ASX Announcement

20 October 2023

Larvotto Announces Acquisition of Hillgrove Gold and Antimony Project

Highlights

- Acquiring high-grade JORC 1.4Moz AuEq[1] Resource for a purchase price of <$6/oz (a significant discount to comparative transactions)
- Share issue of $7.6M including a Placement of $4.9M and further issue of shares to the value of $2.5M to Trafigura, subject to shareholder approval
- Underwritten Entitlement Offer to raise $2.7M
- Supportive new cornerstone investor Beijing-based GAGE Capital Management Co Ltd subscribing for $2.9M in the placement for a 19.9% holding in Larvotto, in addition to fully underwriting the Entitlement Offer
- Trafigura Pte Ltd, a leading world commodity trader, to hold $2.5M worth of shares representing 15% of the Company upon completion of the Acquisition
- Canaccord Genuity (Australia) Limited and Aitken Mount Capital Partners Pty Ltd to jointly lead manage the Capital Raise
- Larvotto remains committed to existing prospective projects – Mt Isa (Cu), Eyre (Cu, Au, PGE, Ni, Li) and Ohakuri in NZ (Au)

Larvotto Resources Limited (ASX: **LRV**, Germany: K6X, '**Larvotto**' or '**Company**') is pleased to announce that it has entered into a legally binding term sheet ('**Term Sheet**') with the Administrators of former ASX-listed minerals explorer Red River Resources Limited (Administrators Appointed) (**Red River**), to acquire 100% of Hillgrove Mine Pty Ltd, which in turn owns 100% of the prospective high-grade Hillgrove Gold and Antimony Project ('**Hillgrove Project**') located in New South Wales, Australia ('**Acquisition**'). A summary of the material terms of the Term Sheet is contained in Annexure 1 of this announcement.

Cautionary Statement: Whilst the Exploration Results and a Mineral Resource Estimate (MRE) have been reported by the previous owners, Red River, it is possible that following further evaluation and/or exploration work that the confidence in the prior exploration results may be reduced when reported under the JORC (2012) Code.

[1] The JORC 1.4Moz AuEq Resource is based on Table 1 of the ASX announcement made by Red River Resources Limited (Administrators Appointed) dated 21 July 2021 titled "Red River increases Hillgrove Resources to +1Moz Gold & 90kt Antimony". Calculation metrics for the revised AuEq, including the value of gold and antimony as at 17 January 2023, are provided below:

- Gold price: US $1,911 | Antimony price: US$11,650/t | Au recovery 91% | Sb recovery 86%; and
- Au Eq. (g/t) = (Au g/t * 91%) + (1.88 * Sb% * 86%) - where 1.88 = (Sb price/100) +(Au price/31.1035).
- Based on metallurgical studies and prior mill performance, LRV expect that all metals contained within the equivalent calculation can be recovered at the predicted rates.

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Similarly, confidence may be lower if non-compliance with JORC Code 2012 resource estimation occurs where there may be a:

(a) concern about the accuracy or reliability of Red River's estimates;

(b) lack of adequate work by a Competent Person to classify the estimates according to JORC 2012; and

(c) potential for the estimates to change materially upon further exploration or evaluation.

Nothing has come to the attention of Larvotto or its Competent Person that causes them to question the accuracy or reliability of Red River's exploration. Larvotto, however, has not independently validated Red River's Exploration Results and therefore is not to be regarded as reporting, adopting or endorsing these results.

The strategic acquisition of the Hillgrove Project will transform Larvotto from an explorer into a potential developer with a substantial Mineral Resource Estimate of 1.4Moz gold equivalent ('**AuEq**')[2] with a grade over 6g/t AuEq, containing the largest critical mineral antimony deposit in Australia.

The Acquisition supports Larvotto's growth strategy to seek accretive opportunities to increase its metals resource base and drive shareholder value. Recent exploration success at the Hillgrove Project undertaken by Red River demonstrates the potential to significantly increase Mineral Resource tonnes and grades in the near-term and to bolster Larvotto's leverage to critical minerals.[3]



Figure 1 Location of the Hillgrove Project and existing projects of the Company

[2] Please refer to footnote 1 for an explanation of the AuEq calculation above.

[3] See Red River's ASX announcements dated 1 September 2022 and 11 November 2022 titled 'Wide, High-Grade Hits at Hillgrove' and 'Further High-Grade Results at Bakers Creek' respectively.

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Managing Director, Mr Ron Heeks said the unique nature of the strategic acquisition of the Hillgrove Project has moved the Company into a new league:

"After an intense few months of due diligence and negotiations with the Administrators of Red River, we have achieved what no exploration program could ever have done – in one swoop, we have added 1.4Moz of high-grade JORC AuEq ounces for the purchase price of under $6 per ounce (after NSW government environmental bonds).

This is exceptional value for shareholders plus we have joined the exclusive club of ***high-grade*** *1Moz-plus explorers with growing exposure to critical minerals.*

Not many junior companies get the chance to move up the resource curve so rapidly and cost effectively."

Hillgrove Project Highlights

- The 93km^2 Hillgrove Project contains six key mining areas within 31 permitted Mining Licenses
- Hillgrove is the largest antimony resource in Australia and is ranked in the Top 10 in the world, making it a strategically significant deposit
- Antimony is a critical mineral for multiple countries including the US and Australia
- Measured & Indicated Mineral Resource anticipated to be converted to Ore Reserves in the near-term
- Substantial high-grade exploration upside demonstrated by recent drilling undertaken by Red River[4]
- Significant capex (~$200M) invested in developing Hillgrove including $20M in past four years
- Hillgrove has not operated continuously at full capacity since 2016 when the antimony price collapsed, apart from a brief run in by RVR in 2021. The plant was then put on care and maintenance
- Operational processing plant & infrastructure (currently on care & maintenance)
- Parallels to Fosterville and Costerfield mines – Australia's highest-grade gold mines

This ASX Release should be read in conjunction with the Larvotto Resources corporate Presentation "Transformational Acquisition – Hillgrove Gold-Antimony Project" that details the potential benefits of the project to shareholders.

Hillgrove Overview

The Hillgrove Project is located 23km east of Armidale in northern New South Wales and is strategically situated close to major infrastructure including major highways, rail links and regional airports. Armidale is famous for being the centre of an extensive agriculture industry as well as high quality schools and home to New England University.

The Hillgrove area has been mined for both gold and antimony since 1857, with continuous antimony production for over 30 years up until 2002 when the price fell to an all-time low. Hillgrove has previously operated successfully as both a single commodity gold and antimony operation. In combination, both metals have complementary extraction processes and provide an overall high-grade mining opportunity (Figure 2).

Due to external factors affecting the companies involved, the Hillgrove Project failed to restart twice as metal prices improved. Until Red River went into administration in November 2022, its plan was to restate

[4] See Red River's ASX announcements dated 1 September 2022 and 11 November 2022 titled 'Wide, High-Grade Hits at Hillgrove' and 'Further High-Grade Results at Bakers Creek' respectively.

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the Reserve base and increase Resources with active exploration of both new and existing targets. Red River spent some $20M on exploration and successfully increased resources and generated several extremely high-grade new targets, adjacent to existing resources, that require follow-up exploration. Rebasing the reserve base had begun but was not completed. These circumstances provide a unique opportunity for Larvotto to increase value.



Figure 2 Hillgrove Project Site

Larvotto will continue expanding upon the success of recent drilling and infill the high-grade mineralisation at Bakers Creek and other zones, while beginning to convert the existing Mineral Resources into JORC Ore Reserves.

The current JORC Resources are detailed below (Table 1). Due to the large amount of drilling information and historical underground information, a very high 65% of resource equivalent ounces (919,000oz @ 6.8g/t AuEq) are currently contained in the JORC Measured and Indicated categories.

Classification	Tonnes (kt)	Au Grade (g/t)	Sb Grade %	AuEq Grade (g/t)	Cont. Au (koz)	Cont. Sb (kt)	Cont. AuEq (koz)
Measured	442	3.6	3.8	9.4	51	17	134
Indicated	3,766	4.8	1.3	6.5	581	49	784
Measured & Indicated	4208	4.7	1.6	**6.8**	632	66	**919**
Inferred	3,017	4.2	0.8	5.1	404	24	497
Total	**7,226**	**4.5**	**1.2**	**6.1**	**1,036**	**90**	**1,415**

Table 1 Hillgrove JORC 2012 Resource, July 2021

Notes:
1. Mineral Resource Estimate based on 3g/t & 5g/t AuEq cut-off grades.
2. See Announcement ASX: RVR 29 July 2021 – 'Red River increases Hillgrove Resources to +1Moz Gold & 90kt Antinomy'.
3. Gold equivalent calculation methodology:

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Resources throughout this announcement include gold equivalent calculations that combine Gold (Au) grades in grams/tonnes and Antimony (Sb) in percentages (%). Both gold and antimony are mined and processed using the same methodology and an Antimony/Gold and Gold/Antimony concentrates are produced.
Calculation metrics as at (17 January 23)[5]

- Gold price: US $1,911 | Antimony price: US$11,650/t | Au recovery 91% | Sb recovery 86%
- Au Eq. (g/t) = (Au g/t * 91%) + (1.88 * Sb% * 86%) - where 1.88 = (Sb price/100) / Au price/31.1035)
- Based on metallurgical studies and prior mill performance, LRV expect that all metals contained within the equivalent calculation can be recovered at the predicted rates.

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Exploration: The Immediate Focus

Larvotto plans to immediately commence implementation of increasing Resources while converting the current M&I resources into JORC Reserves. Recent drilling has identified a new extremely high grade zone at Bakers Creek that is the possible depth extension, or adjacent too, a current high grade zone. As well as near surface gold and antimony mineralisation. Numerous other targets have also been identified that are extensions to existing zones or parallel structures. Drilling can be undertaken from surface and in many cases from underground. Over 19,000 historical drillholes have been drilled within the mineral field and many zones and targets identified require further work. Nearer surface, many higher grade gold zones were left when the entire focus of mining for over 30 years was on antimony, these areas still have the potential to be exploited.

Drilling carried out by Red River at Bakers Creek last year returned high-grade results[6,7]:

- 4.50m @ 29.5g/t Au and 0.3% Sb incl. 0.45m @ 257g/t Au from 467.75m
- 0.40m @ 525g/t Au from 396.7m
- 0.40m @ 96.8g/t Au from 449.6
- 0.60m @ 108.0g/t Au from 510.0m
- 9.50m @ 4.3g/t Au and 0.8% Sb from 70.0m
- 20.3m @ 4.1g/t Au and 0.9% from 51.0m

Cautionary statement: Whilst the exploration results have been reported by the previous owners, Red River, it is possible that following further evaluation and / or exploration work that the confidence in the prior exploration results may be reduced when reported under the JORC 2012 Code. The Competent Person has not done sufficient work to disclose the exploration results in accordance with the JORC (2012) Code. It is possible that following further evaluation and/or exploration work that the confidence in the prior exploration results may be reduced when reported under the JORC (2012) Code. Nothing has come to the attention of Larvotto that causes it to question the accuracy or reliability of the former owner's exploration. The Company however has not independently validated the former owner's exploration results and therefore is not to be regarded as reporting, adopting or endorsing those results.

These results show potential for defining a high-grade gold deposit at Bakers Creek, making it a priority target for follow-up drilling.

Following historical work carried out, the discovery of over 200 known gold-antimony deposits and occurrences at Bakers Creek, predominantly located from 500m vertical depth and below, led Red River to advise that Bakers Creek could become another Fosterville-type deposit.

[5] Resource information and AuEq calculation parameters based on Table 1 of the ASX announcement made by Red River dated 21 July 2021 titled "Red River increases Hillgrove Resources to +1Moz Gold & 90kt Antimony" – (Au, Sb pricing updated to reflect current pricing).

[6] See Announcement ASX: RVR 1 September 2022 – "Wide, High Grade Hits at Hillgrove"

[7] See Announcement ASX: RVR 11 November 2022 – "Further high-grade results at Bakers Creek"

Hillgrove has an extensive development pipeline with significant existing Mineral Resources and numerous advanced project areas that will advance further in the near term. Early-stage targets have spectacular early hits that warrant further follow up drilling.

The Hillgrove project area is comprised of 3 main mineralised "Hubs", Metz, Bakers and Eleanora. These areas have been explored and in most cases mined to various degrees. In many cases significant remnant mineralisation has been left underground that can be exploited. The Bakers Creek hub has been mined the deepest and the new exploration highlighted above has identified a parallel zone of very high-grade gold. The potential to extend the mineralisation from all of the other zones to the same or deeper extent as Bakers Creek will be a high priority for exploration.

The region typically hosts higher antimony near surface with gold grade increasing with depth and antimony decreasing. The very high-grade zones encountered near the base of current known mineralisation augers well for high grade gold mineralisation continuing at depth from all zones. As displayed in (Figure 3) the extent of the current Resource only forms a small part of the overall project area.

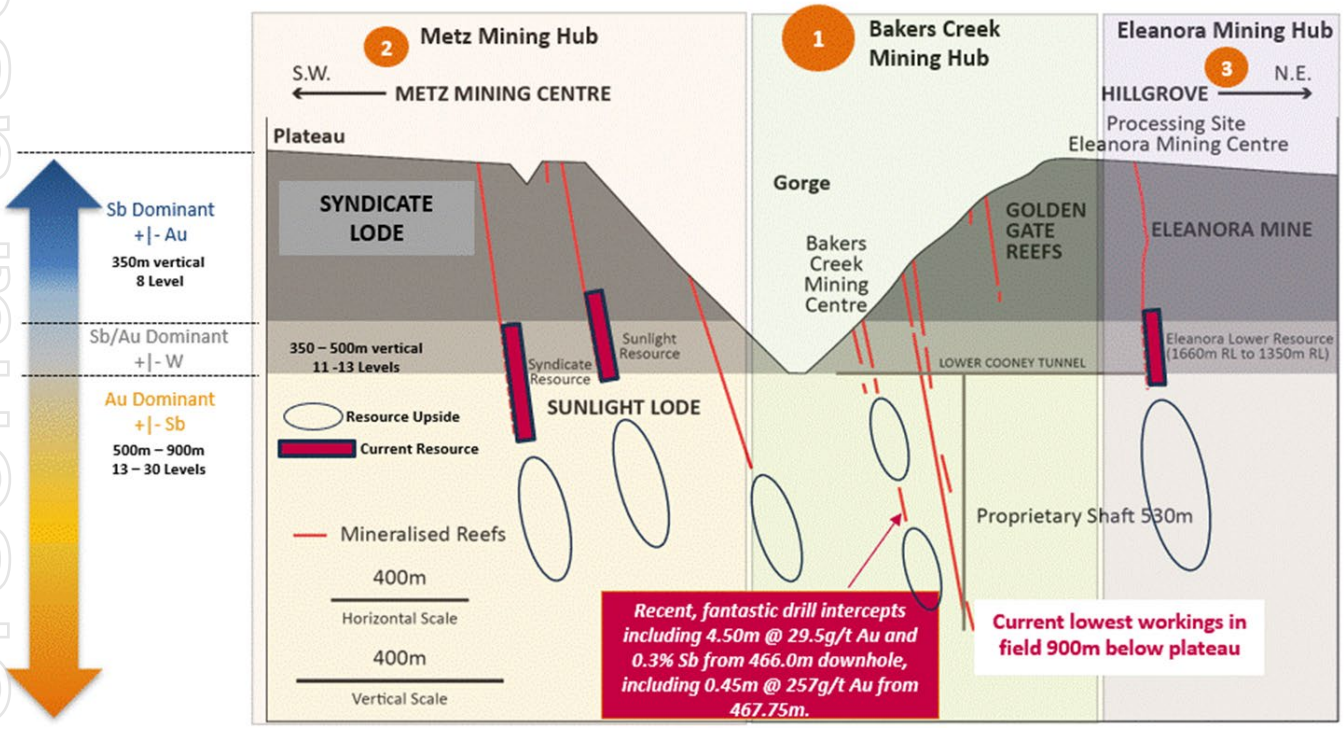


Figure 3 Hillgrove Mineral Field Composite Cross-Section showing drill hits at Bakers Creek

Details of the Acquisition

Consideration for the Acquisition comprises a $3M purchase price plus approximately $5M for the replacement of environmental bonds (in compliance with the relevant laws in New South Wales). The Acquisition will be funded by:

(a) Share issue of $7.6M including a Placement of $4.9M and a further issue of shares to Trafigura to the value of $2.5M, subject to shareholder approval;
(b) A fully underwritten non-renounceable rights issue to eligible shareholders of $2.7M on a 1 for 2 basis at $0.07 per share ('**Entitlement Offer**', and together with the Placement, the '**Capital Raise**').

Settlement under the Placement is subject to shareholder approval at a forthcoming extraordinary general meeting of the Company's shareholders, currently scheduled to occur on 20 November 2023 ('**Meeting**'). If shareholder approval is not obtained at the Meeting, the Company will not proceed with the acquisition

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of the Hillgrove Project and will return the proceeds of any subscriptions raised under the Entitlement Offer and the Placement.

ASX has confirmed that ASX Listing Rules 11.1 and 11.2 do not apply to the Acquisition and, accordingly, there is no need for the Company to obtain shareholder approval for the Acquisition. The Company is, however, seeking shareholder approval to issue the Placement shares as set out above.

Gage and Trafigura

Part of the Placement shares will be allocated to Gage Capital LP, a subsidiary of Beijing-based Gage Capital Management Co Ltd ('**Gage**'), under the terms of a subscription agreement entered into by the Company and Gage on or about 15 October 2023 ('**Subscription Agreement**'). The Subscription Agreement contains terms (including warranties) that are considered standard for agreements of its nature and does not confer any additional rights on Gage, other than in its capacity as a Shareholder of the Company. Gage undertook to subscribe for 41,180,792 Placement Shares (~$2.8 million in aggregate), which represents ~19.9% of the Company upon completion of the acquisition of the Hillgrove Project.

The Company has also entered into an underwriting agreement with Gage pursuant to which Gage has undertaken to underwrite the entirety of the Entitlement Offer ('**Underwriter Agreement**'). As a consequence, Gage has the potential to acquire between 19.9% and 38.8% of the Company upon completion of the Acquisition (depending on the level of entitlements taken up by eligible shareholders under the Entitlement Offer). A summary of the material terms of the Underwriter Agreement is contained in Annexure 2 of this announcement.

Trafigura Pte Ltd ('**Trafigura**') (a leading world commodity trader based in Singapore) will be granted $2.5 million worth of Larvotto shares as part of the consideration to be paid for the Acquisition, which represents ~15% of the Company's shares upon completion of the Acquisition. Trafigura is a major creditor to Red River and has agreed to convert part of its debt to $2.5M of Larvotto shares.

Prospective investors should also refer to the Investor Presentation released contemporaneously with this announcement.

Summaries of the Term Sheet and Underwriter Agreement are contained in Annexure 1 and 2 of this document.

Indicative Timetable

The indicative timetable for the Acquisition and Capital Raise is set out below.

Event	Date
Announcement of Acquisition and trading halt lifted	20 October 2023
Extraordinary general meeting of shareholders to approve issue of Placement shares and consideration shares under the Term Sheet	20 November 2023
Lodge prospectus with ASIC and ASX	21 November 2023
'Ex' date	23 November 2023
Record date	24 November 2023
Entitlement Offer opens	27 November 2023
Entitlement Offer closes	6 December 2023
Issue shares under the Placement, Entitlement Offer and Term Sheet	12 December 2023
Settlement of Acquisition	12 December 2023

Note:
1. These dates are indicative only and subject to change. The Company reserves the right, subject to the Corporations Act and the ASX Listing Rules, to vary the above dates. In particular, the Company reserves the right to extend the closing date of the Entitlement Offer, to accept late

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applications either generally or in particular cases or to withdraw the Entitlement Offer without prior notice. The commencement of quotation of shares is subject to confirmation from ASX.

Use of Funds

Cash acquisition costs of $4.83M include stamp duty allowance. Costs of the offer are $0.710M. An initial $1.7M will be spent on exploration and planning, with $1.05M allowance for working capital. Full details of the use of funds is provided in the offer prospectus.

Webinar Presentation

The Larvotto executive team, led by Managing Director Mr Ron Heeks, invites shareholders and interested parties to a webinar presentation regarding the Acquisition today at 12:00pm AEDT / 9:00am AWST. A recording will also be available after the completion of the webinar.

Register for the webinar: https://us02web.zoom.us/webinar/register/WN_A3XLC9gTRmebL7C_pzKCyg

This announcement was authorised for release by the Board of Larvotto Resources Limited.

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Mr Matthew Edmondson
Company Secretary

PROJECTS

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Mt Isa, QLD

Ohakuri Au
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Eyre Ni, Au, PGE, Li
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Canaccord Genuity (Australia) Limited and Aitken Mount Capital Partners Pty Ltd have been appointed to jointly lead manage and book run the Capital Raise.

The Company has been provided legal advice by Allion Partners Pty Ltd in relation to the Acquisition and Capital Raise.

The Acquisition is expected to close in the fourth quarter of 2023.

For more information on the acquisition, the investor presentation is available at www.larvottoresources.com.

Competent Persons Statement:

The information in this presentation that relates to exploration results is based on information compiled by Mr Ron Heeks, who is a Member of the Australasian Institute of Mining and Metallurgy and who is Managing Director of Larvotto Resources Limited. Mr Heeks 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'. Mr Heeks consents to the inclusion in the release of the matters based on his information in the form and context in which it appears. The Company is not aware of any new information or data that materially affects the information included in this presentation. All material assumptions and technical parameters underpinning the estimates in the announcements referred to continue to apply and have not materially changed.

Reporting Confirmation

The information in this report contains exploration results and a Mineral Resource Estimate relating to the Hillgrove Gold Project sourced from Red River Resources Limited ACN 100 796 754 (Administrators Appointed) (ASX: RVR) (**Red River**). This information is extracted from the following Red River ASX announcements:

- 29 July 2021 – 'Red River increases Hillgrove Resources to +1Moz Gold & 90kt Antimony'
- 1 September 2022 – 'Wide, High Grade Gold Hits at Hillgrove'; and
- 11 November 2022 – 'Further high-grade results at Bakers Creek'

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

About Larvotto Resources Ltd

Larvotto Resources Limited (ASX:LRV) is actively exploring its portfolio of projects including the large Mt Isa copper, gold, and cobalt project adjacent to Mt Isa townsite in Queensland, an exciting gold exploration project at Ohakuri in New Zealand's North Island and the Eyre multi-metals and lithium project located some 30km east of Norseman in Western Australia. Larvotto's board is a mix of experienced explorers and corporate financiers. Visit www.larvottoresources.com for further information.

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Forward Looking Statements

Any forward-looking information contained in this news release is made as of the date of this news release. Except as required under applicable securities legislation, Larvotto does not intend, and does not assume any obligation, to update this forward-looking information. Any forward-looking information contained in this news release is based on numerous assumptions and is subject to all of the risks and uncertainties inherent in the Company's business, including risks inherent in resource exploration and development. As a result, actual results may vary materially from those described in the forward-looking information. Readers are cautioned not to place undue reliance on forward looking information due to the inherent uncertainty thereof.

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Disclaimer and Important Notices

Nature of this document: This announcement is dated 20 October 2023 and has been prepared and authorised by Larvotto Resources Limited (ACN 645 596 238) (**Company**) in connection with the Company's proposed acquisition of the Hillgrove Gold Project (**Acquisition**).

Unless otherwise stated herein, the information in this announcement is based on the Company's own information and estimates. This document has been prepared by the Company. Information in this document should be read in conjunction with other announcements made by the Company and Red River Resources Limited (Administrators Appointed) (ACN 100 796 754) (ASX: RVR) (**Red River**) to the Australian Securities Exchange and available at https://www.larvottoresources.com/ or https://www2.asx.com.au/.

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The financial information, information on exploration results and mineral resources and other information in relation to the Hillgrove Gold Project included in this Announcement has been prepared by the Company (including any underlying assumptions to this information) in reliance on information previously disclosed to the ASX by Red River and provided by Red River's administrators. To the maximum extent permitted by law, the Company excludes and disclaims all liability for any statements, opinions, information or matters (express or implied) arising out of, or contained in or derived from Red River's ASX announcements, or for any omissions from Red River's announcements, including without limitation for negligence or for any expenses, losses, damages or costs incurred by you and the information in this Announcement being inaccurate or incomplete in any way for any reason, whether by negligence or otherwise.

Statements made in this Announcement are made only as at the date of this Announcement. The information in this Announcement remains subject to change without notice.

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Annexure 1: Summary of Term Sheet

The Company entered into a binding term sheet with the administrators of Hillgrove Mines Pty Ltd (Administrators Appointed) ACN 102 660 506 ('**Hillgrove Mines**'), a subsidiary of Red River Resources Limited (Administrators Appointed), on 17 October 2023 ('**Term Sheet**'), the material terms of which are summaries below:

(a) (**Acquisition**) Larvotto is proposing to acquire the Hillgrove Project via the acquisition of 100% of the shares in Hillgrove Mines;

(b) (**DOCA**) the Acquisition will be effectuated by a deed of company arrangement (**DOCA**) with Hillgrove Mines and the administrators of Hillgrove Mines (**Administrators**);

(c) (**DOCA Consideration**) the consideration under the DOCA is $8,000,000 comprised of $2,500,000 in shares in the Company (**Shares Component**) and the balance in cash (**Cash Component**);

(d) (**Conditions precedent to operation of DOCA**) the operation of the DOCA is conditional upon:

(i) Larvotto providing a DOCA initiation notice to the Administrators and the Administrators accepting (acting reasonably) that Larvotto has access to sufficient funds to pay the Cash Component;

(ii) the creditors of Hillgrove Mines passing a resolution to accept the DOCA (or any variation thereof) at a meeting of creditors; and

(iii) the DOCA being executed by Larvotto, Hillgrove Mines and the Administrators.

At the date of this announcement, the conditions in (d)(i) and (d)(ii) have been satisfied;

(e) (**Conditions Precedent to Completion**) Completion is subject to the following events occurring 7 days from the execution of the DOCA (**Condition Precedent Satisfaction Date**):

(i) Larvotto completing a capital raise of not less than the Cash Component;

(ii) funds in the amount equal to or greater than the Cash Component are available to Larvotto by 24 November 2023 (or such later date agreed by the parties in writing);

(iii) the tenements held by Hillgrove Mines that comprise the Hillgrove Project are in good standing without any adverse notices or applications;

(iv) Hillgrove Mines holds good title to all of its assets, free from encumbrances;

(v) all Hillgrove Mines employees as at the execution of the Term Sheet will remain employed by the Company at Completion;

(vi) the sale and transfer documents are executed by all relevant parties;

(vii) Larvotto has received all government approvals and consents under the Mining Act 1992 for the change in control of Hillgrove Mines;

(viii) no material changes to Hillgrove Mines' assets (including its tenements) or operations from execution of the Term Sheet;

(ix) Larvotto nominating new directors and providing director ID numbers; and

(x) the creditors' trust deed being executed by all relevant parties.

(f) (**Termination of Sale Documents**) if the Conditions Precedent to Completion are not satisfied or waived by the Condition Precedent Satisfaction Date, Larvotto may terminate the sale documents without liability;

(g) (**DOCA Termination**) The DOCA terminates on either the completion of all steps required to take place on the completion of the Acquisition under the sale documents or if a relevant event under Section 445C of the Corporations Act occurs, whichever comes first; and

(h) (**Other**) the Term Sheet contains other terms considered standard for agreements of its nature.

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Annexure 2: Summary of Underwriter Agreement

On or about 17 October 2023, the Company entered into an underwriting agreement with Gage Capital LP ('**Underwriter**') for the Underwriter to underwrite the entire Entitlement Offer, on certain terms and conditions ('**Underwriter Agreement**').

The terms of the Underwriting Agreement are standard commercial terms for a transaction of this type, with the material terms summarised below:

(a) (**Determination of Allocation**) The Company and the Underwriter agree that any shortfall shares under the Entitlement Offer ('**Shortfall Shares**') will be issued in the following priority:

(i) to the Underwriter exclusively and in priority to any other party invited to subscribe for Shortfall Shares by the Company ('**Shortfall Applicants**'), provided that its relevant interest to shares in the Company is not greater than 19.9%;

(ii) to the extent that there are any Shortfall Shares after the application of (a)(i) above, pro rata to the Shortfall Applicants and the Underwriter, provided that its relevant interest to shares in the Company is not greater than 19.9%; and

(iii) to the extent that there are any Shortfall Shares after the application of (a)(ii) above, to the Underwriter exclusively;

(b) (**No Sub-underwriting**) Other than with the prior written consent of the Company, the Underwriter may not appoint any party to sub-underwrite any or all of the Shortfall Shares;

(c) (**Termination by the Underwriter**) The Underwriter Agreement contains customary termination events, including the following Underwriter termination events;

(i) if at any time before completion of the Entitlement Offer any of the below termination events occur:

(**Listing**) the Company ceases to be admitted to the official list of the ASX or its shares cease to be officially quoted on ASX;

(**Non-compliance with disclosure requirements**) it transpires that the Entitlement Offer prospectus (**Prospectus**) does not contain all the information required by the *Corporations Act 2001* (Cth);

(**Misleading Offer Document**): if it transpires that there is a statement in the Prospectus that is misleading or deceptive or likely to mislead or deceive, or that there is an omission from the Prospectus or if any statement in the Prospectus becomes misleading or deceptive or likely to mislead or deceive or if the issue of the Prospectus is or becomes misleading or deceptive or likely to mislead or deceive;

(**Restriction on allotment**): the Company is prevented from alotting the underwritten shares within the time required by the Underwriter Agreement, the Corporations Act, the Listing Rules, any statute, regulation or order of a court of competent jurisdiction by ASIC, ASX or any court of competent jurisdiction or any governmental or semi-governmental agency or authority;

(**Withdrawal**) the Company withdraws the Entitlement Offer prospectus or the Entitlement Offer;

(**ASIC application**): an application is made by ASIC for an order under section 1324B or any other provision of the Corporations Act in relation to the Prospectus, the shortfall notice deadline date has arrived, and that application has not been dismissed or withdrawn;

(**ASIC or other prosecution**) ASIC gives notice of an intention to hold a hearing, examination or investigation, or it make enquiries to determine if it should make a stop order in relation to the Prospectus or ASIC makes an interim or final stop order in relation to the Prospectus;

(**Takeovers Panel**): the Takeovers Panel makes a declaration that circumstances in relation to the affairs of the Company are unacceptable circumstances under Pt 6.10 of the Corporations Act, or an application for such a declaration is made to the Takeovers Panel, which in the opinion of the Underwriter (acting reasonably) has a material adverse effect, and is not withdrawn or disposed of by the shortfall notice deadline date;

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(**Indictable offence**): a director or senior manager of the Company is charged with an indictable offence;

(**Termination Events**): if, among other standard termination events, any of the following events occur:

(**Default**): default or breach by the Company under this Agreement of any terms, condition, covenant or undertaking which is not remedied by the Company within 5 Business Days of notification by the Underwriter;

(**Incorrect or untrue representation**): any representation, warranty or undertaking given by the Company in this Agreement is or becomes untrue or incorrect in a material respect;

(**Adverse change**): an event occurs which gives rise to a Material Adverse Effect after the date of this Agreement in the assets, liabilities, financial position, trading results, profits, forecasts, losses, prospects, business or operations of any Relevant Company including, without limitation, if any forecast disclosed to the Underwriter prior to the date of this Agreement or in the Prospectus becomes incapable of being met or in the Underwriter reasonable opinion, unlikely to be met in the projected time;

(**Market Conditions**): a suspension or material limitation in trading generally on ASX occurs or any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, the United Kingdom, the United States of America or other international financial markets;

(**Shares to be fully paid**): all Shares issued pursuant to the Offer and in accordance with the terms of this Agreement do not, from the date of allotment, rank equally in all respects with other fully paid ordinary shares in the Company or if they are not issued free of all encumbrances; or

(**Share Placement**): the Shareholder meeting to approve the Share Placement does not occur in accordance with the indicative timetable or Shareholders do not approve the Placement at the shareholder meeting.

(d) (**Termination by the Company**) The Company may without cost or liability to itself and without prejudice to any rights for damages arising out of any breach by the Underwriter of its representations, warranties or obligations under the Underwriter Agreement may terminate its obligations under the Underwriter Agreement if:

(i) (**Default**) the Underwriter defaults under the Underwriter Agreement which is incapable of remedy or remains unremedied after 14 days of the Company providing notice to the Underwriter specifying details of the default; or

(ii) (**Incorrect or untrue representation**) any representation, warranty or undertaking given by the Underwriter in the Underwriter Agreement is or becomes untrue or incorrect;

(**Other**) The Underwriter Agreement also contains a number of indemnities, representations and warranties that are considered customary and usual for an agreement of its type.

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Appendix A: Question 36 – Compliance Historical Exploration Results

In compliance with Question 36 of the ASX "Mining Reporting Rules for Mining Entities: Frequently Asked Questions" for "ASX Listing Rules Guidance Note 31" the following information is provided in relation to the information contained in the current ASX Release for the Hillgrove Gold and Antimony Project (**Hillgrove**).

The items below address compliance with Question 36 of the ASX "Mining Reporting Rules for Mining Entities: Frequently Asked Questions" in addition to any relevant items already presented in other portions of this ASX Release.

1. Disclosure Origin

The Exploration Results were reported by Red River Resources Limited (ACN 645 596 238) (administrators appointed) (**Red River**) on 1 September 2022 and 11 November 2022 (the former owner) and independent of any involvement by Larvotto.

2. Source and Date

The Exploration Results that are contained in this ASX Announcement are taken from the following Red River announcements:

(a) 1 September 2022 – 'Wide, High Grade Gold Hits at Hillgrove'; and

(b) 11 November 2022 – 'Further high-grade results at Bakers Creek'.

3. JORC Code Edition

Red River released all material information that relates to the Exploration Results to the ASX in accordance with JORC 2012.

4. Reliability of the Exploration Results

Larvotto and Ron Heeks, as the relevant competent person, has reviewed the mineral resource estimate and has no cause to question the accuracy of the results. Methodology for drilling and analysis were reviewed and found to be appropriate. Further, the diamond core generated was inspected with particular attention to the areas of intense mineralisation and found correlate with the analytical results reported.

5. Summary of work programs

The quoted exploration results were generated from a surface diamond drilling program designed to target several new areas of mineralisation generated from an interpretation of geophysical and structural interpretation of the mineral field. The drilling and sampling methods were considered appropriate by Red River competent person and a review of this is further confirmed to be appropriate by Ron Heeks, as the relevant competent person.

6. Further evaluation and exploration work required and timing

Larvotto intends to begin a comprehensive diamond drill program to follow-up the high grade results generated by the exploration results. This program will begin in 2023. This drilling will attempt to confirm and expand upon the results generated to date with a view to potentially enabling the recalculation of the mineral resource estimate. Any further exploration undertaken will be report to the appropriate JORC 2012 standard and released under continuous disclosure obligations.

7. Competent Person

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Ron Heeks as the Competent Person, as named in this release, believes that the information contained within this announcement and in possession of the former owner is an accurate representation of the available data and studies relating to the Exploration Results for Hillgrove detailed in this ASX Announcement.

8. Cautionary statement

Whilst the exploration results have been reported by the previous owners, Red River, it is possible that following further evaluation and / or exploration work that the confidence in the prior exploration results may be reduced when reported under the JORC 2012 Code. The Competent Person has not done sufficient work to disclose the exploration results in accordance with the JORC (2012) Code. It is possible that following further evaluation and/or exploration work that the confidence in the prior exploration results may be reduced when reported under the JORC (2012) Code. Nothing has come to the attention of Larvotto that causes it to question the accuracy or reliability of the former owner's exploration. The Company however has not independently validated the former owner's exploration results and therefore is not to be regarded as reporting, adopting or endorsing those results.

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Appendix B: Question 37 – Compliance Mineral Resources

In compliance with Question 37 of the ASX "Mining Reporting Rules for Mining Entities: Frequently Asked Questions" for "ASX Listing Rules Guidance Note 31" the following information is provided in relation to the information contained in the current ASX Release for the Hillgrove Gold and Antimony Project (**Hillgrove**).

The items below address compliance with Question 37 of the ASX "Mining Reporting Rules for Mining Entities: Frequently Asked Questions" in addition to any relevant items already presented in other portions of this ASX Release.

1. Disclosure Origin

The stated mineral resource estimates reported by Red River (the former owner) on 29 July 2021 was independent of any involvement of Larvotto at that time.

2. Source & Date

The mineral resource estimate from Red River in relation to Hillgrove was released on 29 July 2021 and was titled 'Red River increases Hillgrove Resources to +1Moz Gold & 90kt Antimony'.

3. JORC Code Edition

Red River released all material information that relates to Exploration Results, Mineral Resources and Reserves, Economic Studies and Production for Hillgrove on a continuous basis to the ASX and stated that each announcement was compliant with JORC 2012.

4. Resource Reporting

Ron Heeks, as the relevant competent person, has reviewed the Red River mineral resource estimate and determined that its approaches, methodology and reporting standards were appropriate and meet the JORC 2012 guidelines under which they were reported. The mineral resource estimate was independently calculated and signed off by an appropriately qualified and experienced Red River competent person. With over a hundred years mining history of the deposit, the drilling and underground sampling results used to calculate the mineral resource estimate have an extensive level of support from the geological interpretation, appropriate dilution factors, lower cutoffs and metallurgy from actual mining on which to base the assumptions used in the mineral resource estimate. These have provided the competent person with a high level of confidence in the mineral resource estimate published by Red River.

5. Reliability of Estimates

Larvotto and the Competent Person have reviewed the reliability of Red River's estimates, including by way of a preliminary parallel estimate of the mineral resources. It is considered that the assumptions used by Red River have adequately referenced sufficient mineral resource reporting criteria from JORC 2012 and have provided such information in the associated Table 1 that offers sufficient insight into the estimate reliability.

6. Work Programs and Key Assumptions

The work programs to generate the mineral resource estimate consisted of numerous programs of drilling over many years. The vast majority of drilling was diamond core. Drilling was undertaken from surface and underground. With the extensive history of mining, many of the geological interpretation have been modified and validated by actual mining results. This has led to a very deep understanding of the nature and geometry of the mineralised zones.

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7. Recent Data

No recent drilling or sampling has been done by Red River or Larvotto at Hillgrove since the project was put on care and maintenance in September 2022. No new resource estimates have been completed since July 2021.

8. Future Evaluations & Exploration Work

Prior to any new resource estimates being carried out for Hillgrove, some additional evaluation/exploration work will be required to report the estimates as per JORC Code 2012 standards.

Larvotto intends to begin a comprehensive diamond drill program to follow-up the high grade results generated by the exploration results. This program will begin in 2023. This drilling will attempt to confirm and expand upon the results generated to date with a view to potentially enabling the recalculation of the mineral resource estimate of the area. Any further exploration undertaken will be report to the appropriate JORC 2012 standard and released under continuous disclosure obligations. Exploration drilling to extend and confirm the current mineral resource estimate will be ongoing as a normal part of expanding the resource base of the project.

9. Statement by Competent Person

Ron Heeks as the Competent Person, as named in this release, believes that the information contained within this announcement and in possession of the former owner is an accurate representation of the Mineral Resources detailed in this ASX Announcement.

10. Cautionary Statement

Whilst the Exploration Results and a Mineral Resource Estimate (MRE) have been reported by the previous owners, Red River, it is possible that following further evaluation and/or exploration work that the confidence in the prior exploration results may be reduced when reported under the JORC (2012) Code.

Similarly, confidence may be lower if non-compliance with JORC Code 2012 resource estimation occurs where there may be a:

(d) concern about the accuracy or reliability of Red River's estimates;

(e) lack of adequate work by a Competent Person to classify the estimates according to JORC 2012; and

(f) potential for the estimates to change materially upon further exploration or evaluation.

Nothing has come to the attention of Larvotto or its Competent Person that causes them to question the accuracy or reliability of Red River's exploration. Larvotto, however, has not independently validated Red River's Exploration Results and therefore is not to be regarded as reporting, adopting or endorsing these results.

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