO).

SRK has been informed that Cobra is intending to submit a prospectus as part of the RTO on the London Stock Exchange’s Main Market (Re-admission).

The Lady Alice Trust is the sole owner of:

- 100% interest in South Australian Exploration Licence (EL) 6016 (the Prince Alfred Project)
- The right to earn a 75% equity interest in six large exploration tenements near Wudinna in South Australia for gold exploration (Wudinna Project), under the terms of an agreement with a joint venture between Andromeda Metals Limited (Andromeda), a company listed on the Australian Securities Exchange (ASX), and Peninsula Resources Limited.

The CPR details the mineral assets, geology, previous exploration and proposed exploration programs within the Wudinna Project. A separate CPR discusses the mineral assets of the Prince Alfred Project.

The CPR was compiled by Mr Alex Aitken, BSc (Hons), MAIG, Senior Consultant (Geology), Dr Michael Cunningham, PhD, MAIG, MAusIMM, Principal Consultant, and Dr Bert De Waele, PhD, FAusIMM, FAIG, Principal Consultant, all of SRK’s Perth office. Mr Aitken, Dr Cunningham and Dr De Waele are full-time employees of SRK and have sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration, and to the activity to which each is undertaking, to qualify as a ‘Specialist’ and a ‘Competent Person’ under the VALMIN Code (2015) and JORC Code (2012), respectively. Mr Aitken, Dr Cunningham and Dr De Waele consent to the inclusion in the Prospectus for Cobra of the matters based on this information in the form and context in which they appear.

Standard of the Report

The CPR has been prepared in accordance with the European Securities and Markets Authority (ESMA) guidelines as presented in ‘The consistent implementation of Commission Regulation (EC) No 809/2004 implementing the Prospectus Directive’ (ESMA 2013/319) dated 20 March 2013 (the ESMA Recommendations). Under these recommendations, reporting in accordance to the JORC Code (2012) and VALMIN Code (2015) mineral reporting codes (as defined herewith in) is permissible.

This Report has been prepared to the standard of, and is considered by SRK to be, a Technical Assessment Report under the guidelines of the JORC and VALMIN Codes. Both the JORC and VALMIN Codes are binding upon all members of the Australasian Institute of Mining and Metallurgy (AusIMM) and Australian Institute of Geoscientists (AIG). The VALMIN Code incorporates the JORC Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves.

This Report is not a Valuation Report and does not express an opinion regarding the value of the mineral assets or tenements involved, nor to the 'fairness and reasonableness' of any transaction between the Company and any other parties.

Statement of SRK independence

Neither SRK, nor any of the authors of this Report, have any material present or contingent interest in the outcome of this Report, nor do they have any pecuniary or other interest that could be reasonably regarded as being capable of affecting their independence or that of SRK.

SRK has no prior association with the Company concerning the mineral assets that are the subject of this Report. SRK has no beneficial interest in the outcome of the technical assessment being capable of affecting its independence. SRK's fee for completing this Report is based on its normal professional daily rates plus reimbursement of incidental expenses. The payment of that professional fee is not contingent upon the outcome of the Report.

SRK is not a sole trader and is qualified under the ESMA Recommendations to provide such reports for the purposes of inclusion in public company prospectuses and admission documents. The effective date of the CPR is 21 December 2019 (see Section 1.2 for further details).

Information basis of the CPR

For the preparation of the CPR, Cobra has made available all relevant information held by the Company. SRK has supplemented this information, where necessary, with information from its own geological databases, or information available within the public domain. The principal sources of information are included in a reference list at the end of the CPR. The CPR includes information available up to the date of the CPR. Cobra has stated that all information provided may be presented in the CPR and that none of the information is regarded as being confidential.

No site visit has been undertaken by SRK as the project is an advanced exploration project and a site visit was not likely to reveal additional information material to the CPR. SRK conducted background research, including searches of government datasets and public domain data sources. The work included a review of Cobra's proposed exploration program and budget.

Legal matters

SRK has not been engaged to comment on any legal matters. SRK notes that it is not qualified to make legal representations regarding the ownership and legal standing of the tenement licences that are the subject of the CPR. SRK has not attempted to confirm the legal status of the tenements with respect to acquisition or joint venture agreements, permits, local heritage or potential environmental or land access restrictions. SRK has instead relied on information provided by Cobra. SRK has prepared the CPR on the understanding that all the tenements of Cobra are currently in good standing.

SRK understands that the current ownership status and legal standing of the tenements are dealt with in a separate title report provided by lawyers to the Company as disclosed in the Independent Solicitor's Report, included as an Appendix B to this Report.

Warranties and indemnities

Cobra has warranted, in writing to SRK, that full disclosure has been made of all material information and that, to the best of its knowledge and understanding, such information is complete, accurate and true. As recommended by the VALMIN Code, Cobra has provided SRK with an indemnity under which SRK is to be compensated for any liability and/ or any additional work or expenditure resulting from any additional work required:

- which results from SRK's reliance on information provided by Cobra or from Cobra not providing material information; or
- which relates to any consequential extension workload through queries, questions or public hearings arising from the CPR.

Consulting fees

SRK's estimated fee for completing the CPR is based on its normal professional daily rates plus reimbursement of incidental expenses. The fees are agreed based on the complexity of the assignment, SRK's knowledge of the assets and availability of data. The fee payable to SRK for this engagement, including the CPR for the Prince Alfred Project, is estimated at approximately A\$30,000. The payment of this professional fee is not contingent upon the outcome of the proposed re-admission.

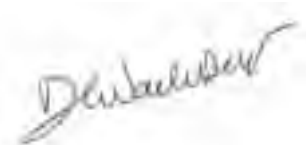
Consent

SRK has given and has not withdrawn its written consent for the CPR to be used for the purposes of the RTO, including publication on Cobra's company website. This consent also covers the inclusion of statements made by SRK and references of its name in other documents pertaining to the RTO. SRK provides this consent on the basis that the technical assessments expressed in the Summary and in the individual sections of the CPR be considered with, and not independently of, the information set out in the complete CPR and the Cover Letter.

SRK confirms that to the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case), the information contained in the CPR is in accordance with the facts and does not omit anything likely to affect the import of such information.

SRK confirms that nothing has come to its attention to indicate any material change to what is reported in the CPR. SRK also confirms that it has reviewed the information contained elsewhere within the admission documentation relating to the information contained within the CPR and confirms that the information presented is accurate, balanced, complete and not inconsistent with the CPR.

Yours faithfully



SRK Consulting (Australasia) Pty Ltd

Bert De Waele FAusIMM, FAIG

Principal Consultant (Geology)

21 December 2019

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Appendix A: Summary of Previous Work

Appendix B: Independent Solicitor's Report

Disclaimer

The opinions expressed in this Report have been based on the information supplied to SRK Consulting (Australasia) Pty Ltd (SRK) by Cobra Resources plc (Cobra). The opinions in this Report are provided in response to a specific request from Cobra to do so. SRK has exercised all due care in reviewing the supplied information. While SRK has compared key supplied data with expected values, the accuracy of the results and conclusions from the review are entirely reliant on the accuracy and completeness of the supplied data. SRK does not accept responsibility for any errors or omissions in the supplied information and does not accept any consequential liability arising from commercial decisions or actions resulting from them. Opinions presented in this Report apply to the site conditions and features as they existed at the time of SRK's investigations, and those reasonably foreseeable. These opinions do not necessarily apply to conditions and features that may arise after the date of this Report, about which SRK had no prior knowledge nor had the opportunity to evaluate.

List of Abbreviations

Term	Meaning
A\$	Australian dollar
AIG	Australian Institute of Geoscientists
Andromeda	Andromeda Metals Limited
Asl	Above sea level
AusIMM	Australasian Institute of Mining and Metallurgy
Au	Gold
Au-Cu	Gold-copper
BHP	BHP Minerals Ltd
BIF	Banded Iron Formation
BLEG	bulk leach extractable gold
Cobra	Cobra Resources plc
CPR	Competent Persons' Report
CRM	Certified Reference Material
CSIRO	The Commonwealth Scientific and Industrial Research Organisation
Cu	Copper
DD	Diamond core
DEWNR	Department of Environment, Water and Natural Resources
DMP	Government of Western Australia Department of Mines and Petroleum
DPA	United Kingdom - Data Protection Act 1998
DPC	Department of Premier and Cabinet
Dyke	A narrow tabular intrusive rock body
EL	Exploration Licence
ESMA	European Securities and Markets Authority
Fault	A fracture in earth materials, along which the opposite sides has been displaced parallel to the plane of the movement
G	gram
g/t	grams per tonne
Geophysics	The study of the Earth using quantitative physical methods to measure its electrical conductivity, gravitational and magnetic fields
Granite	An acid intrusive rock
Granodiorite	A type of granitic rock with abundant feldspar
Granulite	An equigranular coarse-grained metamorphic rock
Greenstone belt	Precambrian supracrustal rocks that include komatiite, basalt, andesite, and sedimentary rocks
GRV	Gawler Range Volcanics
GSL	Geological Society of London
Igneous	An igneous rock formed entirely within the Earth's crust
ILUA	Indigenous Land Use Agreements
Intermediate igneous rock	An igneous rock with roughly even mixtures of felsic minerals (mainly plagioclase) and mafic minerals (mainly hornblende, pyroxene and/ or biotite). There is little or no quartz
Intrusive	An igneous rock formed entirely within the Earth's crust
IOCG	Iron Oxide Copper Gold

Term	Meaning
IP	induced polarisation
JORC Code	Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves
Lady Alice	Lady Alice Mines Pty Ltd
Ma	Millions of years ago
Magmatic	Formed from molten rock
mE	metres East
Meta-	A prefix used to indicate the precursor rock type of a metamorphic rock
Metamorphic rock	A rock altered by temperature and pressure within the earth
Mineral Resource	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 is reasonable prospect for eventual economic extraction. The location, quantity, grade (or quality), continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge including sampling. Mineral Resources are sub-divided in order of increasing geological confidence into Inferred, Indicated and Measured categories.
Mineralisation	Geological occurrence of mineral of potential economic interest
ML	Mining Lease
mN	metres North
NE	northeast
NW	northwest
Oz	Ounces (one troy ounce is 31.1034768 grams)
Porphyry	An intermediate or acid igneous rock of fine-grained size, with some larger crystals, usually feldspar, scattered in the finer-grained groundmass
Ppb	Parts per billion
Ppm	Parts per million
Proterozoic	The Proterozoic is a geological eon representing the time before proliferation of complex life on Earth. The Proterozoic Eon extended from 2,500 Ma to 541 Ma and is the most recent part of the Precambrian Supereon. It is subdivided into three geologic eras: the Paleoproterozoic, Mesoproterozoic, and Neoproterozoic.
QA/QC	Quality Assurance - Quality Control
Quartz	A silica-rich mineral SiO ₂
RAB	Rotary air blast
RC	Reverse circulation
RTO	Reverse Takeover
Sadex	Sadex Pty Ltd
SARIG	South Australian Resources Industry Gateway
Sb	Stibnite
SEC	United States Securities and Exchange Commission
Shear zone	Structural deformation of rock by shearing stress under brittle-ductile or ductile conditions at depths in high pressure metamorphic zones
Silicified	A rock altered by addition of quartz
Siltstone	A fine-grained granular sedimentary rock
SRK	SRK Consulting (Australasia) Pty Ltd
SRTM	Shuttle Radar Topographic Mission
Stockdale	Stockdale Prospecting Limited

Term	Meaning
Syn	Synchronous
TMI	Total Magnetic Intensity
USGS	United States Geological Survey
VALMIN Code	Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets
Volcanic	Formed by or associated with a volcano
VMS	volcanogenic massive sulphide
Volcaniclastic	Debris or rock formed from volcanic eruptions
µm.	micron

Executive Summary

Cobra Resources plc (Cobra or the Company) has entered into an agreement in which it proposes the acquisition of 100% of the units in the Lady Alice Trust and the entire issued share capital of Lady Alice Mines Pty Ltd in a reverse takeover (RTO or Proposed Transaction).

SRK Consulting (Australasia) Pty Ltd (SRK) was commissioned by Cobra to prepare a Competent Persons' Report (CPR) on the Wudinna Project (the Project) in accordance with the European Securities and Markets Authority (ESMA) Recommendations. The CPR has been addressed to Cobra and upon notification will be readdressed to the Company's nominated advisor under the ESMA Recommendations. The Mineral Resources and Ore Reserve estimates for the Project are reported in accordance to the JORC Code 2012 (and the VALMIN Code 2015, as appropriate), as the relevant Standard, as defined by the ESMA Recommendations.

SRK personnel responsible for the preparation and review of the CPR are Mr Alex Aitken (Senior Consultant – Geology), Dr Michael Cunningham (Principal Consultant – Geology), Dr Bert De Waele (Principal Consultant – Geology) and Ms Karen Lloyd (Associate Principal Consultant – Project Evaluation). Mr Aitken, Dr Cunningham and Dr De Waele are the principal authors of the CPR, which has been reviewed by Ms Lloyd.

In preparing the CPR, the authors have relied on information provided by Cobra, on information available in the public domain including that by holders of adjacent tenement areas, as well as information sourced from research papers by various academic and government institutions.

SRK has endeavoured, by making all reasonable enquiries, to confirm the authenticity, accuracy and completeness of the technical data upon which this Report is based.

Mineral Assets

The CPR relates to the Wudinna Project in South Australia, which comprises six granted Exploration Licences (ELs) – EL 5953, EL 5615, EL 5381, EL 6131, EL 6262 and EL 6001 (Tenements) for a total area of 2,027 km² (Table ES-1).

Table ES-1: Summary table of assets

Asset	Holder	Interest (%)	Licence expiry date	Licence area (km ²)	Comments	Minimum expenditure
EL 6317	Peninsula Resources Limited	100	15/12/2020	186	Pinkawillinie area ~60 km northwest of Kimba	\$800,000
EL 5615	Peninsula Resources Limited	100	24/03/2020	42	Wudinna Hill area - ~130 km east-southeast of Streaky Bay	\$210,000
EL 5953	Peninsula Resources Limited	100	18/04/2022	184	Minnipa area - ~80 km east of Streaky Bay	\$800,000
EL 6001	Peninsula Resources Limited	100	13/02/2022	147	Waddikee Rocks area – ~160 km southeast of Streaky Bay	\$720,000
EL 6131	Peninsula Resources Limited	100	11/07/2022	1372	Corrobinnie, Pinkawillinie area ~150 km east of Streaky Bay	\$1,320,000
EL 6262	Peninsula Resources Limited	100	30/09/2020	96	Lake Acraman area ~140 km northeast of Streaky Bay	\$640,000

The Tenements are currently held by Peninsula Mines Ltd that is a wholly owned subsidiary of Andromeda Metals Ltd. There is an agreement in place between Andromeda Metals Ltd, with Lady Alice to earn a 75% interest in the project after 5 years with a total spend of A\$5 million.

The Wudinna Project has several gold prospects within the tenements, including Barns, Baggy Green and White Tank, with historical and updated Mineral Resource estimates. A significant amount of exploration and research has taken place in the Project area, with data including surface geochemical samples, drilling and geophysical surveys.

Table ES-2:2, Table ES-3 and Table ES-4 provides the Mineral Resource estimates for the Project which have been reported in accordance with the JORC Code 2012 guidelines.

Table ES-2: Mineral Resources for the Wudinna Project – Barns deposit

Barns deposit - Wudinna Project - Mineral Resources (100% basis)			
Classification	Tonnes (kt)	Grade (g/t Au)	Gold ounces
Indicated	410	1.4	18,000
Inferred	1,710	1.5	86,000
Total	2,210	1.5	104,000

Table ES-3: Mineral Resources for the Wudinna Project – White Tank deposit

White Tank deposit - Wudinna Project - Mineral Resources (100% basis)			
Classification	Tonnes (kt)	Grade (g/t Au)	Gold ounces
Inferred	280	1.4	13,000
Total	280	1.4	13,000

Table ES-4: Mineral Resources for the Wudinna Project – Baggy Green deposit

Baggy Green deposit - Wudinna Project - Mineral Resources (100% basis)			
Classification	Tonnes (kt)	Grade (g/t Au)	Gold ounces
Inferred	2,030	1.4	94,000
Total	2,030	1.4	94,000

Source: Optiro Consultants (March 2019).

*Notes: Appropriate rounding applied; reported above a cut-off grade of 0.5 g/t Au.

In SRK's opinion, the Mineral Resource estimates reported for the Wudinna Project have been prepared to a sufficient quality standard and are acceptable as a reasonable representation of global grades and tonnages at the Project.

Project Development Strategy

Cobra has identified 14 geochemical targets at the Project which it considers to be prospective for gold mineralisation. A proposed three-phase geochemical sampling program has been designed to validate these targets, in particular targets ANC#3 (Barns and White Tank) and ANC#1 (Baggy Green) (Figure ES-1).

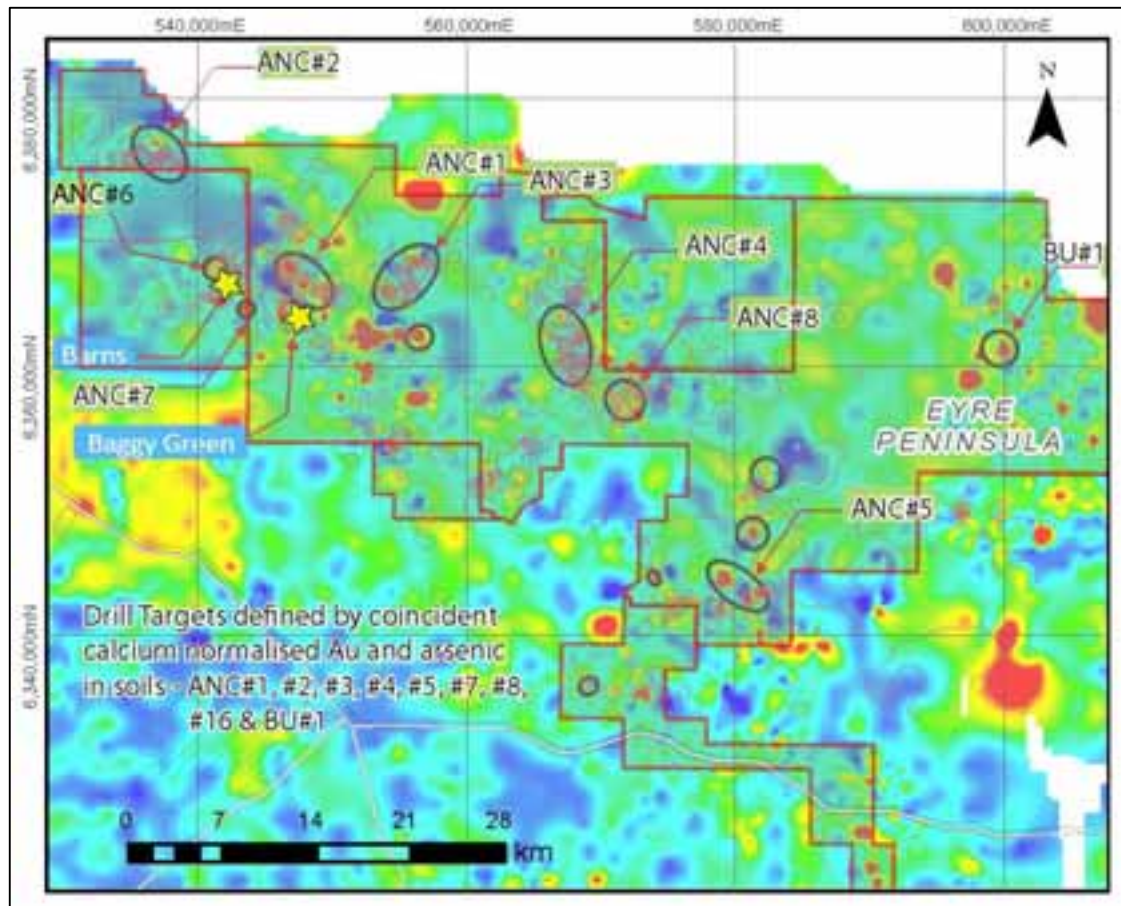


Figure ES-1: Geochemical drill targets

The 12-month budget for the planned exploration program is approximately A\$190,000. SRK considers that this budget is reasonable.

1 Introduction

Cobra Resources plc (Cobra or the Company) has entered into an agreement in which it proposes the acquisition of 100% of the units in the Lady Alice Trust and the entire issued share capital of Lady Alice Mines Pty Ltd in a reverse takeover (RTO or Proposed Transaction).

SRK Consulting (Australasia) Pty Ltd (SRK) was commissioned by Cobra to prepare a Competent Persons Report (CPR) on the Prince Alfred Project in accordance with the European Securities and Markets Authority (ESMA) Recommendations.

The Lady Alice Trust is the sole owner of:

- 100% interest in South Australian Exploration Licence (EL) 6016 (the Prince Alfred Project)
- The right to earn a 75% equity interest in six large exploration tenements near Wudinna in South Australia for gold exploration (Wudinna Project), under the terms of an agreement with Andromeda Metals Limited (Andromeda), a company listed on the Australian Securities Exchange, and Peninsula Resources Limited.

The CPR is addressed to the Directors of Cobra Resources plc its legal advisor as to matters of English law, Orrick Herrington & Sutcliffe (UK) LLP. SRK understands that the CPR will be set out as an appendix to the Prospectus.

For the purpose of the European Securities and Markets Authority (ESMA) Recommendations, SRK is responsible for the CPR as part of the Prospectus. SRK declares that it has taken all reasonable care to ensure that the information contained in the CPR is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import. SRK consents to the inclusion of the CPR and reference to any part of the report in the Prospectus.

The CPR presents SRK's opinion on the technical aspects of the Project including a summary of the key technical risks and opportunities, and SRK's opinion on the reasonableness of the Company's proposed 12-month technical budget.

The following key Technical Information was used by SRK to support the preparation of this Report:

- Geological setting of the Project and the associated mineralisation
- Historical and recent exploration work and technical assessments undertaken at the Project
- Mineral Resource statements prepared and reported for the Project.

1.1 Reporting compliance, reporting standard and reliance

1.1.1 Reporting compliance

The submission of the Prospectus is being undertaken in accordance with the following, which collectively comprise the Requirements:

- The consistent implementation of Commission Regulation (EC) No 809/2004 implementing the Prospectus Directive, ESMA2013/319 recommendation including, and without limitation, the CPR will comply with the content requirements of Appendix 2.
- SRK accepts responsibility for the CPR in accordance with Section 1b of the ESMA recommendations and paragraph 131, 132 and 133, and Appendix 2

Notwithstanding the above, the Company has voluntarily mandated SRK to prepare the CPR which is published in accordance with the appropriate Reporting Standard (defined below) and given the permitted time, focuses on the following key items: the physical, operating, regulatory and fiscal environment in which the Wudinna Project is located, and the key technical risks and opportunities relating to the Project.

1.1.2 Reporting standard

The CPR has been prepared to the standard of, and is considered by SRK to be, a Technical Assessment Report under the guidelines of the 2015 edition of the Australasian Code for the Public Reporting of Technical Assessments and Valuations of Mineral Assets ("VALMIN Code").

The VALMIN Code incorporates the 2012 edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves as published by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia (JORC Code).

1.1.3 Reliance on SRK

The CPR is addressed to and may be relied upon by the Directors of the Company, and their nominated adviser Orrick, Herrington & Sutcliffe (UK) LLP, in support of the submission of the Prospectus, specifically in respect of compliance with the Requirements, the Reporting Standard and as appropriate the ESMA Recommendations, and other regulatory requirements such as the PD Regulation.

SRK is responsible for the CPR and for all of the technical information that has been directly extracted from the CPR and reported in any documents associated with the proposed acquisition to be released by the Company in connection with the readmission and to be dated around the same date as the CPR.

SRK declares that it has taken all reasonable care to ensure that the information contained in the CPR is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

In accordance with the ESMA Recommendations, SRK confirms that the presentation of information contained elsewhere in published documents associated with the proposed Admission which relates to information in the CPR is accurate, balanced and not inconsistent with the CPR.

SRK considers that its opinion must be considered as a whole and that selecting portions of the analysis or factors considered by it, without considering all factors and analyses together, could create a misleading view of the process underlying the opinions presented in the CPR. The preparation of a CPR is a complex process and does not lend itself to partial analysis or summary.

SRK has no obligation or undertaking to advise any person of any development in relation to the Mineral Assets which comes to its attention after the date of the CPR or to review, revise or update the CPR or opinion in respect of any such development occurring after the date of the CPR and its 'no material change' statement.

1.2 Base Technical Information, Effective Date and Publication Date

This CPR presents the following base Technical Information for the Prince Alfred Project as at the effective date of 21 December 2019 (the Effective Date):

- Overview of the geological setting
- Project geology
- Outline of the historical exploration work
- SRK's opinion on the mineralisation styles and regional prospectivity
- SRK's opinion on the appropriateness of Cobra's budgeted work program.

As at the publication date of this CPR, SRK is not aware that any material change has occurred since the Effective Date. This includes, amongst others, material changes to the Technical Information as reported in this CPR.

1.3 Verification and Validation

The CPR is dependent upon technical, financial and legal input. In respect of the Technical Information as provided by the Company and taken in good faith by SRK, and other than where expressly stated, any figures presented have not been independently verified by means of re-calculation.

Accordingly, Cobra has provided technical data (geological information, assay information, exploration programs) to SRK for the purpose of this review and inclusion in the CPR. SRK confirms that it has performed all necessary validation and verification procedures deemed necessary and/ or appropriate by SRK in order to place an appropriate level of reliance on such technical information.

1.3.1 Previous work by SRK at Wudinna

SRK's Australasian consultancy and the Australian based authors have not previously been involved with any of the Mineral Assets that are included in the CPR.

1.4 Limitation, Reliance on Information, Declaration, Consent and Cautionary Statements

1.4.1 Limitations

The technical information presented within the CPR relies on assumptions regarding certain forward-looking statements. These forward-looking statements are estimates and involve a number of risks and uncertainties that could cause actual results to differ materially. The projections as presented and discussed herein have been proposed by Cobra's management and cannot be assured; they are necessarily based on economic assumptions, many of which are beyond the control of the Company. Future cashflows and profits derived from such forecasts are inherently uncertain and actual results may be significantly more or less favourable. Unless otherwise expressly stated all the opinions and conclusions expressed in the CPR are those of SRK.

1.4.2 Reliance on information

SRK has relied upon the accuracy and completeness of technical, financial and legal information and data furnished by or through Cobra.

Cobra has confirmed to SRK that, to its knowledge, the information provided by it (when provided) was complete and not incorrect or misleading in any material respect. SRK has no reason to believe that any material facts have been withheld. While SRK has exercised all due care in reviewing the supplied information, SRK does not accept responsibility for finding any errors or omissions contained therein and disclaims liability for any consequences of such errors or omissions.

The CPR specifically excludes all aspects of legal issues, marketing, commercial and financing matters, insurance, land titles and usage agreements, and any other agreements and/ or contracts Walkabout may have entered into.

The CPR includes technical information, which requires subsequent calculations to derive subtotals, totals and weighted averages. Such calculations may involve a degree of rounding and consequently introduce an error. Where such errors occur, SRK does not consider them to be material.

Technical Reliance

SRK places reliance on the Company and its technical representatives that all technical information provided to SRK as at the Effective Date (defined above) is accurate.

Financial Reliance

In considering all financial aspects relating to the Project, SRK has placed reliance on the Company that the following information is appropriate as at the Effective Date (defined below):

- Operating expenditures as included in the Company's development strategy and exploration programs
- Capital expenditures as included in the Company's development strategy and exploration programs
- All statutory and regulatory payments and those due to other third parties as may be necessary to execute the Company's development strategy and exploration programs.

The financial information referred to above has been prepared under the direction of Craig Moulton on behalf of the Board of Directors of the Company.

Legal Reliance

In consideration of the legal aspects relating to the Project, SRK has placed reliance on the representations of the Company that the following are correct as of the Effective Date (defined in Section 1.2) and remain correct until the Publication Date (defined in Section 1.2):

- The Board of Directors of the Company are not aware of any legal proceedings that may have any influence on the rights to explore, develop and mine the minerals present within and associated with the Prince Alfred Project.
- The legal owners of all mineral and surface rights of the Prince Alfred Project have been verified.
- No significant legal issue exists which would affect the likely viability of the exploration and production licences as reported herein.

The legal representatives of the Company are Orrick, Herrington & Sutcliffe (UK) LLP, 107

Cheapside, London EC2V 1DN, United Kingdom.

Declaration

SRK will receive a combined fee of approximately A\$15,000 for the preparation of the CPR in accordance with normal professional consulting practices. This fee is not dependent on the findings of the CPRs or the success of the proposed Admission and SRK will receive no other benefit for the preparation of both CPRs. Neither SRK nor any of the authors have any pecuniary or other interests that could reasonably be regarded as capable of affecting its ability to provide an unbiased opinion in relation to the Project.

Neither SRK nor the Competent Persons (as identified under Section 1.6) who are responsible for authoring the CPR, nor any Directors of SRK have at the date of this Report, nor have had within the previous two years, any shareholding in the Company, the Project, Orrick, Herrington & Sutcliffe (UK) LLP, or any other economic or beneficial interest (present or contingent) in any of the assets being reported on. SRK is not a group, holding or associated company of the Company or, Orrick, Herrington & Sutcliffe (UK) LLP. None of SRK's partners or officers are officers or proposed officers of any group, holding or associated company of the Company.

Further, no Competent Person or Specialist Partitioner involved in the preparation of the CPR is an officer, employee or proposed officer of the Company or any group, holding or associated company of the Company or, Orrick, Herrington & Sutcliffe (UK) LLP. Consequently, SRK, the Competent Persons and the Directors of SRK consider themselves to be independent of the Company, its directors, senior management, Cooley (UK) LLP.

In the CPR, SRK provides assurances to the Board of Directors of the Company and, Orrick, Herrington and Sutcliffe (UK) LLP, in compliance with the Reporting Standard that the Mineral Resources and exploration potential of the mineral assets as provided to SRK by Cobra and reviewed and, where appropriate, modified by SRK are reasonable, given the information currently available.

1.4.3 Consent

SRK will give its written consent to the inclusion of the CPR in the Prospectus and all of the information to be contained in any published documentation associated with the Proposed Transaction which has been extracted directly from the CPR.

1.4.4 Disclaimers and Cautionary Statements

The CPR uses the terms “Mineral Resource”, “Measured Mineral Resource”, “Indicated Mineral Resource” and “Inferred Mineral Resource”. U.S. investors and shareholders in the Company are advised that while such terms are recognised and permitted under JORC Code (2012) and the Requirements, the U.S. Securities and Exchange Commission (SEC) does not recognise them and strictly prohibits companies from including such terms in SEC filings. Accordingly, U.S. investors and shareholders in the Company are cautioned not to assume that any unmodified part of the Mineral Resources in these categories will ever be converted into Ore Reserves as such term is used in the CPR.

1.5 Indemnities provided by the Company

Cobra has warranted, in writing to SRK, that full disclosure has been made of all material information and that, to the best of its knowledge and understanding, such information is complete, accurate and true. As recommended by the VALMIN Code, Cobra has provided SRK with an indemnity under which SRK is to be compensated for any liability and/ or any additional work or expenditure resulting from any additional work required:

- which results from SRK's reliance on information provided by Cobra or from Cobra not providing material information; or
- which relates to any consequential extension workload through queries, questions or public hearings arising from the CPR.

In addition, Cobra has provided the following indemnity to SRK:

In order to assist SRK in the preparation of the CPR, the Company may be required to receive and process information or documents containing personal information in relation to SRK's project personnel. The Company has agreed to comply strictly with the provisions of the Data Protection Act 1998 of the United Kingdom (DPA 1998) and all regulations and statutory instruments arising from the DPA 1998, and the Company will indemnify and keep indemnified SRK in respect of all and any claims and costs caused by breaches of the DPA 1998.

1.6 Qualifications of Consultants and Competent Persons

The SRK Group comprises over 1,400 staff, offering expertise in a wide range of mining and resource engineering disciplines with 45 offices located on six continents. The SRK Group prides itself on its independence and objectivity in providing clients with resources and advice to assist them in making crucial judgment decisions. For SRK this is assured by the fact that it holds no equity in either client companies/subsidiaries or mineral assets.

SRK has a demonstrated track record in undertaking independent assessments of resources and reserves, project evaluations and audits, Competent Persons' Reports, Mineral Resource and Ore Reserve Compliance Audits, Independent Valuation Reports and independent feasibility evaluations

to bankable standards on behalf of exploration and mining companies and financial institutions worldwide. SRK has also worked with a large number of major international mining companies and their projects, providing mining industry consultancy service inputs. SRK also has specific experience in commissions of this nature.

The CPR has been prepared based on a technical and economic assessment by a team of consultants sourced from SRK's offices in Australia. These consultants have extensive experience in the mining and metals sector and are members in good standing of appropriate professional institutions. The consultants comprise specialists in the fields of: geology and resource estimation (Technical Disciplines).

The information in the CPR that relates to the Project is based on and fairly represents, information and supporting documentation compiled by Mr Alex Aitken, Senior Consultant (Geology), Dr Bert De Waele, Principal Consultant (Geology) and Dr Michael Cunningham, Principal Consultant (Geology).

The Competent Persons who undertook the geology review were Mr Alex Aitken and Dr Bert De Waele. Mr Aitken is a geologist with 15 years' experience in the mining industry, including the preparation of Competent Persons' Reports comprising technical evaluations of various mineral assets during the past 5 years, which is relevant to the activity which he is undertaking to qualify as a Competent Person as defined in the JORC Code (2012). Dr De Waele is a geologist with 25 years' experience in the mining industry, including the preparation of Competent Persons' Reports comprising technical evaluations of various mineral assets during the past 11 years, which is relevant to the activity which he is undertaking to qualify as a Competent Person as defined in the JORC Code (2012).

The Competent Person who undertook the review of the Mineral Resources was Dr Michael Cunningham. Dr Cunningham is a geologist with 16 years' experience in the mining and metals industry, including operational experience in geological and geometallurgical modelling and the estimation and public reporting of mineral resources. He has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the JORC Code (2012).

The Competent Person who has overall responsibility for the peer review of this Report is Ms Karen Lloyd, BSc (Hons), MBA, FAusIMM, who is an Associate Principal Consultant at SRK. Ms Lloyd is a Competent Person who is a Fellow of the AusIMM and has 22 years' experience in the mining and metals industry and has been involved in the preparation of Competent Person's Reports comprising technical evaluations of various mineral assets internationally during the past 10 years. She has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the JORC Code (2012) and a Specialist Practitioner as defined in the VALMIN Code (2015). Ms Lloyd consents to the inclusion in this Report of the matters based on her information in the form and context in which it appears.

Table 1-1 provides a summary of the designated Competent Persons and other key contributors for completion of the CPR.

Table 1-1: Key contributors' responsibility

Competent Person	Position/ Company	Responsibility	Independent of Cobra	Date of last site visit	Professional designation
Karen Lloyd	Associate Principal Consultant (Project Evaluation)/ SRK Consulting (Australasia) Pty Ltd	Peer Review	Yes	None	BSc (Hons), MBA, FAusIMM
Alex Aitken	Senior Consultant (Geology)/ SRK Consulting (Australasia) Pty Ltd	Overall CPR	Yes	None	BSc(Hons), MAIG
Bert De Waele	Principal Consultant (Geology)/ SRK Consulting (Australasia) Pty Ltd	Overall CPR	Yes	None	PhD, MSc, BSc, FAusIMM, FAIG
Michael Cunningham	Principal Consultant (Geology & Resources)/ SRK Consulting (Australasia) Pty Ltd	Mineral Resources	Yes	None	PhD, BSc, FGSL, MAusIMM, MAIG

2 Wudinna Project

2.1 Overview

The Project is located on the Eyre Peninsula, South Australia, and is comprised of six granted exploration tenements (Tenements) covering a total area of 2,027km² (Figure 2-1). The main tenement package of five exploration licences (EL 6317, EL 5615, EL 5953, EL 6001, EL 6131) is centred at latitude 32° 55' S, longitude 135° 47' E. Exploration tenement EL 6262 is located approximately 90 km north of the main tenement package adjacent to Lake Acraman. The Project is accessed via the main sealed A1 highway from Port Augusta (140km to the east). The city of Adelaide is located approximately 400 km to the south along the Princes Highway. A number of small villages are located near the southern margin of the project including the villages of Koongawa, Kyancutta, Wudinna, Pygery and Yaninee.



Figure 2-1: Location of the Wudinna Project

Source: Cobra Resources plc

The topography of the Project area is generally of low relief, with elevation decreasing gently southwards from the Gawler Range highlands in the north. The terrain comprises NW-SE trending longitudinal dunes and associated sand plains, with occasional granite outcrops and deep soils. Several palaeochannels are known in the region including the Yaninee and Narlaby palaeochannels. These palaeochannels normally form topographic depressions and are usually associated with clay pans (Sheard, 2007).

The Project area is comprised of native vegetation and agricultural areas, and part of the area is located within the Pinkawillinie Conservation Park.

The Eyre Peninsula has a characteristic Mediterranean climate with warm to dry summers and cool, wet winters. The southern areas experience a milder, moister climate influenced by the proximity to the coast whereas the climate is progressively warmer and drier to the north and northwest. Exploration activities can be undertaken year-round and are generally unimpeded by weather events.

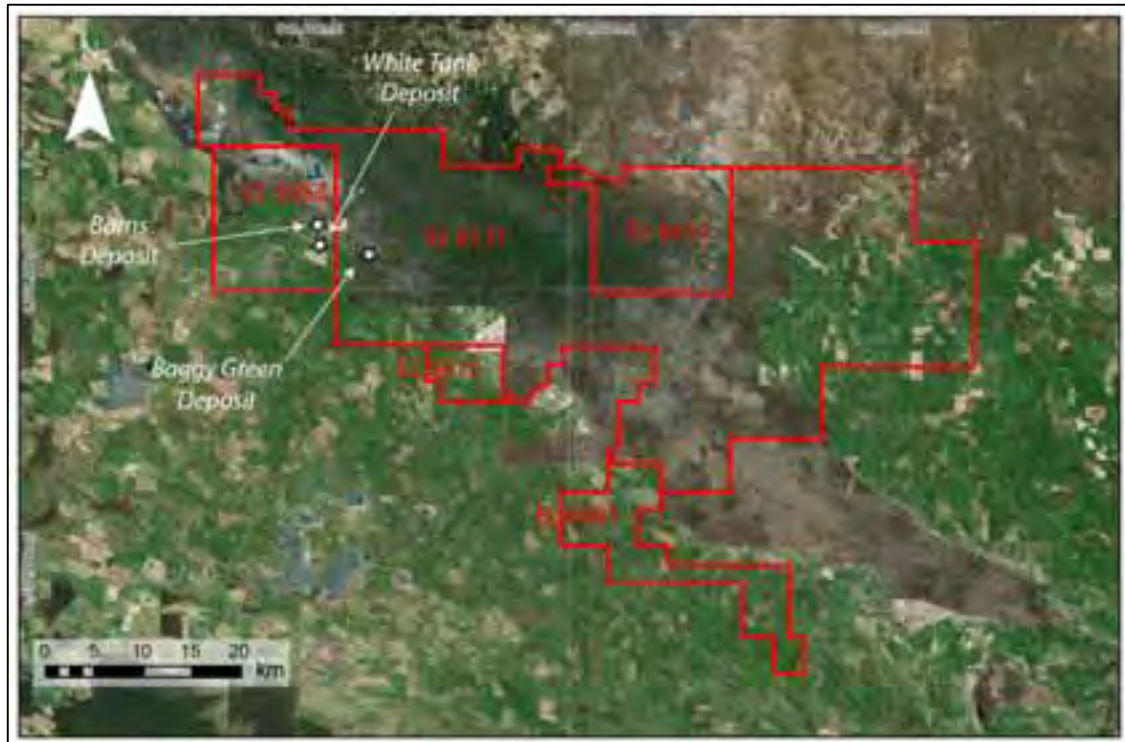


Figure 2-2: Wudinna project tenements showing location of deposits

Background: Aerial imagery (Bing© Maps) indicating remanent native vegetation and cropping areas

2.2 Land tenure

2.2.1 Introduction

Mineral exploration in South Australia is managed by the South Australia state government under the Mining Act 1971 and Mining Regulations 2011 by the Department of State Development. An exploration licence (EL) is the principal title issued for exploration within the state. An EL authorises the licensee, subject to the Act, Regulations and conditions of the licence, to explore for all minerals and/or opal other than extractive minerals (i.e. sand, gravel, stone, shell or clay when used generally for construction purposes).

Exploration licences are granted for a maximum of 5 years initially. After the initial term a new application for the exploration licence or reduced area can be submitted.

Information on the mineral rights applicable to the Project has been provided to SRK by Cobra on behalf of its solicitor, Norton Rose Fulbright, in the form of the Independent Solicitor's Report. The Independent Solicitor's Report is provided in Appendix B of this Report.

2.2.2 Tenure relating to this CPR

The Tenements are currently held by Peninsula Resources Limited, a wholly owned subsidiary of Andromeda Metals. There is an agreement in place between Andromeda Metals, Peninsula Resources Limited Lady Alice Mines pursuant to which Lady Alice Mines can earn a 75% interest in the Wudinna project after 5 years with a total spend of A\$5 million.

In 2017, a Royalty Deed (the Newcrest Royalty Deed) was entered into between Peninsula Resources Limited, Lady Alice Mines Pty Ltd and Newcrest Mining Limited. Under the Newcrest Royalty Deed, Peninsula Resources Limited assigned to Lady Alice Mines Pty Ltd its obligations under an original royalty deed dated 13 February 2002 between Newcrest Mining Limited (Newcrest) and Andromeda Metals (previously Adelaide Exploration Limited and Adelaide Resources Limited). The Newcrest Royalty Deed provides for Lady Alice Mines Pty Ltd and Peninsula Resources Limited to pay a 1.5% net smelter return royalty to Newcrest Mining Limited in respect of all gold and minerals sold from tenements covered by Exploration Licences EL 6317, EL 5615, EL 5953 EL 6131 and EL 6001. The Newcrest Royalty Deed does not apply to the tenement covered by Exploration License EL 6262. Under the Newcrest Royalty Deed, Lady Alice Mines Pty Ltd and Peninsula Resources Limited agree to pay the royalty in proportion to their participating interests in the Wudinna Project as contemplated under the Wudinna Agreement.

Further detail of the Tenements comprising the Project is presented in Table 2-1.

Table 2-1: Summary of exploration tenure and annual expenditure commitment

Asset	Holder	Interest (%)	Licence expiry date	Licence area (km ²)	Comments	Minimum Expenditure
EL 6317	Peninsula Resources Limited	100	15/12/2020	186	Pinkawillinie area approximately 60 km northwest of Kimba	\$800,000
EL 5615	Peninsula Resources Limited	100	24/03/2020	42	Wudinna Hill area - approximately 130 km east-southeast of Streaky Bay	\$210,000
EL 5953	Peninsula Resources Limited	100	18/04/2022	184	Minnipa area - approximately 80 km east of Streaky Bay	\$800,000
EL 6001	Peninsula Resources Limited	100	13/02/2022	147	Waddikee Rocks area - approx 160 km southeast of Streaky Bay	\$720,000
EL 6131	Peninsula Resources Limited	100	11/07/2022	1372	Corrobinnie, Pinkawillinie area approximately 150 km east of Streaky Bay	\$1,320,000
EL 6262	Peninsula Resources Limited	100	30/09/2020	96	Lake Acraman area approximately 140 km northeast of Streaky Bay	\$640,000

Several gold prospects have been identified within the Tenements that comprise the Project. The Barns prospect, the Baggy Green Prospect are considered to be Early Exploration prospects. The White Tank prospect is considered to be an Advanced Exploration prospect where Mineral Resource have been prepared and reported (Figure 2-3).

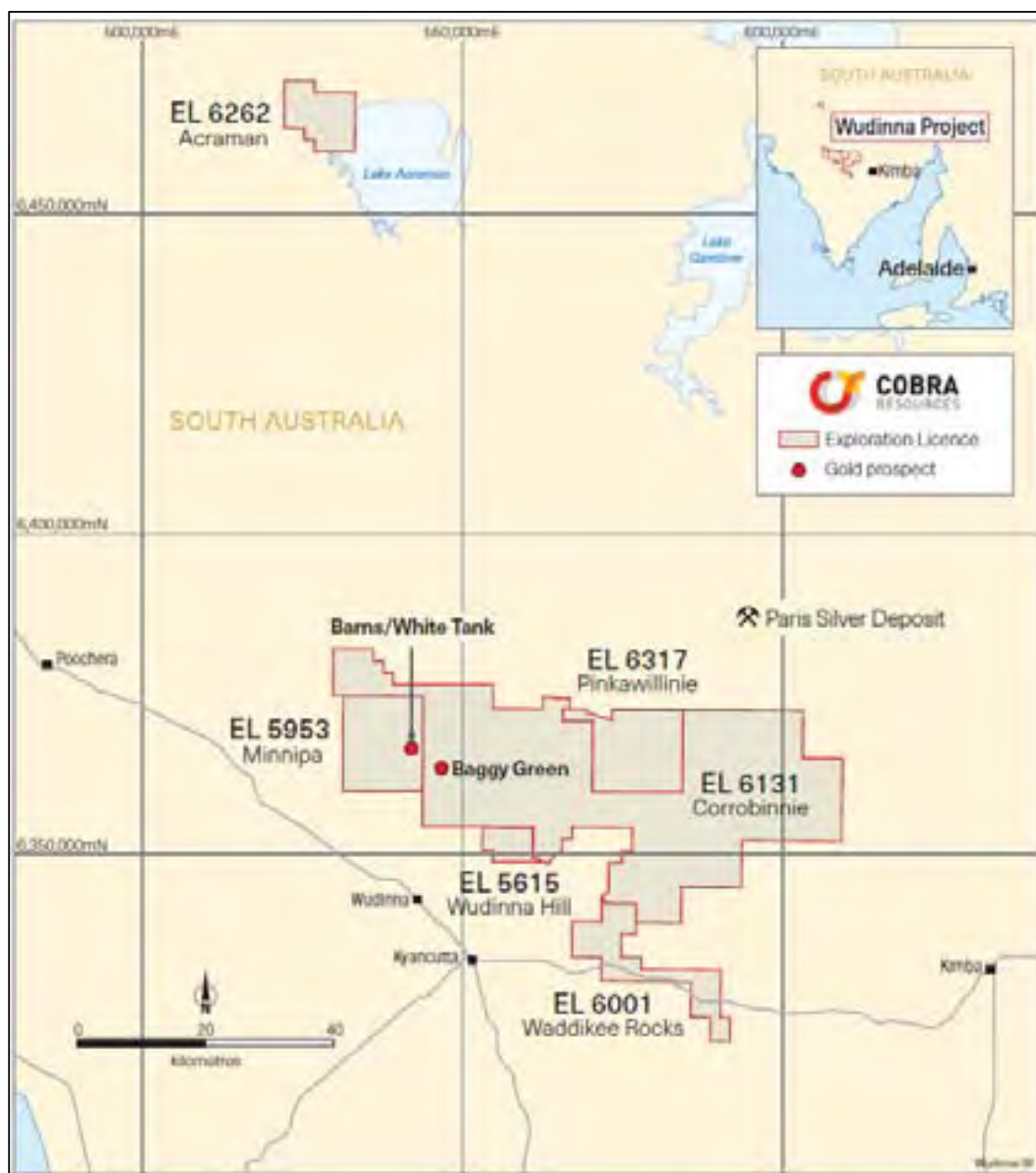


Figure 2-3: Tenement plan of the Wudinna Gold Project

Source: Cobra Resources plc

2.3 Native Title

Native title in Australia is governed by the Native Title Act 1993 (Commonwealth) and its associated regulations. Within South Australia the Aboriginal Heritage Act 1988 provides protection of all Aboriginal heritage sites. An exploration licence does not permit any operations on land that may be 'native title land' as defined by the Native Title (South Australia) Act 1994. An exploration company may negotiate access to the land under Part 9B of the Mining Act.

There are two native title determinations that are associated with the Project as well as several Indigenous Land Use Agreements (ILUAs). Figure 2-4 shows the native title determination areas for the Project.

Further information is contained within Appendix B of this CPR.

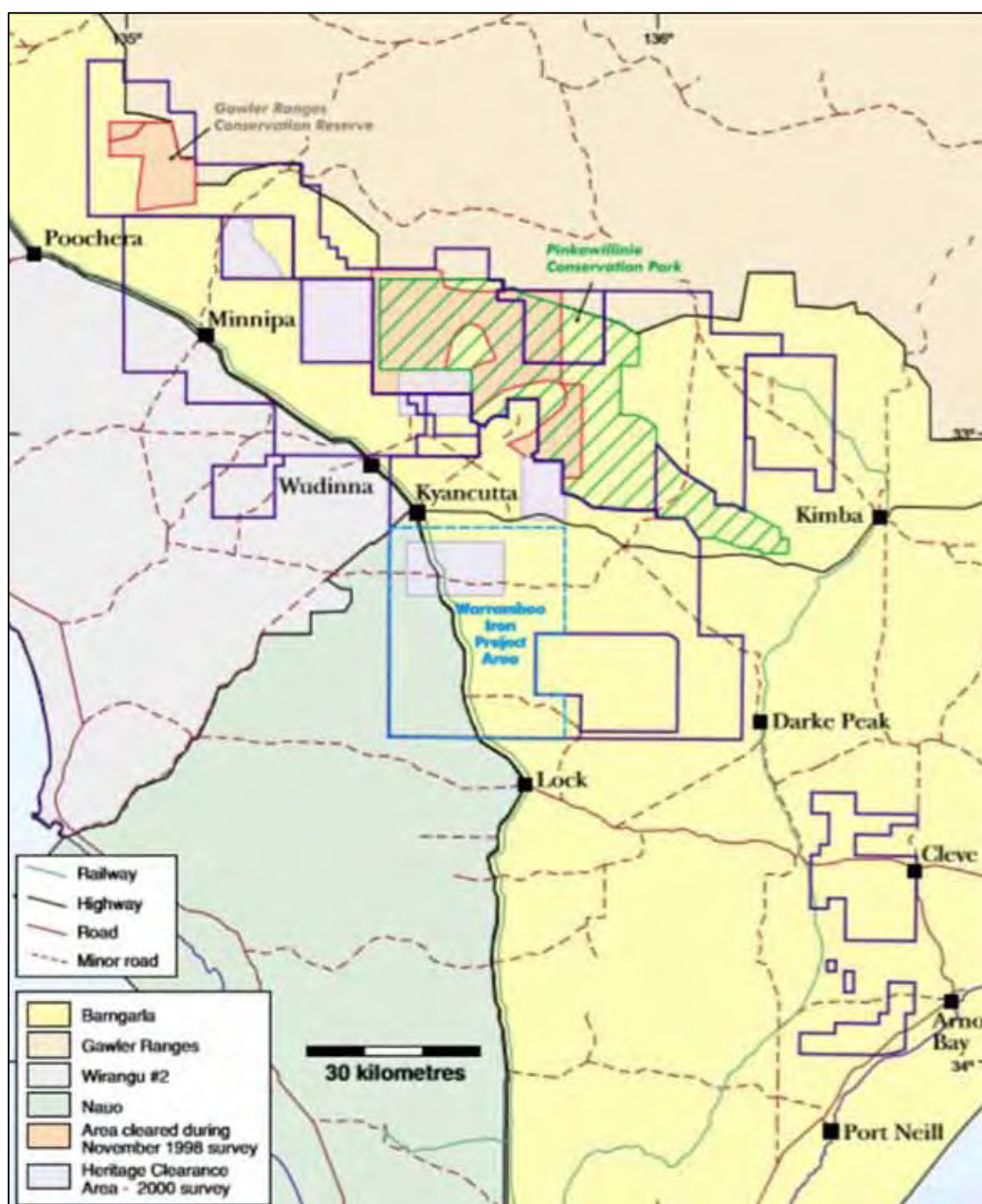


Figure 2-4: Native title areas within and surrounding the Wudinna Project

Source: Cobra Resources plc

2.4 Environmental and Heritage Values

In South Australia, Tenement holders are required to obtain approval of a program for environment protection and rehabilitation (PEPR) before conducting any mining and exploration activities.

A PEPR should identify all relevant environmental outcomes that are expected to occur as a result of the mining/exploration activities, including after taking into account any rehabilitation proposed by the tenement holder and any other steps to manage, limit or remedy any adverse environmental impacts. The PEPR should also set out the criteria to be adopted to measure the environmental outcomes, and

incorporate information about the ability of the tenement holder to achieve the reported environmental outcomes

The Baggy Green prospect in EL 5953, is on Crown Land that falls within Pinkawillinie Conservation Park (Figure 2-5). SRK understands that exploration and mining is allowed within the Pinkawillinie Conservation Park and these activities are subject to regulation by Department of Environment, Water and Natural Resources (DEWNR) in addition to Department of Premier and Cabinet (DPC) which regulates the Mining Act. Such approvals by the DEWNR and DPC have been obtained as part of the PEPR approval described below.

SRK understands there are no known environmental restrictions or conditions on the other exploration licences, EL 6317, EL 6131, EL 5615, EL6001 and EL 6262.

The specific permitting requirements for the Company to conduct the proposed exploration program at the Wudinna Project include the submission of a PEPR outlining the scope of the proposed drilling program, including environmental and heritage impacts and the agreed rehabilitation outcomes.

For the Wudinna Project, three PEPRs have been submitted, one for each work stream:

- 1 Baggy Green – PEPR 2016_0038 Extension – Approved 7 November 2018
- 2 ANC# 6, ANC#7 and BU1 – PEPR 2018-068 – Approved 22 January 2019
- 3 ANC# 1, ANC#3 and ANC#8 – PEPR 2019-002 – Approved 16 May 2019.

Further information is contained within Appendix B of this CPR.

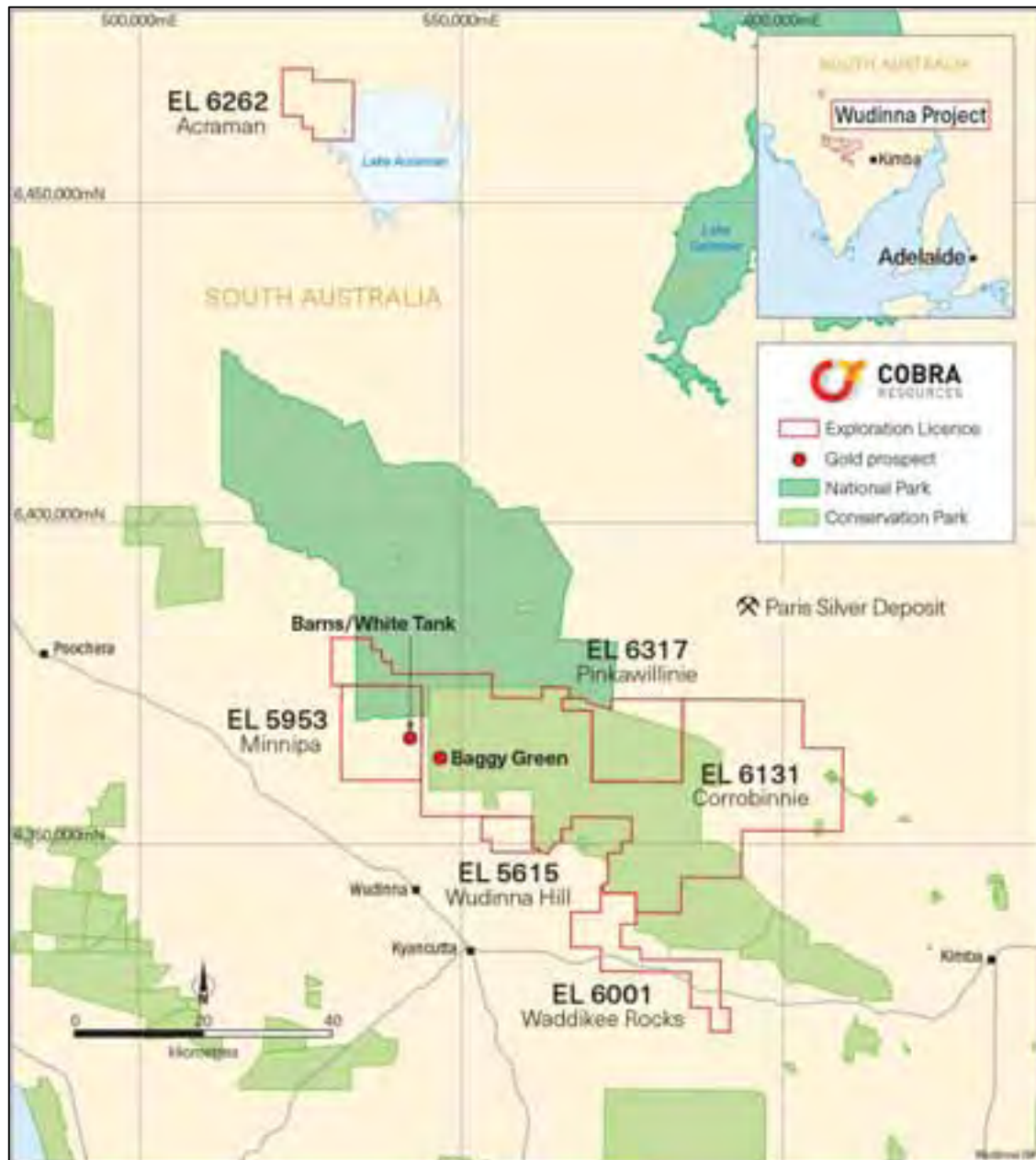


Figure 2-5: National Park and Conservation within and surrounding the Wudinna Project

2.5 Geology and Mineralisation

2.5.1 Regional Geology

The Project is located on the Eyre Peninsula of South Australia within the Central Gawler Craton (Figure 2-6). It comprises a Meso to Neoarchean crystalline basement core enclosed by Paleoproterozoic to Mesoproterozoic rocks. The Central Gawler Craton province forms an arcuate belt wrapping around the southwestern margin of the Gawler Range Volcanics and in part following the boundary between the Mesoproterozoic and Paleoproterozoic rock (Fraser et al., 2007, Reid & Hand, 2012).

The Gawler Craton preserves a complex and prolonged tectonic history spanning the interval ca. 3,200–1,500 Ma. In general terms, the geological history is dominated by three major time periods:

- 1 Mesoarchean history of the Gawler Craton is dominated by felsic magmatism.
- 2 Neoarchean to Palaeoproterozoic history is represented by sedimentation and bimodal (felsic and mafic) volcanism.
- 3 Mesoproterozoic history by felsic volcanism (Dept Mines, 2019).

Reworking of Palaeoarchean crust during the Mesoarchean (ca. 3,400–3,250 Ma) led to the intrusion of granitoid batholiths (ca. 3,150 Ma) which are now exposed within a narrow belt on the eastern margin of the Gawler Craton. Bimodal magmatism occurred during the Neoarchean to earliest Paleoproterozoic (ca. 2,560–2,470 Ma) age. This is represented by rocks ranging from silica poor (basic rocks such as basalt and dolerite) to silica rich (felsic such as rhyolite and granite).

This episode of magmatism was followed by a tectonic collisional event known as the Sleafordian Orogeny (ca. 2,465–2,410 Ma). This orogenic event resulted in high temperature metamorphism and deformation. Subsequent magmatic events are associated with widespread sedimentation (over the interval ca. 2,000–1,740 Ma) largely sources this older crust. A second collisional event (ca. 1,730–1,690 Ma) known as the Kimban Orogeny resulted in the reworking of these Paleoproterozoic basins and the Neoarchean basement in a pre-dominantly transpressional (i.e. oblique shear and crustal shortening) system.

The Kimban Orogeny was followed by a period of intense magmatism leading to the emplacement of the St Peter Suite rocks (ca. 1,620–1,608 Ma), which are probably island arc-related (analogous to Hawaii chain) and were synchronous with metamorphism and shear zone formation. Further igneous activity in the form of volcanism resulted in the emplacement of the voluminous Gawler Range Volcanics (ca. 1,592 Ma). The source of these rocks was a direct consequence of mid-crustal melting (Reid & Hand, 2012).

This period of volcanism which formed the Gawler Range Volcanics (GRV) is important from an economic perspective because it resulted in the formation of mineralisation provinces including the Olympic Dam Iron Oxide Copper Gold (IOCG) province and the Central Gawler gold province (Reid & Hand, 2012). These provinces are associated with several major mining operations including Olympic Dam, Prominent Hill, Challenger and Tarcoola (Figure 2-6).

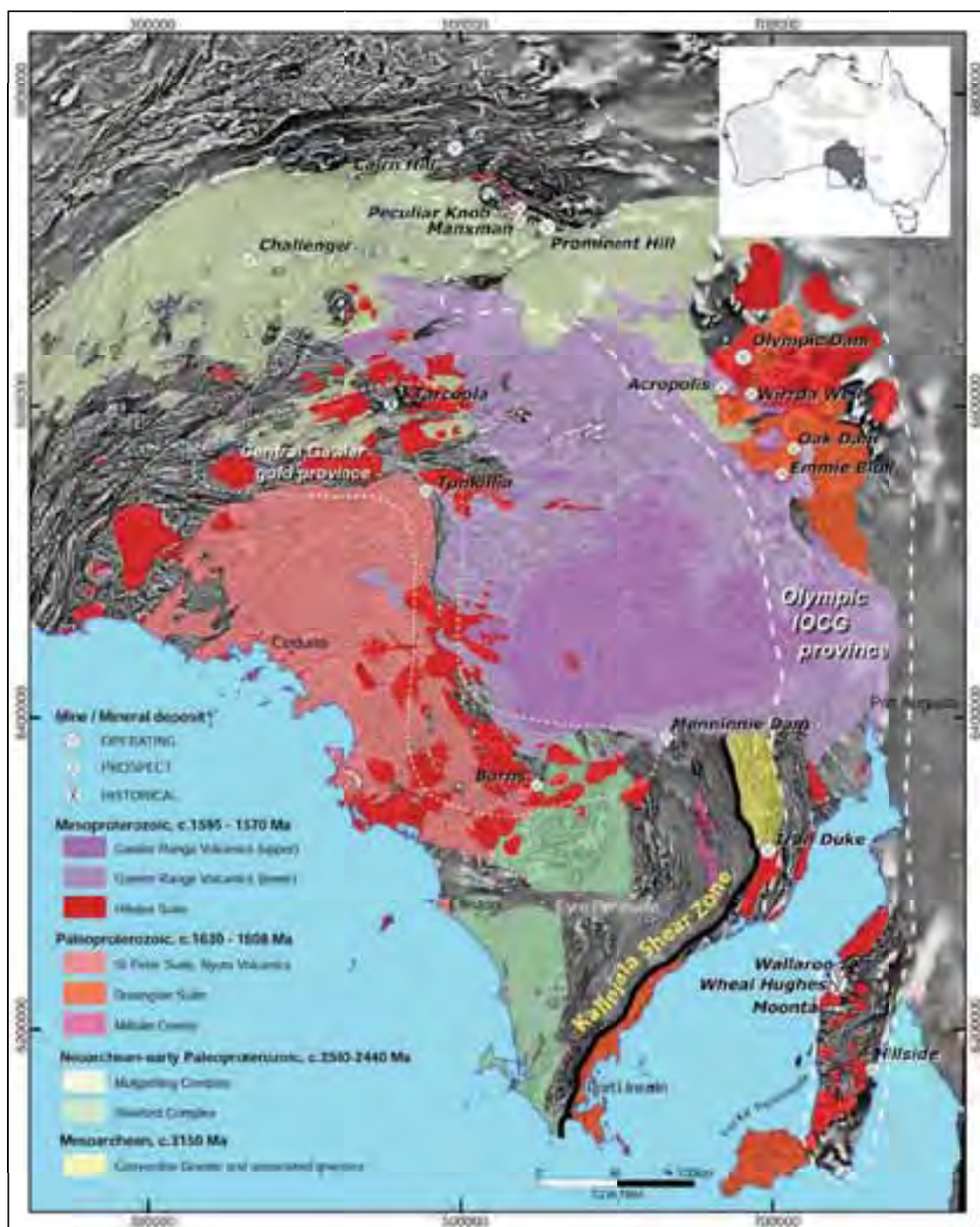


Figure 2-6: Geology of the Gawler Craton

Note: Barns prospect shows approximate position of Wudinna project

Source: Reid & Hand (2012)

2.5.2 Mineralisation Styles

Two different mineralising systems and provinces have been identified within the Gawler. The two provinces corresponding with different geological histories and include:

- 1 the Central Gawler Gold Province
- 2 the Olympic Dam Iron Oxide Copper Gold (IOCG) Province (Figure 2-6).

The Olympic Dam IOCG province lies to the north of the Wudinna project with deposits such as Olympic Dam, Prominent Hill and Cairn Hill being significant producers of copper and gold. The Central Gawler Gold province comprises gold deposits such as Tunkillia, Tarcoola, Weednanna and Nuckulla Hill. Fraser et al., (2007) characterised the Tunkillia, Nuckulla Hill, Barns, and Weednanna gold deposits as follows:

- Hydrothermal alteration is characteristically zoned around gold mineralisation, with intense sericite pyrite alteration and quartz veining proximal to gold mineralisation and chlorite \pm epidote \pm hematite alteration distal from mineralisation
- Alteration was either synchronous with or, in some cases, continued after deformation
- Gold is associated with pyrite and minor to trace galena, sphalerite, and chalcopryrite
- Iron oxides are low in abundance in mineralised zones, which correspond to demagnetised zones
- The prospects/deposits are similar to those of orogenic- and intrusion-related gold deposits.

The variation and common characteristics between intrusion related and orogenic gold deposits has been discussed by several authors such as Duuring et al., 2007, and Sillitoe and Thompson 1998. Figure 2-7 shows a schematic of the interrelationships of granitoid, intrusion related and orogenic gold deposits of the Yilgarn Craton in Western Australia.

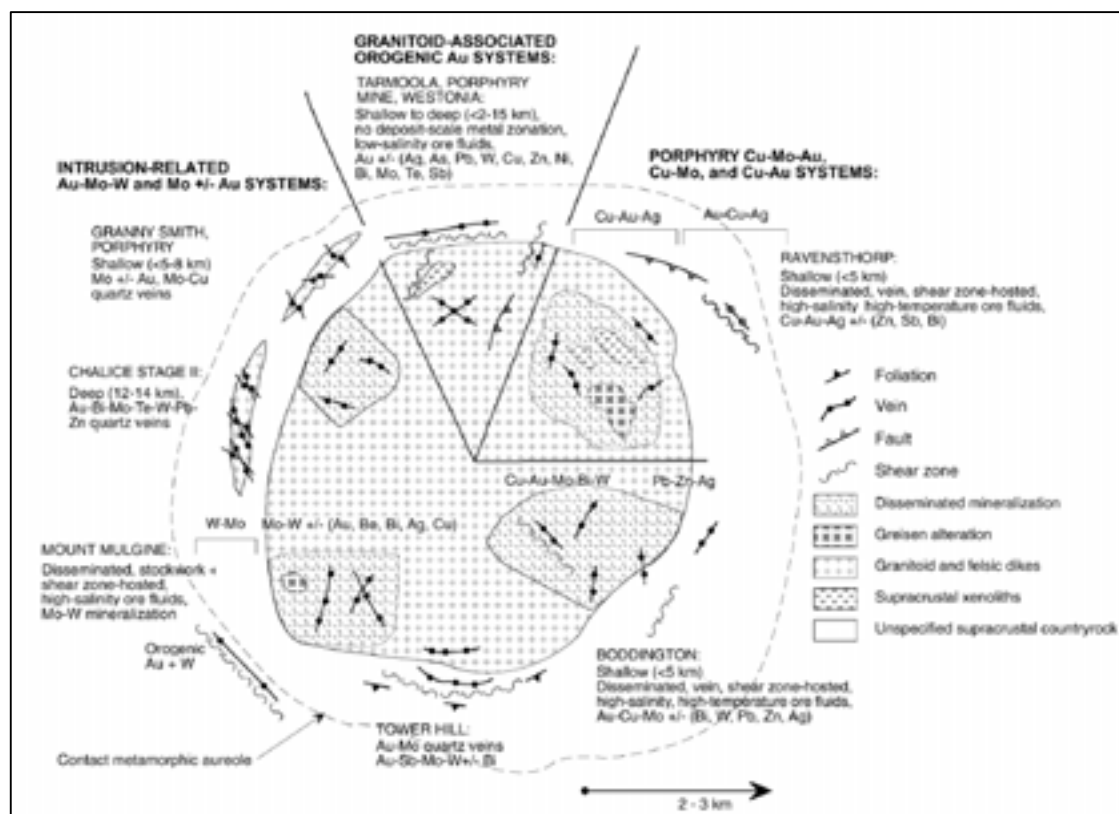


Figure 2-7: Schematic showing the relationships of orogenic and intrusion related gold systems of the Archean Yilgarn Craton

Source: Duuring et al., 2007

Fraser et al., (2007) demonstrated that the gold systems of the Central Gawler province share similar timing and involved fluids with like properties with the Olympic Dam IOCG province, in support of the existence of a gold metallogenic province. Skirrow et al., (2007); however, demonstrated that both IOCG and gold hydrothermal systems were broadly coeval with magmatism of the Hiltaba Suite and Gawler Range Volcanics, at ~1,570 to 1,595 Ma.

2.5.3 Project Geology

Within the southern Project area, the geology is described by Drown (2003) as an area covered by Quaternary sediment and deep weathering profile (Figure 2-22). The area is dominated by the Archaean Sleaford Complex (in the east) and the Tunkillia Suite (in the west). The Sleaford Complex is described by Parker and Flint (2005) as foliated migmatitic quartz–feldspar–biotite (garnet) gneiss and augen gneiss with possible local banded iron formation (BIF), namely the Hutchinson Group within the Project area. The Tunkilla Group rocks are moderately deformed granodioritic gneiss (Drown, 2003).

In the Lake Acraman area, the Gawler Range Volcanics (GRV) are described by Parker and Flint (2005) as being composed of pinkish medium-grained granite with xenoliths of gneiss and foliated grey granodiorite; foliated biotite granite and massive cream-coloured, weakly foliated leucogranite. These rocks are coeval with the Hiltaba Suite. The rocks of the GRV are flat lying and relatively undeformed.

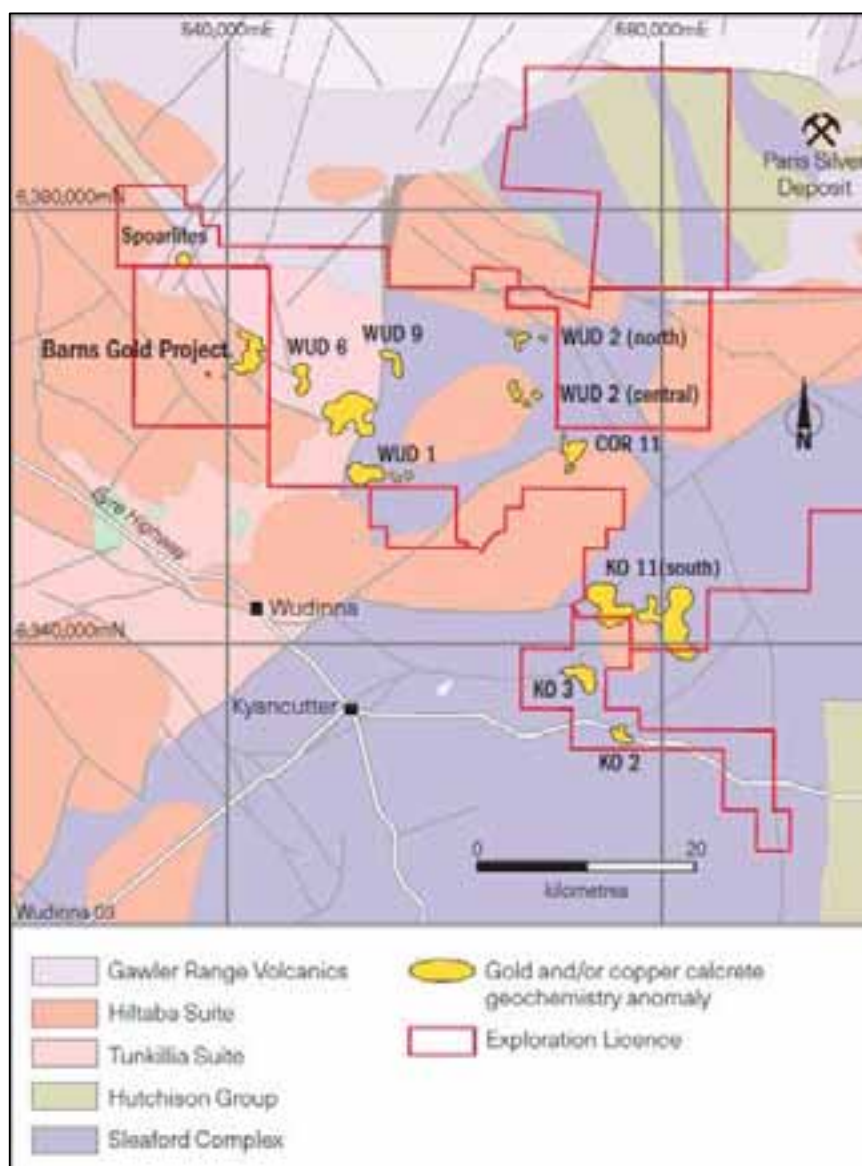


Figure 2-8: Project geology

Note: Gold and/ or copper prospects defined through calcareous geochemistry

A previous study by CSIRO (Commonwealth Scientific and Industrial Research Organisation), of regolith profiles showed that shallow transported cover (less than five metres and up to 10 m in depth) over basement rocks may be related to lithogeochemical anomalism of gold, copper, silver, or arsenic (Sheard, 2007). The regolith profile and landform relationships developed as part of the study identified the regolith profiles in the study area that are summarised in Figure 2-9. The regolith and landscape evolution demonstrated that an understanding of landscape position and local landforms are both crucial when selecting appropriate geochemical sample media, and for interpreting their trace element assay values.

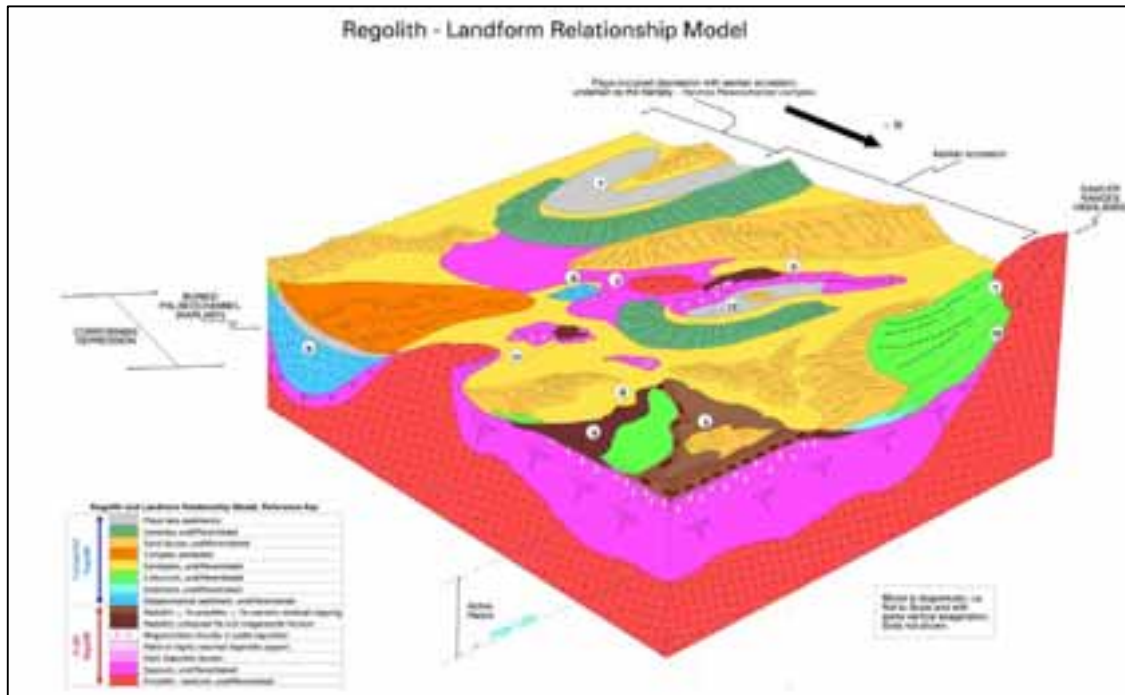


Figure 2-9: Regolith - landform relationship model of the Wudinna area

Source; Sheard, 2007

2.5.4 Gold Mineralisation

Several gold prospects have been identified within the Tenements. The Barns Prospect, the White Tank Prospect and the Baggy Green Prospect. This mineralisation is hosted within basement granitoid rocks (Mayo & Hill (2016) and Sheard (2007) of the Tunkillia Suite and was first identified through anomalous geochemical assay results from sampling of the surficial calcrete layer above (Figure 2-8).

These granitoid basement rocks comprise plagioclase feldspar, Potassium-feldspar, quartz and biotite mica with minor apatite, allanite, magnetite and zircon which are seen within a weak, subvertical foliation. Quartzite and gneiss basement rocks also occur as blocks within the granodiorite as well as minor pegmatites and mafic dykes (e.g. Figure 2-10; Drown, 2003 and Fraser et al., 2007). The basement rocks are variably deformed and altered, as a direct consequence of intrusion of the Hiltaba Suite Granites (e.g. see Drown, 2003; Fraser et al., 2007).

North-South and Northeast-Southwest striking, shallow west and northwest dipping shears and fault zones control the gold mineralisation at the Barns Prospect, the White Tank Prospect and the Baggy Green Prospects (Drown, 2003 and King, 2001). The mineralisation is weakly sulphidic with pyrite dominant at the Barns and White Tank Prospects, and chalcopyrite being the dominant sulphide at the Baggy Green Prospect.

The gold mineralisation is seen in 1-10 mm wide quartz-pyrite veins within an inner alteration zone, with gold occurring as free particles generally less than 100 µm in diameter.

Identified gold mineralisation at the Project is associated with a zoned alteration system consisting of an (1) outer chlorite-epidote-sericite-rutile-hematite and (2) inner zone of sericite-pyrite-gold (Figure 2-10). The outer zone of alteration is identified with chlorite replacing biotite, plagioclase altered to albite and K-feldspar containing abundant microcrystalline hematite inclusions. The inner alteration zone is of pervasive sericite replacing plagioclase with disseminated pyrite and the potassium feldspar generally intact (Drown, 2003; Fraser et al., 2007).

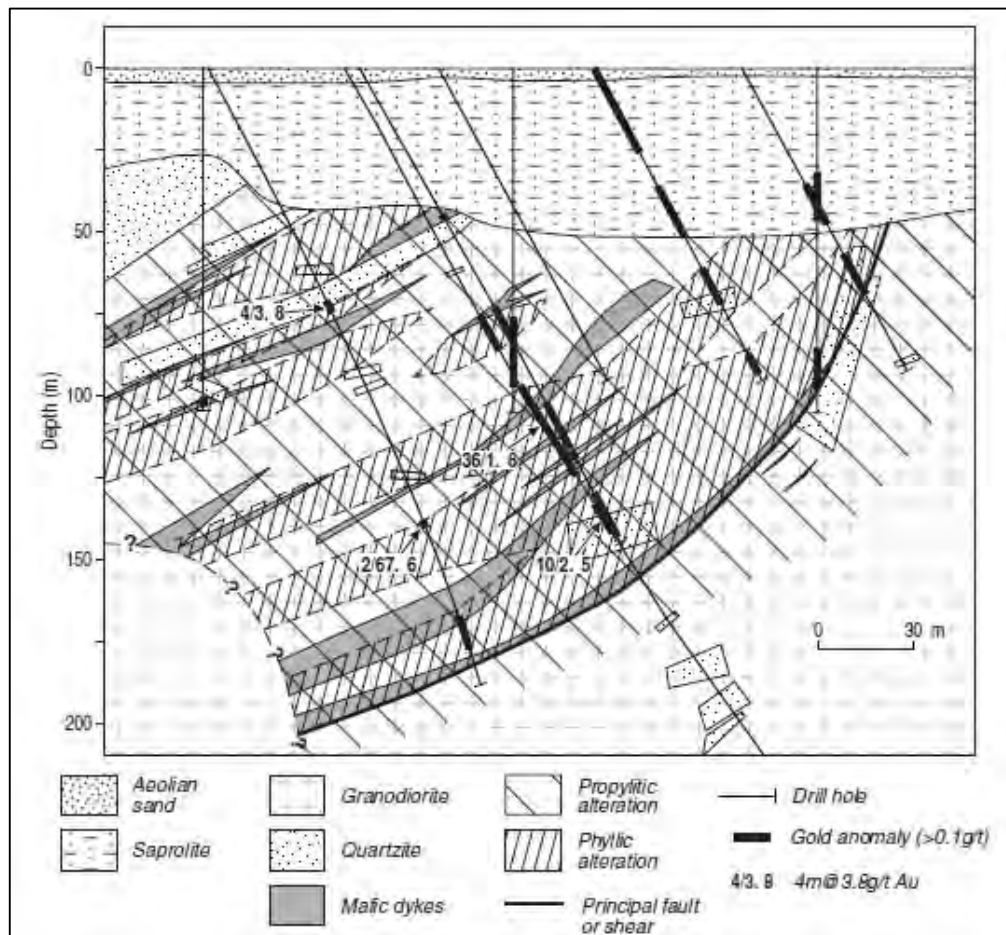


Figure 2-10: Interpreted geological section within the Barns gold deposit

Source: After Drown, 2003.

2.6 Previous Exploration

Exploration commenced at the Project in 1967, when exploration efforts were focused on the potential discovery of economic uranium mineralisation and then kaolin enrichment. Given the regional geological setting, the focus of modern exploration turned to base metals and then gold over time:

- Uranium exploration occurred between 1967 and 1984 with companies Sadex Pty Ltd (Sadex), Urangesellschaft Australia Pty Ltd, Stockdale Prospecting Limited and Carpentaria Exploration Co Pty Ltd targeting sedimentary hosted uranium
- Kaolin exploration occurred between 1974 and 1989 by Sadex for industrial uses such as paper coating and clay

- Heavy mineral sands exploration occurred between 1989 and 1990 by Stockdale Prospecting Limited (Stockdale) and BHP Minerals Ltd (BHP) within several palaeochannels
- Base metal exploration by Carpentaria Exploration Co. Pty Ltd, CRA Exploration Pty Ltd, Western Mining Corp, Western Metals Copper Ltd and North Broken Hill Ltd between 1973 and 2003 targeted BIF related base metals mineralisation with geophysics, geochemical sampling and drilling – reverse circulation (RC) and diamond drilling (DD) – all being undertaken.
- Since the early 1990's exploration for copper and gold mineralisation has been undertaken by Rio Tinto Exploration Pty Limited, Stockdale, BHP Billiton Nickel West Pty Ltd, Newcrest Operations Limited and Adelaide Resources Pty Ltd (now Andromeda). This exploration has focussed on the discovery of IOCG and Tunkilla style gold mineralisation. The main exploration activities undertaken included geophysical surveys, surface geochemical sampling and follow-up drilling, i.e. rotary air blast (RAB), RC and DD.

2.6.1 Geochemical Sampling

Extensive exploration by previous and current companies with geochemical samples has been conducted (Figure 2-11) at the Project. Anderson (2019) discussed the use of low calcium soils (LCS) and arsenic grades to assist in exploration (Figure 2-12 and Figure 2-13).

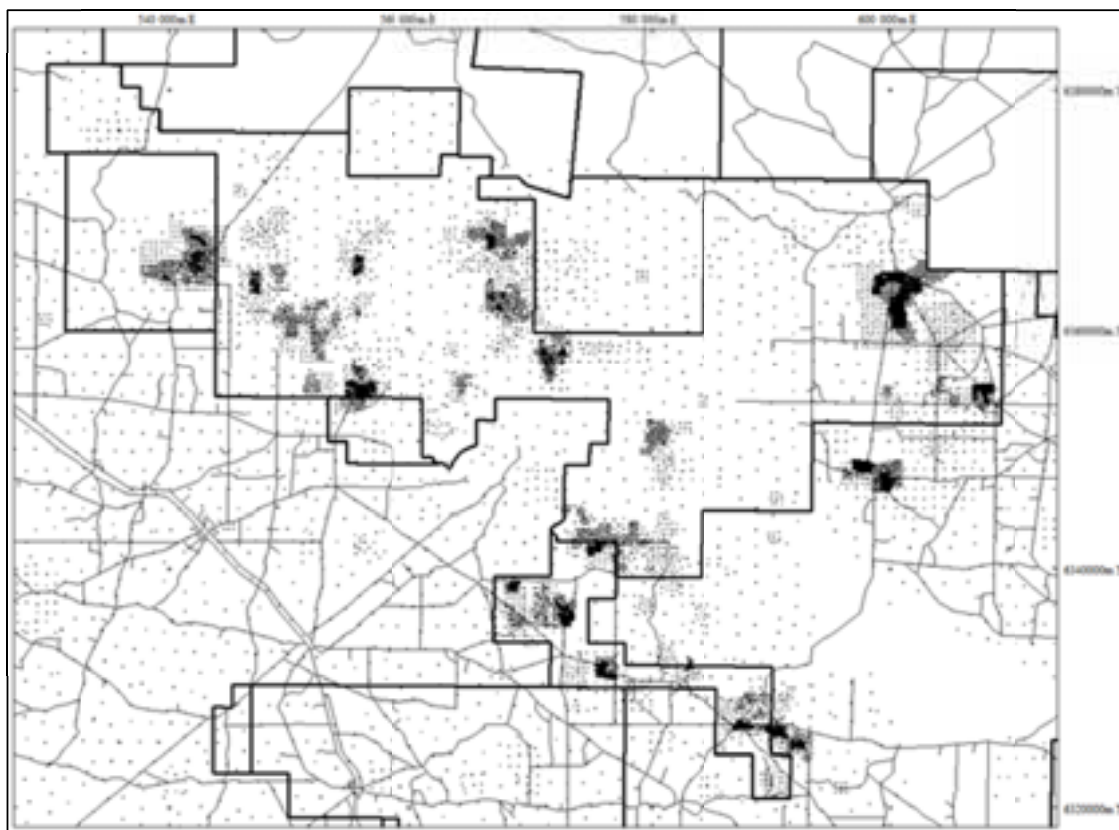


Figure 2-11: Plan showing surface sample locations (grey points) and SARIG exploration tenements (black outlines)

Source: Anderson, 2019.

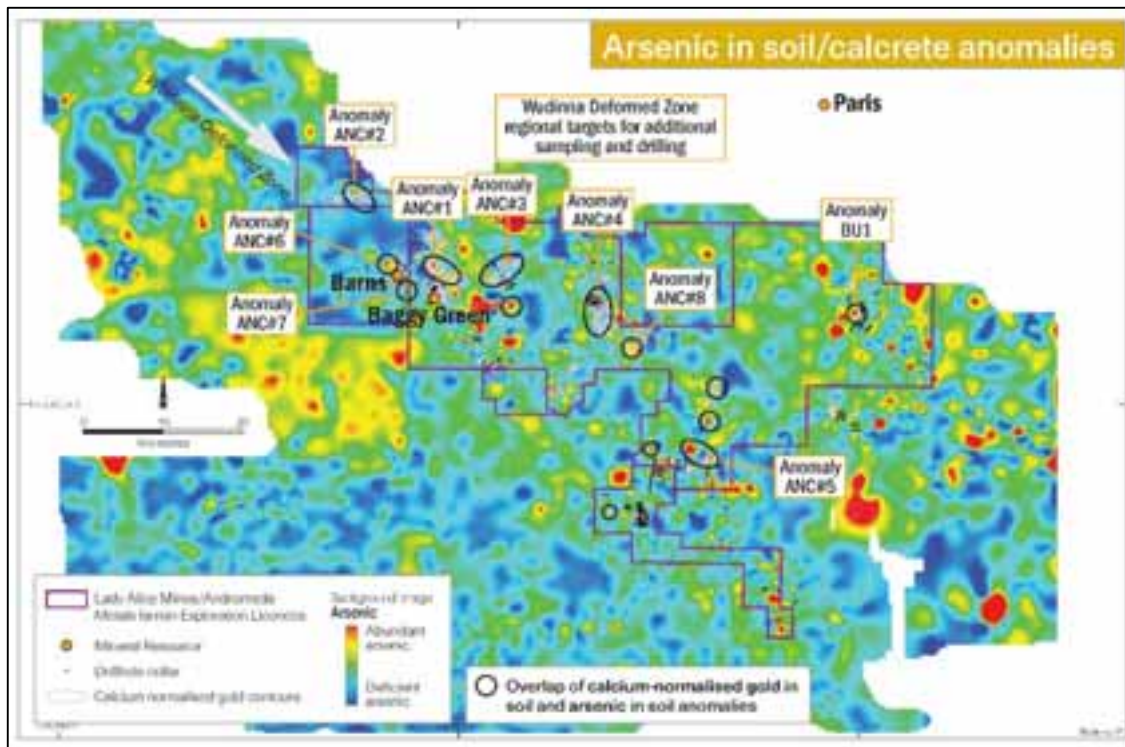


Figure 2-12: Arsenic in soil/ calcrete analysis with highlighted anomalies

Source: Lady Alice Mines

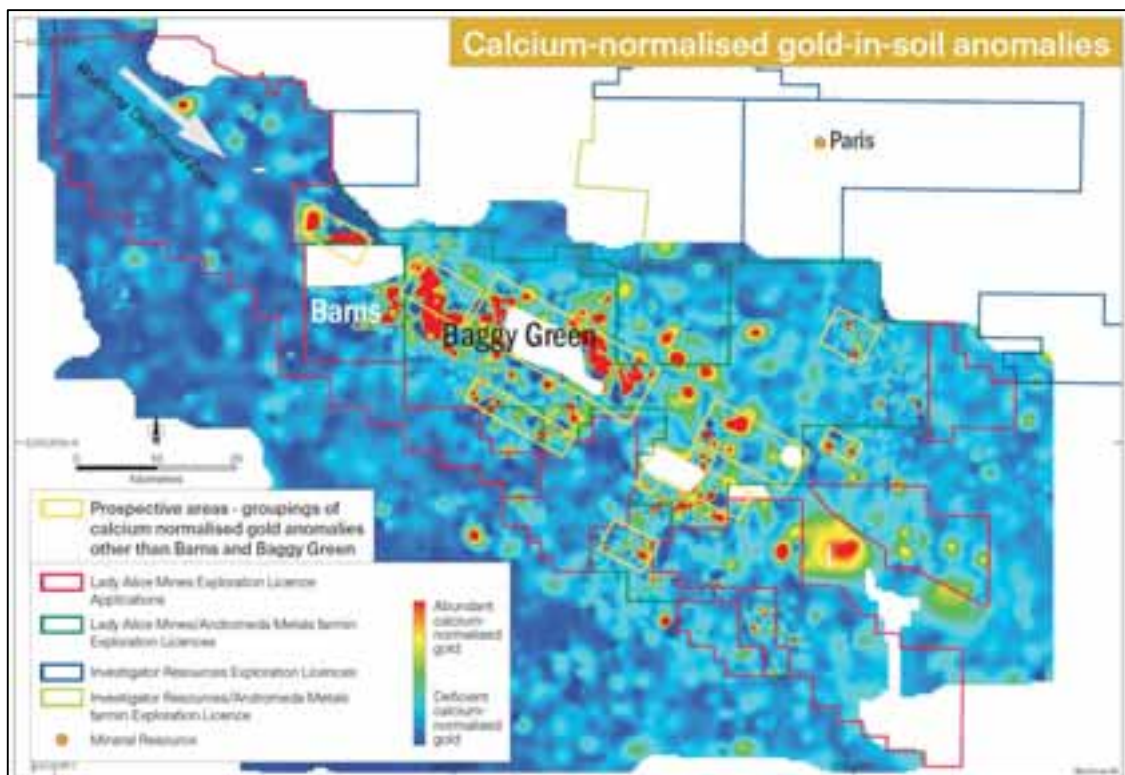


Figure 2-13: Other prospects identified by carbonate normalised gold sampling

Note: Old tenement boundaries are shown on figure.

Source: Cobra Resources/Lady Alice Mines

SRK considers the use of soil geochemistry and sampling of the calcrete profile can provide an effective exploration tool within the current tenement package in the definition of potential gold targets when coupled with an understanding of the regolith profile and landscape processes.

Geobotany

A geobotanical survey was undertaken by Mayo & Hill (2009) along two transects within the Project, one survey comprised north-south traverses and the second survey comprised east-west traverses. Samples were taken from several plant species and with regolith and landform type recorded for each sample site. No correlation between the biochemical signature of basement rocks was noted but a direct correlation between the biochemical signature and the regolith type was evident. A close geobotanical relationship between the chemical signatures of species associations and regolith-landforms was also identified. On this basis, an easily identified plant association could be targeted for regolith-specific sampling. SRK believes this technique could be used in conjunction with the other geochemical methods or remote sensing to assist in exploration activities.

Drilling

Extensive drilling of holes for regional and prospect definition drilling (see Section 2.7) has been completed at the Project (Figure 2-14) and the wider local area.

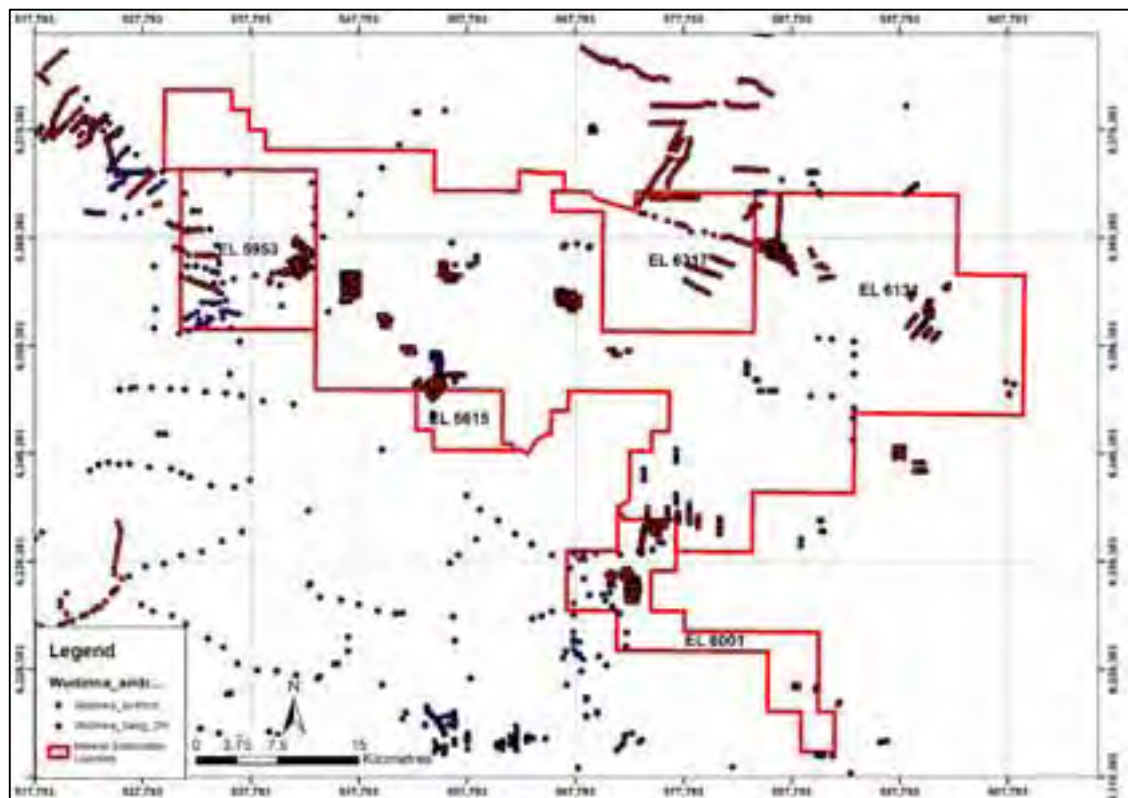


Figure 2-14: Drillholes from SARIG and Andromeda datasets

The regional drilling completed by Andromeda Metals and other companies lie mainly outside of the current tenement boundaries. Most of the drilling has focussed on the calcrete geochemical anomalies with first pass aircore and RAB drilling.

Based on data compilation by Andromeda, the earliest drilling occurred in 1997 and the last being in 2015. The main type being aircore/ RAB followed by RC. Aircore appears to have been used for testing of basement geology and geochemical signatures of the surface sampling geochemical anomalies.

SRK understands that the Lake Acraman tenement (EL 6262) has only had one drill program completed (Figure 2-15). This was carried out by Equinox Resources NL in 1997 with a total of 19 vertical aircore holes drilled to a maximum depth of 74 m on two east–west lines, followed up by a gold in calcrete anomaly. However, no significant gold was intersected.

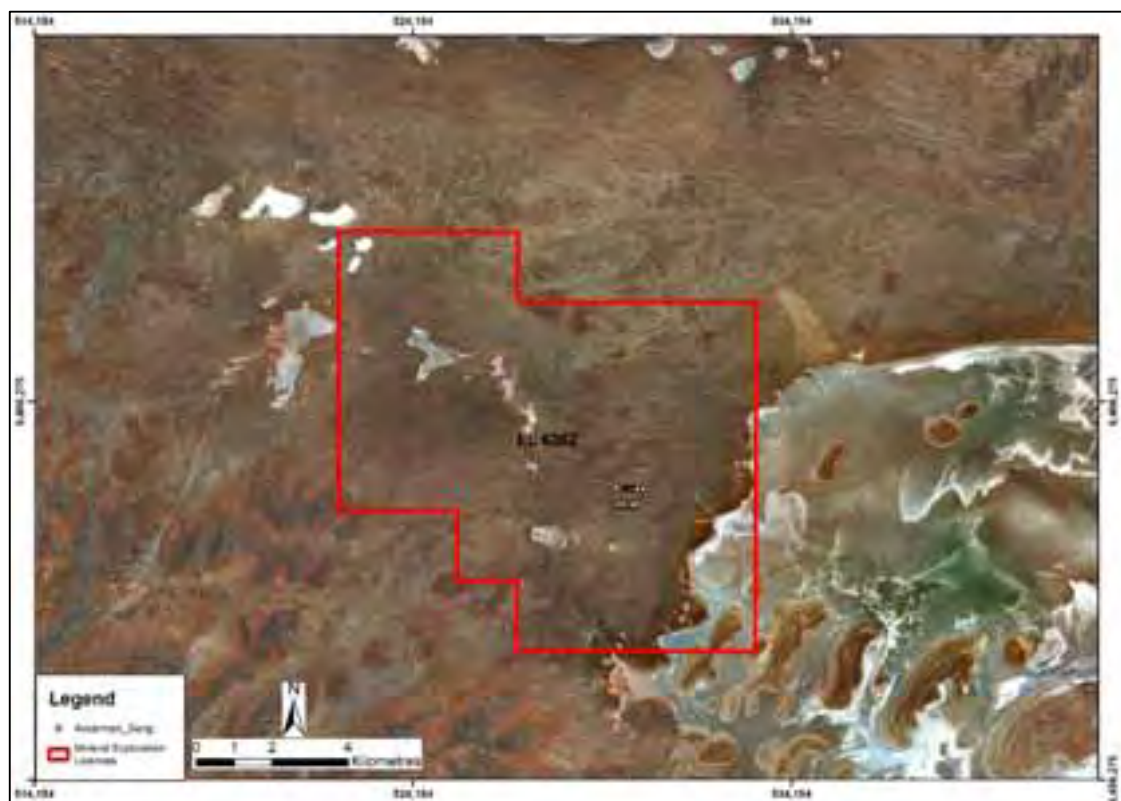


Figure 2-15: Previous drill hole location for EL 6262

Source: SARIG

A summary of the drill hole type of the available drill hole information as supplied by Andromeda Metals is presented in Appendix A (Table 2).

Geophysical surveys

Several government and company geophysical surveys have been completed within and surrounding the Project area. These surveys primarily captured magnetic, radiometric and electromagnetic data and are summarised in Figure 2-16 and Appendix A (Table 3).

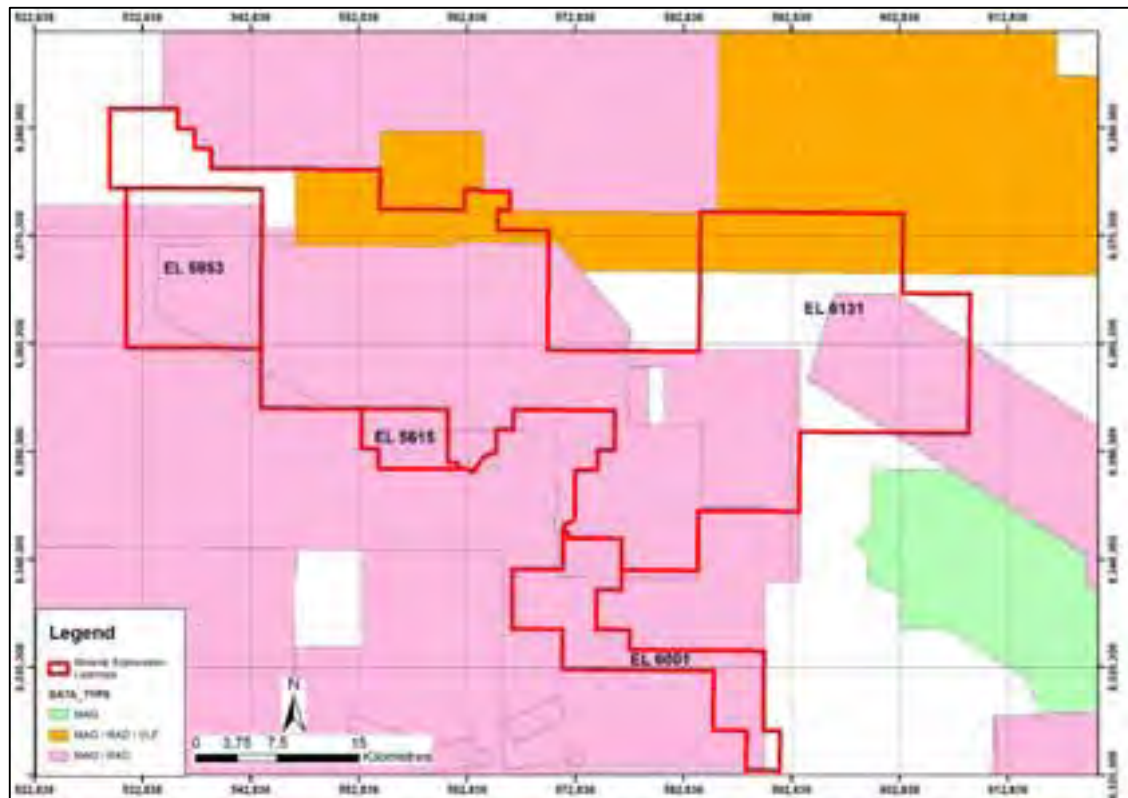


Figure 2-16: Company Geophysical surveys coloured by type covering the Wudinna project

Note: Not including EL 6262

Most of the geophysical data available on SARIG is on a regional scale, Figure 2-17 is an example of regional scale total magnetic intensity data.

A summary of the main geophysical surveys that cover the Wudinna Project are displayed in Appendix A (Table 3) and Appendix A (Table 4).

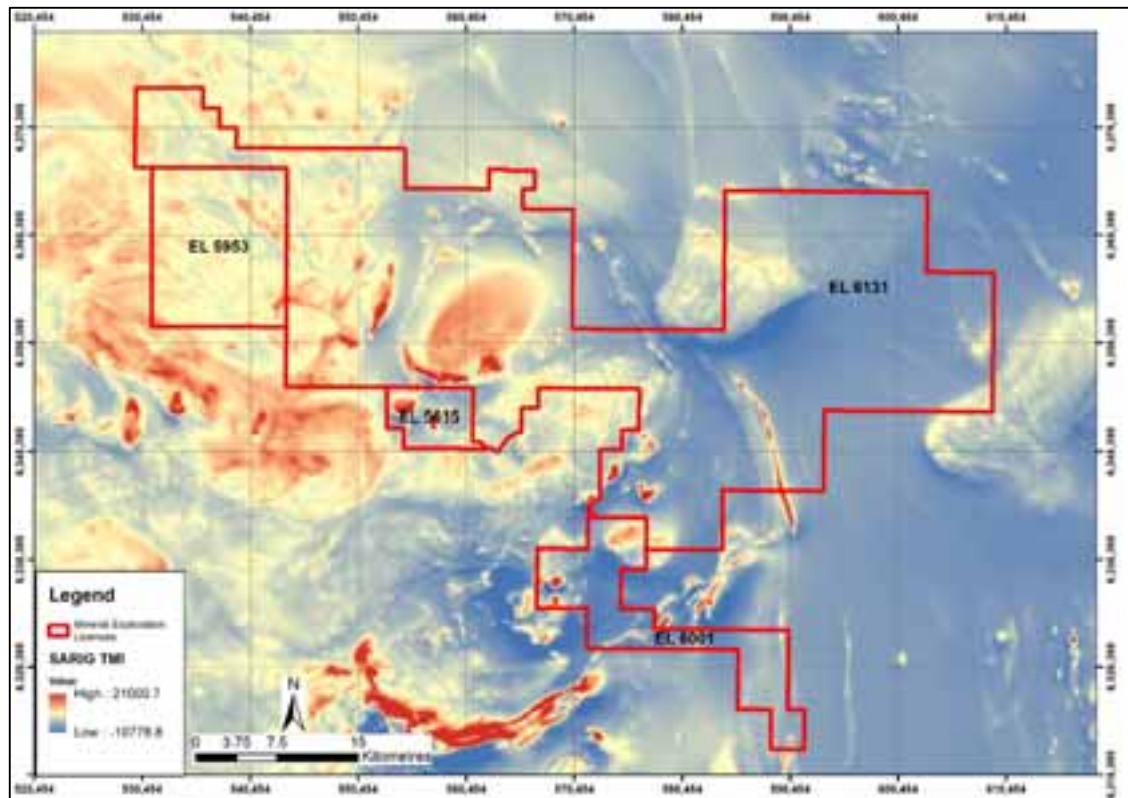


Figure 2-17: Regional aeromagnetic image-total magnetic intensity (TMI)

Source: SARIG.

Petrology

Adelaide Resources (Mumm, 2009) submitted five samples from the Baggy Green Prospect to the University of Adelaide for the petrological analysis of fluid inclusions within the basement granodiorite (Table 2-2). The objective of the study was to assess the signature of the mineralising fluids associated with the gold mineralisation event and allow a regional exploration model to be conceptualised. The analysis identified three fluids and showed that the Baggy Green Prospect has high thorium (Th) values in the fluid.

Mumm (2009) highlights the similarities between Baggy Green and the Tunkillia gold mineralisation north of the Baggy Green prospect (Figure 2-18).

Table 2-2: Samples submitted for fluid inclusion analysis

Hole	Sample Number	Depth (m)	Description	Grade (g/t Au)
BGRC869	20510	94	Altered granodiorite, 1.02 g/tAu, ccp frequent	1.02
BGRC861	20511	66	Mineralised and altered/sheared granodiorite	7.22
BGRC878	20512	126	2.57	
BGRC866	20513	75	Altered granodiorite, sulphides	2.36
BGRC865	20514	66	Altered granodiorite with abundant ccp, py	9.01

Source: Mumm, 2009.

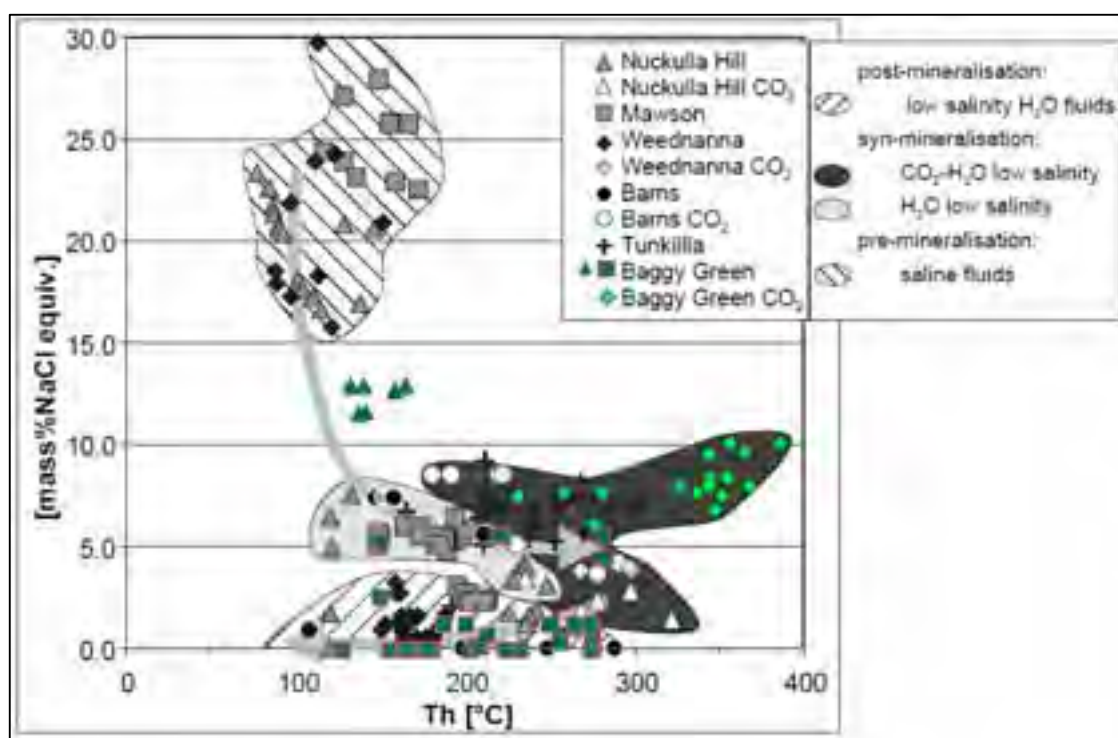


Figure 2-18: Homogenisation temperatures (Th[°C] vs salinity of fluid inclusions from the Central Gawler Gold Province

Source: Mumm, 2009.

A summary petrological report by Mason Geoscience Pty Ltd in 2004 discussed the rock types, metamorphic grades, and alteration characteristics relating to gold mineralisation for 10 local prospects including the Barns, White Tank, and Baggy Green prospects.

2.7 Resource estimation

2.7.1 Historical estimates

Andromeda Metals engaged consulting house Mining Plus to prepare Mineral Resource estimates for the Barns, White Tank, Baggy Green Prospects in 2016 and 2017 (Andromeda Metals, 2017). These Mineral Resource estimates were reported above a cut-off of 0.5 g/t Au:

- Barns Prospect:
 - Inferred Classification: 1,730 kt grading 1.6 g/t Au
 - Indicated Classification: 380 kt grading 1.4 g/t Au
- White Tank Prospect:
 - Inferred Classification: 176 kt grading 1.9 g/t Au
- Baggy Green prospect:
 - Inferred Classification: 1,563 kt grading 1.6 g/t Au
- Total:
 - Inferred Classification: 3,469 kt grading 1.6 g/t Au
 - Indicated Classification: 380 kt grading 1.4 g/t Au
 - Total: 3,849 kt grading 1.6 g/t Au.

2.7.2 Current estimates

More recently, updated Mineral Resource estimates for the three prospects were prepared by Optiro (dated May 2019) on behalf of Lady Alice. The current global Mineral Resource estimate for the Project is 4,020 kt averaging 1.5 g/t Au for 193,000 ounces of contained gold, at a cut-off grade of 0.5 g/t Au. The estimates were reported in accordance with the JORC Code (2012) in March 2019 (Table 2-3 to *Notes: Appropriate rounding applied; reported above a cut-off grade of 0.5 g/t Au.

Table 2-5).

Table 2-3: Mineral Resources for the Wudinna Project – Barns deposit

Barns deposit - Wudinna Project - Mineral Resources (100% basis)			
Classification	Tonnes (kt)	Grade Gold (g/t)	Gold ounces
Indicated	410	1.4	18,000
Inferred	1,710	1.5	86,000
Total	2,210	1.5	104,000

Source: Andromeda (8 May 2019).

*Notes: Appropriate rounding applied; reported above a cut-off grade of 0.5 g/t Au.

Table 2-4: Mineral Resources for the Wudinna Project – White Tank deposit

White Tank deposit - Wudinna Project - Mineral Resources (100% basis)			
Classification	Tonnes (kt)	Grade Gold (g/t)	Gold ounces
Inferred	280	1.4	13,000
Total	280	1.4	13,000

Source: Optiro Consultants (March 2019).

*Notes: Appropriate rounding applied; reported above a cut-off grade of 0.5 g/t Au.

Table 2-5: Mineral Resources for the Wudinna Project – Baggy Green deposit

Baggy Green deposit - Wudinna Project - Mineral Resources (100% basis)			
Classification	Tonnes (kt)	Grade Gold (g/t)	Gold ounces
Inferred	2,030	1.4	94,000
Total	2,030	1.4	94,000

Source: Optiro Consultants (March 2019).

*Notes: Appropriate rounding applied; reported above a cut-off grade of 0.5 g/t Au.

The Mineral Resources estimated for Banks (2016), White Tank and Baggy Green (2017) by Mining Plus used a higher nominal cut-off grade and have different lateral extents and orientation of the mineralisation continuity. The resource estimates in the 2019 model have increased slightly but the global difference is small (i.e. 5% more contained gold in the 2019 model). In addition, tonnage and grade variances for the individual deposits are consistent with the differences applied to the interpretation and resource estimation process.

Table 2-6 presents an overview of the current Mineral resource estimate parameters used by Optiro.

Table 2-6: Wudinna Project – Mineral Resource summary

Wudinna Project	Description
Geological interpretation	Wireframes (envelopes) of weathering and oxidation surfaces were used to delineate boundaries. These were previously interpreted by Andromeda from the existing drillhole database. For Barrens these including surfaces between topography, Quaternary sands, a barren 'pallid' zone, saprolite and saprock. For White Tank, surfaces include the base of cover and base of complete oxidation. For Baggy Green, surfaces include base of complete oxidation and top of fresh material.
Dimensions	The Barrens resource has an extent of 400 mN by 250 mE and is up to 200 m deep. The White Tank resource has an extent of 250mN by 150 mE and is up to 120 m deep. The Baggy Green resource has two areas of mineralisation with extents of 200 m (northing) by 400 m (easting) and 150 m (northing) by 300 m (easting). The mineralisation extends to a depth of 200 m below surface.
Sample data	The gold distribution is highly skewed with a high coefficient of variation and many high-grade outliers. Assay grades were composited to 1 m. Top-cut grades of 4 g/t Au to 19 g/t Au were applied to the supergene mineralisation and 19 g/t Au to 25 g/t Au to the fresh mineralisation.
Type of model for reporting	Sub-block model
Block size	All domaining at Barrens and White Tank was into parent blocks of 10 mE by 10 mN on 4 m benches and at Baggy Green, domaining was into a parent block of 20 mE by 20 mN on 5 m benches. Block sizes were selected based on kriging neighbourhood analysis.
Estimation type	Ordinary kriging at parent block scale. Estimates of tonnes and grades are global estimates.
Search ranges	The search ellipses were oriented within the plane of the mineralisation using three estimation passes (see reporting).
Variography	The nugget effect is moderate, between 20% and 35%, with continuity ranges between 26 m and 53 m along strike (down-plunge), between 42 m and 75 m across strike (down-dip), and between 4.5 m and 13 m vertically (or perpendicular to the mineralisation plane).
Metallurgical testwork	Metallurgical testwork from material at Barrens and Baggy Green indicate gold recoveries ranging from 94.3% to 99.3% and averaging 97.7% across all samples from a combination of conventional gravity and cyanide leaching.
Bulk density	Dry in situ bulk density average from 2.52 g/cm ³ to 2.73 g/cm ³ .
Classification	The Mineral Resources have been classified on the basis of confidence in geological and grade continuity and taking into account data quality, data density and confidence in the grade estimation (using the modelled grade continuity and the slope of the regression as criteria). In SRK's opinion, the classification seems reasonable.
Economic Prospects	The likelihood of eventual economic extraction was considered in terms of possible open pit mining and results from metallurgical testwork. Optiro reported the Mineral Resources with a 0.5 g/t Au cut-off grade to reflect current commodity prices and extraction by open pit mining. In SRK's opinion, this assumption is reasonable.
Audits	The 2019 Mineral Resource estimates done by Optiro for Barrens, White Tank and Baggy Green have not yet been audited by an external party.

Sampling and Quality Assurance/ Quality Control

RC drill were split using a riffle splitter (if dry) and a trowel (if wet) initially as 6 m composites followed by 1 m re-splits. The re-splits were mostly done by riffle splitter. More recent RC samples were split by a cone splitter (12.5%). All primary samples were weighed, and the results recorded.

Samples from AC, RAB and “bedrock” RC were initially collected as 6 m composites followed by 1 m re-splits. Many of the 1 m re-splits were collected by riffle splitting.

Diamond core (DD) samples were cut in half, with the half-core being submitted for assay. A number of half-core samples were also cut in half again (quartered) to provide samples for duplicates.

Quality Analysis/ Quality Control (QA/QC) measures included the collection of duplicate samples, and insertion of Certified Standard Reference (CRM) material at an approximate ratio of 1 in 22 to 24 into the sample stream. A number of significant intersections for Barns and Baggy Green as well as CRMs and Blanks were submitted to a third-party umpire laboratory.

The laboratories used are not specified. Sample preparation included drying, crushing of half-core, and pulverising of submitted sample to target of P80 at 75 µm. The pulverised samples were routinely checked for size after pulverising. The laboratory analytical charge size included 30 g and 50 g standard sizes. The presence of coarse gold was also suspected in some samples based on variability in grade of multiple assayed samples. Gold was assayed by fire assay.

SRK notes that the assay results reported by Optiro have sufficient accuracy and precision to support the Company’s stated Mineral Resource estimate. SRK recommends also using screen fire assay where the presence of coarse gold is suspected or known.

Geological and gold domains

The construction of geological domains for the Project mineralisation was based on the wireframing of key lithological horizons combined with a number of weathering and oxidation surfaces (previously modelled by Mining Plus). Weathering and oxidation surfaces used to delineate boundaries between topography for each of the deposits is listed below:

- Barns: Quaternary sands, a barren ‘pallid’ zone, saprolite and saprock
- White Tank: Base of cover and base of oxidation
- Baggy Green: Base of complete oxidation and top of fresh material.

A nominal cut-off grade of 0.3 g/t Au was interpreted from probability plots and used for re-interpretation of mineralisation for each deposit.

For Barns, sections were oriented perpendicular to 305°. A shallow dip to the southwest was interpreted and using a mineralisation indicator grade of 0.3 g/t Au, a series of mineralised horizons were modelled, with shallow dips to the southwest with shallow plunge to the northwest.

Following provision of the weathering surfaces, Optiro modified the Barns interpretation during 2019 to include two flat-lying lodes of supergene mineralisation (Domains 1 and 2) and 12 fresh lodes (Domains 4 to 15). The fresh lodes were extended to surface and trimmed to the base of the lower supergene surface (Figure 2-19).

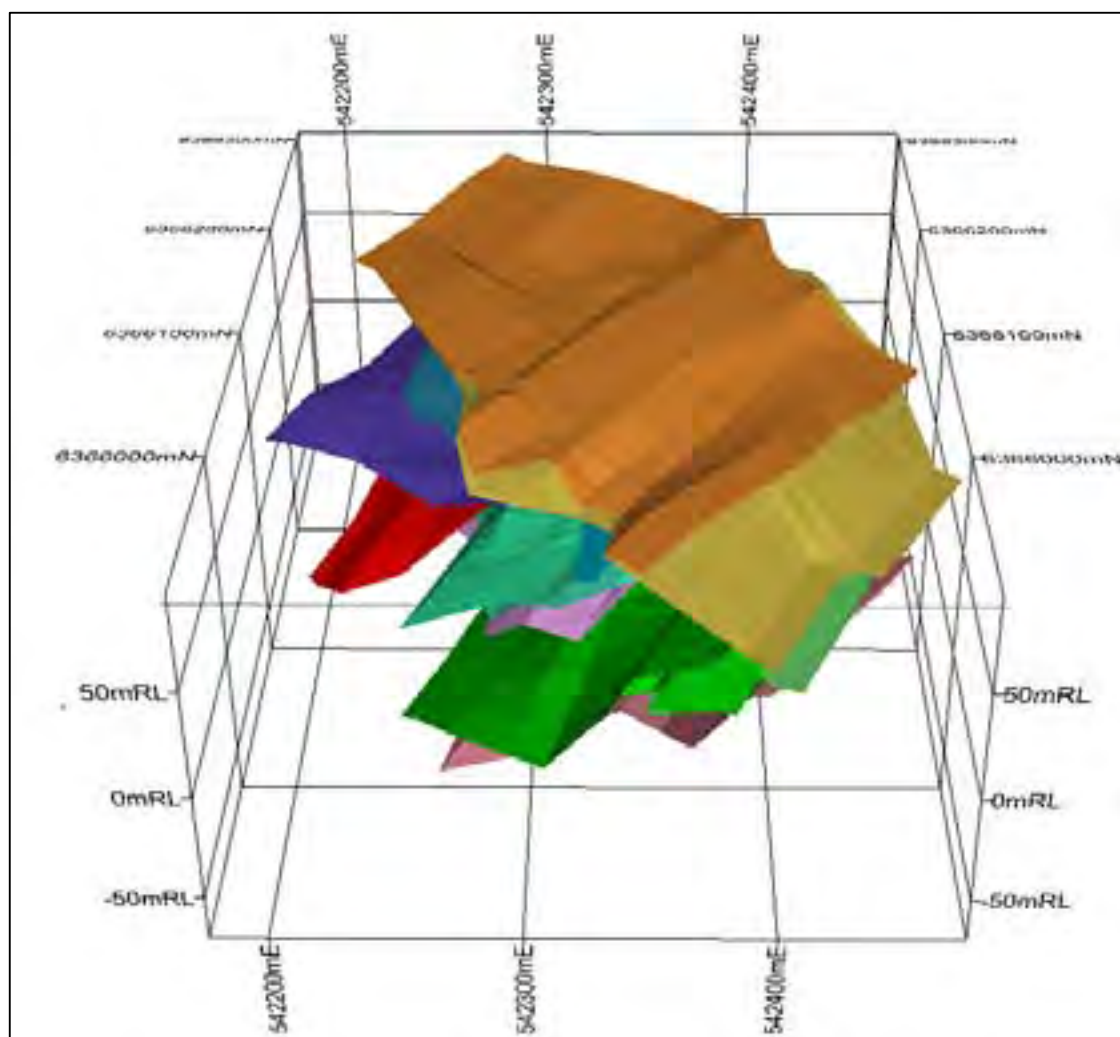


Figure 2-19: 3D view of mineralisation at Barns deposit (looking north)

Source: Optiro, 2019.

The same 305° strike and shallow dip to the southwest for the Barns deposit was used for the White Tank deposit. Three mineralised horizons were interpreted (Domains 11, 12 and 13). The orientations for Domains 12 and 13 are in harmony with the same interpretation at the Barns deposit. The upper mineralised horizon, above the base of weathering, is interpreted to be sub-horizontal supergene mineralisation (Figure 2-20).

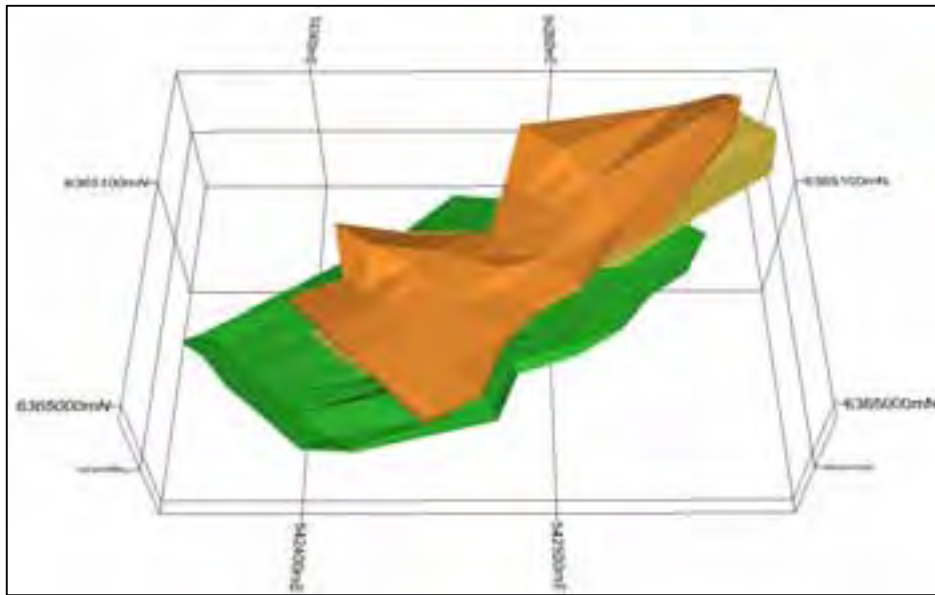


Figure 2-20: 3D view of mineralisation at White Tank deposit (looking north)

Source: Optiro, 2019.

Structural measurements from oriented drill core, taken from two areas within the southern part of the Baggy Green deposit, showed that mineralisation dips shallowly to the northeast and may have a shallow plunge to the northwest. Optiro used this mineralisation with a 0.3 g/t Au cut-off to interpret a series of mineralised horizons. A flat-lying horizon occurs in the southern area (Domain 3), which sits above the base of oxidation. An additional 13 domains (Domains 4 to 8 and Domains 11 to 18) of dipping mineralisation were also interpreted (Figure 2-21).

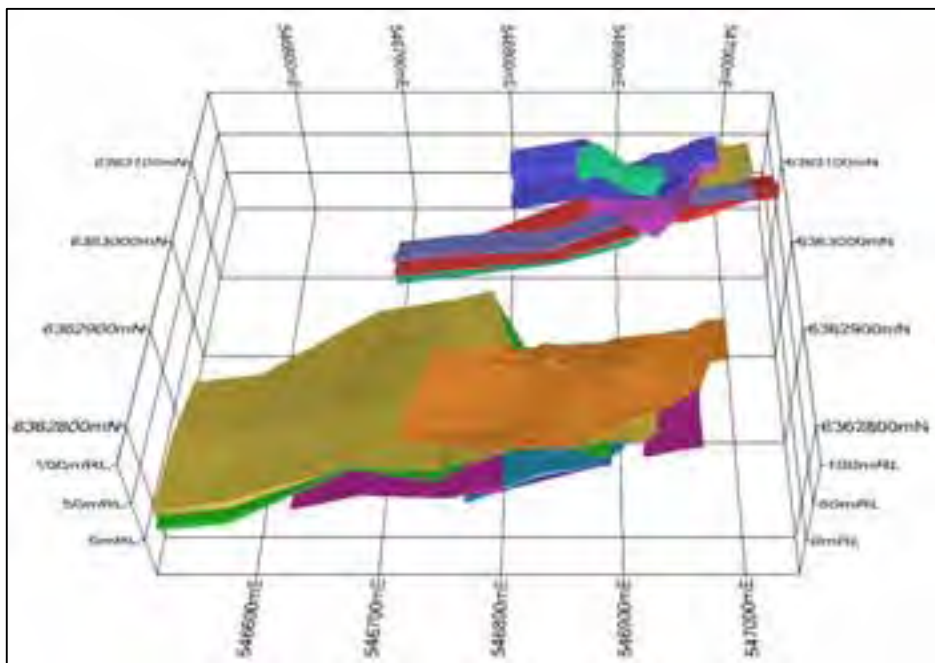


Figure 2-21: 3D view of mineralisation at Baggy Green deposit (looking north)

A best plane of fit was generated through the centre of each of the interpreted mineralised domains. The dip and dip direction of these surfaces were used to control the orientation of the search ellipse for grade estimation.

Estimation

Samples were composited to 1 m for gold and directional variograms were subsequently modelled by domain. For the Barns and White Tank deposits, a parent block model of 10 m (east) by 10 m (north) by 4 m (benches) with sub-blocks at 2 m (east) by 2 m (north) by 0.5 m (elevation) was constructed.

For Baggy Green, a parent block model of 20 m (east) by 20 m (north) by 5 m (benches) with sub-blocks at 4 m (east) by 4 m (north) by 1 m (elevation) was constructed.

Gold block grades were estimated using ordinary kriging and three search passes. Top-cut grades of 4 g/t Au to 19 g/t Au were applied to the supergene mineralisation and grades of 19 g/t Au to 25 g/t Au were applied to the fresh mineralisation. These were determined by examining histograms, log probability plots, and population disintegration.

The search passes used the dynamic anisotropy methodology within the Datamine™ software package.:

- First pass – 60 m by 35 m by 5 m (minimum 6 and maximum 12 samples)
- Second pass – Two times the first pass (minimum 6 and maximum 12 samples)
- Third pass – Six times the second pass (minimum 3 and maximum 12 samples).

The direction of the search passes was based on a combination of variography and trends of the mineralised zones. The orientations were determined by fitting a surface through the centre of each of the mineralised domains.

Approximately 62% of the block grades were estimated in the first pass for Barns, about 29% in the second pass and 9% in the third search pass. For White Tank, approximately 81% of the block grades were estimated in the first pass, 17% in the second pass and 2% in the third. At Baggy Green, approximately 21% of the block grades were estimated in the first pass, 43% in the second pass and 35% in the third search pass.

The results (estimated block grades) were validated using the following criteria:

- Visual comparison of block grades with drillhole data
- Swath plot comparison by easting, northing and elevation.

Visual comparison of input composite grades with block grade estimates.

2.7.3 SRK comment and opinion

The style of gold mineralisation has previously been interpreted to be either of lode or intrusion type. The Hiltaba/ GRV tectonothermal event dated at 1,590 Ma may be the source for intrusion-related mineralisation and could explain the strong occurrence of gold, with significant alteration of the host rocks.

The Technical Information available shows that the depth and continuity of gold mineralisation within the mineralised domains at the Project appears to be reasonably well understood. The quantity and quality of the exploration data for the Project is appropriate for the preparation of Mineral Resource estimates in accordance with the guidelines of the JORC Code (2012). The sampling and density collection techniques, estimation methodology and search parameters used are reasonable and visual validation checks undertaken by SRK suggest that the estimates have been prepared to an appropriate quality standard. In SRK's opinion, the Mineral Resource estimates reported for the Project are acceptable as a reasonable representation of global grades and tonnages.

2.8 Prospectivity

Regional prospects near the Project include the Tarcoola and Tunkilla gold projects owned by WPG Resources Ltd, the Nuckalla Hill (gold) and Paris (silver) projects owned by Investigator Resources, the Weednanna gold project held by Alliance Resources, and the Central Eyre Iron Ore Project (CEIP) owned by Iron Road Limited (Figure 2-22).



Figure 2-22: Regional prospectivity

Source: Cobra Resources plc

Investigator Resources reports that the Paris silver mineralisation body is associated with a felsic volcanic breccia system in an epithermal environment. The deposit is stratabound controlled, hosted within Hutchinson Group rocks (Investigator Resources, 2018). Investigator Resources reported a Mineral Resource estimate of 9.3 Mt grading at 139 g/t Ag and 0.6% Pb (Investigator Resources, 2017).

The Tarcoola gold project lies ~300 km to the northwest of the Project. The steeply dipping primary vein-style gold mineralisation (variable orientation) occurs along with flat-lying mineral accumulations related to a flat-lying granite contact. A broader envelope of sericitic alteration extends beyond the veins and can host low-grade background gold mineralisation. here is some lateral dispersion and supergene enrichment within the oxide zone (WPG Resources, September 2016).

The mineralisation at the Tunkillia gold project is hosted in medium- to coarse-grained granitoids of the Tunkillia Suite, which have been intensely sheared and brecciated within the Yarlbinda Shear Zone. The Tunkillia area shows evidence of extensive alteration. Gold mineralisation at Tunkillia is associated with zones of intense sericite alteration, and quartz and sulphide veining (Helix Resources Ltd, 2008). The Mineral Resource estimate for Tunkillia has been reported at 12 Mt grading at 1.41 g/t Au, and 3.7 g/t Ag for primary and oxide zones (WPG Resources, 2015).

The Weednanna gold project lies to the east of the Wudinna Project, with Alliance Resources reporting the gold mineralisation is associated with sulphide replacement of magnetite along a Hiltaba-aged granite and calc-silicate contact. Alliance Resources reported a Mineral Resource estimate of 1.097 Mt grading at 5.1 g/t Au. The mineralisation is characterised by a north striking and moderate to steep east dipping units of the Palaeoproterozoic aged Hutchinson Group, consisting of marl and dolomite with lesser sandstone and minor basalt, metamorphosed to upper-amphibolite facies and altered to produce interleaving calc-silicate and magnetite skarn (Alliance Resources, 2018).

The Central Eyre Iron Project (CEIP) is a magnetite iron ore project that is in Pre-Development stage. The CEIP has reported total Mineral Resources of 3.6 Bt grading at 16% Fe 53% Si, 12% Al, and associated mineralisation is hosted within coarse-grained magnetite gneiss (Iron Road Ltd, 2014).

Given these similarities, SRK regards the area and surrounds shown as the Proterozoic gold arc on Figure 2-22 are prospective for gold deposits.

3 Proposed Exploration Program and Expenditure

Cobra has identified 14 geochemical targets at the Project which it considers to be prospective for gold mineralisation. A proposed geochemical sampling program has been designed to test the most prospective geochemical targets, initially focusing on ANC#3 (Baggy Green) and ANC#1 (Barns and White Tank) and during Phase 3 expanding to regional targets (Figure 3-1).

The sampling program is based on the following rationale:

- The gold anomalies fall within a zone of calcrete deficiency which aligns with a northwest trending deformation zone.
- The calcium-normalised gold in soil/calcrete values better reflect the presence of underlying gold mineralisation than raw gold in soil/calcrete values, particularly where this is coincident with arsenic anomalism and more silver anomalism.

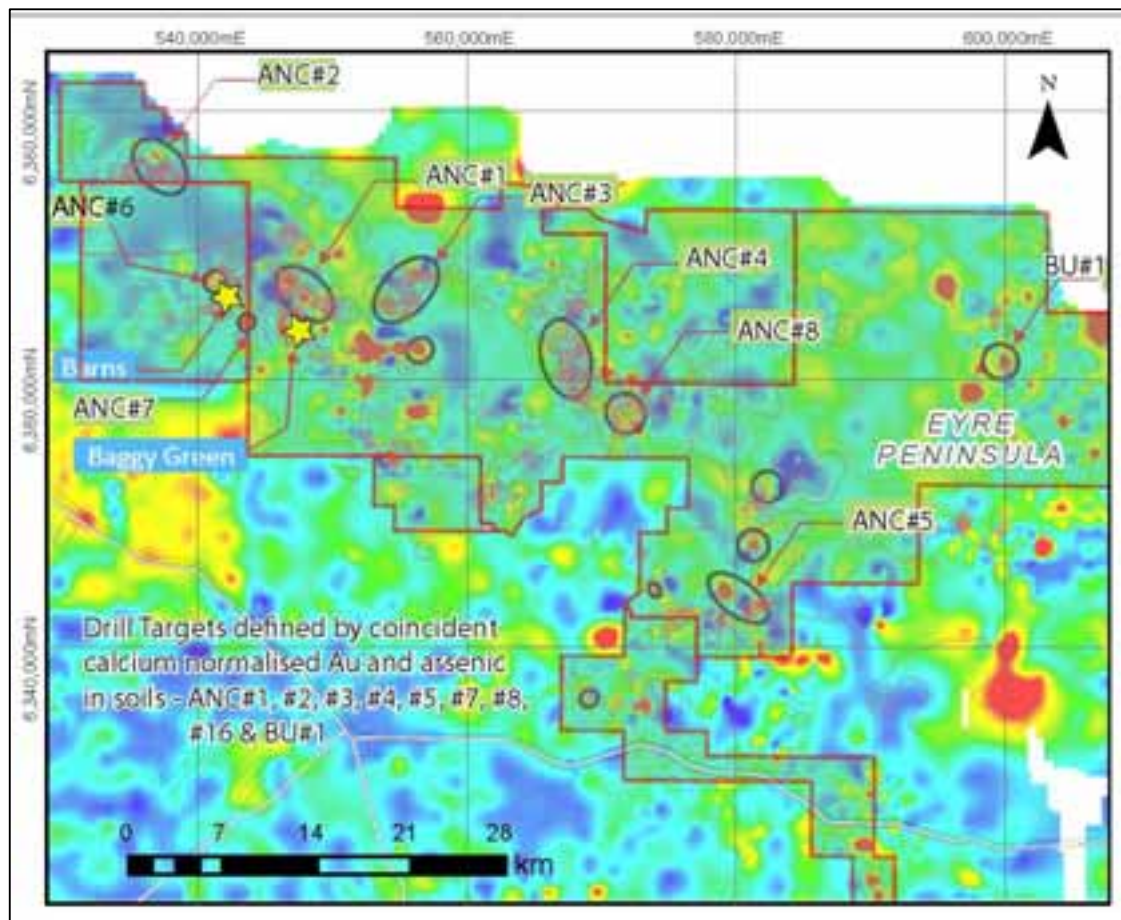


Figure 3-1: Geochemical targets

Cobra has proposed to complete the three-phase geochemical sampling program in a 12-month period and has allocated a budget of A\$190,000. In SRK's opinion, the exploration budget and program proposed by Cobra are reasonable.

4 Concluding Remarks

SRK has carried out a detailed technical assessment of the Technical Information available for the three prospects at the Wudinna Project. No significant risks were found that would impact the geological interpretation. The Mineral Resource estimates are deemed by SRK to be supported by reasonable assumptions and are reported to a sufficient quality standard, e.g. JORC Code (2012), to satisfy the requirements of the London Stock Exchange and are consistent with the European Securities and Markets Authority recommendations.


Cobra proposes to undertake a geochemical sampling program to validate a number of targets coincident with calcium-normalised gold and arsenic in soils. In SRK's opinion, the proposed exploration plan and budget are reasonable for the purpose of identifying and validating geochemical anomalism related to near-surface gold mineralisation at the Project, to form the basis of a future drilling program to test the best targets at depth.

Compiled by



Alex Aitken

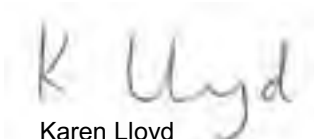
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Peer Reviewed by



Karen Lloyd

Associate Principal Consultant

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Appendices

Appendix A: Summary of Previous Work

Table 1: Historical exploration licences within the current project area

Tenement Label	Licences	Location	Tenement Expiry Date	Area Legal (km²)	Commodities Sought
EL 24	Sadex Pty Ltd	Poondana Rocks	22/11/1974	347	Kaolin
EL 131	Urangesellschaft Australia Pty Ltd	Darke Peak	16/10/1974	524	Uranium
EL 166	Sadex Pty Ltd	Poondana Rock	10/06/1976	347	Kaolin
EL 264	Sadex Pty Ltd	Poondana Rock	7/10/1977	347	Kaolin
EL 382	Sadex Pty Ltd	Poondana Rock	25/07/1979	347	Kaolin
EL 432	Pancontinental Mining Limited	Rockwater Hill	12/11/1979	1300	Uranium
EL 511	Pegmin Ltd	Thurlga Ramp	15/01/1980	381	-
EL 540	Carpentaria Gold Pty Ltd	Poondana Rock	24/10/1981	1909	Uranium, thorium
EL 541	Carpentaria Gold Pty Ltd	Waddikee Rocks	24/10/1981	1304	Uranium, thorium
EL 586	Carpentaria Gold Pty Ltd	Mt Sturt	19/02/1982	346	Uranium, thorium
EL 610	Carpentaria Gold Pty Ltd	Yaninee - Eyre Peninsula	16/03/1982	2276	Uranium, thorium
EL 756	North Broken Hill Ltd	Cootra	24/11/1981	551	-
EL 827	Stockdale Prospecting Limited	Buckleboo	2/11/1982	1219	Uranium, Heavy, Base & Precious Metals
EL 843	Stockdale Prospecting Limited	Mt Double	3/05/1983	2500	Uranium, Heavy, Base & Precious Metals
EL 914	Carpentaria Gold Pty Ltd	Waddikee Rocks	25/10/1983	1304	Uranium, thorium
EL 913	Carpentaria Gold Pty Ltd	Poondana Rock	25/10/1983	1909	Uranium, thorium
EL 979	Carpentaria Gold Pty Ltd	Mt Sturt	28/03/1984	346	Uranium, thorium
EL 980	North Broken Hill Ltd	Cootra	28/03/1984	551	-
EL 1005	Carpentaria Gold Pty Ltd	Yaninee	27/11/1984	2276	Uranium, thorium
EL 1115	The Shell Company Of Aust Ltd	Buckleboo	14/03/1988	1219	Lead, Zinc, silver
EL 1158	Stockdale Prospecting Limited	Mt Double	16/06/1988	1690	Base & Precious Metals
EL 1251	Stockdale Prospecting Limited	Corrobinnie Hill	23/03/1988	98	Base & Precious Metals
EL 1333	The Shell Company Of Aust Ltd	Waddikee	30/03/1988	1144	Lead, Zinc, silver
EL 1384	Rio Tinto Exploration Pty Limited	Chilpuddie Hill	7/06/1990	1345	Uranium, Heavy, Base & Precious Metals
EL 1568	Western Metals Copper Ltd	Peterlumbo	13/02/1994	1001	Base & Precious Metals
EL 1584	Western Metals Copper Ltd	Mount Allalone Area	13/06/1994	274	All Minerals
EL 1696	BHP Billiton Nickel West Pty Ltd	Corribiennie Hill Area	31/01/1996	609	Silver; Gold; Rare Earths
EL 1757	BHP Billiton Nickel West Pty Ltd	Woollinie Area	19/12/1995	253	All Minerals
EL 1787	Western Metals Copper Ltd	Back Pennas Dam Area	28/09/1996	190	All Minerals

Tenement Label	Licences	Location	Tenement Expiry Date	Area Legal (km ²)	Commodities Sought
EL 1852	Fodina Minerals Pty Ltd	Buckleboo Area	8/08/1995	1562	Silver; Diamonds; Gold; Lead; Copper; Zinc
EL 1984	BHP Billiton Nickel West Pty Ltd	Kyancutta Area	11/08/1996	190	All Minerals
EL 2054	AustralAsian Granite Pty Ltd	Wudinna Hill Area	15/08/1997	198	Granite
EL 2188	Andromeda Metals Limited	Minnipa Area	6/06/2001	184	Gold; Copper
EL 2178	Andromeda Metals Limited	Warramboe Area	6/06/2001	2336	All Minerals
EL 2211	Andromeda Metals Limited	Corrobinnie Area	16/10/2001	2492	All Minerals
EL 2342	Adelaide Exploration Pty Ltd	Pinkawillinie Area	25/05/2002	190	All Minerals
EL 2456	Newcrest Operations Limited	Wudinna Hill Area	2/11/1999	198	Gold; Copper
EL 2669	Adelaide Exploration Pty Ltd	Wudinna Hill area	10/11/2004	42	All Minerals
EL 2752	Adelaide Exploration Pty Ltd	Yaninee area	8/10/2005	1161	Gold
EL 2845	Adelaide Exploration Pty Ltd	Minnipa area	20/09/2006	184	Gold
EL 2846	Adelaide Exploration Pty Ltd	Warramboe area	20/09/2006	1363	Iron Ore; Gold; Copper
EL 2869	Adelaide Exploration Pty Ltd	Corrobinnie area	26/11/2006	2492	Gold
EL 3076	Peninsula Resources Limited	Pildappa area	3/04/2008	139	Gold
EL 3119	Peninsula Resources Limited	Pinkawillinie area	11/08/2008	186	Gold
EL 3296	Peninsula Resources Limited	Wudinna Hill area	17/01/2010	42	Gold
EL 3367	Minotaur Uranium Pty Ltd	Broadacres area	5/06/2008	555	Gold; Copper
EL 3501	Peninsula Resources Limited	Yaninee Area	17/01/2011	769	Uranium; Gold
EL 3743	Peninsula Resources Limited	Minnipa area	18/04/2012	184	Iron Ore
EL 4145	Peninsula Resources Limited	Pildappa Area -	5/05/2013	139	Base Metals; Gold; Copper
EL 4214	Peninsula Resources Limited	Pinkawillinie Area	15/12/2013	186	Uranium; Gold; Copper
EL 4459	Peninsula Resources Limited	Wudinna Hill area	24/03/2015	42	Uranium; Base Metals; Gold; Copper
EL 4776	Minotaur Operations Pty Ltd	Mount Double area	28/09/2016	311	Uranium; Gold; Copper
EL 4968	Peninsula Resources Limited	Waddikee Rocks area	13/02/2017	395	Gold; Copper
EL 5092	Peninsula Resources Limited	Minnipa area	18/04/2017	184	Gold; Copper
EL 5120	Peninsula Resources Limited	Corrobinnie area	11/07/2017	1397	Uranium; Gold; Copper
EL 5076	Endeavour Copper Gold Pty Ltd	Thurlga area	23/10/2014	951	Silver; Gold; Copper
EL 5381	Peninsula Resources Limited	Pinkawillinie area	15/12/2018	186	Gold; Copper
EL 5405	Doray Minerals Limited	Pinkawillinie area	30/04/2016	109	Silver; Gold
EL 5647	Minotaur Operations Pty Ltd	Pondanna area	16/07/2017	878	Silver; Gold; Copper

Source: Data from SARIG.

Table 2: Drill hole type summary for the Wudinna Project from the Andromeda database

Drill hole type	No. of Holes	No. of Metres	Comments
AC	983	41,791	Air core
AC/H	92	4,798	Aircore/hammer
AH	13	611	Air hammer
DD	4	749	Diamond drill
DDH	6	1,147	Diamond drill
RB	125	7,523	Rotary air blast
RC	165	16,516	Reverse circulation
RCP	8	797	Reverse circulation percussion
RH	688	38,855	Rotary hammer
RH, AC	10	486	Rotary hammer, aircore
RM	179	10,885	Rotary mud
Total	2273	124,160	

Source: Cobra Resources plc, 2019.

Table 3: Company geophysical surveys covering the Wudinna Project

Year	Name	Company	Data type	Spacing	Height	Direction	Line km
1996	Streaky Bay (1996)	Equinox/ Newquest/ MESA	Mag/ Rad	250	50	E-W	4600
1986	Wudinna	CRA Exploration Pty Ltd	Mag/ Rad	300	80	N-S	8218
1981	Gawler Range Volcanics	Stockdale Prospecting Ltd	Mag/ Rad/ LF	250	70	NW-SE	7990
1994	Kyancutta	WMC Resources Ltd	Mag/Rad	250	60	E-W	6125.5
2004	Wudinna Hill, Eyre Penn A1	Adelaide Resources Ltd.	Mag/Rad	-	40	E-W	16527
2004	Wudinna Hill, Eyre Penn A2	Adelaide Resources Ltd.	Mag/Rad	-	40	E-W	16527
2005	Eyre Peninsula IP/ Resistivity Program	Adelaide Resources Ltd.	IP	-	-	E-W	14

Note: Line spacing of 2004 Adelaide Resources magnetic survey is currently not known. Does not include tenement EL 6262.

Table 4: Government geophysical surveys covering the Wudinna Project

Date	Name	Company	Data Type	Spacing	Height	Direction	Line km
1999	TEISA A6	PIRSA	Mag/ Rad	400	80	E-W	10177
1999	TEISA A7	PIRSA	Mag/Rad	400	80	E-W	9355
1988	1988 Eyre Peninsula Survey	PIRSA/ GA	Mag/ Rad/ EM	1000	105	E-W	76756
2008	Gawler Craton Seismic Traverse	GA	2D Seismic	-	-	-	265

Note: Does not include tenement EL 6262.

Appendix B: Independent Solicitor's Report

16 April 2019

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Solicitor's Report on Tenements

This report has been prepared by Norton Rose Fulbright Australia (**NRFA**) at the request of Cobra Resources plc (**Company**) in respect of the Wudinna Copper Project and the Prince Alfred Copper Project in South Australia (together the **Projects**). We have been asked to report on the mining tenements in respect of the Projects in which the Company has, or will have, an interest, being the mining tenements listed in Schedule 1 (**Tenements**).

This report is divided into the following parts:

- (1) the body of this report sets out general information regarding the key features of the Tenements, native title and Aboriginal heritage;
- (2) Schedule 1 contains a summary of the Tenements;
- (3) Schedule 2 contains a summary of the native title and heritage arrangements in respect of the Tenements, and
- (4) Schedule 3 contains a summary of the material contracts which are relevant to the Tenements (**Material Contracts**).

The body of this report also lists the searches we have performed and the assumptions and qualifications that apply to this report.

This report should be read in its entirety, including the assumptions and qualification set out paragraph 6.

1 Tenements

1.1 Background

- (1) We:
 - (a) note that the Company entered into a Unit Trust and Share Purchase Agreement (**SPA**) with various parties on or around 6 March 2019 to acquire all of the units in the Lady Alice Trust (**LAT**) and all of the shares in Lady Alice Mines Pty Ltd (ACN 605 297 363) (**LAM**).

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- (b) are instructed by the Company that completion under the SPA is expected to occur during May/June 2019; and
- (c) are instructed by the Company that, following completion under the SPA, the Company will be beneficially entitled (through LAM as the trustee of the LAT) to the following interests in the Tenements:
 - (i) 100% interest in EL 6016 (**Prince Alfred Tenement**); and
 - (ii) the right to earn up to a 75% interest in EL 5615, EL 5953, EL 6001, EL 6131, EL 6262 and EL 6317 (**Wudinna Tenements**).
- (2) We have prepared this report on the basis that all interests held by LAM, and all agreements entered into by LAM, in respect of the Projects have been done by LAM as trustee of the LAT. All references to LAM in this report should therefore be read accordingly.

1.2 Ownership and status

- (1) The Tenements comprise exploration licences granted under the *Mining Act 1971* (South Australia) (**Mining Act**).
- (2) All Tenements are 'active', in good standing and free of all encumbrances (being mortgages and caveats under the Mining Act).
- (3) The Prince Alfred Tenement is held 100% by LAM, and operated by LAM.
- (4) The Wudinna Tenements are held 100% by Peninsula Resources Limited (**Peninsula**), and all of the Wudinna Tenements are operated by Andromeda Metals Limited (**ADN**) (which is the parent company of Peninsula), other than EL 6131, which is operated by Peninsula. We are instructed by the Company that the South Australian Department of Energy and Mines (**DEM**) has been advised that ADN is the operator of EL 6131 (ie the reference to Peninsula as the operator of EL 6131 on the Tenement Searches is an error).
- (5) The Wudinna Tenements are subject to the Heads of Agreement – Wudinna Gold Project – Farm-In and Joint Venture between ADN, Peninsula and LAM dated 30 October 2017 (**HOA**). Further details of the HOA are set out at paragraph 4. Broadly, however, LAM has a right to earn up to a 75% interest in the Wudinna Tenements pursuant to the HOA.
- (6) A number of other agreements and documents have been registered in respect of the Tenements, which are considered at paragraph 1.2(7) and the Schedules in further detail.
- (7) All Tenements are subject to determined native title claims, which are considered at paragraph 2 in further detail.
- (8) Aboriginal heritage sites also exist over some or all of the areas of the Tenements, which are considered at paragraph 3 in further detail.

1.3 Registrations against Tenements

- (1) DEM maintains a register under the Mining Act which records all applications, grants, agreements, renewals, change of name and addresses, transfers, surrenders, caveats and mortgages in respect of tenements.
- (2) The Tenement Searches show that:
 - (a) there are no mortgages or caveats registered against the Tenements;
 - (b) there is a \$10,000 cash bond registered against EL 6131, and

- (c) there are a number of agreements and documents registered against the Tenements, some of which we have considered in further detail as part of our review of the material contracts listed in Schedule 3 (**Material Contracts**)

1.4 General

- (1) All tenements granted under the Mining Act are subject to general conditions and prescribed conditions which regulate the activities that may be carried out by their holders. For example, requiring the holder to adequately rehabilitate the land after mining and carry out mining activities in a safe manner. These general conditions are not detailed in Schedule 1
- (2) A brief description of the key terms of exploration licences and mining leases under the Mining Act is set out below.
- (3) Exploration licences
 - (a) An exploration licence:
 - (i) is issued for the purpose of exploring for minerals (other than extractive minerals and precious stones (such as opals)); and
 - (ii) can be granted for a maximum period of 5 years. At the conclusion of the 5 year term, the holder may lodge an application for a "subsequent exploration licence". The application for a subsequent exploration licence must be lodged at least three months prior to the expiry of the existing licence.
 - (b) The area of land in respect of which an exploration licence is granted must not exceed 1,000 km² unless special circumstances justify the granting of a larger area. The holder of an exploration licence may apply to surrender all or a portion of the licence at any time during its term.
 - (c) Exploration licences are granted subject to various general conditions, including conditions relating to expenditure and observance of environmental protection and reporting requirements
 - (d) The Minister under the Mining Act (Minister) may in certain circumstances require the holder of an exploration licence to provide a bond of an amount that will cover any civil or statutory liability likely to be incurred in the course of carrying out exploration, and any obligations in relation to rehabilitation of land disturbed during exploration.
 - (e) Any acquisition of an interest in an exploration licence by other parties, or agreements in relation to a future acquisition of an interest (eg joint ventures and transfers), requires the written consent of the Minister.
- (4) Mining leases
 - (a) A mining lease:
 - (i) may be granted to the holder of a:
 - (A) registered mineral claim (eg a claim that is established when exploration has been carried out on an exploration licence and a mineral resource has been identified) in respect of the whole or part of the land comprised in the claim; or
 - (B) retention lease in respect of the whole or part of the land comprised in the lease, and

- (ii) can be granted for a maximum term of 21 years and may be renewed for successive periods of 21 years.
- (b) The holder of a mining lease has exclusive rights to the land to conduct mining operations.
- (c) A mining lease authorises the holder of the lease to sell, or dispose of, minerals recovered in the course of mining operations, or to utilise any such materials for any commercial or industrial purpose.
- (d) Mining leases are granted subject to various standard conditions as the Minister thinks fit and specifies in the lease, including conditions relating to the observance of environmental protection, payment of rent and royalties and reporting requirements.
- (e) An application for a mining lease must be accompanied by a mining proposal including the mining operations that the applicant proposes to carry out in pursuance of the lease. The proposal must also set out an assessment of the environmental impacts of the proposed mining operations and the measures that the applicant proposes to take to manage the impacts.

1.5 Access and compensation arrangements

- (1) Under the Mining Act, a tenement holder must give a landowner at least 21 days notice prior to entry onto the land subject to the tenement. Alternatively, a licensee may negotiate and enter into an access agreement with the landowner.
- (2) Compensation agreements typically provide for the tenement holder to make periodic payments to the landowner and conduct its activities according to agreed standards.
- (3) We have not carried out any searches of the land underlying the Tenements and this report does not comment on whether any compensation agreements are required in respect of the Tenements and if so if compensation agreements have been entered into, the terms of any such agreements, whether any compensation payments are outstanding or whether there have been any breaches of any such agreements.

1.6 Royalties

- (1) Under the Mining Act, a tenement holder must pay royalties to the State of South Australia on all minerals recovered and either:
 - (a) sold or intended for sale, or
 - (b) utilised, or to be utilised, for any commercial or industrial purpose.
- (2) Tenement holders are required to submit a royalty return to DEM every six months setting out the basis for calculating royalties paid.
- (3) We have not confirmed whether any royalties or royalty returns are outstanding in respect of the Tenements, although we expect that no royalties or royalty returns are required given that the Tenements are all exploration licences.
- (4) Tenements may also be subject to royalties payable to non-government third parties under particular agreements. Please see our comments at paragraph 4 in respect of the Royalty Deed between Newcrest Mining Limited (**Newcrest**), Adelaide Exploration Limited and Adelaide Resources Limited dated 13 February 2002 (**Royalty Deed**) in respect of the Wudinna Tenements, which has been assigned to and assumed by LAM.

1.7 Environment protection and rehabilitation

- (1) Tenement holders are required to obtain approval of a program for environment protection and rehabilitation (**PEPR**) before conducting any mining operations.
- (2) A PEPR should identify all relevant environmental outcomes that are expected to occur as a result of the mining operations, including after taking into account any rehabilitation proposed by the tenement holder and any other steps to manage, limit or remedy any adverse environmental impacts. The PEPR should also set out the criteria to be adopted to measure the environmental outcomes and incorporate information about the ability of the tenement holder to achieve the reported environmental outcomes.

2 Native title

2.1 General

- (1) Native title is governed by the *Native Title Act 1993* (Commonwealth) and its associated regulations (**NTA**) and, in relation to certain past dealings, the common law.
- (2) The NTA provides for, amongst other things:
 - (a) recognition and protection of native title;
 - (b) mechanisms for determining claims for native title;
 - (c) the validation of certain acts which would otherwise be invalid because of their effect on native title, such as any land tenures granted or renewed before 1 January 1994 and any freehold and certain leasehold (including pastoral leases) granted or renewed before 23 December 1996 (see Section 2.2);
 - (d) the extinguishing effect on certain acts;
 - (e) requirements that must be complied with for a future dealing (an act carried out after 23 December 1996) that may affect native title rights (**Future Act**) to be valid under the NTA (**Future Act Provisions**), and
 - (f) compensation for impairment of native title rights and interests.
- (3) The NTA applies to land in respect of which native title rights and interests have not been extinguished by previous "extinguishing acts". Where acts are to be carried out over land and waters where native title has not been extinguished after 23 December 1996, the Future Act Provisions must be complied with.

2.2 Future Act Provisions

- (1) The Future Act Provisions apply to all Future Acts in areas where native title has not previously been wholly extinguished. If the relevant Future Act Provisions are not followed, the act may be invalid to the extent of its effect on native title.
- (2) The Future Act Provisions most commonly applicable to the grant of new mining and exploration licences are the "right to negotiate" indigenous land use agreements (ILUA) and the "expedited procedure". These are summarised below.

(a) Right to negotiate

- (i) The right to negotiate involves a structured process under which the tenement applicant, the relevant State government and any registered native title claimant or holders of native title rights must negotiate in good faith for six months, with a view to agreeing the terms on which the tenement can be granted.
- (ii) The tenement can be validly granted once agreement is reached (referred to as a section 31 agreement) or if the National Native Title Tribunal (NNTT) determines that the tenement may be granted. The section 31 agreement will often require the applicant for the tenement to be liable for any compensation that the parties agree to pay to the registered native title claimants and holders of native title. The parties may also agree on conditions that will apply to activities carried out on the tenement.

(b) Expedited procedure

- (i) If the government considers that the Future Act will have minimal impact on native title, the government may have the matter fast tracked by giving the necessary notifications to use the expedited procedure. If the expedited procedure is used, the Future Act can be done without negotiating with the native title parties.
- (ii) A tenement can be granted under expedited procedure if the grant:
 - (A) will not, and is not likely to, interfere directly with areas or sites of particular significance in accordance with their traditions to the holders of the native title in relation to the land, or
 - (B) is not likely to involve major disturbance to any land or waters concerned or create rights whose exercise is likely to involve major disturbance to any land.

If these requirements are satisfied, tenements may be granted without going through the right to negotiate procedure.

- (iii) The government may validly grant the tenement provided no objection to the grant of the tenement under the expedited procedure is made by the native title party.

(c) ILUA

- (i) An ILUA is a voluntary contractual arrangement between the relevant registered native title parties, government party and sometimes other parties (such as mining companies) about the use and management of land and waters.
- (ii) An ILUA must set out the terms on which a tenement can be granted. An ILUA must also specify the conditions on which activities may be carried out within the tenement.
- (iii) A mining tenement can be validly granted without compliance with other Future Act provisions if an appropriate ILUA is registered which provides for consent to the grant and states that the right to negotiate does not apply.
- (iv) The Native Title Searches and the Tenement Searches show that a number of ILUAs exist in respect of some or all of the areas of each of the Tenements, and that a number of agreements have been entered into regarding native title in respect of the Tenements. Further details are set

out in Schedule 2. We have not received a copy of these ILUAs or these agreements and so cannot comment on the impact these arrangements would have on any future grant of a mining lease over any part of the area of the Tenements.

2.3 Native title claims

- (1) Persons claiming to hold native title may lodge an application for determination of native title with the Federal Court of Australia. The Court may then refer the application to the Native Title Registrar to determine if the application can be registered.
- (2) If the Native Title Registrar is satisfied that the application meets the registration requirements set out in the NTA (**Registration Test**), it will be entered on the Register of Native Title Claims maintained by the NNTT. Persons who are claimants in a registered claim have certain procedural rights under the Future Act Provisions.
- (3) Claims which fail to meet the Registration Test may be entered on the Register at a later date if additional information is provided to satisfy the Registration Test. If a claim fails to meet the Registration Test the claimants are not "native title parties" under the Future Act Provisions. This does not mean that the claim has been dismissed or discontinued.

2.4 Native title determinations

- (1) A native title determination is a declaration of the Federal Court of Australia as to whether native title exists in relation to a particular area which holds that particular native title, the rights and interests comprising the native title and the relationship between the native title rights and interests and other non-native title rights and interests (such as the interests of the tenement holder) in the area.
- (2) If native title is found to exist, the determined native title holders have procedural rights as "native title parties" under the Future Act Provisions.
- (3) The Native Title Searches show that native title has been determined to exist over some or all of the areas of each of the Tenements. Further details are set out in Schedule 2.

2.5 South Australia Native title regime

- (1) An exploration licence does not permit any operations on land that may be 'native title land' (as defined in the *Native Title (South Australia) Act 1994*) unless:
 - (a) the mining operations do not affect native title (ie they are not wholly or partly inconsistent with the continued existence, enjoyment or exercise of rights deriving from native title); or
 - (b) a declaration is made under the law of the state or the Commonwealth to the effect that the land is not subject to native title.
- (2) Alternatively, the licence holder may seek to obtain an 'agreement' or a 'determination' authorising exploration on the land.

3 Aboriginal heritage

- 3.1 The *Aboriginal and Torres Strait Islander Heritage Protection Act 1984* (Commonwealth) applies to the conduct of activities on the Tenements. This Act protects areas or objects declared to be of particular significance to Aboriginal persons or Torres Strait Islanders.
- 3.2 The *Aboriginal Heritage Act 1988* (South Australia) provides protection for all Aboriginal heritage sites in South Australia. A tenement holder must make practical and reasonable endeavours to find out if any Aboriginal heritage sites exist in the relevant area and ensure their activities do not harm any sites or objects.

- 3.3 The Aboriginal Heritage Searches show that Aboriginal heritage sites exist over some or all of the areas of the Tenements. Further details are set out in Schedule 2.

4 Material Contracts

- 4.1 We have reviewed the Material Contracts, which comprise the HOA and the Royalty Deed, including the associated Deed of Assignment and Assumption – Royalty Interest – Newcrest Mining Limited between Newcrest, Peninsula and LAM (undated).

- 4.2 A summary of the Material Contracts is set out in Schedule 3.

- 4.3 Our key comments are:

(1) HOA

- (a) the HOA gives LAM the right to earn up to a 75% interest in the Wudinna Tenements,
- (b) while the HOA is a legally binding agreement, it provides for the parties to negotiate and enter into formal binding agreements in respect of the farm-in and joint venture arrangements contemplated in the HOA. There is always a risk that the parties will not reach agreement, although the HOA sets out the key commercial terms for these proposed arrangements and provides for the AMPLA model agreements to be adopted by the parties in the event that they cannot reach agreement by an agreed target date;

(2) Royalty Deed

- (a) the Royalty Deed provides for LAM and Peninsula to pay a 1.5% net smelter return royalty to Newcrest in respect of all gold and minerals sold from some of the Wudinna Tenements. We are instructed by the Company that this royalty relates only to five of the six Wudinna Tenements (ie it does not relate to EL 6262 as this tenement was applied for after this deed was entered into). LAM and Peninsula agree to pay this royalty in proportion to their participating interests under the joint venture arrangements contemplated in the HOA, and
- (b) while the Royalty Deed and associated Deed of Assignment and Assumption provide for Newcrest to register mortgages and caveats over the Wudinna Tenements, the Tenement Searches do not show any mortgages or caveats.

5 Searches

- 5.1 We have conducted the following searches in respect of the Tenements:

- (1) search of the Tenements on the registers maintained by DEM under the Mining Act on 27 March 2019, and a further search of EL 5953 and EL 6001 on the registers maintained by DEM under the Mining Act on 16 April 2019 (**Tenement Searches**);
- (2) obtained extracts of registered native title claims and native title determinations that apply to the Tenements, as determined by the NNTT on 28 March 2019 (**Native Title Searches**); and
- (3) search of the registered Aboriginal sites and other heritage places that overlap the Tenements on the online Aboriginal heritage inquiry system maintained by the South Australian Department of Premier and Cabinet on 3 April 2019 (**Aboriginal Heritage Searches**).

(together the **Searches**)

6 Assumptions and qualifications

6.1 This report is subject to the following assumptions

- (1) the accuracy and completeness of all Searches, register extracts and other information or responses which were obtained from the relevant department or authority, including the NNTT;
- (2) that the registered holder of a Tenement has valid legal title to the Tenement;
- (3) the accuracy and completeness of any instructions or information which we have received from the Company or any of its officers, agents and representatives;
- (4) due and proper execution of, and proper authority to execute, all documents;
- (5) authenticity of all signatures, seals, duty stamps and other markings on documents made available to us;
- (6) the accuracy, completeness and conformity to originals of all documents made available to us;
- (7) unless apparent from our Searches or the information provided to us, we have assumed compliance with the requirements necessary to maintain a Tenement in good standing;
- (8) this report does not cover any third party interests, including encumbrances, in relation to the Tenements that are not apparent from our Searches and the information provided to us;
- (9) all facts stated in documents, and responses to requests for further information, and other material on which we have relied in this report are and continue to be correct, and no relevant matter has been misstated or withheld from us (whether deliberately or inadvertently); and
- (10) that there are no other documents or materials other than those which were disclosed to us and which we were instructed to review, which related to the matters examined.

6.2 Although nothing has come to our attention to lead us to believe that such assumptions are incorrect, we have not made any independent investigations in respect to the matters the subject of our assumptions

6.3 This report is subject to the following qualifications:

- (1) the holding of the Tenements is subject to compliance with the terms and conditions and the provisions of the Mining Act;
- (2) in relation to each native title claim mentioned in this report, we do not express an opinion on the merits of such native title claim or an opinion as to the validity of any Tenement;
- (3) there may be native title or cultural heritage agreements of which we are not aware;
- (4) we have not sighted all executed counterparts of all native title or cultural heritage agreements noted in the Schedules, and have assumed each has been fully and properly executed;
- (5) the information in the Schedules is accurate as at the date of the relevant Searches. We do not comment on whether any changes have occurred in respect of the Tenements between the date of the Searches and the date of this report;
- (6) this report is based only upon the information and materials which are described in this report. There may be additional information and materials (of which we are unaware) which contradict or qualify that which we have described;

- (7) a recording in the mining tenement register of a person's holding in a mining tenement is not absolute proof of that person's entitlement to the tenement. The mining tenement system is not based on a system of indefeasibility by registration.
- (8) a registered mining tenement holder's entitlement to a tenement can be defective if there were procedural defects in the original grant of a tenement or if there are any subsequent dealings with a tenement. We are unable to confirm whether there are any such defects in the Tenements disclosed in this report without a detailed review of the register for each Tenement and other matters.
- (9) this report relates only to the laws of South Australia and the Commonwealth of Australia in force at the date of this report and we do not express or imply any opinion as to the laws at any other time or of any other jurisdiction;
- (10) in the performance of our enquiries for this report, we have acted on the Company's written and oral instructions as to the manner and extent of enquiries to be conducted; and
- (11) this report is strictly limited to the matters it deals with and does not extend by implication or otherwise to any other matter.

6.4 In preparing this report, we have not reviewed the conditions applicable to each Tenement. Please let us know if you would like us to do this.

Yours faithfully



Liz Allnutt
Partner
Norton Rose Fulbright Australia
Contact: Sarah Lilly

Schedule 1 – Tenements summary

Tenement	Type	Registered holder	Grant date	Term	Expiry date/renewal	Mortgages/ caveats/ bonds	Comments
Wudinna Tenements							
EL 5615	Exploration Licence	Peninsula Resources Limited	25/03/2015	5 years	24/03/2020	-	1 Expenditure conditions: \$210,000.00 during the period 25 March 2017 to 24 March 2020.
							2 Subject to Heads of Agreement - Wudinna Gold Project – Farm-In and Joint Venture between Andromeda Metals Limited, Peninsula Resources Limited and Lady Alice Mines Pty Ltd
EL 5953	Exploration Licence	Peninsula Resources Limited	19/04/2017	5 years	18/04/2022	-	1 Expenditure conditions: \$1,200,000.00 during the period 19 April 2019 to 18 April 2022.
							2 Subject to Heads of Agreement - Wudinna Gold Project – Farm-In and Joint Venture between Andromeda Metals Limited, Peninsula Resources Limited and Lady Alice Mines Pty Ltd
EL 6001	Exploration Licence	Peninsula Resources Limited	14/02/2017	5 years	13/02/2022	-	1 Expenditure conditions: \$1,050,000.00 during the period 14 February 2019 to 13 February 2022.
							2 Subject to Heads of Agreement - Wudinna Gold Project – Farm-In and Joint Venture between Andromeda Metals Limited, Peninsula Resources Limited and Lady Alice Mines Pty Ltd

License	Type	Applicant	Grant date	Term	Expiry date/renewal	Amount paid/estimated	Comments
EL 6131	Exploration Licence	Peninsula Resources Limited	12/07/2017	2 years	11/07/2019 Renewal application will need to be lodged at least one month prior to the expiry of the exploration licence ie by 11 June 2019. Note partial surrender of tenement area effective 1 April 2019 (1,372 km ² to 1,289 km ²).	Bond 1074 - \$10,000	<p>Alice Mines Pty Ltd</p> <p>1 Expenditure conditions: \$1,320,000.00 during the term of the licence</p> <p>2 Subject to Heads of Agreement - Wudinna Gold Project - Farni-In and Joint Venture between Andromeda Metals Limited, Peninsula Resources Limited and Lady Alice Mines Pty Ltd.</p> <p>3 Subject to Deed of Novation between Peninsula Resources Limited, Quasar Resources Pty Ltd and Elliot McNamara and Barry Croft (formerly Lorraine Dare & Howard Richards) on behalf of the claimants</p> <p>4 Subject to Work Area Clearance Agreement between Quasar Resources Pty Ltd and Lorraine Dare & Howard Richards on behalf of the Barnagala Native Title Claimants.</p> <p>5 Subject to Deed of Variation between Peninsula Resources Limited and Elliot McNamara and Barry Croft (Barnagala).</p> <p>6 Subject to Deed of Assumption - Quasar Resources Pty Ltd and Peninsula Resources Limited - Gawler Ranges Mineral Exploration LUA.</p> <p>7 Acceptance Document to the Gawler Ranges LUA (undated) signed by Quasar Resources as Joint Venture Operator and/or holder of the exploration licences, received on 6 September 2007.</p>

Tenement	Type	Registered holder	Grant date	Term	Expiry date/renewal	Liabilities/ caveats/ bonds	Comments
EL 6252	Exploration Licence	Peninsula Resources Limited	01/10/2018	2 years	30/09/2020		<p>1 Expenditure conditions: \$640,000.00 during the term of the licence</p> <p>2 Subject to Heads of Agreement - Wudinna Gold Project - Farm-in and Joint Venture between Andromeda Metals Limited, Peninsula Resources Limited and Lady Alice Mines Pty Ltd.</p>
EL 6317	Exploration Licence	Peninsula Resources Limited	16/12/2018	2 years	15/12/2020		<p>1 Expenditure conditions: \$600,000.00 during the term of the licence</p> <p>2 Subject to Heads of Agreement - Wudinna Gold Project - Farm-in and Joint Venture between Andromeda Metals Limited, Peninsula Resources Limited and Lady Alice Mines Pty Ltd.</p> <p>3 Acceptance Document to the Gawler Ranges ILUA (undated) signed by Quasar Resources as Joint Venture Operator and/or holder of the exploration licences, received on 6 September 2007.</p>
Prince Alfred Tenement							
EL 6016	Exploration Licence	Lady Alice Mines Pty Ltd	28/09/2017	2 years	27/09/2019		<p>1 Expenditure conditions: \$130,000.00 during the terms of the licence.</p>

Tenement	Type	Register Holder	Grant date	Term	Expiry / Renewal	Proposes/ caveats/ bonds	Comments
					need to be lodged at least one month prior to the expiry of the exploration licence ie by 27 August 2019.		2 Form 27 (Notice initiating negotiations with Native Title parties) lodged 18/12/2017 - NT 18/2017 ERD N19/2017.
							3 Form 27 (Notice initiating negotiations with Native Title parties) lodged 18/12/2017 - NT 19/2017 ERD N20/2017.

Form 27 (Notice initiating negotiations with Native Title parties) is used to notify native title parties of an intention to seek a native title mining agreement under Part 9B of the Mining Act.

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Schedule 2– Native Title and Aboriginal Heritage summary

Tenement	ILUAs	Native Title Agreement	Native Title Determinations	Aboriginal Heritage Sites
EL 5615	-	-	Subject to Barrigarla Native Title Claim (NNTT file number SCD2016/001).	-
EL 5953	-	-	Subject to Barrigarla Native Title Claim (NNTT file number SCD2016/001)	Subject to reported Archaeological / Burial / Historic / Cultural / Scattered Tree Site (Aboriginal Affairs and Reconciliation (AAR) site number 5932-4208).
			-	Subject to two reported Cultural Sites (AAR site numbers 5932-5032 and 5932-5046).
EL 6001	-	-	-	Subject to one registered Quarry Site (AAR site number 5932-2337).
	-	-	Subject to Barrigarla Native Title Claim (NNTT file number SCD2016/001)	Subject to one reported Archaeological / Historic Site (AAR site number 6031-3930).
EL 6131	Subject to Gawler Ranges Mineral Exploration ILUA (NNTT file number SI2012/001)	Subject to Deed of Novation between Peninsula Resources Limited , Quasar Resources Pty Ltd and Eliot McNamara and Barry Croft (formerly Lorraine Dare & Howard Richards) on behalf of the claimants	Subject to claim by Gawler Ranges People (NNTT file number SCD2016/005).	Subject to one registered Cultural Site (AAR site number 6132-2609).
	Subject to Gawler Ranges National Park ILUA (NNTT file number SI2012/001).	Subject to Work Area Clearance Agreement between Quasar Resources Pty Ltd and Lorraine Dare & Howard Richards on behalf of the Barrigarla Native Title Claimants	Subject to Barrigarla Native Title Claim (NNTT file number SCD2016/001)	-

Element	ILUAs	Native Title Agreements	Native Title Determinations	Aboriginal Heritage Sites
EL 6262	Gawler Ranges Native Title Claim Settlement ILUA (NNTT file number SI2012/004)	Subject to Deed of Variation between Peninsula Resources Limited and Elliot McNamara and Barry Croft (Barragula).	-	-
	-	Subject to Deed of Assumption - Quasar Resources Pty Ltd and Peninsula Resources Limited - Gawler Ranges Mineral Exploration ILUA	-	-
	-	Acceptance Document to the Gawler Ranges ILUA (undated) signed by Quasar Resources as Joint Venture Operator and/or holder of the exploration licences, received on 5 September 2007	-	-
	Subject to Gawler Ranges Mineral Exploration ILUA (NNTT file number SI2004/004)	-	Subject to Gawler Ranges People claim (NNTT file number SCD2011/005).	Subject to one registered Cultural Site (AAR site number 0034-8742).
	Subject to Yarna Pastoral ILUA (NNTT file number SI2008/008)	-	-	-
	Subject to Laka Everard Pastoral ILUA (NNTT file number SI2008/013).	-	-	-
	Subject to Gawler Ranges - Moonaree Pastoral ILUA (NNTT file number SI2009/003).	-	-	-
	Subject to Gawler Ranges Native Title Claim Settlement ILUA (NNTT file number SI2012/004).	-	-	-

License	IL As	Native Title Arrangements	Native Title Determinations	Aboriginal Heritage Sites
EL 6317	Subject to Gawler Ranges Mineral Exploration ILUA (NNTT file number S12004/004).	Acceptance Document to the Gawler Ranges ILUA (undated) signed by Quasar Resources as Joint Venture Operator and/or holder of the exploration licences, received on 6 September 2007	Subject to Gawler Ranges People claim (NNTT file number SCD2011/005)	.
	Subject to Gawler Ranges Native Title Claim Settlement ILUA (NNTT file number S12012/004)	-	Subject to Barngarla Native Title Claim (SCD2016/001).	.
EL 6016	-	Form 27 (Notice initiating negotiations with Native Title parties) ² lodged 18/12/2017 - NT 18/2017 ERD N20/2017.	Subject to Adnyamathanha, Ngadju and Wilyakali Overlap Claim (NNTT file number SCD2018/002).	.
	-	Form 27 (Notice initiating negotiations with Native Title parties) lodged 18/12/2017 - NT 19/2017 ERD N20/2017	.	.

² Form 27 (Notice initiating negotiations with Native Title parties) is used to notify native title parties of an intention to seek a native title mining agreement under Part 9B of the Mining Act.

Schedule 3 – Material Contracts summary

Document	Comments
<p>Heads of Agreement – Wudinna Gold Project – Farm-In and Joint Venture between Andromeda Metals Limited (ADM), Peninsula Resources Limited (Peninsula) and Lady Alice Mines Pty Ltd (LAM) dated 30 October 2017 (HQA)</p>	<p>Provides for LAM to earn up to a 75% interest in the "Wudinna Gold Camp Project" and the Wudinna Tenement areas by undertaking certain work and expenditure in three stages.</p> <p>Parties intend to enter into formal legal binding agreements to effect the farm-in and joint venture arrangements and development of the "Wudinna Gold Camp Project" within a 3 month period once the minimum expenditure obligation of \$100,000 is met</p> <p>The key commercial terms to be included in these formal agreements include:</p> <p>Once LAM has satisfied the earn-in obligation, Peninsula is to transfer a participating interest in the project to LAM and an unincorporated joint venture shall be formed with the satisfaction of the first earn-in obligation</p> <p>Stage 1 requires sole fund expenditure of \$2,100,000 over a three year period for LAM to earn a 50% participating interest in the project.</p> <p>Stage 2 requires sole fund expenditure to \$3,750,000 over a 5 year period for LAM to increase to 65% its participating interest in the project (additional 15%).</p> <p>Stage 3 requires sole fund expenditure to \$5,000,000 over a 6 year period for LAM to increase to 75% its participating interest in the project (additional 10%).</p> <p>Compulsory acquisition will occur where a party's participating interest in the project falls below 5%.</p> <p>Subject to the cap of the earn-in obligations, LAM must undertake at its cost and in consultation with Peninsula all work necessary to progress the project and determine the work program for the earn-in period, including obtaining all necessary permits, approvals, access agreements, conducting feasibility studies, conducting exploration and drilling required for the studies and preparing cost estimates.</p>

LAM is responsible for managing all work during the earn-in period. LAM requires Peninsula's prior written consent before contacting landowners, native title parties, aboriginal communities and other regional stakeholders. LAM also requires Peninsula's prior written consent before making an application for approvals, permits, leases or licences with the Department of Premier and Cabinet.

LAM may withdraw from the transaction without penalty or interest after it has spent a minimum expenditure of \$100,000, subject to completion of rehabilitation, reporting and payment of landowner compensation.

A management committee will be established upon forming the joint venture, comprising 2 nominees from each party. The nominees will have voting power equivalent to their appointing party's participating interest in the joint venture. Some management committee decisions require a special majority of 65% and others require unanimous consent. LAM will be the manager of the management committee during the earn-in period and while it has not less than a 50% participating interest in the project.

LAM must indemnify ADN and Peninsula for all third party claims brought against either party in respect of any of LAM's activities on or in respect of the project and tenement area during the earn-in period.

LAM is liable for all environmental or rehabilitation obligations in respect of the project and tenement area arising from the farm-in work program. LAM is responsible for providing 50% of the existing bonds and all of any additional bonds that may be required in order to carry out works in the tenement area.

ADN must indemnify LAM for all liabilities, losses, damages, outgoings, costs and expenses incurred by LAM arising from any of ADN's activities on or in respect of the project and tenement area during the earn-in period as contracted operator. However ADN will not be liable for action undertaken at the direction of LAM if undertaken in a proper manner or for rehabilitation obligations where LAM provides insufficient funds to ADN.

The HOA may be terminated at any time by either party if the other party is in material breach of a material term of the HOA and notice is given, or by notice if a court or other governmental

Document	Comments
<p>Royalty Deed between Newcrest Mining Limited (Newcrest), Adelaide Exploration Limited (Adelaide Exploration) and Adelaide Resources Limited (Adelaide Resources) dated 13 February 2002 (Royalty Deed)</p> <p>Adelaide Exploration agreed to grant the royalty to Newcrest and agreed to grant Newcrest the mortgages over the tenements as security for payment of the royalty. Newcrest may also lodge caveats against the tenements.</p> <p>Adelaide Exploration shall pay the royalty to Newcrest as and from the royalty commencement date being the date on which gold and or minerals are first produced from the tenements.</p> <p>Adelaide Exploration is to provide to Newcrest its calculation and payment of the royalty on a quarterly basis within 20 business days of the end of each quarter. The royalty payable is exclusive of GST and is 1.5% of the net smelter return in relation to gold and minerals.</p> <p>This deed applies to tenements: EL 2305 (now expired), 2342 (now EL6317, 2486 (now expired) 2669 (now EL 5615) 2752 (now expired), 2808 (now expired), 2044 (now expired), 2845 (now EL5953), 2869 (now EL 6131) and 2846 (now EL 6001) (except a portion that comprises an area called 'Warramboe Area'). We are instructed by the Company that this royalty relates only to five of the six Wudinna Tenements (ie it does not relate to EL 6262 as this tenement was applied for after this deed was entered into).</p> <p>Adelaide Exploration may terminate the deed by giving 20 business days' written notice, provided that it has maintained the tenements in good standing on a pro rata basis at the time of notice.</p> <p>Adelaide Exploration may assign its interests or obligations under the deed or tenements with the written consent of Newcrest, provided that the proposed assignee enters into a deed agreeing to be bound by the provisions of the deed to the extent of the assignment, and Adelaide Exploration delivers to Newcrest an executed and stamped replacement mortgage.</p> <p>Newcrest may assign the whole or part of its rights, benefits and obligations in respect of the royalty to any third person.</p> <p>As tenements the subject to the deed are replaced and converted into other tenements, a mortgage is to be executed over the new tenements.</p>	<p>agency has issued an order which permanently restrains or prohibits the transaction.</p> <p>Adelaide Exploration agreed to grant the royalty to Newcrest and agreed to grant Newcrest the mortgages over the tenements as security for payment of the royalty. Newcrest may also lodge caveats against the tenements.</p> <p>Adelaide Exploration shall pay the royalty to Newcrest as and from the royalty commencement date being the date on which gold and or minerals are first produced from the tenements.</p> <p>Adelaide Exploration is to provide to Newcrest its calculation and payment of the royalty on a quarterly basis within 20 business days of the end of each quarter. The royalty payable is exclusive of GST and is 1.5% of the net smelter return in relation to gold and minerals.</p> <p>This deed applies to tenements: EL 2305 (now expired), 2342 (now EL6317, 2486 (now expired) 2669 (now EL 5615) 2752 (now expired), 2808 (now expired), 2044 (now expired), 2845 (now EL5953), 2869 (now EL 6131) and 2846 (now EL 6001) (except a portion that comprises an area called 'Warramboe Area'). We are instructed by the Company that this royalty relates only to five of the six Wudinna Tenements (ie it does not relate to EL 6262 as this tenement was applied for after this deed was entered into).</p> <p>Adelaide Exploration may terminate the deed by giving 20 business days' written notice, provided that it has maintained the tenements in good standing on a pro rata basis at the time of notice.</p> <p>Adelaide Exploration may assign its interests or obligations under the deed or tenements with the written consent of Newcrest, provided that the proposed assignee enters into a deed agreeing to be bound by the provisions of the deed to the extent of the assignment, and Adelaide Exploration delivers to Newcrest an executed and stamped replacement mortgage.</p> <p>Newcrest may assign the whole or part of its rights, benefits and obligations in respect of the royalty to any third person.</p> <p>As tenements the subject to the deed are replaced and converted into other tenements, a mortgage is to be executed over the new tenements.</p>
<p>Deed of Assignment and Assumption between Peninsula Resources Limited (Peninsula), Lady Afroc Mines Pty Ltd</p>	<p>Peninsula absolutely assigned to LAM all legal and beneficial rights to and benefits in the Royalty Deed.</p>

Document	Comments
(LAM) and Newcrest Mining Limited (Newcrest) (undated)	<p>LAM agrees to be bound by, and observe and perform the terms of the Royalty Deed to the extent of the assigned interest.</p> <p>Newcrest and LAM released and discharged Peninsula from Peninsula's obligations and all claims arising on or after the interest change date under the HOA</p> <p>The parties acknowledge and agree that the royalty (described above) is payable by LAM.</p> <p>Note that we have not received a copy of the deed dated 25 July 2007 between Newcrest, Adelaide Exploration and Peninsula pursuant to which Peninsula assumed Adelaide Exploration's obligations under the Royalty Deed.</p>

SRK Report Client Distribution Record

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Date Issued: 21 December 2019

Name/Title	Company
Craig Moulton, Managing Director	Cobra Resources plc

Rev No.	Date	Revised By	Revision Details
0	03/05/2019	Alex Aitken	Draft Report
1	23/05/2019	Michael Cunningham	Draft Report (revised)
2	30/05/2019	Michael Cunningham	Final Report
3	27/06/2019	Alex Aitken	Updated Final Report
4	08/07/2019	Alex Aitken	Updated Final Report
5	14/10/2019	Bert De Waele	Updated Final Report
6	21/12/2019	Bert De Waele	Updated Final Report

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