

PROSPECTUS '22

For an offer of 60,000,000 Shares at an issue price of \$0.20 per Share together with one (1) free attaching Primary Option for every three (3) Shares subscribed for and issued, to raise \$12,000,000 (**Offer**).

Oversubscriptions may be accepted for up to a further 15,000,000 Shares at an issue price of \$0.20 per Share, together with one (1) free attaching Primary Option for every three (3) Shares subscribed for and issued, to raise up to a further \$3,000,000.

The Offer comprises:

- (a) a priority offer to Eligible Shareholders of Red Metal Limited (ACN 103 367 684) (ASX:RDM) in respect of the first \$5,000,000 to be raised under the Offer (**Priority Offer**); and
- (b) an offer to the general public for the balance of the Offer (**Public Offer**).

This Prospectus also includes a bonus offer of 25,000,000 Bonus Options (on the same terms as the Primary Options) to all Eligible Shareholders of Red Metal on a pro rata basis to their Shareholdings as at the Record Date (**Bonus Offer**).

OPTIONS

Each Primary Option issued pursuant to this Prospectus will be exercisable into one (1) Share and one (1) Secondary Option for every two (2) Shares issued on exercise of the Primary Options and each Secondary Option is exercisable into one (1) Share.

Each Primary Option is exercisable at \$0.30 on or before the date that is thirty (30) months from the date of issue and each Secondary Option is exercisable at \$0.60 on or before 30 June 2025.

IMPORTANT NOTICES

The Offer is conditional upon satisfaction of the Conditions, which are detailed further in Section 4.7. No Securities will be issued pursuant to this Prospectus until those Conditions are met.

This Prospectus is important and should be read in its entirety. If, after reading this Prospectus you have any questions about the Securities being offered under this Prospectus or any other matter, then you should consult your professional advisers without delay.

The Securities offered by this Prospectus should be considered as highly speculative.

Lead Manager



Legal Advisor





CORPORATE DIRECTORY

Directors

Simon Bird
Non-Executive Chairman

Richard Carlton
Managing Director

Robert Rutherford
Non-Executive Director

Company Secretary

Patrick Flint

Proposed ASX Code

MMA

Registered Office

Level 15
323 Castlereagh Street
SYDNEY NSW 2000
Telephone: + 61 2 9281 1805
Email: info@maronanmetals.com.au
Website: www.maronanmetals.com.au

Legal Advisers

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Level 4, The Read Buildings
16 Milligan Street
PERTH WA 6000

Investigating Accountant

BDO Corporate Finance (WA) Pty Ltd
Level 9, Mia Yellagonga Tower 2,
5 Spring Street
PERTH WA 6000

Auditor

BDO Audit (WA) Pty Ltd
Level 9, Mia Yellagonga Tower 2,
5 Spring Street
PERTH WA 6000

Independent Geologist

H&S Consultants Pty Ltd
Suite 6
3 Trelawney Street
EASTWOOD NSW 2122

Lead Manager and Corporate Advisor

Veritas Securities Limited
Level 4
175 Macquarie Street
SYDNEY NSW 2000

Share Registry*

Automic Pty Ltd
Level 5,
191 St Georges Terrace
PERTH WA 6000
Telephone: +61 2 9698 5414
Facsimile: +61 2 8583 3040

* This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus.

IMPORTANT NOTICE

This Prospectus is dated 21 February 2022 and was lodged with the ASIC on that date. The ASIC, the ASX and their officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Securities may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

It is important that you read this Prospectus in its entirety and seek professional advice where necessary. The Securities the subject of this Prospectus should be considered as highly speculative.

Exposure Period

This Prospectus will be circulated during the Exposure Period. The purpose of the Exposure Period is to enable this Prospectus to be examined by market participants prior to the raising of funds. You should be aware that this examination may result in the identification of deficiencies in this Prospectus and, in those circumstances, any application that has been received may need to be dealt with in accordance with section 724 of the Corporations Act. Applications for Securities under this Prospectus will not be accepted by the Company until after the expiry of the Exposure Period. No preference will be conferred on applications lodged prior to the expiry of the Exposure Period.

No offering where offering would be illegal

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities laws. Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed.

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer. It is important that investors read this Prospectus in its entirety and seek professional advice where necessary.

No action has been taken to register or qualify the Securities or the offer, or to otherwise permit a public offering of the Securities in any jurisdiction outside Australia. This Prospectus has been prepared for publication in Australia and may not be released or distributed in the United States of America.

US securities law matters

This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the US. In particular, the Securities have not been, and will not be, registered under the United States Shares Act of 1933, as amended (the **US Securities Act**), and may not be offered or sold in the US or to, or for the account or benefit of, US Persons (as defined in Regulation S under the US Securities Act) unless an exemption is available from the registration requirements of the US Securities Act.

Each applicant will be taken to have represented, warranted and agreed as follows:

- (a) it understands that the Securities have not been, and will not be, registered under the US Securities Act and may not be offered, sold or resold in the US, except in a transaction exempt from, or not subject to, registration under the US Securities Act and any other applicable securities laws;
- (b) it is not in the US;
- (c) it has not and will not send this Prospectus or any other material relating to the Offer to any person in the US; and
- (d) it will not offer or sell the Securities in the US or in any other jurisdiction outside Australia except in transactions exempt from, or not subject to, registration under the US Securities Act and in compliance with all applicable laws in the jurisdiction in which the Securities are offered and sold.

Target Market Determination

In accordance with the design and distribution obligations under the Corporations Act, the Company has determined the target market for the offer of Options issued under this Prospectus, including attaching Primary Options under the Offer and Bonus Options. The Company and the Lead Manager will only distribute this Prospectus to those investors who fall within the target market determination (**TMD**) as set out on the Company's website (www.maronanmetals.com.au). By making an application under the Offer, you warrant that you have read and understood the TMD and that you fall within the target market set out in the TMD.

Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at www.maronanmetals.com.au. If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian resident and must only access this Prospectus from within Australia.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. You may obtain a hard copy of this Prospectus free of charge by contacting the Company by phone on 02 9281 1805

during office hours or by emailing the Company at info@maronanmetals.com.au.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

Company Website

No document or other information available on the Company's website is incorporated into this Prospectus by reference.

No cooling-off rights

Cooling-off rights do not apply to an investment in Securities issued under the Prospectus. This means that, in most circumstances, you cannot withdraw your application once it has been accepted.

No Investment Advice

The information contained in this Prospectus is not financial product advice or investment advice and does not take into account your financial or investment objectives, financial situation or particular needs (including financial or taxation issues). You should seek professional advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding to subscribe for Securities under this Prospectus to determine whether it meets your objectives, financial situation and needs.

Risks

You should read this document in its entirety and, if in any doubt, consult your professional advisers before deciding whether to apply for Securities. There are risks associated with an investment in the Company. The Securities offered under this Prospectus carry no guarantee with respect to return on capital investment, payment of dividends or the future value of the Securities. Refer to Section D of the Investment Overview as well as Section 7 for details relating to some of the key risk factors that should be considered by prospective investors. There may be risk factors in addition to these that should be considered in light of your personal circumstances.

Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the Company's management.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

These forward looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 7.

Financial Forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

Competent Persons statement

The information in the Investment Overview Section of the Prospectus, included at Section 3, the Company and Projects Overview, included at Section 5, the Technical Assessment Report, included at Annexure A of the Prospectus and the Maronan Project – Additional Reporting Requirements, included in Annexure D of the Prospectus which relate to exploration results and mineral resources is based on information compiled by Robert Rutherford. Robert Rutherford has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the **JORC Code**). Robert Rutherford is a Director of the Company and a director of Red Metal Limited (the current ultimate holding company of the Company). Robert Rutherford consents to the inclusion of the information in these Sections of the Prospectus in the form and context in which it appears.

The information in the Investment Overview Section of the Prospectus, included at Section 3, the Company and Projects Overview, included at Section 5, and the Technical Assessment Report, included at Annexure A of the Prospectus, which relate to a technical assessment of the Maronan Project is based on information compiled by Luke Bulet. Luke Bulet has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the **JORC Code**). Luke Bulet is a director H&SC Consultants Pty Ltd. Luke Bulet consents to the inclusion of the information in these Sections of the Prospectus in the form and context in which it appears.

Continuous disclosure obligations

Following admission of the Company to the Official List, the Company will be a "disclosing entity" (as defined in section 111AC of the Corporations Act) and, as such, will be subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company will be required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Securities.

Price sensitive information will be publicly released through ASX before it is disclosed to Shareholders and market participants. Distribution of other information to Shareholders and market participants will also be managed through disclosure to the ASX. In addition, the Company will post this information on its website after the ASX confirms an announcement has been made, with the aim of making the information readily accessible to the widest audience.

Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will apply to participate in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company.

Electronic sub-registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with statements (similar to a bank account statement) that set out the number of Securities issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Electronic sub-registers also mean ownership of securities can be transferred without having to rely upon paper documentation. Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

Photographs and Diagrams

Photographs used in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown endorses the Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale.

Definitions and Time

Unless the contrary intention appears or the context otherwise requires, words and phrases contained in this Prospectus have the same meaning and interpretation as given in the Corporations Act and capitalised terms have the meaning given in the Glossary in Section 12.

All references to time in this Prospectus are references to Australian Eastern Standard Time.

Privacy statement

If you complete an Application Form, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder and to facilitate distribution payments and corporate communications to you as a Shareholder.

The information may also be used from time to time and disclosed to persons inspecting the register, including bidders for your Securities in the context of takeovers, regulatory bodies including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the share registry.

You can access, correct and update the personal information that we hold about you. If you wish to do so, please contact the share registry at the relevant contact number set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Securities, the Company may not be able to accept or process your application.

Enquiries

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult with your broker or legal, financial or other professional adviser without delay. Should you have any questions about the Offer or how to accept the Offer please call the Company Secretary on +61 2 9281 1805.

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1. CHAIRMAN'S LETTER

Dear Investor

On behalf of the directors of Maronan Metals Limited (**Company**), it gives me great pleasure to invite you to become a shareholder of the Company.

The Company holds a 100% interest in the Maronan lead-silver copper-gold project (**Maronan Project**), an emerging large base metal deposit in the world class Carpentaria Province in Northwest Queensland. A maiden, JORC 2012 compliant, Mineral Resource Estimate for Maronan was reported by ASX listed, Red Metal Limited (ASX:RDM) in 2015. The Technical Assessment Report set out in Annexure A and the additional reporting information set out in Annexure D contain further detail with respect to the geology, exploration and Mineral Resource Estimate at the Maronan Project.



As at the date of this Prospectus, the Company is a wholly owned subsidiary of RDM. The spin-out and initial public offering will enable the Company to test the significant exploration potential of the Maronan Project, including drilling for additional shallow, high value copper-gold and lead-silver mineralisation as well as the potentially larger, higher-grade copper-gold and lead-zinc-silver extensions at depth.

This Prospectus is seeking to raise a minimum of \$12,000,000 and a maximum of \$15,000,000 via the issue of Shares at an issue price of \$0.20 per Share under the Offer. The purpose of the Offer is to support an application to list the Company on ASX and to provide funds to implement the Company's business model (explained in Section 5.2.7). Investors under the Offer will receive one (1) Primary Option for every three (3) Shares issued.

The Board has significant expertise and experience in the mining industry, in particular in project exploration, development and operations, and will aim to ensure that funds raised through the Offer will be utilised in a cost-effective manner to advance the Company's business.

This Prospectus contains detailed information about the Company, its business and the Offer, as well as the risks of investing in the Company, and I encourage you to read it carefully. The Securities offered by this Prospectus should be considered highly speculative.

I look forward to you joining us as a Shareholder and sharing in what we believe are exciting and prospective times ahead for the Company. Before you make your investment decision, I urge you to read this Prospectus in its entirety and seek professional advice if required.

Yours sincerely

Simon Bird
Non-Executive Chairman



2. KEY OFFER INFORMATION

INDICATIVE TIMETABLE¹

Lodgement of Prospectus with the ASIC	21 February 2022
Exposure Period begins	21 February 2022
Record Date for Priority Offer and Bonus Offer	22 February 2022
Opening Date	1 March 2022
Closing Date for Priority Offer	15 March 2022
Closing Date for General Offer	22 March 2022
Issue of Securities under the Offer	20 April 2022
Despatch of holding statements	20 April 2022
Expected date for quotation on ASX	29 April 2022

- The above dates are indicative only and may change without notice. Unless otherwise indicated, all time given are AEST. The Exposure Period may be extended by the ASIC by not more than 7 days pursuant to section 727(3) of the Corporations Act. The Company reserves the right to extend the Closing Date or close the Offer early without prior notice. The Company also reserves the right not to proceed with the Offer at any time before the issue of Securities to applicants.*
- If the Offer is cancelled or withdrawn before completion of the Offer, then all application monies will be refunded in full (without interest) as soon as possible in accordance with the requirements of the Corporations Act. Investors are encouraged to submit their applications as soon as possible after the Offer opens.*

KEY STATISTICS OF THE OFFER

	Minimum Subscription \$12,000,000	Maximum Subscription \$15,000,000
Offer Price per Share	\$0.20	\$0.20
Shares currently on issue	10	10
Shares to be issued to Red Metal pursuant to Loan Settlement Agreement	74,999,990	74,999,990
Shares to be issued under the Offer	60,000,000	75,000,000
Gross Proceeds of the Offer	\$12,000,000	\$15,000,000
Shares on issue Post-Listing (undiluted)¹	135,000,000	150,000,000
Market Capitalisation Post-Listing (undiluted)²	\$27,000,000	\$30,000,000
Primary Options to be issued under the Offer ³	20,000,000	25,000,000
Bonus Options to be issued under Bonus Offer ³	25,000,000	25,000,000
Advisor Options ³	3,000,000	3,000,000
Director Options ³	10,000,000	10,000,000
Performance Rights ⁴	13,500,000	13,500,000
Secondary Options to be issued if all Primary Options (including Bonus Options and Advisor Options) are exercised ³	24,000,000	26,500,000
Shares on issue Post-Listing (fully diluted)¹	230,500,000	253,000,000
Market Capitalisation Post-Listing (fully diluted)²	\$46,100,000	\$50,600,000

Notes:

- Certain Securities on issue post-listing will be subject to ASX-imposed escrow. Refer to Section 5.6 for information with respect to the likely escrow position.
- Assuming a Share price of \$0.20, however the Company notes that the Shares may trade above or below this price.
- Refer to Sections 10.3 to 10.5 for the terms of the Primary Options (including the Bonus Options and Advisor Options), Secondary Options and Director Options and Section 10.7 for a summary of the Incentive Plan under which the Director Options will be issued.
- Refer to Section 10.6 for the terms of the Performance Rights.

Diamond core led to the discovery of the first significant mineralisation at Maronan in 1988. Since then 148 holes comprising 42,895 metres of shallow and deep drilling have been completed by six companies.



3. INVESTMENT OVERVIEW

This Section is a summary only and is not intended to provide full information for investors intending to apply for Securities offered pursuant to this Prospectus. This Prospectus should be read and considered in its entirety.

Item	Summary	Further information
A. Company		
Who is the issuer of this Prospectus?	Maronan Metals Limited (ACN 156 269 993) (Company).	Section 5.1
Who is the Company?	The Company was incorporated in 2012 as a wholly owned subsidiary of Red Metal Limited (ACN 103 367 684) (ASX:RDM) (RDM or Red Metal) as Megatron Rare Earths Pty Ltd, with the objective of identifying and securing prospective mineral tenements and undertaking exploration for and development of mineral resources. The Company changed its name to Maronan Metals Pty Ltd in July 2018 and converted to a public company limited by shares on 15 January 2021.	Section 5.1
What is the Company's interest in the Projects?	<p>In April 2019, as part of a corporate restructure by RDM, ownership of EPM 13368, which makes up the Maronan Project, was transferred to the Company. The Maronan Project is a lead-silver and copper-gold project located in Queensland, approximately 60 kilometres south-east of the town of Cloncurry and 156 kilometres from Mt Isa.</p> <p>On 15 March 2021, RDM announced its intention to undertake a non-standard partial spin out (Spin-Out) and initial public offering of the Company, which was approved by RDM Shareholders at a general meeting of RDM Shareholders held on 25 January 2022.</p> <p>Following completion of the Offer:</p> <ul style="list-style-type: none"> (a) the Company will hold a 100% legal and beneficial interest in the Maronan Project; and (b) RDM will retain a 55.55% interest in the Company, assuming the Minimum Subscription is raised. <p>Further details with respect to the Company's interest in the Maronan Project are set out in the Solicitor's Report on Tenements set out in Annexure B.</p>	Section 5.2, Annexure A and Annexure B

Item	Summary	Further information
B. Business Model		
What is the Company's business model?	<p>Following completion of the Offer, the Company's proposed business model will be to further explore and develop the Project in accordance with the Company's intended exploration program.</p> <p>A detailed explanation of the Company's proposed exploration program and development plan is set out in Section 5.2.7 and in the Technical Assessment Report set out in Annexure A.</p> <p>The Company proposes to fund its exploration activities over the first two years following listing as outlined in the table at Section 5.3.</p>	Sections 5.3, 5.2.7 and Annexure A
What are the key business objectives of the Company?	<p>The Company's main objectives on completion of the Offer and ASX listing are:</p> <ul style="list-style-type: none"> (a) completion of drilling, targeting additional shallow, high value copper-gold and lead-silver mineralisation; (b) drill test the potential for high value, supergene enriched copper-gold mineralisation from 40 to 700 metres below surface; (c) drill test the thickened, hinge zone regions for enriched, high grade silver-lead mineralisation; (d) completion of deeper drilling targeting scope for larger, higher-grade copper-gold and lead-zinc-silver extensions where two separate "Tier 1" exploration plays are speculated; and (e) identification of other strategic resource opportunities that have the potential to deliver value for Shareholders. 	Sections 5.3 and 5.2.7
What are the key dependencies of the Company's business model?	<p>The key dependencies of the Company's business model include:</p> <ul style="list-style-type: none"> (a) maintaining title and access to the Project; (b) continued exploration success by the Company on the Project; (c) retaining and recruiting key personnel skilled in the mining and resources sector; (d) securing sufficient funding for the Company's ongoing activities as and when required; (e) the market price of any minerals produced by the Company remaining higher than the Company's costs of any future production (assuming successful exploration and development by the Company). 	Section 7

Item	Summary	Further information
C. Key Advantages		
<p>What are the key advantages of an investment in the Company?</p>	<p>The Directors are of the view that an investment in the Company provides the following non-exhaustive list of advantages:</p> <ul style="list-style-type: none"> (a) The Maronan lead-silver and copper-gold deposit is an emerging large poly-metal deposit in the world class Carpentaria Province which hosts several Tier 1 lead-zinc-silver mines and significant copper-cobalt and copper-gold deposits. (b) The Maronan Project has JORC 2012 compliant Inferred Resources of: <ul style="list-style-type: none"> (i) 30.8Mt @ 6.5% lead with 106 g/t silver (using a 3% lead cut-off grade) (ii) 11Mt @ 1.6% copper with 0.8 g/t gold (using a 1.0% copper cut-off grade), <p>further details of which are set out in the Technical Assessment Report and the additional reporting information set out in Annexure D.</p> (c) With over 2Mt lead, 100M oz silver, 170kt copper and 300koz gold in resources, based on the quantities and grades set out in the above paragraph, Maronan is one of Australia's larger undeveloped deposits. (d) The separate copper-gold and lead-silver mineralisation types commence below approximately 40 metres of transported cover with both open down plunge and showing signs of increasing thickness and grades at depth. (e) Drilling to date has demonstrated scope for significant intervals of high-grade copper-gold and lead-silver mineralisation, thickened hinge zones showing enrichment of silver and lead mineralisation and potential for high-value supergene enriched, copper and gold mineralisation as chalcocite. (f) The Company has in place an aggressive drill ready exploration program with an initial focus on the shallow, high value copper-gold and lead-silver potential, followed by a deep search for exciting large tonnage, higher grade extensions. (g) Preliminary studies taking into account the deposit's promising metallurgical recovery, soft ore, high silver credits and favourable geometry provide a strong economic and geological case for further exploration drilling. (h) A focused, highly experienced Board and management with strong exploration and proven mine start-up and operating experience. (i) Exposure to global decarbonisation and battery megatrends plus precious metal upside with the unique poly-metal commodity mix. 	<p>Section 5 and Annexure A</p>

Item	Summary	Further information
D. Key Risks		
Exploration and operating	<p>The Maronan Project is an advanced exploration project, and potential investors should understand that mineral exploration and development are high-risk undertakings.</p> <p>While an inferred resource has been estimated at the Project, there can be no assurance that future exploration and development of the Project, or any other mineral licences that may be acquired in the future, will result in the discovery of an economic resource that is capable of being economically exploited.</p>	Section 7
Additional requirements for capital	<p>The Company's capital requirements depend on numerous factors. The Company may require further financing in addition to amounts raised under the Offer. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.</p>	Section 7
Results of studies	<p>Subject to the results of exploration programs to be undertaken, the Company may undertake studies in respect to the Maronan Project. These studies may include additional resource modelling, metallurgical and mine scoping studies and pre-feasibility and definitive feasibility studies.</p> <p>There can be no guarantee that any such studies will confirm the economic viability of the Maronan Project or the results of other studies undertaken by the Company (for example, the results of a feasibility study may materially differ to the results of a pre-feasibility study).</p> <p>Even if a study confirms the economic viability of the Maronan Project, there can be no guarantee that the Maronan Project will be successfully brought into production as assumed or within the estimated parameters in the feasibility study (e.g. operational costs and commodity prices) once production commences.</p>	Section 7
Mine Development	<p>Possible future development of mining operations at the Maronan Project is dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk from third parties providing essential services.</p>	Section 7

Item	Summary	Further information
D. Key Risks		
Regulatory Compliance	<p>The Company's operating activities are subject to extensive laws and regulations relating to numerous matters including mineral licence consent, environmental compliance and rehabilitation, taxation, employee relations, health and worker safety, waste disposal, protection of the environment, native title and heritage matters, protection of endangered and protected species and other matters. The Company requires permits from regulatory authorities to authorise the Company's operations. These permits relate to exploration, development, production and rehabilitation activities.</p> <p>While the Company believes that it is in substantial compliance with all material current laws and regulations, changes in their enforcement or regulatory interpretation could result in changes in legal requirements or in the terms of the existing permit, which could have a material adverse impact on the Company's current operations or planned development projects.</p>	Section 7
Other risks	The risks factors set out in Section 7, or other risk factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Securities. Section 7 is not intended to provide an exhaustive list of the risk factors to which the Company is exposed.	Section 7

Item	Summary	Further information																
E. Directors and Key Management Personnel																		
Who are the Directors?	<p>The Board of the Company consists of:</p> <p>(a) Simon Bird – Non-Executive Chairman;</p> <p>(b) Richard Carlton – Managing Director; and</p> <p>(c) Robert Rutherford – Non-Executive Director.</p> <p>The profiles of each of the Directors are set out in Section 8.1.</p>	Section 8.1																
What are the significant interests of Directors in the Company?	<p>Assuming completion of the Offer, it is anticipated that the Directors will have the following interests in the securities of the Company:</p> <table border="1" data-bbox="550 678 1166 931"> <thead> <tr> <th data-bbox="550 678 735 734">Director</th> <th data-bbox="735 678 879 734">Shares</th> <th data-bbox="879 678 1007 734">Options</th> <th data-bbox="1007 678 1166 734">Director Options⁴</th> </tr> </thead> <tbody> <tr> <td data-bbox="550 741 735 779">Simon Bird¹</td> <td data-bbox="735 741 879 779">100,000</td> <td data-bbox="879 741 1007 779">33,333</td> <td data-bbox="1007 741 1166 779">2,000,000</td> </tr> <tr> <td data-bbox="550 786 735 846">Richard Carlton²</td> <td data-bbox="735 786 879 824">100,000</td> <td data-bbox="879 786 1007 824">33,333</td> <td data-bbox="1007 786 1166 824">4,000,000</td> </tr> <tr> <td data-bbox="550 853 735 920">Robert Rutherford³</td> <td data-bbox="735 853 879 891">200,000</td> <td data-bbox="879 853 1007 891">1,409,210</td> <td data-bbox="1007 853 1166 891">4,000,000</td> </tr> </tbody> </table> <p>Notes:</p> <ol style="list-style-type: none"> <li data-bbox="550 992 1166 1081">1. Mr Bird has advised the Company of his intention to subscribe for up to 100,000 Shares and 33,333 Primary Options pursuant to the Offer. <li data-bbox="550 1104 1166 1193">2. Mr Carlton has advised the Company of his intention to subscribe for up to 100,000 Shares and 33,333 Primary Options pursuant to the Offer. <li data-bbox="550 1216 1166 1529">3. Mr Rutherford has advised the Company of his intention to subscribe for up to 200,000 Shares and 66,667 Options pursuant to the Offer and an estimate of the number of Bonus Options to be issued under the Bonus Offer based on Mr Rutherford's shareholding in RDM as at the date of this Prospectus. Mr Rutherford also has an indirect interest in Shares of the Company by virtue of his relevant interest in 12,153,753 fully paid ordinary shares and 8,000,000 options in the capital of RDM. <li data-bbox="550 1552 1166 1704">4. Director Options to be issued under the Incentive Plan exercisable at \$0.25 and expiring 3 years from date of issue. Refer to Section 10.5 for the terms Director Options and Section 10.7 for a summary of the Incentive Plan. 	Director	Shares	Options	Director Options ⁴	Simon Bird ¹	100,000	33,333	2,000,000	Richard Carlton ²	100,000	33,333	4,000,000	Robert Rutherford ³	200,000	1,409,210	4,000,000	Section 8.2
Director	Shares	Options	Director Options ⁴															
Simon Bird ¹	100,000	33,333	2,000,000															
Richard Carlton ²	100,000	33,333	4,000,000															
Robert Rutherford ³	200,000	1,409,210	4,000,000															
What are the significant interests of advisors to the Company?	The Company has appointed Veritas Securities Limited (ACN 117 124 535) (AFSL 297 043) as lead manager and corporate advisor to the Offer. Veritas Securities Limited will receive those fees set out in Section 9.1.	Section 9.1.																

Item	Summary	Further information
E. Directors and Key Management Personnel		
<p>Has the Company adopted an employee incentive scheme?</p>	<p>The Company has adopted an employee incentive scheme titled “Employee Securities Incentive Plan” (Incentive Plan). The objective of the Incentive Plan is to:</p> <ul style="list-style-type: none"> (a) assist in the reward, retention and motivation of eligible participants, which includes employees (including executive directors), non-executive directors and key contractors of the Company; (b) link the reward of eligible participants to Shareholder value creation; and (c) align the interests of eligible participants with Shareholders by providing an opportunity to eligible participants to receive an equity interest in the Company in the form of securities. <p>A summary of the key terms and conditions of the Incentive Plan is set out in Section 10.7.</p>	<p>Section 10.7</p>
<p>What related party agreements are the Company party to?</p>	<p>The Company has entered into the Maronan Acquisition Agreement and Loan Settlement Agreement with Red Metal, summaries of which are set out in Sections 9.2 and 9.3 respectively.</p> <p>The Company has also entered into the following agreements with Directors:</p> <ul style="list-style-type: none"> (a) employment agreement with Mr Richard Carlton (Managing Director); (b) letters of appointment with each of the Non-Executive Directors; and (c) Deeds of Indemnity, Insurance and Access with each of the Directors. <p>These agreements are summarised in Section 9.4.</p>	<p>Sections 9.2, 9.3 and 9.4</p>

Item	Summary	Further information
F. Financial Information		
How has the Company been performing?	<p>The Independent Limited Assurance Report set out in Annexure C sets out:</p> <ul style="list-style-type: none"> (a) the audited historical statements of profit or loss and other comprehensive income and statements of cash flows of the Company for the financial years ended 30 June 2020 and 2021 and the audit reviewed historical statements of profit or loss and other comprehensive income and statements of cash flows of the Company for the period ended 31 December 2021; (b) the audit reviewed statement of financial position of the Company as at 31 December 2021; and (c) the pro forma statement of financial position of the Company as at 31 December 2021. <p>Investors are urged to read the Independent Limited Assurance Report in full.</p> <p>The annual financial reports for the financial years ended 30 June 2020 and 30 June 2021 and half-yearly report for the half-year ended 31 December 2021 will be released to the Company's market announcements platform upon listing.</p>	Annexure C
What is the financial outlook for the Company?	<p>Given the current status of the Project and the speculative nature of its business, the Directors do not consider it appropriate to forecast future earnings.</p> <p>Any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection on a reasonable basis.</p>	Section 5 and Annexure C

Item	Summary	Further information
G. Offer		
What is being offered pursuant to the Offer?	<p>The Offer is an initial public offering of 60,000,000 Shares at an issue price of \$0.20 per Share to raise \$12,000,000, together with one (1) free attaching Primary Option for every three (3) Shares subscribed for and issued. The Offer comprises:</p> <p>(a) a priority offer to Eligible Shareholders of Red Metal in respect of the first \$5,000,000 to be raised under the Offer (Priority Offer); and</p> <p>(b) an offer to the general public for the balance of the Offer (Public Offer).</p> <p>This Prospectus also includes a bonus offer of 25,000,000 Bonus Options to all Eligible Shareholders of Red Metal on a pro rata basis to their Shareholdings as at the Record Date (Bonus Offer).</p> <p>The Shares issued under the Offer will be fully paid and will rank equally with all other existing Shares currently on issue, the terms of which are summarised in Section 10.2 and the terms of the Primary Options to be granted under the Offer are set out in Section 10.3.</p> <p>Each Primary Option is exercisable into one Share and one Secondary Option for every two Shares issued on exercise of the Primary Options. The terms of the Secondary Options are set out in Section 10.4</p> <p>The Offer is conditional upon satisfaction (or waiver) of the Conditions, which are set out in Section 4.7.</p>	Sections 4.1, 4.7 and 10.2 to 10.4.
Is there a minimum subscription under the Offer?	The minimum amount to be raised under the Offer is \$12,000,000.	Section 4.3
Are there oversubscriptions under the Offer?	Oversubscriptions of up to a further \$3,000,000 may be raised under the Offer, for a maximum subscription of \$15,000,000.	Section 4.4
What is the purpose of the Offer?	The purposes of the Offer is to facilitate an application by the Company for admission to the Official List and to position the Company to seek to achieve the objectives stated at Section B of this Investment Overview.	Section B of the Investment Overview
Is the Offer underwritten?	The Offer is not underwritten.	Section 4.5
Who is the lead manager to the Offer?	The Company has appointed Veritas Securities Limited (ACN 117 124 535) (AFSL 297 043) as lead manager and corporate advisor to the Offer. A summary of the Lead Manager and Corporate Advisory Mandate is set out in Section 9.1.	Section 4.6
Who is eligible to participate in the Offer?	<p>The General Offer is open to all investors resident in Australia and to eligible investors resident in certain other jurisdictions.</p> <p>The Priority Offer and Bonus Offer are open to all Eligible Shareholders of RDM.</p> <p>This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.</p>	Section 4.13

Item	Summary	Further information
G. Offer		
How do I apply for Securities under the Offer?	Applications for Securities under the Offer must be made by completing the relevant Application Form attached to this Prospectus in accordance with the instructions set out in the Application Form.	Section 4.9
What is the allocation policy?	<p>Subject to the terms of the Priority Offer, the Company retains an absolute discretion to allocate Securities under the Offer and will be influenced by the factors set out in Section 4.10.</p> <p>Eligible Shareholders who validly apply under the Priority Offer will be given preference in respect of the allocation of up to 25,000,000 Shares and free attaching Primary Options.</p> <p>If the Company receives Applications from Eligible Shareholders for more than 25,000,000 Shares, the Company will scale back investments in proportion to Eligible Shareholders' holdings in RDM as at the Record Date, subject to a minimum investment of \$2,000. Any Shares applied for in excess of scaled back allocations will be treated as additional applications under the Public Offer.</p> <p>The Company will issue Bonus Options (on the same terms as the Primary Options) under the Bonus Offer to Eligible Shareholders of Red Metal. In the event that ASX requires that all, or a significant number, of the Eligible Shareholders sign restriction deeds in respect of the Bonus Options, the Company retains the right to withdraw the Bonus Offer.</p> <p>Other than under the terms of the Priority Offer and Bonus Offer, there is no assurance that any applicant will be allocated any Securities, or the number of Securities for which it has applied.</p>	Section 4.10
What will the Company's capital structure look like on completion of the Offer?	The Company's capital structure on completion of the Offer is set out at Section 5.4.	Section 5.4
What are the terms of the Securities offered under the Offer?	<p>A summary of the material rights and liabilities attaching to:</p> <ul style="list-style-type: none"> (a) the Shares offered under the Offer is set out in Section 10.2; and (b) the Primary Options (including the Bonus Options and Advisor Options) is set out in Section 10.3; (c) the Secondary Options to be issued on exercise of the Primary Options is set out in Section 10.4; (d) the Director Options is set out in Section 10.5; and (e) the Performance Rights is set out in Section 10.6. <p>The Director Options will be issued under the Incentive Plan, the terms of which are summarised in Section 10.7.</p>	Sections 10.2 to 10.7

Item	Summary	Further information
G. Offer		
<p>Will any Securities be subject to escrow?</p>	<p>The Company anticipates that:</p> <ul style="list-style-type: none"> (a) all Shares held by Red Metal at listing will be escrowed for 24 months following the date that the Company commences trading on ASX; (b) all Bonus Options issued to related parties, promoters and their respective associates will be escrowed for 24 months following the date that the Company commences trading on ASX; (c) all Advisor Options, Director Options and Performance Rights issued to related parties will be escrowed for 24 months following the date that the Company commences trading on ASX; and (d) all Bonus Options issued to Eligible Shareholders that are not related parties or promoters will be escrowed for 12 months following the date of issue of the Bonus Options. <p>Should ASX require that all, or a significant number of, Eligible Shareholders sign restriction deeds in respect of the Bonus Options issued under the Bonus Offer, the Company reserves the right to withdraw the Bonus Offer.</p> <p>The Company will announce to the ASX full details (quantity and duration) of the Securities required to be held in escrow prior to its Shares commencing trading on ASX (which admission is subject to ASX's discretion and approval).</p> <p>The Company confirms its 'free float' (the percentage of the Shares that are not restricted and are held by shareholders who are not related parties (or their associates) of the Company) at the time of admission to the Official List of ASX will be not less than 20% in compliance with ASX Listing Rule 1.1 Condition 7.</p>	<p>Section 5.6</p>
<p>Who are the current Shareholders of the Company and on what terms were their Shares issued?</p>	<p>Red Metal currently holds all 10 Shares in the Company.</p>	<p>Section 5.4</p>
<p>Will the Securities be quoted on ASX?</p>	<p>Application for quotation of all Shares to be issued under the Offer will be made to ASX no later than 7 days after the date of this Prospectus.</p> <p>The Company does not currently intend to apply for quotation of the Primary Options (including the Bonus Options and Advisor Options), Director Options or Performance Rights.</p>	<p>Section 4.11</p>

Item	Summary	Further information
G. Offer		
What are the key dates of the Offer?	The key dates of the Offer are set out in the indicative timetable in the Key Offer Information Section.	Key Offer Information
What is the minimum investment size under the Offer?	Applications under the Offer must be for a minimum of \$2,000 worth of Shares (10,000 Shares) and thereafter, in multiples of \$500 worth of Shares (2,500 Shares).	Section 4.9
Are there any conditions to the Offer?	<p>The Offer is conditional on:</p> <ul style="list-style-type: none"> (a) the Minimum Subscription to the Offer being reached; and (b) ASX granting conditional approval for the Company to be admitted to the Official List. <p>(together, the Conditions).</p> <p>The Offer will only proceed if all Conditions are satisfied. Further details are set out in Section 4.7.</p>	Section 4.7
H. Use of funds		
How will the proceeds of the Offer be used?	<p>The proceeds of the Offer will be used for:</p> <ul style="list-style-type: none"> (a) implementing the Company's business objectives and exploration programs as set out in Part B of Investment Overview; (b) reimbursement of \$500,000 to Red Metal for prior development expenditure incurred by Red Metal on the Project; (c) expenses of the Offer; (d) administration costs; and (e) working capital. 	Section 5.3
Will the Company be adequately funded after completion of the Offer?	The Directors are satisfied that on completion of the Offer, the Company will have sufficient working capital to carry out its objectives as stated in this Prospectus.	Section 5.3
I. Additional information		
Is there any brokerage, commission or duty payable by applicants?	<p>No brokerage, commission or duty is payable by applicants on the acquisition of Securities under the Offer.</p> <p>However, the Company will pay to the Lead Manager 5% (ex GST) of the total amount raised under the Prospectus.</p>	Section 9.1
Can the Offer be withdrawn?	<p>The Company reserves the right not to proceed with the Offer at any time before the issue of Securities to successful applicants.</p> <p>If the Offer does not proceed, application monies will be refunded (without interest).</p>	Section 4.16

Item	Summary	Further information
I. Additional information		
What are the tax implications of investing in Securities?	<p>Holders of Securities may be subject to Australian tax on dividends and possibly capital gains tax on a future disposal of Securities subscribed for under this Prospectus.</p> <p>The tax consequences of any investment in Securities will depend upon an investor's particular circumstances. Applicants should obtain their own tax advice prior to deciding whether to subscribe for Securities offered under this Prospectus.</p>	Section 4.15
What is the Company's Dividend Policy?	<p>The Company anticipates that significant expenditure will be incurred in the exploration, evaluation and development of the Project. These activities, together with the possible acquisition of interests in other projects, are expected to dominate at least, the first two-year period following the date of this Prospectus. Accordingly, the Company does not expect to declare any dividends during that period.</p> <p>Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the availability of distributable earnings and operating results and financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.</p>	Section 5.8
What are the corporate governance principles and policies of the Company?	<p>To the extent applicable, in light of the Company's size and nature, the Company has adopted <i>The Corporate Governance Principles and Recommendations (4th Edition)</i> as published by ASX Corporate Governance Council (Recommendations).</p> <p>Prior to listing on the ASX, the Company will announce its main corporate governance policies and practices and the Company's compliance and departures from the Recommendations.</p>	Section 8.4
Can general meetings of shareholders be held using technology?	The Company's constitution permits the use of technology at general meetings of shareholders (including wholly virtual meetings) to the extent permitted under the Corporations Act, Listing Rules and applicable law.	Section 10.2
Where can I find more information?	<p>(a) By speaking to your sharebroker, solicitor, accountant or other independent professional adviser;</p> <p>(b) By contacting the Company Secretary, on +61 2 9281 1805 or</p> <p>(c) By contacting the Share Registry on 1300 288 664.</p>	

On the completion of the offer Maronan Metals will drill test the potential for high value, supergene enriched copper-gold mineralisation from 40 to 700 metres below surface.



4. DETAILS OF THE OFFER

4.1 The Offer

The Offer is an initial public offering of 60,000,000 Shares at an issue price of \$0.20 per Share to raise at least \$12,000,000, together with one (1) free attaching Primary Option for every three (3) Shares subscribed for and issued, exercisable at \$0.30 per Option expiring thirty (30) months from the date of issue (**Minimum Subscription**).

The Offer is comprised of:

- (a) a priority offer to Eligible Shareholders of Red Metal in respect of the first \$5,000,000 to be raised under the Offer (**Priority Offer**);
- (b) an offer to the general public for the balance of the Offer (**Public Offer**).

The Shares issued under the Offer will be fully paid and will rank equally with all other existing Shares currently on issue. A summary of the material rights and liabilities attaching to the Shares is set out in Section 10.2.

The Primary Options offered under the Offer will be issued on the terms and conditions set out in Section 10.3. Each Primary Option is exercisable into one Share and one Secondary Option for every two Shares issued. The Secondary Options to be issued on exercise of the Primary Options will be issued on the terms and conditions set out in Section 10.4.

All Shares issued on conversion of the Options will rank equally with the Shares on issue at the date of this Prospectus.

4.2 Bonus Offer

A bonus offer of 25,000,000 Bonus Options (on the same terms and conditions as the Primary Options) to all Eligible Shareholders of Red Metal on a pro rata basis to their Shareholdings (**Bonus Offer**).

Eligible Shareholders do not need to do anything to apply for Bonus Options. Bonus Options will be issued to Eligible Shareholders on the date that all other Securities contemplated by this Prospectus are issued, or such later date as determined by the Board and agreed with ASX.

Only those Eligible Shareholders shown on the Share Register of Red Metal at 5.00pm (AEST) on the Record Date with a registered address in Australia will be entitled to participate in the Bonus Offer. The Company has decided that it is unreasonable to make offers under this Prospectus to Eligible Shareholders with registered addresses outside of Australia, having regard to the number of Red Metal shareholders outside of Australia, the number and value of the Options they would be offered, the legal and regulatory requirements in those places and costs of complying with those requirements.

Nominees and custodians should note that the Bonus Offer is available only to investors resident in Australia. The Company is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of securities. If any nominee or custodian is acting on behalf of a foreign person, that holder in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Bonus Offer is compatible with applicable foreign laws.

The Board reserves the right to withdraw the Bonus Offer in its absolute discretion.

4.3 Minimum subscription

The Minimum Subscription for the Offer is 60,000,000 Shares at an issue price of \$0.20 per Share to raise \$12,000,000, together with one (1) free attaching Primary Option for every three (3) Shares subscribed for and issues.

If the Minimum Subscription has not been raised within four (4) months after the date of this Prospectus or such period as varied by the ASIC, the Company will not issue any Securities and will repay all application monies for the Securities within the time prescribed under the Corporations Act, without interest.

4.4 Oversubscriptions

Oversubscriptions of up to a further 15,000,000 Shares at an issue price of \$0.20 per Share to raise up to a further \$3,000,000, together with one (1) free attaching Primary Option for every three (3) Shares subscribed for and issued may be accepted.

4.5 Underwriter

The Offer is not underwritten.

4.6 Lead Manager

The Company has appointed Veritas Securities Limited (ACN 117 124 535) (AFSL 297 043) (**Lead Manager** or **Veritas**) as lead manager and corporate advisor to the Offer. The Lead Manager will receive those fees set out in Section 9.1.

4.7 Conditions of the Offer

The Offer is conditional upon the following events occurring:

- (a) the Minimum Subscription to the Offer being reached; and
- (b) ASX granting conditional approval for the Company to be admitted to the Official List, (together the **Conditions**).

If these Conditions are not satisfied then the Offer will not proceed and the Company will repay all application monies received under the Offer within the time prescribed under the Corporations Act, without interest.

4.8 Purpose of the Offer

The primary purposes of the Offer are to:

- (a) assist the Company to meet the admission requirements of ASX under Chapters 1 and 2 of the ASX Listing Rules;
- (b) provide the Company with additional funding for:
 - (i) the proposed exploration programs at the Project (as further detailed in Section 5.2.7);
 - (ii) considering acquisition opportunities that may be presented to the Board from time to time; and
 - (iii) the Company's working capital requirements while it is implementing the above; and
- (c) remove the need for an additional disclosure document to be issued upon the sale of any Shares that are to be issued under the Offer; and
- (d) extinguish the loan owing to Red Metal Limited with respect to the acquisition of the Project, further details of which are set out in Section 9.3.

The Company intends on applying the funds raised under the Offer in the manner detailed in Section 5.3.

4.9 Applications

Applications for Securities under the Offer must be made by investors at the direction of the Company and must be made by either using the relevant Application Form attached to or accompanying this Prospectus in accordance with the instructions set out on the Application Form or by using the Online Application Facility.

Applicants should note that there are two separate Application Forms:

- (a) a Priority Offer Application Form for Eligible Shareholders; and
- (b) a Public Offer Application Form for all other applicants.

By completing an Application Form, each applicant under the Offer will be taken to have declared that all details and statements made by them are complete and accurate and that they have personally received the Application Form together with a complete and unaltered copy of the Prospectus.

Applications for Shares under the Offer must be for a minimum of \$2,000 worth of Shares (10,000) Shares and thereafter in multiples of \$500 worth of Shares (2,500 Shares) and payment for the Shares must be made in full at the issue price of \$0.20 per Share. Primary Options will be issued free attaching to Shares issued under the Offer on a one (1) for three (3) basis.

If paying by BPAY® or EFT, please follow the instructions on the Application Form. A unique reference number will be quoted upon completion of the online application. Your BPAY reference number or payment reference will process your payment to your application electronically and you will be deemed to have applied for such Shares for which you have paid. Applicants using BPAY or EFT should be aware of their financial institution's cut-off time (the time payment must be made to be processed overnight) and ensure payment is processed by their financial institution on or before the day prior to the Closing Date of the Offer. You do not need to return any documents if you have made payment via BPAY or EFT.

If an Application Form is not completed correctly or if the accompanying payment is the wrong amount, the Company may, in its discretion, still treat the Application Form to be valid. The Company's decision to treat an application as valid, or how to construe, amend or complete it, will be final.

The Company reserves the right to close the Offer early.

Priority Offer Applications

Eligible Shareholders can apply under the Priority Offer. Eligible Shareholders are Shareholders of Red Metal with a registered address in Australia at 5.00pm AEST on the Record Date.

Under the Priority Offer, up to 25,000,000 Shares, together with free attaching Primary Options, representing \$5,000,000 of the total offer amount, have been set aside for Eligible Shareholders. Eligible Shareholders will be allocated Shares under the Priority Offer pro rata to their shareholdings in RDM at the Record Date and thereafter at the discretion of the Company. If the Company receives Applications from Eligible Shareholders for more than 25,000,000 Shares, the Company intends to treat such additional applications under the Priority Offer as being made under the Public Offer.

No Shares will be issued to Eligible Shareholders under the Priority Offer or Public Offer unless the total application satisfies the minimum application size of 10,000 Shares, as required under the Public Offer.

Applications under the Priority Offer must be made by either:

- (a) using the Priority Offer Application Form; or
- (b) applying online at

<https://investor.automic.com.au/#/ipo/maronanmetalspriority>

using the Eligible Shareholder Unique Priority Code to log-in and submit an application and pay the Application Monies by BPAY® or electronic funds transfer (Online Application Facility).

The Closing Date for the Priority Offer is 5:00pm (AEST) on 15 March 2022, or such earlier or later date as the Directors, in their absolute discretion, may determine. The Company reserves the right to extend the Priority Offer Closing Date or close the Offer early without notice.

Applications under the Priority Offer can only be made in the registered name of the Eligible Shareholder and either using the Priority Offer Application Form accompanying this Prospectus or using the Online Application Facility. If you wish to apply for Securities under the Offer in a name other than registered name of the Eligible Shareholder, you must apply using a Public Offer Application Form.

Public Offer Applications

Applications for Securities under the Public Offer must be made by either:

- (a) using the Public Offer Application Form accompanying this Prospectus; or
- (b) applying online at

<https://investor.automic.com.au/#/ipo/maronanmetals>

and pay the Application Monies by BPAY® or electronic funds transfer (Online Application Facility).

The Closing Date for the Offer is 5:00pm (AEST) on 22 March 2022, or such earlier or later date as the Directors, in their absolute discretion, may determine. The Company reserves the right to extend the Closing Date or close the Offer early without notice.

To the extent permitted by law, an application by an applicant under the Offer is irrevocable.

4.10 Allocation policy under the Priority Offer and Public Offer

Eligible Shareholders who validly apply under the Priority Offer will be given preference in respect of the allocation of up to 25,000,000 Shares. The allocation of Shares under the Priority Offer will be subject to a minimum investment of \$2,000 and will be made pro rata to Eligible Shareholders' shareholdings in Red Metal at 5.00pm AEST on the Record Date and thereafter at the discretion of the Company.

If the Company receives Applications from Eligible Shareholders for more than 25,000,000 Shares, the Company will scale back investments in proportion to Eligible Shareholders' holdings in RDM as at the Record Date, subject to a minimum investment of \$2,000. Any Shares applied for in excess of scaled back allocations will be treated as additional applications under the Public Offer.

Following the allocation mechanism set out above, the Company retains an absolute discretion to allocate Shares under the Priority Offer and reserves the right, in its absolute discretion, to allot to an applicant a lesser number of Shares than the number for which the applicant applies or to reject an Application Form. If the number of Shares allotted is fewer than the number applied for, surplus application money will be refunded without interest as soon as practicable.

Other than under the Priority Offer, no applicant under the Offer has any assurance of being allocated all or any Securities applied for. The allocation of Securities by Directors (in conjunction with Veritas) will be influenced by the following factors:

- (a) the number of Securities applied for;
- (b) the overall level of demand for the Offer;
- (c) the desire for a spread of investors, including institutional investors; and
- (d) the desire for an informed and active market for trading Shares following completion of the Offer.

The Company will not be liable to any person not allocated Securities or not allocated the full amount applied for.

4.11 ASX listing

Application for Official Quotation by ASX of the Shares offered pursuant to this Prospectus will be made within 7 days after the date of this Prospectus. However, applicants should be aware that ASX will not commence Official Quotation of any Shares until the Company has complied with Chapters 1 and 2 of the ASX Listing Rules and has received the approval of ASX to be admitted to the Official List. As such, the Shares may not be able to be traded for some time after the close of the Offer.

If the Shares are not admitted to Official Quotation by ASX before the expiration of three (3) months after the date of this Prospectus, or such period as varied by the ASIC, the Company will not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Shares now offered for subscription.

No application will be made for Official Quotation by ASX of the Primary Options issued under the Offer or any other Securities to be issued prior to the Company's admission to the Official List.

4.12 Issue

Subject to the Conditions set out in Section 4.7 being met, the issue of Securities offered by this Prospectus will take place as soon as practicable after the Closing Date.

Pending the issue of the Securities or payment of refunds pursuant to this Prospectus, all application monies will be held by the Company in trust for the applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each applicant waives the right to claim interest.

The Directors (in conjunction with Veritas) will determine the recipients of the issued Securities in their sole discretion in accordance with the allocation policy detailed in Section 4.10. The Directors reserve the right to reject any application or to allocate any applicant fewer Securities than the number applied for. Where the number of Securities issued is less than the number applied for, or where no issue is made, surplus application monies will be refunded without any interest to the applicant as soon as practicable after the Closing Date.

Holding statements for Securities issued to the issuer sponsored subregister and confirmation of issue for Clearing House Electronic Subregister System (CHES) holders will be mailed to applicants being issued Securities pursuant to the Offer as soon as practicable after their issue.

4.13 Applicants outside Australia

This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

No action has been taken to register or qualify the Securities or otherwise permit a public offering of the Securities the subject of this Prospectus in any jurisdiction outside Australia. Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed.

If you are outside Australia it is your responsibility to obtain all necessary approvals for the issue of the Securities pursuant to this Prospectus. The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by you that all relevant approvals have been obtained.

4.14 Commissions payable

The Company reserves the right to pay a commission of up to 5% (exclusive of goods and services tax) of amounts subscribed through any licensed securities dealers or Australian financial services licensee in respect of any valid applications lodged and accepted by the Company and bearing the stamp of the licensed securities dealer or Australian financial services licensee. Payments will be subject to the receipt of a proper tax invoice from the licensed securities dealer or Australian financial services licensee.

Veritas will be responsible for paying all commissions that they and the Company agree with any other licensed securities dealers or Australian financial services licensees out of the fees paid by the Company to Veritas under the Advisory Mandate.

4.15 Taxation

The acquisition and disposal of Securities will have tax consequences, which will differ depending on the individual financial affairs of each investor.

It is not possible to provide a comprehensive summary of the possible taxation positions of all potential applicants. As such, all potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Securities from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Securities under this Prospectus or the reliance of any applicant on any part of the summary contained in this Section.

No brokerage, commission or duty is payable by applicants on the acquisition of Securities under the Offer.

4.16 Withdrawal of Offer

The Offer may be withdrawn at any time. In this event, the Company will return all application monies (without interest) in accordance with applicable laws.

On the completion of the offer Maronan Metals will complete drilling targeting additional shallow, high value copper-gold and lead-silver mineralisation.



5. COMPANY AND PROJECT OVERVIEW

5.1 Background

The Company was incorporated in 2012 as Megatron Rare Earths Pty Ltd, a wholly owned subsidiary of Red Metal Limited (ACN 103 367 684) (ASX:RDM), with the objective of identifying and securing prospective mineral tenements and undertaking exploration for and development of mineral resources. The Company changed its name to Maronan Metals Pty Ltd in July 2018 and converted to a public company limited by shares on 15 January 2021.

The Company's initial focus was to secure mineral tenements prospective for rare earth minerals in Queensland. The Company secured a number of mineral tenements in 2013 but relinquished them all in 2014 following initial reviews. The Company then remained inactive until the acquisition of EPM 13368 (the **Maronan Project** or **Project**) from Red Metal in 2019.

The Company entered into a sale and purchase agreement with Red Metal on 8 April 2019 (**Maronan Acquisition Agreement**). The purchase consideration was funded by way of an interest free unsecured loan of \$7,004,000 payable by the Company to Red Metal. Subsequently, Red Metal advanced an additional unsecured and interest free loan of \$720,570 to Maronan in order to fund exploration of the Maronan Project. As at the date of this Prospectus, Maronan owes a total of \$7,724,570 to Red Metal.

Further details of the Maronan Acquisition Agreement are set out in Section 9.2.

The Company has entered into a loan settlement agreement with Red Metal, pursuant to which the \$7,724,570 loan will be discharged prior to listing, comprising:

- (a) \$7,224,570 to be discharged through Red Metal's holdings of Shares and Performance Rights in the Company following completion of the Offer; and
- (b) \$500,000 to be discharged through a cash payment to be made immediately prior to the Company's admission to the Official List as partial reimbursement for expenditure incurred by RDM in developing the Maronan Project.

Further details of the loan settlement agreement are set out in Section 9.3 below.

5.2 Overview of the Maronan Project

As at the date of this Prospectus, the Maronan Project is the Company's core focus. The Maronan lead-silver and copper-gold deposit is an emerging base metal deposit in the world class Carpentaria Province which hosts multiple Tier 1 lead-zinc-silver mines including Mount Isa, George Fisher, Century, Cannington, Dugald River and significant copper deposits including Mount Isa, Ernest Henry, Osborne and Eloise.

5.2.1 Geology and Mineralisation

Drilling on the Maronan Project has identified two separate styles of mineralisation, bedded lead-silver mineralisation partially overprinted by structurally controlled copper-gold mineralisation.

The geological setting of the lead-silver mineralisation is interpreted as an exhalative vent system that deposited the lead-silver on the ancient sea floor, most probably as a zoned system. After deposition, this exhalative deposit was structurally tilted and deformed.

The lead-silver mineralisation at Maronan is interpreted as a Broken Hill-type deposit and bears strong similarities to that of the nearby Cannington deposit. Unlike Cannington, Maronan is hosted in carbonate dominant exhalative and is steep dipping, less metamorphosed, less structurally complex and remains open at depth.

A steep plunging, pipe shaped, silica-pyrrhotite rich body with copper-gold lens is focused between the two bedded, lead-silver mineralised, exhalative units. This copper-gold mineralisation is a late-stage, structure-controlled style that has geological similarities with that at the nearby Eloise copper-gold mine.

5.2.2 Previous Exploration

The Company has collated and maintained an exploration database that includes data from government surveys (such as airborne geophysics, aerial imagery and regional geological mapping) and historic company work programs (such as airborne and ground magnetics, IP and gravity, drilling and metallurgical test work).

Surface exploration was carried out by several companies starting circa 1984. Diamond core led to the discovery of the first significant mineralisation at Maronan in 1988. Since then 148 holes comprising 42,895 metres of shallow and deep drilling have been completed by six companies.

5.2.3 Resources and Exploration Potential

A maiden, JORC 2012 compliant, Mineral Resource Estimate for Maronan was reported by Red Metal in 2015. The Technical Assessment Report set out in Annexure A contains further detail with respect to the Mineral Resource Estimate and an updated JORC Table 1 prepared by the Company is included at Annexure D to this Prospectus.

Lead-Silver Inferred Mineral Resources: Fresh

estimate for the fresh bedded lead-silver mineralisation style (galena) at 3% cut-off grade

Cut-off Pb %	Million Tonnes	Pb %	Ag g/t	Pb Mt	Ag Moz
3%	31	6.5	106	2	105

The majority of the Inferred lead-silver resource is situated between about 200 and 1,200 metres below surface with small portions interpreted to extend to within about 40 metres of the surface. The mineralised horizons remain open at depth.

Copper-Gold Inferred Mineral Resources – Fresh

estimate for the fresh copper-gold mineralisation style (chalcopyrite) at 1% cut-off grade

Cut-off Cu %	Million Tonnes	Cu %	Au g/t	Cu Kt	Au Koz
1%	11	1.6	0.8	170	300

The bulk of the copper-gold resources are situated between about 170 and 1,200 metres below surface with narrow lenses of mineralisation interpreted to extend to within about 40 metres of surface.

Both the lead-silver and copper-gold mineralisation styles have shown improvement in grade and widths at depth and remain open both down-plunge and at shallow levels between the existing wide spaced intercepts.

5.2.4 Preliminary Metallurgical Study

Preliminary metallurgical test work in respect of lead and silver has produced encouraging results which in turn has outlined a potentially simple processing option for the Maronan lead and silver mineralisation. The test work indicated there is the likelihood of quickly concentrating a saleable product by recovering 92-96% of the lead and 91-94% of the silver.

The Maronan mineralisation is believed to have a much lower bond work index (reflecting the soft carbonate composition of the ore host rock) than silicate-hosted ore types mined in the district which, together with the simple metallurgy, should lower processing costs at Maronan and enable any potential development to operate at a lower economic cut-off grade. Further details with respect to the Preliminary Metallurgical Study are set out in the Independent Technical Assessment Report in Annexure A.

5.2.5 Preliminary Mining Scoping Study

A Preliminary Mining Scoping Study completed in 2016 examined possible underground mining and processing options and their potential economic benefit. The results from the study and cash flow analyses together with the down-plunge geological potential provide a strong economic and geological case for further infill and step-out exploration drilling. Further details with respect to the Preliminary Mining Scoping Study are set out in the Technical Assessment Report in Annexure A.

5.2.6 Location, Access and Infrastructure

The Maronan Project (EPM 13368, covering 38.35 square kilometres) is located in Cloncurry region of Northwest Queensland and is approximately 60 kilometres south-east of the town of Cloncurry and 156 kilometres from Mt Isa. Approximately six kilometres of good gravel road and 65 kilometres of sealed bitumen road provide access to rail infrastructure at Cloncurry for potential concentrate transport to port facilities at Townsville. The deposit is located approximately 130 kilometres along mostly sealed road from the large Cannington lead-silver-zinc mine (3,200,000 tonne per annum mill) and about 16 kilometres along unsealed road from the Eloise copper-gold mine (600,000 tonne per annum mill).

Numerous power options exist including grid-power from Cloncurry, gas-fired power from Cannington, on-site diesel generation or potentially solar. Mine water is expected to be sourced from within the deeper regions of the Great Artesian Basin some 20-30 kilometres east of the project.

Cloncurry, Mount Isa, and Townsville are active mining communities providing drilling contractors and skilled personnel for exploration projects and operating mines in the region.

5.2.7 Proposed Exploration Program and Development Plan

The Company's detailed geological model together with the preliminary mining studies and preliminary metallurgical work suggest the Inferred Resources at Maronan may be potentially mineable. Analysis of the extensive project database has enabled the Company to interpret significant exploration potential for additional shallow, high value copper-gold and lead-silver mineralisation between the existing wide spaced drill holes as well as scope for larger, higher-grade copper-gold and lead-zinc-silver extensions at depth.

Drilling on both the lead-silver and copper-gold mineralisation styles have shown improvement in grade and widths at depth. Mineralisation remains open down-plunge and at shallow levels between the existing wide spaced intercepts.

The Company's proposed work programs will initially focus on the shallow, high value copper-gold and lead-silver potential with targeted drill tests, followed by a deep search for the exciting large tonnage, higher grade copper-gold and lead-zinc-silver extensions. Key high-value exploration targets include:

- (a) Definition of a continuous zone of copper-gold mineralisation starting from just 40 metre below surface.
- (b) Potential for higher grade supergene-enriched copper and gold ore (as chalcocite) from 40 to 700 metres below surface.
- (c) Scope for the copper-gold pipe to transition with depth from dominantly iron sulphide to dominantly copper sulphide, offering potential for thicker intervals and higher grades of copper and gold mineralisation.
- (d) Potential giant Cannington lead-zinc-silver system at depth towards an interpreted vent core.
- (e) Potential for very high lead-silver grades in thickened fold hinge zones between the existing wide spaced drilling.
- (f) Untested regional copper-gold exploration targets defined beyond the known resources.

Proposed Project Exploration Budget for Year 1 to Year 2

Activity	Minimum Subscription (\$12 million)			Maximum Subscription (\$15 million)		
	Year 1	Year 2	Total	Year 1	Year 2	Total
Exploration Drilling	2,250,000	2,500,000	4,750,000	3,000,000	3,500,000	6,500,000
Drilling	1,597,500	1,775,000		2,130,000	2,485,000	
Assays	135,000	150,000		180,000	210,000	
Geological	270,000	300,000		360,000	420,000	
Field costs	247,500	275,000		330,000	385,000	
Deep Extension Drilling	2,000,000	1,750,000	3,750,000	2,000,000	2,500,000	4,500,000
Drilling	1,400,000	1,225,000		1,400,000	1,750,000	
Assays	100,000	87,500		100,000	125,000	
Geological	240,000	210,000		240,000	300,000	
Geophysical	100,000	87,500		100,000	125,000	
Field costs	160,000	140,000		160,000	200,000	
Total	4,250,000	4,250,000	8,500,000	5,000,000	6,000,000	11,000,000

5.3 Use of funds

Funds available	Minimum Subscription (\$12,000,000)	Percentage of Funds	Maximum Subscription (\$15,000,000)	Percentage of Funds
Existing cash reserves	-	0%	-	0%
Funds raised from the Offer	\$12,000,000	100.00%	\$15,000,000	100.00%
Total	\$12,000,000	100.00%	\$15,000,000	100.00%

Allocation of funds

Exploration at Maronan Project ²	\$8,500,000	70.83%	\$11,000,000	73.33%
Expenditure Reimbursement ¹	\$500,000	4.17%	\$500,000	3.33%
Expenses of the Offer ³	\$725,000	6.04%	\$880,000	5.87%
Administration costs ⁴	\$1,500,000	12.50%	\$1,500,000	10.00%
Working capital ⁵	\$775,000	6.46%	\$1,120,000	7.47%
Total	\$12,000,000	100.00%	\$15,000,000	100.00%

Notes:

1. Refer to Section 9.3 for further details.
2. Refer to Section 5.2.7 and the Technical Assessment Report in Annexure A for further details with respect to the Company's proposed exploration programs at the Project.
3. Refer to Section 10.12 for further details. RDM has paid for expenses of the Offer totalling \$200,000.
4. Administration costs include the general costs associated with the management and operation of the Company's business including administration expenses, management salaries, directors' fees, rent and other associated costs.
5. To the extent that:
 - (a) the Company's exploration activities warrant further exploration activities; or
 - (b) the Company is presented with additional acquisition opportunities,
 the Company's working capital will fund such further exploration and acquisition costs (including due diligence investigations and expert's fees in relation to such acquisitions). Any amounts not so expended will be applied toward administration costs for the period following the initial 2-year period following the Company's quotation on ASX.

It is anticipated that the funds raised under the Offer will enable 2 years of full operations (if the Minimum Subscription is raised). It should be noted that the Company may not be fully self-funding through its own operational cash flow at the end of this period. Accordingly, the Company may require additional capital beyond this point, which will likely involve the use of additional debt or equity funding. Future capital needs will also depend on the success or failure of the Company's Maronan Project. The use of further debt or equity funding will be considered by the Board where it is appropriate to fund additional exploration on the Maronan Project or to capitalise on acquisition opportunities in the resources sector.

In the event the Company raises more than the Minimum Subscription of \$12,000,000 under the Offer but less than the Maximum Subscription, the additional funds raised will be first applied towards the expenses of the Offer and then proportionally to the other line items in the above table.

The above table is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events (including exploration success or failure) and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

The Directors consider that following completion of the Offer, the Company will have sufficient working capital to carry out its stated objectives. It should however be noted that an investment in the Company is speculative and investors are encouraged to read the risk factors outlined in Section 7.

5.4 Capital structure

The capital structure of the Company following completion of the Offer (assuming both Minimum Subscription and Maximum Subscription under the Offer) is summarised below:

Shares¹

	Minimum Subscription	Maximum Subscription
Shares currently on issue ²	10	10
Shares to be issued to Red Metal pursuant to Loan Settlement Agreement	74,999,990	74,999,990
Shares to be issued pursuant to the Offer	60,000,000	75,000,000
Total Shares on completion of the Offer	135,000,000	150,000,000

Notes:

1. The rights attaching to the Shares are summarised in Section 10.2.
2. As at the date of this Prospectus, RDM holds 100% of the shares in the Company, which is RDM's wholly owned subsidiary.

Options

	Minimum Subscription	Maximum Subscription
Primary Options to be issued under the Offer ¹	20,000,000	25,000,000
Bonus Options to be issued under Bonus Offer ¹	25,000,000	25,000,000
Director Options ²	10,000,000	10,000,000
Advisor Options ^{1, 3}	3,000,000	3,000,000
Total Options on completion of the Offer	58,000,000	63,000,000

Notes:

1. Terms and conditions of the Primary Options (including the Bonus Options and Advisor Options) are summarised in Section 10.3.
2. Refer to Section 10.5 for the terms of the Director Options and Section 10.7 for a summary of the terms of the Incentive Plan under which the Director Options will be issued. Refer to Section 8.2 for details of Director interests.
3. The Advisor Options will be issued to Veritas pursuant to the Advisory Mandate, the material terms and conditions of which are set out in Section 9.1.

Investors should note that the Primary Options are exercisable into one Share and one Secondary Option for every two Shares issued on exercise of the Primary Options, which could result in an additional 24,000,000 Secondary Options being issued (on Minimum Subscription) and 26,500,000 Secondary Options being issued (on Maximum Subscription). Each Secondary Option is exercisable into one Share on the terms and conditions set out in Section 10.4.

Performance Rights

	Minimum Subscription	Maximum Subscription
Performance Rights currently on issue	Nil	Nil
Performance Rights to be issued to RDM ¹	13,500,000	13,500,000
Total Performance Rights on issue after completion of the Offer	13,500,000	13,500,000

Notes:

1. Comprising 6,750,000 Class A Performance Rights and 6,750,000 Class B Performance Rights. Refer to Section 10.6 for a summary of the terms and conditions of the Performance Rights.

5.5 Substantial Shareholders

Those Shareholders holding 5% or more of the Shares on issue both as at the date of this Prospectus and on completion of the Offer are set out in the respective tables below.

As at the date of the Prospectus

Shareholder	Shares	Options	Percentage (undiluted)	Percentage (fully diluted)
Red Metal Limited ¹	10	-	100%	100%

Notes:

1. As at the date of the Prospectus, the Company is a 100% wholly owned subsidiary of RDM.

On completion of the Loan Settlement Agreement and the issue of Securities under the Offer with Minimum Subscription (assuming Red Metal Limited does not subscribe and receive additional Shares pursuant to the Offer)

Shareholder	Shares	Options	Performance Rights ¹	Percentage (undiluted)	Percentage (fully diluted) ²
Red Metal Limited	75,000,000	-	13,500,000	55.55%	38.39%

Notes:

1. As set out in Section 9.3, the Company will issue 13,500,000 Performance Rights to RDM. The terms and conditions of the Performance Rights are set out in Section 10.6.
2. Fully diluted calculations assume that all Options (including Secondary Options issued on exercise of Primary Options) are exercised and all Performance Rights are converted.

On completion of the Loan Settlement Agreement and the issue of Securities under the Offer with Maximum Subscription (assuming Red Metal Limited does not subscribe and receive additional Shares pursuant to the Offer)

Shareholder	Shares	Options	Performance Rights ¹	Percentage (undiluted)	Percentage (fully diluted) ²
Red Metal Limited	75,000,000	-	13,500,000	50%	34.98%

Notes:

1. As set out in Section 9.3, the Company will issue 13,500,000 Performance Rights to RDM. The terms and conditions of the Performance Rights are set out in Section 10.6.
2. Fully diluted calculations assume that all Options (including Secondary Options issued on exercise of Primary Options) are exercised and all Performance Rights are converted.

The Company will announce to the ASX details of its top-20 Shareholders following completion of the Offer prior to the Shares commencing trading on ASX.

5.6 Restricted Securities

Subject to the Company being admitted to the Official List and completing the Offer, certain securities will be classified by ASX as restricted securities and will be required to be held in escrow for up to 24 months from the date of Official Quotation. During the period in which these securities are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of his or her Shares in a timely manner.

While the ASX has not yet confirmed the final escrow position applicable, the Company anticipates that:

- (a) 75,000,000 Shares held by Red Metal at listing will be escrowed for 24 months following the date that the Company commences trading on ASX;
- (b) all Advisor Options, Director Options and Performance Rights issued to related parties will be escrowed for 24 months following the date that the Company commences trading on ASX;
- (c) all Bonus Options issued to related parties, promoters and their respective associates will be escrowed for 24 months following the date that the Company commences trading on ASX; and
- (d) all Bonus Options issued to Eligible Shareholders that are not related parties or promoters will be escrowed for 12 months following the date of issue of the Bonus Options.

Should ASX require that all, or a significant number of, Eligible Shareholders sign restriction deeds in respect of the Bonus Options, the Company reserves the right to withdraw the Bonus Offer.

The number of Securities that are subject to ASX imposed escrow are at ASX's discretion in accordance with the ASX Listing Rules and underlying policy. The above is a good faith estimate of the Securities that are expected to be subject to ASX imposed escrow.

The Company will announce to the ASX full details (quantity and duration) of the Securities required to be held in escrow prior to the Shares commencing trading on ASX (which admission is subject to ASX's discretion and approval).

5.7 Additional Information

Prospective investors are referred to and encouraged to read in its entirety both:

- (a) the Technical Assessment Report in Annexure A and additional reporting information in Annexure D for further details about the geology, location and mineral potential of the Company's Project;
- (b) the Solicitor's Report on Tenements in Annexure B for further details in respect to the Company's interests in the Tenement; and
- (c) the Independent Limited Assurance Report in Annexure C for further details in respect of the Company's financial history.

5.8 Dividend policy

The Company anticipates that significant expenditure will be incurred in the exploration, evaluation and development of the Maronan Project. These activities, together with the possible acquisition of interests in other projects, are expected to dominate at least, the first two-year period following the date of this Prospectus. Accordingly, the Company does not expect to declare any dividends during that period.

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the availability of distributable earnings and the operating results and financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

On the completion of the offer Maronan Metals will complete deeper drilling targeting scope for larger, higher-grade copper-gold and lead-zinc-silver extensions where two separate "Tier 1" exploration plays are speculated



6. FINANCIAL INFORMATION

6.1 General

The Independent Limited Assurance Report set out in Annexure C sets out:

- (a) the audited historical statements of profit or loss and other comprehensive income and statements of cash flows of the Company for the financial years ended 30 June 2020 and 2021 and the audit reviewed historical statements of profit or loss and other comprehensive income and statements of cash flows of the Company for the half-year ended 31 December 2021;
- (b) the audit reviewed statement of financial position of the Company as at 31 December 2021; and
- (c) the pro forma statement of financial position of the Company as at 31 December 2021.

Investors are urged to read the Independent Limited Assurance Report in full.

The annual financial reports for the financial years ended 30 June 2020 and 30 June 2021 and the half-yearly report for the half-year ended 31 December 2021 will be released to the Company's market announcements platform upon listing.

6.2 Forecast financial information

There are significant uncertainties associated with forecasting future revenues and expenses of the Company. In light of uncertainty as to timing and outcome of the Company's growth strategies and the general nature of the industry in which the Company will operate, as well as uncertain macro market and economic conditions in the Company's markets, the Company's performance in any future period cannot be reliably estimated. On this basis and after considering ASIC Regulatory Guide 170, the Directors do not believe they have a reasonable basis to reliably forecast future earnings and accordingly forecast financials are not included in this Prospectus.

On the completion of the offer Maronan Metals will seek to identify other strategic resource opportunities that have the potential to deliver value for Shareholders.

7. RISK FACTORS

7.1 Introduction

The Securities offered under this Prospectus should be considered as highly speculative and an investment in the Company is not risk free.

The future performance of the Company and the value of the Securities may be influenced by a range of factors, many of which are largely beyond the control of the Company and the Directors. The key risks that have a direct influence on the Company, its Maronan Project and activities are set out in Section 3. Those key risks as well as other risks associated with the Company's business, the industry in which it operates and general risks applicable to all investments in listed securities and financial markets generally are described below.

The risks factors set out in this Section 7, or other risk factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Securities. This Section 7 is not intended to provide an exhaustive list of the risk factors to which the Company is exposed.

The Directors strongly recommend that prospective investors consider the risk factors set out in this Section 7, together with all other information contained in this Prospectus.

Before determining whether to invest in the Company you should ensure that you have a sufficient understanding of the risks described in this Section 7 and all of the other information set out in this Prospectus and consider whether an investment in the Company is suitable for you, taking into account your objectives, financial situation and needs.

If you do not understand any matters contained in this Prospectus or have any queries about whether to invest in the Company, you should consult your accountant, financial adviser, stockbroker, lawyer or other professional adviser.

7.2 Company specific risks

Risk Category	Risk
Limited history	<p>Although it was incorporated in 2012, the Company was relatively inactive until 2019, when RDM transferred the Maronan Project to it. Accordingly, the Company does not have any operating history, although it should be noted that the Directors have between them significant resource industry and operational experience.</p> <p>No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of the Project. Until the Company is able to realise value from the Maronan Project, it is likely to incur ongoing operating losses.</p>
Contractual risk	<p>The Company is party to standard form heritage agreements in respect of the Project, which require that heritage surveys are undertaken in advance of ground-disturbing activity being undertaken by the Company. The ability of the Company to achieve its stated objectives will depend on the performance by the parties of their obligations under these agreements.</p> <p>If the Company is unable to satisfy its obligations under these agreements, the Company may suffer loss as a result of claims being made by the native title holders in the area overlapping the Project.</p> <p>If any party defaults in the performance of their obligations, it may be necessary for the Company to approach a court to seek a legal remedy, which can be costly.</p>

Risk Category	Risk
Exploration, evaluation and operating	<p>The Maronian Project is an advanced exploration project, and potential investors should understand that mineral exploration and development are high-risk undertakings.</p> <p>While an Inferred Resource has been estimated at the Project, there can be no assurance that future exploration and development of the Project, or any other mineral licences that may be acquired in the future, will result in the discovery of an economic resource that is capable of being economically exploited. In this regard:</p> <ul style="list-style-type: none"> (a) historical holes have been used in the inferred resource estimate that are not able to be validated (no quality assurance and quality control, no records, no recent twinned holes); (b) the estimate relies on an assumed continuity of mineralisation between drillholes in both strike and downdip, with an assumption that the grade and thickness of the lead-silver exhalative increases with depth; (c) the resource estimation methodology of inverse distance weighting, including very small block size, may give the appearance of longer range grade continuity whereas this may not be the case; and (d) dry bulk density variations may exist within the resource. <p>The future exploration and development activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns or adverse weather conditions, adverse outcomes from project development studies, unanticipated operational and technical difficulties, difficulties in securing the services of key contractors (eg for drilling) on a timely basis, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, failure to achieve predicted grades in exploration and mining, unanticipated metallurgical problems which may affect extraction costs, industrial and environmental accidents, industrial disputes, unexpected shortages and increases in the costs of consumables, spare parts, plant, equipment and staff, native title process, changing government regulations and many other factors beyond the control of the Company. Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.</p> <p>The success of the Company will also depend upon the Company being able to maintain title to the mineral exploration licence comprising the Maronian Project and obtaining all required approvals for its proposed activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the Project, a reduction in the cash reserves of the Company and possible relinquishment the Project.</p>

Risk Category	Risk
<p>Results of studies</p>	<p>Preliminary metallurgical test work and a preliminary mine scoping study have been completed in respect of the Project, which assessed the metallurgical properties of lead and silver extracted from the Project and that the Project was capable of being mined by an open stope method.</p> <p>However:</p> <ul style="list-style-type: none"> (a) the metallurgical test work was completed in respect of a single metallurgical composite (multiple samples) from a single hole and there is a risk that the samples may not be representative of the entire deposit; (a) the metallurgical test work was completed only in respect of lead and silver (which make up a majority of the inferred resource at the Project) and no metallurgical test work has been completed in respect of the copper or gold at the Project; and (b) more work on the resource definition side is required in order to define, at a minimum, Indicated Resources such that Ore Reserves could be defined and a full, rather than preliminary/conceptual, mine scoping model can be developed. <p>Subject to the results of exploration programs to be undertaken, the Company may undertake additional mining studies in respect to the Maronan Project. These studies may include additional resource modelling, metallurgical and mine scoping studies and pre-feasibility and definitive feasibility studies.</p> <p>There can be no guarantee that any such studies will confirm the economic viability of the Maronan Project or the results of other studies undertaken by the Company (for example, the results of a feasibility study may materially differ to the results of a pre-feasibility study).</p> <p>Even if a study confirms the economic viability of the Maronan Project, there can be no guarantee that the Maronan Project will be successfully brought into production as assumed or within the estimated parameters in the feasibility study (e.g. operational costs and commodity prices) once production commences.</p>

Risk Category	Risk
<p>Tenure and access</p>	<p>Renewal and Replacement</p> <p>Mining and exploration tenements are subject to periodic renewal. The tenement making up the Project expires on 25 June 2026 and cannot be renewed beyond 25 June 2031. The renewal of the term of granted tenements is subject to compliance with the applicable mining legislation and regulations and the discretion of the relevant mining authority. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the Project. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company. Prior to expiry of the Company’s tenement, the Company may apply for a mine development licence to protect its rights to develop the Project in the future or a mining lease if it intends to commence mining. Refer to the Solicitor’s Report on Title set out in Annexure B for further details.</p> <p>The Company considers the likelihood of tenure forfeiture to be low given the laws and regulations governing exploration in Queensland and the ongoing expenditure budgeted for by the Company. However, the consequence of forfeiture or involuntary surrender of the Project for reasons beyond the control of the Company could be significant.</p> <p>Access</p> <p>The Tenement overlaps certain third party interests that may limit the Company’s ability to conduct exploration and mining activities including private, Crown land and areas on which native title has been claimed but is yet to be determined. A conduct and compensation agreement is in place covering the majority of the Tenement area.</p> <p>A station homestead is situated on the Tenement. Land that is within 200m laterally of the station homestead is restricted land and written consent is needed from the relevant owner or occupier to enter this area to carry out activities under the Tenement.</p> <p>Please refer to the Solicitor’s Report on Tenements in Annexure B for further details.</p>
<p>Climate risk</p>	<p>There are a number of climate-related factors that may affect the operations and proposed activities of the Company. The climate change risks particularly attributable to the Company include:</p> <ul style="list-style-type: none"> (a) the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and (b) climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.

Risk Category	Risk
COVID-19 risk	<p>The spread of the coronavirus disease (COVID-19) is impacting global economic markets. The nature and extent of the effect of the disease on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19.</p> <p>The extent of the impact of COVID-19 on the Company's activities is uncertain. Completion of field exploration programs is subject to there being no internal travel restrictions or health concerns associated with travel in Queensland, and contractors delivering agreed services. The impact of COVID-19 on the Company's relationships with landowners, native title parties and other stakeholders is also uncertain.</p> <p>Further, any governmental or industry measures taken in response to COVID-19 may adversely impact the Company's operations and are likely to be beyond the control of the Company.</p> <p>The Directors are monitoring the situation closely and have considered the impact of COVID-19 on the Company's business and financial performance. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain. If any of these impacts appear material prior to close of the Offer, the Company will notify investors under a supplementary prospectus.</p>

7.3 Industry specific risks

Risk Category	Risk
Native title and Aboriginal Heritage	<p>In relation to the Tenement which the Company has an interest in or additional tenements in which the Company may acquire an interest in the future, there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. If native title rights do exist, the ability of the Company to gain access to tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations may be adversely affected.</p> <p>There is currently a registered native title claim over the Tenement, made by the Mitakoodi People #5. In addition, there are two recorded cultural heritage sites on the northern border of the Tenement which have been registered with the Department of Aboriginal and Torres Strait Islander Partnerships.</p> <p>The Tenement was validly granted with respect to native title, and access and compensation agreements are in place. The Directors will closely monitor the potential effect of native title claims or Aboriginal heritage matters involving the Tenement.</p> <p>Please refer to the Solicitor's Report on Tenements in Annexure B of this Prospectus for further details.</p>
Exploration costs	<p>The exploration costs of the Company as summarised in Section 5.2.7 are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainty, and accordingly, the actual costs may materially differ from the estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely impact the Company's viability.</p>

Risk Category	Risk
Resource and reserves estimates	<p>Reserve and resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when initially calculated may alter significantly when new information or techniques become available. In addition, by their very nature resource and reserve estimates are imprecise and depend to some extent on interpretations which may prove to be inaccurate. No assurances can be given that additional exploration and analysis will result in the upgrading of resources to the indicated or measured categories or to reserve status. Even if an apparently viable resource is identified no assurance can be provided that this can be economically extracted.</p>
Grant of future authorisations to explore and mine	<p>If the Company discovers an economically viable mineral deposit that it then intends to develop, it will, among other things, require various approvals, licences and permits before it will be able to mine the deposit. There is no guarantee that the Company will be able to obtain all required approvals, licenses and permits. To the extent that required authorisations are not obtained or are delayed, the Company's operational and financial performance may be materially adversely affected.</p>
Mine development	<p>Possible future development of mining operations at the Maronan Project is dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk from third parties providing essential services.</p> <p>If the Company commences production on the Maronan Project, its operations may be disrupted by a variety of risks and hazards which are beyond the control of the Company. No assurance can be given that the Company will achieve commercial viability through the development of the Maronan Project.</p> <p>The risks associated with the development of a mine will be considered in full should the Maronan Project reach that stage and will be managed with ongoing consideration of stakeholder interests.</p>

Risk Category	Risk
Environmental	<p>The operations and proposed activities of the Company are subject to State and Federal laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.</p> <p>Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or bushfires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment or non-compliance with environmental laws or regulations.</p> <p>The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous making the Company's operations more expensive.</p> <p>Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programmes or mining activities.</p>
Regulatory Compliance	<p>The Company's operating activities are subject to extensive laws and regulations relating to numerous matters including mineral licence consent, environmental compliance and rehabilitation, taxation, employee relations, health and worker safety, waste disposal, protection of the environment, native title and heritage matters, protection of endangered and protected species and other matters. The Company requires permits from regulatory authorities to authorise the Company's operations. These permits relate to exploration, development, production and rehabilitation activities.</p> <p>While the Company believes that it is in substantial compliance with all material current laws and regulations, changes in their enforcement or regulatory interpretation could result in changes in legal requirements or in the terms of the existing permit, which could have a material adverse impact on the Company's current operations or planned development projects.</p> <p>Obtaining necessary permits can be a time-consuming process and there is a risk that the Company will not obtain these permits 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 materially delay or restrict the Company from proceeding with the development of a project or the operation or development of a mine. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in material fines, penalties or other liabilities. In extreme cases, failure could result in suspension of the Company's activities or forfeiture of the Tenement comprising the Maronan Project.</p>

7.4 General risks

Risk Category	Risk
Additional requirements for capital	The Company's capital requirements depend on numerous factors. The Company may require further financing in addition to amounts raised under the Offer. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.
Reliance on key personnel	The Company's future depends, in part, on its ability to attract and retain key personnel. It may not be able to hire and retain such personnel at compensation levels consistent with its existing compensation and salary structure. Its future also depends on the continued contributions of key management and technical personnel, the loss of whose services would be difficult to replace. In addition, the inability to continue to attract appropriately qualified personnel could have a material adverse effect on the Company's business.
Economic	General economic conditions, introduction of tax reform, new legislation, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities. If activities cannot be funded, there is a risk that the Project may have to be surrendered or not renewed. General economic conditions may also affect the value of the Company regardless of its actual performance.
Competition risk	The industry in which the Company will be involved is subject to domestic and global competition. Although the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company's projects and business.
Currently no market	<p>There is currently no public market for the Company's Shares, the price of its Shares is subject to uncertainty and there can be no assurance that an active market for the Company's Shares will develop or continue after the Offer.</p> <p>The price at which the Company's Shares trade on ASX after listing may be higher or lower than the issue price of Shares offered under this Prospectus and could be subject to fluctuations in response to variations in operating performance and general operations and business risk, as well as external operating factors over which the Directors and the Company have no control, such as movements in mineral prices and exchange rates, changes to government policy, legislation or regulation and other events or factors.</p> <p>There can be no guarantee that an active market in the Company's Shares will develop or that the price of the Shares will increase. There may be relatively few or many potential buyers or sellers of the Shares on ASX at any given time. This may increase the volatility of the market price of the Shares. It may also affect the prevailing market price at which Shareholders are able to sell their Shares. This may result in Shareholders receiving a market price for their Shares that is above or below the price that Shareholders paid.</p>

Risk Category	Risk
<p>Market conditions</p>	<p>Share market conditions may affect the value of the Company's Shares regardless of the Company's operating performance. Share market conditions are affected by many factors such as:</p> <ul style="list-style-type: none"> (a) general economic outlook; (b) introduction of tax reform or other new legislation; (c) interest rates and inflation rates; (d) changes in investor sentiment toward particular market sectors; (e) the demand for, and supply of, capital; and (f) terrorism or other hostilities. <p>The market price of Shares can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.</p> <p>Applicants should be aware that there are risks associated with any securities investment. Securities listed on the stock market, and in particular securities of exploration companies experience extreme price and volume fluctuations that have often been unrelated to the operating performance of such companies. These factors may materially affect the market price of the Shares regardless of the Company's performance.</p> <p>Further, after the end of the relevant escrow periods affecting Shares in the Company, a significant sale of then tradeable Shares (or the market perception that such a sale might occur) could have an adverse effect on the Company's Share price. Please refer to Section 5.6 for further details on the Shares likely to be classified by the ASX as restricted securities.</p>
<p>Commodity price volatility and exchange rate risks</p>	<p>If the Company achieves success leading to mineral production, the revenue it will derive through the sale of product exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for precious and base metals, technological advancements, forward selling activities and other macro-economic factors.</p> <p>Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.</p>
<p>Government policy changes</p>	<p>Adverse changes in government policies or legislation may affect ownership of mineral interests, taxation, royalties, land access, labour relations, and mining and exploration activities of the Company. It is possible that the current system of exploration and mine permitting in Queensland may change, resulting in impairment of rights and possibly expropriation of the Company's properties without adequate compensation.</p>

Risk Category	Risk
Insurance	<p>The Company intends to insure its operations in accordance with industry practice. However, in certain circumstances the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.</p> <p>Insurance of all risks associated with mineral exploration and production is not always available and where available the costs can be prohibitive.</p>
Force Majeure	<p>The Company's projects now or in the future may be adversely affected by risks outside the control of the Company including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.</p>
Taxation	<p>The acquisition and disposal of Securities will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Securities from a taxation viewpoint and generally.</p> <p>To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Securities under this Prospectus.</p>
Litigation Risks	<p>The Company is exposed to possible litigation risks including native title claims, tenure disputes, environmental claims, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, reputation, financial performance and financial position. The Company is not currently engaged in any litigation.</p>

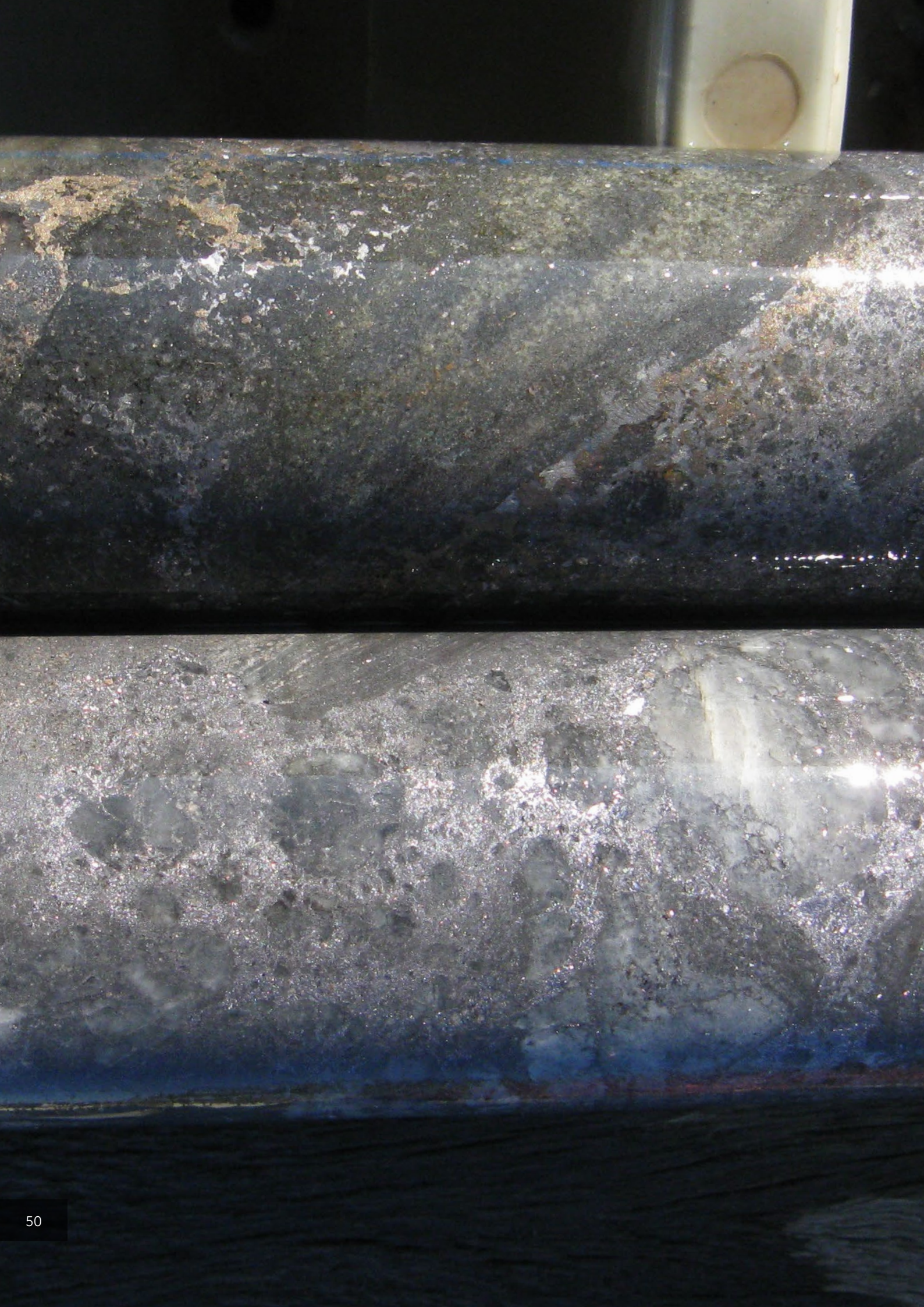
7.5 Investment speculative

The risk factors described above, and other risks factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Securities.

Prospective investors should consider that an investment in the Company is highly speculative.

There is no guarantee that the Securities offered under this Prospectus will provide a return on capital, payment of dividends or increases in the market value of those Securities.

Before deciding whether to subscribe for Securities under this Prospectus you should read this Prospectus in its entirety and consider all factors, taking into account your objectives, financial situation and needs.



8. BOARD, MANAGEMENT AND CORPORATE GOVERNANCE

8.1 Directors and key personnel

The Board of the Company consists of:

(a) **Simon Bird (BAcc Science (Hons) CA FCPA, FAICD)**

Independent Non Executive Chairman

Simon Bird has over 30 years of international corporate experience, including holding the positions of General Manager Finance at Stockland Limited, Chief Financial Officer of GrainCorp Limited, and Chief Financial Officer of Wizard Mortgage Corporation. He was also Chief Executive Officer of ASX-listed King Island Scheelite Limited which was developing a large tungsten deposit, a former Managing Director of ASX-listed gold explorer Sovereign Gold Limited, a former Chair of ASX-listed oil and gas company Rawson Resources Limited and a former Director of CPA Australia Limited. Mr Bird is currently Lead Independent Non-Executive Director of Mount Gibson Iron Limited (ASX:MGX) (since 2011), and a Director of ASX-listed Pacific American Holdings Limited (ASX: PAK) (since 2010).

Mr Bird is a former non-executive director of Tubi Limited (ACN 139 142 493) (**Tubi**), having resigned as a director on 1 April 2021. Following Mr Bird's resignation, Tubi announced on 8 April 2021 that it had experienced difficult trading conditions due to various circumstances outside of its control and subsequently appointed voluntary administrators on 23 April 2021. On 5 May 2021, the Federal Court of Australia (**Court**) ordered that the administration of Tubi end with immediate effect on the basis that certain creditors undertook to the Court that they will not take any steps to recover, enforce or pursue debts owing to them unless and until the board of Tubi confirms in writing that Tubi is able to pay the debts in full.

Based on the surrounding circumstances, the Company does not consider that Tubi's appointment of voluntary administrators impacts on Mr Bird's ability to perform his duties as a Director of the Company.

(b) **Richard Carlton (Dip Min Eng, FAusIMM, GAICD)**

Managing Director

Richard Carlton is a senior executive with over 30 years of extensive mining operations management experience in Australia and internationally across a range of commodities. He has held the position of General Manager at Edna May in Western Australia (Evolution Mining), Stawell Gold Mines in Victoria (Mining Project Investors Pty Ltd), Waihi Gold Mine in New Zealand (Normandy Limited) and the Westonia and the Golden Crown Gold Mines in Western Australia (Australian Consolidated Minerals Ltd).

Mr Carlton's extensive base metals experience includes North Limited's mines, the Rosebery underground zinc/copper/lead mine in Tasmania and Elura zinc/lead/silver mine in Cobar NSW. Mr Carlton was also a key member of a focused team securing funding and developing a new metallurgical process.

Mr Carlton as Managing Director will not be considered to be an independent Director by the Board.

(c) **Robert Rutherford (BSc (Geol), Masters Econ Geol, MAIG)**

Non-Executive Director

Robert Rutherford is a geologist with over 30 years' Australian and international exploration experience and has been involved in generative, feasibility and management roles in the copper, gold and base metal exploration industry. Mr Rutherford was formerly employed by Phelps Dodge Australasia Inc. for over 9 years where he was promoted to Australian Exploration Manager and internal expert on Iron-Oxide Copper-Gold hydrothermal systems and Sediment-Hosted copper deposits. Mr Rutherford founded Red Metal Limited in 2003, and has been Managing Director of Red Metal Limited (ASX:RDM) since its IPO in October 2003.

As Mr Rutherford is a director of Red Metal, the Board does not consider him to be an independent Director.

Management

Patrick Flint (BCom, MAICD)

Company Secretary

Patrick Flint is a qualified accountant with significant experience in the management and administration of publicly listed mineral exploration companies. He has been company secretary of Red Metal Limited since its IPO in October 2003.

8.2 Disclosure of interests

Remuneration

Owing to the Company's limited level of activity since its incorporation, the Directors did not receive any remuneration for the financial years ended 30 June 2020 or 30 June 2021 and will not receive any remuneration for the financial period up to the date of admission to Official Quotation.

Director	Remuneration for the financial years ended 30 June 2020 and 2021	Remuneration for the financial year ended 2022 ³	Proposed annual remuneration date of admission to Official Quotation
Directors			
Simon Bird ²	-	\$15,000	\$90,000
Richard Carlton ²	-	\$50,000	\$300,000
Robert Rutherford ¹	-	\$8,333	\$50,000

Notes:

1. Appointed on 14 March 2012.
2. Appointed on 23 March 2021.
3. Assuming that the Company is admitted to Official Quotation on 1 May 2022.

Interests in Securities

As at the date of this Prospectus

As at the date of this Prospectus, RDM is the Company's sole shareholder. Accordingly, none of the Directors hold any Shares in the Company as at the date of this Prospectus, though Mr Rutherford holds an indirect benefit in the Company through his interest in RDM.

Post-completion of the Offer – Minimum Subscription

Director	Shares	Primary Options	Director Options ⁴	Percentage (Undiluted)	Percentage (Fully Diluted) ⁴
Simon Bird ¹	100,000	33,333	2,000,000	0.07%	0.93%
Richard Carlton ²	100,000	33,333	4,000,000	0.07%	1.80%
Robert Rutherford ³	200,000	1,409,210	4,000,000	0.15%	2.74%

Notes:

1. Mr Bird has advised the Company of his intention to subscribe for up to 100,000 Shares and 33,333 Primary Options pursuant to the Offer.
2. Mr Carlton has advised the Company of his intention to subscribe for up to 100,000 Shares and 33,333 Primary Options pursuant to the Offer.
3. Mr Rutherford has advised the Company of his intention to subscribe for up to 200,000 Shares and 66,666 Primary Options pursuant to the Offer and an estimate of the number of Bonus Options to be issued under the Bonus Offer based on Mr Rutherford's shareholding in RDM as at the date of this Prospectus. Mr Rutherford also has an indirect interest in Shares of the Company by virtue of his relevant interest in 12,153,753 Shares and 8,000,000 options in the capital of RDM.
4. Fully diluted calculations assume that all Options (including Secondary Options issued on exercise of Primary Options) are exercised and all Performance Rights are converted.

Post-completion of the Offer – Maximum Subscription

Director	Shares	Primary Options	Director Options ⁴	Percentage (Undiluted)	Percentage (Fully Diluted) ⁴
Simon Bird ¹	100,000	33,333	2,000,000	0.07%	0.85%
Richard Carlton ²	100,000	33,333	4,000,000	0.07%	1.64%
Robert Rutherford ³	200,000	1,409,210	4,000,000	0.13%	2.50%

Notes:

1. Mr Bird has advised the Company of his intention to subscribe for up to 100,000 Shares and 33,333 Primary Options pursuant to the Offer.
2. Mr Carlton has advised the Company of his intention to subscribe for up to 100,000 Shares and 33,333 Primary Options pursuant to the Offer.
3. Mr Rutherford has advised the Company of his intention to subscribe for up to 200,000 Shares and 66,666 Primary Options pursuant to the Offer and an estimate of the number of Bonus Options to be issued under the Bonus Offer based on Mr Rutherford's shareholding in RDM as at the date of this Prospectus. Mr Rutherford also has an indirect interest in Shares of the Company by virtue of his relevant interest in 12,153,753 Shares and 8,000,000 options in the capital of RDM.
4. Fully diluted calculations assume that all Options (including Secondary Options issued on exercise of Primary Options) are exercised and all Performance Rights are converted.

The Company's constitution provides that the remuneration of non-executive Directors will be not more than the aggregate fixed sum determined by a general meeting. The aggregate remuneration for non-executive Directors is \$350,000 per annum although this amount may be varied by ordinary resolution of the Shareholders in general meeting.

The remuneration of any executive director that may be appointed to the Board will be fixed by the Board and may be paid by way of fixed salary or consultancy fee.

8.3 Agreements with Directors and related parties

The Company's policy in respect of related party arrangements is:

- (a) a Director with a material personal interest in a matter is required to give notice to the other Directors before such a matter is considered by the Board; and
- (b) for the Board to consider such a matter, the Director who has a material personal interest is not present while the matter is being considered at the meeting and does not vote on the matter.

The agreements between the Company and its Directors are summarised in Section 9.4.

8.4 Corporate governance

(a) ASX Corporate Governance Council Principles and Recommendations

The Company has adopted comprehensive systems of control and accountability as the basis for the administration of corporate governance. The Board is committed to administering the policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs.

To the extent applicable, the Company has adopted *The Corporate Governance Principles and Recommendations (4th Edition)* as published by ASX Corporate Governance Council (**Recommendations**).

In light of the Company's size and nature, the Board considers that the current board is a cost effective and practical method of directing and managing the Company. As the Company's activities develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

The Company's main corporate governance policies and practices as at the date of this Prospectus are outlined below and the Company's full Corporate Governance Plan is available in a dedicated corporate governance information section of the Company's website www.maronanmetals.com.au.

(b) **Board of Directors**

The Board is responsible for corporate governance of the Company. The Board develops strategies for the Company, reviews strategic objectives and monitors performance against those objectives. The goals of the corporate governance processes are to:

- (i) maintain and increase Shareholder value;
- (ii) ensure a prudential and ethical basis for the Company's conduct and activities consistent with the Company's stated values; and
- (iii) ensure compliance with the Company's legal and regulatory objectives.

Consistent with these goals, the Board assumes the following responsibilities:

- (i) leading and setting the strategic direction, values and objectives of the Company;
- (ii) appointing the Chair of the Board, Managing Director or Chief Executive Officer and approving the appointment of senior executives and the Company Secretary;
- (iii) overseeing the implementation of the Company's strategic objectives, values, code of conduct and performance generally;
- (iv) approving operating budgets, major capital expenditure and significant acquisitions and divestitures;
- (v) overseeing the integrity of the Company's accounting and corporate reporting systems, including any external audit (satisfying itself financial statements released to the market fairly and accurately reflect the Company's financial position and performance);
- (vi) establishing procedures for verifying the integrity of those periodic reports which are not audited or reviewed by an external auditor, to ensure that each periodic report is materially accurate, balanced and provides investors with appropriate information to make informed investment decisions;
- (vii) overseeing the Company's procedures and processes for making timely and balanced disclosure of all material information that a reasonable person would expect to have a material effect on the price or value of the Company's securities;
- (viii) reviewing, ratifying and monitoring the effectiveness of the Company's risk management framework, corporate governance policies and systems designed to ensure legal compliance; and
- (ix) approving the Company's remuneration framework.

The Company is committed to the circulation of relevant materials to Directors in a timely manner to facilitate Directors' participation in the Board discussions on a fully-informed basis.

(c) **Composition of the Board**

Election of Board members is substantially the province of the Shareholders in general meeting, subject to the following:

- (i) membership of the Board of Directors will be reviewed regularly to ensure the mix of skills and expertise is appropriate; and
- (ii) the composition of the Board has been structured so as to provide the Company with an adequate mix of directors with industry knowledge, technical, commercial and financial skills together with integrity and judgment considered necessary to represent Shareholders and fulfil the business objectives and values of the Company as well as to deal with new and emerging business and governance issues.

The Board currently consists of three Directors of whom one is considered independent, owing to the fact that one of the Directors is an executive director and one of the Directors is a director of RDM. The Board considers the current balance of skills and expertise to be appropriate given the Company for its currently planned level of activity.

To assist in evaluating the appropriateness of the Board's mix of qualifications, experience and expertise, the Board intends to maintain a Board Skills Matrix to ensure that the Board has the skills to discharge its obligations effectively and to add value.

The Board undertakes appropriate checks before appointing a person as a Director or putting forward to Shareholders a candidate for election as a Director or senior executive.

The Board ensures that Shareholders are provided with all material information in the Board's possession relevant to a decision on whether or not to elect or re-elect a Director.

The Company shall develop and implement a formal induction program for Directors, which is tailored to their existing skills, knowledge and experience. The purpose of this program is to allow new directors to participate fully and actively in Board decision-making at the earliest opportunity, and to enable new directors to gain an understanding of the Company's policies and procedures.

The Board maintains oversight and responsibility for the Company's continual monitoring of its diversity practices. The Company's Diversity Policy provides a framework for the Company to achieve enhanced recruitment practices whereby the best person for the job is employed, which requires the consideration of a broad and diverse pool of talent.

(d) **Identification and management of risk**

The Board's collective experience will enable accurate identification of the principal risks that may affect the Company's business. Key operational risks and their management will be recurring items for deliberation at Board meetings.

(e) **Ethical standards**

The Board is committed to the establishment and maintenance of appropriate ethical standards and to conducting all of the Company's business activities fairly, honestly with integrity, and in compliance with all applicable laws, rules and regulations. In particular, the Company and the Board are committed to preventing any form of bribery or corruption and to upholding all laws relevant to these issues as set out in the Company's Anti-Bribery and Anti-Corruption Policy. In addition, the Company encourages reporting of actual and suspected violations of the Company's Code of Conduct or other instances of illegal, unethical or improper conduct. The Company and the Board provide effective protection from victimisation or dismissal to those reporting such conduct as set out in its Whistleblower Protection Policy.

(f) **Independent professional advice**

Subject to the Chair's approval (not to be unreasonably withheld), the Directors, at the Company's expense, may obtain independent professional advice on issues arising in the course of their duties.

(g) **Remuneration arrangements**

The remuneration of an executive Director will be decided by the Board, without the affected executive Director participating in that decision-making process.

In accordance with the Constitution, the total maximum remuneration of non-executive Directors is initially set by the Board and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount approved by ordinary resolution of Shareholders in general meeting has been set at an amount not to exceed \$350,000 per annum.

In addition, a Director may be paid fees or other amounts for example, and subject to any necessary Shareholder approval, non-cash performance incentives such as Options as the Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director.

Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in the performance of their duties as Directors.

The Board reviews and approves the remuneration policy to enable the Company to attract and retain executives and Directors who will create value for Shareholders having regard to the amount considered to be commensurate for a company of its size and level of activity as well as the relevant Directors' time, commitment and responsibility. The Board is also responsible for reviewing any employee incentive and equity-based plans including the appropriateness of performance hurdles and total payments proposed.

(h) **Trading policy**

The Board has adopted a policy that sets out the guidelines on the sale and purchase of securities in the Company by its key management personnel (i.e. Directors and, if applicable, any employees reporting directly to the managing director). The policy generally provides that, the written acknowledgement of the Chair (or the Board in the case of the Chair) must be obtained prior to trading.

(i) **External audit**

The Company in general meetings is responsible for the appointment of the external auditors of the Company. From time to time, the Board will review the scope, performance and fees of those external auditors.

(j) **Audit committee**

The Company will not have a separate audit committee until such time as the Board is of a sufficient size and structure, and the Company's operations are of a sufficient magnitude for a separate committee to be of benefit to the Company. In the meantime, the full Board will carry out the duties that would ordinarily be assigned to that committee under the written terms of reference for that committee, including but not limited to:

- (i) monitoring and reviewing any matters of significance affecting financial reporting and compliance;
- (ii) verifying the integrity of those periodic reports which are not audited or reviewed by an external auditor;
- (iii) monitoring and reviewing the Company's financial control system and risk management systems; and
- (iv) management of the Company's relationships with external auditors.

(k) **Diversity policy**

The Company is committed to workplace diversity. The Company is committed to inclusion at all levels of the organisation, regardless of gender, marital or family status, sexual orientation, gender identity, age, disabilities, ethnicity, religious beliefs, cultural background, socio-economic background, perspective and experience.

The Board has adopted a diversity policy which provides a framework for the Company to achieve, amongst other things, a diverse and skilled workforce, a workplace culture characterised by inclusive practices and behaviours for the benefit of all staff, improved employment and career development opportunities for women and a work environment that values and utilises the contributions of employees with diverse backgrounds, experiences and perspectives.

(l) **Departures from Recommendations**

Under the ASX Listing Rules the Company will be required to provide a statement in its annual financial report or on its website disclosing the extent to which it has followed the Recommendations during each reporting period. Where the Company has not followed a Recommendation, it must identify the Recommendation that has not been followed and give reasons for not following it.

The Company's compliance and departures from the Recommendations will also be announced prior to admission to the Official List of the ASX.



9. MATERIAL CONTRACTS

Set out below is a brief summary of the certain contracts to which the Company is a party and which the Directors have identified as material to the Company or are of such a nature that an investor may wish to have details of particulars of them when making an assessment of whether to apply for Securities.

To fully understand all rights and obligations of a material contract, it would be necessary to review it in full and these summaries should be read in this light.

9.1 Lead Manager and Advisory Mandate

The Company has signed a mandate letter to engage Veritas to act as lead manager and corporate advisor of the Offer (**Advisory Mandate**). The material terms and conditions of which are summarised below:

Fees	Under the terms of this engagement, the Company will pay Veritas: (a) a management fee of 2% (exclusive of GST) of total funds raised under the Prospectus; (b) a capital raising fee of 3% (exclusive of GST) of total funds raised under the Prospectus. Veritas will be responsible for paying all capital raising fees that Veritas and the Company agree with any other financial service licensees; and (c) any reasonable disbursements and out of pocket expenses (up to a total of \$20,000), which will be agreed upon between Veritas and the Company prior to their incursion.
Advisor Options	In addition to the management and capital raising fees, and subject to the Company's admission to the Official List, the Company will issue 3,000,000 Advisor Options to Veritas (or its nominee) on the terms and conditions set out in Section 10.3.
Term	Unless otherwise extended by written agreement of the parties, Veritas' engagement shall end on 30 June 2022.
Termination	Either party may terminate the Advisory Mandate immediately on giving written notice to the other party of a breach or default of its obligations under the Advisory Mandate, or if either party ceases to be able to carry out its functions under the agreement (including liquidation and insolvency). In the event that the Company terminates the Advisory Mandate, Veritas is not entitled to receive the management fee or capital raising fee.
Right of First Refusal	The Company has agreed to offer Veritas a 12 month exclusivity period from the date of the Company's admission to the Official List which includes a right of first refusal over any future capital raising during the exclusivity period.

The Advisory Mandate otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties and confidentiality provisions).

9.2 Maronan Acquisition Agreement

On 8 April 2019, as part of a corporate restructure, Red Metal transferred ownership of EPM 13368 (**Maronan Project**) to the Company through a sale and purchase agreement (**Maronan Acquisition Agreement**). The purchase consideration was effectuated as a balance sheet entry for an interest free \$7,004,000 unsecured loan payable by the Company to Maronan.

9.3 Loan Settlement Agreement

As set out in Section 9.2 above, the Company acquired the Maronan Project from Red Metal pursuant to the Maronan Acquisition Agreement, with an interest free unsecured loan of \$7,004,000 payable by the Company to Red Metal serving as the consideration for the acquisition.

Subsequently, Red Metal advanced an additional interest free \$720,570 unsecured loan to Maronan in order to fund exploration of the Maronan Project. As at the date of this Prospectus, Maronan owes a total of \$7,724,570 to the Company (**Loan Amount**).

The Company and Red Metal are parties to an agreement (**Loan Settlement Agreement**) pursuant to which the Company will discharge the Loan Amount as follows:

- (a) \$500,000 to be discharged through a cash payment to be made immediately prior to the Company's admission to the Official List as partial reimbursement for expenditure incurred by RDM in developing the Maronan Project (having expended approximately \$10 million in development of the Maronan Project since 2009); and
- (b) \$7,224,570 to be discharged through:
- (i) the issue of 74,999,990 Shares immediately prior to the Company's admission to the Official List, which result in Red Metal holding a retained interest of approximately 50% of the Shares on issue following its admission to the Official List; and
 - (ii) the issue of 13,500,000 Performance Rights to Red Metal, which will convert into Shares upon satisfaction of milestones set out in Section 10.6.

Red Metal has agreed to take responsibility for the costs of the spin-out and listing of the Company, up to a maximum of \$200,000. Any costs incurred by Red Metal on Maronan's behalf in excess of this amount will be reimbursed by the Company immediately prior to listing.

9.4 Agreements with Directors

9.4.1 Managing Director appointment

The Company has entered into an employment agreement with Mr Richard Carlton, pursuant to which Mr Carlton has been appointed as Managing Director of the Company (**Carlton Employment Agreement**), the material terms and conditions of which are set out below:

Remuneration	The Company will pay Mr Carlton a base salary of \$300,000 per annum (inclusive of statutory superannuation) (Base Salary). In addition to the Base Salary, the Company may also issue Mr Carlton additional performance-linked incentives (both short-term and long-term).
Director Options	In addition to the Base Salary, Mr Carlton will receive a total of 4,000,000 Director Options to be issued under the Incentive Plan, comprising: <ul style="list-style-type: none"> (a) 2,000,000 Director Options exercisable at \$0.25 per Option on or before the date that is three years from the date of their issue, vesting on the date that the Company is admitted to the Official List; and (b) 2,000,000 Director Options exercisable at \$0.25 per Option on or before the date that is three years from the date of their issue, vesting on the date that is 12 months from the date that the Company is admitted to the Official List.
Term	Mr Carlton's employment as managing director of the Company will commence on the date that the Company is admitted to the Official List. Mr Carlton's employment will continue until terminated validly in accordance with the Carlton Employment Agreement.
Change of Control	If a change of control occurs in respect of the Company and, at any time during the twelve (12) month period following the change of control occurring, Mr Carlton resigns as a Director due to a material diminution of his role, rights or salary, Mr Carlton shall be entitled to a payment equal to his annual salary, subject to any limitations imposed by the ASX Listing Rules or Corporations Act.
Termination by Company	The Company may terminate Mr Carlton's employment without cause by giving 3 months' notice. Additionally, The Company may terminate Mr Carlton's employment summarily without notice in the event that Mr Carlton is convicted of any major criminal offence which brings the Company or any of its Related Bodies Corporate into lasting disrepute; or for material breach of the terms of the Carlton Employment Agreement.
Termination by Mr Carlton	Mr Carlton may terminate his employment by giving 3 months' notice.

The Carlton Employment Agreement otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties and confidentiality provisions).

9.4.2 Non-executive Director appointments

Mr Rutherford has entered into an appointment letter with the Company to act in the capacity of non-executive Director and Mr Bird has entered into an appointment letter with the Company to act in the capacity of non-executive Chairman.

These Directors will receive the remuneration set out in Section 8.2.

9.4.3 Deeds of indemnity, insurance and access

The Company has entered into a deed of indemnity, insurance and access with each of its Directors. Under these deeds, the Company will agree to indemnify each officer to the extent permitted by the Corporations Act against any liability arising as a result of the officer acting as an officer of the Company. The Company will also be required to maintain insurance policies for the benefit of the relevant officer and allow the officers to inspect board papers in certain circumstances.



10. ADDITIONAL INFORMATION

10.1 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

10.2 Rights attaching to Shares

The following is a summary of the more significant rights attaching to Shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

(a) General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company. The Company's constitution permits the use of technology at general meetings of shareholders (including wholly virtual meetings) to the extent permitted under the Corporations Act, Listing Rules and applicable law.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

(b) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at general meetings of Shareholders or classes of Shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the Share, but in respect of partly paid Shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) Dividend rights

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid or credited as paid is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they believe to be justified subject to the requirements of the Corporations Act. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement on such terms and conditions as the Directors think fit, a dividend reinvestment plan which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution of the Company, divide among the shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution of the Company, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any Shares or other securities in respect of which there is any liability.

(e) **Shareholder liability**

As the Shares under the Prospectus are fully paid shares, they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of Shares**

Generally, Shares are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act or the ASX Listing Rules.

(g) **Future increase in capital**

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

(h) **Variation of rights**

Pursuant to section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three-quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(i) **Alteration of Constitution**

The Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

10.3 Rights attaching to Primary Options (including Bonus Options and Advisor Options)

Set out below are the terms of the Primary Options:

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share in the capital of the Company upon exercise of the Option, together with one Secondary Option for every two Shares issued (with fractional entitlements to Secondary Options rounded down).

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.30 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (AEST) on the date that is 30 months after the date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within five Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under paragraph (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

10.4 Rights attaching to Secondary Options

Set out below are the terms of the Secondary Options:

- (a) **Entitlement**
Each Option entitles the holder to subscribe for one Share in the capital the Company upon exercise of the Option.
- (b) **Exercise Price**
Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.60 (**Exercise Price**).
- (c) **Expiry Date**
Each Option will expire at 5:00 pm (AEST) on 30 June 2025 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (d) **Exercise Period**
The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).
- (e) **Notice of Exercise**
The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.
- (f) **Exercise Date**
A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).
- (g) **Timing of issue of Shares on exercise**
Within five Business Days after the Exercise Date, the Company will:
 - (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
 - (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
 - (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.
 - (iv) If a notice delivered under paragraph (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.
- (h) **Shares issued on exercise**
Shares issued on exercise of the Options rank equally with the then issued shares of the Company.
- (i) **Reconstruction of capital**
If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

- (j) **Participation in new issues**
There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
- (k) **Change in exercise price**
An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.
- (l) **Transferability**
The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

10.5 Director Options

Set out below are the terms of the Director Options to be issued under the Incentive Plan (the terms of which are summarised in Section 10.7):

- (a) **Entitlement**
Each Option entitles the holder to subscribe for one Share upon exercise of the Option, subject to satisfaction of the relevant vesting conditions.
- (b) **Vesting**
The Director Options are comprised of two tranches (50% Tranche 1 and 50% Tranche 2 for each Director). Subject to the satisfaction of the following conditions, the Director Options will vest immediately upon the confirmation of the following events:
 - (i) (Tranche 1, comprising 5 million Director Options): on the date that the Company is admitted to the Official List; and
 - (ii) (Tranche 2, comprising 5 million Director Options): on the date that is 12 months from the date that the Company is admitted to the Official List.
- (c) **Exercise Price**
Subject to paragraph (j) and the cashless exercise facility summarised in Section 10.7(i), the amount payable upon exercise of each Option will be \$0.25 (**Exercise Price**).
- (d) **Expiry Date**
Each Option will expire at 5:00 pm (AEST) on the day that is 3 years from the date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (e) **Exercise Period**
Subject to vesting, the Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).
- (f) **Notice of Exercise**
The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.
- (g) **Exercise Date**
A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).
- (h) **Timing of issue of Shares on exercise**
Within five Business Days after the Exercise Date, the Company will:
 - (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;

- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (h)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(i) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(j) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(k) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(l) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(n) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

10.6 Rights attaching to Performance Rights

(a) **Milestones**

Each Performance Right entitles the holder to subscribe for one fully paid ordinary share (**Share**) in the capital the Company upon satisfaction of the below milestones:

- (i) **Milestone 1:** 6,750,000 Performance Rights shall become convertible into Shares upon the Company announcing a downhole intercept of at least 30m @ 1.5% Cu Equivalent within 3 years from the date of issue of the Performance Rights; and
- (ii) **Milestone 2:** 6,750,000 Performance Rights shall become convertible into Shares upon the Company announcing a downhole intercept of at least 15m @ 10.0% Pb equivalent within 3 years from the date of issue of the Performance Rights,

(together, the **Milestones**). For the purposes of the Milestones, "Cu Equivalent" metals include Au and Co and "Pb Equivalent" metals include Ag, Zn and Cu.

(b) **Expiry Date**

The Performance Rights expire at 5:00pm (WST) on the date that is 5 years from the date of issue of the Performance Rights (**Expiry Date**).

(c) **Notification to holder**

The Company shall notify the holder in writing when the relevant Milestone has been satisfied.

(d) **Conversion**

Subject to paragraph (n), upon satisfaction of the applicable Milestone, each Share Right will, at the election of the holder by notice to the Company in writing, convert into one Share.

(e) **Conversion on change of control**

Subject to paragraph (n) below and notwithstanding the relevant Milestone has not been satisfied, upon the occurrence of either:

- (i) a takeover bid under Chapter 6 of the Corporations Act 2001 (Cth) having been made in respect of the Company having received acceptances for more than 50% of the Company's Shares on issue and being declared unconditional by the bidder; or
- (ii) a Court granting orders approving a compromise or arrangement for the purposes of or in connection with a scheme of arrangement for the reconstruction of the Company or its amalgamation with any other company or companies,

the Performance Rights shall automatically convert into Shares, provided that if the number of Shares that would be issued upon such conversion is greater than 10% of the Company's Shares on issue as at the date of conversion, then that number of Performance Rights that is equal to 10% of the Company's Shares on issue as at the date of conversion under this paragraph will automatically convert into an equivalent number of Shares. The conversion will be completed on a pro rata basis across each class of Performance Rights then on issue as well as on a pro rata basis for each holder of Performance Rights. Performance Rights that are not converted into Shares under this paragraph will continue to be held by the holders on the same terms and conditions.

(f) **Lapse of a Performance Right**

Any Performance Right that has not been converted into a Share prior to the Expiry Date will automatically lapse. For the avoidance of doubt, a Performance Right will not lapse in the event a relevant Milestone is met before the expiry date and the Shares the subject of a conversion are deferred in accordance with paragraph (n) below.

(g) **Share ranking**

All Shares issued upon the conversion of Performance Rights will upon issue rank pari passu in all respects with existing Maronan Shares.

(h) **Application to ASX**

The Performance Rights will not be quoted on ASX.

(i) **Timing of issue of Shares on Conversion**

Within 10 Business Days after the date that the Company receives notice from the holder in accordance with paragraph (d), the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Performance Rights converted;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the conversion of the Performance Rights.

If a notice delivered under paragraph (ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(j) **Transfer of Performance Rights**

The Performance Rights are not transferable.

(k) **Participation in new issues**

A Performance Right does not entitle a holder (in their capacity as a holder of a Performance Right) to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.

(l) **Reorganisation of capital**

If at any time the issued capital of the Company is reconstructed, all rights of a holder will be changed in a manner consistent with the applicable ASX Listing Rules and the Corporations Act at the time of reorganisation.

(m) **Dividend and Voting Rights**

The Performance Rights do not confer on the holder an entitlement to vote on any resolutions proposed by the Company (except as otherwise required by law) or receive dividends.

(n) **Deferral of conversion if resulting in a prohibited acquisition of Shares**

If the conversion of a Performance Right would result in any person being in contravention of section 606(1) of the *Corporations Act 2001* (Cth) (**General Prohibition**) then the conversion of that Performance Right shall be deferred until such later time or times that the conversion would not result in a contravention of the General Prohibition. In assessing whether a conversion of a Performance Right would result in a contravention of the General Prohibition:

- (i) holders may give written notification to the Company if they consider that the conversion of a Performance Right may result in the contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Performance Right will not result in any person being in contravention of the General Prohibition; and
- (ii) the Company may (but is not obliged to) by written notice to a holder request a holder to provide the written notice referred to in paragraph (i) within seven days if the Company considers that the conversion of a Performance Right may result in a contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Performance Right will not result in any person being in contravention of the General Prohibition.

(o) **No rights to return of capital**

A Performance Right does not entitle the holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

(p) **Rights on winding up**

A Performance Right does not entitle the holder to participate in the surplus profits or assets of the Company upon winding up.

(q) **No other rights**

A Performance Right gives the holder no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

(r) **ASX Listing Rule compliance**

The Board reserves the right to amend any term of the Performance Rights to ensure compliance with the ASX Listing Rules.

10.7 Employee Incentive Plan

The Company has adopted an employee securities incentive plan (**Incentive Plan**), a summary of which is set out below. The full terms of the Incentive Plan may be inspected at the registered office of the Company during normal business hours. It is intended that the Executive and Non-Executive Directors will participate in the Incentive Plan. Prior to the date of this Prospectus, the Company has not issued any securities under the Incentive Plan.

(a) **Eligible Participant**

Eligible Participant means a person that:

- (i) is an 'eligible participant' (as that term is defined in ASIC Class Order 14/1000) in relation to the Company or an Associated Body Corporate (as that term is defined in ASIC Class Order 14/1000); and
- (ii) has been determined by the Board to be eligible to participate in the Incentive Plan from time to time.

(b) **Maximum allocation**

The Company must not make an offer of Securities under the Incentive Plan, in reliance on ASIC Class Order 14/1000, where the total number of Shares to be issued under the offer (**Plan Shares**) (or that will be issued upon conversion of convertible securities to be issued (**Convertible Securities**)), when aggregated with the number of Plan Shares that may be issued as a result of offers made under the Incentive Plan, in reliance on ASIC Class Order 14/1000, at any time during the previous 3 year period, would exceed 5% of the total number of Shares on issue at the date of the offer.

The maximum number of equity securities proposed to be issued under the Incentive Plan within a 3 year period from the date of this Prospectus for the purposes of the ASX Listing Rules is 20,750,000 Shares (representing approximately 15% of the issued Shares on completion of the Offer, assuming Minimum Subscription) (**ASX Limit**), meaning that the Company may issue up to the ASX Limit under the Incentive Plan, without seeking Shareholder approval and without reducing its placement capacity under ASX Listing Rule 7.1.

The ASX Limit is not intended to be a prediction of the actual number of securities to be issued under the Incentive Plan, simply a ceiling for the purposes of Listing Rule 7.2 (Exception 13(b)).

(c) **Purpose**

The purpose of the Incentive Plan is to:

- (i) assist in the reward, retention and motivation of Eligible Participants;
- (ii) link the reward of Eligible Participants to Shareholder value creation; and
- (iii) align the interests of Eligible Participants with Shareholders by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Securities.

(d) **Incentive Plan administration**

The Incentive Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Incentive Plan rules in its sole and absolute discretion. The Board may delegate its powers and discretion.

(e) **Eligibility, invitation and application**

The Board may from time to time determine that an Eligible Participant may participate in the Incentive Plan and make an invitation to that Eligible Participant to apply for Securities on such terms and conditions as the Board decides.

On receipt of an Invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part.

If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.

(f) **Grant of Securities**

The Company will, to the extent that it has accepted a duly completed application, grant the Eligible Participant that has participated (**Participant**) the relevant number of Securities, subject to the terms and conditions set out in the invitation, the Incentive Plan rules and any ancillary documentation required.

(g) **Terms of Convertible Securities**

Each Convertible Security represents a right to acquire one or more Shares, subject to the terms and conditions of the Incentive Plan.

Prior to a Convertible Security being exercised, a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security by virtue of holding the Convertible Security. A Participant may not sell, assign, transfer, grant a security interest over, collateralise a margin loan against, utilise for the purposes of short selling, enter into a derivative with reference to, or otherwise deal with a Convertible Security that has been granted to them. A Participant must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them. For the avoidance of doubt, a Participant includes any contractor or consultant to the Company.

(h) **Vesting**

Any vesting conditions applicable to the grant of Convertible Securities will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant Plan Convertible Securities have vested. Unless and until the vesting notice is issued by the Company, the Convertible Securities will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to a Convertible Security are not satisfied and/or otherwise waived by the Board, that Convertible Security will lapse.

(i) **Exercise of Options and cashless exercise**

To exercise a Convertible Security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise of Convertible Securities (see below), pay the exercise price (if any) to or as directed by the Company, at any time prior to the earlier of any date specified in the vesting notice and the expiry date as set out in the invitation.

An invitation may specify that at the time of exercise of the Convertible Securities, the Participant may elect not to be required to provide payment of the Convertible Security exercise price for the number of Convertible Securities specified in a notice of exercise, but that on exercise of those Convertible Securities the Company will transfer or issue to the Participant that number of Shares equal in value to the positive difference between the Market Value of the Shares at the time of exercise and the exercise price that would otherwise be payable to exercise those Convertible Securities.

Market Value means, at any given date, the volume weighted average price per Share traded on the ASX over the 5 trading days immediately preceding that given date, unless otherwise specified in an invitation.

A Convertible Security may not be exercised unless and until that Convertible Security has vested in accordance with the Incentive Plan rules, or such earlier date as set out in the Incentive Plan rules.

(j) **Delivery of Shares on exercise of Convertible Securities**

As soon as practicable after the valid exercise of a Convertible Security by a Participant, the Company will issue or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under the Incentive Plan rules and issue a substitute certificate for any remaining unexercised Convertible Securities held by that Participant.

(k) **Forfeiture of Convertible Securities**

Where a Participant who holds Convertible Securities ceases to be an Eligible Participant or becomes insolvent, all unvested Convertible Securities will automatically be forfeited by the Participant, unless the Board otherwise determines in its discretion to permit some or all of the Convertible Securities to vest.

Where the Board determines that a Participant has acted fraudulently or dishonestly, acted negligently, acted in contravention of a Company policy or wilfully breached his or her duties to the Company (including but not limited to breaching a material term of an employment, executive services or consultancy agreement), the Board may in its discretion deem all unvested Convertible Securities held by that Participant to have been forfeited.

Unless the Board otherwise determines, or as otherwise set out in the Incentive Plan rules:

- (i) any Convertible Securities which have not yet vested will be forfeited immediately on the date that the Board determines (acting reasonably and in good faith) that any applicable vesting conditions have not been met or cannot be met by the relevant date; and
- (ii) any Convertible Securities which have not yet vested will be automatically forfeited on the expiry date specified in the invitation.

A Participant may by written notice to the Company voluntarily forfeit their Convertible Securities for no consideration.

(l) **Change in control**

If a change of control event occurs in relation to the Company, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Participant's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the Participant to participate in and/or benefit from any transaction arising from or in connection with the change of control event.

(m) **Rights attaching to Plan Shares**

All Plan Shares issued or transferred to a Participant upon the valid exercise of a Convertible Security will rank pari passu in all respects with the Shares of the same class. A Participant will be entitled to any dividends declared and distributed by the Company on the Plan Shares and may participate in any dividend reinvestment plan operated by the Company in respect of Plan Shares. A Participant may exercise any voting rights attaching to Plan Shares.

(n) **Disposal restrictions on Plan Shares**

If the invitation provides that any Plan Shares are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.

For so long as a Plan Share is subject to any disposal restrictions under the Incentive Plan, the Participant will not:

- (i) transfer, encumber or otherwise dispose of, or have a security interest granted over that Plan Share; or
- (ii) take any action or permit another person to take any action to remove or circumvent the disposal restrictions without the express written consent of the Company.

(o) **Adjustment of Convertible Securities**

If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the ASX Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.

If Shares are issued by the Company pro rata to Shareholders generally by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Convertible Securities is entitled, upon exercise of the Convertible Securities, to receive an allotment of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Convertible Securities are exercised.

Unless otherwise determined by the Board, a holder of Convertible Securities does not have the right to participate in a pro rata issue of Shares made by the Company or sell renounceable rights.

(p) **Participation in new issues**

There are no participation rights or entitlements inherent in the Convertible Securities and holders are not entitled to participate in any new issue of Shares of the Company during the currency of the Convertible Securities without exercising the Convertible Securities.

(q) **Amendment of Incentive Plan**

Subject to the following paragraph, the Board may at any time amend any provisions of the Incentive Plan rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the Incentive Plan and determine that any amendments to the Incentive Plan rules be given retrospective effect, immediate effect or future effect.

No amendment to any provision of the Incentive Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.

(r) **Incentive Plan duration**

The Incentive Plan continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Incentive Plan for a fixed period or indefinitely, and may end any suspension. If the Incentive Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.

If a Participant and the Company (acting through the Board) agree in writing that some or all of the Securities granted to that Participant are to be cancelled on a specified date or on the occurrence of a particular event, then those Securities may be cancelled in the manner agreed between the Company and the Participant.

10.8 ASX Waiver and ASIC Relief

10.8.1 ASIC Relief – Bonus Offer

The Company has been granted an exemption from complying with section 723(1) of the Corporations Act (**Exemption**), which requires that, if an offer of securities needs a disclosure document, the securities may only be issued or transferred in response to an application form included in, or accompanied by, a disclosure document. The effect of the Exemption is that Eligible Shareholders are not required to complete Application Forms for Bonus Options issued under the Bonus Offer.

The Exemption applies to the Bonus Offer by the Company under this Prospectus, where:

- (a) the Bonus Offer is made to Eligible Shareholders of RDM as part of the Spin-Out;
- (b) the Prospectus contains a statement describing the Exemption and the effect that the Bonus Options will be issued to Eligible Shareholders without requiring the Eligible Shareholders to complete an Application Form for the issue of the Bonus Options under the Prospectus; and
- (c) the Bonus Offer is completed within 6 months following 14 February 2022.

10.8.2 ASX In-Principle Advice – Performance Rights

The Company has received confirmation from ASX that the terms and conditions of the Performance Rights are appropriate and equitable in accordance with ASX Listing Rules 6.1 and 6.2.

- (a) The Performance Rights are being issued on the terms set out in Section 10.6 to Red Metal as part repayment of a loan under the Loan Settlement Agreement, the terms of which are set out in Section 9.3. The Performance Rights are being issued to discharge the Company's obligations to Red Metal and are not ordinary course of business remuneration securities.
- (b) As at the date of this Prospectus, the Company is a wholly owned subsidiary of Red Metal. Details of the security holding of Red Metal in the Company are set out in Section 5.4, consisting of Shares and Performance Rights.
- (c) The Company considers it necessary and appropriate to issue the Performance Rights in order to discharge the loan currently owing to Red Metal for the following reasons:
 - (i) the Performance Rights are unlisted, therefore the grant of the Performance Rights has no immediate dilutionary impact on Shareholders;
 - (ii) the issue of the Performance Rights is a reasonable and appropriate method to discharge part of the loan payable to Red Metal as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if the entirety of the loan was repaid in cash; and
 - (iii) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Performance Rights on the terms proposed.
- (d) The Board considers the number of Performance Rights to be appropriate and equitable for the following reasons:
 - (i) the Performance Rights are consistent with ASX's policy regarding the base requirements for performance securities, which are detailed in section 9 of ASX Guidance Note 19;

- (ii) the number of Shares into which the Performance Rights will convert if the milestones are achieved is fixed (one for one) which allows investors and analysts to readily understand and have reasonable certainty as to the impact on the Company's capital structure if the milestones are achieved;
- (iii) there is an appropriate link between the milestones and the purposes for which the Performance Rights are being issued and the conversion milestones are clearly articulated by reference to objective criteria;
- (iv) there is an appropriate link to the benefit of Shareholders and the Company at large through the achievement of the milestones, which have been constructed so that satisfaction of the milestones will be consistent with increases in the value of the Project;
- (v) the Performance Rights which are proposed to be issued represent a small proportion of the Company's issued capital upon listing (less than 10% of issued Share capital); and
- (vi) the Performance Rights have an expiry date by which the milestones are to be achieved and, if the milestones are not achieved by that date, the Performance Rights will lapse.

10.9 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed Director holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed Director:

- (d) as an inducement to become, or to qualify as, a Director; or
- (e) for services provided in connection with:
 - (i) the formation or promotion of the Company; or
 - (ii) the Offer.

10.10 Interests of Experts and Advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (d) the formation or promotion of the Company;
- (e) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (f) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (g) the formation or promotion of the Company; or
- (h) the Offer.

H&S Consultants Pty Ltd has acted as Independent Geologist and has prepared the Technical Assessment Report which is included in Annexure A. The Company estimates it will pay H&S Consultants Pty Ltd a total of \$39,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, H&S Consultants Pty Ltd has not received fees from the Company for any other services.

Hopgood Ganim has prepared the Solicitor's Report on Tenements, which is included in Annexure B. The Company estimates it will pay Hopgood Ganim a total of \$11,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Hopgood Ganim has not received fees from the Company for any other services.

BDO Corporate Finance (WA) Pty Ltd has acted as Investigating Accountant and has prepared the Independent Limited Assurance Report which is included in Annexure C. The Company estimates it will pay BDO Corporate Finance (WA) Pty Ltd a total of \$20,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, BDO Corporate Finance (WA) Pty Ltd has not received fees from the Company for any other services. During the 24 months preceding lodgement of this Prospectus with the ASIC, BDO Audit (WA) Pty Ltd has received \$26,700 in fees from the Company for audit services.

Veritas Securities Limited will receive those fees set out in Section 9.1 following the successful completion of the Offer for its services as lead manager and corporate advisor to the Offer. Veritas Securities Limited will be responsible for paying all capital raising fees that Veritas Securities Limited and the Company agree with any other financial service licensees. Further details in respect to the Advisory Mandate with Veritas Securities Limited are summarised in Section 9.1. During the 24 months preceding lodgement of this Prospectus with the ASIC, Veritas Securities Limited has not received fees from the Company for any other services.

Steinepreis Paganin has acted as the Australian legal advisers to the Company in relation to the Offer. The Company estimates it will pay Steinepreis Paganin \$100,000 (excluding GST) for these services. Subsequently, fees will be charged in accordance with normal charge out rates. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has not received fees from the Company for any other services.

10.11 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offer or of the Shares), the Directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section;
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section; and
- (c) has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

H&S Consultants Pty Ltd has given its written consent to being named as Independent Geologist in this Prospectus, and the inclusion of the Independent Technical Assessment Report in Annexure A in the form and context in which the report is included.

Hopgood Ganim has given its written consent to being named as the author of the Solicitor's Report on Tenements in this Prospectus, and the inclusion of the Solicitor's Report on Tenements in Annexure B in the form and context in which the report is included.

BDO Corporate Finance (WA) Pty Ltd has given its written consent to being named as Investigating Accountant in this Prospectus and to the inclusion of the Independent Limited Assurance Report in Annexure C in the form and context in which the information and report is included.

BDO Audit (WA) Pty Ltd has given its written consent to being named as auditor of the Company in this Prospectus and the inclusion of the audited financial information of the Company contained in the Independent Limited Assurance Report included in Annexure C to this Prospectus in the form and context in which it appears.

Steinepreis Paganin has given its written consent to being named as the Australian legal advisers to the Company in relation to the Offer in this Prospectus.

Veritas Securities Limited has given its written consent to being named as the lead manager and corporate advisor to the Company in this Prospectus.

Automatic Pty Limited has given its written consent to being named as the share registry to the Company in this Prospectus.

10.12 Cash Expenses of the Offer

The total expenses of the Offer (excluding GST) are estimated to be approximately \$925,000 for Minimum Subscription or \$1,080,000 for Maximum Subscription and are expected to be applied towards the items set out in the table below:

Item of Expenditure	Minimum Subscription	Maximum Subscription
ASIC fees	\$3,206	\$3,206
ASX fees	\$97,633	\$101,009
Brokerage Fees	\$600,000	\$750,000
Legal Fees	\$111,000	\$111,000
Independent Geologist's Fees	\$39,000	\$39,000
Investigating Accountant's Fees	\$20,000	\$20,000
Printing and Distribution	\$15,000	\$15,000
Miscellaneous	\$39,161	\$40,785
TOTAL	\$925,000	\$1,080,000



11. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.

Simon Bird

Non-Executive Chairman

For and on behalf of

Maronan Metals Limited



12. GLOSSARY

Where the following terms are used in this Prospectus they have the following meanings:

\$ means an Australian dollar.

Advisory Mandate means the agreement with Veritas summarised in Section 9.1.

Advisor Options means Options to be issued to Veritas (or its nominee) pursuant to the Advisory Mandate on the same terms and conditions as the Primary Options.

AEST means Australian Eastern Standard Time, as observed in Sydney, New South Wales.

Application Form means the application form attached to or accompanying this Prospectus relating to the Offer.

ASIC means Australian Securities & Investments Commission.

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

ASX Listing Rules means the official listing rules of ASX.

Board means the board of Directors as constituted from time to time.

Bonus Options means Options to be issued under the Bonus Offer on the same terms and conditions as the Primary Options.

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

CHESS means the Clearing House Electronic Subregister System operated by ASX Settlement.

Closing Date means the closing date of the Offer as set out in the indicative timetable in the Key Offer Information Section (subject to the Company reserving the right to extend the Closing Date or close the Offer early).

Company or **Maronan** means Maronan Metals Limited (ACN 156 269 993).

Conditions has the meaning set out in Section 4.7.

Constitution means the constitution of the Company.

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

Director Option means an Option to be issued under the Incentive Plan on the terms and conditions set out in Section 10.5.

Directors means the directors of the Company at the date of this Prospectus.

Eligible Shareholder means shareholders of RDM with a registered address in Australia on the Record Date.

Exposure Period means the period of 7 days after the date of lodgement of this Prospectus, which period may be extended by the ASIC by not more than 7 days pursuant to section 727(3) of the Corporations Act.

Incentive Plan means the employee incentive plan adopted by the Company prior to the date of this Prospectus, the terms and conditions of which are summarised in Section 10.7.

JORC Code has the meaning given in the Important Notice Section.

Loan Settlement Agreement means the agreement entered into between the Company and RDM, pursuant to which the Company and RDM agreed terms for the settlement of the loan owing by the Company to RDM, the material terms and conditions of which are summarised in Section 9.3.

Maronan Acquisition Agreement means the sale and purchase agreement entered into between the Company and RDM on 8 April 2019, pursuant to which the Company acquired the Maronan Project from RDM, the material terms and conditions of which are summarised in Section 9.2.

Maronan Project or **Project** means the project comprised of the Tenement.

Maximum Subscription means the maximum amount to be raised under the Offer, being \$15,000,000.

Minimum Subscription means the minimum amount to be raised under the Offer, being \$12,000,000.

Offer means the Priority Offer and Public Offer pursuant to this Prospectus as set out in Section 4.1.

Official List means the official list of ASX.

Official Quotation means official quotation by ASX in accordance with the ASX Listing Rules.

Options means an option to acquire a Share and includes the Primary Options (including the Bonus Options and Advisor Options), Secondary Options and Director Options.

Performance Right means a performance share convertible into a Share, the terms and conditions of which are set out in Section 10.6.

Primary Option means an Option on the terms and conditions set out in Section 10.3.

Priority Offer has the meaning given to it in Section 4.1.

Priority Offer Application Form means the personalised application form, which will be provided to Eligible Shareholders (accompanied by a copy of the Prospectus) and otherwise as set out in Section 4.9.

Public Offer has the meaning given to it in Section 4.1.

Public Offer Application Form means the application form which will accompany this Prospectus, and otherwise as set out in Section 4.9.

Prospectus means this prospectus.

RDM or **Red Metal** means Red Metal Limited (ACN 103 367 684).

RDM Shareholder means a holder of fully paid ordinary shares in the capital of RDM.

Recommendations has the meaning set out in Section 8.4.

Record Date means the date set out in the indicative timetable at Section 2.

Secondary Option means an Option on the terms and conditions set out in Section 10.4.

Section means a Section of this Prospectus.

Securities means Shares and Options.

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

Shareholder means a holder of Shares.

Tenement means the mining tenement in which the Company has an interest as set out in Section 5 and further described in the Technical Assessment Report at Annexure A and the Solicitor's Tenement Report at Annexure B.

US means United States of America.

Veritas means Veritas Securities Limited (ACN 117 124 535) (AFSL 297 043).



RESOURCE ESTIMATION | FEASIBILITY STUDIES | DUE DILIGENCE

RESOURCE SPECIALISTS TO THE MINERALS INDUSTRY

*Independent Expert Report - Technical Assessment
of Geology, Exploration and Mineral Resources*

**Maronan Lead-Silver and Copper-Gold
(EPM 13368)
Queensland**

Prepared for Maronan Metals Limited

by

H&S Consultants Pty Ltd

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Reviewer: Arnold van der Heyden, BSc (Geol), AusIMM (CP Geo), MAIG

February 2022

*This report has been prepared for inclusion in a
prospectus to be prepared by Maronan Metals. The
report may not otherwise be released to any third
party without the written consent of both
H&S Consultants and Maronan Metals*

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Executive Summary

Commissioning of this Report

This Independent Expert Report - Technical Assessment (IER-TA) reviews the geology exploration history and technical merit of EPM 13368 and the Maronan Pb-Ag and Cu-Au Mineral Resources (Maronan Project). This document has been prepared by H&S Consultants Pty Ltd (H&SC) at the request of the Directors of Maronan Metals Limited (Maronan Metals) for inclusion in a prospectus document, to be dated on or about 16 February 2022 for the listing of the ordinary shares of Maronan Metals to trade on the Australian Stock Exchange (ASX). The initial public offering is to raise \$12M with an over-subscription allowance of \$3M. The listing is anticipated to be in May 2022. As at the date of this report, Maronan Metals is a wholly owned subsidiary of Red Metal Limited (Red Metal, ASX code: RDM).

H&SC has not been requested to provide an Independent Valuation and thus this report does not express an opinion regarding the value of mineral assets or tenement involved.

H&SC and Maronan Metals have outlined the terms of engagement via a Commissioning Letter and a Scope of Work/Proposal that was agreed upon prior to the commencement of the IER-TA. The cost of the report, including a site visit, is approximately \$38,000.

Location and Tenement

The Maronan Project is located in the Cloncurry region of Northwest Queensland and is approximately 60 km south-east of the town of Cloncurry and 156km from the regional centre of Mt Isa. EPM 13368 covers an area of 38.35 square kilometres. The tenement is in good standing and was renewed in March 2021 for a five-year term expiring the 25th of June 2026.

Deposit mineralisation styles

The Maronan Pb-Ag and Cu-Au deposit is an emerging large base metal deposit in the world class Carpentaria Province which hosts multiple Tier 1 Pb-Zn-Ag mines including Mount Isa, George Fisher, Century, Cannington, Dugald River, and significant Cu deposits including Mount Isa, Ernest Henry, Osborne and Eloise.

The potentially economic Pb-Ag mineralisation at Maronan consists of multiple, laterally and vertically continuous, planar Pb-Ag sulphide horizons within two broadly parallel banded carbonate-pyrrhotite-magnetite-silica-calcsilicate exhalative units. These continuous exhalative horizons are locally folded and hosted by pelitic and psammitic metasediments of the middle Proterozoic 'Soldiers Cap Group' - the same sequence of rocks that host the nearby, world class, Cannington Pb-Zn-Ag mine.

A steep plunging, pipe shaped, silica-pyrrhotite rich body with Cu-Au lenses occurs between, but in parts overprinting, the two bedded exhalative units of the Pb-Ag mineralisation. This silica-pyrrhotite body with Cu-Au mineralisation is a late-stage, structurally controlled feature that has geological similarities with that at the nearby Eloise Cu-Au mine.

Previous Exploration

Maronan Metals has collated and maintained an exploration database that includes data from government surveys and work programs undertaken by historic explorers and Red Metal.

The Maronan deposit was discovered by Shell Minerals systematically following up regional airborne magnetic anomalies visible on the Duchess 1:250,000 map sheet beginning in 1984. Grid based, ground magnetometer surveying followed by fixed-loop, ground electromagnetic surveys, shallow RAB drilling, deeper RC percussion and diamond core drilling led to the discovery of the first significant mineralisation at Maronan in 1988. Since then, 148 holes comprising 42,895 metres of shallow and deep drilling have been completed by six companies.

Resources

A maiden, JORC 2012 compliant, Mineral Resource Estimate (MRE) for Maronan was reported by Red Metal in 2015 (Red Metal Limited, 2015). H&SC assisted Red Metal in the development and construction of the resource model with Mr Robert Rutherford of Red Metal acting as Competent Person for the MRE (see Section 1.4).

The Pb-Ag Mineral Resource Estimate was strongly constrained using data from 54 diamond core holes and manually interpreted mineralisation envelopes at lower nominal cut-off grades of $\geq 3\%$ Pb and $\geq 1\%$ Ag. The Pb-Ag resources at various cut-off grades are shown in the tables below for both fresh and weathered zones.

Lead-Silver Inferred Mineral Resources: Fresh

Estimates for the fresh bedded Pb-Ag mineralisation style (galena) at differing lower cut-off grades

Cut-off Pb %	Million Tonnes	Pb %	Ag g/t	Pb Mt	Ag Moz
1%	45.3	5.1	86	2.3	125
2%	37.7	5.8	96	2.2	116
3%	30.8	6.5	106	2.0	105
4%	26.5	7.0	109	1.9	93
5%	19.2	7.9	114	1.5	71
6%	13.7	8.9	126	1.2	55
8%	7.0	10.7	144	0.75	33
10%	3.1	12.9	171	0.4	17

Lead-Silver Inferred Mineral Resources: Weathered

Estimate for the weathered bedded Pb-Ag mineralisation style at a 3% Pb cut-off grade.

Cut-off Pb %	Million Tonnes	Pb %	Ag g/t	Pb Mt	Ag Moz
3%	2.2	5.2	8	0.12	0.56

Occurring primarily between, but locally overprinting, the Pb-Ag mineralised exhalative zones is the pipe shaped, silica-pyrrhotite rich body hosting Cu-Au bearing lenses. These occur as two planar, parallel lenses that flank a wide stockwork vein zone of barren silica-carbonate-pyrrhotite. The Cu-Au lenses were constrained using manually interpreted mineralisation envelopes at a lower nominal cut-off grade of $\geq 0.5\%$ Cu and were used to constrain the extents of the Cu-Au model. Cu-Au resources at various cut-off grades are shown in the tables below for both fresh and weathered zones. The Cu-Au resources are almost wholly spatial distinct to the Pb-Ag zones and are therefore mutually exclusive to the Pb-Ag resources.

Copper-Gold Inferred Mineral Resources – Fresh

Estimate for the fresh Cu-Au mineralisation style (chalcopyrite) at various cut-off grades.

Cut-off Cu %	Million Tonnes	Cu %	Au g/t	Cu Kt	Au Koz
0.5%	17.2	1.27	0.64	218	355
1%	11.1	1.56	0.84	170	300
2%	1.7	2.24	1.69	37	89

Copper-Gold Inferred Mineral Resources – Weathered

Estimate for the weathered, Cu-Au mineralisation style (chalcocite, native Cu) at various cut-off grades.

Cut-off Cu %	Million Tonnes	Cu %	Au g/t	Cu Kt	Au Koz
0.5%	2.0	1.02	0.37	20	23
1%	0.8	1.31	0.41	10	10

Preliminary Metallurgical Study

Metallurgical test work was performed by Core Resources (Rohner, 2016) on a representative composite sample in order to support preliminary mine scoping studies. The composite sample comprised coarse grained galena in a banded, recrystallised, carbonate-dominant exhalative unit from diamond drill hole MRN14002. The length weighted grade of the composite was 5.5 Pb%, 66 Ag g/t from a 41.9 m interval (19.6 m true width) across four mineralised lenses.

Test work on the Maronan mineralisation produced encouraging metallurgical results which in turn has outlined a potentially simple processing option using coarsely ground (212

micron) ore. The test sample was also shown to have a low Bond Work Index of 8.4 reflecting the soft carbonate composition of the ore host rock.

The metallurgical consultant indicated that Maronan mineralisation is believed to have a much lower Bond Work Index than silicate-hosted ore types mined in the district which, together with the simple metallurgy, should lower processing costs at Maronan and enable any potential development to operate at a lower economic cut-off grade. More extensive metallurgical sampling and test work is required to support these positive preliminary findings.

Preliminary Mining Scoping Study

To optimise planning and budgeting for the next stage of Maronan's development, a Preliminary Mine Scoping Study (PMSS) was carried out by a mining consultant using the Inferred Mineral Resource model. The study's goal was to examine possible underground mining and processing options and their potential economic benefit. The study included preliminary mine design, scheduling and financial assessment with input on plant design, capital expenditure and operating cost estimates based on the preliminary metallurgical study's results.

It should be noted that, according to JORC Code sections 21 and 38 (JORC, 2012), the PMSS is meant for project guidance purposes only and is based on technical and economic assessments at a low-confidence level. The PMSS utilises the grade and density block model derived from Inferred Mineral Resources, which in itself is insufficient to support estimation of Ore Reserves or to provide assurance of an economic development case, or to provide certainty that the conclusions of the Study will be realised.

H&SC's understanding of AMDAD's preliminary mine scoping study are that Maronan's multiple, planar zones could be mined by 'open stope underhand benching', a selective mining method. From this study it was noted that the average mining width for the ore blocks is estimated to be about nine metres for the Pb-Ag horizons and about 13 metres for the Cu-Au vein zone.

Exploration Plan

Both the Pb-Ag and Cu-Au mineralisation styles show a general improvement in grade and thickness with depth and remain open both down-plunge and at shallow levels between the existing wide-spaced intercepts.

Maronan Metals geologists interpret the Pb-Ag mineralisation at Maronan as part of a zoned exhalative vent system that deposited on the ancient sea floor. The originally horizontal exhalative is now steeply dipping towards the west. The exhalative Pb-Ag mineralisation is interpreted from drilling to represent the vent apron setting peripheral to a potentially thicker and higher-grade vent core speculated to exist at depth. This geological interpretation is further supported by stronger Ag and the presence of Zn mineralisation at depth and compares favourably with the geological setting of the nearby Cannington Pb-Zn-Ag deposit. The concept remains to be drill tested and will be the focus of Maronan Metals deeper drilling campaign.

Scope for higher grades of Pb and Ag mineralisation also exists at shallower levels at the hinge zones to known and smaller parasitic fold structures which should be better defined with targeted exploration drilling.

The Cu-Au mineralisation also remains open at depth where the potential for greater thicknesses of higher grade, chalcopyrite-dominant mineralisation is speculated.

Maronan Metals have allocated a budget that will initially focus on the shallow, Cu-Au and Pb-Ag mineralisation with targeted drill tests. This will be followed by a deep search for the possible large tonnage, higher grade Cu-Au and Pb-Zn-Ag extensions.

Exploration Budget

Maronan Metals proposed work program and exploration expenditure for the first two years is summarised below:

Activity	Minimum Subscription (\$12 million)			Maximum Subscription (\$15 million)		
	Year 1	Year 2	Total	Year 1	Year 2	Total
Exploration Drilling	2,250,000	2,500,000	4,750,000	3,000,000	3,500,000	6,500,000
Drilling Cost	1,597,500	1,775,000		2,130,000	2,485,000	
<i>Estimated Drill Metres</i>	<i>(4,500m)</i>	<i>(5,100m)</i>	<i>(9,600m)</i>	<i>(6,100m)</i>	<i>(7,100m)</i>	<i>(13,200m)</i>
Assay Cost	135,000	150,000		180,000	210,000	
Geological Cost	270,000	300,000		360,000	420,000	
Geophysical Cost						
Field Costs	247,500	275,000		330,000	385,000	
Deep Extension Drilling	2,000,000	1,750,000	3,750,000	2,000,000	2,500,000	4,500,000
Drilling Cost	1,400,000	1,225,000		1,400,000	1,750,000	
<i>Estimated Drill Metres</i>	<i>(4,000m)</i>	<i>(3,500m)</i>	<i>(7,500m)</i>	<i>(4,000m)</i>	<i>(5,000m)</i>	<i>(9,000m)</i>
Assay Cost	100,000	87,500		100,000	125,000	
Geological Cost	240,000	210,000		240,000	300,000	
Geophysical Cost	100,000	87,500		100,000	125,000	
Field Costs	160,000	140,000		160,000	200,000	
Total Expenditure	4,250,000	4,250,000	8,500,000	5,000,000	6,000,000	11,000,000

Overall, Maranon Metal's proposed work program and budgets seem reasonable.

Comments and Conclusions

The status of the tenement, Native Title and landholder agreements appear to be in good order. The tenement is in good standing and was recently renewed for a five year term until the 25th of June 2026.

Maranon Metals collating and summarising of historical exploration data (geophysics, surface sampling and drilling) has been done at an above industry standard level and their geological team have successfully used this data to define the extent and understanding of the deposit.

Maronan Metals interpreted geological model is based on various data sources and work including airborne and ground geophysics, diamond core drilling and by comparison with the published geology of similar deposit types nearby. Their interpreted geological setting as a sub-sea floor Pb-Ag bearing exhalative deposit cut by a later-stage hydrothermal Cu-Au event is reasonable.

H&SC concludes that the exploration methodology and drilling carried out to date has been appropriate given the stage of the project, at or exceeding industry standard, and allowed the development of an Inferred Mineral Resource.

The 2015 MRE was developed following positive metallurgical results which suggested the soft and metallurgical simple Pb-Ag mineralisation could be potentially mineable at low economic cut-off grades. An MRE-TR was not produced in 2015 however most of the pertinent aspects of the MRE were covered in the JORC 2012 “Table 1” submitted by Red Metal (Red Metal Limited, 2015).

H&SC notes that highly constraining wireframes, an IDW estimation methodology and small block size were used to mimic the Pb-Ag exhalative horizons, honouring the geological and mineralisation boundaries as close as possible. This modelling method is considered appropriate for a preliminary mine scoping study (PMSS) to assess the mineability of multiple narrow, laterally continuous, planar bodies.

H&SC notes that both the preliminary metallurgical test work by Core and AMDAD’s PMSS provides support for ‘eventual economic extraction’ of the resource (as per JORC Section 20). Overall, the MRE has been reported in accordance with JORC 2012 and is reasonable and appropriate for the preliminary mine scoping study.

The PMSS results and cash flow analyses, together with the down-plunge geological potential, provide a strong economic and geological case for further infill and step-out exploration drilling as a prerequisite to defining Indicated Mineral resources and more advanced mining studies.

More work on the resource definition side is required in order to define, at a minimum, Indicated Resources such that a full, rather than preliminary/conceptual, mine scoping model can be developed. Further drilling and sampling is needed to support the encouraging early metallurgical results including Cu-Au metallurgical test work.

It is noted that the PMSS’s parameters and criteria are as of 2015 and may need updating to bring it to present day metal prices and mining costs. However, Maronan Metals has advised this is not likely to make an order of magnitude change to the study results.

It should be noted that exploration is a high-risk venture. H&SC has listed a range of potential liabilities and risks in Section 9.9 of this report. However, with a well designed drill program and good management of the budget, these liabilities and risks could be largely mitigated.

The views and conclusions expressed in this IER-TA are solely those of H&SC and Mr L. Burlet. Generally, these views concur with the views of Maronan Metals and there are no material differences.

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¹ All tables and figures supplied by Red Metal, unless otherwise specified, under direction/request from H&SC

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1 Introduction

1.1 Terms of Reference

This Independent Expert Report – Technical Assessment (IER-TA (VALMIN, 2015 Edition) or “Report”) reviews the geology exploration history and technical merit of EPM 13368 and the Maronan Pb-Ag and Cu-Au Mineral Resources (Maronan Project). This Report has been prepared by H&S Consultants (H&SC) at the request of the Directors of Maronan Metals Limited (Maronan Metals) for inclusion in a prospectus document, to be dated on or about 16 February 2022 for the listing of the ordinary shares of Maronan Metals to trade on the Australian Stock Exchange (ASX). The initial public offering is to raise \$12M with an over-subscription allowance of \$3M. The listing is anticipated to be in May 2022. As at the date of this report, Maronan Metals is wholly owned subsidiary of Red Metal Limited (Red Metal, ASX code: RDM).

This IER -TA has been prepared in accordance with the following regulations and codes:

- ASIC applicable regulatory guides (ASIC rg 111, 2020) (ASIC rg 228, 2019)
- Listing rules of the Australian Securities Exchange (ASX, 2021)
- VALMIN Code (VALMIN, 2015 Edition) ,
- Joint Ore Reserves Committee ((JORC, 2012))

The purpose and scope of this report is to assess the technical information contained in the Prospectus, to independently review the sources of information and to make relevant comments on the integrity of that information and the work proposals contained therein. H&SC has not been requested to provide an Independent Valuation or detailed Risk Assessment. This report does not express an opinion regarding the value of mineral assets or tenements involved.

H&SC and Maronan Metals have outlined terms of engagement via both a Commissioning Letter and a Scope of Work/Proposal that was agreed upon prior to the commencement of the IER-TA. The cost of the report, including a site visit, is approximately \$38,000.

1.2 Statement of Capability and Independence

Maronan Metals has commissioned H&SC to prepare this report. The author, Mr. Luke A Burlet, is a consulting resource geologist with over 30 years of experience in mineral exploration and the advanced evaluation of mineral projects. He has worked for several major mining companies and specialised exploration and mineral resource consultancies before co-founding H&S Consultants. Mr. Burlet has experience in many countries worldwide, including 12 years exploration for gold, platinum, uranium and base metals in Northern Canada. His experience includes performing and assisting in resource studies for base metals, silver, uranium, coal and gold projects, including setting up quality control systems for sampling and assaying, geological modelling, grade estimation, ore management processes and procedures, evaluation of mineral projects for Definitive Feasibility Studies and auditing of mineral resource studies.

Mr. Burlet is independent of Maronan Metals and Red Metal Limited and has no equity interest in either Company or any of their projects, nor is entitled to any future interest in the Companies or its projects. Payment for services is based on standard professional fees that are not contingent on the outcome of the proposed capital raising. Neither H&SC nor the author of this report have any material present or contingent interest in the outcome of the report, nor any pecuniary or other interest that could be reasonably regarded as capable of affecting the independence of H&SC or the authors.

1.3 Reporting Standard

As per the VALMIN Code (2015), a first draft of the report was supplied to Maronan Metals to check for material error, assumptions, factual accuracy, omissions and advise on any included information that is confidential before the final report was issued. The final report was issued following review of any comments made by Maronan Metals.

As defined in the VALMIN Code (2015), mineral assets comprise all property including (but not limited to) tangible property, intellectual property, mining and exploration tenure and other rights held or acquired in relation to the exploration, development of and production from those tenures. This may include plant, equipment and infrastructure owned or acquired for the development, extraction and processing of minerals relating to that tenure.

For this report, the mineral assets were classified in accordance with the categories outlined in the VALMIN Code (2015), these being:

- *Early Stage Exploration Projects* – Tenure holdings where mineralisation may or may not have been identified, but where Mineral Resources have not been identified.
- *Advanced Exploration Projects* – Tenure holdings where considerable exploration has been undertaken and specific targets have been identified that warrant further detailed evaluation, usually by drill testing, trenching or some other form of detailed geological sampling. A Mineral Resource estimate may or may not have been made, but sufficient work will have been undertaken on at least one prospect to provide both a good understanding of the type of mineralisation present and encouragement that further work will elevate one or more of the prospects to the Mineral Resources category.
- *Pre-development Projects* – Tenure holdings where Mineral Resources have been identified and their extent estimated (possibly incompletely), but where a decision to proceed with development has not been made. Properties at the early assessment stage, properties for which a decision has been made not to proceed with development, properties on care and maintenance and properties held on retention titles are included in this category if Mineral Resources have been identified, even if no further work is being undertaken.
- *Development Projects* – Tenure holdings for which a decision has been made to proceed with construction or production or both, but which are not yet commissioned or operating at design levels. Economic viability of Development Projects will be proven by at least a pre-feasibility study (PFS).
- *Production Projects* – Tenure holdings – particularly mines, wellfields and processing plants that have been commissioned and are in production.

H&SC has classified the Maronan Project as an Advanced Exploration Project.

1.4 Competent Persons and Practitioner Consents

Mr Luke Burlet – Technical Assessment

The information in this report that relates to the technical assessment the Maronan Project is based on, and fairly reflects, information compiled, and conclusions derived by Mr Luke Burlet.

Mr Burlet is a Member of the AIG. Mr Burlet is an independent consultant employed by, and director of, H&SC, an independent consultancy. Mr Burlet has sufficient experience that is relevant to the technical assessment of the mineral assets under consideration, the style of mineralisation and the type of deposit under consideration, and the activity being undertaken to qualify as a Practitioner as defined in the 2015 edition of the Australasian Code for the Public Reporting of Technical Assessments and Valuations of Mineral Assets (VALMIN, 2015 Edition), and as a Competent Person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC, 2012).

Mr Burlet consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

Mr Robert Rutherford – Exploration Results and Mineral Resources

The information in this report that relates to Exploration Results and estimates of Mineral Resources is based on, and fairly reflects, information compiled, and conclusions derived by Mr Robert Rutherford.

Mr Rutherford is a Non-Executive Director of Maronan Metals, Managing Director of Red Metal Limited, a Member of the AIG. Mr Rutherford has sufficient experience that is relevant to the mineral assets under consideration, the style of mineralisation and the type of deposit under consideration, and the activity being undertaken to qualify as a Practitioner as defined in the 2015 edition of the Australasian Code for the Public Reporting of Technical Assessments and Valuations of Mineral Assets, and as a Competent Person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

Mr Rutherford consents to the inclusion in the Report of the matters based on this information in the form and context in which it appears.

1.5 Sources of Information

In respect to the sources of information, H&SC is satisfied that Maronan Metals have made available copies of all relevant material it holds used in the preparation of the Prospectus. This Report has been prepared on information available up to and including February 2, 2021. The conclusions expressed in this Report are therefore only valid for this date and may change

with time in response to variations in economic, market, legal or political factors, in addition to on-going exploration results.

A site visit was made to the Maronan Project by the author Mr. Burlet on 22-24 March 2021 guided by Mr Rob Rutherford of Maranon Metals.

H&SC reviewed the license status of the tenement by using the Queensland Government 'GeoResGlobe' (QLD GeoResGlobe, 2020) system on 18 November 2020 (see Figure 1). More detail on the tenement's status is given in Section 2.2 below.

Assessment of the geological concepts and project/prospect descriptions contained in this prospectus are based on reports and data supplied by Maronan Metals, from H&SC's own observations and from public domain information sources. The statements contained in this report are based on that information and represent H&SC's independent assessment of the assets of the prospects that Maronan Metals hold.

1.6 Exploration Database

Maronan Metals has collated and maintained an exploration database that includes data from government surveys (such as airborne geophysics, aerial imagery and large scale geological mapping) and work programs completed by historic explorers and Red Metal.

Project specific data includes a high resolution airborne magnetic survey, ground based magnetic, gravity and electrical geophysical surveys, surface soil sampling and a 2D seismic trial over the deposit. A comprehensive drilling database has been established for the project that includes all percussion and diamond drill holes, drill assay samples and logging as well as down-hole electrical survey data and petrological examinations. Advanced studies on the Maronan deposit include preliminary metallurgical test work, a JORC 2012 compliant Mineral Resource Estimate, and a preliminary mine scoping study.

H&SC has sighted and used parts of the overall exploration database but has not verified the database and thus cannot comment on the veracity of the data. H&SC has used the drilling part of the database as part of their assistance to Red Metal for the resource modelling (5.1) and as part of that process performed very rudimentary validation which is required during the software setup. H&SC note that, based on data seen, the database is of good quality, is being well managed and appears to meet or exceed industry best practices.

2 Project Overview

2.1 Location, Access and Infrastructure

The Maronan Project (EPM 13368, covering 38.35 square kilometres) is located in Cloncurry region of Northwest Queensland and is approximately 60 kilometres south-east of the town of Cloncurry (Figure 1) and 156 kilometres from Mt Isa. Approximately six kilometres of good gravel road and 65 kilometres of sealed bitumen road provide access to rail infrastructure at Cloncurry for potential concentrate transport to port facilities at Townsville. The deposit is

located approximately 130 kilometres along mostly sealed road from the large Cannington Pb-Ag-Zn mine (3,200,000 tonne per annum mill) and about 16 kilometres along unsealed road from the Eloise Cu-Au mine (600,000 tonne per annum mill).

Numerous power options exist including grid-power from Cloncurry, gas-fired power from Cannington, on-site diesel generation or potentially solar. Mine water is expected to be sourced from within the deeper regions of the Great Artesian Basin some 20-30 kilometres east of the project.

Cloncurry, Mount Isa, and Townsville are active mining communities providing skilled employees to operating mines in the region.

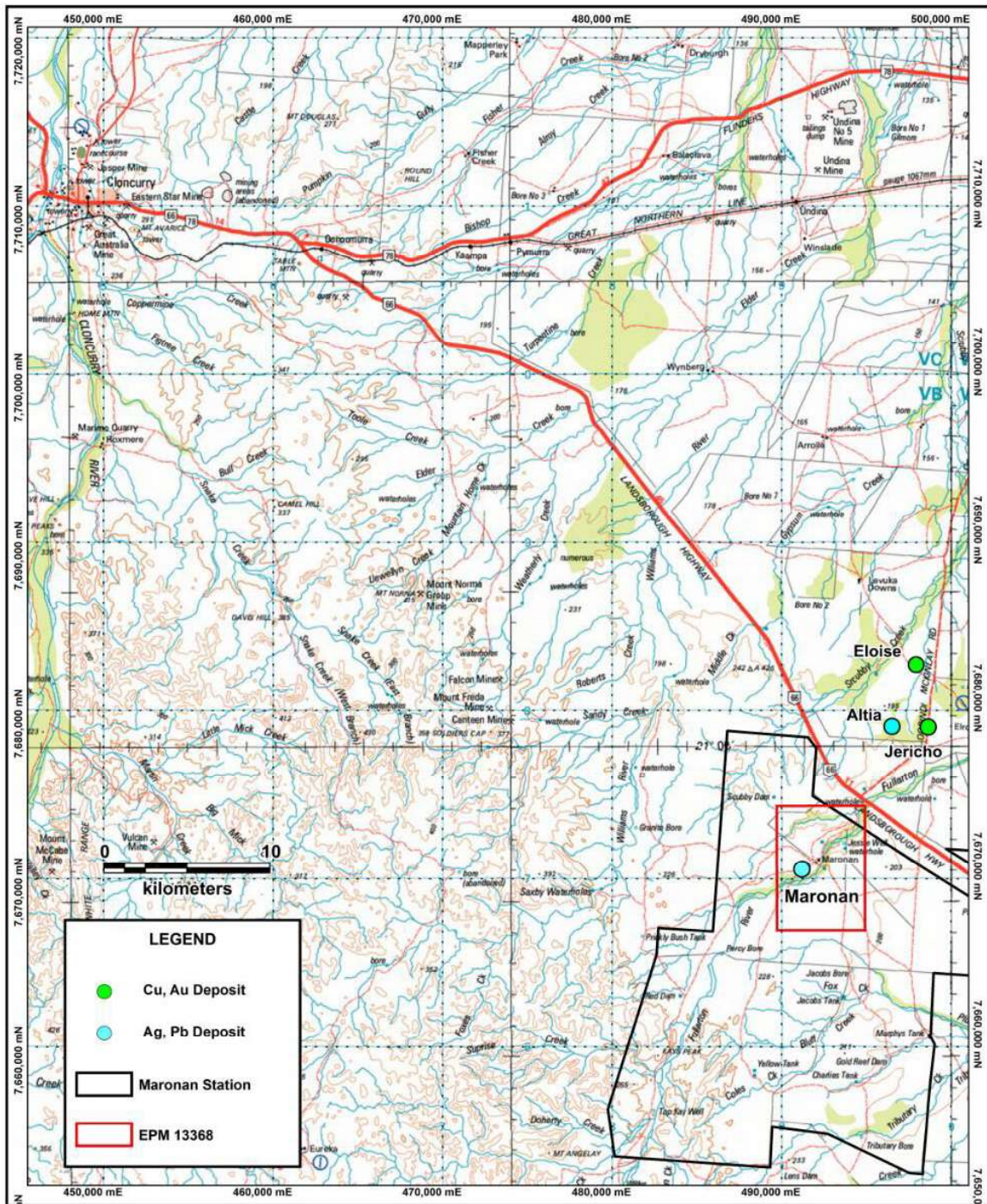


Figure 1: Location of EPM 13368 on QLD topographic base map

2.2 Tenement

H&SC notes that it is not qualified to make legal representations with regards to the ownership and legal standing of the mineral assets that are the subject of this Report. H&SC has not attempted to confirm the legal status of the tenement with respect to acquisition agreements, Native Title, local heritage or potential environmental or land access restrictions. H&SC has prepared this report on the understanding that the tenement is currently in good standing. H&SC understands that the current ownership status and legal standing of the tenement is dealt with in a separate report provided by tenement specialists/lawyers to Maronan Metals as disclosed elsewhere in the Prospectus.

2.2.1 Tenement Status

Maronan is covered by EPM 13368 (Figure 1 and Table 1). In April 2019, as part of a corporate restructure, ownership of EPM 13368 was transferred to Maronan Metals (ACN 156 269 993), a wholly owned subsidiary of Red Metal (ACN 103 367 684). No material ownership issues are known to exist over the tenement.

Table 1: Details of Maronan tenement

Tenement	Grant date	Expiry date	Registered holder	Blocks
EPM 13368	26 June 2001	25 June 2026	Maronan Metals Limited	12

At the time of writing this report the tenement was in good standing and was recently renewed in March 2021 for an additional five year term to the 25th of June 2026. The tenement can be renewed for further five year term.

Maronan Metals advises that the EPM 13368 was granted under the expedited procedure process per the Native Title Act 1993 (Cth) and was validly granted with respect to native title. The registered native title claimant for the area of the tenement is the Mitakoodi People #5.

Maronan Metals has informed H&SC that a standard landholder conduct and compensation agreement has been established with the pastoral lease holders. Maronan Metals further advises that details on the tenement are provided in the Independent Solicitor's Tenement Report elsewhere in the prospectus.

3 Geological Setting

3.1 Younger Cover Sequences

The topographic surface at Maronan is a flat to gently undulating flood plain with only a few metres variation in elevation, apart from the more deeply incised Fullarton River channel to

the south of the prospect. Figure 2 shows an image of the digital terrain model with topographic contour heights above sea level and the location of diamond drill holes at the Maronan deposit.

The prospective basement rocks are covered by younger sedimentary sequences comprising Mesozoic mudstone, sandstone and conglomerate layers overlain by a one to three metre veneer of more recent alluvium and flood plain sediments. The flood plain sediments are deposited as wide areas of red silt sand and clay interbedded with localised conglomerate layers or regions of grey organic-rich silt and clay known as black soil. The thickness of younger sedimentary cover over the deposit varies from 20 to 65 metres but averages about 40 metres (Figure 5).

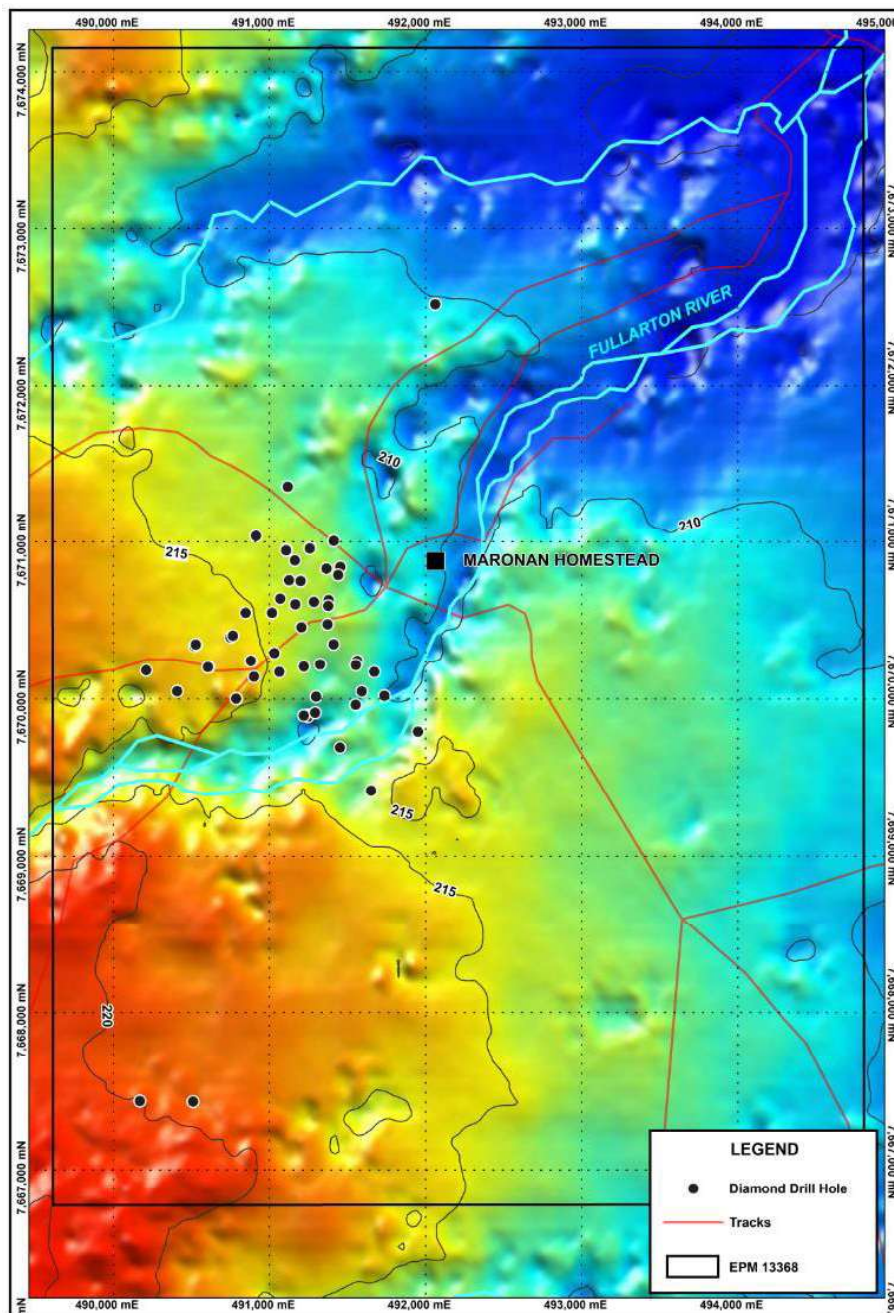


Figure 2: Digital terrain model over EPM 13368

3.2 Regional Geological Setting

The Maronan deposit lies within the Eastern Succession of the Mount Isa Inlier, within the Soldiers Cap Domains as defined by the 2010 North West Queensland Mineral and Energy Project ((Geological Survey of Queensland, 2021)). Rocks in the area are interpreted to have accumulated from 1720Ma to 1610Ma and comprise pelitic and psammitic metasediments of

the 1710-1680Ma Llewellyn Creek Formations, psammite dominant metasediments of the 1680-1665Ma Mt Norna Quartzite and stratabound mafic sills and volcanic rocks of the 1665-1650Ma Toole Creek Volcanics (Figure 3).

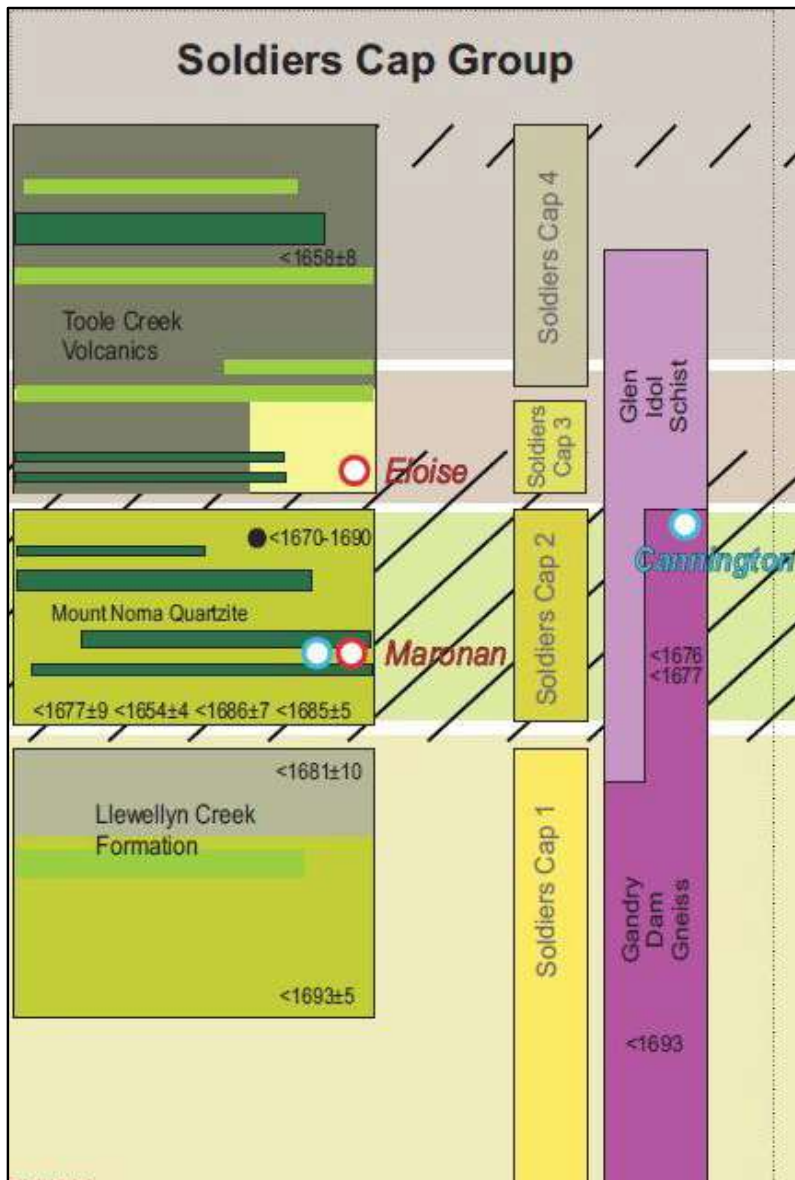


Figure 3: Soldiers Cap Group stratigraphic column (Gow, Fox, & Valenta, 2020)

In the region surrounding Maronan, the dominant Middle Proterozoic basement lithologies are meta-siliciclastics which include interbedded planar, graded and cross bedded horizons of biotite-pelite, psammite and quartzites with thin units of quartzo-feldspathic meta-arenites. Intervals of more abundant interbedded mafic volcanics, mafic sills and amphibolites with

graphitic pelites occur west of the deposit (Figure 4). Overall there is an absence of significant carbonate sequences or felsic volcanics and a dominance of turbiditic quartz clastic sediments and mafic sills. Exhalative units of banded iron formation, some with associated base metal prospects such as Maronan, occur at restricted stratigraphic levels, generally within the Mt Norna Quartzite (Figure 4).

Metamorphic grade in the regional area around the tenement ranges from largely greenschist facies with abundant relict sedimentary textures in the north around the Cloncurry area, increasing to upper amphibolite facies further south towards the Cannington Mine. The metamorphic grade at Maronan is interpreted as lower amphibolite facies.

The present interpretation of the geology within and surrounding the tenement and Maronan deposit is that the basement Proterozoic geology belongs to a complexly deformed and possibly overturned sequence of rocks. Interpretation of the geophysics combined with drill validation, suggests that the tightly to isoclinically folded and faulted stratigraphy indicated in the airborne and ground magnetic surveys, represents folded banded iron formation of the Mt Norna Quartzite. Stratabound amphibolite and graphitic pelite west of the deposit is interpreted as Toole Creek Volcanics (Figure 4). Facies of the banded exhalative sequence vary internally and laterally from magnetite-silica-calcsilicate to magnetite-carbonate-silica, pyrrhotite-carbonate-silica and galena-carbonate-silica and show varying degrees of pyroxene skarnification, marbling, folding and sulphide remobilisation.

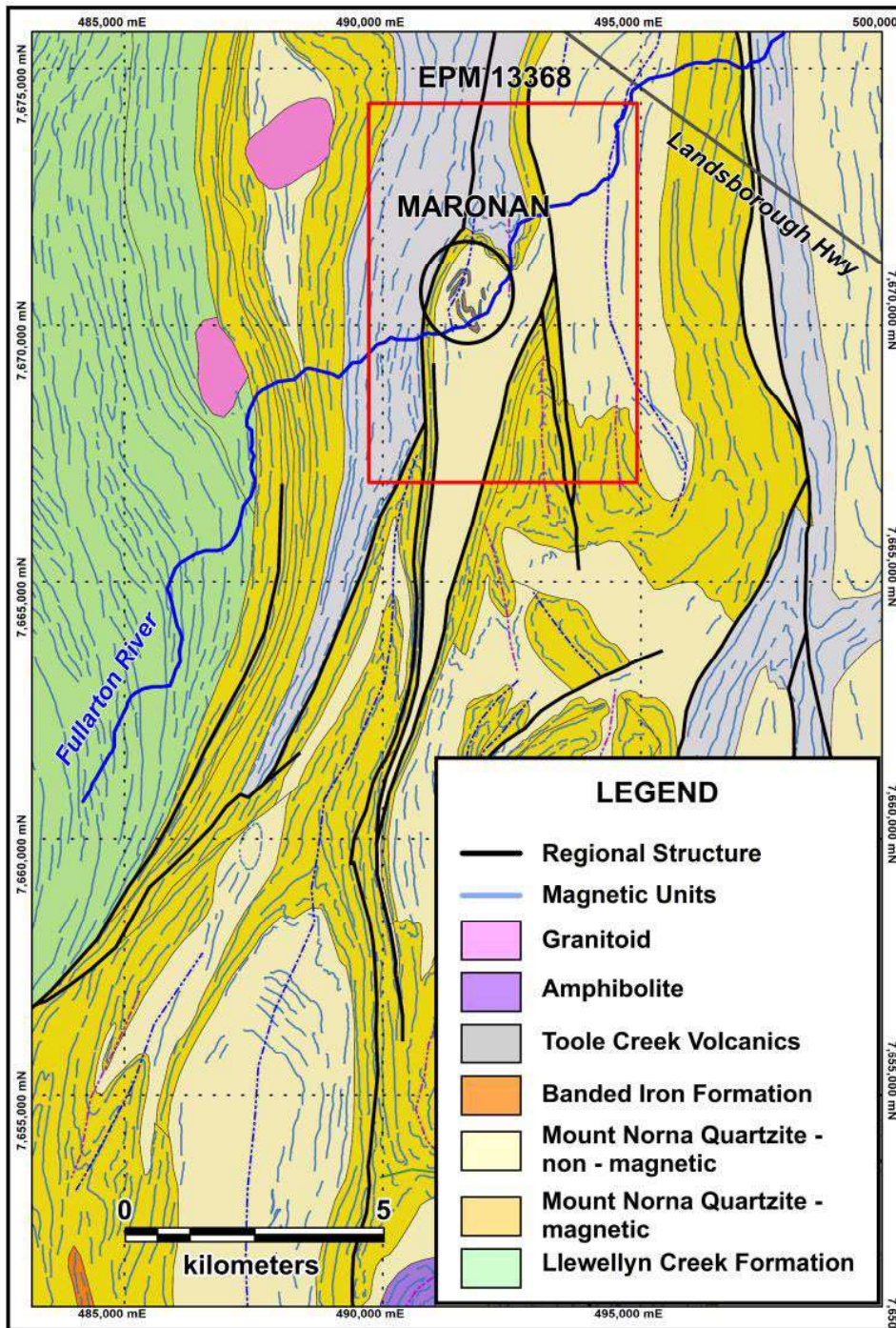


Figure 4: EPM 13368 Regional interpreted geology
(Gow, Fox, & Valenta, 2020)

3.3 Local Project Geology and Mineralisation Styles

Drilling on the Maronan has identified two separate styles of mineralisation, bedded Pb-Ag mineralisation and structurally controlled, Cu-Au mineralisation.

Both the Pb-Ag and Cu-Au mineralisation styles have shown improvement in grade and widths at depth and remain open both down-plunge and at shallow levels between the existing wide spaced intercepts.

3.3.1 Lead-Silver Mineralisation

The bedded Pb-Ag mineralisation broadly occurs as two separate but sub-parallel, banded exhalative units (Eastern and Western) which are bound by and interbedded with quartz clastic meta-sediments (psammite, pelite and quartzite) typical of deep water, turbidite sequences (Figure 17). The exhalative horizons dip 60 to 80 degrees towards the west-north-west and are locally folded (Figure 17)). The Western and Eastern zones can be separated by up to 100 metres of quartz-clastic rocks (Figure 17) and have different Ag ppm to Pb % ratios the Western zone is approximately 7.6:1 whereas the Eastern is 22:1. The Western and Eastern units each contain between two and six parallel, planar horizons or lenses of mineralisation which typically range from 1 to 10 metres in true thickness and appear to be tightly folded and thickened towards their northern ends (Figure 28). Locally lenses can have true widths of up to 20 metres (Figure 17 and Figure 28). An interpretive geological cross section through the northern fold region with mineralised intercepts is shown in Figure 17.

The mineralised exhalative horizons are dominantly carbonate and galena (Pb sulphide) in addition to variable pyrrhotite and lesser quartz, magnetite, biotite, calcsilicates and apatite (Figure 11). The proportion of carbonate to silicate hosted mineralisation varies but Maronan geologists estimate about 80% carbonate-galena vs 20% silica-calcsilicate-galena. These horizons appear to zone to barren, carbonate-poor, exhalative or iron formation towards the edge of the vent system where quartz, magnetite and calcsilicate minerals dominate the assemblage (Figure 9). Minor marker beds of biotite meta-pelite, garnet quartzite and chert are interbedded throughout the exhalative sequences. Metamorphic marbling and recrystallisation, some pyroxene skarnification and local structural remobilisation and grain-size coarsening of sulphides are common throughout the deposit (Figure 10 to Figure 14).

The bedded exhalative is folded about steeply plunging, tight to isoclinal fold structures (Figure 12) with attenuated or transposed limbs and a thickened hinge zone region (Figure 17). Limbs of the folds and the axial planar foliation are sub-parallel and dip between 60 and 80 degrees towards the west northwest.

Structurally remobilised mineralisation is generally very coarse grained (Figure 13) and appears to parallel the axial plane of the northern fold structure, which is sub-parallel to the bedding. Pb and Ag mineralisation is also locally remobilised and enriched into the hinge regions to steeply plunging parasitic fold structures (Figure 13 and Figure 14) and some late veins and structures in quartz clastic rocks adjacent to the mineralised exhalative. Maronan geologists estimate about 20% of the original Pb-Ag mineralisation in the exhalative beds have been remobilised into these local breccia/vein zones.

Importantly, measurements of fold structures in the exhalative together with bedding cleavage intersection lineations and crenulation lineations in the more pelitic units plunge 70 degrees towards 284 degrees (Figure 12). This plunge is parallel to the steep, down dip plunge of the Pb-Ag and Cu-Au mineralisation observed on long section (Figure 36) or in three dimensional views.

Figure 6 shows a simplified 3D view facing south east with level plan slices at 0 metres RL, -300 metres RL, -600 metres RL and -900 metres RL and proposed development infrastructure (grey lines). The level plans broadly map the Pb-Ag mineralised western exhalative unit (light blue), eastern exhalative unit (dark blue) and the Cu vein zone (green). This view highlights the steep down-dip plunge of the bedded Pb-Ag and Cu vein zone mineralisation.

Maronan Metals interprets Maronan as an exhalative vent system that deposited Pb-Ag on the ancient sea floor, most probably as a zoned system (Figure 7 and Figure 8). After deposition, this exhalative deposit was structurally tilted and deformed (Figure 9).

The geology of the Pb-Ag mineralisation at Maronan is interpreted as a Broken Hill-type deposit and bears strong similarities to that of the giant Cannington deposit, operated by South32 Limited, some 90 kilometres to the south. Unlike Cannington, Maronan is steep dipping, less metamorphosed, less structurally complex and remains open at depth. Maronan is Zn-poor and characterised by softer, carbonate-dominant ore horizons rather than the Zn-enriched, silicate-dominant ore horizons mined at Cannington. Very high-grade mineralisation like that originally mined at Cannington remains to be discovered at Maronan but stronger Ag and the presence of Zn mineralisation at depth have led Maronan Metals to speculate that such a deposit could exist down plunge of the drilled resources.

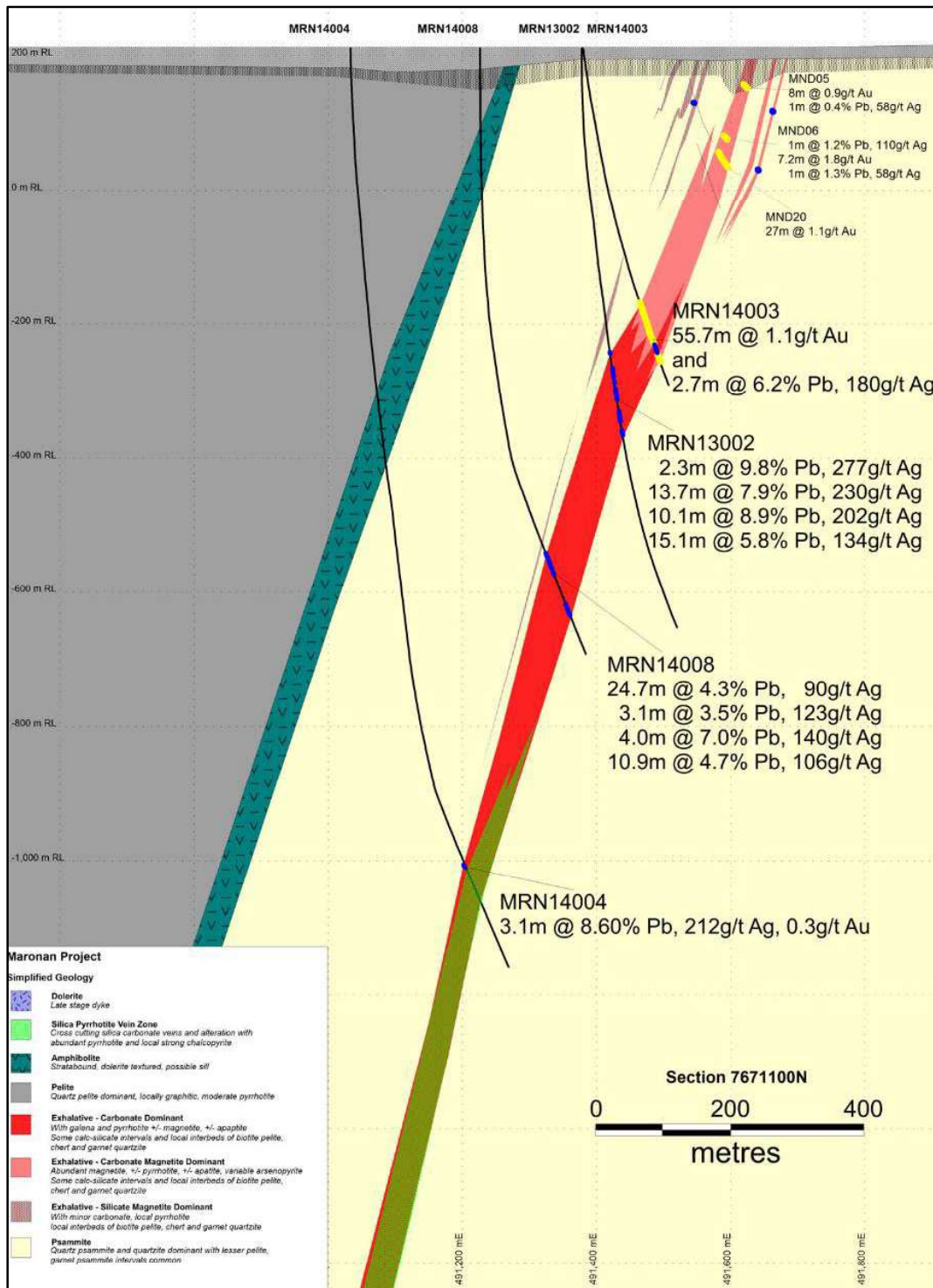
3.3.2 Lead-Silver Mineralisation Drill Core Photo Examples

Drill core photographs supplied by Maronan Metals show typical examples of the different lithologies, mineralisation and structural styles of the Pb-Ag exhalative as shown in Figure 8 and Figure 10 to Figure 14.

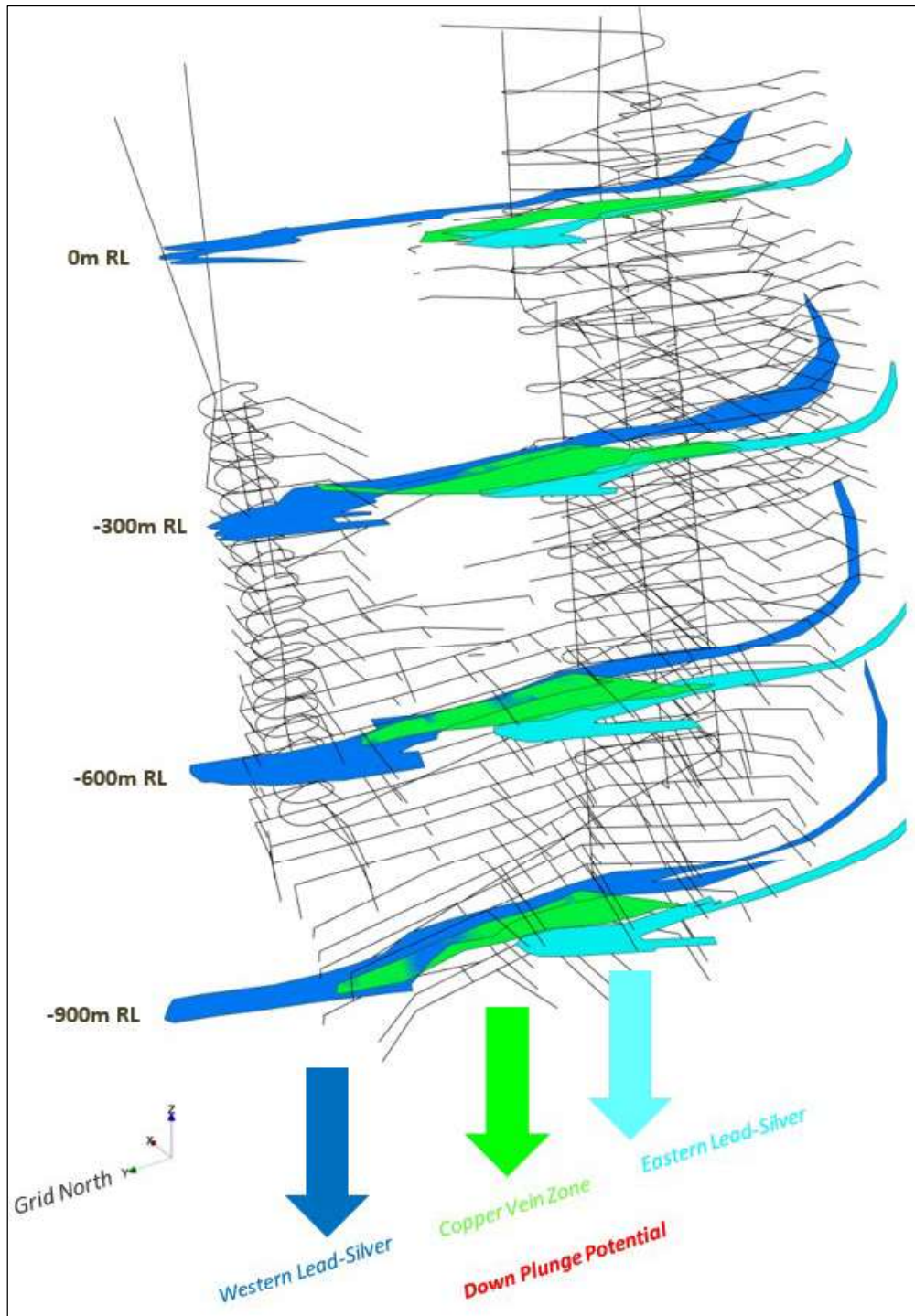
ANNEXURE A – TECHNICAL ASSESSMENT REPORT

IER-TA: Maronan

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East-west cross section looking north

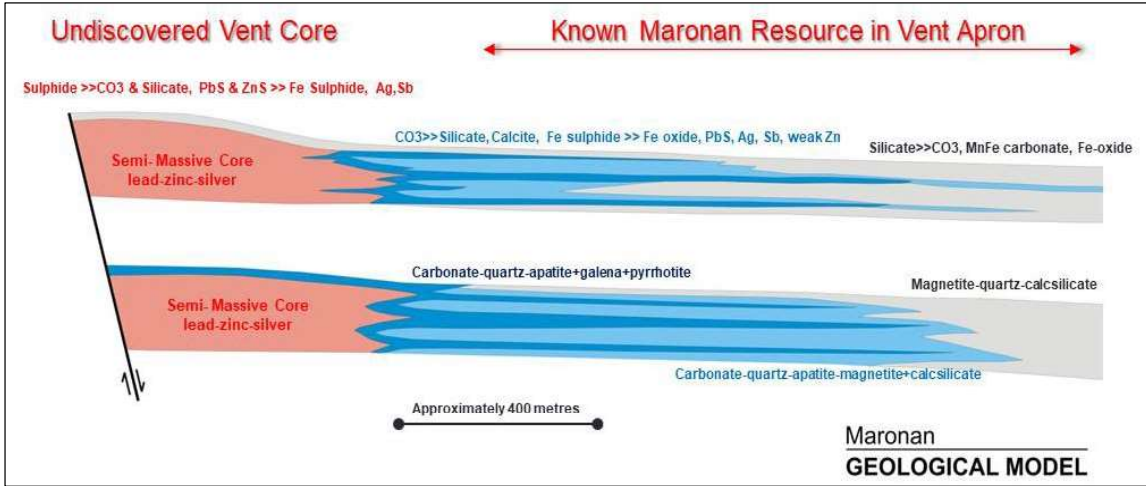


View facing south-east. Proposed development infrastructure in grey

ANNEXURE A – TECHNICAL ASSESSMENT REPORT

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Schematic east-west cross section looking north

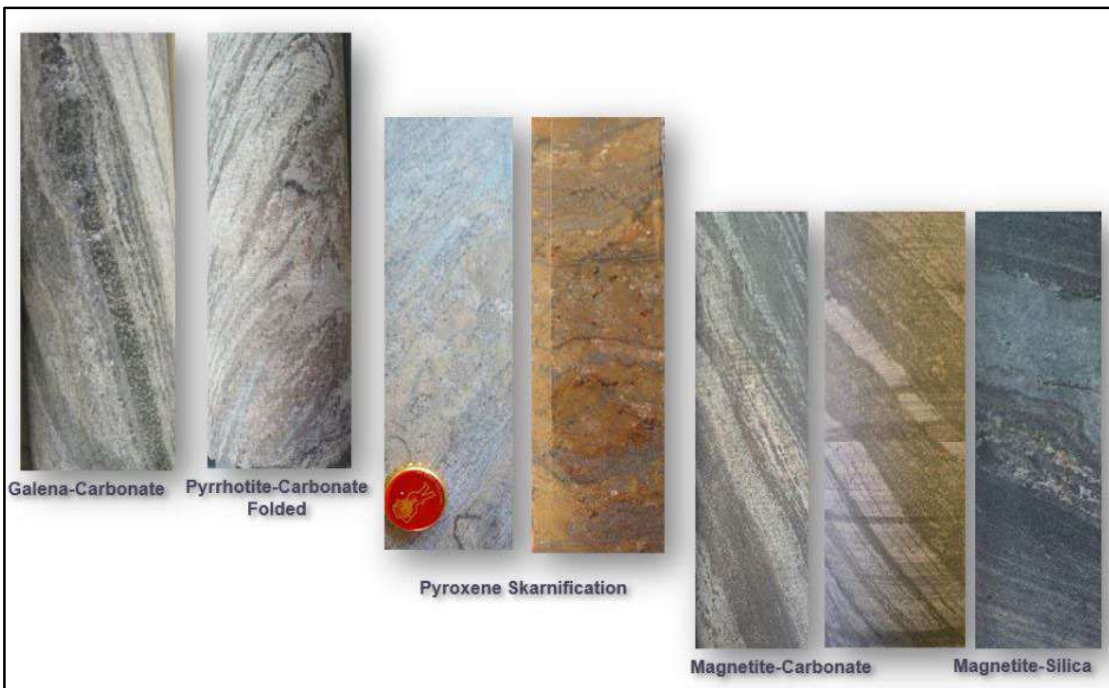
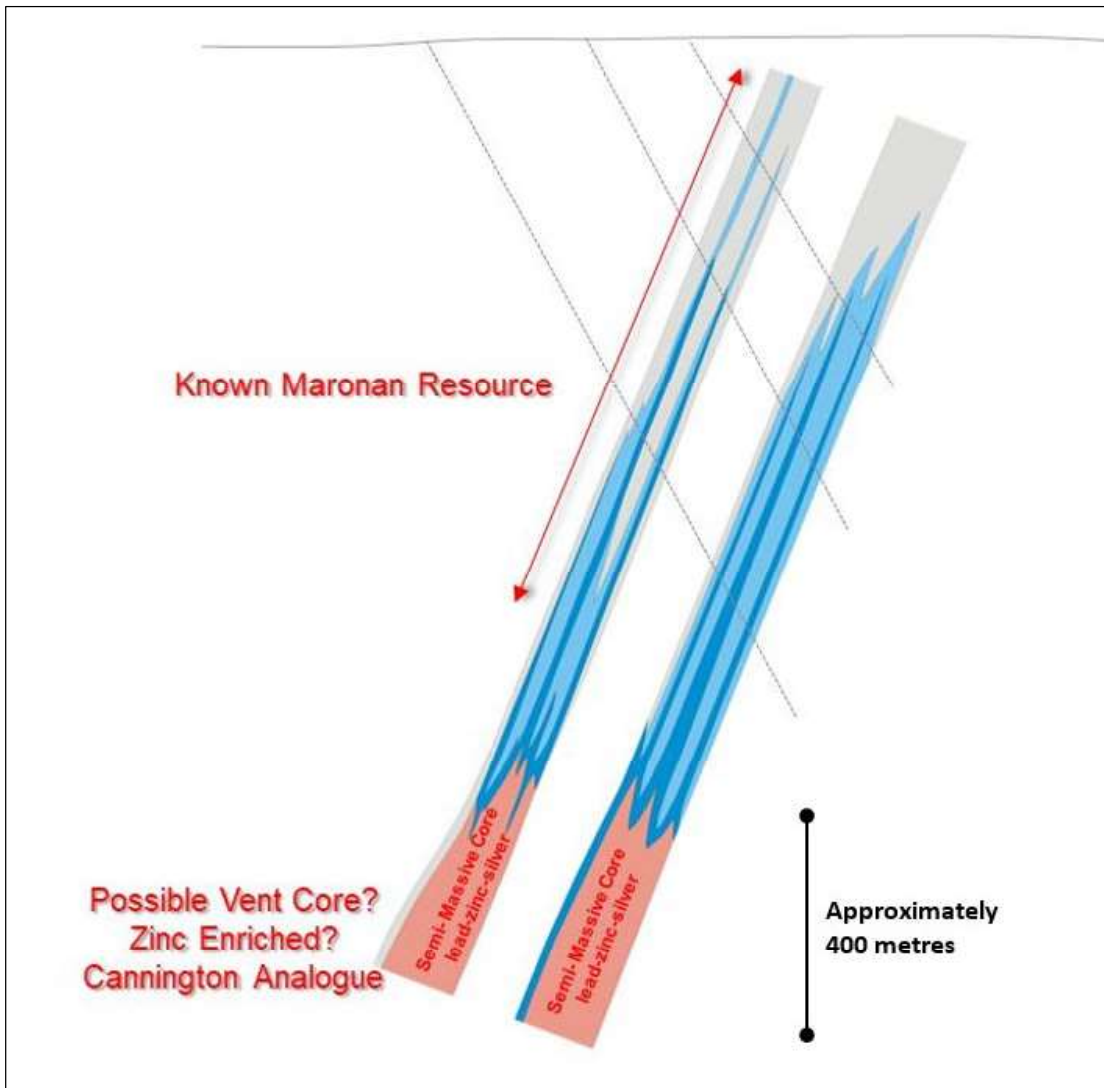


Figure 8: Zoned exhalative rock types

Distal on the right to proximal on the left. Bottle cap for scale is 25mm diameter.

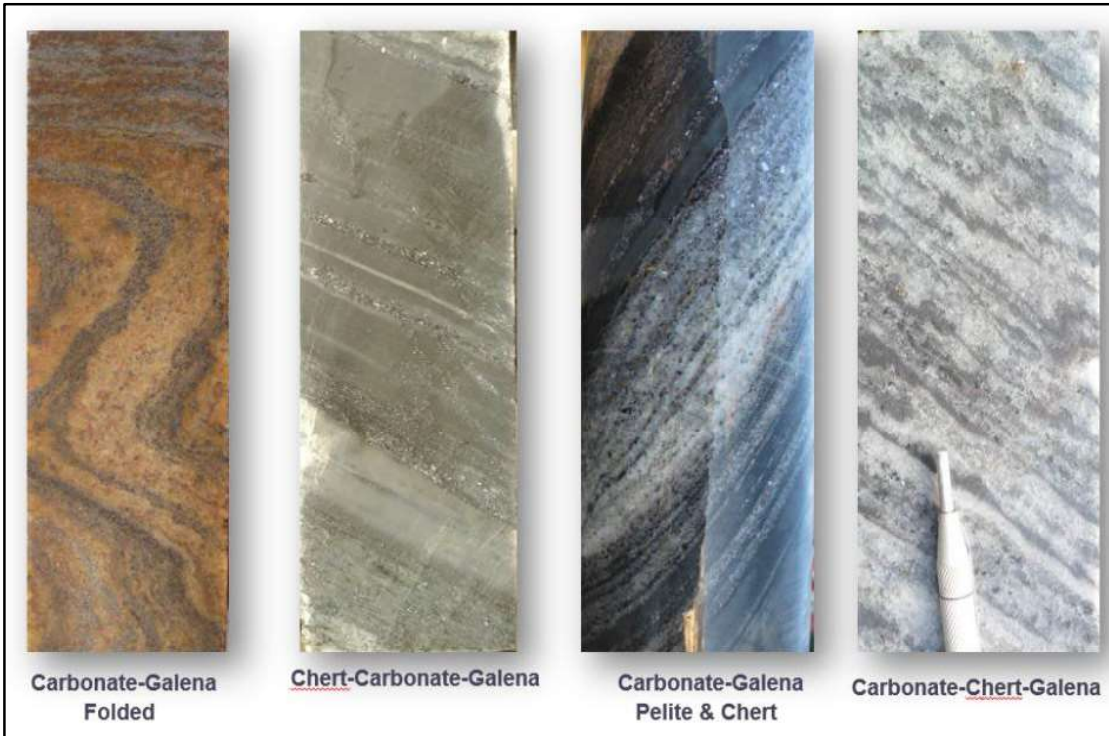
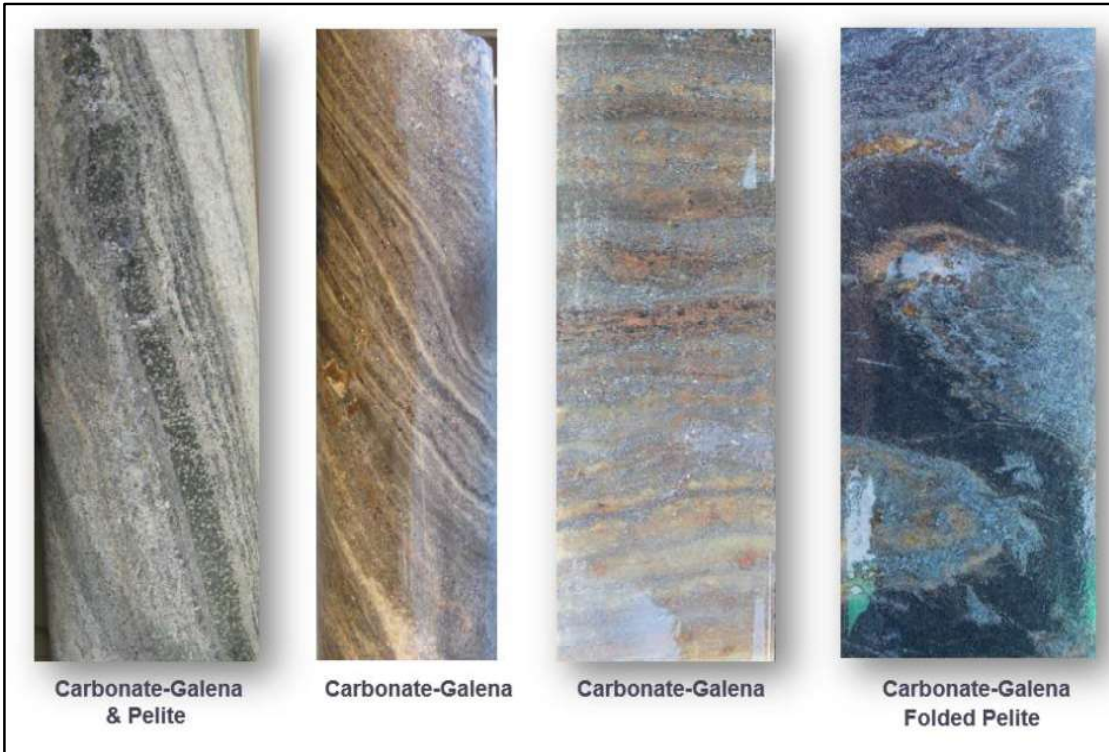


Schematic east-west cross section looking north

ANNEXURE A – TECHNICAL ASSESSMENT REPORT

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Pen tip for scale is 50mm.



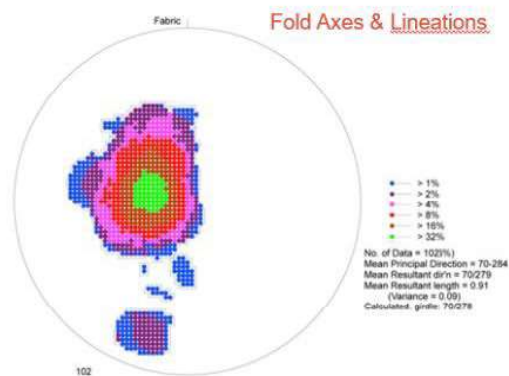
Bottle cap for scale is 25mm diameter.



Steep plunging fold axes in banded carbonate-galena+calcsilicate rock

• North Fold Structure

- Tight to Isoclinal
- Steep WNW plunge 70 degree towards 284
- Controls plunge of thickened carbonate-lead sulphide horizons
- Bedding/cleavage intersection controls plunge of overprinting iron and copper sulphides



Pyrrhotite in Fold Hinge



Fold Hinge



Vein Fill



Breccia Matrix Fill

Remobilised galena as semi-massive veins and breccia matrix fill. Focused in axial planar structures and fold hinge zones. Associated pyrrhotite rare sphalerite, minor chalcopyrite and gold

Bottle cap for scale is 25mm diameter.



Figure 14: Examples of sulphide textures and grades

Bottle cap for scale is 25mm diameter.

3.3.3 Copper-Gold Mineralisation

The overprinting Cu-Au mineralisation at Maronan is associated with intense silica and pyrrhotite (iron sulphide) alteration within a bedding-parallel pipe-shaped lens measuring about 70 metres wide and 200 – 300 metres long. This structure is focused primarily between, but locally overlapping, the Western and Eastern Pb-Ag mineralised units and has a steep plunge. The veins and alteration zones are characterised by strong pyrrhotite and silica with variable chalcopyrite and carbonate, some magnetite, proximal biotite alteration and more distal sericite alteration. The Cu and Au is associated with low levels of Co ranging 100-600ppm. Higher grade, pyrrhotite-associated Cu-Au ore bodies are mined at the nearby Eloise and Osborne Mines.

The Maronan Cu-Au mineralisation, when viewed on long section and in three dimensional views (Figure 7), appears to have a steep down-dip plunge. The mineralisation varies laterally and vertically from barren pyrrhotite-dominant to higher-grade, chalcopyrite-dominant styles (Figure 15).

The known Cu-Au mineralisation is deposited within but along the margins of the pipe shaped, silica-pyrrhotite rich lens. At shallow levels, the pipe has a barren pyrrhotite core with the chalcopyrite best developed on its margin however with depth, the whole pipe contains

low levels of chalcopyrite. The Cu-Au and Co mineralisation remains open at depth where the potential for greater thicknesses of higher grade, chalcopyrite-dominant mineralisation is speculated.



Figure 15: Examples of Cu-Au mineralisation

4 Past and Recent Exploration

4.1 Historical Exploration

The Maronan project is centred on a regionally significant aeromagnetic anomaly shown on the airborne magnetic image in Figure 16 together with the nearby Eloise Mine and other advanced prospects. The prospect has been the focus of significant exploration work since the first diamond core hole discovered base metal, Ag and Au mineralisation in 1988. The Maronan discovery was made by Billiton Australia which was the metals division of The Shell Company of Australia Limited (referred to here as Shell Minerals).

Historical exploration by the various companies, including Red Metal, is summarised in Table 2. A detailed memo was compiled by Maronan Metal staff (Pienmunne, 2021) on the drilling

history at Maronan. Results from all material drill programs referenced in Table 2 are set out as Appendix 1. The JORC Table 1 provided as part of Red Metal's 2015 MRE (Red Metal Limited, 2015) and also more recently provided by Maronan Metals (Rutherford, 2021) sets out all relevant information with respect to Exploration Results referenced in this IER-TA in accordance with the requirements of the JORC Code. A copy of the JORC Table 1 prepared by Maronan Metals (Rutherford, 2021) is reproduced in Annexure D of the Maronan Metals prospectus dated on or about 16 February 2022 ("Prospectus"), to which this report is annexed.

The discovery hole MNP3 (percussion extended with diamond coring and renamed MND01) was centred on a ground electromagnetic anomaly located within a regionally significant, but internally complex magnetic anomaly visible in the regional aeromagnetic imagery (Figure 16). The hole encountered massive to semi massive sulphides (predominantly pyrrhotite) within a Broken Hill-style chemical sedimentary sequence between 123 metres and 163 metres downhole. The best intersection was 18 metres at 1.3% Pb and 35 g/t Ag from 130.9 metres, including; 0.6 metres at 11.7% Pb and 22 g/t Ag from 132.1 metres. Refer to Annexure D of the Prospectus (Maronan Metals MRE 'JORC Table 1' (Rutherford, 2021) for all material results of drilling undertaken in the area of the Maronan Project.

The majority of early exploration work, under A to P 3743M and subsequently EPM 6982, was done by Shell Minerals who explored the area until early 1993. Exploration was continued by Acacia Resources Pty Ltd (Acacia) when they acquired Shell Minerals' Australian mineral assets and listed on the Australian Stock Exchange as Acacia Resources Limited in 1994.

In 1996, Acacia joint ventured the project to a consortium between Fodina Minerals Pty Ltd (a wholly owned subsidiary of Mining Projects Investors Pty Ltd) and Outokumpu Exploration Ventures Pty Ltd (referred to here as MPI). This group drilled 14 percussion holes then three diamond core holes into the northern and southern fold structures defined by the regional magnetic data and subsequently withdrew in 1996.

RGC Exploration Pty Ltd (RGC) managed exploration from 1997 to 1998 under the terms of a joint venture agreement with Acacia. The company flew a high resolution airborne magnetic survey and completed a regional gravity survey but withdrew without drilling.

In 2000, AngloGold Investments Australia Pty Ltd took over Acacia which was renamed AngloGold Australasia Limited (AngloGold).

Noranda Pacific Pty Ltd (Noranda) entered into a joint venture with AngloGold in August 2000 and completed a detailed gravity survey and four percussion drill holes before withdrawing the same year.

EPM 6982 was relinquished by AngloGold in early 2001 and staked as EPM 13368 (the current EPM) by Phelps Dodge Australasia Inc. (Phelps Dodge) in the same year.

In 2002, Phelps Dodge completed a program of electrical geophysics and geochemical sampling followed by the completion of six diamond drill holes. Moderate to low grades of Cu-Au plus Pb-Ag were intersected in the holes.

ANNEXURE A – TECHNICAL ASSESSMENT REPORT

In 2003, Red Metal acquired the Maronan Project from Phelps Dodge and listed on the Australia Stock Exchange. BHP Billiton Minerals Pty Ltd (BHPB) explored the project under joint venture with Red Metal from 2005 before withdrawing in 2010.

Since the grant of EPM 13368 in 2001 the tenement has been owned by the initial holders Phelps Dodge until 2003 and Red Metal from 2004 until 2019. In April 2019, as part of a corporate restructure, ownership of the Maronan Project was transferred to Maronan Metals, a wholly owned subsidiary of Red Metal.

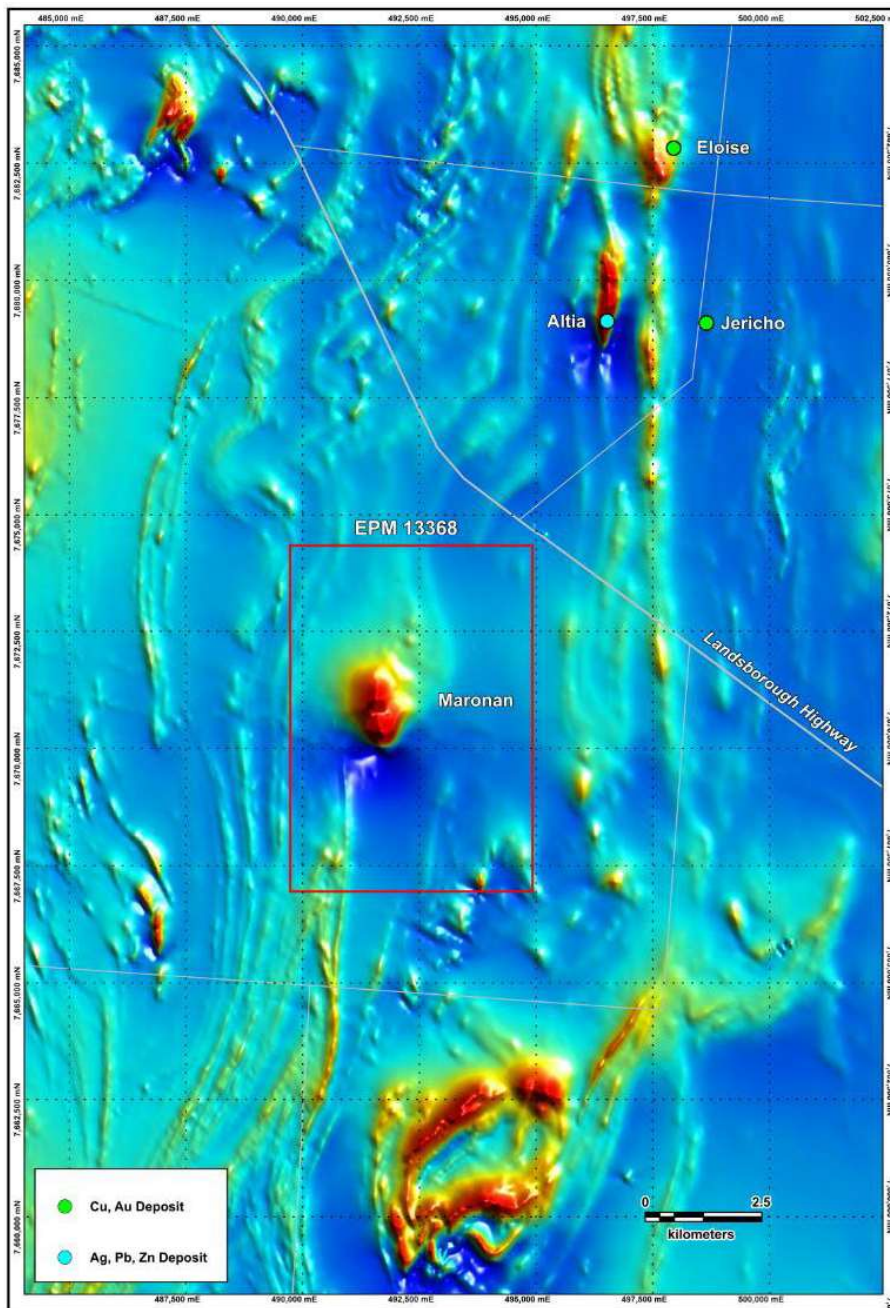


Figure 16: Maronan project regional airborne magnetic image

Table 2: Summary of historical exploration

Year	Company	Activity	QLD Report	Tenement
1984	Shell Minerals	Review of previous exploration	CR 14018	A to P 3743M
1985 – 1986	Shell Minerals	Gridding, mapping, sampling, ground magnetic survey, RAB drilling	CR 14505, CR 15518, CR 16369, CR 16371	A to P 3743M
1987	Shell Minerals	Fixed loop GEM survey, RAB drilling, percussion drilling testing GEM/magnetic anomaly	CR 16369, CR 18691	A to P 3743M
1988	Shell Minerals	Diamond drilling	CR 19159	A to P 3743M
1989	Shell Minerals	Fixed loop GEM survey, RAB drilling	CR 20540	A to P 3743M
1990	Shell Minerals	DD drilling, lithochemical studies, petrology, DHEM, ground magnetics, GEM. Tenement partial surrender, convert to EPM 6982	CR 24929, CR 22849	A to P 3743M EPM 6982
1991	Shell Minerals	Soil sampling	CR 23506	EPM 6982
1992	Shell Minerals	Gridding, ground magnetics, GEM, geochemical sampling	CR 26491	EPM 6982
1993	Shell Minerals	GEM survey, RC/DD drilling, DHEM surveys, AC drilling, soil sampling	CR 25371	EPM 6982
1994 – 1996	Acacia/ MPI JV	Soil sampling, RC/DD drilling testing Zn trends from RAB. Gravity survey (hard copy only), DD testing gravity/ magnetic anomalies	CR 26959, CR 27576, CR 28251	EPM 6982
1997	Acacia/ RGC JV	Airborne magnetic survey and ground gravity (digital data available)	CR 30045	EPM 6982
1998	Acacia	Image processing, gravity data evaluation, soil, rock chip sampling	CR 30855	EPM 6982
1999	Anglo Gold	Review of drilling data	CR 31733	EPM 6982
2000	AngloGold/ Noranda JV	Detailed gravity survey (hard copy only). RC testing identified gravity targets.	CR 32780	EPM 6982
2001	None	EPM 6982 relinquished 28/02/2001	--	EPM 6982
2001 – 2002	Phelps Dodge	Soil sampling, IP survey, DD drilling to test a geochemical anomaly and magnetic target	CR 33657	EPM 13368
2002 – 2003	Phelps Dodge	No activity	CR 34621	EPM 13368
2003 – 2004	Phelps Dodge	No activity	CR 37238	EPM 13368
2004 – 2005	Red Metal	DD drilling targeted at significant magnetic features within the southern lobe of the Maronan regional magnetic anomaly. Cannington style, banded and vein galena was intersected over a 4.85 metre interval, DHEM survey	CR 38922	EPM 13368

ANNEXURE A – TECHNICAL ASSESSMENT REPORT

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Year	Company	Activity	QLD Report	Tenement
2005 – 2006	Red Metal/ BHPB JV	Systematic ground magnetic survey, processing of geophysical data, re-logging of core, MIMDAS IP survey	CR 44041	EPM 13368
2006 – 2007	Red Metal/ BHPB JV	Migration of drill data into 3D environment, re-logging of core, DD drilling, structural study	CR 47253	EPM 13368
2007 – 2008	Red Metal/ BHPB JV	Re-logging of core, DD drilling, DHEM surveys	CR 47253	EPM 13368
2008 – 2009	Red Metal/ BHPB JV	DD drilling, DHEM surveys	CR 57930	EPM 13368
2009 – 2010	Red Metal/ BHPB JV	Drilling data interpretation	CR 63750	EPM 13368
2010 – 2011	Red Metal	Data review, 3D modelling	CR 67536	EPM 13368
2011 – 2012	Red Metal	DD drilling into interpreted northerly plunging target	CR 71950	EPM 13368
2012 – 2013	Red Metal	DD drilling to test between MRN12004B and the northern fold nose, also northern hinge zone, DHEM surveys, detailed gravity survey	CR 78728	EPM 13368
2013 – 2014	Red Metal	DD drilling	CR 85025	EPM 13368
2014 – 2015	Red Metal	DD drilling to test strong mineralisation intersected in MRN13002 to better define extent, geometry and grade variations of Pb/Ag mineralisation	CR 92616	EPM 13368
2015 – 2016	Red Metal	Resource estimations, metallurgical test work	CR 97141	EPM 13368
2016 – 2017	Red Metal	Additional metallurgical test work, Hylogging of core	CR 101887	EPM 13368
2017 – 2018	Red Metal	Hylogger data interpretation, commencement of regional moving loop GEM survey (high temperature SQUID GEM). Trial of MinAnalyser spectral core scanner.	CR 107767	EPM 13368
2018 – 2019	Red Metal	Completion of regional moving loop SQUID GEM survey, DD drill testing of conductors beyond the Maronan deposit	CR 113548	EPM 13368
2019 – 2020	Red Metal	Trials of 2D seismic survey	CR 119573	EPM 13368

- Shell Minerals – Billiton Australia which was the metals division of The Shell Company of Australia Limited
- Acacia – Acacia Metals Pty Ltd a subsidiary of Acacia Resources Limited which acquired the Australian mineral assets from the metal's division of The Shell Company of Australia Limited (Billiton Australia) and listed on the Australian Stock Exchange
- MPI- consortium between Fodina Minerals Pty Ltd, a subsidiary of Mining Projects Investors Pty Ltd and Outokumpu Exploration Ventures Pty Ltd
- Noranda – Noranda Pacific Pty Ltd
- RGC - RGC Exploration Pty Ltd
- AngloGold – AngloGold Investments Pty Ltd successfully took over Acacia Resources Limited and changed name to AngloGold Australasia Limited
- Phelps Dodge – Phelps Dodge Australasia Inc. – Australasia exploration division of US company Phelps Dodge Corporation
- Red Metal – Australian Stock Exchange listed company Red Metal Limited
- BHPB – BHP Billiton Minerals Pty Ltd owners of the nearby Cannington Mine

4.2 Exploration by Red Metal Limited

Red Metal successfully listed on the ASX in November 2003 and undertook its maiden diamond drill campaign in 2004 targeting untested magnetic features within the southern lobe of the Maronan regional magnetic anomaly (Figure 16, Table 2). This drilling intersected a narrow interval of bedded Pb-Ag mineralisation within magnetite-silica-calcsilicate exhalative which was subsequently interpreted as distal facies rocks.

BHPB, owners of the nearby Cannington Mine, entered into a joint venture with Red Metal in 2005 and completed a major program of geological interpretation, drilling, and downhole electromagnetic geophysics. In total 12 holes were completed by BHPB during the term of the joint venture.

With BHPB's withdrawal in 2010, Red Metal undertook a detailed review of the historic data which led to the development of a new geological model for the Maronan deposit and the completion of 21 diamond drill holes for 15,634.8 metres. This work recognised the two separate styles of mineralisation, developed a new zonation model for the bedded Pb-Ag ore and determined the structural control for both the Pb-Ag and Cu-Au mineralisation which remain open down plunge. Red Metal interprets the potential for improved grades of the bedded Pb-Ag-Zn mineralisation, and the separate Cu-Au mineralisation at depth however these concepts remain to be tested.

Historic drilling together with Red Metal's drilling and new interpretation allowed for the estimation of a JORC 2012 compliant Inferred Mineral Resource in 2015. Preliminary metallurgical test work and preliminary mine design and scoping studies were also completed in 2015. The results from preliminary mining study and cashflow analyses together with the down-plunge geological potential provide a strong economic and geological case for further infill and step-out exploration drilling as a prerequisite to defining Indicated Mineral Resource in order to possibly follow-up with mining reserves.

Spectral core scanning using the Hylogger and Minalyzer systems were successfully trialled in 2016 and 2017. More details on these systems are in Section 4.2.3.5.

In 2018, Red Metal completed a regional moving loop, time domain, ground electromagnetic survey over the whole tenement using the modern high-temperature SQUID instrumentation. Subsequent diamond core drilling on two regional conductive targets beyond the Maronan deposit intersected graphitic black shale sequences with pyrrhotite that explained the anomalies.

Recently in 2020, Red Metal trialled the use of 2D seismic over the deposit, but this technique failed to adequately image the known mineralisation.

4.2.1 Geological Mapping

Due to limited surface outcrop exposure, drilling is the primary tool for geological mapping and interpretation of the mineralisation at Maronan. Red Metal has compiled a level plan interpreted geological map at 0 metres RL (210 metres below surface) using drill hole lithological and structural data extrapolated between holes and along strike using regional

aeromagnetic, gravity and ground electromagnetic data sets (Figure 17). No surface regolith geological maps have been developed over the deposit due to the younger cover sequences.

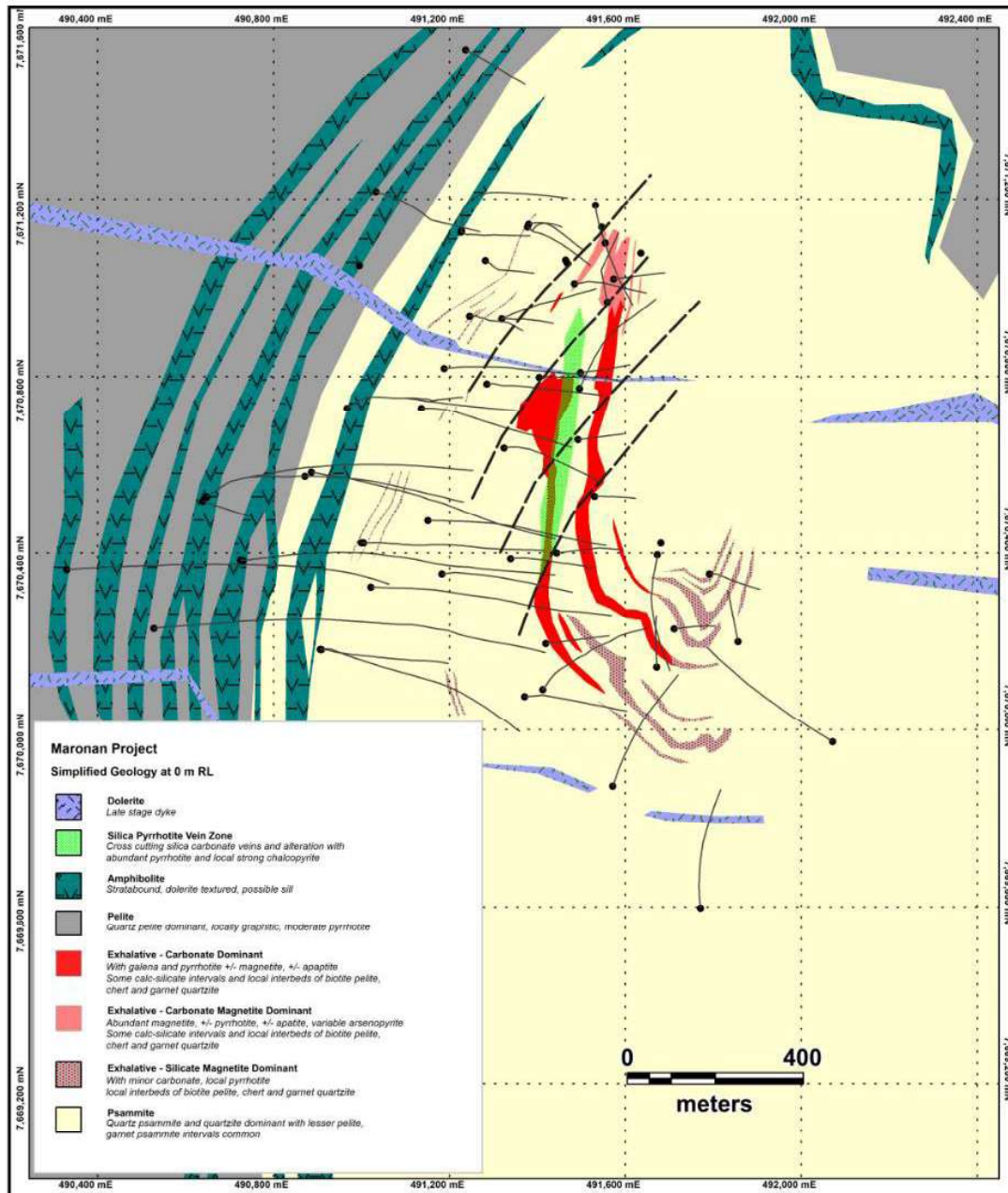


Figure 17: Maronan deposit interpreted geology map
Level plan at 0 metres RL

4.2.2 Surface Sampling

The only surface sampling program during the tenure of EPM 13368 was conducted by Phelps Dodge in 2001. The company conducted a trial program of two soil sample orientation lines across the area of known mineralisation. Four samples were collected at each locality and different size fractions were analysed using four different analytical techniques; Mobile Metal

Ion (MMI) partial leach (- 5 mm fraction), Deep Leach partial leach (- 1 mm fraction), mixed acid digest ICP-OES (- 80 mesh/- 0.177 mm), and soil sorption pyrolysis (SDP) soil gas analysis (- 80 mesh/- 0.177 mm).

Results suggested the MMI, Deep Leach, and SDP methods each produced similar anomalous results while the samples assayed with the ICP-OES method failed to generate any anomalous results. Following receipt of the results from the orientation lines, the sampling was extended using only the MMI technique for analysis.

Figure 18 shows the soil Cu values derived using the MMI technique on a satellite image with thickness of the younger sedimentary cover rocks derived from drill holes. The results show a Cu anomaly three times the background immediately above known mineralisation. Size of the zone of anomalous geochemistry is over 600 metres along strike and 100 metres wide. The MMI technique appears to be able to detect mineralised basement rocks through 40 metres of oxidised younger sedimentary cover which consists of Mesozoic mudstone, sandstone and conglomerate layers overlain by a one to three metre veneer of more recent alluvium and flood plain sediments.

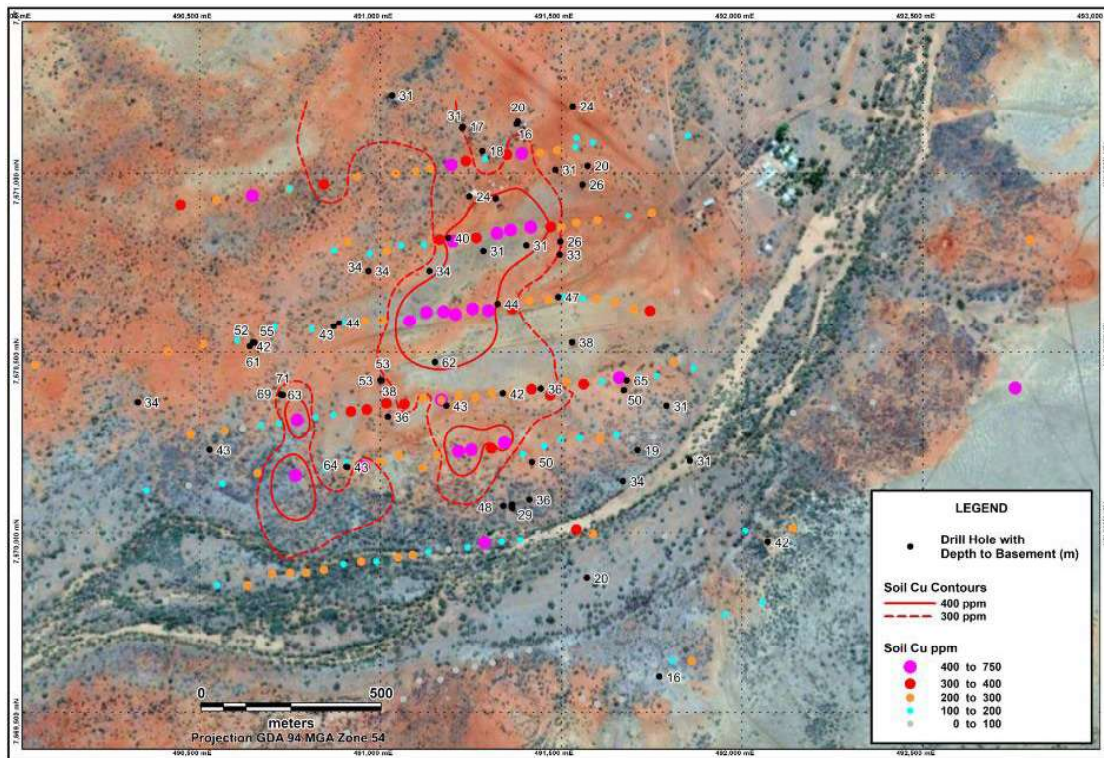


Figure 18: MMI soil sampling Cu values

4.2.3 Geophysics

The Maronan deposit is a Shell Minerals geophysical discovery found by systematically following up regional magnetic anomalies visible on the Duchess 1:250,000 map of aeromagnetic contours (Bureau of Mineral Resources, 1978 Edition). Grid based, ground

magnetometer surveying followed by fixed-loop, ground electromagnetic surveys (GEM), shallow RAB drilling and deeper RC percussion and diamond core drilling led to the discovery of the first significant mineralisation at Maronan in 1988.

Modern digital geophysical data collected by Red Metal, its joint venture partners or recovered in digital format from historic explorers are tabulated in Table 3 and briefly discuss below.

4.2.3.1 Magnetic Surveys

In 1997, RGC in joint venture with AngloGold flew a high resolution airborne magnetic survey over the Maronan deposit and surrounding areas. This survey collected data along 50 metre flight lines at about 20 metres above surface and is of a high quality.

In 2006, BHPB in joint venture with Red Metal completed a detailed ground magnetic survey on 50 metre line spacing over the Maronan deposit, but an old magnetometer used for the survey proved to be too noisy and produced data of poorer quality than the existing airborne data.

More recently in 2017, Geoscience Australia commissioned a high-resolution magnetic survey over the Cloncurry region (Geoscience Australia , 2017) that covered the Maronan deposit. This survey collected data along 100 metre flight lines at nominal terrane clearance of 50 metres and is of high quality.

The general location of the Maronan deposit clearly stands out as a regional total magnetic intensity high (Figure 16 and Figure 19) however the internal geometry of the anomaly is much more complex in detail (Figure 20). Residual vertical gradient processing over the anomaly has been useful in interpreting the fold geometry of the unmineralised magnetite-bearing exhalative sequences within and peripheral to the deposit, mafic dykes and late cross-cutting faults (Figure 20). The magnetic data has also aided interpretation of regional stratigraphy and structure beyond the deposit (Figure 16).

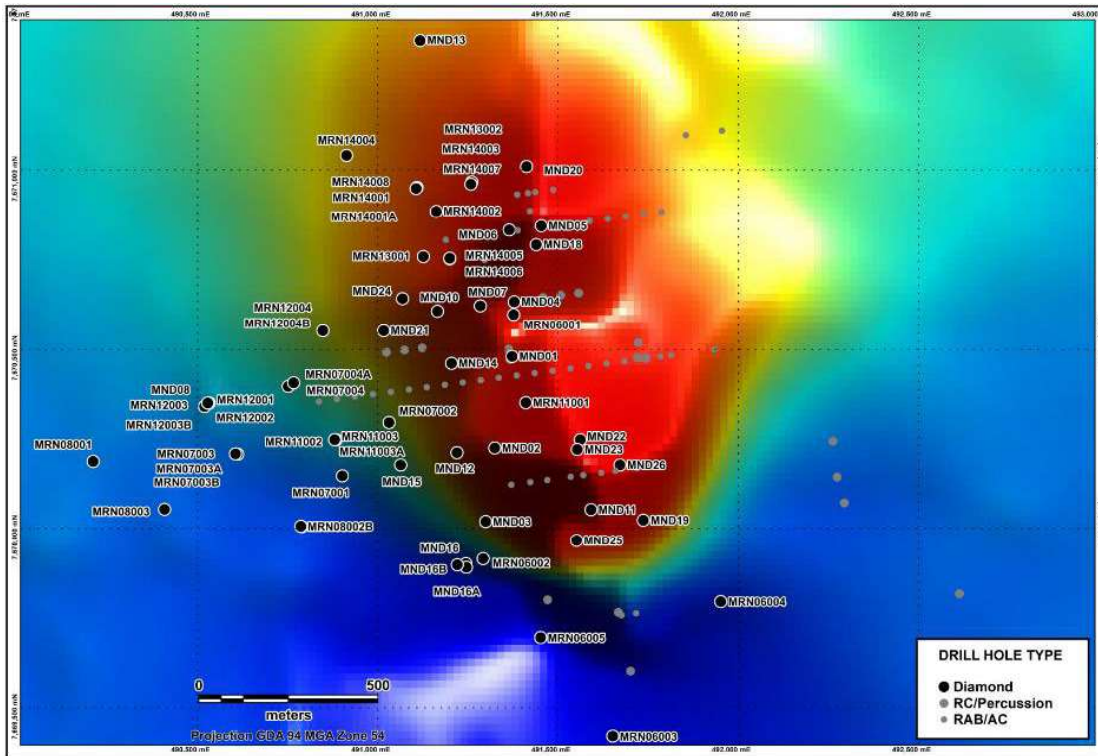


Figure 19: Total magnetic intensity image
with diamond core holes

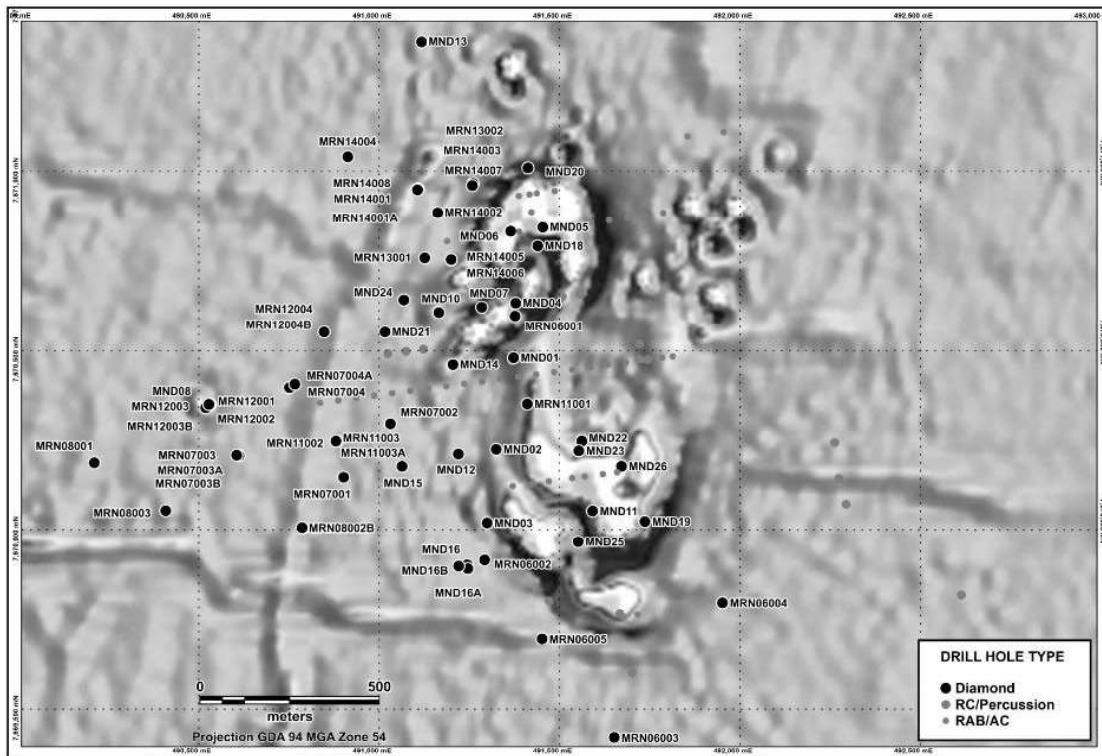


Figure 20: Greyscale vertical gradient magnetic image with diamond drill holes

4.2.3.2 Ground Electromagnetic Surveys

In 1987 Shell Minerals surveyed the Maronan magnetic anomaly with fixed loop, time domain, ground electromagnetic (GEM) technique. The survey utilised 600 metre x 300 metre fixed loops with station readings collected every 50 metres along lines 100 metres apart.

This historic work, reprocessed by Red Metal, highlights the conductivity target that led to the discovery of the Pb-Ag and Cu-Au mineralisation in the first diamond core hole MND01 (Figure 21).

The conductive source mineralisation was semi-massive pyrrhotite associated with both the Pb-Ag and Cu-Au mineralisation styles.

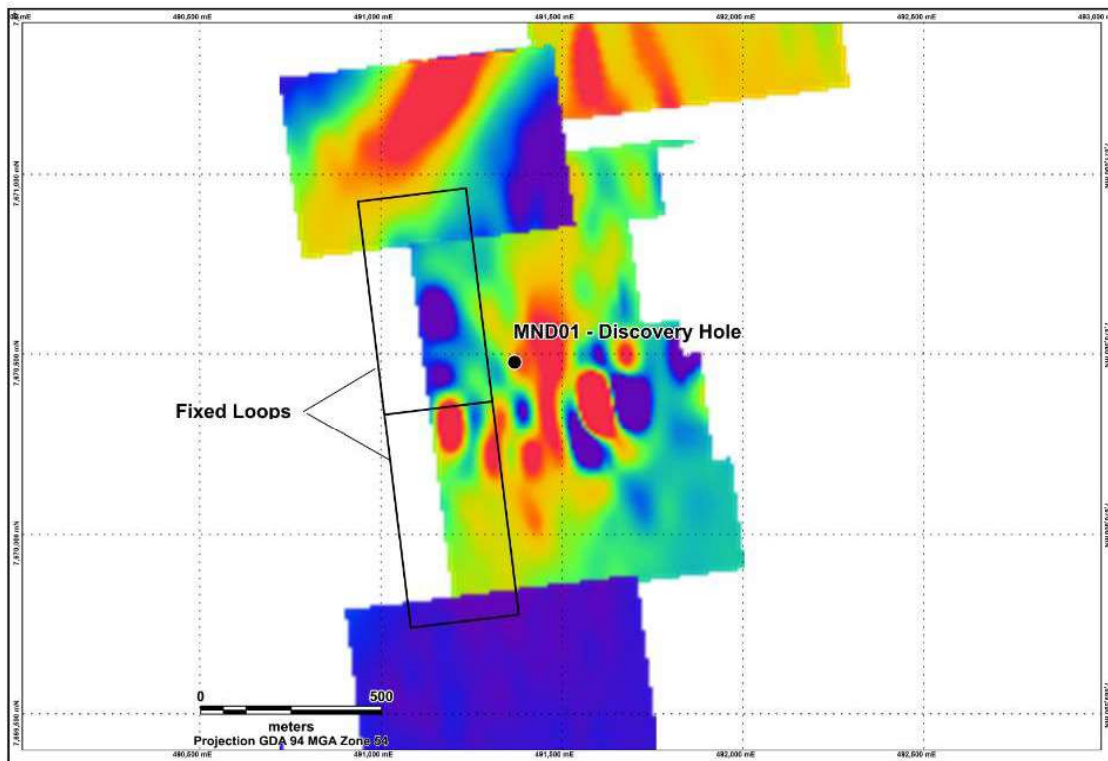


Figure 21: Channel 16 conductivity images
from Shell Minerals' 1987 GEM survey

In 2018, Red Metal completed a regional moving loop ground electromagnetic survey over the whole tenement using modern high-temperature SQUID instrumentation. The survey was completed on 800 metre spaced lines with station readings collected every 100 metres. Areas of interest were locally surveyed along 200 metre spaced lines. A total of 18 lines for 67.3 kilometres were surveyed. The survey clearly detected the Maronan deposit as shown in Figure 22 where the Channel 30 conductivity image and survey lines are plotted over a greyscale vertical gradient magnetic image. Diamond core drilling on two regional conductive targets located about 3 kilometres south the Maronan deposit intersected graphitic black shale sequences with pyrrhotite that explained the anomalies. The anomaly three kilometres north of the Maronan deposit remains to be drill tested.

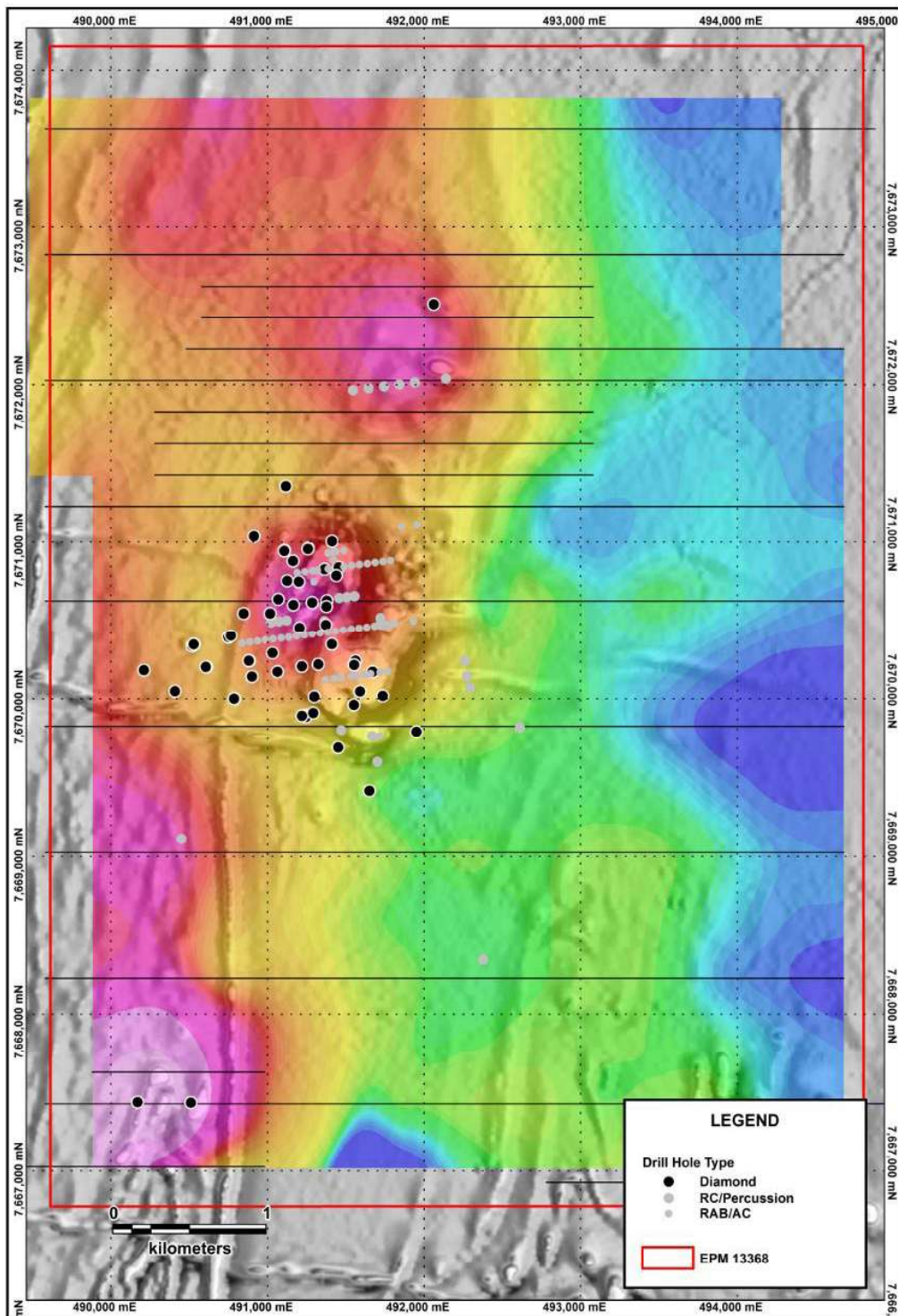
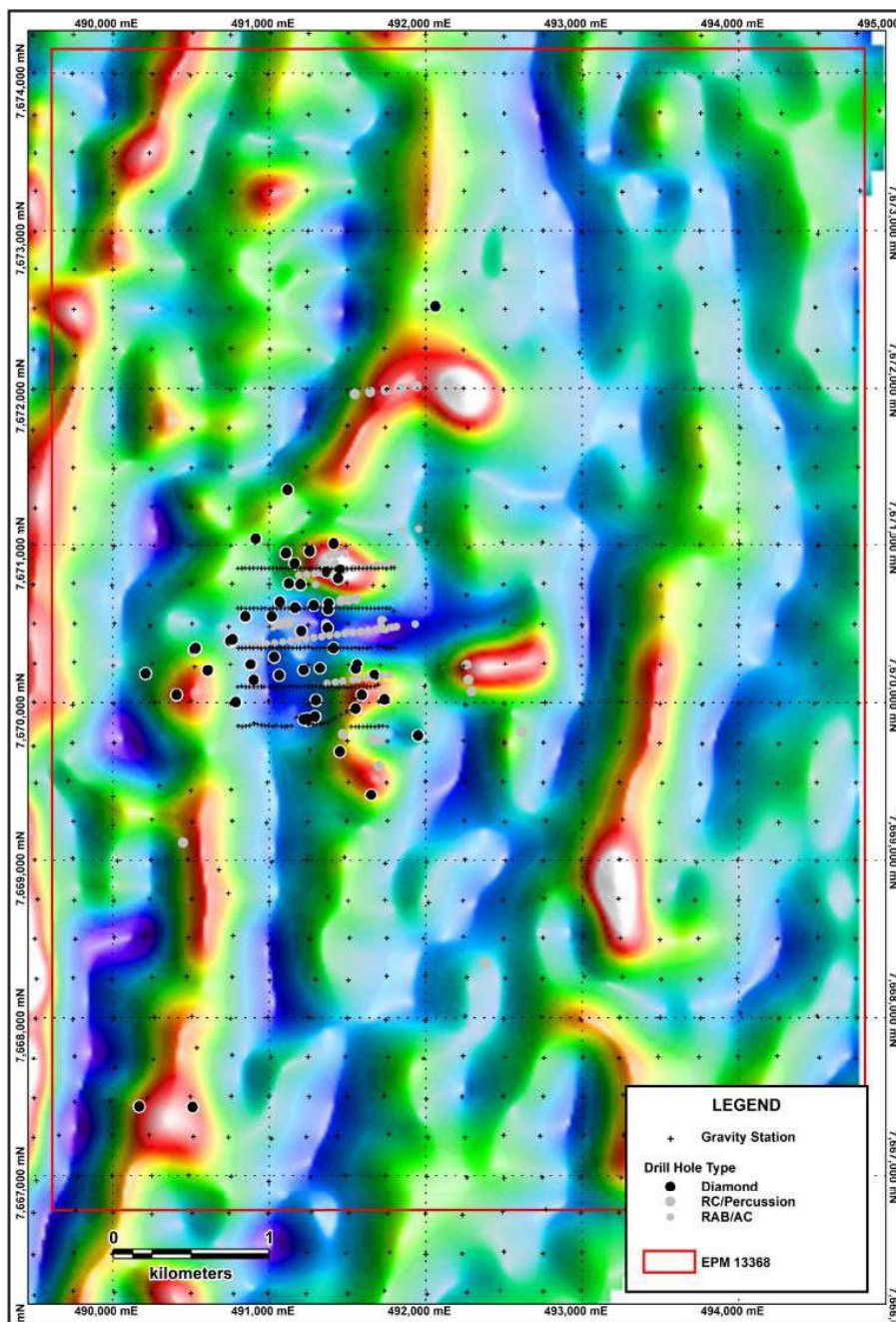


Figure 22: Channel 30 conductivity image
with GEM lines

4.2.3.3 Ground Gravity Surveys

In 1997 RGC, in joint venture with Acacia, commissioned Haines Surveys to conduct a GPS controlled gravity survey at Maronan. The survey covered a total area of 55 square kilometres in two separate areas. A total of 1780 gravity stations were surveyed, including five east west trending lines, two kilometre long and 250 metres apart, over the Maronan deposit along which data was collected at 25 metre spacings (Figure 23).



**Figure 23: Residual gradient gravity image
with gravity stations**

metres below surface (Figure 25). The survey’s penetration beyond this depth was limited due to blanketing effects of strong conductive, graphitic metasedimentary rocks to the west of the deposit and strong electromagnetic coupling throughout the dataset.

In 2006, BHPB conducted an IP test survey over the known mineralisation using the MIMDAS system (IP system developed by Mount Isa Mines). Three lines were surveyed using a 100 metre dipole – dipole array and one line was surveyed using a pole–dipole configuration (Figure 25). A total of 13.4 line kilometres were surveyed.

The MIMDAS method effectively repeated the results of the 2002 Phelps Dodge IP survey. Its depth of penetration was also limited by the blanketing effect of the conductive rocks to the west.

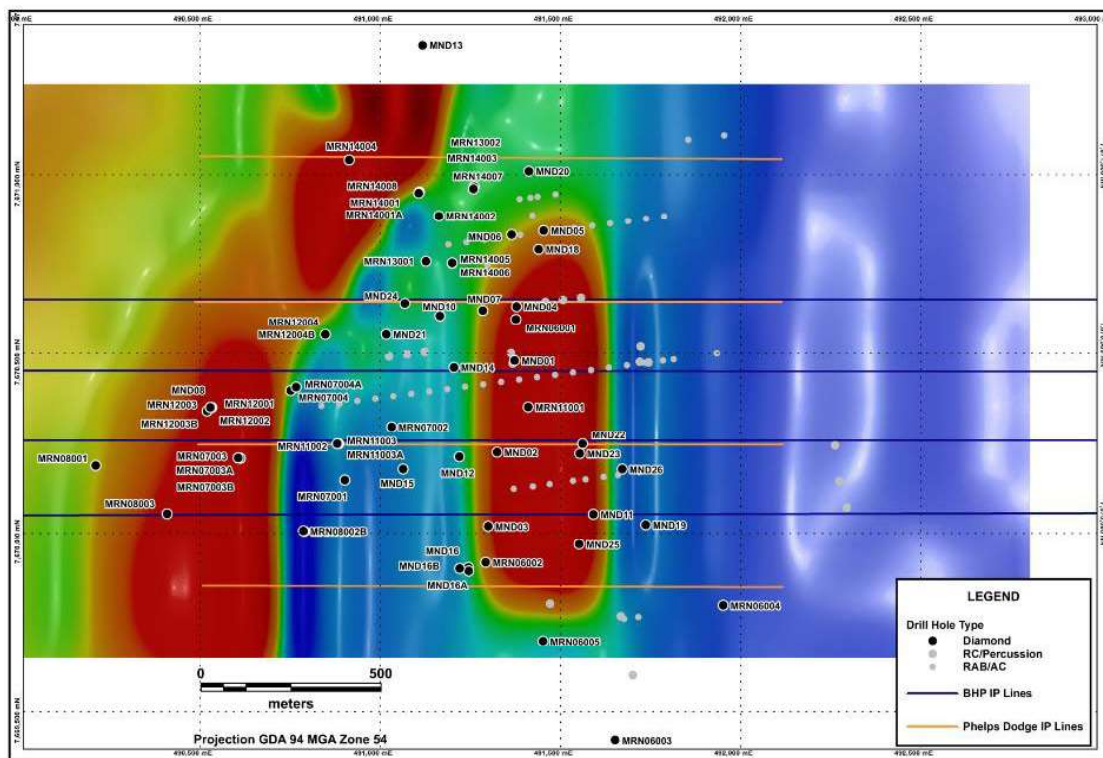


Figure 25: 200 metre IP chargeability depth slice

4.2.3.5 Trials of Spectral Logging

Trials of spectral core scanning using the Hylogger (Corescan, 2021) and Minalyzer (Minalyze, 2021) systems in 2016 and 2017 highlighted their potential use for consistent and accurate core logging of the lithology, ore types, structural data and rock densities at Maronan. Detailed mineral and alteration studies with these two spectral techniques remain to be undertaken, however preliminary analysis has shown rock density measured using the Minalyzer system strongly correlates with the dry rock bulk density measurements that were manually collected on the Maronan core samples.

Future infill drilling programs for advanced mining studies should assess the value of routine logging using modern spectral instruments.

4.2.3.6 Trial of 2D Seismic

In 2020, Red Metal trialed 2D seismic surveying across the Maronan deposit with the aim of imaging the potential continuation of the known mineralisation at depth.

Select lithologies and the steep dipping geometry at Maronan were imaged by the seismic reflection, but imaging of the known mineralisation and interpretation of the 2D data was complicated by reflected noise from potential off-line reflectors.

Known horizons of carbonate hosted Pb-Ag mineralisation typically display moderate acoustic impedance levels (high rock density and low velocity values) and analysis indicates they are not likely to be strong reflectors in this geological environment. The known mineralised horizons are also considered too thin to be effectively imaged with the 2D data, particularly as the imagery is overprinted by many other potential off-line reflectors.

Seismic contractor HiSeis Pty Ltd (HiSeis) expects a 3D seismic survey covering this project would spatially resolve the 3D locations of the different reflections, removing the ambiguity associated with possible off-line reflectors and better delineate structural and lithological controls on mineralisation.

HiSeis attempted a regional interpretation of the 2D seismic data integrated with the regional magnetic imagery. Figure 26 shows a grey scale 2D seismic reflection image with the known Maronan ore shells (light blue) and interpreted down-dip extent (red).

Although subjective, this work interprets an east dipping thrust fault truncating the down-dip extent of the known Maronan mineralisation at a vertical depth of approximately 1600 metres below surface.

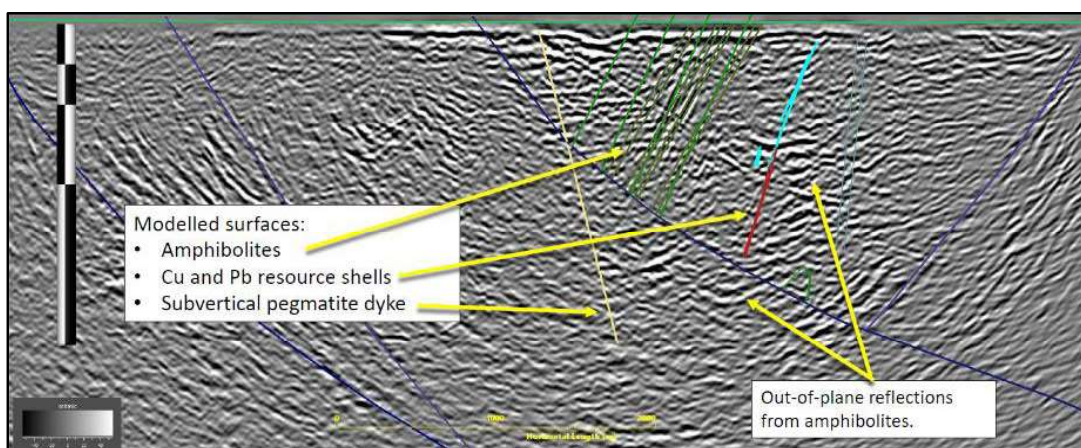


Figure 26: Grey scale 2D seismic reflection image with interpretation

Table 3: Summary of ground geophysical survey data available in digital format

Year	Company	Survey Type	Area of Coverage
1987 – 1992	Shell Minerals	MLEM	Maronan Prospect
1997	Acacia/ RGC JV	Ground Gravity	55 square kilometres in two areas covering EPM 13368 and areas to the south
2002	Phelps Dodge	IP 100 m Pole-dipole	Maronan Prospect
2006	Red Metal/ BHPB JV	Ground magnetics.	Maronan Prospect – thirty-nine nominally one kilometre long lines for 34 line kilometres
2006	Red Metal/ BHPB JV	MIMDAS (IP)	Maronan Prospect – three lines of dipole-dipole and one line of pole-dipole
2013	Red Metal	Detailed gravity	Maronan Prospect – 1049 stations along 48 east-west lines. Line spacing 25 and 50 metres, station intervals 25 and 50 metres. Line lengths 275 to 1400 metres.
2018	Red Metal	MLEM survey	Entire EPM 13368 – eighteen 800 metre (locally 200 metre) spaced lines 1.1 – 5.5 kilometres in length for 67.3 line kilometres

4.2.4 Drilling

A total of 148 drill holes have been drilled on the Maronan tenement by seven different companies. Thirty-one of the holes have been surveyed using a down-hole electromagnetic method (DHEM). Red Metal completed about 16,300 metres in 23 holes comprising about 40% of the total meterage drilled (Table 4).

A summary of holes drilled by different companies is presented in Table 4 and the location of the holes (apart from RAB holes) is shown in Figure 27. The JORC Table 1 provided as part of Red Metal’s 2015 MRE (Red Metal Limited, 2015), and also more recently provided by Maronan Metals (Rutherford, 2021), contain summaries of the drilling results at the Maronan prospect (refer to Annexure D of the Prospectus).

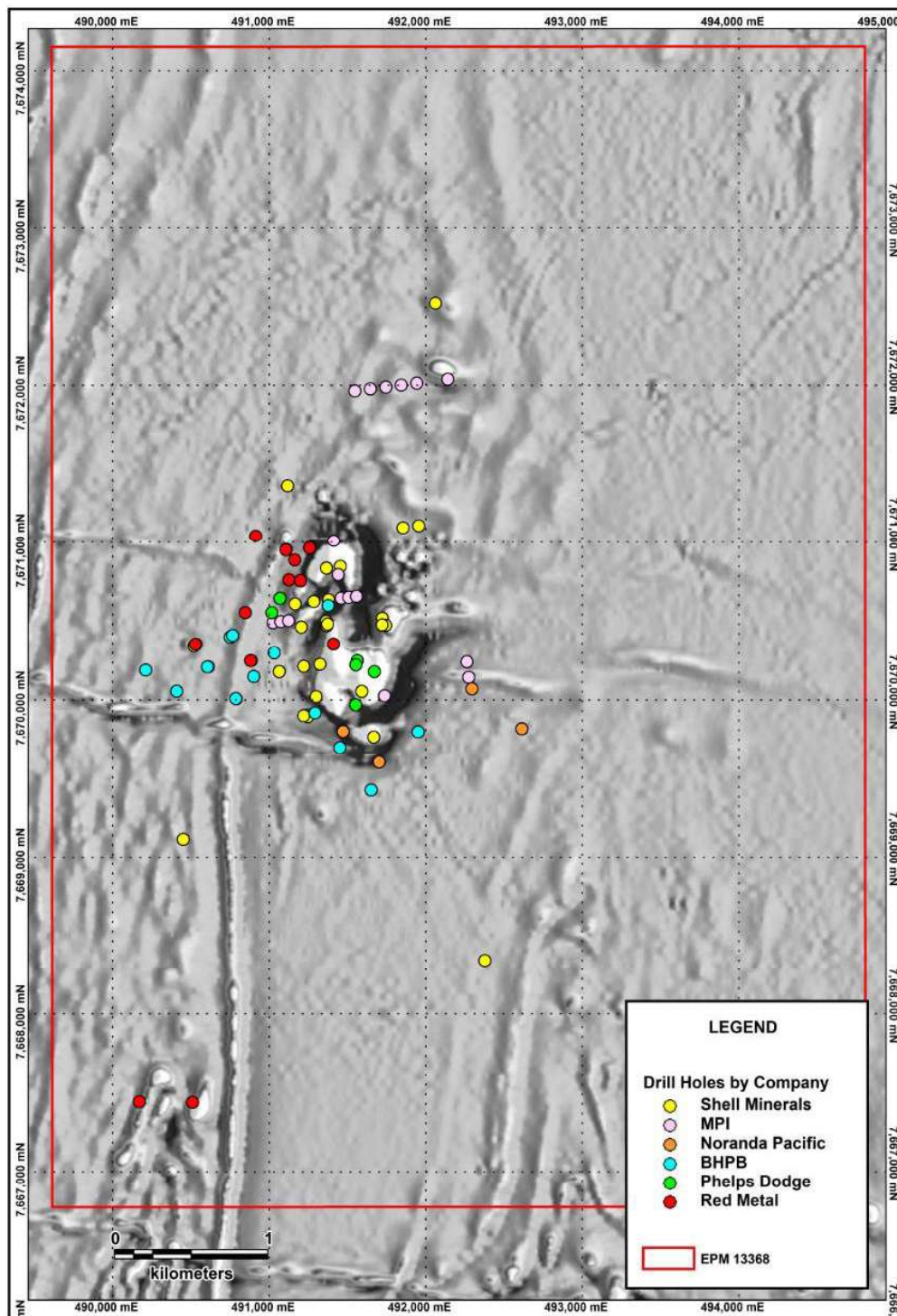


Figure 27: Drill holes by company on vertical gradient magnetic image

Table 4: Drilling by company on Maronian tenement

Company	Year	Hole Types	Number of Holes	Meters
Shell Minerals	1985	RAB	33	1,356
	1986		18	699
	1987	RC/Percussion	4	254
	1988	Diamond	1*	93
	1989	RC/Diamond	3	743
	1990		5	1,428
	1991		1	255
	1992		1	212
	1993		6	1,560
	1993	RC Percussion	5	649
	1993	Air Core	2	138
	1994	RC/Diamond	1	248
Acacia/MPI JV**	1995	RC Percussion	6	614
	1996		8	1,118
Acacia/MPI JV**	1995	RC/Diamond	3	842
AngloGold/ Noranda JV	2000	RC Percussion	4	702
Phelps Dodge	2001	RC/Diamond	6	1,717
	2002		1	669
	2004		2	564
Red Metal/BHPB JV	2006	RM/Diamond	5	2,975
	2007		7	4,284
	2008		4	4,300
Red Metal	2011	RM/Diamond	2	460
	2012		6	4,077
	2013		***6	6,758
	2014		7	5,712
	2018		****2	525
		total	148	42,895

* Diamond tail (MND01) to percussion hole MNP3

** Drilling carried out by Mining Project Investors Pty Ltd

*** Six collars plus one wedge off MRN12004_X1, one wedge off MRN14001_W1, three wedges off MRN14001A

**** Regional exploration targets beyond the mineralised Maronian deposit

5 Mineral Resource Estimates

A maiden JORC 2012 compliant, Mineral Resource Estimate (MRE) for Maronan was reported by Red Metal in 2015 (Red Metal Limited, 2015). H&SC assisted Red Metal in the development and construction of the resource model with Mr Robert Rutherford of Red Metal acting as Competent Person for the MRE. An updated JORC 2012 “Table 1” prepared by Maronan Metals (Rutherford, 2021) is included in the Annexure D of the Prospectus.

H&SC (and specifically, this IER-TA’s author) assisted Red Metal with the 2015 MRE; this entailed helping the Red Metal senior geologist organise and load data into the software system (Micromine), construction of the 3D geological and mineralisation model for use in constraining the block model, setting up and running the estimation procedures and reporting the block model tonnes and grade at various cut-off grades. Although H&SC had a significant role in the assisting Red Metal in 2015, within this IER-TA H&SC has independently assessed the technical aspects of the MRE and reported any possible issues, some of which are material.

A detailed MRE Technical Report (MRE-TR) was not compiled in 2015 due to budget constraints. This has resulted in some details of the work that was done to be not recorded. Below is a summary of the more important aspects of the modelling processes and thinking at the time of the estimation in 2015 but note that it does not replace or substitute for a detailed MRE-TR.

5.1 Drilling Data and Database

The extent of Pb-Ag and Cu-Au mineralisation at the Maronan deposit has been defined by 54 HQ/NQ/NQ2/BQ diamond core drill holes drilled by five different companies since 1987 until the present (Appendix 1 - Table 1).

Physical core is available for 39 of the 54 holes drilled on the Maronan deposit. Paper copies of original laboratory reports and geological logs are available for 19 historic holes. Digital laboratory reports and geological and geophysical logs are available for the 35 more recent holes.

Red Metal and H&SC used the drilling data as described above and noted in Section 1.6. The compiled data is stored at Red Metal in a Microsoft Access database comprising the drill holes, samples and lithology as listed in Appendix 1 - Table 1.

During the estimation process in 2015, H&SC performed limited validation of the data including some error checking. The drill hole database for the Maronan deposit proved satisfactory for resource estimation purposes; however, responsibility for the data and data quality resides solely with Red Metal personnel.

All drilling data was competently collated during Red Metal’s drilling and from historical sources including hardcopy logs. Red Metal has advised H&SC that all historical data from previous companies, as well as data collected by Red Metal, had appropriate levels of information for a resource estimate to be completed. H&SC’s assessment in 2015 of the data confirmed that it is suitable for estimation of Inferred Mineral Resources.

5.2 Sampling and Assaying

Sawn ½ NQ, NQ2, BQ diameter core or ¼ HQ diameter core has been sampled to ensure sample representativity for all holes. Continuous geologically defined intervals were regularly sampled at a 1.0 meter interval locally down to 0.4 metre or up to 1.5 metre based on geological controls.

Diamond core drilling was used to obtain nominal one metre samples from which up to three kilograms of ½ or ¼ NQ, NQ2, BQ diameter core or ¼ HQ diameter core was pulverised to produce a sub-sample for four-acid (near total) digest and multi-element analysis using ICP/OES, ICP/MS, AAS determinations (Appendix 1 - Table 3). Au was determined using a separate 50 gram charge for fire assay. High-grade base metal results >1% were repeated using an ore-grade ICP/AES technique which utilises an aqua-regia acid digest suitable for high-sulphide ores.

5.2.1 QAQC

Quality control and assurance procedures (QAQC) range from being either unreported or of variable quality over the history of the project (see Appendix 1 - Table 1 and Appendix 1 - Table 4). QAQC procedures have been applied to the more recent holes drilled by Red Metal, BHPB and some Phelps Dodge drilled holes. No quality control records are available for the 19 historic holes drilled by Shell Minerals and MPI.

For recent Red Metal drill samples, certified reference materials with a good range of values and blanks were inserted blindly and randomly at a rate of between one in ten to one in twenty over the mineralised intervals, while the laboratory routinely inserts blanks and runs duplicate checks from the pulverised sample. All base metal results greater than 1% were re-assayed using an appropriate ore-grade analytical technique. Results highlight that the sample assay values are accurate and that contamination has been minimised. Routine repeat or duplicate analyses by the laboratory reveal the precision of the analysis is within acceptable limits.

The QAQC procedures of the historic assay data drilled by Shell Minerals and MPI are unknown and thus their level of accuracy and precision is unknown. It is difficult to compare the quality of analytical results of these programs from Shell/MPI/BHPB with the more recent Red Metal drilling because the Red Metal holes are too far (along strike or down dip) from the older drilling and differences in analytical results could be due to changes in mineralisation and/or thickness of the exhalative units.

For the Red Metal, BHP and some of Phelps Dodge drilling a total of 140 blanks, 153 standards and 173 assay repeats and, second ¼ core duplicate samples were collected and inserted at selected intervals to check for sample contamination, assay repeatability and sample representativity (Appendix 1 - Table 4). Quality control checks using standards, blanks, or repeats or duplicates were included at a sample rate varying from about one in ten to one in twenty. Quartz wash blanks are inserted more regularly where native Cu and possible chalcocite zones are visible in the core (MND 21, MND 24 and MRN12004; see Appendix 1 - Table 4).

To date, no twin holes have been drilled but this is understandable given the current stage of exploration at the project. Future drilling programs will need to consider doing twinned holes to verify the older drilling, especially for the shallower intercepts that are slated for resource category upgrades as part of the proposed infill drilling (Section 8.1).

5.3 Topography

The land surface at Maronan is a flat to gently undulating flood plain with only a few metres variation in elevation, apart from the more deeply incised Fullarton River channel to the south of the prospect (Figure 2).

The current topography over the Maronan deposit was surveyed during Red Metal's 2012 detailed gravity surveying (Section 4.2.3.3). The topographic surface was augmented by using the elevation data down loaded from Geoscience Australia's ELVIS – Elevation and Depth Foundation Spatial data portal (shown in Figure 2).

The reduced level (RL) values of drill collars used for the resource modelling in 2015 were determined from a topographic surface constructed from the 2012 detailed gravity survey.

5.4 Sample Locations

The extent of mineralisation at Maronan has been defined by the 54 HQ/NQ/NQ2/BQ diamond core drill holes (Appendix 1-Table 1). The spacing between drill-hole pierce points when viewed on a longitudinal section is about 200 metres both vertically and laterally but varies between about 100 and 400 metres (Figure 36). The 54 holes range in depth from 150 to 1469 metres with an average depth of 631 metres. Holes were generally angled towards grid east at inclinations between -55 and -90 degrees to optimally intersect the mineralised zones.

The collar position for all Red Metal's 35 recent drill holes have been surveyed by Handheld GPS using Map Grid Australia Geocentric Datum 1994, Zone 54 datum (GDA 94 MGA Zone 54). The collar positions of historical holes were located using a locally established grid with an Australian Map Grid 1966 Australian Geocentric Datum 1966, Zone 54 datum (AMG 66 GDA Zone 54). Location accuracy of the historical holes is estimated to be one to five metres. Recent holes have been located using handheld GPS systems accurate to about two to five metres. Collar RL were assigned from the topographic surface (section 5.3) as the elevation from the hand held GPS data was too deemed too inaccurate.

All holes in the Maronan database have been surveyed down-hole using Reflex style or conventional Eastman down-hole cameras. Gyroscope surveys have been completed on nine of the most recent Maronan holes.

Drill holes MRN14002, MRN14003, MRN14004, MRN14007 and MRN14008 were re-surveyed using a Reflex down-hole gyroscope. Results from the gyro survey indicate that the end-of-hole position determined by the Reflex survey instrument is typically within 5 to 30 metres of the gyroscopically surveyed locations.

5.5 Geological Interpretation

Red Metal prepared an initial interpretation of the lithology and mineralisation using cross sections and level plans. H&SC later revised this interpretation, in conjunction with Red Metal geologists, to produce a 3D geological model (Figure 28).

Figure 28 shows level plans for -300, -600, and -900 metres RL with interpreted geology on a magnetic image background. The host exhalative formation is depicted as buff polygons and the western and eastern mineralised horizons ($\geq 3.0\%$ nominal grade Pb as a guide) as light and dark blue polygons, respectively. The overprinting silica-carbonate-iron sulphide \pm Cu sulphide vein zone is shown as light green hatching with the interpreted grade envelopes using a $\geq 0.5\%$ Cu cut-off grade shown as solid green with no hatching.

Untested exploration target potential at the -900 m RL shown in pink on Figure 28. Pink arrows highlight the down-plunge direction of the Pb-Ag and Cu-Au resources.

This model was used in 2015 by H&SC to tightly constrain potential ore envelopes and build a block model for estimating the grade, density and tonnage variations throughout the deposit.

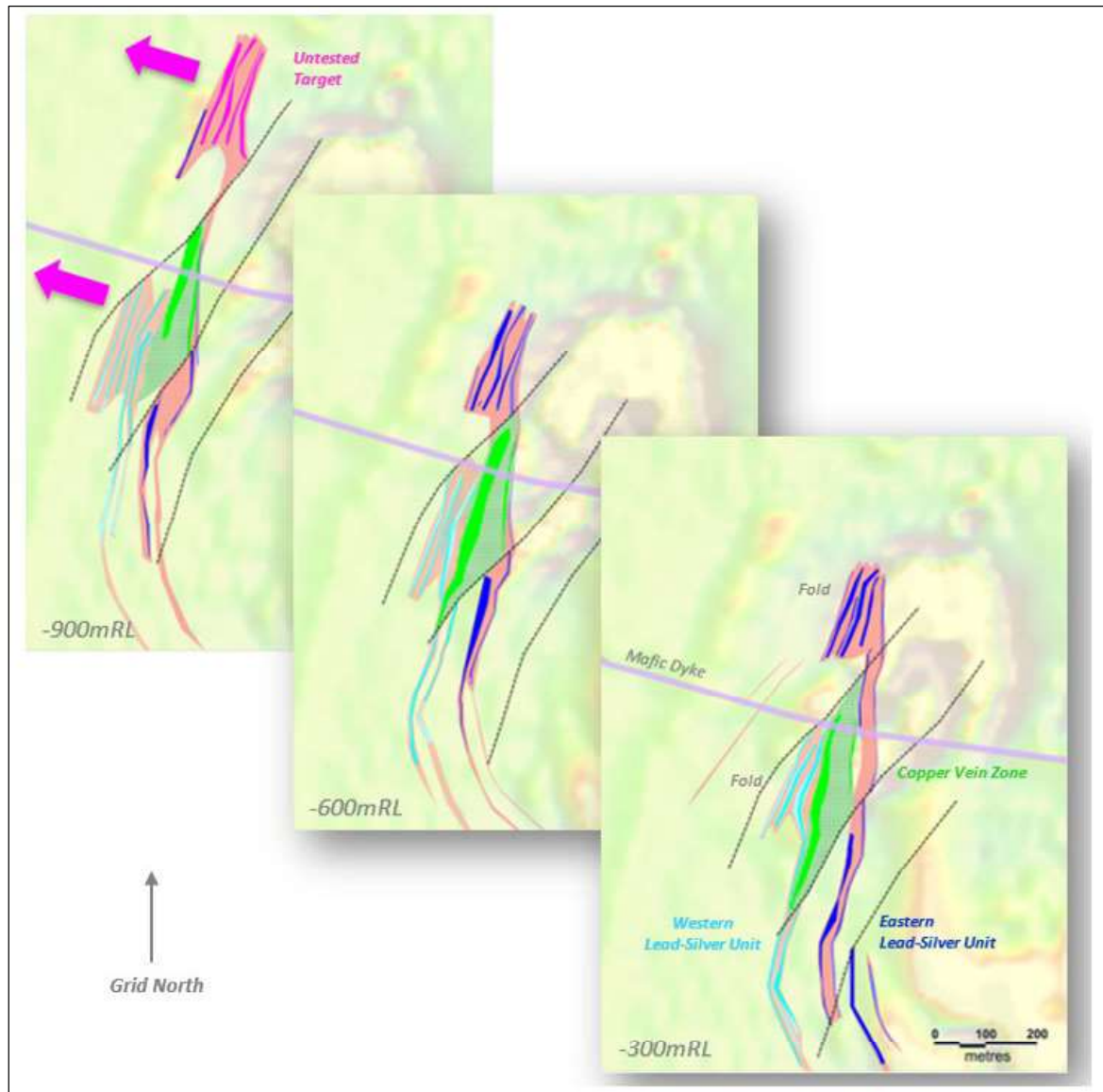


Figure 28: Interpreted geological level plans

5.6 Density

A total of 2,109 density measurements were completed on the majority of the Red Metal drill holes. Samples selected for density were weighed in air then weighed in water and a calculation completed. In mineralised areas, a density measurement is completed for each sample collected. In non-mineralised areas a sample was selected from a normal core run, which was generally every six metres.

The majority of the core is fresh, very competent and non-porous. In areas of strong weathering some samples were wrapped in cling wrap to preserve open pore space in order to retain and represent in-situ rock density.

5.7 Estimation Methodology

A block model was setup by H&SC incorporating the Red Metal interpretation of mineralisation zones (or lenses) as constraining wireframes for the estimation process. As per Red Metal's direction, the constraining wireframes were incorporated in order to keep the block model's cell size as small as possible to replicate, as close as feasible, the mineralised zones within exhalative stratigraphy. The Pb, Ag, Cu and Au grades, as well as density, were estimated into the block model by H&SC using the Inverse Distance Weighting (IDW) technique to the power of two in Micromine software using nominal 1.0 metre sample composites.

For the Pb-Ag model, two sets of mineralised domains were defined by Red Metal using nominal grade thresholds of 1% Pb and 3% Pb respectively within the host exhalative units. Red Metal's Pb model at 1% Pb nominal threshold consists of numerous lenses varying in width from less than one metre to up to 20 metres. Lenses vary in the strike and dip, but in general the strike varies between 010 and 020 degrees and dips steeply to the west at about -70 degrees.

The structurally controlled, less extensive, Cu-Au mineralisation was defined by Red Metal using a nominal 0.5% Cu threshold and locally and partly overprints the Pb-Ag exhalative horizons.

Red Metal's interpretation for Pb-Ag and Cu-Au mineralisation domains was used as the framework for resource estimation. The mineralised zones were treated as having hard boundaries during grade estimation. Weathering was treated as a soft boundary due to its gradational nature.

IDW was considered an appropriate method given the assumed continuous and layered nature of the Pb mineralisation within the host units and low skewness of grade distributions in all domains. IDW was also chosen in preference to Ordinary Kriging (OK) because the number of samples available within each constraining mineralised domain was insufficient to allow for spatial continuity analysis and development of variograms - a required input for OK.

A three-pass search strategy was used, with search radii of 150 metre x 150 metre x 50 metre for the first two passes which were doubled for the third. The search ellipsoid orientation was set to parallel to the overall orientation of the domains and the maximum extrapolation distance was 300 metres. A minimum of three samples and two drill holes was used to estimate each block in the first pass, minimum of two samples and one drill hole in the second pass and minimum of sample and one drill hole in the third pass.

Estimates for Pb-Ag were generated separately using 1% Pb domains and then again with 3% Pb domains. Estimates compare favourably with each other.

Density was estimated for each block during the estimation process. Density input values, where available, came from the sample density database which was matched to assayed samples. For assayed samples that did not have a density sample match a derived density

based on lithology was assigned to the assayed sample - this considered the effect of Pb grade for samples assaying $\geq 1\%$ Pb. For resource blocks within the weathered zone, a factor of 0.88 was applied. This factor was assumed due to the limited number of weathered samples for density determination and based on the overall differential between the average fresh and weathered density values for the mineralised zone.

Nominal hole spacing is typically 200 metre x 200 metre in the plane of mineralisation but varies between 100 metres and 400 metres across the area. The individual block size is 2 metre x 2 metre x 2 metre and the blocks were flagged as being within a constraining wireframe on a block centroid basis. This results in a minimum width of 2m.

Note that the block size corresponds to about 1/100 the data spacing in the horizontal plane. The small block size was requested by Red Metal so that the block model could be better visualised with respect to the geologically interpreted Pb lenses, especially the narrow ones and constrain blocks to within the individual host lenses. This small block size likely does not reflect the possible selective mining unit.

The highly constrained model incorporates little to no internal dilution within each zone. This is in reality unlikely and a drawback of a highly constrained model and the IDW method. However, this is not considered material because the model's main purpose was to serve as input to a preliminary mine scoping study.

5.8 Mineral Resources

5.8.1 Lead-Silver

The Pb-Ag resource estimate was constrained using manually interpreted, mineralisation envelopes at a lower cut-off grade of $\geq 3\%$ Pb and $\geq 1\%$ Ag (Table 5). This work divided the Pb-Ag deposit into the separate Western mineralised unit and Eastern mineralised unit distinguishable by their location, geochemistry and different Ag to Pb ratios (see Section 3.3.1 and Figure 28). The Western and Eastern units each contain between two and six parallel, planar horizons or lenses of mineralisation which typically range from 1 to 10 metres in true thickness and appear to be tightly folded and thickened towards their northern ends (Figure 28). Locally lenses can have true widths of up to 20 metres. On average, individual horizons within the Western unit have a Ag:Pb% ratio of 7.6:1 while horizons in the Eastern unit have a Ag:Pb% ratio of 22:1.

Level plan interpretations assume the individual horizons to be laterally continuous over about 200 metres with some up to 700 metres long. Cross section interpretations suggest very strong vertical continuity with planar horizons extending down-dip for more than 1000 metres. Structural deformation forming steep west-northwest plunging fold structures and elongation lineations is believed to have enhanced the vertical continuity and locally thickened some horizons. Interpreted north-easterly trending faults and the late-stage Cu-Au mineralisation locally disrupt the continuity of some Pb-Ag horizons (Figure 28).

The majority of the Inferred Pb-Ag resource (Table 5 and Figure 29:) is situated between about 200 and 1200 metres below surface with small portions interpreted to extend to within about 90 metres of the surface. The mineralised horizons remain open at depth.

Table 5: Lead-Silver Inferred Mineral Resources: Fresh
 Estimates for the fresh bedded Pb-Ag mineralisation style (galena) at
 differing lower cut-off grades

Cut-off Pb %	Million Tonnes	Pb %	Ag g/t	Pb Mt	Ag Moz
1%	45.3	5.1	86	2.3	125
2%	37.7	5.8	96	2.2	116
3%	30.8	6.5	106	2.0	105
4%	26.5	7.0	109	1.9	93
5%	19.2	7.9	114	1.5	71
6%	13.7	8.9	126	1.2	55
8%	7.0	10.7	144	0.75	33
10%	3.1	12.9	171	0.4	17

Table 6: Lead-Silver Inferred Mineral Resources: Weathered
 Estimate for the weathered bedded Pb-Ag mineralisation style at
 a 3% Pb cut-off grade.

Cut-off Pb %	Million Tonnes	Pb %	Ag g/t	Pb Mt	Ag Moz
3%	2.2	5.2	8	0.12	0.56

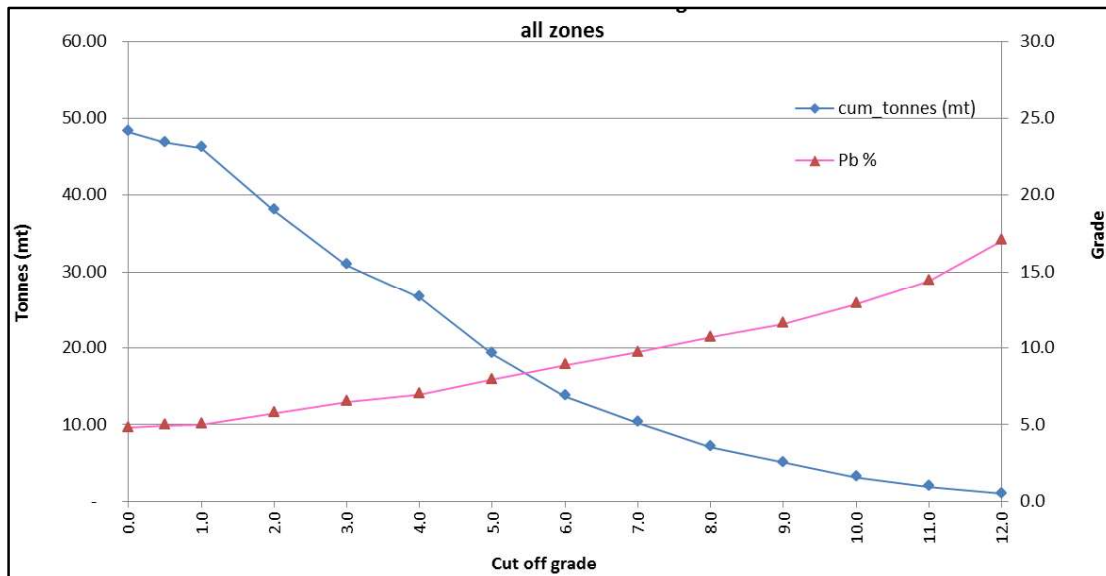


Figure 29: Lead grade-tonnage curves

Fresh sulphide mineralisation

5.8.2 Copper-Gold

The Cu-Au resource was constrained using manually interpreted, mineralisation envelopes at a lower cut-off grade of $\geq 0.5\%$ Cu. The Inferred resource is contained within two planar, parallel lenses that border a wide stockwork vein zone of silica-carbonate-pyrrhotite which is essentially unmineralised (Figure 28). The majority of the resource is within the larger western lens which in plan is about 400 metres long, 25 metres wide tapering to about five metres towards the ends. Cross section interpretations indicate very strong vertical continuity with the western lens extending down-dip for greater than 900 metres. The lenses have a steep west northwest plunge and remain open at depth where the grades and the thickness of mineralisation appear to be improving.

The bulk of the Cu-Au resources are situated between about 170 and 1200 metres below surface with narrow lenses of mineralisation interpreted to extend to within about 50 metres of surface.

A small, inferred resource of chalcocite with minor native Cu mineralisation is recognised in the weathered zone above the fresh chalcopyrite mineralisation (Table 8). Oxidation of the primary sulphide mineralisation generally extends to less than about 80 metres below surface however, it is locally deeply weathered to about 800 metres on the western margin of the Cu vein zone immediately south of the cross cutting mafic dyke shown in Figure 17.

Sample core recoveries for the weathered style of mineralisation are not as good samples from the Pb-Ag zones; the core recoveries for the weathered Cu-Au mineralised samples range from 60% to 93% and average about 90%. Maronan Metals have not done a more detailed analysis of grade versus core recovery but notes that the locally reduced recovery may have resulted in an underestimation of the contained metal content in the weathered zone. Future exploration incorporating triple-tube diamond core drilling is recommended to improve core

sample recoveries in the weathered zone in order to determine if significant mineralised zones of chalcocite, a high copper-bearing sulphide mineral, are present.

Table 7: Copper-Gold Inferred Mineral Resources – Fresh

Estimate for the fresh Cu-Au mineralisation style (chalcopyrite) at various cut-off grades.

Cut-off Cu %	Million Tonnes	Cu %	Au g/t	Cu Kt	Au Koz
0.5%	17.2	1.27	0.64	218	355
1%	11.1	1.56	0.84	170	300
2%	1.7	2.24	1.69	37	89

Table 8: Copper-Gold Inferred Mineral Resources – Weathered

Estimate for the weathered, Cu-Au mineralisation style (chalcocite, native Cu) at various cut-off grades.

Cut-off Cu %	Million Tonnes	Cu %	Au g/t	Cu Kt	Au Koz
0.5%	2.0	1.02	0.37	20	23
1%	0.8	1.31	0.41	10	10

It should be noted that the numbers in Table 5, Table 6, Table 7 and Table 8, as reported by Red Metal in 2015, were not rounded to an appropriate level of significant digits that reflects the accuracy of the Inferred level of confidence.

6 Preliminary Metallurgical Testwork

The Core Group (Core Group) was contracted to carry out preliminary metallurgical test work on behalf of Red Metal in order to support a preliminary mine scoping study (Section 7). Core Group is a Brisbane based metallurgical company with extensive experience on the large base metal projects throughout Northwest Queensland. Core Group completed metallurgical test work on a representative composite sample of medium-grade mineralisation from drill hole MRN14002 (Figure 30) which comprised coarse-grained galena in a banded, recrystallised, carbonate-Pb sulphide dominant exhalative unit (Yeolekar & Millar, 2015). The metallurgical composite consisted of five main grouped sample intervals with an average grade of 5.55 Pb% and 66 Ag g/t across a 41.9m interval which represents an estimated true width of about 19.6 metres (Table 9).

Table 9: Compositing intervals for metallurgical test work sample

Hole	From (m)	To (m)	interval	Estimated True Width	Avg ¹ Pb %	Avg ¹ Ag/t
MRN14002	608.4	625.9	17.5	8.2	6.1	47
	645.2	653.6	8.4	3.8	6.4	69
	698.2	705.4	7.2	4.0	5.1	96
	724.3	732.0	7.7	3.1	3.7	73
	733.2	734.25	1.05	0.5	6.4	113
			41.9	19.6	5.55	66

¹ length weighted average grade

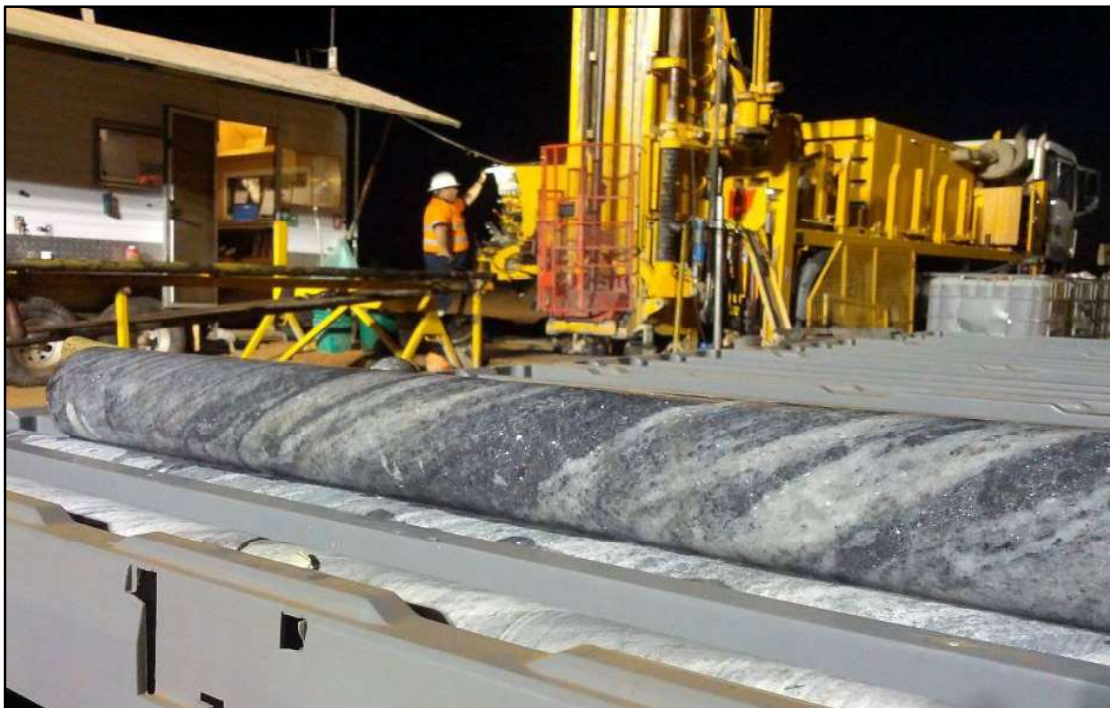


Figure 30: Metallurgical sample hole MRN14002

The test work produced some encouraging metallurgical results which in turn has outlined a potentially simple processing option for the Maronan mineralisation. Core Group has summarised the bench scale flotation tests, carried out at a range of grind sizes, as follows:

- There is the likelihood of quickly concentrating a saleable product by recovering 92-96% of the Pb, 91-94% of the Ag with grades ranging 70-75% Pb, 776-932 g/t Ag (FT1 and FT4 (Table 10). These recoveries are achieved at a very early stage in the concentration process with optimisation by further processing likely.
- The concentrate is almost pure, relatively coarse, Pb sulphide (galena) derived from a very simple metallurgy. The galena is associated with almost all the Ag.
- All deleterious elements are below present penalty rates with the exception of fluorine which measures about 5,440 ppm (Table 11). Fluorine minerals (fluorite and apatite) can be removed from concentrate by acid leaching in the presence of aluminium sulphate. This method is applied to concentrates from the nearby Cannington Mine.
- Recovery of the coarsely ground 212 micron material was optimised by first producing a coarse rougher concentrate then regrinding and cleaning this at 50 microns (FT4, Table 13). Cost benefit analysis indicates the FT4 method (Figure 31, Figure 32 and Table 13) is the most economic and forms the basis for the preliminary flowsheet design. Note, the less processed, early formed rough concentrate at >55% Pb could also be a potentially saleable product.
- Preliminary pre-beneficiation tests have identified scope for heavy medium separation of quartz and calcite waste rock at -12.5 mm, which has the potential to further improve the flowsheet design and economics.
- Importantly, the mineralised test sample was shown to have a low Bond Ball Mill Work Index of 8.4 kWh/t when ground to 212 microns which is "soft" (Table 12) and reflects the carbonate composition of the ore host rock. Core Group indicated that Maronan mineralisation is believed to have a much lower work index than other silicate-hosted ore types mined in the district.

Core Group concluded that more extensive metallurgical sampling and test work is required in the future to add support to these preliminary findings.

Due to a lack of fresh sulphide samples no metallurgical tests were undertaken on the Cu-Au mineralisation. The Core Group recommended assuming recoveries similar to those from nearby Cu-Au mines for use in the preliminary mine scoping study (in Section 7). Recoveries of 90% for the Cu and 75% for the Au were assumed.

Table 10: Metallurgical bench scale flotation test summary*For two best performing tests*

Test	Products	Lead Grade %	Lead Recovery %	Silver Grade g/t	Silver Recovery %
FT1	Cumulative 1st and 2nd Rougher Concentrates	70.5	96.0	776	93.6
FT4	Cumulative 1st and 2nd Rougher/ Cleaner Concentrates	75.4	92.4	932	90.8

Table 11: Metallurgical cleaner concentrate deleterious elements*Test FT4*

Element	Units	Concentrate Grades	
		Penalty Limit	Maronan Cleaner Concentrate
Al	%	< 0.5	0.1
As	ppm	5000 – 10000	494
Bi	ppm	200 – 500	168
Ca	%	5.0	2.7
Cd	ppm	< 100	47
Cu	%	1.0 – 1.5	0.4
F	ppm	500 – 1000	5440
Mg	ppm	< 30000	92
Sb	ppm	200 – 5000	877
Se	ppm	< 200	45
Sn	ppm	600 – 1000	0
Te	ppm	< 5	0
Zn	%	< 2.0	0.6

Table 12: Metallurgical Bond Work Ball Mill Index¹
(Kilowatt hour/tonne)

Property	Soft 7 – 9	Medium 9 – 14	Hard 14 – 20	Very Hard > 20
Maronan 75 Micron	-	12.19	-	-
Maronan 212 Micron	8.4	-	-	-

¹ Bond Ball Mill Work Index is a measure of the energy needed to grind ore to a specific size. It is an important factor when assessing potential processing costs as energy consumption is a significant part of the total milling cost.

Table 13: Metallurgical bench scale flotation test conditions

Test	Primary Grind Size P ₈₀	Regrind Size P ₈₀	Test Type	pH	Collectors (g/t)		Frother
	(µm)	(µm)					
FT1	75	N/A	Rougher	Natural (8.3)	SEX (80)	3418 (5)	MIBC
FT2	212	N/A	Rougher	Natural (8.3)	SEX (80)	3418 (5)	MIBC
FT3	150	N/A	Rougher	Natural (8.3)	SEX (80)	3418 (5)	MIBC
FT4	212	50	Rougher/Regrind/Cleaner	Natural (8.3)	SEX (400)	3418 (40)	MIBC
FT5	150	50	Rougher/Regrind/Cleaner	Natural (8.3)	SEX (400)	3418 (40)	MIBC

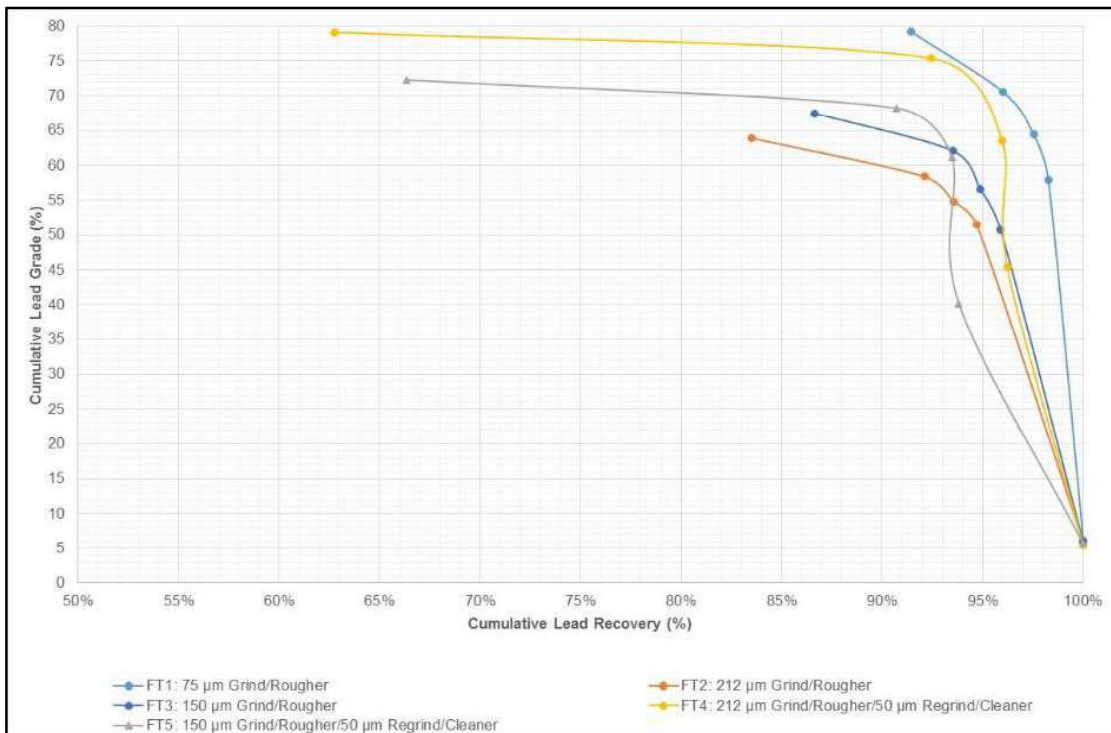


Figure 31: Metallurgical flotation test results at various grid sizes – Pb

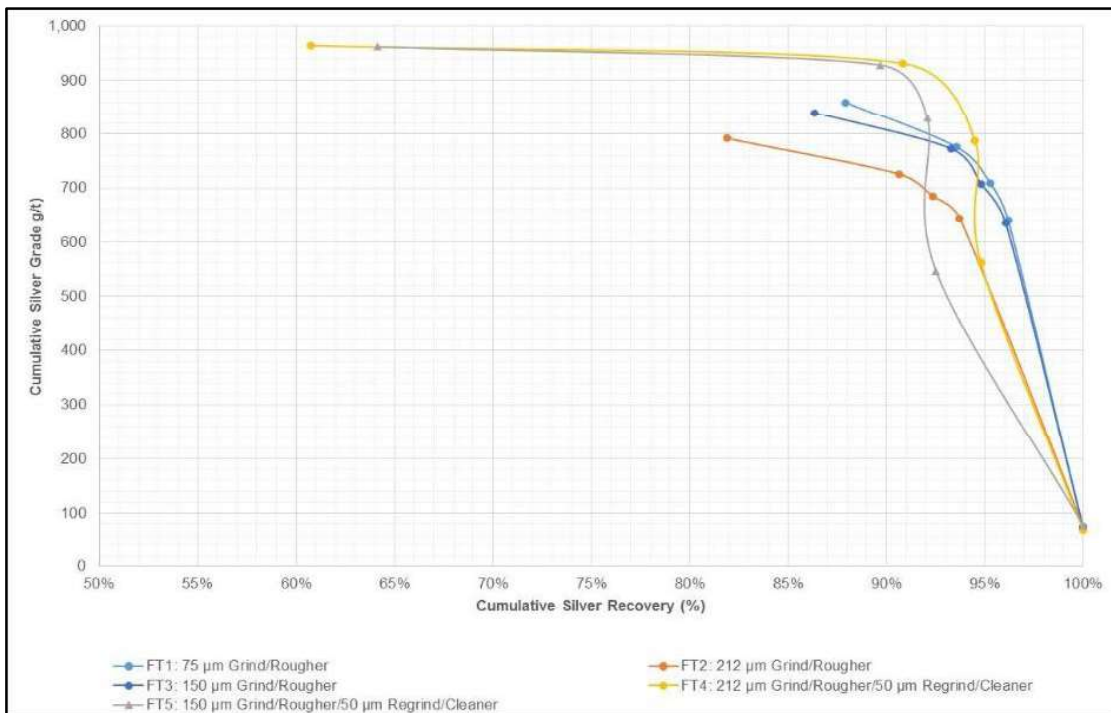


Figure 32: Metallurgical flotation test results at various grid sizes – Ag

7 Preliminary Mine Scoping Study

To optimise planning and budget for the next stage of Maronan's development, Red Metal contracted a Preliminary Mine Scoping Study (PMSS) to be carried out for the Pb-Ag and Cu-Au mineralisation. The study's goal was to examine possible underground mining and processing options and their potential economic benefit. The study was carried out by underground mining specialist Australian Mine Design and Development Pty Ltd (AMDAD) who completed a preliminary mine design, scheduling and financial assessment (Weckert, February 2016) with input on plant design, capital expenditure and operating cost estimates from the Core Group based on the preliminary metallurgical results completed in 2016 (Rohner, 2016).

The PMSS is not considered to be a Scoping Study for the purposes of section 38 the JORC Code, as it does not constitute an order of magnitude technical and economic study of the potential viability of the Maronan Project of the Inferred Mineral Resources estimated thereon. It should be noted that, per JORC sections 21 and 38 (JORC, 2012), the PMSS is meant for project guidance purposes only and is based on technical and economic assessments of a low-confidence level. The PMSS utilises the grade and density block model derived from the Inferred Mineral Resource, which in itself is insufficient to support estimation of Ore Reserves or to provide assurance of an economic development case, or to provide certainty that the conclusions of the Study will be realised. The PMSS is meant, per above, to guide and optimise planning and budget for the next stages, including extensive drilling and more in depth metallurgical and mining scoping studies. It will also provide valuable input for the criteria and applicability 'reasonable prospects for eventual economic extraction' per JORC Section 20 (JORC, 2012) when reporting MREs in the future.

7.1 Processing Options

The preliminary mine scoping study assesses two simple processing scenarios:

- Scenario 1 – processing the ore at a new stand-alone plant built on site.
- Scenario 2 – hauling of ore off-site for 130 kilometres to a pre-existing plant.

7.2 Mine Development Model

Initially the inferred resource block model was processed using underground mine optimisation software to establish the most cost-effective layout for development and mining drives. The mine development model used a bench and cemented paste fill mining method constrained to a minimum mining width of 3.5 metres (Figure 33). Development was planned on 30 metre lifts based on indications of very good ground conditions and the steep plunge continuity to the ore horizons (Figure 33 – Figure 35).

Metal and currency price assumptions used industry standard, long term forecast values (Table 14).

ANNEXURE A – TECHNICAL ASSESSMENT REPORT

IER-TA: Maronan

February 2022

The simple metallurgy and low grinding cost estimates for the soft, coarse-grained Pb-Ag ore has enabled the mine development model to be run using cut-off grades of 3.1% Pb equivalent for Scenario 1 and 3.8% Pb equivalent for Scenario 2.

The shallowest potentially economic ore blocks defined by the study are within about 90 metres of surface suggesting that ore production could be established, with the consequent benefits to mine cash flow, well before decline development reaches the bulk of the deposit.

For both scenarios, the average mining width for the ore blocks is estimated to be about nine metres for the Pb-Ag horizons and about 13 metres for the Cu-Au vein zone.

The Study indicates that the resources may be mineable at head grades ranging between 7% and 11% Pb equivalent. A development could potentially produce concentrate comprising mostly Pb sulphide with strong Ag credits and lesser amounts of Cu sulphide concentrate with good Au credits.

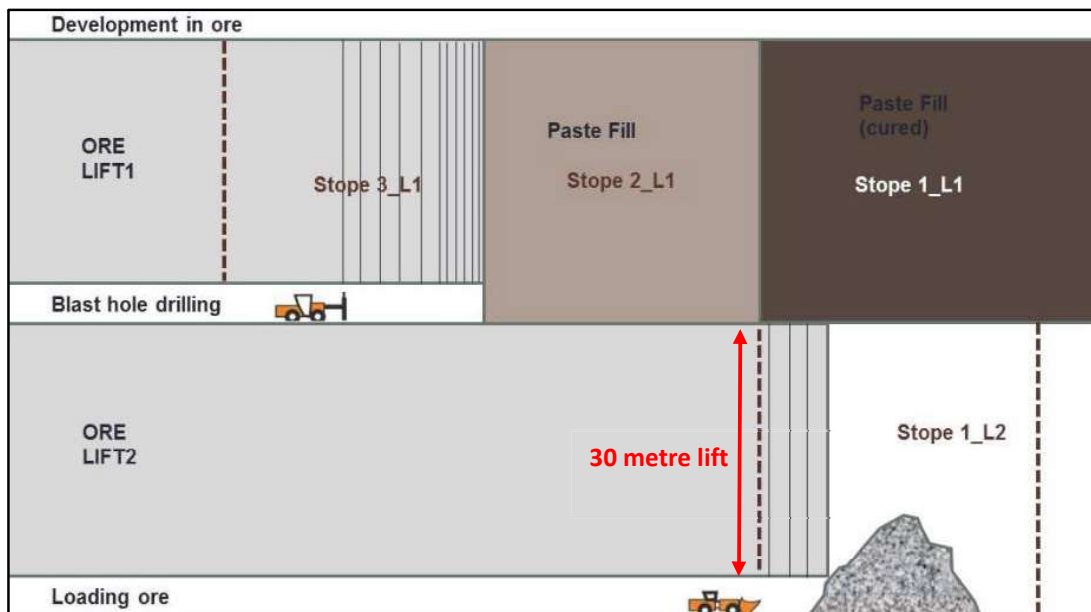


Figure 33: Mine Development Model – schematic
Schematic of bench and cemented paste fill mining method

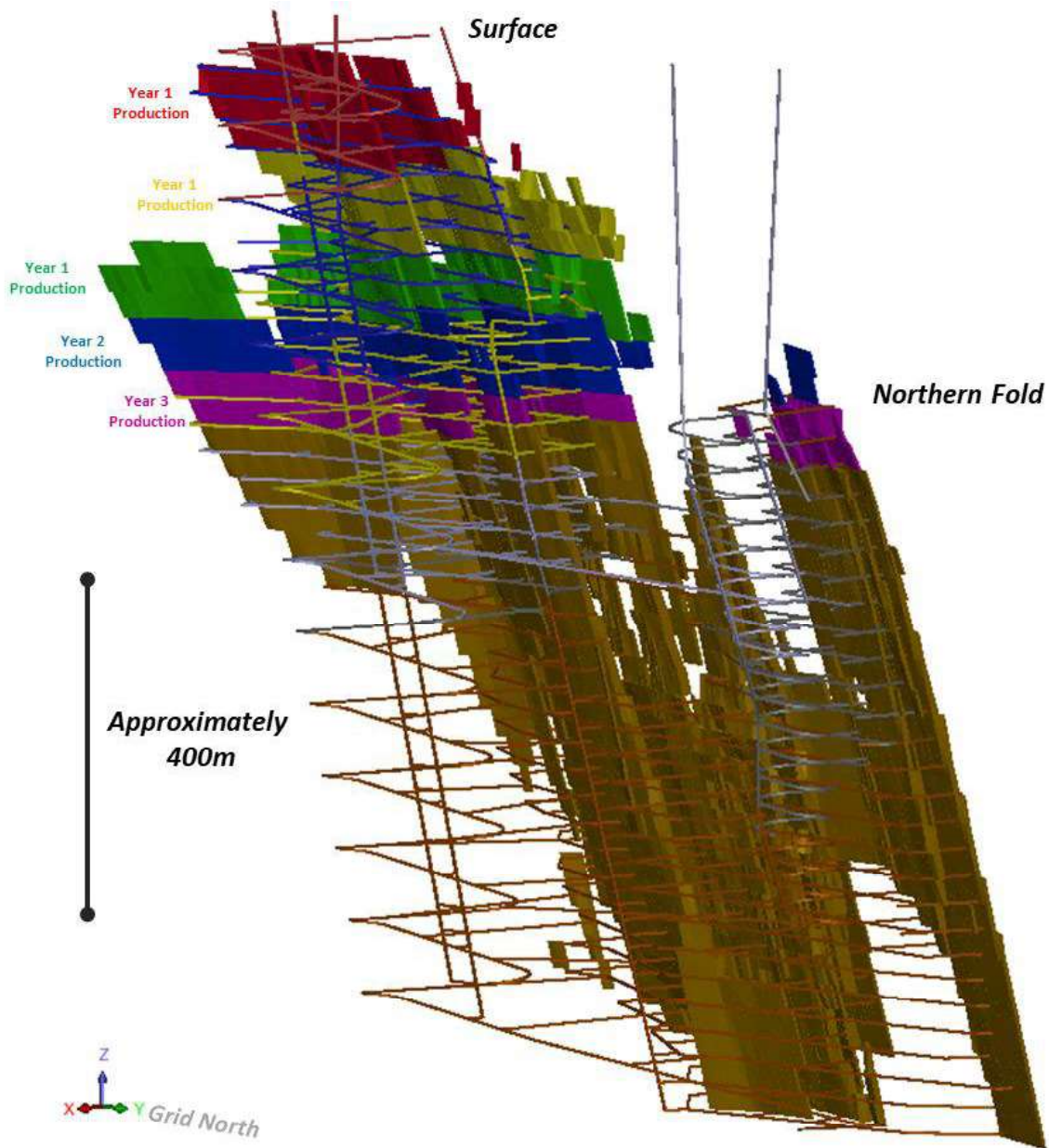


Figure 34: Mine Development Model – South-west facing
Potential mining blocks and indicative development. Southwest facing view of the 3D section

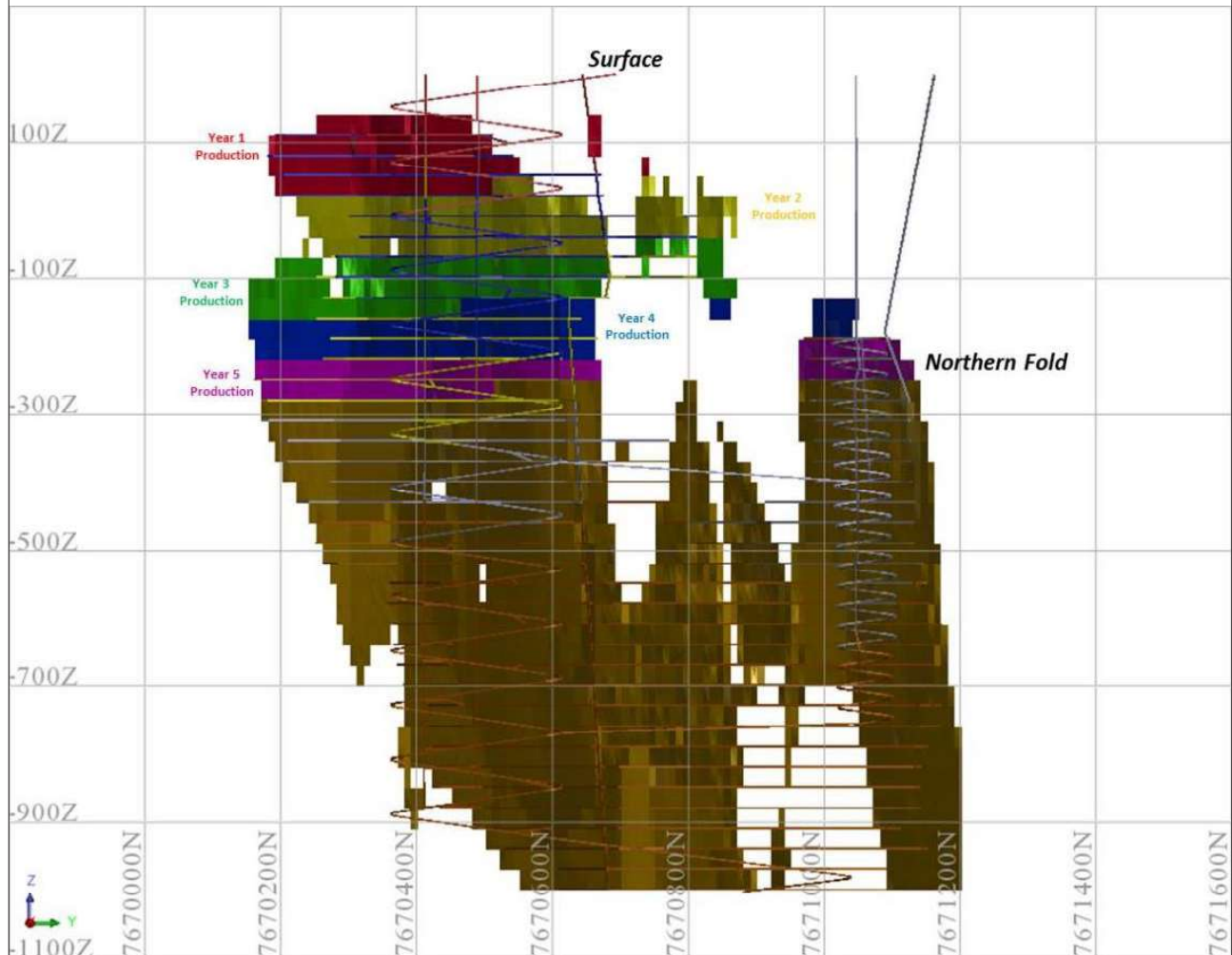


Figure 35: Mine Development Model – North facing
 Potential mining blocks and indicative development. North facing view of the 3D section.

Table 14: Mining development model long term
 Long term metal price assumptions (after Citi Group long term forecast published 6/11/2015)
 compared with recent metal prices

Commodity Price	Unit	Long Term Forecast	Price on 2 February 2022
Pb	\$US/t	2200	2250
Ag	\$US/Oz	16.5	22.6
Cu	\$US/t	6500	9701
Au	\$US/Oz	1050	1801
Currency	\$AUS/\$US	0.75	0.71

7.3 Flow Sheet Design, Capital and Operating Expenditure

The Core Group were tasked with providing a preliminary flow sheet design and order of magnitude estimates for the capital expenditure and operating expenditure for a sulphide concentrator suitable for the treatment of the separate Pb-Ag and Cu-Au ore types (Rohner, 2016). In building up the operating costs, where possible, Core Group used reagent consumption and comminution data obtained from the preliminary Maronan test work (Yeolekar & Millar, 2015). Core Group used their in-house library and benchmarking from their projects to estimate the capital and operating costs.

A standard crushing, milling and flotation design was recommended to process the metal ore types at Maronan..

7.4 Cash Flow Analyses

Subject to satisfactory completion of significant further work, the mining study has highlighted the potential to generate strong positive cash flows for either the stand-alone mining or trucking option. Both scenarios appear robust using the long-term metal price forecasts used in the 2016 PMSS (Table 14).

7.5 Adding Economic Value

Cash flow modelling shows that minimising the capital expenditure and operating expenditure could significantly improve the projects economic outcomes. Possible opportunities to consider in the future include:

- Trucking Pb-Ag or Cu ores to existing nearby plants;
- Optimising the mine scheduling to increase the throughput;
- Heavy liquid separation to reduce the mill size (Scenario 1) or transport costs (Scenario 2);
- The potential for mining using 40 metre lift heights to reduce operating costs;
- The viability of hoisting or raised bore conveyor inclines to reduce operating costs;

Cash flow analyses show that shallow and/or deeper exploration success could add significant value to the Maronan projects economics – presenting a strong case for further infill and step-out exploration drilling. Scope exists to:

- Significantly increase the potential mine life down-plunge of the inferred Pb-Ag and Cu-Au resources where grades are speculated to be improving
- Find the giant Cannington analogue at depth;
- Find a large, high-grade Cu-Au breccia pipe at depth;
- Add small but economically significant lenses of Pb-Ag mineralisation at shallow levels between the existing wide spaced drill holes;
- Identify economically significant weathered Cu or chalcocite resources at shallow levels.
- Include stranded resources known in the region into the mine model.

- Explore shallow untested geophysical targets within the Maronan exploration permit.

Cash flow analyses also show changes to commodity prices add significant value to the project.

7.6 Conclusion

The results from preliminary mining study and cash flow analyses, together with the down-plunge geological potential, provide a strong economic and geological case for further infill and step-out exploration drilling as a prerequisite to defining Indicated Mineral resources and undertaking more advanced mining studies.

8 Exploration Program and Budgets

8.1 Proposed Drilling

H&SC and Maronan Metals have reviewed and discussed the PMSS, and the options and advice presented by AMDAD (Section 7). Analysis of the extensive project database by Maronan Metals has lead them to interpret possible significant exploration potential for additional shallow, higher grade Cu-Au and Pb-Ag mineralisation between the existing wide spaced drill holes. Their analysis has also shown that drilling on both the Pb-Ag and Cu-Au mineralisation styles have shown improvement in grade and widths at depth and that this remains open down-plunge and at shallow levels between the existing wide spaced intercepts. Maronan Metals also speculate the existence of thicker zones of higher grade Pb-Ag +/- Zn and Cu-Au +/- Co down-plunge of the known resources (Section 3.3.1). Maronan Metals are proposing several deeper holes (between 1200 to 1500 metres below surface) to test these concepts which, if successful, would significantly change the project's direction and options.

Maronan Metals proposed drilling will initially focus on the shallow copper-gold and lead-silver potential with targeted drill tests, followed by deeper drilling to search for higher grade Cu-Au and Pb-Zn-Ag extensions. Maronan Metals key high-priority exploration targets include:

- defining a continuous zone of Cu-Au mineralisation starting from 40 metres below surface.
- possible higher grade supergene-enriched Cu (as chalcocite) and Au zones of mineralisation from 40 to 700 metres below surface.
- possible transition of the Cu-Au pipe with depth from dominantly iron sulphide to dominantly Cu sulphide offering potential for thicker intervals and higher grades of Cu-Au mineralisation.
- possible Cannington Pb-Zn-Ag style system at depth towards an interpreted vent core.

- potential for higher Pb-Ag grades in thickened fold hinge zones between the existing wide spaced drilling.

The proposed work programs have been broadly subdivided into three stages summarised below and in

Figure 36, Figure 38 and Figure 39.

- Stage 1: Targeted Exploration Drilling:
 - target extensions of known higher grade Cu-Au and Pb-Ag mineralisation from 120 m RL to -700 m RL with closer spaced drilling (approximately 100 metre spaced step-offs).
 - also target untested regional geophysical targets beyond the known resources for additional shallow Cu-Au mineralisation.
 - all drill core will be routinely logged for lithology, density, mineralogy (silicates vs carbonates), whole rock chemistry, structural data and geotechnical information to assist with future metallurgical, resource modelling and mining studies.
 - mineralised intervals, and surrounding material, will be sampled using automated core cutter. Samples assayed using ore-grade acid digest techniques.
 - drilling through the deeply weathered Cu-Au zones will utilize a triple tube barrel to improve core recovery.
- Stage 2: Deep Extension Drilling:
 - in parallel with the targeted shallower exploration deep exploration holes will test for increasing grade and widths of the bedded Pb-Ag and Zn mineralisation and the Cu-Au +/- Co mineralisation at depth.
 - holes will be logged using down hole electromagnetic technique.
 - these deeper holes will likely start (precollar) with RC drilling and then, before the target zone is reached, swap over to diamond drill (NQ or HQ) coring. This will save on cost and time spent per hole.

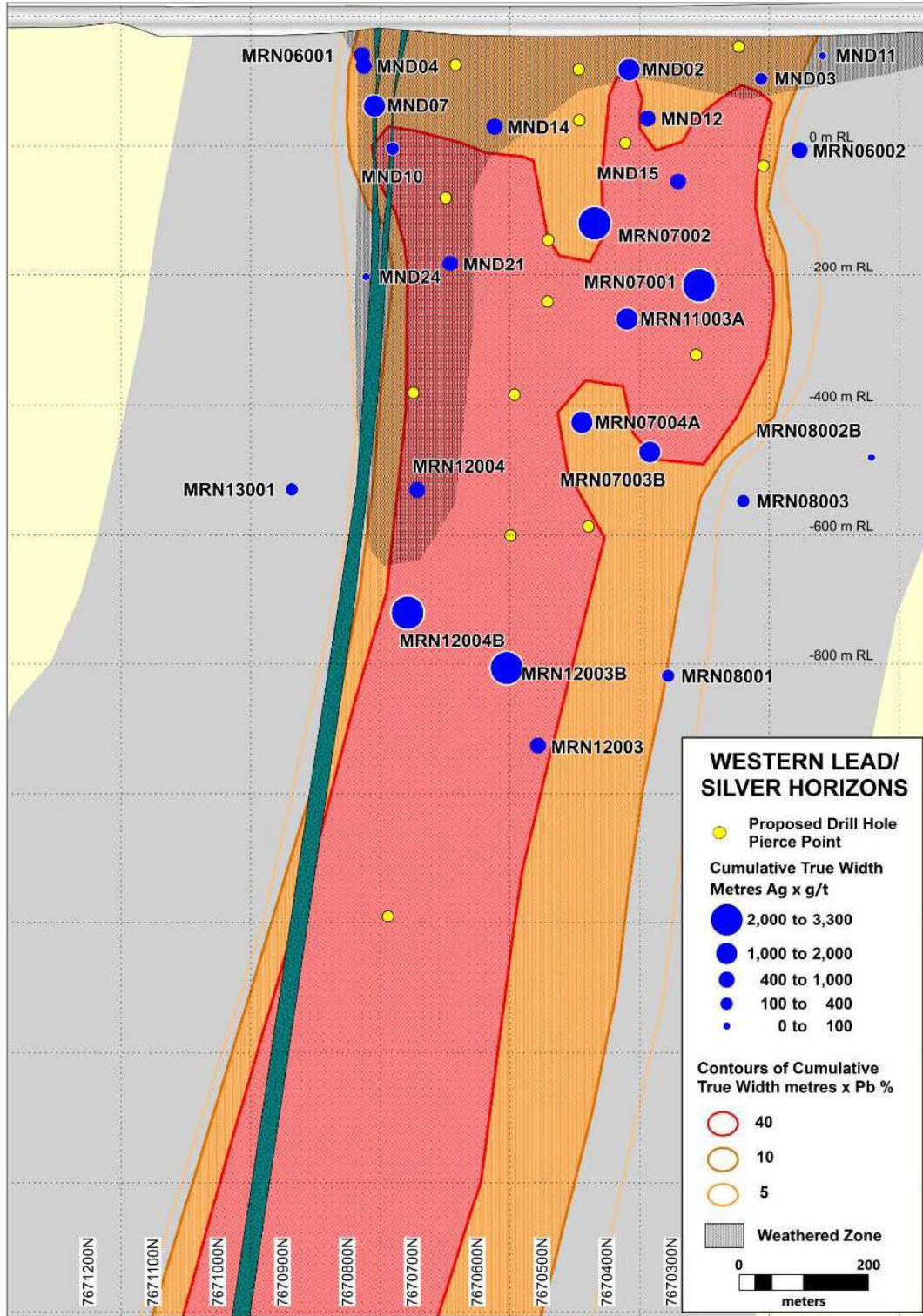


Figure 36: Proposed Drilling – Long Section Western Pb-Ag Horizons
 Long section looking east

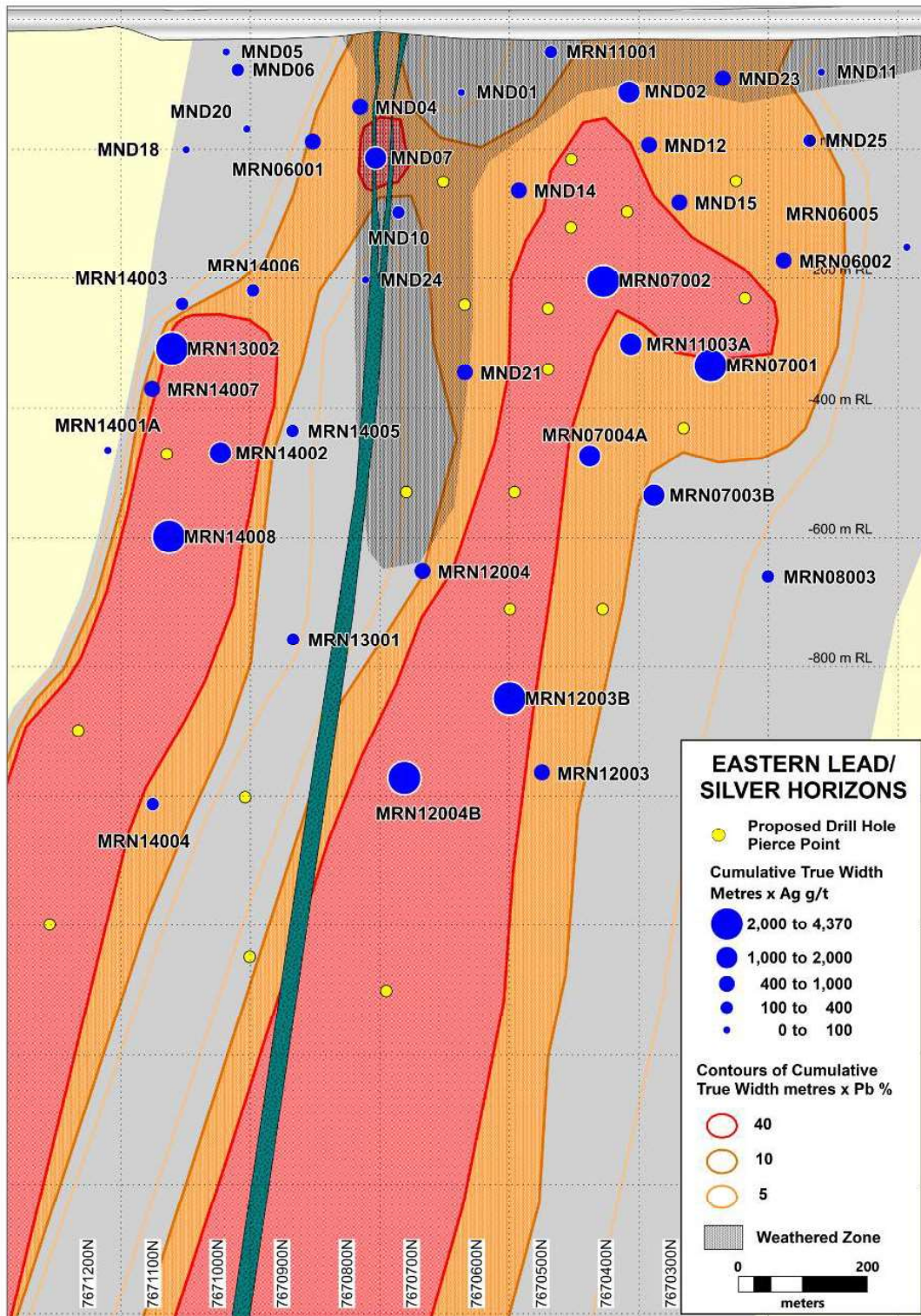


Figure 37: Proposed Drilling – Long Section Eastern Pb-Ag Horizons
Long section looking east

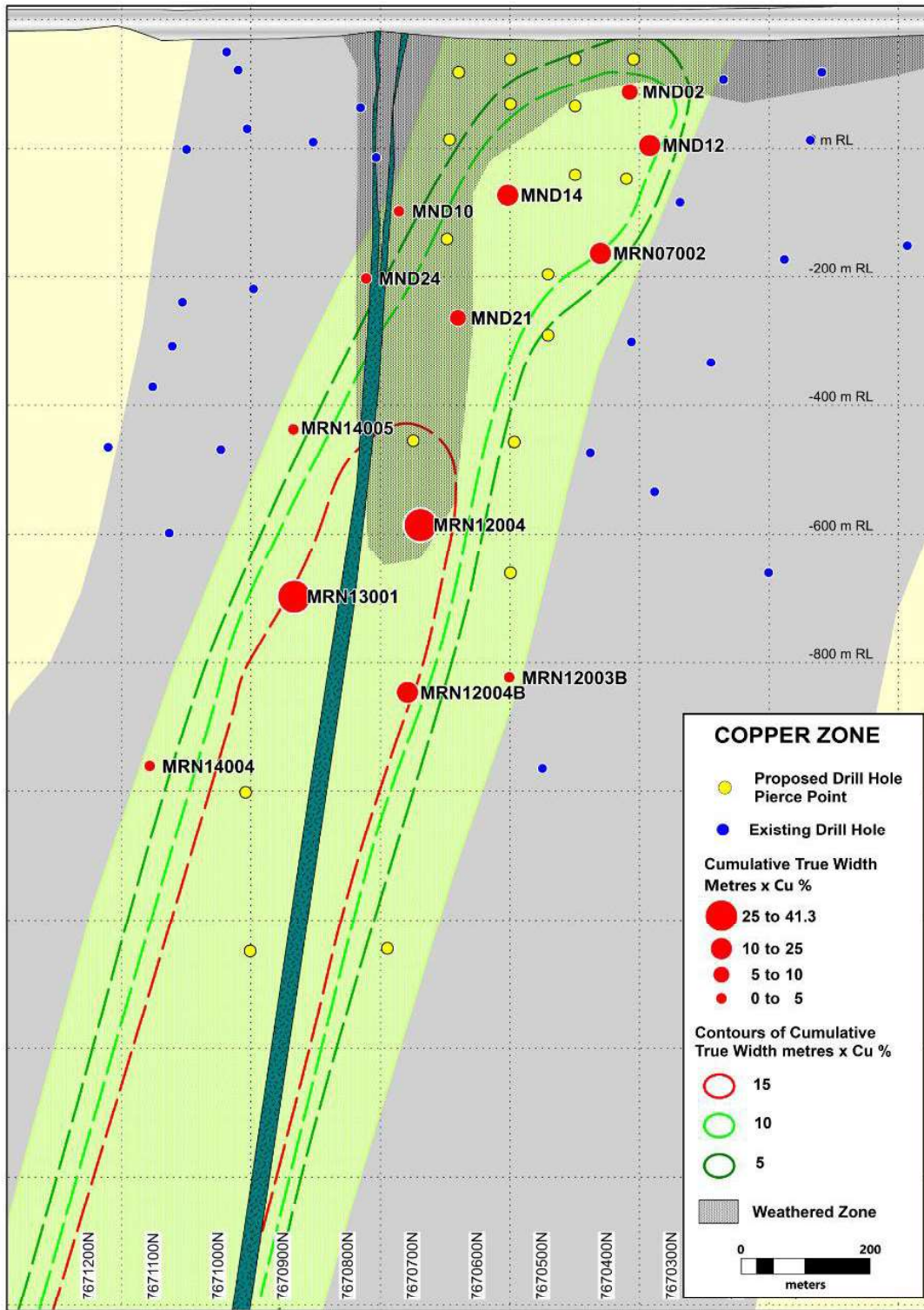


Figure 38: Proposed Drilling – Long Section Cu-Au Zone

Long section looking east

8.2 Budget Breakdown

Maronan Metals have developed a forward-looking exploration program and budget for Stage 1 to initiation of Stage 2 outlined above. These programs are designed to lift the MRE confidence and category for the shallower resources at Maronan as a prerequisite to firming up mining plans and to drill test the deep target concepts. Table 15 below is a summary of the overall exploration budget.

Table 15: Proposed Project Budget for Year 1 and Year 2

Activity	Minimum Subscription (\$12 million)			Maximum Subscription (\$15 million)		
	Year 1	Year 2	Total	Year 1	Year 2	Total
Exploration Drilling	2,250,000	2,500,000	4,750,000	3,000,000	3,500,000	6,500,000
Drilling Cost	1,597,500	1,775,000		2,130,000	2,485,000	
<i>Estimated Drill Metres</i>	<i>(4,500m)</i>	<i>(5,100m)</i>	<i>(9,600m)</i>	<i>(6,100m)</i>	<i>(7,100m)</i>	<i>(13,200m)</i>
Assay Cost	135,000	150,000		180,000	210,000	
Geological Cost	270,000	300,000		360,000	420,000	
Geophysical Cost						
Field Costs	247,500	275,000		330,000	385,000	
Deep Extension Drilling	2,000,000	1,750,000	3,750,000	2,000,000	2,500,000	4,500,000
Drilling Cost	1,400,000	1,225,000		1,400,000	1,750,000	
<i>Estimated Drill Metres</i>	<i>(4,000m)</i>	<i>(3,500m)</i>	<i>(7,500m)</i>	<i>(4,000m)</i>	<i>(5,000m)</i>	<i>(9,000m)</i>
Assay Cost	100,000	87,500		100,000	125,000	
Geological Cost	240,000	210,000		240,000	300,000	
Geophysical Cost	100,000	87,500		100,000	125,000	
Field Costs	160,000	140,000		160,000	200,000	
Total Expenditure	4,250,000	4,250,000	8,500,000	5,000,000	6,000,000	11,000,000

8.3 Work Schedule

The schedule below in Table 16 approximates the planned work flow and the estimated time to complete the key tasks based on yearly and quarterly time periods. This schedule is only a guide and may change as work progresses.

Table 16: Scheduled Work Program for Year 1 to Year 2

Program	Year 1				Year 2			
Project Set-up								
Exploration Drilling								
Deep Extension Drilling								

9 Conclusions and Comments

9.1 Tenement Status

The tenement is in good standing and was recently renewed for five years expiring 25th June 2026.

The status of the tenement and the Native Title and landholder agreements all appear to be in good order.

9.2 Geological Setting/Model

The Maronan Pb-Ag and Cu-Au deposit is an emerging base metal deposit in the world class Carpentaria Province which hosts multiple Tier 1 Pb-Zn-Ag mines including Mount Isa, George Fisher, Century, Cannington, Dugald River and significant Cu deposits including Mount Isa, Ernest Henry, Osborne and Eloise.

Drilling on the Maronan has identified two separate styles of mineralisation, bedded Pb-Ag mineralisation partially overprinted by structurally controlled Cu-Au mineralisation.

The potentially economic Pb-Ag mineralisation at Maronan consists of multiple planar, Pb-Ag sulphide horizons within two separate, broadly parallel, banded carbonate-pyrrhotite-magnetite-silica-calcisilicate exhalative units. These continuous exhalative horizons are locally folded and hosted by pelitic and psammitic metasediments of the middle Proterozoic 'Soldiers Cap Group' - the same sequence of rocks that host the nearby, world class, Cannington Pb-Zn-Ag mine.

Maronan Metals geologists interpret the geological setting as an exhalative vent system that deposited Pb-Ag on the ancient sea floor, most probably as a zoned system. After deposition, this exhalative deposit was structurally tilted and deformed.

The Pb-Ag mineralisation at Maronan is interpreted as a Broken Hill-type deposit and bears strong similarities to that of the nearby Cannington deposit. Unlike Cannington, Maronan is hosted in carbonate dominant exhalative, steep dipping, less metamorphosed, less structurally complex and remains open at depth.

A steep plunging, pipe shaped, silica-pyrrhotite rich body with Cu-Au lens is focused between the two bedded, Pb-Ag mineralised, exhalative units. This Cu-Au mineralisation is a late-stage, structure-controlled style that has geological similarities with that at the nearby Eloise Cu-Au mine.

Having worked closely with the Red Metal senior geologist in 2015 in developing the 3D geological and mineralisation model and based on numerous geological discussions with both Red Metal and Maronan Metals geologists, and inspecting drill core on site, H&SC concludes that the Maronan Metals geological interpretation and model for the Maronan is reasonable.

9.3 Exploration and Database

Maranon Metals have done a reasonable and above 'industry standard level' job of collating and summarising historical exploration data (geophysics, surface sampling and drilling). They have also successfully further defined the extent and understanding of the deposit by way of further exploration, primarily via drilling. There is little that H&SC can criticise on the exploration method overall or holes drilled by Maronan Metals/Red Metal. Possibly, recognising this is in hindsight, it would be good to have more holes (say 8-10) at a medium-shallow depth to better understand and define the mineralised zones nearer to surface.

H&SC conclude that the exploration methodology and drilling carried out to date has been appropriate given the stage of the project, at or exceeding industry standard, and allowed the development of an Inferred Resource.

9.4 Mineral Resources

A MRE for the Maronan deposit was reported by Red Metal in 2015. H&SC assisted Red Metal in the development and construction of the resource model with Mr Robert Rutherford of Red Metal acting as Competent Person for the MRE. A JORC 2012 "Table 1" was included as part of Red Metal's MRE (Red Metal Limited, 2015) and also more recently provided by Maronan Metals (Rutherford, 2021); refer to Annexure D of the Prospectus.

QAQC procedures for the older historical holes are unknown and the level of the accuracy and precision for assays is also unknown. Drilling procedures by Red Metal have included quality control checks (standards, blanks, duplicates). To date, there are no twin holes to verify the information from the historical holes, however Maronan Metals proposed infill drilling should address this QAQC point.

The MRE was developed following positive metallurgical results from sampling in 2015 which suggested the soft and metallurgical simple Pb-Ag mineralisation could be potentially mineable at low economic cut-off grades. Preliminary mining studies in 2016 (AMDAD), concluded shortly after the MRE, have shown reasonable prospects for eventual economic extraction using an open stoping mining method. An MRE-TR was not produced in 2015 along with the JORC Table 1 and thus some details of the resource estimation work were not recorded. However, most of the pertinent aspects of the MRE were covered in the JORC 2012 "Table 1" submitted by Red Metal (Red Metal Limited, 2015). Maronan Metals have also provided an updated JORC 2021 "Table 1" (Rutherford, 2021); this update includes the work carried out by the metallurgical test work (Section 9.5) and preliminary mine scoping study (Section 9.6). Refer to Annexure D of the Prospectus.

H&SC notes that the use of highly constraining wireframes and IDW as an estimation methodology and small block size is unorthodox. However, the modelling method is considered appropriate for a preliminary scoping study to assess the mineability of multiple narrow, laterally continuous, planar bodies. Constrained wireframes were used to mimic the

Pb-Ag exhalative horizons, honouring the geological and mineralisation boundaries as close as possible.

Overall, the MRE has been reported in accordance with JORC 2021 and is reasonable and appropriate for the preliminary mine scoping study.

9.5 Metallurgical Testwork

Metallurgical test work was performed on a representative composite sample in order to support preliminary mine scoping studies. The composite sample comprised coarse grained galena in a banded, recrystallised, carbonate-dominant exhalative unit from diamond drill hole MRN14002. The length weighted grade of the sample was 5.5 Pb%, 65.8 Ag g/t from a 41.9 m interval across four mineralised lenses.

Test work on the Maronan mineralisation produced some highly encouraging metallurgical results which in turn has outlined a potentially simple processing option using coarsely ground (212 micron) mineralisation. The test sample was also shown to have a low Bond Work Index of 8.4 reflecting the soft carbonate composition of the ore host rock.

The metallurgical consultant indicated that Maronan mineralisation is believed to have a much lower Bond Work Index than silicate-hosted ore types mined in the district which, together with the simple metallurgy, should lower processing costs at Maronan and enable any potential development to operate at a lower economic cut-off grade. More extensive metallurgical sampling and test work is required to support these very positive preliminary findings.

H&SC notes that the metallurgical test work provides support to 'eventual economic extraction' per JORC Section 20. It is also noted that the metallurgical study and parameters and criteria are as of 2015 and may need updating to bring it to present day. For example, deleterious element penalty rates may have changed since 2015.

There has been no metallurgical testing for the Maronan Cu-Au mineralisation at this point in time and average recoveries similar to that from nearby Cu-Au mines, being 90% recovery for the Cu and 75% recovery of the Au, were assumed for the PMSS.

9.6 Preliminary Mine Scoping Study

H&SC's conclusions of AMDAD's PMSS are that Maronan's multiple planar zones could be mined by an open stope method termed open stope underhand benching. From this study it was noted that the average mining width for the ore blocks is estimated to be about nine metres for the Pb-Ag horizons and about 13 metres for the Cu-Au vein zone.

Like results from the metallurgical test work study, the PMSS provides support to the MRE's 'prospects for eventual economic extraction' as per JORC Code Section 20.

The PMSS results and cash flow analyses, together with the down-plunge geological potential, also provide a strong economic and geological case for further infill and step-out exploration

drilling as a prerequisite to defining Indicated Mineral resources and more advanced mining studies.

It is noted that the PMSS's parameters and criteria are as of 2015 and may need updating to bring it to present day. For example, changes may have occurred in metal prices and mining costs since 2015.

9.7 Exploration Plan

Maronan Metals' geologists interpret the Pb-Ag mineralisation at Maronan as part of a zoned exhalative vent system that deposited on the ancient sea floor. The originally horizontal exhalative is now steeply dipping towards the west. The drilled exhalative Pb-Ag mineralisation is interpreted to represent the vent apron setting peripheral to a potentially thicker and higher-grade vent core speculated to exist at depth. This geological interpretation is further supported by stronger Ag and the presence Zn mineralisation at depth and compares favourably with the geological setting of the nearby Cannington Pb-Zn-Ag deposit. The concept remains to be drill tested and will be the focus of Maronan Metals deeper drilling campaign.

Scope for higher grades of Pb and Ag mineralisation also exists at shallower levels at the hinge zones to known and smaller parasitic fold structures which should be better defined with the planned infill drilling.

The known Cu-Au mineralised lenses were deposited within the margins a pipe-shaped, silica-pyrrhotite rich body about 70 metres wide and 200 - 300 metres long with a steep plunge. At shallow levels, the pipe has a barren pyrrhotite core with the chalcopyrite best developed on its margin; however, with depth, the whole pipe contains low levels of chalcopyrite with the pyrrhotite. The Cu-Au mineralisation remains open at depth where the potential for greater thicknesses of higher grade, chalcopyrite-dominant mineralisation is speculated. Maronan's proposed drilling also aims at testing these Cu-Au targets.

9.8 Proposed Program and Budgets

Maronan Metals has put forward a program and budget to advance the resource confidence and category of the known shallower resources and complete drill tests on their deeper exploration concepts. Overall, Maranon Metal's proposed work program and budgets seem reasonable. The budget breakdown provided (Table 15) is an overall summary of major expenditure items. If the budget is approved, it will be beneficial to create a detailed breakdown of each expenditure category.

9.9 Potential Liabilities and Risks

As noted in section 1.1, H&SC has not been requested to provide an Independent Valuation (VALMIN, 2015 Edition) but it should be noted that exploration is a high risk venture. The Project is in the later stages of exploration and requires more drilling to ascertain if there are Mineral Resources of at least the Indicated category and ultimately an Ore Reserve. Even if an Indicated +/- Measured resource were to be identified, other issues including ongoing

funding, adverse government policy, geological conditions, commodity prices or other technical difficulties may result in a resource not being economically viable at the reserve stage. However, Red Metal has taken some preliminary steps, in particular the preliminary mine scoping study (Section 7) and metallurgical test work (Section 6) that lessens, to some extent, the risk and provides encouragement to proceed with more drilling.

Potential risks to the project may include:

- Use of historical holes in the MRE that are not able to be validated (no QAQC, no records, no recent twinned holes)
- The assumed continuity of mineralisation between drill holes in both strike and down-dip. Assumption that the grade and thickness of the Pb-Ag exhalative increases with depth
- Metallurgical studies only done on Pb-Ag, no Cu-Au work
- How representative of the overall deposit is the single metallurgical composite (multiple samples) from a single hole?
- Resource estimation methodology of IDW, including very small block size, gives the appearance of longer-range grade continuity whereas this may not be the case.
- Potential for dry bulk density variations

It should be noted that H&SC makes no other assessment to potential liabilities and risks that relate to, but not limited to, legal, financial, company, or general exploration success. For other potential liabilities and risks the reader is directed to refer to the Investment Overview and Independent Solicitor's report elsewhere in the main Prospectus.

9.10 Overall Reasonableness

H&SC conclude that the inputs, assumptions, approaches, and methods put forward by Maronan Metal's for exploration on the project thus far are fair and reasonable.

The views and conclusions expressed in this Report are solely those of Mr L Burlet and H&SC. Generally, these views concur with the views of Maronan Metals/Red Metal and there are no material differences.

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11 Declaration

11.1 Qualifications and Experience

This report has been prepared by Mr. Luke A. Bulet, Minerals Exploration Consultant with H&S Consultants Pty Ltd and also a Director of the company. H&S Consultants Pty Ltd has operated in Australia serving the mining industry since 2010.

Mr. Bulet has had more than 40-years experience in the minerals industry, particularly exploration for precious and base metals, uranium, oil shale, resource estimation and property assessment. He held senior positions with Trigg, Woollett, Olson (Canada), Placer Dome (Canada), FSSI Canada and FSSI Australia before joining resource estimate experts Hellman & Schofield Pty Ltd in 1998, which is the forerunner of the current H&S Consultants Pty Ltd.

His principal qualification is a Bachelor of Science (Honours) in Geology from the University of Alberta, Canada. His professional affiliations are as follows:

1. Member of Australian Institute of Geoscientists (AIG)
2. Association of Professional Engineers and Geoscientists of Alberta (APEGA).
3. Association of Professional Engineers and Geoscientists of British Columbia (APEGBC)

Mr. Burlet has sufficient experience relevant to the Technical Assessment under consideration and to the activity which he is undertaking to qualify as a Practitioner as defined in the 2015 edition of the 'Australasian Code for the Public Reporting of Technical Assessments and Valuations of Mineral Assets' (VALMIN, 2015 Edition) . Mr Burlet consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

11.2 Independence and Costs

H&S Consultants Pty Ltd and Mr L. Burlet have no conflict of interest in preparing this IER-TA, which has been commissioned by Maronan Metals with payment to be made for services rendered solely on a standard time-fee basis. The company and consultants preparing this Independent Report have no association with Maronan Metals nor have they any financial interest in or entitlement to Maronan Metals or associates of Maronan Metals.

The cost of the report, including site visit, is approximately \$38,000.

11.3 Limitations

The views expressed in this Independent Report are solely those of H&S Consultants Pty Ltd and Mr L. Burlet.

11.4 Consents

H&S Consultants Pty Ltd hereby consents to the inclusion of the IER-TA, in both electronic and paper form, in the form and context in which it appears and advise that we have not, at the date of the IER-TA, withdrawn such consent. H&S Consultants Pty Ltd was only commissioned to prepare and has only authorised issue of this IER-TA on Maronan Metal's exploration tenement as specified in the IER-TA. It has not been involved in the preparation of, or authorised issue of, any other part of the Prospectus in which this IER-TA is included.

H&SC accepts responsibility for the IER-TA for the purposes of the ASX listing. H&SC has taken all reasonable care to ensure that the information contained in this report is to the best of its knowledge in accordance with the facts and contains no omission likely to affect its import.

ANNEXURE A – TECHNICAL ASSESSMENT REPORT

IER-TA: Maronan

February 2022

For and on behalf of H & S Consultants Pty Ltd

Luke A. Burlet
BSc (Hon Geol), MAIG, PGeol (APEGA), PGeo (APEGBC)

12 Glossary of Technical Terms and Abbreviations

Terms included below are those not commonly or quickly found on the internet. Terms not included in the glossary are used in accordance with their definition in the Concise Oxford Dictionary. Also included are abbreviations used in the report with their expanded description.

AMG 66 – Australian Map Grid 1966, Australian national map projection (a transverse Mercator projection) that conforms to the internationally accepted Universal Transverse Mercator Grid system proclaimed by Australian Commonwealth Government in 1966.

Amphibolite facies - one of the major divisions of the mineral-facies classification of metamorphic rocks, the rocks of which formed under conditions of moderate to high temperatures (500° C, or maximum) and pressures (2 -12 kbars).

Analytical assay techniques: -

AAS – Atomic absorption spectrometry

ME-ICP61 - Inductively coupled plasma mass spectrometry

AA1 - Atomic absorption spectrometry

FA1 – Fire assay

OG46 and OG62/ICP-AES – Inductively coupled plasma atomic emission spectroscopy methods for assaying ore grade samples

ICP40Q/ICP-AES - Inductively coupled plasma atomic emission spectroscopy

ICP41Q - Inductively coupled plasma atomic emission spectroscopy for ore grade samples

Au-AA24 - gold assay by fire assay with atomic absorption spectrometry finish (for very low grade samples)

Cu-AA45 – through sequential dissolution, the method determines the probable copper distribution by copper mineral in a sample. Used to estimate non-sulphide soluble copper.

Au-AA26 – gold assay by fire assay with atomic absorption spectrometry finish

Au-OG43 – ore grade gold assay by fire assay with atomic absorption spectrometry finish

ARE155 – gold assay by aqua regia digestion with ICP-MS (Inductively coupled plasma mass spectrometry) finish

ASX – Australian Stock Exchange

Broken Hill-type deposit – Pb-Zn-Ag sulphide deposits which occur in metamorphosed Paleoproterozoic clastic metasedimentary host rocks. Deposits are characterised by high Pb + Zn + Ag values; stacked orebodies with characteristic Pb:Zn:Ag ratios and skarn-like (generally pyroxenoid dominated) Fe-Mn-Ca-F gangue assemblages.

Calcsilicates - A group of minerals whose bulk composition consists of calcium silicates. Common calcsilicates include garnet, amphibole and pyroxene minerals.

Cannington deposit – Ag-rich Broken Hill-type Ag-Pb-Zn deposit in the eastern succession of the Mount Isa inlier.

Company Names:

- **Shell Minerals** - Billiton Australia which was the metals division of The Shell Company of Australia Limited
- **Acacia** - Acacia Metals Pty Ltd a subsidiary of Acacia Resources Limited which acquired the Australian mineral assets from the metal's division of The Shell Company of Australia Limited (Billiton Australia) and listed on the Australian Stock Exchange
- **MPI**- consortium between Fodina Minerals Pty Ltd, a subsidiary of Mining Projects Investments Pty Ltd and Outokumpu Exploration Ventures Pty Ltd
- **Noranda** - Noranda Pacific Pty Ltd
- **RGC** - RGC Exploration Pty Ltd
- **AngloGold** – AngloGold Investments Pty Ltd successfully took over Acacia Resources Limited and changed name to AngloGold Australasia Limited
- **Phelps Dodge** – Phelps Dodge Australasia Inc. – Australasia exploration division of US company Phelps Dodge Corporation
- **Red Metal** – Australian Stock Exchange listed company Red Metal Limited
- **Maronan Metals** - Maronan Metals Limited, wholly owned subsidiary of Red Metal
- **BHPB** - BHP Billiton Minerals Pty Ltd owners of the nearby Cannington Mine

Drilling – diamond core - A particular type of drilling that uses a diamond bit and produces a solid core sample that can be examined and/or assayed.

Drilling – Hylogger - The HyLogger™ system acquires information on rock, ore and alteration minerals in drillcore, chips and pulps that are often difficult or impossible for the human eye to interpret correctly. Reflected light from the samples is broken into hundreds of different wavelengths by several spectrometers, allowing the recognition of unique spectral signatures for each mineral.

Drilling – Minalyzer – A laser and X-Ray Fluorescence scanner used to generate geochemistry, high-resolution images, rock quality designation (RQD), structures, specific gravity and bulk density data by scanning drill core.

Drilling – BQ diameter core – diamond drill core with 36.4 mm diameter.

Drilling – HQ diameter core – diamond drill core with 63.5 mm diameter.

Drilling – NQ diameter core – diamond drill core with 47.6 mm diameter.

Drilling – NQ2 diameter core – diamond drill core with 50.6 mm diameter.

Drilling – PQ diameter core – diamond drill core with 85 mm diameter.

Drilling – RAB - Abbreviation for rotary air blast, a type of drilling technique: 'percussion rotary air blast'. Uses a pneumatic reciprocating hammer bit to drive into rock. The drill bit is hollow and cuttings from the hammering bit are blown up the outside of the rods and collected at surface for study and analysis. In mineral exploration, used primarily for shallow depth holes and samples as deeper samples can be contaminated from contact with other rocks.

Drilling – RC Percussion – A type of drilling technique: similar to RAB drilling, but the cuttings are blown and returned to surface on the inside of the rods (thus ‘reverse’) which helps prevent contamination from contact with other rocks on the way back up the hole. Can suffer from sample cross-contamination of drill cuttings from higher up in the hole, especially if ground water is encountered. The cuttings are used for study and analysis.

Drilling – Spectral core scanning – Scanning of drill core using the Hylogger and Minalyzer systems.

Electromagnetic anomaly – An anomaly produced by a geophysical survey that measures the electromagnetic properties of rocks. Rocks with a higher electromagnetic response are electrically more conductive, due to either the presence of sulphide or carbonaceous minerals in the rock.

Exhalative sequence – Laminated or bedded chemical sediments that precipitated from hydrothermal fluids that had been “exhaled” or vented onto the sea floor.

GDA 94 – Geocentric Datum of Australia; the official geodetic datum adopted nationally in January 2000. GDA 94 replaced the Australian Geodetic Datum 1966 (AGD66) and Australian Geodetic Datum 1984 (AGD84). The standard map projection associated with GDA94 is the Map Grid of Australia 1994 (MGA94), a transverse Mercator projection that conforms to the internationally accepted Universal Transverse Mercator Grid system.

g/t - grams per tonne

Heavy liquid separation - Heavy liquids are dense fluids or solutions used to separate materials of different density through their buoyancy. Materials with a density greater than the heavy liquid will sink, while materials with a density less than the heavy liquid will float on the liquid surface.

Iron formation - Distinctive units of sedimentary rock consisting of alternating layers of iron oxides and iron-poor chert.

km - kilometres

m - metres

M - million

Ma – millions of years

Magnetic susceptibility - Measure of how much a material will become magnetized in an applied magnetic field.

Magnetometer - An instrument for measuring the strength and sometimes the direction of magnetic fields.

Pelitic - Fine-grained sedimentary rock, i.e. shale, mudstone or siltstone.

Periodic table of elements abbreviations used in report: - Pb (lead), Ag (silver), Cu (copper), Co (cobalt), Au (gold), Zn (zinc), Fe (iron), Mn (manganese)

ppm – parts per million

Psammitic – A general term for sandy sediments i.e. sandstones.

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Quartzite – A type of sedimentary rock, which was originally sand, which was turned into sandstone at lower metamorphic grade and with increasing metamorphic grade now turned silicified sandstone.

Regolith - A blanket of unconsolidated, loose, heterogeneous superficial deposits covering solid rock. It includes dust, broken rocks, and other related materials.

RQD - Rock Quality Designation (RQD) is a measure of quality of rock core taken from a drill hole. RQD signifies the degree of jointing or fracture in a rock mass measured in percentage, where RQD of 75% or more shows good quality hard rock and less than 50% show low quality weathered rocks.

Skarnification – Process of generating ‘skarns’ i.e. coarse-grained metamorphic rocks that form by a metasomatism. Skarns tend to be rich in calcium-magnesium-iron-manganese-aluminium silicate minerals (calcsilicates) which form when hydrothermal fluids interact with a protolith of either igneous or sedimentary origin. In many cases, skarns are associated with the intrusion of granites that intrude into a carbonate layer composed of either dolomite or limestone.

Spectral core scanning – Scanning of drill core using the Hylogger and Minalyzer systems.

Turbiditic – Sedimentary deposit formed by a turbidity current which is a type of amalgamation of fluidal and sediment gravity flow responsible for distributing vast amounts of clastic sediment into the deep ocean. Rocks formed by a deposition of a density flow, not by tractional or frictional flow.

% - weight percentage

Appendix 1 - Drill Hole Listings

Appendix 1 - Table 1: Summary collar listing of holes used in resource estimate

Hole ID	East ¹	North ¹	Dip ^o	Azim ^o	Depth	RL (m)	SG ³	QA/QC ⁵	Co.	DHEM Survey	PQ (m)	HQ (m)	NQ2 (m)	NQ (m)	BQ (m)
MND01	491492	7670656	-60	83	210	211.6		n/r	Shell	Yes				117	
MND02	491444	7670400	-60	83	268	210.4		n/r	Shell	Yes				223	
MND03	491419	7670196	-60	83	262.2	211.4		n/r	Shell	Yes				206.2	
MND04	491498	7670809	-60	83	213	210.8	2	n/r	Shell	Yes				134	
MND05	491573	7671020	-60	83	171	209		n/r	Shell	Yes				112	
MND06	491484	7671009	-60	83	255	210		n/r	Shell	Yes				219.3	
MND07	491404	7670798	-60	83	344.2	211.5		n/r	Shell	Yes				279	
MND08	490639	7670517	-60	108	218	212.6		n/r	Shell	Yes				159.1	
MND09	492181	7672696	-60	83	248.4	214		n/r	Shell	Yes				159.7	
MND10	491285	7670783	-60	83	453	211.6		n/r	Shell	Yes				399.5	
MND11	491711	7670229	-60	353	201	209		n/r	Shell	Yes				141	
MND12	491339	7670387	-60	83	351	211.6	5	n/r	Shell	Yes				297	
MND13	491237	7671537	-60	353	252	213		n/r	Shell	No				198	
MND14	491324	7670637	-70	83	401	211.9	4	n/r	Shell	Yes				250	
MND15	491183	7670353	-60	83	484	212.4		n/r	Shell	Yes				403.6	
MND16B	491371	7670076	-60	83	327	210		n/r	Shell	Yes				206.7	
MND18	491559	7670968	-60	349	291	209.1	4	n/r	MPI	No				196	
MND19	491856	7670200	-60	349	230	204.4		n/r	MPI	No				119.5	
MND20	491532	7671186	-50	173	321	209.5		n/r	MPI	No				289.4	
MND21	491136	7670728	-70	85	750	211.8	5	100	PD	Yes				370.5	242
MND22	491681	7670423	-70	165	267.1	210		N/A	PD	No				135.2	
MND23	491673	7670396	-70	190	700	210.2		n/r	PD	Yes				580	
MND24	491188	7670818	-70	85	669	211.6	6	16	PD	Yes					
MND25	491671	7670143	-70	0	333	208	3	n/r	PD	Yes		37.7		259.2	
MND26	491791	7670353	-70	90	231	208.5		n/r	PD	No				138.8	
MRN06001	491496	7670773	-60	25	459.9	211		9	BHPB	No				397.9	
MRN06002	491412	7670092	-70	38	696.4	211		14	BHPB	Yes				658.4	
MRN06003	491771	7669598	-60	355	480.4	210		7	BHPB	No				462.4	
MRN06004	492071	7669973	-60	300	816.8	208		19	BHPB	No				745	
MRN06005	491571	7669873	-60	22	521.2	208.6		11	BHPB	No				497.15	
MRN07001	491021	7670323	-65	90	900.9	212.8	20	10	BHPB	No				831.9	
MRN07002	491151	7670473	-65	90	714.9	212.6		12	BHPB	Yes				646.8	
MRN07003B	490725	7670384	-72	90	1157.9	212.7		8	BHPB	Yes				1085.1	
MRN07004A	490886	7670583	-72	98	1002.9	212.2		11	BHPB	No				956.9	
MRN08001	490330	7670363	-75	83	1338.8	213.2	74	7	BHPB	Yes				1303.3	
MRN08002	490909	7670182	-75	83	756.8	212.3		3	BHPB	Yes				711.8	
MRN08002B	490906	7670183	-70	80	897.9	212.3		26	BHPB	Yes				829.4	
MRN08003	490528	7670230	-65	83	1306.3	211	82	38	BHPB	Yes				1258.7	
MRN11001	491530	7670528	-55	90	150.3	211.6	48	6	RDM	No				102.3	
MRN11003A	491000	7670423	-70	90	739	212.7	112	16	RDM	No				682.3	
MRN12003	490648	7670527	-80	65	1469.5	212.6	140	5	RDM	Yes		465		942.1	

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Hole ID	East ¹	North ¹	Dip [°]	Azim [°]	Depth	RL (m)	SG ³	QA/QC ⁵	Co.	DHEM Survey	PQ (m)	HQ (m)	NQ2 (m)	NQ (m)	BQ (m)
MRN12003B	490648	7670527	-80	65	1317.9	212.6	84	4	RDM	Yes				621.2	
MRN12004	490967	7670728	-80	57	1016.6	211.9	128	23	RDM	Yes		461.9		515.7	
MRN12004B	490967	7670728	-80	57	1281.6	211.9	309	15	RDM	Yes				792.2	
MRN13001	491246	7670935	-90	57	1196.9	211.2	236	14	RDM	Yes	274.9	513.2		377.3	
MRN13002	491378	7671137	-90	50	885.6	210.5	165	17	RDM	No	139.6	731.1			
MRN14001A	491227	7671127	-83	3	839	210.8		N/A	RDM	No	246.4	289.5	300.3		
MRN14002	491282	7671061	-90	47	805.4	210.9	164	14	RDM	No	396.4	333.5	75.5		
MRN14003	491380	7671143	-80	75	525.8	210.5	112	5	RDM	No	194.7	331.1			
MRN14004	491033	7671217	-88	75	1403.1	210.5	75	11	RDM	No	560.8	349.4	492.9		
MRN14005	491319	7670929	-88	75	778	211.2	83	16	RDM	No	296.6	343.4	138		
MRN14006	491319	7670930	-75	75	567.9	211.2	94	11	RDM	No	170.3	178.6	219		
MRN14007	491378	7671137	-90	50	705.7	210.5	66	9	RDM	No		165.7	540		
MRN14008	491226	7671125	-89	50	925.8	210.8	88	9	RDM	No	362.9	255.8	307.1		

- 1 coordinates in GDA 94 MGA Zone 54
- 2 number of samples
- 3 n/r = 'not recorded' or 'not recovered from historic data to date'
- 4 N/A = 'not assayed'

Appendix 1 - Table 2: Drill hole data capture summary

HOLE ID	Hole Type	Depth	Year	Survey	Assay	Log
GS-18-01	RM/Diamond	225.45	2018	Yes	Yes	Yes
GS-18-02	RM/Diamond	300	2018	Yes	Yes	Yes
MNP1	RC/Percussion	23	1987	Not surveyed	Not assayed	Not logged
MNP1A	RC/Percussion	11	1987	Not surveyed	Not assayed	Not logged
MNP1B	RC/Percussion	102	1987	Not surveyed	Yes	Yes
MND01	RC/Diamond	210	1988	Not surveyed	Yes	Yes
MND02	RC/Diamond	268	1989	Yes	Yes	Yes
MND03	RC/Diamond	262.2	1989	Yes	Yes	Yes
MND04	RC/Diamond	212	1989	Yes	Yes	Yes
MND05	RC/Diamond	171	1990	Yes	Yes	Yes
MND06	RC/Diamond	254.8	1991	Yes	Yes	Yes
MND07	RC/Diamond	344.2	1992	Yes	Yes	Yes
MND08	RC/Diamond	218.3	1993	Not surveyed	Yes	Yes
MND09	RC/Diamond	248.4	1994	Yes	Yes	Yes
MND10	RC/Diamond	453	1990	Yes	Yes	Yes
MND11	RC/Diamond	201	1990	Yes	Yes	Yes
MND12	RC/Diamond	351	1990	Yes	Yes	Yes
MND13	RC/Diamond	252	1990	Yes	Yes	Yes
MND14	RC/Diamond	401	1993	Yes	Yes	Yes
MND15	RC/Diamond	487.6	1993	Yes	Yes	Yes
MND16	RC/Diamond	90	1993	Not surveyed	Yes	Yes
MND16A	RC/Diamond	36	1993	Not surveyed	Yes	Yes
MND16B	RC/Diamond	326.7	1993	Yes	Yes	Yes
MNP17	RC Percussion	125	1993	Not surveyed	Yes	Yes
MNP18	RC Percussion	151	1993	Not surveyed	Yes	Yes
MNP19	RC Percussion	120	1993	Not surveyed	Yes	Yes
MNP20	RC Percussion	128	1993	Not surveyed	Yes	Yes
MNP21	RC Percussion	125	1993	Not surveyed	Yes	Yes
MAC1	Aircore	79	1993	Not surveyed	No	Yes
MAC2	Aircore	59	1993	Not surveyed	No	Yes
MND18	RC/Diamond	291	1995	Not surveyed	Yes	Yes
MND19	RC/Diamond	230	1995	Not surveyed	Yes	Yes
MND20	RC/Diamond	321	1996	Yes	Yes	Yes
MNR001 – 007	RC Percussion	96-150	1995	Not surveyed	Yes	Yes
MNR008– 014	RC Percussion	96-150	1996	Not surveyed	Yes	Yes
MARR01 – 04A	RC Percussion	144 -192	2000	Not surveyed	Yes	Yes
MND21	RC/Diamond	750	2001	Yes	Yes	Yes
MND22	RC/Diamond	267.1	2001	Yes	Not assayed	Yes
MND23	RC/Diamond	700	2001	Yes	Yes	Yes
MND24	RC/Diamond	669	2002	Yes	Yes	Yes
MND25	RC/Diamond	333	2004	Yes	Yes	Yes
MND26	RC/Diamond	231	2004	Yes	Yes	Yes
MRN06001	RM/Diamond	459.9	2006	Yes	Yes	Yes
MRN06002	RM/Diamond	696.4	2006	Yes	Yes	Yes
MRN06003	RM/Diamond	480.4	2006	Yes	Yes	Yes
MRN06004	RM/Diamond	816.8	2006	Yes	Yes	Yes
MRN06005	RM/Diamond	521.2	2006	Yes	Yes	Yes
MRN07001	RM/Diamond	900.9	2007	Yes	Yes	Yes
MRN07002	RM/Diamond	714.9	2007	Yes	Yes	Yes
MRN07003	RM/Diamond	85	2007	Not Surveyed	Not assayed	Not logged
MRN07003A	RM/Diamond	307	2007	Yes	Not assayed	Yes
MRN07003B	RM/Diamond	1157.9	2007	Yes	Yes	Yes
MRN07004	RM/Diamond	114.9	2007	Not Surveyed	Not assayed	Yes
MRN07004A	RM/Diamond	1002.9	2007	Yes	Yes	Yes
MRN08001	RM/Diamond	1338.8	2008	Yes	Yes	Yes
MRN08002	RM/Diamond	756.8	2008	Yes	Yes	Yes
MRN08002B	RM/Diamond	897.9	2008	Yes	Yes	Yes
MRN08003	RM/Diamond	1306.3	2008	Yes	Yes	Yes

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HOLE ID	Hole Type	Depth	Year	Survey	Assay	Log
MRN11001	RM/Diamond	150.3	2011	Yes	Yes	Yes
MRN11002	RM/Diamond	310.1	2011	Yes	Not assayed	Yes
MRN11003	RM/Diamond	466.9	2012	Yes	Not assayed	Yes
MRN11003A	RM/Diamond	739	2012	Yes	Yes	Yes
MRN12001	Diamond	31	2012	Not Surveyed	Not assayed	Not logged
MRN12002	RM/Diamond	53	2012	Not Surveyed	Not assayed	Not logged
MRN12003	RM/Diamond	1469.5	2012	Yes	Yes	Yes
MRN12003B	RM/Diamond	1317.9	2012	Yes	Yes	Yes
MRN12004	Diamond	1016.6	2013	Yes	Yes	Yes
MRN12004B	RM/Diamond	1281.6	2013	Yes	Yes	Yes
MRN13001	RM/Diamond	1196.9	2013	Yes	Yes	Yes
MRN13002	Diamond	885.6	2013	Yes	Yes	Yes
MRN14001	RM/Diamond	160	2013	Yes	Not assayed	yes
MRN14001A	RM/Diamond	839	2013	Yes	Not assayed	Yes
MRN14002	RM/Diamond	805.4	2014	Yes	Yes	Yes
MRN14003	RM/Diamond	525.8	2014	Yes	Yes	Yes
MRN14004	RM/Diamond	1403.1	2014	Yes	Yes	Yes
MRN14005	RM/Diamond	778	2014	Yes	Yes	Yes
MRN14006	RM/Diamond	567.9	2014	Yes	Yes	Yes
MRN14007	RM/Diamond	705.7	2014	Yes	Yes	Yes
MRN14008	RM/Diamond	925.8	2014	Yes	Yes	Yes
SCRB430597-630	34 RAB Holes		1985	Not surveyed	Yes	No
SCRB431051-066	16 RAB Holes		1985	Not surveyed	Yes	No
SCRB431091-093	4 RAB Holes		1985	Not surveyed	Yes	No

Appendix 1 - Table 3: Drill hole sample assay methods

HOLE ID	Year	LAB report	Lab	Assay Method Base Metal	Assay Method Ag	Assay Method Au
MND01	1988	18691, 19159	TetChem	101, 107(AAS?)	101, 107(AAS?)	(AAS?)
MND02	1989	24929	AAL	AAS	AAS	Fire Assay, 50 g charge
MND03	1989	24929	AAL	AAS	AAS	"
MND04	1989	24929	AAL	AAS	AAS	"
MND05	1990	24929	AAL	AAS	AAS	"
MND06	1991	24929	AAL	AAS	AAS	"
MND07	1992	24929	AAL	AAS	AAS	"
MND08	1993	24929	AAL	AAS	AAS	"
MND09	1994	24929	AAL	AAS	AAS	"
MND10	1990	22849	ALS_T	AAS	AAS	"
MND11	1990	22849	ALS_T	AAS	AAS	"
MND12	1990	22849	ALS_T	AAS	AAS	"
MND13	1990	22849	ALS_T	AAS, after acid digest, method G001, Pb ore grade by method A101	AAS, after acid digest, method G001, ore grade by method A101	"
MND14	1993	25371	ALS_T	"	"	Fire Assay 50 g charge, Method PM 209
MND15	1993	25371	ALS_T	"	"	
MND16B	1993	25371	ALS_T	"	"	
MND18	1995	27576	n/r	n/r	n/r	n/r
MND19	1995	27576	n/r	n/r	n/r	n/r
MND20	1996	28251	Amdel	AA1	AA1	FA1
MND21	2001	33657	ALS_T	ME-ICP61 Au-AA45	ME-ICP61	Au-AA26
MND22	2001	33657	ALS_T	ME-ICP61	ME-ICP61	Au-AA26
MND23	2001	33657	ALS_T	ME-ICP61	ME-ICP61	Au-AA26
MND24	2002	33657	ALS_T	ME-ICP61	ME-ICP61	Au-AA26
MND25	2004	38922	ALS_T	ME-ICP61s, ore grade Pb by Pb-OG46	ME-ICP61s, ore grade by Ag-OG46	Au-AA26
MND26	2004	38922	ALS_T	"	"	Au-AA26
MRN06001	2006	47253	ALS_T	"	"	Au-OG43
MRN06002	2006	47253	ALS_T	"	"	Au-OG43
MRN06003	2006	47253	ALS_T	"	"	Au-OG43
MRN06004	2006	47253	ALS_T	"	"	Au-OG43
MRN06005	2006	47253	ALS_B	"	"	Au-OG43
MRN07001	2007	52770	SGS_T	ICP40Q, ore grade Pb ICP41Q	ICP40Q, ore grade ICP41Q	ARE155
MRN07002	2007	52770	SGS_T	ICP40Q, ore grade Pb, Cu and Zn AAS22D	"	ARE155
MRN07003B	2007	52770	SGS_T	ICP40Q, ore grade Pb ICP41Q	"	ARE155
MRN07004 A	2007	52770	SGS_T	"	"	ARE155

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HOLE ID	Year	LAB report	Lab	Assay Method Base Metal	Assay Method Ag	Assay Method Au
MRN08001	2008	57930	SGS_T	"	"	ARE155
MRN08002	2008	57930	SGS_T	"	"	ARE155
MRN08002B	2008	57930	SGS_T	"	"	ARE155
MRN08003	2008	57930	SGS_T	"	"	ARE155
MRN11001	2011	71950	ALS	ME-ICP61, ore grade Cu-OG62, Zn-OG62, Pb-OG62	ME-ICP61, ore grade Ag-OG46	Au-AA26, Au-AA24
MRN11003 A	2012	71950	ALS	"	"	"
MRN12003	2012	78728	ALS	"	"	"
MRN12003B	2012	78728	ALS	"	"	"
MRN12004	2013	78728	ALS	"	"	"
MRN12004B	2013	78728	ALS	ME-MS61, ore grade Cu-OG62, Zn-OG62, Pb-OG46 and Pb-OG46h	"	Au-AA24
MRN13001	2013	78728	ALS	ME-MS61, ore grade Cu-OG46, Zn-OG46, Pb-OG46	"	Au-AA26, Au-AA24
MRN13002	2013	85025	ALS	ME-MS61, ore grade Cu-OG46, Zn-OG46, Pb-OG46 and Pb-OG46h	"	Au-AA24
MRN14001 A	2013	92616	ALS	ME-MS61, ore grade Cu-OG46, Zn-OG46, Pb-OG46, Ni-OG62	"	Au-AA24
MRN14002	2014	92616	ALS	ME-MS61, ore grade Cu-OG46, Zn-OG46, Pb-OG46 and Pb-OG46h	"	Au-AA26, Au-AA24
MRN14003	2014	92616	ALS	ME-MS61, ore grade Cu-OG46, Zn-OG46, Pb-OG46	"	Au-AA26, Au-AA24
MRN14004	2014	92616	ALS	ME-MS61, ore grade Cu-OG46, Zn-OG46, Pb-OG46 and Pb-OG46h, Ni-OG62	"	Au-AA24
MRN14005	2014	92616	ALS	ME-MS61, ore grade Cu-OG46, Zn-OG46, Pb-OG46 and Pb-OG46h	"	Au-AA24
MRN14006	2014	92616	ALS	ME-MS61, ore grade Cu-OG46, Zn-OG46, Pb-OG46	"	Au-AA26, Au-AA24
MRN14007	2014	92616	ALS	ME-MS61, ore grade Cu-OG46, Zn-OG46, Pb-OG46 and Pb-OG46h, Ni-OG62	"	Au-AA26, Au-AA24
MRN14008	2014	92616	ALS	ME-MS61, ore grade Cu-OG62, Zn-OG62, Pb-OG46 and Pb-OG46h	"	Au-AA24

TetChem *TETCHEM, Cairns*

AAL *Australian Assay Laboratories*

ALS_T *ALS, Townsville*

ALS_B *ALS, Brisbane*

SGS_T *SGS, Townsville Minerals*

Amdel *Amdel, Mt Isa*

Appendix 1 - Table 4: Drill hole sample QAQC insertions

HOLE ID	Blanks	Duplicates –	Standards	QA/QC	Assayed	Comments
MND01				0	83	
MND02				0	197	
MND03				0	187	
MND04				0	120	
MND05				0	112	
MND06				0	219	
MND07				0	282	
MND08				0	16	
MND09				0	72	
MND10				0	335	
MND11				0	141	
MND12				0	257	
MND13				0	128	
MND14				0	277	
MND15				0	392	
MND16B				0	235	
MND18				0	85	
MND19				0	50	
MND20				0	64	
MND21	58	42		100	128	58 Qz washes due to presnence of native copper and chalcocite, assays repeated using Cu-AA45 a non-sulphide soluble copper assay method used as estimation of chalcocite
MND22				0	0	
MND23				0	159	not recovered from historic data to date
MND24		16		16	147	
MND25				0	87	not recovered from historic data to date
MND26				0	28	not recovered from historic data to date
MRN06001	3		6	9	170	9
MRN06002	2	8	4	14	208	
MRN06003	1	3	3	7	121	
MRN06004	4	6	9	19	203	
MRN06005	2	5	4	11	136	
MRN07001	2	3	5	10	361	
MRN07002	2	4	6	12	242	
MRN07003B	2	2	4	8	425	
MRN07004A	4	4	3	11	452	
MRN08001	2		5	7	79	
MRN08002		1	2	3	28	
MRN08002B	6	14	6	26	287	
MRN08003	12	18	8	38	587	
MRN11001	3		3	6	32	
MRN11003A	9		7	16	119	
MRN12003	3		2	5	73	
MRN12003B	2		2	4	84	
MRN12004	22		1	23	129	

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HOLE ID	Blanks	Duplicates –	Standards	QA/QC	Assayed	Comments
MRN12004B	1		14	15	309	
MRN13001		3	11	14	47	
MRN13002		7	10	17	165	
MRN14002		7	7	14	134	
MRN14003		5		5	112	
MRN14004		4	7	11	75	
MRN14005		8	8	16	83	
MRN14006		5	6	11	94	
MRN14007		3	6	9	66	
MRN14008		5	4	9	87	
	140	173	153			

ANNEXURE B – SOLICITOR’S REPORT ON TENEMENTS

HopgoodGanim

LAWYERS

18 February 2022

 Directors
 Maronan Metals Limited

Our ref: 2026482 - Damian Roe

BRISBANE

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Dear Directors

Independent Solicitor's Tenement Report

This Independent Solicitor's Report is prepared for inclusion in a prospectus (**Prospectus**) to be issued by Maronan Metals Limited ACN 156 269 993 (**Maronan Metals**) for an initial public offering of a minimum of 60,000,000 fully paid ordinary shares in the capital of Maronan Metals (**Share**) at an issue price of \$0.20 per Share to raise \$12,000,000, with oversubscriptions of up to a further 15,000,000 Shares to raise up to a further \$3,000,000 (**the IPO**).

This report relates to exploration permit for minerals 13368 (EPM 13368, the **Tenement**) granted under the *Mineral Resources Act 1989* (Qld) (**MR Act**).

1. Executive Summary

- 1.1 **Title:** Maronan Metals is the current registered holder of the Tenement.
- 1.2 **Encumbrances:** There are no encumbrances registered against the Tenement.
- 1.3 **Renewal:** The Tenement expires on 25 June 2026. The Tenement cannot be renewed beyond 25 June 2031.
- 1.4 **Compliance:** The Department of Resources has informed us that there are no known non-compliances with the conditions of the Tenement. The holder remains compliant with rent obligations until 26 June 2022 and reporting obligations until 25 July 2022.
- 1.5 **Environmental authority:**
 - (a) Environmental authority EA0001961 is held for the Tenement (**Tenement EA**).
 - (b) The Department of Environment and Science (**DES**) has confirmed that the annual returns and annual fees are all up to date for the Tenement EA. The annual return for the 2021 reporting period is yet to be submitted and is due on 1 April 2022.

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Maronan Metals Limited

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- (c) There are no enforcement actions against the Tenement EA.
- (d) Surety of \$10,000 is held for the Tenement EA by the Queensland Treasury.

1.6 Native title and Aboriginal cultural heritage:

- (a) The Tenement was granted under the expedited procedure process in the *Native Title Act 1993* (Cth) (**NT Act**) and was validly granted with respect to native title.
- (b) Six years after the grant of the Tenement, Red Metal Limited ACN 103 367 784 (**Red Metal**), the former holder of the Tenement and Maronan Metal's parent company, entered into an agreement under section 31 of the NT Act in respect of the Tenement. This agreement is with the Mitakoodi and Mayi People, who were the registered native title claimants at the time (and at the time of grant of the Tenement).
- (c) The registered native title claimants for the area of the Tenement are now the Mitakoodi People #5. The Mitakoodi and Mayi People and Mitakoodi People #5 native title claim groups have common apical ancestors, but there are differences in how each claim group has been described.
- (d) The section 31 deed and ancillary agreement continue to apply, even though the registered native title claim group has changed.
- (e) Red Metal transferred the Tenement to its subsidiary Maronan Metals on 20 August 2019 and the rights and obligations in respect of the Tenement under the section 31 deed and ancillary agreement have been assigned to Maronan Metals with effect on and from that date.
- (f) Maronan Metals must make the compensation payments under this agreement. The compensation is provided in full and final satisfaction of any claims in respect of the grant of the Tenement, and received on behalf of any person who holds native title rights and interests in relation to the Tenement, which includes the Mitakoodi People #5.
- (g) The agreement includes a process for dealing with Aboriginal cultural heritage. By complying with this process in the ancillary agreement, Maronan Metals will meet its cultural heritage duty of care under the *Aboriginal Cultural Heritage Act 2003* (Qld) (**ACH Act**), even though the Aboriginal party is now the Mitakoodi People #5.
- (h) Our cultural heritage searches show that there are two recorded cultural heritage sites on the northern border of the Tenement.

1.7 Restricted land

- (a) We have been instructed that there is a station homestead on the Tenement, situated approximately 750m to 1,000m from the main deposit (inferred resource) that is located on the Tenement. Land that is within 200m laterally of the station homestead will be restricted land and written consent is needed from the relevant owner or occupier to enter this area to carry out activities under the Tenement.
- (b) If Maronan Metals wishes to include any area of restricted land within an application for a future ML over the Tenement, Maronan Metals will need to identify the boundaries of this restricted land and will need the written consent of each relevant owner and occupier of the land for the inclusion of the restricted land within the ML.



2. Scope

2.1 **Scope:** This report deals with legal due diligence matters relating to the Tenement and has been prepared to:

- (a) confirm (or otherwise) the title to the Tenement;
- (b) where possible, confirm the good standing of the Tenement;
- (c) where possible, confirm that there has been no material non-compliance with the applicable laws affecting the Tenement as at the date of this report;
- (d) where possible, confirm compliance with: environmental obligations; land access obligations; reporting obligations and native title or cultural heritage requirements;
- (e) identify any encumbrances; and
- (f) identify any overlapping tenures.

(the Scope)

2.2 **Outside of Scope:** Paragraph 2.1 contains the Scope. No other matters form part of the Scope. HopgoodGanim Lawyers has not been instructed to, nor have we, concerned ourselves with business, financial or technical due diligence or an assessment of the business, financial, technical or regulatory risks, apart from those regulatory risks necessarily falling within the Scope.

3. Due diligence material

3.1 **Searches:** We have conducted and reviewed the results of the following searches for the Tenement:

- (a) Searches of the GeoResGlobe database performed on 26 March 2021 and 29 March 2021, updated searches performed on 3 November 2021, and further updated searches performed on 10 February 2022.
- (b) Environmentally sensitive area maps obtained on 26 March 2021, 2 November 2021 and 10 February 2022.
- (c) Cultural heritage searches provided by the Department of Seniors, Disability Services and Aboriginal and Torres Strait Islander Partnerships (**DATSIP**) on 29 March 2021, 3 November 2021 and 10 February 2022.
- (d) Search results provided by the National Native Title Tribunal (**NNTT**) on 26 March 2021, 3 November 2021 and 11 February 2022.
- (e) Resource authority public reports obtained from the Queensland Department of Resources on 15 December 2020, 26 March 2021, 2 November 2021 and 10 February 2022.
- (f) Search results from the environmental authorities register maintained by DES on 30 March 2021, 2 November 2021 and 10 February 2022

ANNEXURE B – SOLICITOR’S REPORT ON TENEMENTS

Directors
Maronan Metals Limited

18 February 2022



-
- (g) Information received from DES by email on 4 December 2020, 26 February 2021, 28 October 2021 and 15 February 2022.
 - (h) Information received from the Department of Resources by email on 16 December 2020, 2 March 2021, 19 November 2021 and 15 February 2022.
 - (i) Information received from Queensland Treasury by email on 15 January 2021 and 28 October 2021.
 - (j) Searches of the Register of Native Title Claims on 18 January 2021, 26 March 2021, 3 November 2021 and 11 February 2022.
 - (k) Searches of the enforcement register maintained by DES on 30 March 2021, 2 November 2021 and 10 February 2022.
 - (l) Searches of the Queensland Government's Restricted Areas register (available https://www.dnrm.qld.gov.au/data/assets/excel_doc/0008/187019/ra-register-search.xlsx on 7 February 2022.
- 3.2 **Documents provided:** We have reviewed the following documents provided by Maronan Metals:
- (a) Standard Compensation Agreement between Colin Muller / George Muller and Red Metal dated 11 November 2011.
 - (b) Ancillary Agreement [EPM 14293] dated 2 April 2006 between Mitakoodi People and Red Metal (**Ancillary Agreement**).
 - (c) Deed of Variation [EPM 13315, 13344, 13345, 13368, 13369 & 15735] dated 20 May 2007 between Mitakoodi People and Red Metal.
 - (d) Section 31 Deed between the State of Queensland, Mitakoodi and Mayi People and Red Metal for EPM 13368 dated 27 July 2007 (**Section 31 Deed**).
 - (e) Letter from Red Metal to Mitakoodi Aboriginal Corporation dated 28 January 2021.
 - (f) Deed of Assignment and Assumption in respect of rights and obligations arising from the Ancillary Agreement between Red Metal and Maronan Metals dated 5 February 2021.
 - (g) Deed of Assignment and Assumption in respect of rights and obligations arising from the Section 31 Deed between Red Metal and Maronan Metals dated 12 March 2021.
 - (h) Correspondence and documents from the Department of Resources regarding the renewal of the Tenement dated 25 March 2021.



4. Qualifications

- 4.1 This report relates only to the relevant laws in force as at the date of the report and, except where expressly referenced, does not address or consider any future amendments or changes that may be made to any relevant laws.
- 4.2 The conclusions and opinions expressed in this report are limited to our review and analysis of the results of the searches and documents identified in part 3 of this report.
- 4.3 HopgoodGanim Lawyers have not been instructed to, nor have we, nor do we have expertise in, or concerned ourselves with business or financial due diligence or an assessment of business, financial, technical or regulatory risks (apart from those regulatory risks necessarily falling within the Scope).
- 4.4 Where laws are mentioned, this report does not purport to mention every requirement in respect of the relevant law and those that are referred to in many cases are not an exhaustive list. Accordingly, specific legal advice should be obtained for specific questions about individual laws.

5. Assumptions

- 5.1 We have made the following assumptions in preparation of this report:
- (a) Our investigations were confined to searches set out in part 3 of this report. We note that this report is accurate and complete only to the extent that the reports extracted from the registers are correct as at the date the searches were conducted;
 - (b) There have been no material changes in the standing of the Tenement since the date of our searches;
 - (c) All information provided by Maronan Metals is true, correct, complete and accurate and all documents are properly executed and valid on their face; and
 - (d) The Ministers administering the relevant acts and each of their delegates have been validly appointed and have acted within the scope of their power, authority and discretion in granting the Tenement and are able and willing to grant any required consents and approvals under the relevant legislation.

6. Governing legislation

- 6.1 The MR Act establishes a tenure regime that governs the exploration for and production of minerals in Queensland.
- 6.2 Section 133 of the MR Act provides that an eligible person may apply to the Minister for an EP for minerals. The applicant must provide the Minister with a proposed work program and details of the applicant's financial and technical resources. The Minister may grant an EP, with or without conditions, or refuse the application (s 136 MR Act). In doing so, the Minister

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must consider the prescribed criteria in section 137 of the MR Act. This includes whether the Minister has approved the work program.

- 6.3 An EP may be granted in respect of either all minerals other than coal (s 130(1)(a) MR Act) or for coal (s 130(1)(b) MR Act). The Tenement has been granted for all minerals other than coal.
- 6.4 The applicant for an EP must address native title prior to the grant of the tenure in accordance with the provisions of the NT Act. This is detailed in part 12 of this report. Land access and compensation must also be addressed after the grant has been made. This is detailed in part 11 of this report.
- 6.5 Subject to the land access process and other legal requirements, the holder of an EP has the right to enter any part of the EP for the purposes of facilitating the exploration of minerals to which the EP applies (s 129 MR Act). Whilst on the land, the holder of an EP may carry on any activity authorised by the EP with or by such vehicles, vessels, machinery and equipment as may be necessary or expedient for the purpose of exploring for any mineral to which the EP applies (s 129(1)(a) MR Act).
- 6.6 The holder of an EP, subject to compliance with the MR Act will have an application for the grant of a mining claim, mineral development licence (**MDL**) or mining lease (**ML**) considered for grant in priority to all other persons (s 129(1)(b) MR Act).
- 6.7 On 25 November 2021, restricted area 452 (**RA 452**) was gazetted under section 391 of the MR Act over the State of Queensland and applies to the Tenement. RA 452 prohibits applications for a mining claim being made for a one year period. The purpose of RA 452 is to provide sufficient time for the government to consult with stakeholders on the proposal to remove mining claims from the MR Act. An application for a MDL or ML can still be made over the area of the Tenement.
- 6.8 The holder of an EP can apply for a MDL, to evaluate the development potential of the defined resource. The application must meet the requirements in section 183 of the MR Act. As part of deciding the application, the Minister must have regard to:
- (a) whether there exists to a high degree of definition on or in the land a significant mineral occurrence of possible economic potential; and
 - (b) whether the area of land applied for is appropriate to further investigation of that occurrence; and
 - (c) whether the applicant has the financial and technical capability to comply with the conditions of the MDL.
- (s 186 MR Act)
- 6.9 An application for an ML can be made under section 232 of the MR Act. The application must meet the requirements in section 245 of the MR Act. If satisfied that the applicant has complied with all requirements, and is not disqualified from holding the ML, the chief executive will issue a mining lease notice (s 252 MR Act). The mining lease notice must be publicly notified and given to affected persons. Anyone may object to the ML application, prior to the last date for objections set out in the mining lease notice. If objections are made, the matter will be referred to the Land Court of Queensland for hearing and recommendation. A ML cannot be granted until compensation with each owner of land the subject of the ML has been agreed or determined by the Land Court (s 279 and s 281 MR Act).



- 6.10 An application for a MDL or ML requires an application for an environmental authority (**EA**) to cover the relevant activities. A ML requires a site-specific EA application, and a progressive rehabilitation and closure (**PRC**) plan, to be assessed under Chapter 5 of the *Environmental Protection Act*. Objections can be made to this EA application, which will also be referred to the Land Court.
- 6.11 Native title must also be addressed prior to the grant of a MDL or ML.

7. Title and standing

- 7.1 **Title:** Maronan Metals is the current 100% registered holder of the Tenement.
- 7.2 **Encumbrances:** There are no encumbrances, dealings or agreements registered against the Tenement.
- 7.3 **Compliance:** The Department of Resources has confirmed that the holder of the Tenement has complied with all obligations in relation to the payment of rent, annual reporting and expenditure reporting for the Tenement. No non-compliances have been identified by the Department of Resources.
- 7.4 **Overlapping Tenements:** Our searches of GeoResGlobe show that there are no overlapping resource authorities (coal, mineral, petroleum or geothermal) over the Tenement.

8. Renewal

8.1 Renewal

- (a) The Tenement was granted on 26 June 2001. On 25 March 2021, a renewal of the Tenement was approved. The renewal commencement date is 26 June 2021 and the Tenement expires on 25 June 2026.
- (b) The total of all renewed terms of the Tenement granted after 25 May 2020 cannot be more than 10 years (s 856(2) MR Act). This means that the Tenement cannot be renewed beyond 25 June 2031.

8.2 Relinquishment

- (a) The Tenement is currently 12 sub-blocks.
- (b) No relinquishment was required with the renewal commencing 26 June 2021 (**Current Renewal**).
- (c) The Tenement is required to be reduced by 50 percent of the area by the day that is 5 years after the Current Renewal (s 857(2) MR Act). This means that if Maronan Metals seeks a further renewal of the Tenement after 25 June 2026, the renewed Tenement will be for an area of 6 sub-blocks.

8.3 Work Program

The following work program has been approved for the renewed term of the Tenement:

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Permit Year	Activities Based Work Program
21 (26.06.2021 – 25.06.2022)	<ul style="list-style-type: none">• Diamond drilling, 20 holes for 8,000m
22 (26.06.2022 – 25.06.2023)	<ul style="list-style-type: none">• Diamond drilling, 16 holes for 8,000m
23 (26.06.2023 – 25.06.2024)	<ul style="list-style-type: none">• Diamond drilling, 10 holes for 8,000m
24 (26.06.2024 – 25.06.2025)	<ul style="list-style-type: none">• Diamond drilling, 20 holes for 8,000m• Consultancy
25 (26.06.2025 – 25.06.2026)	<ul style="list-style-type: none">• Diamond drilling, 20 holes for 8,000m• Consultancy

9. Tenement obligations

9.1 Rent

- (a) Rent is payable on EPs pursuant to s 138 MR Act. If the holder of an EP fails to pay the rent payable by the due date, the Minister may, at the Minister's discretion, cancel the EP (s 160(2) MR Act).
- (b) The Department of Resources has confirmed that the Tenement holder has complied with all obligations in relation to the payment of rent for the Tenement. Rent is not due again until 26 June 2022.

9.2 Security

- (a) Under the MR Act, security must be provided before an EP is granted or renewed (s 144 MR Act). The amount of security is determined by the Minister and is calculated as reasonable security for:
 - (1) compliance with the conditions of the EP; and
 - (2) compliance with the MR Act; and
 - (3) rectification of any damage caused under the EP; and
 - (4) amounts (other than penalties) payable to the State under the MR Act.
- (b) We have been advised by the Department of Resources that security of \$500 is held for the Tenement.

9.3 Work programs and expenditure

- (a) It is a condition of an EP that the holder must carry out the program of works and studies for the purposes for which the EP was granted (s 141(1)(a) MR Act). The Minister may include as a condition of grant that the holder comply with minimum expenditure requirements.
- (b) If the holder of an EP fails to comply with such work program and/or expenditure conditions, the Minister may either cancel the EP or impose a penalty on the holder (s 160(1) MR Act).



- (c) The Department of Resources has confirmed that the Tenement holder has complied with all obligations in relation to expenditure reporting and annual reporting for the Tenement. Expenditure reporting and annual reporting is not due again until 25 July 2022.

10. Environment

10.1 Environmental Authority

- (a) The *Environmental Protection Act 1994* (Qld) (**EP Act**) regulates “environmentally relevant activities”, which includes mining activities (ss 18 and 107 of the EP Act).
- (b) A person must apply for an environmental authority (**EA**) to carry out environmentally relevant activities (s 116 EP Act).
- (c) Environmental authority EA0001961 is held for the Tenement (**Tenement EA**). The public register maintained by DES records Maronan Metals Limited as the holder of the Tenement EA.
- (d) There are three types of applications for an EA:
 - (1) “standard applications” apply where the EA is to be subject to the standard conditions for the environmentally relevant activity;
 - (2) “variation applications” apply when the application seeks to change the standard conditions; and
 - (3) “site specific applications” apply if any of the proposed environmentally relevant activities for the EA are ineligible environmentally relevant activities.
- (e) The Tenement EA is subject to the “Eligibility criteria and standard conditions for exploration and mineral development projects - Version 2 – ESR/2016/1985” (**Standard Conditions**).

10.2 Compliance with Tenement EA

- (a) We have been advised by DES that:
 - (1) There are no outstanding fees payable for the Tenement EA and all fees are up to date.
 - (2) The annual return for the 2021 reporting period is due on 1 April 2022. All previous annual returns have been received.
- (b) There are no enforcement actions against the Tenement EA.

10.3 Surety

- (a) It is a condition of the Tenement EA that activities cannot be carried out under the Tenement EA unless:
 - (1) an estimated rehabilitation cost (**ERC**) decision is in effect for the Tenement, in respect of the estimated cost of:

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- (A) rehabilitating the land on which activities under the Tenement are carried out; and
 - (B) preventing or minimising environmental harm, or rehabilitating or restoring the environment, in relation to the Tenement; and
- (2) the holder of the Tenement EA has given surety under the *Mineral and Energy Resources (Financial Provisioning) Act 2018* (Qld) (s 297 EP Act).
- (b) We have been advised by Queensland Treasury that the ERC for the Tenement EA is \$10,000 and Queensland Treasury currently holds cash surety to the same value.

10.4 Environmentally Sensitive Areas

- (a) The Standard Conditions restrict mining activities in certain environmentally sensitive areas.
- (b) There are no environmentally sensitive areas over the area of the Tenement.

11. Land Access

11.1 Legislative Regime – Private land

- (a) The *Mineral and Energy Resources (Common Provisions) Act (MERC Act)* governs access to land to conduct activities under an EP.
- (b) A person must not enter private land to carry out an authorised activity for a resource authority, or cross or gain entry to access land for a resource authority unless the resource authority holder has given each owner and occupier of the land an entry notice about the entry at least 10 business days before the entry (s 39 MERC Act).
- (c) A person must not enter private land to carry out an advanced activity for a resource authority (s 43 MERC Act) unless each owner and occupier of the land:
 - (1) is a party to a conduct and compensation agreement about the advanced activity and its effects; or
 - (2) is a party to a deferral agreement; or
 - (3) has elected to opt out from entering into a conduct and compensation agreement or deferral agreement; or
 - (4) is an applicant or respondent to an application relating to the land made to the Land Court.

11.2 Application to Tenement

- (a) The Tenement overlaps the following land parcels:
 - (1) Lot 2 on AL73 (Lands Lease) – this comprises the majority of the Tenement area.
 - (2) Lot C on AP2098 (Lands Lease) – this is the north-eastern corner of the Tenement.



- (3) Landsborough Highway (Parcels 859065, 859064 and 859067) – this runs through the middle of the Tenement.
- (b) We have been provided with a conduct and compensation agreement for Lot 2 on AL73 dated 17 November 2011 (**CCA**). The CCA is based on the standard form conduct and compensation agreement published by the Department of Resources. It applies for the term of the Tenement, including any renewals. It contains a waiver of the requirement to provide a notice of entry for the term of the Tenement, including any renewals.
- (c) We have not been advised of what activities have occurred on the Tenement and we cannot confirm whether or not the holders of the Tenement have met all the land access requirements for the Tenement.

11.3 Restricted land

- (a) A person must not enter restricted land for an EPM, to carry out a prescribed activity for the EPM, unless each relevant owner or occupier for the restricted land has given written consent to the resource authority holder to carry out the activity (s 70 MERC Act).
- (b) Restricted land is defined in section 68 of the MERC Act as:
 - (1) land within 200m laterally of any of the following—
 - (A) a permanent building used for any of the following purposes—
 - (i) a residence;
 - (ii) a childcare centre, hospital or library;
 - (iii) a community, sporting or recreational purpose or as a place of worship;
 - (iv) a business;
 - (B) an area used for any of the following purposes—
 - (i) a school;
 - (ii) a prescribed ERA (environmentally relevant activity), under the EP Act, that is aquaculture, intensive animal feedlotting, pig keeping or poultry farming;
 - (C) an area, building or structure prescribed by regulation; or
 - (2) land within 50m laterally of any of the following—
 - (A) an area used for any of the following purposes—
 - (i) an artesian well, bore, dam or water storage facility;
 - (ii) a principal stockyard;
 - (iii) a cemetery or burial place;

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(B) an area, building or structure prescribed by regulation.

- (c) We have been instructed that there is a station homestead on the Tenement, situated approximately 750m to 1,000m from the main deposit (inferred resource) that is located on the Tenement. Land that is within 200m laterally of the station homestead will be restricted land and written consent is needed to enter this area to carry out activities under the Tenement. We are not aware of whether there has been entry to this area and whether consent has been obtained. We have not considered any other areas of restricted land on the Tenement and cannot confirm whether or not the holder of the Tenement has met all requirements for restricted land under the Tenement.

11.4 Land access – grant of ML

- (a) If Maronan Metals wishes to apply for an ML over the Tenement, Maronan Metals will need to agree compensation with each owner of land the subject of the mining lease application, or have the amount of compensation determined by the Land Court (sections 279 and 281 MR Act).
- (b) If Maronan Metals wishes to include any area of restricted land within an application for an ML, the boundary of this restricted land for the proposed ML must be identified (s 245(1)(h)(ii) MR Act). It may be necessary for Maronan Metals to enter the restricted land to define the boundary of the restricted land (this may be required by sections 386R or 386U or a notice under sections 386J, 386S or 386T). To enter restricted land for this purpose Maronan Metals would need the consent of each owner or occupier of the restricted land and, if that consent is given with conditions, will need to comply with those conditions (s 386V and Schedule 1 MR Act).
- (c) An ML can only be granted over the surface of land that was restricted land when the ML application was lodged if:
- (1) each relevant owner for the restricted land consents in writing to the application; and
 - (2) Maronan Metals lodges each relevant owner’s consent with the chief executive.
- (s 238(1) MR Act).
- (d) The “relevant owner” for the station homestead, being a permanent building mentioned in section 68(1)(a)(i) of the MERCPC Act, is the owner or occupier of the station homestead (s 69 MERCPC Act). A relevant owner for restricted land cannot withdraw their consent after it has been lodged with the chief executive (s 238(2) MR Act).
- (e) Once an ML is granted, an application can later be made under section 275A of the MR Act for the surface of restricted land for the ML to be included in the ML. The Minister can only grant this application if:
- (1) each relevant owner of the restricted land has given written consent to the application; and
 - (2) the applicant has lodged each consent with the chief executive; and



- (3) there is an agreement about compensation, or a decision of the Land Court on compensation, with each relevant owner of the restricted land for the inclusion of the surface of the land in the ML.

12. Native Title

- 12.1 The NT Act prescribes a regime by which persons claiming to hold native title may lodge a claim to that effect for determination. Queensland has implemented the *Native Title (Queensland) Act 1993* which adopts the Commonwealth NT Act in Queensland.
- 12.2 The existence of a native title claim over an area of land is not evidence for the existence or otherwise of native title. The existence of native title is a question of fact to be determined by an assessment of the extent to which native title has been adversely affected or extinguished by adverse government action. A claim is an expression of interest by a native title group, which is subject to a detailed assessment by the government and ultimately the Federal Court. A native title group whose claim meets the registration requirements set out in the NT Act will receive a procedural right to negotiate in relation to land the subject of their native title claim where the grant of a mining tenement is proposed by the State.
- 12.3 Under the NT Act, native title can be confirmed to have been either totally or partially extinguished by certain grants. These grants are called Previous Exclusive Possession Acts or Previous Non-Exclusive Possession Acts, respectively.
- 12.4 Previous Exclusive Possession Acts are considered to be so inconsistent with the continued enjoyment of native title rights that they completely extinguish native title, and once extinguished, native title cannot revive.
- 12.5 Tenures which may co-exist with native title are generally non-exclusive leases such as pastoral leases, pastoral development holdings, some special leases and term leases for grazing or pastoral purposes, occupation licences, permits to occupy, etc. Such grants and interests are known as Previous Non-Exclusive Possession Acts and will be confirmed to have extinguished native title to the extent of any inconsistency.
- 12.6 The NT Act provides that:
- (a) grants, including mining tenements granted before 1 January 1994 have been validated as "past acts". This means that the granting of such tenements was fully effective and valid, notwithstanding that native title rights were not taken into account;
 - (b) grants, including mining tenements granted between 1 January 1994 to 23 December 1996 can be "intermediate period acts" where the grant was made covering land where any of the land was subject to a grant of freehold or lease or public work. Intermediate period acts have been validated, notwithstanding that native title rights were not taken into account at the time; and
 - (c) grants, including mining tenements granted or renewed after 23 December 1996 are subject to the "future act" regime, which provides a process which must be complied with before a proposed future act which has the potential to impact native title rights can be validly undertaken.
- 12.7 Where native title is found not to have been extinguished over an area of land, any act that will affect that native title will be subject to the future act procedures under the NT Act. For a mining tenement, this procedure could be either:

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- (a) right to negotiate (**RTN**) under Subdivision P, Division 3, Part 2 of the NT Act, resulting in a section 31 deed and ancillary agreement; or
 - (b) an indigenous land use agreement (**ILUA**), which is a voluntary agreement between a native title claimant group and others about the use and management of land and waters.
- 12.8 The RTN process begins with the State issuing a notice under section 29, indicating that it proposes to grant the tenement. The State must indicate whether the State considers the act attracts the expedited procedure. An act will attract the expedited procedure if:
- (a) the act is not likely to interfere directly with the carrying on of the community or social activities of the persons who are the native title holders; and
 - (b) the act is not likely to interfere with areas or sites of particular significance of the native title holders; and
 - (c) the act is not likely to involve major disturbance to any lands or waters
- (s 237 NT Act).
- 12.9 Where the State indicates that the expedited procedure applies, the tenement may be granted if any native title parties do not lodge any objection to the NNTT within 4 months after the notification date. If any native title parties lodge an objection to the application of the expedited procedure, the NNTT must then determine whether or not the expedited procedure applies.
- 12.10 Where the State indicates that the RTN procedure applies, the parties must enter into the RTN process under the NT Act. The outcome of the RTN process is known as a "Section 31 Agreement" which is an agreement between the parties to the doing of the future act. A "Section 31 Agreement" must be registered with the State. An ancillary agreement may also be made between the parties (to which the State is not a party) which will deal with matters relating to compensation and usually Aboriginal cultural heritage.
- 12.11 If the State issues a notice under section 29, indicating that it proposes to grant the tenement and that the tenement is not subject to the expedited procedure, then a notification period follows during which native title parties have 3 months to lodge claims and an additional month to register their claims with the NNTT. If at the end of the 4 month period there is a registered claim, there is a further 2 months to undertake good faith negotiations towards establishing a Section 31 Agreement. If a Section 31 Agreement cannot be reached in this time, the tenement applicant may apply for arbitration (provided that a total of 6 months has passed since the notification period began). If a party elects to go to arbitration, the arbitration period will run for a period of 6 months. At the end of the arbitration period, the NNTT determines whether the tenure may be granted.
- 12.12 **Application to the Tenement:**
- (a) *Native title validity for grant of Tenement*
 - (1) The Tenement was granted on 26 June 2001 to Phelps Dodge Australasia Inc.
 - (2) The resource authority public report identifies that the Tenement was granted under the expedited procedure and an agreement was reached under a section 31 deed.



-
- (3) We have reviewed the Section 31 Deed dated 27 July 2007, between the State of Queensland, the Mitakoodi and Mayi People (QC96/101; QUD6106/98) and Red Metal, who was then the holder of the Tenement.
 - (4) This Section 31 Deed was entered into six years after the grant of the Tenement. It records that
 - (A) the State of Queensland issued a section 29 notice for the Tenement which included a statement that the State considered the grant of the Tenement an act attracting the expedited procedure; and
 - (B) Red Metal and the Mitakoodi and Mayi People had entered into an ancillary agreement for the purpose of setting out land access arrangements to protect native title rights and Aboriginal cultural heritage in the area of the Tenement.
 - (5) As the expedited procedure applied at the time of grant of the Tenement, it has been validly granted with respect to native title.
 - (6) Although not needed to establish native title validity, the Section 31 Deed contains a separate native title consent to the grant of the Tenement, which the holder can rely on.
 - (7) The Mitakoodi and Mayi People were the registered native title claimants for the period 22 October 1996 to 4 January 2010.
 - (8) Our searches show that the Tenement is now 100% overlapped by the Mitakoodi People #5 registered native title claim (QC2015/009; QUD556/2015), which was filed on 8 July 2015 and registered on 21 February 2020.
 - (9) Pearl Connelly, who was the sole applicant bringing the Mitakoodi and Mayi People claim is one of the six members of the applicant bringing the Mitakoodi People #5 claim. The group of people claiming to hold native title is differently described in the Mitakoodi and Mayi People claim and the Mitakoodi People #5 claim, but includes common apical ancestors.
 - (10) The change to the registered native title claim does not impact on the validity of the Tenement, the Section 31 Deed or the Ancillary Agreement (see below).
- (b) *Ancillary Agreement and Section 31 Deed*
- (1) The Ancillary Agreement is contained in the in Ancillary Agreement [EPM 14293] dated 2 April 2006 between Mitakoodi People and Red Metal, which was varied by the Deed of Variation [EPM 13315, 13344, 13345, 13368, 13369 & 15735] dated 20 May 2007 between Mitakoodi People and Red Metal to apply to the Tenement.
 - (2) For the holder to assign its interest in the Tenement, the assignee must enter into a deed of assumption agreeing to assume the obligations under the Ancillary Agreement. Consent from the native title party is not required for an assignment by the holder to a related body corporate, but notification must be given to the native title party and the holder can require the native title party to also execute the deed of assumption. Under a Deed of Assignment and

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Assumption dated 5 February 2021, Maronan Metals has assumed Red Metals’ obligations under the Ancillary Agreement in respect of the Tenement with effect from the date the Tenement was transferred to Maronan Metals. By correspondence dated 28 January 2021, Red Metal notified the Mitakoodi and Mayi People of this assignment.

- (3) The Section 31 Deed for EPM 13368 is dated 27 July 2007 and was originally between the State of Queensland, Mitakoodi and Mayi People and Red Metal. It was assigned from Red Metal to Maronan Metals under a Deed of Assignment and Assumption dated 12 March 2021.
 - (4) The Ancillary Agreement does not address the situation where the native title party ceases to have a registered native title claim. The Ancillary Agreement operates until the cancellation, surrender or expiration of the last exploration permit under the agreement (clause 7). This means that Maronan Metals continues to be bound by the Ancillary Agreement even though the registered native title claimant has changed.
 - (5) The Ancillary Agreement contains standard terms and clauses for an agreement of its nature.
 - (6) Under the Ancillary Agreement, the holder of the Tenement must make compensation payments. These are paid annually and on any exploration activities involving ground disturbance. The amounts of compensation are consistent with industry standards. The compensation is provided in full and final settlement of any claim that the Mitakoodi People may have in the future in relation to the grant or renewal of the Tenement and the exercise of any rights under the Tenement. Under the Section 31 Deed, the registered native title claimant acknowledges that any compensation received under the Ancillary Agreement is received on behalf of all members of the Mitakoodi people and on behalf of any other person who holds native title rights and interests in relation to the land and waters the subject of the Tenement, which would include any determination that native title is held by the Mitakoodi People #5. As the Section 31 Deed has been assigned to Maronan Metals, Maronan Metals will be able to rely on this release in respect of compensation.
 - (7) To undertake activities which involve ground disturbance, the Tenement holder must have a work program submitted to the native title party and approved in accordance with Schedule 3 of the Ancillary Agreement. This is discussed further in relation to cultural heritage at paragraph 13.2(c) below.
- (c) It is outside the Scope of this report to conduct a native title assessment to identify the land tenure underlying the Tenement to determine whether native title rights and interests exist.

13. Aboriginal Cultural Heritage

13.1 Protection of Aboriginal cultural heritage

- (a) The ACH Act aims to protect Aboriginal areas and objects of cultural significance irrespective of the underlying tenure of the land (sections 4 and 5 ACH Act). The existence of Aboriginal cultural heritage is in no way an indication that native title



exists in an area (section 1.3 of the *Aboriginal Cultural Heritage Act 2003 Duty of Care Guidelines (ACH Guidelines)*)

- (b) The ACH Act defines Aboriginal cultural heritage as:
- (1) a significant Aboriginal area in Queensland;
 - (2) a significant Aboriginal object; or
 - (3) evidence of archaeological or historic significance of Aboriginal occupation of an area of Queensland.
- (s 8 ACH Act)
- (c) Whether or not an area or object is a significant Aboriginal area or object is determined by reference to:
- (1) Aboriginal tradition, that is the body of traditions, observances, customs and beliefs of Aboriginal people generally or of a particular community or group of Aboriginal people and includes any such traditions, observances, customs and beliefs relating to particular persons, areas, objects or relationships; and
 - (2) the history, including contemporary history, of any Aboriginal party of the relevant area.
- (ss 9 and 10 ACH Act)
- (d) A significant Aboriginal area does not need to contain markings or other physical evidence indicating Aboriginal occupation, and these areas may include ceremonial, birthing and burial places, and sites of massacre (s 12 ACH Act).
- (e) When carrying out an activity a person will owe a duty of care to not cause harm to an area or object of Aboriginal cultural heritage (s 23(1) ACH Act) (the **Aboriginal cultural heritage duty of care**). A person is required to exercise due diligence and reasonable precaution before undertaking an activity that may cause harm (1.10 ACH Guidelines). When carrying out an activity a person must take all reasonable and practical measures to avoid harm to Aboriginal cultural heritage (s 23(1) ACH Act). The maximum penalty for a breach of this provision is \$137,850.00 for an individual or \$1,3378,500.00 for a corporation (s 23(1) ACH Act and 1.15 ACH Guidelines). When considering whether a person has complied with the duty of care a court may take into account:
- (1) the nature of the activity and the likelihood of its causing harm to Aboriginal cultural heritage;
 - (2) the nature of the Aboriginal cultural heritage likely to be harmed by the activity;
 - (3) the extent to which the person consulted with Aboriginal parties about the carrying out of the activity, and the results of the consultation;
 - (4) whether the person carried out a study or survey of any type of the area affected by the activity to find out the location and extent of Aboriginal cultural heritage, and the extent of the study or survey;

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- (5) whether the person searched the database and register for information about the area affected by the activity;
- (6) the extent to which the person has complied with cultural heritage duty of care guidelines; and
- (7) the nature and extent of past uses in the area affected by the activity.

(s 23(2) ACH Act and 1.12 ACH Guidelines)

- (f) The ACH Act does not operate using a permit or licensing system. Instead, when undertaking activities in an area, a person must meet the Aboriginal cultural heritage duty of care by complying with the ACH Guidelines or by entering into a native title agreement or another agreement with the Aboriginal party for the area.
- (g) The chief executive or minister of DATSIP has a duty to record all Aboriginal cultural heritage sites (s 48 ACH Act) and the information may be obtained from the Cultural Heritage Unit of DATSIP (4.11, 5.12 and 5.21 ACH Guidelines). However, the ACH Guidelines warn that the information contained on the Aboriginal Cultural Heritage Register should not be solely relied upon to the exclusion of other searches (8.3 ACH Guidelines). The ACH Act requires persons to take all reasonable and practical measures to ensure an activity does not cause harm to Aboriginal cultural heritage where a person knows or ought to reasonably know that it is Aboriginal cultural heritage (s 24 ACH Act). In most cases, this will require proponents to undertake a cultural heritage survey involving the Aboriginal party for the area.
- (h) Where work or activities are likely to damage a cultural heritage site, the Minister has authority under the ACH Act to make a "stop order". The maximum penalty for contravening a stop order is \$2,343,450 (s 32(6) ACH Act).

13.2 Aboriginal cultural heritage over Tenement:

- (a) Our searches show that there are two recorded cultural heritage sites on the northern border of the Tenement.
- (b) The Mitakoodi People #5 are the Aboriginal party for the Tenement.
- (c) The Ancillary Agreement contains a process dealing with Aboriginal cultural heritage. The Section 31 Deed and the Ancillary Agreement, together, are an agreement for the purposes of section 31(1)(b) of the NT Act and therefore a "native title agreement" under the ACH Act. This means that Maronan Metals will be able to rely on the cultural heritage process in the Ancillary Agreement to meet the cultural heritage duty of care under section 23(3)(a)(ii), even though the Mitakoodi and Mayi People are no longer the Aboriginal party for the Tenement.

14. Consent

- 14.1 This report is given solely for the benefit of Maronan Metals in connection with the issue of the Prospectus. The report is not to be relied upon by, or disclosed to, any other person or used for any other purpose or quoted or referred to in any public document (other than in

Directors
Maronan Metals Limited

18 February 2022



connection with the Prospectus) or filed with any government body or other person (other than in connection with the Prospectus) without our prior written consent.

Yours faithfully

A handwritten signature in black ink that reads 'HopgoodGanim'.

HopgoodGanim Lawyers

Contact: Damian Roe
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MARONAN METALS LIMITED
Independent Limited Assurance Report

18 February 2022





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Level 9
 Mia Yellagonga Tower 2
 5 Spring Street
 Perth WA 6000
 Australia

18 February 2022

The Directors
 Maronan Metals Limited
 Level 15 323 Castlereagh Street
 Sydney NSW 2000

Dear Directors

INDEPENDENT LIMITED ASSURANCE REPORT

1. Introduction

BDO Corporate Finance (WA) Pty Ltd (**'BDO'**) has been engaged by Maronan Metals Limited (**'Maronan Metals'** or **'the Company'**) to prepare this Independent Limited Assurance Report (**'Report'**) in relation to certain financial information of Maronan Metals, for the Initial Public Offering of shares in Maronan Metals, for inclusion in the Prospectus. Broadly, the Prospectus will offer up to 75,000,000 Shares at an issue price of \$0.20 each together with one free attaching option (**'Primary Option'**) for every three Shares subscribed for and issued, to raise up to \$15,000,000 before costs (**'the Offer'**). The Offer is subject to a minimum subscription level of 60,000,000 to raise \$12,000,000.

Expressions defined in the Prospectus have the same meaning in this Report. BDO Corporate Finance (WA) Pty Ltd (**'BDO'**) holds an Australian Financial Services Licence (AFS Licence Number 316158) and our Financial Services Guide (**'FSG'**) has been included in this report in the event you are a retail investor. Our FSG provides you with information on how to contact us, our services, remuneration, associations, and relationships.

This Report has been prepared for inclusion in the Prospectus. We disclaim any assumption of responsibility for any reliance on this Report or on the Financial Information to which it relates for any purpose other than that for which it was prepared.

2. Scope

You have requested BDO to perform a limited assurance engagement in relation to the historical and pro forma historical financial information described below and disclosed in the appendices to this Report.

BDO Corporate Finance (WA) Pty Ltd ABN 27 124 031 045 AFS Licence No 316158 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Corporate Finance (WA) Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation.

ANNEXURE C – INDEPENDENT LIMITED ASSURANCE REPORT

The historical and pro forma historical financial information is presented in this Report in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act 2001.

You have requested BDO to review the following historical financial information (together the **'Historical Financial Information'**) of Maronan Metals included in the Prospectus:

- the audited historical Statements of Profit or Loss and Other Comprehensive Income and Statements of Cash Flows for the years ended 30 June 2020 and 30 June 2021;
- the reviewed historical Statement of Profit or Loss and Other Comprehensive Income and Statements of Cash Flows for the half - year ended 31 December 2021; and
- the reviewed historical Statement of Financial Position as at 31 December 2021.

The Historical Financial Information has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principles contained in Australian Accounting Standards and the company's adopted accounting policies.

The Historical Financial Information has been extracted from the reviewed financial statements of Maronan Metals for the half-year ended 31 December 2021 and the audited financial statements of Maronan Metals for years ended 30 June 2020 and 30 June 2021, which were reviewed and audited by BDO Audit (WA) Pty Ltd (**'BDO Audit'**) in accordance with the Australian Auditing Standards. BDO Audit issued an unmodified review opinion on the 31 December 2021 financial report and an unmodified audit opinion on the financial reports for the years ended 30 June 2020 and 30 June 2021.

In each of the audit and review conclusions, BDO Audit included an emphasis of matter relating to the material uncertainty around the ability to continue as a going concern and therefore the companies may be unable to realise their assets and discharge their liabilities in the normal course of business. However, the review opinion and audit opinions were not modified in respect of this matter.

Pro Forma Historical Financial Information

You have requested BDO to review the following pro forma historical financial information (the **'Pro Forma Historical Financial Information'**) of Maronan Metals included in the Prospectus:

- the pro forma historical Statement of Financial Position as at 31 December 2021.

The Pro Forma Historical Financial Information has been derived from the historical financial information of Maronan Metals, after adjusting for the effects of the subsequent events described in Section 6 of this Report and the pro forma adjustments described in Section 7 of this Report. The stated basis of preparation is the recognition and measurement principles contained in Australian Accounting Standards applied to the historical financial information and the events or transactions to which the pro forma adjustments relate, as described in Section 7 of this Report, as if those events or transactions had occurred as at the date of the historical financial information. Due to its nature, the Pro Forma Historical Financial Information does not represent the company's actual or prospective financial position or financial performance.

The Pro Forma Historical Financial Information has been compiled by Maronan Metals to illustrate the impact of the events or transactions described in Section 6 and Section 7 of the Report on

the Company's financial position as at 31 December 2021. As part of this process, information about the Company's financial position has been extracted by Maronan Metals from its reviewed financial statements for the half year ended 31 December 2021.

3. Directors' responsibility

The directors of Maronan Metals are responsible for the preparation and presentation of the Historical Financial Information and Pro Forma Historical Financial Information, including the selection and determination of pro forma adjustments made to the Historical Financial Information and included in the Pro Forma Historical Financial Information. This includes responsibility for such internal controls as the directors determine are necessary to enable the preparation of Historical Financial Information and Pro Forma Historical Financial Information are free from material misstatement, whether due to fraud or error.

4. Our responsibility

Our responsibility is to express limited assurance conclusions on the Historical Financial Information and the Pro Forma Historical Financial Information. We have conducted our engagement in accordance with the Standard on Assurance Engagement ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.

Our limited assurance procedures consisted of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A limited assurance engagement is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit or limited assurance reports on any financial information used as a source of the financial information.

5. Conclusion

Historical Financial Information

Based on our limited assurance engagement, which is not an audit, nothing has come to our attention that causes us to believe that the Historical Financial Information, as described in the Appendices to this Report, and comprising:

- the audited historical Statements of Profit or Loss and Other Comprehensive Income and Statements of Cash Flows for the years ended 30 June 2020 and 30 June 2021;
- the reviewed historical Statement of Profit or Loss and Other Comprehensive Income and Statements of Cash Flows for the half-year ended 31 December 2021; and
- the reviewed historical Statement of Financial Position as at 31 December 2021;

is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Section 2 of this Report.

Pro Forma Historical Financial information

ANNEXURE C – INDEPENDENT LIMITED ASSURANCE REPORT

Based on our limited assurance engagement, which is not an audit, nothing has come to our attention that causes us to believe that the Pro Forma Historical Financial Information as described in the Appendices to this Report, and comprising:

- the pro forma historical Statement of Financial Position as at 31 December 2021, is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Section 2 of this Report.

6. Subsequent Events

Apart from the matters dealt with in this Report, and having regard to the scope of this Report and the information provided by the Directors, to the best of our knowledge and belief no other material transaction or event outside of the ordinary business of Maronan Metals, has come to our attention that would require comment on, or adjustment to, the information referred to in our Report or that would cause such information to be misleading or deceptive.

7. Assumptions Adopted in Compiling the Pro forma Statement of Financial Position

The pro forma historical statement of financial position is shown in Appendix 3. This has been prepared based on the financial statements as at 31 December 2021 and the following transactions and events relating to the issue of Shares under this Prospectus:

- The minimum issue of 60,000,000 shares at an offer price of \$0.20 each to raise \$12 million before costs pursuant to the Prospectus, based on the minimum subscription;
- The maximum issue of 75,000,000 shares at an offer price of \$0.20 each to raise \$15 million before costs pursuant to the Prospectus, based on the maximum subscription;
- Shares will be issued together with one Primary Option for every three shares subscribed for and issued. Each Primary Option issued pursuant to the Prospectus will be exercisable into one share at an exercise price of \$0.30 and one secondary option (**'Secondary Option'**) for every two shares issued on exercise of the Primary Options and each Secondary Option is exercisable into one share at an exercise price of \$0.60. The options have no impact on the on the pro forma historical statement of financial position as at 31 December 2021 since they are free attaching options offered to all potential shareholders.
- In order to extinguish an existing loan owed to Red Metal Limited (**'Red Metal'**), the Company will:
 - issue 74,999,990 shares to Red Metal;
 - issue 13,500,000 performance rights (**'Performance Rights'**) to Red Metal; and
 - pay \$500,000 in cash to Red Metal.

The Performance Rights will convert into shares in the Company upon satisfaction of the following milestones:

Class	Milestone Event	Number
A	Upon the Company announcing a downhole intercept of at least 30m @ 1.5% Cu Equivalent within 3 years from the date of issue of the Performance Rights.	6,750,000
B	Upon the Company announcing a downhole intercept of at least 15m @ 10.0% Pb equivalent within 3 years from the date of issue of the Performance Rights.	6,750,000

The Performance Rights shall automatically convert into Shares upon the occurrence of either:

- a takeover bid under Chapter 6 of the Corporations Act 2001 (Cth) having been made in respect of the Company having received acceptances for more than 50% of the Company's Shares on issue and being declared unconditional by the bidder; or
- a Court granting orders approving a compromise or arrangement for the purposes of or in connection with a scheme of arrangement for the reconstruction of the Company or its amalgamation with any other company or companies.

Under the Black-Scholes methodology each Performance Right has a value of \$0.20, however the Performance Rights have no impact on the pro forma historical statement of financial position since they vest upon the achievement of their respective milestones which are yet to be met.

- All existing Red Metal Shareholders with a registered address in Australia on the record date will be granted a bonus issue of 25,000,000 Primary Options ('**Bonus Issue**'). The Bonus Issue will have an exercise price of \$0.30 per Primary Option and an expiry date of thirty months from the date of issue on a pro rata basis to the shareholdings of Red Metal Shareholders. In the event that ASX requires that all, or a significant number, of the Red Metal Shareholders sign restriction deeds in respect of Primary Options issued under the Bonus Issue, the Company retains the right to withdraw the Bonus Issue on the basis of the administrative burden that would be imposed. The Bonus Issue options have no impact on the pro-forma historical statement of financial position since they are allotted to all Red Metal Shareholders on a pro-rata basis and conditional upon the Company's withdrawal in the event of an administrative burden.
- The minimum total cash costs of the Offer is estimated to be \$925,000 with those costs directly attributable to the capital raising being \$727,929. These costs are offset against contributed equity. The remaining costs of the Offer of \$197,071 which are not directly attributable to the capital raising are expensed through retained earnings. These costs comprise of ASIC and ASX fees, brokerage fees, legal fees, Independent Geologist's Fees, Investigating Accountant's Fees, and other apportioned expenses of the Offer. Red Metal has agreed to take responsibility for the costs of the spin-out and listing of the Company, up to a maximum of \$200,000. Any costs incurred by Red Metal on Maronan's behalf in excess of this amount will be reimbursed by the Company immediately prior to listing;
- The maximum total cash costs of the Offer is estimated to be \$1,080,000 with those costs directly attributable to the capital raising being \$879,429. These costs are offset against contributed equity. The remaining costs of the Offer of \$200,571 which are not

ANNEXURE C – INDEPENDENT LIMITED ASSURANCE REPORT

directly attributable to the capital raising are expensed through retained earnings. These costs comprise of ASIC and ASX fees, brokerage fees, legal fees, Independent Geologist's Fees, Investigating Accountant's Fees, and other apportioned expenses of the Offer. Red Metal has agreed to take responsibility for the costs of the spin-out and listing of the Company, up to a maximum of \$200,000. Any costs incurred by Red Metal on Maronan's behalf in excess of this amount will be reimbursed by the Company immediately prior to listing;

- The reserves balance has been adjusted to reflect the proposed issue of 3,000,000 Primary Options exercisable at \$0.30, with an expiry date that is 30 months after the date of issue to the Corporate Advisor together with one Secondary Option for every two shares issued exercisable at \$0.60 with an expiry date on 30 June 2025, ('Advisor Options'). We have valued the Options using the Black Scholes option pricing model as the Primary Options and Secondary Options have no vesting conditions. For the Primary Options, we reflect the value of the Secondary Options by adjusting the Primary Options' exercise price by half the value of the Secondary Options since one Secondary Option is issued for every two shares issued. This is on the basis that the value of the Secondary Options effectively reduces the price the Primary Options optionholders have to pay to exercise their options. By adjusting the Primary Options exercise price, we account for the value of the Secondary Options in our Primary Options valuation. The Advisor Options have been valued at \$315,000 and have been offset against contributed equity as a cost of the Public Offer; and
- 10,000,000 options exercisable at \$0.25, with an expiry date that is three years from the date of issue are proposed to be issued to Directors of the Company ('Director Options'). The Director Options are comprised to two tranches (50% Tranche 1 and 50% Tranche 2 for each Director) The Director Options will vest immediately upon the confirmation of the following events:
 - (Tranche 1, comprising 5 million Director Options): on the date that the Company is admitted to the Official List; and
 - (Tranche 2, comprising 5 million Director Options): on the date that is 12 months from the date that the Company is admitted to the Official List.
- Consequently, the reserves balance has been adjusted to reflect the 50% of Director Options that vest on issue. These 5,000,000 Director Options have been valued at \$580,000 using the Black Scholes option pricing model and have been offset against accumulated losses. The remaining Director Options have no impact on the pro forma historical statement of financial position as at 31 December 2021 since they vest 12 months from the date that the Company is admitted to the Official List.

8. Independence

BDO is a member of BDO International Ltd. BDO does not have any interest in the outcome of the proposed IPO other than in connection with the preparation of this Report and participation in due diligence procedures, for which professional fees will be received. BDO is the auditor of Maronan Metals.

9. Disclosures

This Report has been prepared, and included in the Prospectus, to provide investors with general information only and does not take into account the objectives, financial situation or needs of any specific investor. It is not intended to be a substitute for professional advice and potential investors should not make specific investment decisions in reliance on the information contained in this Report. Before acting or relying on any information, potential investors should consider whether it is appropriate for their objectives, financial situation or needs.

Without modifying our conclusions, we draw attention to Section 2 of this Report, which describes the purpose of the financial information, being for inclusion in the Prospectus. As a result, the financial information may not be suitable for use for another purpose.

BDO has consented to the inclusion of this Report in the Prospectus in the form and context in which it is included. At the date of this Report this consent has not been withdrawn. However, BDO has not authorised the issue of the Prospectus. Accordingly, BDO makes no representation regarding, and takes no responsibility for, any other statements or material in or omissions from the Prospectus.

Yours faithfully

BDO Corporate Finance (WA) Pty Ltd



Adam Myers

Director

ANNEXURE C – INDEPENDENT LIMITED ASSURANCE REPORT

APPENDIX 1

MARONAN METALS LIMITED - PRO FORMA STATEMENT OF FINANCIAL POSITION

<i>Amounts are in AUD</i>	Note	Reviewed 31-Dec-21	Pro forma Adjustments Minimum	Pro forma Adjustments Maximum	Pro forma After Issue Minimum	Pro forma After Issue Maximum
ASSETS						
Current assets						
Cash and cash equivalents	1	10	10,775,000	13,620,000	10,775,010	13,620,010
Total current assets		10	10,775,000	13,620,000	10,775,010	13,620,010
Non-current assets						
Other receivables		10,000	-	-	10,000	10,000
Acquisition, exploration and evaluation expenditure		5,691,713	-	-	5,691,713	5,691,713
Total non-current assets		5,701,713	-	-	5,701,713	5,701,713
Total assets		5,701,723	10,775,000	13,620,000	16,476,723	19,321,723
LIABILITIES						
Current liabilities						
Trade and other payables		6,000	-	-	6,000	6,000
Borrowings	2	720,570	(720,570)	(720,570)	-	-
Total current liabilities		726,570	(720,570)	(720,570)	6,000	6,000
Non-current liabilities						
Borrowings	2	6,859,266	(6,859,266)	(6,859,266)	-	-
Total non-current liabilities		6,859,266	(6,859,266)	(6,859,266)	-	-
Total liabilities		7,585,836	(7,579,836)	(7,579,836)	6,000	6,000
Net assets		(1,884,113)	18,354,836	21,199,836	16,470,723	19,315,723
Equity						
Issued capital	3	10	18,194,297	21,048,264	18,194,307	21,048,274
Reserves	4	-	895,000	895,000	895,000	895,000
Accumulated losses	5	(1,884,123)	(734,461)	(743,428)	(2,618,584)	(2,627,551)
Total equity		(1,884,113)	18,354,836	21,199,836	16,470,723	19,315,723

The pro forma statement of financial position after the Offer is as per the historical statement of financial position before the Offer adjusted for any subsequent events and the transactions relating to the issue of shares pursuant to this Prospectus. The statement of financial position is to be read in conjunction with the notes to and forming part of the historical financial information set out in Appendix 4 and the prior year financial information set out in Appendix 2 and Appendix 3.

APPENDIX 2
MARONAN METALS LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

<i>Amounts are in AUD</i>	Reviewed for the half-year ended 31-Dec-21	Audited for the year ended 30-Jun-21	Audited for the year ended 30-Jun-20
Revenue			
Other income	-	-	-
Total Revenue	-	-	-
Expenditure			
Corporate and administration expenses	33,600	166,448	-
Exploration expenditure written off	25,142	491,380	-
Finance costs	292,648	141,594	633,914
Other expenditure	-	-	-
Total Expenditure	351,390	799,422	633,914
Loss before income tax	351,390	799,422	633,914
Income tax expense	-	-	-
Loss after income tax from continuing operations	351,390	799,422	633,914
Other Comprehensive income/(loss)			
<i>Items that may be reclassified to profit or loss</i>	-	-	-
Total comprehensive loss for the year	351,390	799,422	633,914
Loss per Share			
Basic loss per share (dollar per share)	35,139	79,942	63,391
Diluted loss per share (dollar per share)	35,139	79,942	63,391
Number of shares	10	10	10

This statement of profit or loss and other comprehensive income shows the historical financial performance of the Company and is to be read in conjunction with the notes to and forming part of the historical financial information set out in Appendix 4.

ANNEXURE C – INDEPENDENT LIMITED ASSURANCE REPORT

APPENDIX 3 MARONAN METALS LIMITED STATEMENT OF CASH FLOWS

<i>Amounts are in AUD</i>	Reviewed for the half-year ended 31-Dec-21	Audited for the year ended 30-Jun-21	Audited for the year ended 30-Jun-20
Cash flows from operating activities	-	-	-
Payments to suppliers and employees	-	-	-
Net cash outflows from operating activities	-	-	-
Cash flows from investing activities			
Payments for exploration expenditure	-	-	-
Payments for property, plant and equipment	-	-	-
Net cash outflows from investing activities	-	-	-
Cash flows from financing activities			
Proceeds from share issue	-	-	-
Share issue cost	-	-	-
Net cash inflows from financing activities	-	-	-
Net increase in cash and cash equivalents held	-	-	-
Opening cash and cash equivalents balance	10	10	10
Cash and cash equivalents at the end of the year	10	10	10

These statements of cash flows show the historical cash flows of the Company and are to be read in conjunction with the notes to and forming part of the historical financial information set out in Appendix 4. We note that prior transactions went through the books of Red Metal.

APPENDIX 4
MARONAN METALS LIMITED
NOTES TO AND FORMING PART OF THE HISTORICAL FINANCIAL INFORMATION

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of the historical financial information included in this Report have been set out below.

a) Basis of preparation of historical financial information

The historical financial information has been prepared in accordance with the recognition and measurement, but not all the disclosure requirements of the Australian equivalents to International Financial Reporting Standards ('AIFRS'), other authoritative pronouncements of the Australian Accounting Standards Board, Australian Accounting Interpretations and the Corporations Act 2001.

The financial information has also been prepared on a historical cost basis, except for derivatives and available-for-sale financial assets that have been measured at fair value. The carrying values of recognised assets and liabilities that are hedged are adjusted to record changes in the fair value attributable to the risks that are being hedged. Non-current assets and disposal group's held-for-sale are measured at the lower of carrying amounts and fair value less costs to sell.

b) Going Concern

The historical financial information has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

The ability of the Company to continue as a going concern is dependent on the success of the fundraising under the Prospectus. The Directors believe that the Company will continue as a going concern. As a result the financial information has been prepared on a going concern basis. However should the fundraising under the Prospectus be unsuccessful, the entity may not be able to continue as a going concern. No adjustments have been made relating to the recoverability and classification of liabilities that might be necessary should the Company not continue as a going concern.

c) Acquisition, exploration and evaluation expenditure

Acquisition costs of mining tenements are accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that the Company's rights of tenure to that area of interest are current and that the costs are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Costs in relation to an abandoned area are written off in full against profit or loss in the year in which the decision to abandon the area is made. Each area of interest is also reviewed annually and acquisition costs written off to the extent that they will not be recoverable in the future. Exploration, evaluation and development costs of mining tenements are expensed as incurred.

d) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

ANNEXURE C – INDEPENDENT LIMITED ASSURANCE REPORT

e) Cash and cash equivalents

Cash reserves in the statement of financial position comprise cash at bank and in hand.

f) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the net asset or part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the Statement of Financial Position.

Cash flows are presented on a gross basis. The GST component of cash flows arising from investing or financing activities which are recoverable from, or payable to, the taxation authority, are presented as operating cash flows.

g) Trade and other payables

Trade and other payables are carried at cost and represent liabilities for goods and services provided to the Company prior to the end of the financial year that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services.

h) Trade and other receivables

Trade receivables, which generally have 30-90 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. An allowance for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified.

i) Contributed equity

Ordinary shares and options are classified as contributed 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.

j) Share based payment expense

The Company measures the cost of equity settled transactions with employees and consultants by reference to the fair value of the equity instruments at the date at which they are granted. The fair value of options is determined using a Black-Scholes model.

k) Income tax

Deferred income tax is provided for on all temporary differences at balance date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes.

No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the statement of comprehensive income except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the Company will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law. The carrying amount of deferred tax assets is reviewed at each balance date and only recognised to the extent that sufficient future assessable income is expected to be obtained.

At the reporting date, the Directors have not made a decision to elect to be taxed as a single entity.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

l) Property, plant and equipment

Items of plant and equipment are carried at cost less accumulated depreciation and impairment losses (see accounting policy "Impairment").

Plant and equipment

Plant and equipment acquired is initially recorded at their cost of acquisition at the date of acquisition, being the fair value of the consideration provided plus incidental costs directly attributable to the acquisition.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Depreciation

All assets have limited useful lives and are depreciated using the straight line method over their estimated useful lives commencing from the time the asset is held ready for use.

Depreciation and amortisation rates and methods are reviewed annually for appropriateness. When changes are made, adjustments are reflected prospectively in current and future periods only. The estimated useful lives used in the calculation of depreciation for plant and equipment for the current and corresponding period is three years.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to accumulated losses.

m) Impairment

The carrying amount of the Company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. Where such an indication exists, a formal assessment of recoverable amount is then made and where this is in excess of carrying amount, the asset is written down to its recoverable amount.

ANNEXURE C – INDEPENDENT LIMITED ASSURANCE REPORT

Recoverable amount is the greater of fair value less costs to sell and value in use. Value in use is the present value of the future cash flows expected to be derived from the asset or cash generating unit. In estimating value in use, a pre-tax discount rate is used which reflects current market assessments of the time value of money and the risks specific to the asset. Any resulting impairment loss is recognised immediately in the statement of comprehensive income.

Impairment losses are reversed when there is an indication that the impairment loss may no longer exist and there has been a change in the estimate used to determine the recoverable amount. An impairment loss is reversed only to the extent that the carrying amount of the asset(s) does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

n) Employee benefits

Wages, salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled wholly within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date. They are measured at the (undiscounted) amounts expected to be paid when the liabilities are settled.

Contributions are made by the Company to superannuation funds as stipulated by statutory requirements and are charged as expenses when incurred.

o) Issued 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.

p) Earnings per share

Basic earnings per share are determined by dividing the net result attributable to members, adjusted to exclude costs of servicing equity (other than dividends), by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share are determined by dividing the net result attributable to members, adjusted to exclude costs of servicing equity (other than dividends) and any expenses associated with dividends and interest of dilutive potential ordinary shares, by the weighted average number of ordinary shares (both issued and potentially dilutive) adjusted for any bonus element.

q) Acquisition of assets

All assets acquired are initially recorded at their cost of acquisition, being the fair value of the consideration provided plus incidental costs directly attributable to the acquisition. When equity instruments are issued as consideration, their market price at the date of acquisition is used as fair value. Transaction costs arising on the issue of equity instruments are recognised directly in equity to the extent of proceeds received, otherwise they are expensed.

r) Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

NOTE 1: CASH AND CASH EQUIVALENTS

<i>Amounts are in AUD</i>	Reviewed as at 31-Dec-21	Pro forma after Offer Minimum	Pro forma after Offer Maximum
Reviewed cash and cash equivalents balance	10	10	10
<i>Pro forma adjustments</i>			
Proceeds from shares issued under the Offer		12,000,000	15,000,000
Cash repayment for existing loan		(500,000)	(500,000)
Costs of the Offer		(925,000)	(1,080,000)
Offer costs covered by Red Metal		200,000	200,000
Total pro forma adjustments		10,775,000	13,620,000
Pro forma cash and cash equivalents balance		10,775,010	13,620,010

NOTE 2: BORROWINGS

<i>Amounts are in AUD</i>	Reviewed as at 31-Dec-21	Pro-forma after Offer Minimum	Pro-forma after Offer Maximum
Reviewed current borrowings balance	720,570	720,570	720,570
<i>Pro-forma adjustments</i>			
Shares issued to extinguish existing loan		(720,570)	(720,570)
Pro-forma current borrowings balance		-	-
Reviewed non-current borrowings balance	6,859,266	6,859,266	6,859,266
<i>Pro-forma adjustments</i>			
Cash repayment for existing loan		(500,000)	(500,000)
Shares issued to extinguish existing loan		(6,359,266)	(6,359,266)
Total pro-forma adjustments		(6,859,266)	(6,859,266)
Pro-forma non-current borrowings balance		-	-

After the cash payment of \$500,000, the remainder of the loan from Red Metal is extinguished by the issue of the 74,999,990 shares and 13,500,000 Performance Rights.

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NOTE 3: ISSUED CAPITAL

<i>Number of shares</i>	Reviewed as at 31-Dec-21	Pro forma after Offer Minimum	Pro forma after Offer Maximum
Issued Capital	10	10	10
<i>Pro forma adjustments</i>			
Shares issued under the Offer		60,000,000	75,000,000
Shares issued to extinguish existing loan		74,999,990	74,999,990
Total pro forma adjustments		135,000,000	150,000,000
Pro forma number of shares		135,000,000	150,000,000

<i>Amounts are in AUD</i>	Reviewed as at 31-Dec-21	Pro forma after Offer Minimum	Pro forma after Offer Maximum
Issued Capital	10	10	10
<i>Pro forma adjustments</i>			
Proceeds from shares issued under the Offer		12,000,000	15,000,000
Costs of the Offer		(727,929)	(879,429)
Red Metal Refund of Capitalised Costs of the Offer		157,390	162,857
Issue of shares to extinguish existing debt		7,079,836	7,079,836
Issue of Lead Manager Options treated as a cost of the Offer		(315,000)	(315,000)
Total pro forma adjustments		18,194,297	21,048,264
Pro forma issued capital balance		18,194,307	21,048,264

NOTE 4: RESERVES

<i>Amounts are in AUD</i>	Reviewed as at 31-Dec-21	Pro forma after Offer Minimum	Pro forma after Offer Maximum
Reviewed reserves balance	-	-	-
<i>Pro forma adjustments</i>			
Issue of Lead Manager Options		315,000	315,000
Issue of Director Options		580,000	580,000
Pro forma reserves balance		895,000	895,000

Set out below are the key inputs and terms used in the valuation of the Advisor Options and the 5,000,000 Director Options which vest on issue:

	Advisor Options		
	Primary Options	Secondary Options	Director Options
Number of instruments	3,000,000	1,500,000	5,000,000
Underlying share price	\$0.20	\$0.20	\$0.20
Exercise price	\$0.30	\$0.60	\$0.25
Life of the options (years)	2.50	3.37	3.00
Risk free rate	1.47%	1.47%	1.47%
Volatility	100%	100%	100%
Value per option (AUD)	0.1050	N/a	0.1157

Of the 10 million Director Options, only 5 million vest on issue and are adjusted for in the pro forma historical statement of financial position as at 31 December 2021. The remaining 5 million have no impact on the pro forma historical statement of financial position as at 31 December 2021 since they vest 12 months after issue.

In addition, the Company will issue 13,500,000 Performance Rights as part of the settlement of the loan with Red Metal as disclosed in section 7 of this Report.

NOTE 5: ACCUMULATED LOSSES

<i>Amounts are in AUD</i>	Reviewed as at 31-Dec-21	Pro forma after Offer Minimum	Pro forma after Offer Maximum
Reviewed accumulated losses balance	(1,884,123)	(1,884,123)	(1,884,123)
<i>Pro forma adjustments:</i>			
Costs of the Offer not directly attributable to the capital raising		(197,071)	(200,571)
Costs of the Offer covered by Red Metal as part of the loan agreement		42,610	37,143
Issue of Director Options		(580,000)	(580,000)
Total pro forma adjustments		(734,461)	(743,428)
Pro forma accumulated losses balance		(2,618,584)	(2,627,551)

Costs of the Offer comprise of ASIC and ASX fees, brokerage fees, legal fees, Independent Geologist's Fees, Investigating Accountant's Fees.

ANNEXURE C – INDEPENDENT LIMITED ASSURANCE REPORT

NOTE 6: RELATED PARTY DISCLOSURES

Transactions with Related Parties and Directors Interests are disclosed in the Prospectus.

NOTE 7: COMMITMENTS AND CONTINGENCIES

At the date of the report no material commitments or contingent liabilities exist that we are aware of, other than those disclosed in the Prospectus.

**APPENDIX 5
FINANCIAL SERVICES GUIDE**

18 February 2022

BDO Corporate Finance (WA) Pty Ltd ABN 27 124 031 045 ('we' or 'us' or 'ours' as appropriate) has been engaged by Maronan Metals Limited ('the Company') to provide an Independent Limited Assurance Report ('ILAR' 'our Report/s') for inclusion in this Prospectus.

Financial Services Guide

In the above circumstances we are required to issue to you, as a retail client, a Financial Services Guide ('FSG'). This FSG is designed to help retail clients make a decision as to their use of the general financial product advice and to ensure that we comply with our obligations as financial services licensee.

This FSG includes information about:

- who we are and how we can be contacted;
- the services we are authorised to provide under our Australian Financial Services Licence, Licence No. 316158;
- remuneration that we and/or our staff and any associates receive in connection with the general financial product advice;
- any relevant associations or relationships we have; and
- our internal and external complaints handling procedures and how you may access them.

Information about us

BDO Corporate Finance (WA) Pty Ltd is a member firm of the BDO network in Australia, a national association of separate entities (each of which has appointed BDO (Australia) Limited ACN 050 110 275 to represent it in BDO International). The financial product advice in our Report is provided by BDO Corporate Finance (WA) Pty Ltd and not by BDO or its related entities. BDO and its related entities provide services primarily in the areas of audit, tax, consulting and financial advisory services.

We do not have any formal associations or relationships with any entities that are issuers of financial products. However, you should note that we and BDO (and its related entities) might from time to time provide professional services to financial product issuers in the ordinary course of business.

Financial services we are licensed to provide

We hold an Australian Financial Services Licence that authorises us to provide general financial product advice for securities to retail and wholesale clients.

When we provide the authorised financial services we are engaged to provide an ILAR in connection with the financial product of another entity. Our Report indicates who has engaged us and the nature of the report we have been engaged to provide. When we provide the authorised services we are not acting for you.

General Financial Product Advice

We only provide general financial product advice, not personal financial product advice. Our Report does not take into account your personal objectives, financial situation or needs. You should consider the appropriateness of this general advice having regard to your own objectives, financial situation and needs before you act on the advice.

Fees, commissions and other benefits that we may receive

We charge fees for providing reports, including this Report. These fees are negotiated and agreed with the client who engages us to provide the report. Fees are agreed on an hourly basis or as a fixed amount depending

ANNEXURE C – INDEPENDENT LIMITED ASSURANCE REPORT

on the terms of the agreement. The fee payable to BDO Corporate Finance (WA) Pty Ltd for this engagement is approximately \$8,000 (exclusive of GST).

Except for the fees referred to above, neither BDO, nor any of its directors, employees or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of the Report.

Remuneration or other benefits received by our employees

All our employees receive a salary. Our employees are eligible for bonuses based on overall productivity but not directly in connection with any engagement for the provision of a report. We have received a fee from Maronan Metals Limited for our professional services in providing this Report. That fee is not linked in any way with our opinion as expressed in this Report.

Referrals

We do not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licensed to provide.

Complaints resolution

Internal complaints resolution process

As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial product advice. All complaints must be in writing addressed to The Complaints Officer, BDO Corporate Finance (WA) Pty Ltd, 38 Station Street, Subiaco, Perth WA 6008.

When we receive a written complaint we will record the complaint, acknowledge receipt of the complaint within 15 days and investigate the issues raised. As soon as practical, and not more than **45 days** after receiving the written complaint, we will advise the complainant in writing of our determination.

Referral to External Dispute Resolution Scheme

A complainant not satisfied with the outcome of the above process, or our determination, has the right to refer the matter to the Australian Financial Complaints Authority ('AFCA'). AFCA was established on 1 November 2018 to allow for the amalgamation of all Financial Ombudsman Service schemes into one. AFCA will deal with complaints from consumers in the financial system by providing free, fair and independent financial services complaint resolution. If an issue has not been resolved to your satisfaction you can lodge a complaint with AFCA at any time.

Our AFCA Membership Number is 12561. Further details about AFCA are available on its website www.afca.org.au or by contacting it directly via the details set out below:

Australian Financial Complaints Authority
GPO Box 3
Melbourne VIC 3001
Toll free: 1300 931 678
Website: www.afca.org.au

Contact details

You may contact us using the details set out on page 2 of our Report.

ANNEXURE D – MARONAN PROJECT ADDITIONAL REPORTING REQUIREMENTS

Maronan Deposit - Summary of Resource Estimates

Table 1: JORC 2012 sampling techniques and data

Criteria	JORC 2012 Explanation	Commentary
Sampling Techniques	Nature and quality of sampling	<p>The extent of mineralisation at Maronan has been defined by 54 PQ/HQ/NQ/NQ2 and minor BQ diamond core drill holes drilled by five different companies since 1987 until the present (Table 6). The spacing between drill hole pierce points when viewed on a longitudinal section is about 200 metres both vertically and laterally but varies between about 100 and 400 metres. The 54 holes average 631m deep and range in depth between 150m and 1469m. Holes were generally angled towards grid east between -55 and -90 degrees to optimally intersect the mineralised zone.</p> <p>Physical core is available for 39 of the 54 holes. Paper copies of original laboratory reports and geological logs are available for 19 historic holes. Digital laboratory reports and geological and geophysical logs are available for the 35 more recent holes.</p>
	Include reference to measures taken to ensure representativity samples and the appropriate calibration of any measurement tools or systems used.	<p>At Maronan 1/2 NQ, NQ2 and minor BQ diameter core or 1/4 HQ diameter core has been sampled to ensure sample representativity for all holes. Continuous geologically defined intervals were regularly sampled at a 1.0 meter interval locally down to 0.4 metre or up to 1.5m based on geological controls. These high quality samples were logged for lithology, density, magnetic susceptibility, structure, RQD and other attributes.</p> <p>Second 1/4 core duplicate samples were collected at selected intervals to check sample representativity. Quality control checks using standards, blanks or duplicates are included at a sample rate varying from about one in ten to one in twenty.</p>
	Aspects of the determination of mineralisation that are Material to the Public Report.	<p>Diamond core drilling was used to obtain nominal 1 metre samples from which up to 3kg of 1/2 or 1/4 NQ, NQ2 or BQ or 1/4 HQ diameter core was pulverised to produce a sub-sample for four-acid (near total) digest and multi-element analysis using ICP/OES and ICP/MS determinations. Gold was determined using a separate 50g charge for fire assay. High-grade base metal results >1% were repeated using an ore-grade ICP/AES technique which utilises an aqua-regia acid digest suitable for high-sulphide ores.</p>
Drilling Technique	Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).	<p>A conventional wire-line core rig was utilised to extract PQ, HQ, NQ or NQ2 and locally BQ diameter core samples in mineralisation.</p> <p>The 35 more recent holes have oriented cores. Core orientation measurements were attempted every 3 to 6 metre core run using a Reflex ACT orientation tool. The majority of measurements were successful.</p>

Criteria	JORC 2012 Explanation	Commentary
Drill Sample Recovery	Method of recording and assessing core and chip sample recoveries and results assessed.	The length of recovered core and the core rock quality are logged for each core run. Core recovery throughout the fresh sulphide mineralised zones is very good (100%). Recoveries throughout the weathered mineralised zones are variable from 100% to less than 30% in some intervals. Core recoveries for the weathered copper vein zone are locally as low as 66% but commonly range about 85-91%.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	Diamond core is reconstructed into continuous runs on an angle iron cradle and marked with orientation lines. Depths are checked against depths marked on the core blocks and rod counts are routinely performed by the drillers.
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	Insufficient data is available to determine a bias relationship between poor sample recovery and grade. Twinning of holes with poor sample recovery is required in the weathered zone.
Logging	Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature.	Quantitative geotechnical logging including RQD, core recovery, fracture frequency, and qualitative hardness are measured for each core run. Qualitative and quantitative codes and descriptions are used to record geological data such as lithology, mineralisation, alteration and structure prior to sampling. Magnetic susceptibility is quantified for every assay sample interval (about 1 metre) within the mineralised section and every core run (3 to 6 metres) within the hanging wall and footwall rocks. Density is quantified for every assay sample interval.
	Core photography	Core is photographed wet and dry.
	The total length and percentage of the relevant intersections logged.	All holes have been geologically logged. All 35 recent holes are geotechnically logged.
Sub-sampling techniques and sample preparation	If core, whether cut or sawn and whether quarter, half or all core taken.	All mineralised core holes were sampled using sawn ½ NQ, NQ2, BQ diameter core or ¼ HQ2 diameter core. Core was cut so as to preserve the orientation mark. Rotary mud pre-collar material is logged but not assayed and preserved as a record in chip trays, bags or PQ core.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	The sample preparation of recent diamond cores follows industry best practice and sample preparation involving oven drying, coarse crushing of the ½ core or ¼ core sample to 70% <6mm then pulverising of the whole (<3kg) sample to 85% < 75 microns.

Criteria	JORC 2012 Explanation	Commentary
	Quality control procedures adopted for all sub-sampling stages to maximise representativity of samples.	Quality controls have been variable during the life of the project (Table 6). For the most recent Red Metal drilled holes, some BHPB drill holes and Phelps Dodge holes (Table 6) field quality control procedures involve using certified reference materials as assay standards along with blanks and sample duplicates. The insertion rate for standard, blanks and duplicates in the mineralised zones varies from about one in ten samples to one in twenty samples. In weathered zones with native copper blank quartz washes were used between each sample to avoid contamination from the malleable native copper during crushing and grinding.
	Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.	<i>All mineralised intervals were sampled using ¼ HQ or ½ NQ, NQ2, BQ core. Second ¼ core NQ, NQ2, BQ and HQ duplicate samples were assayed to check sample representativity at selected intervals. ¼ core duplicates show a good correlation to about 5% lead but a higher variance for lead grades > 5%. MRN14001A to MRN14008 show a variability of between 10% and 15% in areas of gold >1g/t.</i>
	Whether sample sizes are appropriate to the grain size of the material being sampled.	The ½ NQ, NQ2, BQ and ¼ HQ sample size are considered appropriate to correctly represent the sulphide mineralisation based on the styles of mineralisation (medium-coarse-grained, bedded lead sulphide and medium-grained copper vein zones), the thickness and consistency of the intersections, the sampling methodology and the percentage assay grade range of the mineralisation.
Quality of assay data and laboratory tests	The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.	Recent samples use four acid (near total) digest techniques and multi-element analysis using an ICP/MS determination which is of high quality and appropriate for the fresh sulphide and weathered mineralisation at Maronan. The acids used are hydrofluoric, nitric, perchloric and hydrochloric acids suitable for silica and sulphide based samples. High-grade base metal results >1% were repeated using an ore-grade ICP/AES technique which utilises an aqua-regia acid digest suitable for high-sulphide ores. Aqua-regia digest is a powerful solvent for sulphides and ideal for determination of base metals and silver in sulphide rich ores. Aqua-regia digest with an ICP/MS determination offers high-quality, reliable detection ranges for lead 0.001 to 20%, copper 0.001 to 50% and silver 1-1500g/t and is considered appropriate for the higher grade fresh sulphide and weathered mineralisation styles at Maronan. Any zinc, lead, copper or silver in resistive silicate minerals will not be reliably detected with this method.
	For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	No geophysical tools were used to determine element concentrations at Maronan

Criteria	JORC 2012 Explanation	Commentary
	Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	<p>Although variable through the projects history, industry standard quality control and assurance procedures have been applied to the 16 more recent holes drilled by Red Metal, BHPB and some Phelps Dodge drilled holes (Table 6). No quality control records are available for the 19 historic holes drilled by Shell Minerals and MPI.</p> <p>For recent samples certified reference materials with a good range of values and blanks were inserted blindly and randomly at a rate of between one in ten and one in twenty over the mineralised intervals while the laboratory routinely inserts blanks and runs duplicate checks from the pulverised sample. All base metal results greater than 1% are re-assayed using an ore-grade technique. Results highlight that the sample assay values are accurate and that contamination has been contained. Routine repeat or duplicate analyses by the laboratory reveal the precision of the analysis is within acceptable limits.</p> <p>The QA/QC procedures of the historic assay data drilled by Shell Minerals and MPI are unknown and their level of accuracy and precision is unknown.</p>
Verification of sampling and assaying	The verification of significant intersections by either independent or alternative company personnel.	Selected intervals of cores have been visually verified by the Maronan Metals Limited Managing Director and Technical Non-Executive Director and a resource consultant from H&SC consultants
	The use of twinned holes.	No holes have been twinned at this stage of exploration.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	Primary data was entered in the field into a portable logging device using standard drop-down codes. Text data files are exported and stored in an Access database. MapInfo software is used to check and validate drill-hole data.
	Discuss any adjustment to assay data.	No adjustments or calibrations were used in any of the assay data.
Location of data points	Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.	<p>The collar position for all 35 recent drill holes have been surveyed by Handheld GPS using MGA_GDA94, Zone54 datum.</p> <p>All holes in the Maronan database have been surveyed down-hole using Reflex style and conventional Eastman down-hole cameras. Gyroscope surveys have been completed on 9 of the recent Maronan holes. The collar positions of historical holes were located using a locally established grid with an AGD66 datum. Location accuracy of the historical holes is estimated at 1-5 metres. Recent holes have been located using hand held GPS systems accurate to about 2-5 metres.</p> <p>Holes MRN14002, MRN14003, MRN14004, MRN14007 and MRN14008 were re-surveyed using a Reflex down-hole gyroscope. Results from the gyro survey indicate that the end-of-hole position determined by the Reflex survey instrument is typically within 5 metres to 30 metres of the gyroscopically surveyed locations.</p>
	Specification of the grid system used.	The 35 recent holes use MGA_GDA94_Zone54 datum. Historic holes used a local grid with an AGD66 datum and have been converted to a MGA_GDA94 datum.
	Quality and adequacy of topographic control.	Topographic relief has been surveyed during a detailed 50 metre x 50 metre gravity survey. The region is flat with relief varying less than 3 metres over the project area.

Criteria	JORC 2012 Explanation	Commentary
Data spacing and distribution	Data spacing for reporting of Exploration Results.	The spacing between drill hole pierce points when viewed on a longitudinal section at Maronan is about 200 metres both vertically and laterally but locally varies between about 100 and 400 metres. MRN14007 is about 31 metres north and 66 metres vertically below the pierce point of MRN13002.
	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	The drill pierce point spacing is sufficient to outline the structural geometry, broad extent of mineralisation and grade variations in the mineral system and is of sufficient spacing and distribution to infer a Mineral Resource.
	Whether sample compositing has been applied.	No sample compositing has been applied
Orientation of data in relation to geological structure	Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.	Bedded mineralisation appears folded about steep plunging tight to isoclinal fold structures. Limbs of the folds and the axial planar foliation are sub-parallel and dip between 60 and 80 degrees towards the west northwest. Structural remobilised mineralisation in MRN14007 and other holes appears to parallel the axial plane to the northern fold structure which dips between 60 and 80 degrees towards the west northwest. East directed drilling provides a representative, unbiased sample across the isoclinal folded bedded mineralisation and axial planar, structure remobilised mineralisation. The core to bedding angle of mineralisation typically varies between 20 and 50 degrees but can be locally more or less were bedding is folded.
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	Continuity of the lead and silver mineralisation appears to have a steep bias, in the down dip-direction of the bedding, down the plunge direction of the northern fold structure. Fold structures, mineral and intersection lineations measured from the core indicate a steep plunge of about 70 degree towards 284 degree (grid). Causes of lateral and vertical variations of the grade and thickness of mineralisation within the bedding planes have not been resolved because of the wide spacing of the drilling.
Sample security	The measures taken to ensure sample security.	Chain of custody is managed by Red Metal. Samples from Maronan are packaged and stored at the company's field house in Cloncurry. The company's personnel deliver the samples to NQX freight office in Cloncurry for deliver to a laboratory in Townsville. The freight company and laboratory provide an online tracking service for all samples.
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	Luke Burlet of H&SC reviewed the data base when assisting with the 2015 resource calculation.

Table 2: Maronan Project: JORC 2012 reporting of exploration results

Criteria	JORC 2012 Explanation	Commentary
Mineral tenement and land tenure status	Type, reference name/ number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.	Maronan is located within EPM 13368 situated in the Cloncurry region of north-west Queensland. EPM 13368 is owned 100% by Maronan Metals Limited. No material ownership issues or agreements exist over the tenement. An ancillary exploration access has been established with the native title claimants and a standard landholder conduct and compensation agreement has established with the pastoral lease holders.
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	The tenement is in good standing and in March 2021 was renewed for a five year term expiring on the 25th March 2026. No known impediments exist.
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	The extent of mineralisation at Maronan has been defined by 54 diamond core drill holes drilled by five different companies since 1987 until the present (Table 10). Shell Minerals/Billiton/Acacia discovered base metal mineralisation on the project in 1987 and completed 16 shallow holes to 1993. From 1995 to 1996 MPI completed 3 holes into the northern and southern fold hinge structures. From 2001 to 2004 Phelps Dodge completed 6 holes. BHP Cannington undertook a campaign of lead-silver exploration from 2006 to 2008 completing 13 holes. Red Metal Limited has completed 16 holes from 2011 to the present seeking depth extensions to the bedded lead-silver and separate copper-gold mineralisation.
Geology	Deposit type, geological setting and style of mineralisation.	<p>Exploration on Maronan has identified two separate styles of mineralisation, bedded lead-silver mineralisation partially overprinted by structurally controlled, copper-gold mineralisation.</p> <p>The lead-silver mineralisation is of a similar style to the nearby Cannington deposit, one of the world's largest silver and lead producing operations. The Maronan lead-silver mineralisation occurs in two separate but sub-parallel banded carbonate-lead sulphide-magnetite-calcisilicate units referred to as the Western (Upper) Banded Lead Sulphide and Eastern (Lower) Banded Lead Sulphide horizons. The two horizons can be separated by up to 100 metres of quartz clastic meta-sediments (psammites, pelites and quartzite). At the northern fold structure the horizons are folded forming a steep plunging tight to isoclinal fold structure with attenuated or transposed limbs and a thickened hinge zone region.</p> <p>The overprinting copper-gold mineralisation can be compared with the IOCG mineralisation styles at the nearby Eloise and Osborne ore bodies. Mineralisation is associated with intense silica alteration within a bedding-parallel structure focused between the Western and Eastern Lead-Silver mineralised zones and comprises strong pyrrhotite with variable chalcopyrite and lesser magnetite.</p> <p><i>Both mineralisation styles have shown improvement in grade and widths at depth and remain open down-plunge and at shallow levels between the existing wide spaced intercepts.</i></p>

Criteria	JORC 2012 Explanation	Commentary
Drill hole Information	A summary of all information material to the understanding of the exploration results including a tabulation of survey information for all Material drill holes:	<i>Refer to Table 6 for a summary of drill hole collar survey data for the whole deposit.</i>
Data aggregation methods	In reporting Exploration Results, weighting averaging techniques, maximum and/ or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.	<i>All mineralised intervals have been length weighted. No top-cuts have been applied. Grade envelopes using a $\geq 3\%$ lead and $\geq 1\%$ lead lower cut-off grade were applied to constrain the resource estimation for the lead-silver resources. A grade envelope using $\geq 0.5\%$ copper lower cut-off grade was applied when calculating the copper-gold resource.</i>
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalent assumptions are used in this resource calculation and none are reported.
Relationship between mineralisation widths and intercept lengths	These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').	True widths for each hole are estimated by measuring the alpha and beta values relative to the oriented core axis for bedding, banding or veining throughout the footwall, hangingwall and mineralised zone. Where possible measures are taken every sample interval throughout the mineralised zone. Estimates of the true width are calculated using the detailed orientation data.
Diagrams	Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	Refer to tabulated grade intercepts in Table 4 and Table 5(below).

Criteria	JORC 2012 Explanation	Commentary
Balanced reporting	Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	Refer to Table 4 (below) for a summary of assay results used in this resource calculation when applying a lower cut-off grade of $\geq 1\%$ lead. Refer to Table 5 for a summary of assay results used the copper-gold resource calculation when applying a lower cut-off grade of $\geq 0.5\%$ copper. Resource results have been rounded – silver g/t to nearest 1g/t, contained lead to nearest 0.01 million tonnes, contained silver to nearest 0.01 million ounces, contained copper to nearest 100t, contained gold to nearest 100 Oz
Other substantive exploration data	Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	The total number of specific gravity measurements on the project is 2109. The specific gravity of the lead and silver mineralisation from the 2014 program ranges from 2.37 to 4.28 and averages about 3.17. Preliminary metallurgical test results were presented by Red Metal in an ASX announcement released on 29 July 2015. All deleterious elements are below present penalty rates with the exception of fluorine which measures about 5,440 ppm.. Fluorine minerals (fluorite and apatite) can be removed from concentrate by acid leaching in the presence of aluminium sulphate. This method is applied to concentrates from the nearby Cannington Mine.
Further work	The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).	<i>The preliminary mine scoping study indicates the resources defined at Maronan have reasonable prospects for eventual economic extraction and that further infill drilling and step out exploration drilling is geologically and economically valid.</i>

Table 3: Maronan Project: JORC 2012 reporting of resources

Criteria	JORC 2012 Explanation	Commentary
Database integrity	Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.	Original database is held by Maronan Metals in an Access Database and MapInfo Discover Drill database. Data was extracted as comma delimited files for import into MicroMine to generate block models. Historical data has been compiled from paper copies. Recent data was entered directly from source. Access is a relational data management system and an industry standard.
	Data validation procedures used.	Normal data validation checks were completed on import to the database. Majority of the historical data has been checked to hard copy results where they exist. Summary geological logs interpreted from the historic data have been entered into the current database.
Site visits	Comment on any site visits undertaken by the Competent Person and the outcome of those visits. If no site visits have been undertaken indicate why this is the case.	Rob Rutherford (Maronan Metals Non-executive Technical Director) has visited the site on numerous occasions between 2003 and present. Richard Carlton (The Managing Director of Maronan Metals) and consultant Luke Burlet of H&SC have visited the site.
Geological interpretation	Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.	Confidence in the geological interpretation is considered to be high. Drill intersections of the mineralised host rock have regularly been within a few metres of predicted target location indicating a strong understanding of the geology and geometry of the deposit.
	Nature of the data used and of any assumptions made.	The bedded lead and silver mineralisation occurs within geologically distinct, bedded and locally folded, carbonate silica sulphide dominant exhalative horizons which show good lateral and vertical continuity from drill section to drill section. The mineralised hosts dip at between 65 and 80 degrees towards the west. The two main zones of thickening occur within steep west northwest plunging fold structures. All modern cores were oriented allowing detailed measures of bedding and foliation surfaces, lineations and fold orientations throughout the deposit which has been used to constrain interpretation of the geology between sections and level plans.
	The effect, if any, of alternative interpretations on Mineral Resource estimation.	The computer ore resource estimation was initially constrained using the manually (geologist) interpreted grade envelopes at a $\geq 1\%$ lead cut-off grade presenting tonnage and grade estimates at lower cut-off grades of 1%, 3%, 5% 8% and 10% lead. This computer ore resource estimation approach was repeated, this time constrained using the manually interpreted grade envelopes at a lower cut-off grade of $\geq 3\%$ lead. The resource estimates resulting from the manually interpreted grade envelopes were shown to be within about 10% of the computer derived grade envelopes at the same cut-off grades - suggesting a robust and reliable computer model.
	The use of geology in guiding and controlling Mineral Resource estimation.	E-W oriented, geological cross sections were interpreted every 100m across the total length of the deposit closing down to 50m in more complex areas. Level plan geological interpretations were constructed every 100m vertically through the deposit. The geological model was constructed in MapInfo 3D. The geological model was used as a guide to manually interpreted grade envelopes using a lower cut-off grade of $\geq 1\%$ lead and $\geq 3\%$ lead

Criteria	JORC 2012 Explanation	Commentary
	<p>The factors affecting continuity both of grade and geology.</p>	<p>The mineralised horizons have been affected by both shearing and folding. Folding tends to thicken the zones and shearing locally breaks the zones up. Structural deformation forming steep west northwest plunging fold structures and elongation lineations is believed to have enhanced the vertical continuity and locally thickened some horizons. Grade tends to be enhanced in the fold hinge regions. Interpreted north-easterly trending faults and the late-stage copper-gold mineralisation locally disrupt the continuity of some lead-silver horizons.</p>
Dimensions	<p>The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.</p>	<p>The Maronan lead-silver resource estimate benefited from Red Metal's new geological model and was constrained using manually interpreted, mineralisation envelopes at a lower cut-off grade of $\geq 3\%$ lead and $\geq 1\%$ lead (Tables 4 and 5). This work divided the lead-silver deposit into the separate Western (Upper) mineralised zone and Eastern (Lower) mineralised zone distinguishable by their location, geochemistry and different silver to lead ratios. The Western and Eastern zones each contain between 2 and 6 parallel, planar horizons or lens of mineralisation which typically range from 1 to 10 metres in true thickness and appear to be tightly folded and thickened towards their northern ends. Locally lenses can have true widths of up to 20 metres.</p> <p>The total resource extends over a strike length of about from 850 metres and is defined from 50 metres to 1200 metres below surface. Level plan interpretations show the individual horizons to be laterally continuous over about 200 metres with some up to 700 metres long. Cross section interpretations indicate very strong vertical continuity with planar horizons extending down-dip for greater than 1150 metres. Structural deformation forming steep west northwest plunging fold structures and elongation lineations is believed to have enhanced the vertical continuity and locally thickened some horizons. Interpreted north-easterly trending faults and the late-stage copper-gold mineralisation locally disrupt the continuity of some lead-silver horizons.</p> <p>The majority of the inferred lead-silver resource is situated between about 200 and 1200 metres below surface with some small lens of potentially mineable mineralisation interpreted to extend to within 100 metres of the surface. The mineralised horizons remain open at depth.</p> <p>The inferred copper-gold resource at Maronan was constrained using manually interpreted, mineralisation envelopes at a lower cut-off grade of $\geq 0.5\%$ copper. The inferred resource is contained within two planar, parallel lenses that flank a wide stockwork vein zone of silica-carbonate-pyrrhotite which is essentially unmineralised. The majority of the resource is within the larger western lens which in plan is about 400 metres long, 25 metres wide tapering to about 5 metres towards the ends. Cross section interpretations indicate very strong vertical continuity with the western lens extending down-dip for greater than 900 metres. The lenses have a steep west northwest plunge and remain open at depth where the grades appear to be improving.</p> <p>The bulk of the copper and gold resources are situated between about 170 and 1200 metres below surface with narrow lenses of mineralisation interpreted to extend to within about 50 metres of surface.</p> <p>A small inferred resource of chalcocite with minor native copper mineralisation is recognised in the weathered zone above the fresh chalcopyrite mineralisation. Weathering of the primary sulphide mineralisation generally extends to less than about 80 metres below surface however it is locally deeply weathered to about 800 metres on the western margin of the copper vein zone immediately south of the cross cutting mafic dyke.</p>

Criteria	JORC 2012 Explanation	Commentary
<p>Estimation and modelling techniques</p>	<p>The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points.</p> <p>If a computer assisted estimation method was chosen include a description of computer software and parameters used.</p>	<p>Lead, silver, copper and gold resources were estimated by Computer Resource Consultant Luke Bulet of H&SC using the Inverse Distance Weighting (IDW) technique in MicroMine software. Nominal 1.0m sample composites were used.</p> <p>For the lead model, two sets of mineralised domains were defined by Red Metal using nominal grade thresholds of 1% lead and $\geq 3\%$ lead within the host unit. For the copper model Red Metal defined a mineralisation domain defined at $\geq 0.5\%$ copper. Red Metal's lead model, at $\geq 1\%$ lead nominal cut off, consists of numerous 'lenses' varying in width between $< 1\text{m}$ and up to 20m. Domains vary in the strike and dip of lead mineralisation, but in general the gross strike varies between 010N and 020S.</p> <p>Red Metal's mineralisation interpretation for lead-silver and copper-gold was used as the framework for resource estimation, and mineralised domains were defined using lead ($\geq 1\%$ and $\geq 3\%$ nominal wireframes) and copper grades (0.5%) within the host unit. The mineralised zones were treated as having hard boundaries during grade estimation. Oxidation was treated as a soft boundary due to its gradational nature.</p> <p>IDW was considered an appropriate method given the strongly continuous and layered nature of the lead mineralisation within the host unit and low skewness of grade distributions in all domains. A three pass search strategy was used, with search radii of $150\text{m} \times 150\text{m} \times 50\text{m}$, for the first two passes which were doubled for the third. The search ellipsoid orientation was set to 180N for each domain and the maximum extrapolation distance was 300m. A minimum of 3 samples and 2 holes was used to estimate each block in the first pass, minimum of 2 samples and 1 hole in the second pass and minimum of 1 sample and 1 hole in the third pass</p> <p>Estimates for lead were generated separately using 1% lead domains and then again with $\geq 3\%$ lead domains. Estimates compare favourably with each other.</p> <p>The highly constrained model, by way of the constraining lead mineralisation lenses and copper $\geq 0.5\%$ mineralisation, does not incorporate any dilution.</p>
	<p>The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.</p>	<p>No reconciliation data is available because the deposit is unmined.</p>
	<p>The assumptions made regarding recovery of by-products.</p>	<p>Only lead and silver production is anticipated as the major metals, with copper-gold potentially being by-products. No assumptions are made about recovery of by-products.</p>
	<p>Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).</p>	<p>No deleterious elements or other non-grade variables of economic significance were estimated.</p>

Criteria	JORC 2012 Explanation	Commentary
	In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.	Nominal hole spacing is typically 200mx200m, but varies between 100m and 400m in across the area. The individual block size is 2mX2mX2m. Thus the block size corresponds to about 1/100 the data spacing in the horizontal plane.
	Any assumptions behind modelling of selective mining units.	The small block size was requested by Red Metal so that the block model could be better visualised with respect to the geologist interpreted lead lenses, especially the narrow ones and constrain blocks to within the individual host lenses. This small block size likely does not reflect the possible selective mining unit.
	Any assumptions about correlation between variables.	Correlation between lead with silver and copper with gold is moderate to poor, both globally and within each domain. Each element was modelled separately.
	Description of how the geological interpretation was used to control the resource estimates.	The lead-silver mineralisation is bedding parallel and host within a bedded exhalative horizon. Geological logs and structural bedding measurements were used to interpret a 3D geological model highlighting the trends of the bedded host rocks. E-W trending geological cross sections were interpreted every 100m over the total length of the deposit and level plans every 100m vertically to -900m RL. This geological model mapped the broad trends of the bedded exhalative horizon and lead-silver horizons as well as the separate copper-gold lenses.
	Discussion of basis for using or not using grade cutting or capping.	Grade trimming was not applied for the estimates due to low skewness of grade distributions.
	The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.	The estimates were validated in a number of ways – visual comparison of block and drill hole grades (in plan and section and 3D), statistical analysis, examination of grade-tonnage data, and for the lead model comparing the model based on $\geq 1\%$ wireframes at a $\geq 3\%$ cut-off to that of the $\geq 3\%$ wireframes at the same cut-off. The comparisons of model and drill hole data show that the estimates appear reasonable.
Moisture	Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.	Tonnages have been estimated on a dry basis using available drill core density measurements.
Cut-off parameters	The basis of the adopted cut-off grade(s) or quality parameters applied.	<p>The nearby Cannington underground mine uses a net value cut-off of A\$90 per tonne which equates to about a 3.5%-5.5% lead cut-off grade depending on the lead and silver price and value of the Australian dollar. At Maronan a $\geq 3\%$ lead cut-off grade was utilised because with silver credits its net-value is considered close or just below the most likely underground mining cut-off grade for the deposit.</p> <p>The preliminary mine scoping study (AMDAD 2016) indicated a potential sub-economic cut-off grade of 3.1% lead equivalent which supports the grade shell cut-off grade used for the inferred resource estimation.</p>

Criteria	JORC 2012 Explanation	Commentary
Mining factors or assumptions	<p>Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.</p>	<p>A preliminary mining scoping study for Maronan was completed by Australia Mine Design and Development (AMDAD) in 2016 using metallurgical results and capital and processing costs determined by the Core Group in 2015 and the inferred resource model supplied by H&SC in 2015.</p> <p>Initially the inferred resource block model was processed using underground mine optimisation software to establish the most cost effective layout for development and mining drives. The mine development model used along hole open stope, bench and cemented paste fill mining method constrained to a minimum mining width of 3.5 metres. Development was planned on 30 metre lifts based on indications of very good ground conditions and the steep plunge continuity to the ore horizons.</p> <p>Metal and currency price assumptions used industry standard, long term forecast values.</p> <p>The simple metallurgy and low grinding cost estimates for the soft, coarse-grained lead-silver ore has enabled the mine development model to be run using cut-off grades of 3.1% lead equivalent.</p> <p>The shallowest potentially economic ore blocks defined by the study are within about 90 metres of surface suggesting that ore production could be established, with the consequent benefits to mine cash flow, well before decline development reaches the bulk of the deposit</p> <p>For both scenarios the average mining width for the ore blocks is estimated to be about 9 metres for the lead-silver horizons and about 13 metres for the copper-gold vein zone.</p> <p>The Core Group were tasked with providing a preliminary flow sheet design and order of magnitude estimates for the capital expenditure and operating expenditure for a sulphide concentrator suitable for the treatment of the separate lead-silver and copper-gold ore types. In building up the operating costs, where possible, Core Group used reagent consumption and comminution data obtained from the preliminary Maronan test work.. Core Group used their in-house library and benchmarking from their projects to estimate the capital and operating costs.</p> <p>Subject to satisfactory completion of significant further work, the mining study has highlighted the potential to generate strong positive cash flows for either the stand-alone mining or trucking option. The preliminary mine scoping study indicates the resources defined at Maronan have reasonable prospects for eventual economic extraction and that further infill drilling is geologically and economically valid.</p>

Criteria	JORC 2012 Explanation	Commentary
Metallurgical factors or assumptions	<p>The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made</p>	<p>Metallurgical test work was performed on a representative composite sample by the Core Group in 2015. The composite sample comprised coarse grained galena in a banded, recrystallised, carbonate-dominant exhalative unit from diamond drill hole MRN14002. The length weighted grade of the sample was 5.5 Pb%, 65.8 Ag g/t from a 41.8 m interval across four mineralised lenses (estimated true width 21.7m). Bench scale flotation tests at a range of grind sizes have shown:</p> <ul style="list-style-type: none"> • There is the likelihood of quickly concentrating a saleable product by recovering 92-96% of the lead, 91-94% of the silver with grades ranging 70-75% lead, 776-932g/t silver. These recoveries are achieved at a very early stage in the concentration process with optimisation by further processing likely. • The concentrate is almost pure, relatively coarse, lead sulphide (galena) derived from a very simple metallurgy. The galena is associated with almost all the silver. • All deleterious elements are below present penalty rates with the exception of fluorine which measures about 5440ppm. Fluorine minerals (fluorite and apatite) can be removed from concentrate by acid leaching in the presence of aluminum sulphate. This method is applied to concentrates from the nearby Cannington Mine. • Importantly, the mineralised test sample has a low Bond Ball Mill Work Index of 8.4kWh/t when ground to 212 microns which is "soft" and reflects the carbonate composition of the ore host rock. Maronan mineralisation is believed to have a much lower work index than other silicate-hosted ore types mined in the district. • Recovery of the coarsely ground 212 micron material was optimised by first producing a coarse rougher concentrate then regrinding and cleaning this at 50 microns. <p>A standard crushing, milling and flotation design was recommended to process the metal ore types. It was concluded that the processing advantages defined by the preliminary metallurgical tests may translate into very industry competitive capital and operating costs at Maronan. Core Group also concluded that more extensive metallurgical sampling and test work is required in the future to add support to these preliminary findings.</p>

Criteria	JORC 2012 Explanation	Commentary
Environmental factors or assumptions	<p>Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.</p>	<p>No environmental assessment has been made at this stage in the project. The project is located in a flat lying region of open pastoral land and it is assumed ample space exists for potential mine infrastructure. The climate is arid with a wet season during the summer months. Base metal mines successfully operate in the district with minimal impact on the environment.</p>
Bulk density	<p>Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.</p> <p>The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.</p>	<p>Density measurements have been completed on the majority of the Red Metal drill holes. The total number of specific gravity measurements on the project is 2109. Selected samples are weighed in air then weighed in water and a calculation completed. In mineralised areas, a density measurement is completed for each sample collected. In non-mineralised areas a sample is selected from a normal core run, which is generally every 6m.</p> <p>The majority of the core is fresh and is very competent and non-porous. In areas of high weathering some samples were wrapped in plastic (glad wrap) to preserve open pore space.</p>

Criteria	JORC 2012 Explanation	Commentary
	Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.	<i>Density was estimated for each block during the estimation process. Density input values, where available, came from the sample density database, which was matched to assayed samples. For assayed samples that did not have a density sample match, a derived density based on lithology was assigned to the assayed sample; this took into account the effect of lead grade for samples assaying $\geq 1\%$ lead. For resource blocks within the weathered zone, a factor of 0.88 was applied. This was due to the limited number of weathered samples for density determination and based on the overall differential between the fresh and weathered density samples for the mineralised zone.</i>
Classification	The basis for the classification of the Mineral Resources into varying confidence categories.	<i>The Mineral Resources are classified as Inferred. The block model was restricted to -1000 RL (~1210m below surface). The classification reflects Red Metal's high confidence in the geological and mineralisation model of continuous lenses. The highly constrained mineralisation wireframes, widely spaced drilling, the inclusion of historical data, required a large search criteria in order to populate resource blocks between drill intersections.</i>
	Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).	<i>Appropriate account has been taken of all relevant factors, including relative confidence in tonnage/grade estimates, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data.</i>
	Whether the result appropriately reflects the Competent Person's view of the deposit.	<i>The reported Mineral Resources appropriately reflect the Competent Person's view of the deposit.</i>
Audits or reviews.	The results of any audits or reviews of Mineral Resource estimates.	<i>No formal audits or reviews have been undertaken to date.</i>

Criteria	JORC 2012 Explanation	Commentary
<p>Discussion of relative accuracy/ confidence</p>	<p>Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.</p>	<p><i>The relative accuracy and confidence level in the Mineral Resource estimates are considered to be in line with the generally accepted accuracy and confidence of the nominated JORC Mineral Resource categories. This has been determined on a qualitative, rather than quantitative, basis, and is based on the Competent Person's experience with similar deposits. Factors that could affect the relative accuracy and confidence of the estimate include:</i></p> <ul style="list-style-type: none"> · <i>The interpretation of the mineralised domains,</i> · <i>The highly constrained mineralisation domains, which restrict the modelling process, creates a block model with little or no included dilution</i> · <i>The continuity and inclusion of very high grade samples.</i> · <i>The inclusion of historical data, of which the veracity and accuracy cannot be determined</i> · <i>A low amount of density determinations and lack of assay QAQC in the historical data</i>
	<p>The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.</p>	<p><i>The estimates are local, in the sense that they are localised to model blocks of a size considered appropriate for local grade estimation and the bedded, lensoid nature of the mineralisation.</i></p> <p><i>Tonnages relevant to detailed economic assessment analysis are those normally classified as Indicated and Measured Mineral Resources, of which there are none in this model. Thus this model's intent is for visualisation, exploration planning, technical assessment, and broad scoping study scenarios</i></p>
	<p>These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.</p>	<p><i>No production data is available as the deposit is unmined.</i></p>

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Table 4: Maronan Project: Lead and silver drill intercepts and lens classifications used in the JORC 2012 inferred resources calculations applying a $\geq 1\%$ lead lower cut-off grade.

Hole ID	Zone	Lens	Interval (m)	From (m)	To (m)	Lead %	Silver g/t
MND02	W	W-99	2	99	101	5.2	2
MND02	W	W2	6	104	110	6.3	14
MND03	W	W-1	1	109	110	4.1	6
MND03	W	W0	7	119	126	5.1	9
MND03	W	W1	4	129	133	6.8	61
MND03	W	W2	1	136	137	5.2	39
MND03	W	W2.1	1	143	144	4.4	161
MND04	W	W-4	11			4.5	70
MND04	W	W-3	2	119	121	4.1	37
MND07	W	W-4	2	135	137	2.0	4
MND07	W	W-3	2.4	147.6	150	7.0	96
MND07	W	W0	2.8	168.2	171	2.1	16
MND07	W	W1	4.3	173.7	178	2.4	18
MND07	W	W2	2.7	184.3	187	4.4	40
MND07	W	W?	4			4.2	27
MND10	W	W-4	9	241	250	3.4	8
MND10	W	W-3	2	254	256	2.4	11
MND10	W	W0	6	284	290	2.4	2
MND10	W	W2	2	297	299	2.6	3
MND10	W	W3	2			2.3	2
MND10	W	W?	6			3.5	25
MND12	W	W2	9	198	207	3.6	32
MND14	W	W0	9	211	220	4.3	3
MND14	W	W1	2	240	242	1.9	18
MND14	W	W2.2	2	254	256	4.9	3
MND15	W	W1	6	327	333	5.4	33
MND15	W	W2	6	335	341	3.0	24
MND21	W	W-4	8	402	410	2.3	30
MND21	W	W-3	18	418	436	3.2	2
MND21	W	W0	26	446	472	4.9	5
MND24	W	W2?	2	472	474	1.1	11
MRN06001	W	W-4	7			6.0	52
MRN06001	W	W-3	15.4			2.4	63
MRN06001	W	W0?	2			10.7	123
MRN07001	W	W0	3.81	489.94	493.75	2.7	47
MRN07001	W	W1	3	496	499	1.9	37
MRN07001	W	W2	14.48	501	515.48	11.1	133
MRN07003B	W	W0	6.11	832.06	838.17	7.8	84
MRN07003B	W	W2	4.11	849.89	854	1.9	72
MRN07004A	W	W0	3.95	738.02	741.97	4.6	27
MRN07004A	W	W1	0.33	750.15	750.48	5.0	210
MRN07004A	W	W2	2	762	764	4.8	78
MRN08001	W	W-99	1.1			5.3	134
MRN08001	W	W-99	0.8			4.1	95

Hole ID	Zone	Lens	Interval (m)	From (m)	To (m)	Lead %	Silver g/t
MRN11003A	W	W0	4.05	554.35	558.4	11.6	255
MRN11003A	W	W2	5.45	568.25	573.7	6.4	144
MRN12003	W	W0	6.2	1244.9	1251.1	6.4	36
MRN12003	W	W2	2.5	1263.5	1266	3.6	33
MRN12003B	W	W-1	2.65	1143.2	1145.85	1.9	28
MRN12003B	W	W0	2.95	1168.35	1171.3	10.1	154
MRN12003B	W	W2.1	3.53	1201	1204.53	7.2	59
MRN12004	W	W-4	10	781	791	1.7	28
MRN12004	W	W-3	4.4	799	803.4	2.9	6
MRN12004	W	W0	17.4	811	828.4	2.9	5
MRN12004B	W	W-4	8.3			2.8	28
MRN12004B	W	W-3	6.65	912	918.65	8.5	108
MRN12004B	W	W-2	2	939.2	941.2	6.0	46
MRN12004B	W	W-1	2.1	957.2	959.3	9.0	123
MRN12004B	W	W0	7.7	963.1	970.8	10.5	87
MRN12004B	W	W1	3.5	974	977.5	3.9	33
MRN12004B	W	W2	15.3	987.7	1003	6.6	28
MRN12004B	W	W3	2.85			11.3	80
MRN13001	W	W-5	2			3.2	52
MND01	E	E0	0.6	132.1	132.7	11.7	220
MND01	E	E1	6.4	139	145.4	2.1	57
MND02	E	E0	5	164	169	4.4	100
MND02	E	E1	2	177	179	4.0	93
MND02	E	E2	1.5	196	197.5	4.3	232
MND02	E	E3	1			1.4	52
MND04	E	E0	2	164	166	3.4	118
MND04	E	E1	7	176	183	3.2	47
MND04	E	E2	2	191	193	2.2	41
MND07	E	E0	10.9	248.2	259.1	6.8	57
MND07	E	E1	4	274.2	278.2	6.1	97
MND07	E	E2.2	2	280.2	282.2	9.0	182
MND10	E	E-1	1	377	378	2.7	64
MND10	E	E0	1	381	382	4.8	100
MND10	E	E2.2	1	405	406	2.7	54
MND12	E	E0	5	263	268	3.5	70
MND12	E	E1	1	291	292	2.7	260
MND12	E	E2	2	319	321	2.1	75
MND14	E	E0	2	325	327	4.8	44
MND14	E	E1	2	352	354	4.4	122
MND14	E	E2	4	358	362	3.1	84
MND15	E	E0	4	411	415	3.3	39
MND15	E	E1	1	442	443	2.6	82
MND15	E	E2	2	460	462	2.9	104
MND21	E	E1	6	624	630	2.9	60
MND23	E	E2?	8	104	112	1.9	90
MND23	E	E3?	4			1.1	55

Hole ID	Zone	Lens	Interval (m)	From (m)	To (m)	Lead %	Silver g/t
MND25	E	E2	5	203	208	3.5	94
MRN06001	E	E2	4	240	244	4.1	55
MRN06002	E	E2	9.93	405.15	415.08	5.0	135
MRN07001	E	E0	1	611	612	1.0	74
MRN07001	E	E1	2	636	638	1.4	64
MRN07001	E	E2	10	662	672	3.7	135
MRN07001	E	E2	0				
MRN07001	E	E3	3.2	713	716.2	2.1	78
MRN07002	E	E0	22	479	501	4.9	115
MRN07002	E	E1	4	510	514	3.3	153
MRN07003B	E	E0	2	941	943	2.3	145
MRN07003B	E	E2	4	974	978	1.3	46
MRN07004A	E	E0	3	820	823	2.7	90
MRN07004A	E	E1	4.66	827	831.66	2.5	222
MRN08003	E	E2	0.8	1225.8	1226.6	1.4	67
MRN11001	E	E-1	1.5	57.5	59	1.4	23
MRN11001	E	E0	7	72	79	2.6	18
MRN11003A	E	E0	3.3	636.5	639.8	4.2	97
MRN11003A	E	E1	4.15	656	660.15	1.5	62
MRN12003	E	E0	5.25	1297.6	1302.85	2.6	97
MRN12003B	E	E0	15.95	1227.8	1243.75	4.8	174
MRN12003B	E	E1	1.8	1262	1263.8	2.9	129
MRN12003B	E	E2	1.15	1272.9	1274.05	4.3	77
MRN12004	E	E1	2.5	954	956.5	4.9	133
MRN12004B	E	E1	12.15	1210	1222.15	5.3	61
MRN12004B	E	E2	6.65	1228.3	1234.95	8.4	296
MRN13001	E	E2	2.55	967.45	970	4.9	80
MRN13002	E	E-3	2.3	459.6	461.9	9.8	277
MRN13002	E	E-2	13.7	483.3	497	7.9	230
MRN13002	E	E50	17.5	514	531.5	6.6	154
MRN13002	E	E0	15.1	548.9	564	5.8	134
MRN13002	E	E2N	7.3	577.7	585	2.4	53
MRN14002	E	E-99	3			1.9	46
MRN14002	E	E-3	2.1	601.3	603.4	27.2	303
MRN14002	E	E-2	17.45	608.4	625.85	6.1	46
MRN14002	E	E-5	3.45	639.45	642.9	4.8	51
MRN14002	E	E-1	8.4	645.2	653.6	6.4	69
MRN14002	E	E-1	0				
MRN14002	E	E50	26.9	662.5	689.4	2.7	18
MRN14002	E	E50	0				
MRN14002	E	E0	7.15	698.2	705.35	5.1	96
MRN14002	E	E2N	9.95	724.3	734.25	4.2	80
MRN14002	E	E99	2.8			3.5	72
MRN14002	E	E99	1.75			2.6	55
MRN14002	E	E99	1.9			3.2	55
MRN14003	E	E2	2.7	469.3	472	6.2	158

Hole ID	Zone	Lens	Interval (m)	From (m)	To (m)	Lead %	Silver g/t
MRN14004	E	E-2	3.1	1241	1244.1	8.6	212
MRN14005	E	E-1	1	590.85	591.85	1.0	25
MRN14005	E	E0	4.45	597.4	601.85	3.4	59
MRN14005	E	E1	8.6	644.1	652.7	1.5	31
MRN14005	E	E2	2.3	655.85	658.15	7.8	96
MRN14006	E	E-99	0.8			6.5	89
MRN14006	E	E-3	0.8			3.4	59
MRN14006	E	E-2	1	445	446	1.5	11
MRN14006	E	E-1	2.65	456.55	459.2	4.1	57
MRN14006	E	E0	4.45	465.8	470.25	2.3	27
MRN14006	E	E1	3.4	472	475.4	4.1	56
MRN14006	E	E2	1.3	487	488.3	4.0	79
MRN14007	E	E50	10.1	579.4	589.5	8.5	213
MRN14007	E	E2	0.7	594	594.7	7.6	173
MRN14008	E	E-2	24.7	769.1	793.8	4.8	90
MRN14008	E	E50	3.1	799.4	802.5	3.5	123
MRN14008	E	E0	4	849	853	7.0	140
MRN14008	E	E2N	6.75	857.1	863.85	6.8	148

Table 5: Maronan Project: Copper and gold drill intercepts and lens classifications used in the JORC 2012 inferred resources calculations applying a $\geq 0.5\%$ copper lower cut-off grade.

Hole ID	Lens	Interval(m)	From (m)	To (m)	Copper %	Gold g/t
MND02	Z1	6	85	91	1.7	0.6
MND10	Z2	2	349	351	0.9	0.3
MND12	Z1	12	185	197	1.7	1.3
MND14	Z1	6	250	256	1.9	0.2
MND14	Z2	12	278	290	0.6	0.1
MND21	Z1	24	492	516	0.7	0.4
MND21	Z2	2	596	598	0.6	0.03
MND24	Z1	4	456	460	1.1	0.02
MND24	Z2	6	520	526	0.7	0.09
MRN07002	Z1	8	388	396	1.6	0.9
MRN12003B	Z1	0.8	1163.2	1164	2.8	0.07
MRN12004	Z1	5.4	843.6	849	1.6	0.02
MRN12004	Z2	13.8	866.2	880	2.2	1.7
MRN12004B	Z1	18.7	1054.3	1073	1.6	0.8
MRN12004B	Z2	3	1197	1200	0.8	0.1
MRN13001	Z1	74	864	938	0.9	0.6
MRN13001	Z2	3.1	956.7	959.8	1.5	0.8
MRN14004	Z1	6.3	1289.2	1295.5	0.9	0.04

Table 6: Summary collar listing of holes used in resource estimate

Hole ID	East1	North1	Dip°	Azim°	Depth (m)	RL (m)	SG3	QA/ QC5	Company	DHEM Survey	PQ (m)	HQ (m)	NQ2 (m)	NQ (m)	BQ (m)
MND01	491492	7670656	-60	83	210	211.6		n/r	Shell	Yes				117	
MND02	491444	7670400	-60	83	268	210.4		n/r	Shell	Yes				223	
MND03	491419	7670196	-60	83	262.2	211.4		n/r	Shell	Yes				206.2	
MND04	491498	7670809	-60	83	213	210.8	2	n/r	Shell	Yes				134	
MND05	491573	7671020	-60	83	171	209		n/r	Shell	Yes				112	
MND06	491484	7671009	-60	83	255	210		n/r	Shell	Yes				219.3	
MND07	491404	7670798	-60	83	344.2	211.5		n/r	Shell	Yes				279	
MND08	490639	7670517	-60	108	218	212.6		n/r	Shell	Yes				159.1	
MND09	492181	7672696	-60	83	248.4	214		n/r	Shell	Yes				159.7	
MND10	491285	7670783	-60	83	453	211.6		n/r	Shell	Yes				399.5	
MND11	491711	7670229	-60	353	201	209		n/r	Shell	Yes				141	
MND12	491339	7670387	-60	83	351	211.6	5	n/r	Shell	Yes				297	
MND13	491237	7671537	-60	353	252	213		n/r	Shell	No				198	
MND14	491324	7670637	-70	83	401	211.9	4	n/r	Shell	Yes				250	
MND15	491183	7670353	-60	83	484	212.4		n/r	Shell	Yes				403.6	
MND16B	491371	7670076	-60	83	327	210		n/r	Shell	Yes				206.7	
MND18	491559	7670968	-60	349	291	209.1	4	n/r	MPI	No				196	
MND19	491856	7670200	-60	349	230	204.4		n/r	MPI	No				119.5	
MND20	491532	7671186	-50	173	321	209.5		n/r	MPI	No				289.4	
MND21	491136	7670728	-70	85	750	211.8	5	10	PD	Yes				370.5	242
MND22	491681	7670423	-70	165	267.1	210		N/A	PD	No				135.2	
MND23	491673	7670396	-70	190	700	210.2		15	PD	Yes				580	
MND24	491188	7670818	-70	85	669	211.6	6	13	PD	Yes					
MND25	491671	7670143	-70	0	333	208	3	25	PD	Yes		37.7		259.2	
MND26	491791	7670353	-70	90	231	208.5		9	PD	No				138.8	
MRN06001	491496	7670773	-60	25	459.9	211		9	BHPB	No				397.9	
MRN06002	491412	7670092	-70	38	696.4	211		14	BHPB	Yes				658.4	
MRN06003	491771	7669598	-60	355	480.4	210		7	BHPB	No				462.4	
MRN06004	492071	7669973	-60	300	816.8	208		19	BHPB	No				745	

Hole ID	East1	North1	Dip°	Azim°	Depth (m)	RL (m)	SG3	QA/ QC5	Company	DHEM Survey	PQ (m)	HQ (m)	NQ2 (m)	NQ (m)	BQ (m)
MRN06005	491571	7669873	-60	22	521.2	208.6		9	BHPB	No				497.15	
MRN07001	491021	7670323	-65	90	900.9	212.8	20	8	BHPB	No				831.9	
MRN07002	491151	7670473	-65	90	714.9	212.6		12	BHPB	Yes				646.8	
MRN07003B	490725	7670384	-72	90	1157.9	212.7		8	BHPB	Yes				1085.1	
MRN07004A	490886	7670583	-72	98	1002.9	212.2		10	BHPB	No				956.9	
MRN08001	490330	7670363	-75	83	1338.8	213.2	74	8	BHPB	Yes				1303.3	
MRN08002	490909	7670182	-75	83	756.8	212.3		2	BHPB	Yes				711.8	
MRN08002B	490906	7670183	-70	80	897.9	212.3		26	BHPB	Yes				829.4	
MRN08003	490528	7670230	-65	83	1306.3	211	82	38	BHPB	Yes				1258.7	
MRN11001	491530	7670528	-55	90	150.3	211.6	48	6	RDM	No				102.3	
MRN11003A	491000	7670423	-70	90	739	212.7	112	16	RDM	No				682.3	
MRN12003	490648	7670527	-80	65	1469.5	212.6	140	5	RDM	Yes		465		942.1	
MRN12003B	490648	7670527	-80	65	1317.9	212.6	84	4	RDM	Yes				621.2	
MRN12004	490967	7670728	-80	57	1016.6	211.9	128	23	RDM	Yes		461.9		515.7	
MRN12004B	490967	7670728	-80	57	1281.6	211.9	309	13	RDM	Yes				792.2	
MRN13001	491246	7670935	-90	57	1196.9	211.2	236	14	RDM	Yes	274.9	513.2		377.3	
MRN13002	491378	7671137	-90	50	885.6	210.5	165	17	RDM	No	139.6	731.1			
MRN14001A	491227	7671127	-83	3	839	210.8		N/A	RDM	No	246.4	289.5	300.3		
MRN14002	491282	7671061	-90	47	805.4	210.9	164	14	RDM	No	396.4	333.5	75.5		
MRN14003	491380	7671143	-80	75	525.8	210.5	112	11	RDM	No	194.7	331.1			
MRN14004	491033	7671217	-88	75	1403.1	210.5	75	11	RDM	No	560.8	349.4	492.9		
MRN14005	491319	7670929	-88	75	778	211.2	83	16	RDM	No	296.6	343.4	138		
MRN14006	491319	7670930	-75	75	567.9	211.2	94	8	RDM	No	170.3	178.6	219		
MRN14007	491378	7671137	-90	50	705.7	210.5	66	9	RDM	No		165.7	540		
MRN14008	491226	7671125	-89	50	925.8	210.8	88	9	RDM	No	362.9	255.8	307.1		

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